The Implementation of Customer Relationship Management System and Innovative HR Practices in Pakistani Banking Sector

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ARTICLE INFO			ABSTRACT

The growing competition in financial markets worldwide is indicator for the need of Customer Relationship Management (CRM) systems in baking sector to gain and sustain the competitive advantages. The basic aim of the research is to investigate and highlight the success factors and status of the CRM implementation in Pakistani Banking Sector. Data obtained from three larger banks (UBL, HBL and MCB) and four other banks in South Punjab, Pakistan. Questionnaire was used to collect data from 100 bank employees. The responses were collected on five-point Likert scale. The SPSS software was used to analyse the data. Hypotheses were tested using multi regression analysis. Regression analyses performed to check the cause-and-effect relationship between dependent variable (Implementation of CRM) and independent variables (top management support, customer attitude and Innovative HR Practices). Some of limitations in this study were due to shortage of time and finances. Researchers also suggested some directions for future studies.

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INTRODUCTION

In the light of competition between organisations in the business sector, many companies seek to gain the satisfaction of their customers as well as attract new customers. According to Ajmal & Rehman (2019) companies retain customers using modernized process and tool known

as customer relationship management system. Therefore, the primary objectives of implementing Customer Relationship Management (CRM) in banks are to enhance the customer relationship and improve customer satisfaction. Pezeshki, Mousavi, & Grant (2009) are of the view that customer satisfaction and customer loyalty can be increased by the effective implementation of CRM. CRM is a front-end tool which confirms acquisition, detention and development of long-term relationship with potential customers (Jutla, Craig, & Bodorik 2001). Therefore, this study aims to highlight problems and challenges of applying CRM and Innovative HR practices in Pakistani Banks.

Anshari, Al-Mudimigh, and Aksoy (2009) argue that organisations deal with CRM projects as technological 'projects', not as a long-term strategy. However, rational about CRM in mainly technological term is a mistake, there are numerous technological components to CRM. A further useful means to think about CRM is as a procedure that will assistance to bring together a great many pieces of information about sales, customers, marketing effectiveness, awareness and market trends (Anshari et al. 2009). Before taking CRM initiative top management must solve organisational and marketing problems by clarifying the responsibilities, tasks and processes for each staff of the organization. Technology alone cannot solve problems alone. It is not easy to implement CRM because it is a long-term technology-driven approach.

This study investigates the factors that may influence the successful implementation of customer relationship management and innovative HR practices in Pakistani banking sector. CRM is one of the foundations used in business to improve the relationship between banks and customers (Qasem, Abukhadijeh, & Aladham, 2016). Banks are facing problems in retention of customers and the implementing of CRM. The customer's relationship can be enhanced and customer satisfaction improved by developing innovative HR practices. The research by Sreedhar & Davy (2015) revealed that CRM helps to attain new customers, retain prevailing customers and maximize their lifetime values in business such as banks and other organizations. Most of the previous studies were conducted in the western context about the factors influencing implementation of CRM and innovative HR practices but fewer studies were conducted in the Pakistani Banking sector. Therefore, it is required to conduct an analysis of factors influencing the CRM implementation by adoption of innovative HR practices in Pakistani Banking sector.

LITERATURE REVIEW

Customer Relationship Management

According to Researchers (Manjula, Kalidoss and Idhayajothi 2014) CRM is the main business approach that can deliver the value at a profit to targeted customers. (Anshari et al., 2009) concluded in their studies that CRM is a strategy to appealing potential customers, retaining prevailing customer and extending new amenities to loyal customers. (Anshari & Lim 2018) CRM is a front-end framework for at whatever organization, which is specifically managing clients. Banks attempt to hold existing clients and pulling new clients through customer relationship management. In this competitive environment CRM is very important for banking sector (Sreedhar V & Davy, 2015). As (Anshari et al., 2009) stated in their research, in today's economy to gain and sustain competitive advantage CRM has turned into a top need for organizations. CRM is the foundation of success for several financial organizations.

Top Management Support

Top Management Support is a very important factor without this factor CRM implementation cannot possible. According to Kavosh et al. (2012) top management support is the ability which needs infrastructure to implement customer relationship management project. Employing CRM systems tends to be a difficult and expensive attempt. Therefore, top management support is one of the most significant factors that should be considered before employing the CRM system. Many researchers argue on the relationship of top management and implementation of CRM issues. According to (Ghalenooie & Sarvestani, 2016) studies are prove that in success of CRM the role of top managers support is very important and it might be one of the people resisting reducing factors in the implementation of CRM. In a research (Migdadi, Awartany, & Khayata, 2010) results indicate that the top management support is a key factor for implementation of CRM in the banks.

Customer Attitude

By the effective use of CRM companies may change the approach of customers towards banks services. To satisfy and retain the customers CRM is very reliable and strong tool for the companies (Saifullah Hassan, Nawaz, Lashari, & Zafar, 2015). In the study (Sreedhar V & Davy, 2015) conclude that the banks are improving customer relationship to attract new customer and hold existing customers by the effective implementation of CRM. According to (Keshvari, 2012) for the effective customer relationship management the main element which should be focused are customer attitude in financial institutions and banks. In today's banking system customer needs transaction security, safety, and up to date banking. Banks should take stress to find the ways to satisfy and win the trust of the customers. Banks should maintain customer relationship to gain competitive advantage over other banks by the implementation of CRM as soon as they want to capture the maximum share of market. CRM should be focussed as the strategy which purpose is to provide outstanding services to customers by maintaining long term relations. In different societies customers have different brand preferences and these preferences can affect the attitude of customers and organization relationship. According to (Ghazian, Hossaini, & Farsijani, 2016) Researchers there is a positive relationship between customer relationship management and customers brand preferences. According to Kavosh et al. (2012) concern of CRM is to organize customer relations through all business operations, audiences, ways of communication and interaction. In the findings of review paper (Shamsudin, Hussain, & Salem, 2016) the most important element in customer relationship management for profit maximization in banking industry is understanding customer attitude.

Innovative HR Practices

As researchers (Barrett & Oborn, 2013) concludes in their studies that an approach which examine 'strategic HR' as a socio material exercise involving the intertwining of employees and other business partners outside the firm and corporeality to enable innovative HR practices. This method would allow us to observe how HR can develop innovative practice; implement a service style that will in the process involve a shift in HRM identity while advancing the tactical aims of the organization. Comprehensive training of staff is one of the critical factors that straight affect CRM implementation. The training of employees leads to the success of organization in customer relationship management (Ghalenooie & Sarvestani, 2016). In a study researchers (Kavosh et al., 2012) are concluded that the HR practices such as training programs are one of the important

success factor of CRM. They also believe by providing sufficient training companies can implement the CRM effectively and can achieve their goals. The companies should not ignore the positive impact of training programmes. According to Bose (2002) for the success of project training is an essential factor. Banks have to provide essential training to their staff if the employees are trained then they can play innovative role in successful implementation of CRM. As mentioned in the research of Tripathi & Sinha (2012) that trained staff always plays a major role to create and maintain long term customer relations and it leads to successful implementation of CRM.

Relationship between Implementation of CRM and Top Management Support

In the findings of researcher (Y. H. S. Al-mamary et al., 2015) there is a positive correlation between top management support and customer relationship management. In the findings of Al-Hudhaif (2011) that the 63% of respondents were agreed the top management support contribute in the successful implementation of CRM. Jalagat (2016) concluded in his studies that the top management support is an important role in the implementation of CRM and improve the service quality in banks. Researchers proposed the hypothesis;

H₁: Top management support has a significant effect on the implementation of a CRM system.

Relationship between Implementation of CRM and Customer Attitude

Customer attitude is one of important factor for the success of CRM. According to Das (2012) recommendations customer cannot attracted overnight, banks should consider CRM as Continuous Relationship Management to affect the customer attitude. Femina & Sudheep (2015) presented and investigated an effective CRM data mining framework in predicting the attitude of customer towards CRM application. Researchers proposed the hypothesis;

H₂: Customer attitudes towards CRM have a significant effect on the implementation of a CRM system.

Relationship between Implementation of CRM and Innovative HR Practices

Innovations, customer satisfaction and sustainable HRM are all important aspects in the service sector (Wikhamn, 2019). Investing in employee capability and well-being (as two extents in sustainable HRM) organizations make a business case for appealing in CSR and increase own probabilities to be innovative and reactive to customer needs. For the success of every project staff training is an essential factor. Das (2012) recommended in his research that banks should arrange proper training for their staff. In the conclusion of seven case studies Kavosh et al. (2011) concluded that the training courses of CRM provide background to the staff dealing with customers. Without training organizations may face the serious difficulties like confusion and stress among the staff. Researchers proposed the hypothesis;

H₃: Innovative HR Practices has a significant effect on the outcomes of a CRM system.

RESEARCH FRAMEWORK AND METHODOLOGY
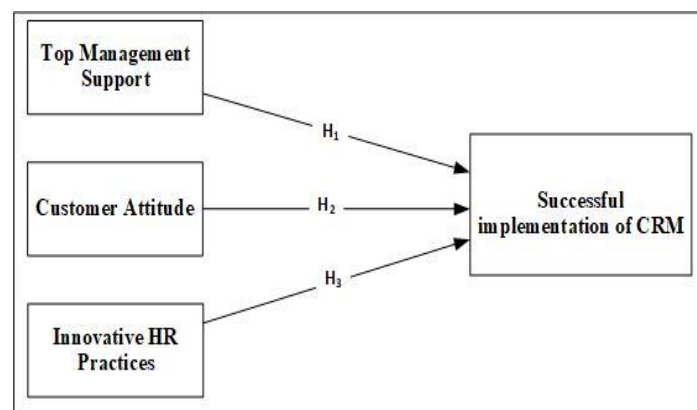
Conceptual Framework

The purpose of this research is to analyse the factors for successful implementation of a CRM system and Innovative HR Practices in Pakistani Banks. The factors that affect a CRM system such as top management support, customer relationship and Innovative HR Practices will have to be highlighted and compared with existing practices for evaluation. Following the

literature review, data will be collected through questionnaire in order to analyse the effect of top management support, customer attitude and Innovative HR Practices on implementation of CRM in Pakistani banks.

After reviewing the previous studies the model (figure 1) will be used to analyse the relationship independent variables and dependent variable. Four constructs are integrated in this research design and the three hypothesis (H_1, H_2 and H_3) were developed. To explore the relationship between top management support and CRM implementation hypothesis (H_1) specified, to explore the relationship between the customer attitude and CRM implementation hypothesis (H_2) specified and to explore the relationship between Innovative HR Practices and CRM implementation hypothesis (H_3) developed. The research model (Figure 1) for research design was developed with the support of literature review. Secondary data was collected through university website library, articules, books, government departments, banks financial reports and internet. The primary data was collected through the questionnaire from top three Pakistani banks and four other banks.

Figure 1: *Conceptual Framework*

Research Design

This study is primarily quantitative in nature that was conducted by utilising both primary and secondary sources. Secondary sources from official sources such as university library, Journals, internet, Pakistan Stock Exchange, The Ministry of Commerce and Industry in Pakistan and General Authority for Statistics Pakistan. For primary data collection, a Survey was conducted in 3 larger and 4 other banks in South Punjab, Pakistan. A survey method is used to investigate the variables. Researcher personally observed the practices of CRM in the selected banks. Questionnaire was used in the study to collect the data.

The study was explanatory and researcher used the survey methodology. Instrument used for data collection were self administered questionnaire to explore the variables through investigation of an individual respondent and associate the variables to understand the case and effect.

Sampling Procedure

The population for this research includes employees of the banks in Pakistan. The population is composition of both male and female of various levels of education, designation, ages, and experiences.

The quota-based sampling technique were used in this study 120 questionnaires were distributed to banks employees but 100 questionnaires were returned by the respondents and used for this study. Respondents were the employees from three major and bigger banks including 4 other banks in South Punjab, Pakistan. The reason for the selection of these three banks (United Bank Limited, Habib Bank Limited and Muslim Commercial Bank) is that according to the banking result 2018 commercial banks operating in Pakistan (2019) ranked these banks at HBL at 1st, UBL at 3rd and MCB at 4th and also most of the researchers categorized these banks in bigger banks of Pakistan. On the bases of previous studies that these banks are the larger banks of Pakistan and practices in all branches of these banks will be similar in all over the country.

Questionnaire Development

The research methodology adopted in this study was based on survey. Researcher is the native of the city and knows personally to the bankers so spent a good time in the selected banks and the data collected through personal observation and structured questionnaire from UBL, HBL and MCB and four other renowned Banks in South Punjab, Pakistan. Researchers adopted the questionnaire from a thesis of Agarwal (2009) and a report of Md. Shohag, Islam, Islam, Hasan, Haque & Nawshad (2012) and various literatures with some modifications to adjust according to Pakistani banking sector. In last an open question asked from the respondents about to indicate the problems in adoption of customer relationship management system in Pakistani banks.

Administrative of the Field work

The researcher spent a good time in CRM departments of the UBL, HBL and MCB and four other renowned banks in South Punjab, Pakistan. Researcher observed the HR and CRM practices personally in these banks. Primary data collected through the questionnaires in English and Urdu as convenient by the respondent. The researcher translates and retranslates the questionnaire with the help of QTranslation application and also review by professional translator who check and confirm the equivalence. Researcher fixed the appointments with the employees of the selected banks for the faire responses on questionnaire. Some of employees are reluctant to respond so researcher not forces them.

Measurement of the Variables

Questionnaire consist three parts and 20 questions including 19 items about measuring the relationship between dependent variable and independent variables. First part contains information about demographics of respondents. Second part contains the 19 items adopted from a thesis of Agarwal (2009) to measure the CRM implementation practices which has 4 dimensions including 6 items for successful implementation of CRM (dependent variable), 5 items for top management support (independent variable), 6 items for Innovative HR practices (independent variable) and 2 items for customer attitude (independent variable). The 5 point Likert Scale: 1= strongly disagree, 2= disagree, 3= neutral, 4=agree and 5= strongly agree were used. Questionnaire also contains an open question in the last which is opinion of the employees about the problems facing banks in HR practices and customer retention. Questionnaires are distributed to 120 participants but 100

respondents return the questionnaires and considered for analyses of the study. The SPSS software was used for the analysis of the data.

Data Collection & Analysis

Researcher were collected primary data using questionnaire which consists of Dichotomous, Polychotomous, and Likers type of questions through purposive sampling from different banks branches of South Punjab, Pakistan. The validity of the scale is tested through Crone Bach's Alpha. We applied Pearson's correlation test and regression analysis in order to check the relationship and strength of relationship between dependent and independent variables. All analysis made using software SPSS version 22. Further, all the results presented in interpreted form.

## DATA ANALYSIS AND FINDINGS

Demographic Background

According to Pakistan Statistics Department the Punjab is largest province of the Pakistan and South Punjab has also major share of population. There are 22 local and 4 foreign banks are in this province.

Response Rate

The response rate is the percentage of people those are selected for the study and the people respond the questionnaire. In this study 120 questionnaires were distributed to employees in 3 major banks and 4 other banks in South Punjab, Pakistan. 100 respondents were returned the questionnaires and the response rate remains 83% which is the highly acceptable for the data analysis and findings.

Demographic analysis

The demographic analysis (Table 1) shows that the most of bank employees included in this study have 30-to-35-year age with bachelor qualification, working at customer services and customer relationship and most of them have less than 5-year experience in baking industry. Average employees experience is between 5 to 10 years in banking industry.
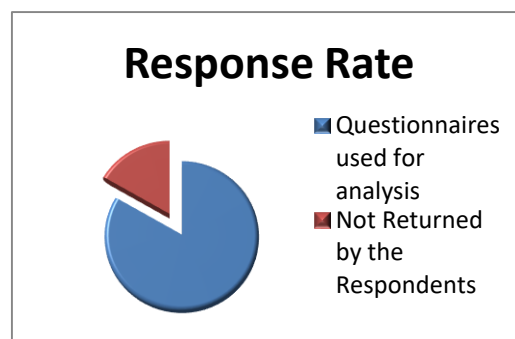
Figure 2: *Response Rate*

Table 1: *Demographics*

Demographics Analysis Table

Variable		Frequency	Percentage
Banks	United Bank Limited	30	30%
	Habib Bank Limited	30	30%
	Muslim Commercial Bank	30	30%
	Others	10	10%
	Total	**100**	**100%**
Age	25-30 years	28	28%
	30-35 years	30	30%
	35-40 years	25	25%
	More 40 years	17	17%
	Total	**100**	**100%**
Qualification	High School	15	15%
	Diploma	31	31%
	Bachelor	48	48%
	Post Graduate	6	6%
	Total	**100**	**100%**
Job Title	Branch manager	10	10%
	Customer Service	27	27%
	Customer Relationship	24	24%
	Teller	26	26%
	Other	13	13%
	Total	**100**	**100%**
Experience	0-less than 5 years	40	40%
	5- less than 10 years	35	35%
	10 – less than 15 years	9	9%
	More than 15 years	16	16%
	Total	**100**	**100%**

Goodness of the Measures

The instrument in this study is adopted from literature review and previous studies with some necessary modifications. The scale used in this instrument is five-point Likert scale ranging from highly disagrees to highly agree. As this instrument is adopted with necessary modifications the external validity and reliability is good. To test the internal reliability scale of the instrument researcher measure the Cronbach's Alpha coefficient and Pearson correlation analysis using the SPSS.

Factor and Reliability Analysis

Researchers test the reliability of the individual items in the questionnaire using the SPSS for measuring the internal consistency of the scale by Cronbach's Alpha coefficient. The values of Cronbach's Alpha between 0.7 and 0.8 are acceptable values and the values less than 0.7 would be assumed as unreliable (Field, 2005). In the analysis of the current study the value of Cronbach's Alpha is 0.729 which shows the internal consistency of the scale. The reliability for the current questionnaire was assessed using (100) participants and (19) questions, using Cronbach's Alpha coefficient.

No of Questions	Cronbach's Alpha coefficient
19	0.729

Table 2: *Reliability for Scale*

The Table (2) above shows that the Cronbach's Alpha coefficient was (0.729) the reliability for the scale was good by the Cronbach's Alpha coefficient.

Factor Analysis

It is a statistical technique or process to identify and explore the normality, linear relation and factorability between the variables. Factor analysis table is as given (Table 3) appendix-A.

The researchers doing factor analysis and validate the KMO (Kaiser Criteria) was 0.628 (table 4) that indicate the sample is not adequate to doing factor analysis. (KMO criteria must be more than (0.80) to do factor analysis.

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.628
Bartlett's Test of Sphericity	Approx. Chi-Square	457.289
	Df	171
	Sig.	.000

Table 3

Bartlett's test is another indication of the strength of the relationship between questionnaire items. The table 4 shows the Bartlett's of Sphericity is significant at 0.000 that is less than 0.05.

Descriptive Statistics

Researchers analyse the descriptive statistics including standard deviation, mean and respondents participated in this survey are given. The descriptive statistics (table 5) shows the innovative HR practices is most important variable that influence the successful implementation of CRM in banks. Innovative HR practices have the highest mean of 24.70.

Descriptive Statistics

Variables	N	Mean	Std. Deviation
Customer Attitude	100	9.43	.891

Management Support	100	21.53	1.856
Innovative HR	100	24.70	2.702

Table 4

The inter item correlation matrix (table 6) Appendix B is showing the correlation between the items. The Pearson correlation among dependent and independent variables in table 6 shows that there is a positive significant correlation among variables of the study. All the variables are tested at the significant level 0.01 and 0.05 (2-tailed).

Table 6

Hypotheses Testing

A hypothesis is a proposal used to test the relationship among the dependent variable and independent variable. It explores the relationship between variables. The main objective of this study is to examine the factors for successful implementation of CRM in banks. Researchers evaluated the effect of top management support, customer attitude and Innovative HR Practices on successful implementation of CRM. To explore the status and relationship between the variables following hypotheses H_1, H_2, and H_3 were developed and tested.

4.9.1 H_1: Top management support has a positive impact on the implementation of a CRM system.

To test this hypothesis, regression was used in which table 7 shows the model summary and fit statistics together with the adjusted R^2 of the model which is 0.071 and the $R^2 = 0.081$ that means 8.1% of the variance in successful implementation of CRM in banks is due to top management support. The Durbin-Watson is 1.593 which is less than 2 showing there is 1st order positive auto-correlation found in the variables.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.284[a]	.081	.071	2.755	1.593

a. Predictors: (Constant), Top Management Support

Table 5

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
	Regression	65.420	1	65.420	8.620	.004[b]
1	Residual	743.740	98	7.589		
	Total	809.160	99			

Table 6

a. Dependent Variable: Successful Implementation of CRM

b. Predictors: (Constant), Top Management Support

The ANOVA (table 8) shows the linear regression's F-test in which there is positive linear relationship among top management support and Successful implementation of CRM with F = 8.620 at 99 degree of freedom highly significant. So, the H_1 hypothesis is accepted.

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	15.789	3.224		4.897	.000
1 Top Management Support	.438	.149	.284	2.936	.004

a. Dependent Variable: Successful Implementation of CRM

Table 7

The table 9 provides the regression equation for H_1 hypothesis. The unstandardized regression equation with constant "α" = 15.789 and coefficient of independent variable "β" in algebraic form is:

$$Y = \alpha + \beta_1 X_1 + \varepsilon$$

SI CRM = 15.789 + 0.438TMS+ ε

H_1 hypothesis is accepted.

H₂: Customer attitudes towards CRM have a positive impact on the implementation of a CRM system.

To test the H_2 hypothesis regression was used and table 10 shows the model summary and fit statistics. The table 10 shows the adjusted R^2 of the model is 0.132 with the $R^2 = 0.141$ that means the 14.1% of the variance in successful implementation of CRM in banks is due to customer attitude. The Durbin-Watson is 1.595 which is less than 2 showing there is 1st order positive auto-correlation found in the variables.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.375a	.141	.132	2.664	1.595

a. Predictors: (Constant), Customer Attitude

Table 8

The ANOVA in table 11 shows the linear regression's F-test in which H_2 hypothesis is accepted. There is positive linear relationship found between customer attitude and Successful

implementation of CRM with F = 16.045 at 99 degrees of freedom highly significant. So the H_2 hypothesis is accepted.

ANOVAª

Model		Sum of Squares	Df	Mean Square	F	Sig.
	Regression	113.843	1	113.843	16.045	.000ᵇ
1	Residual	695.317	98	7.095		
	Total	809.160	99			

Table 9

a. Dependent Variable: Successful Implementation of CRM
b. Predictors: (Constant), Customer Attitude

Coefficientsª

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
	(Constant)	13.865	2.847		4.869	.000
1	Customer Attitude	1.204	.301	.375	4.006	.000

Table 10

a. Dependent Variable: Successful Implementation of CRM

The above table 12 provides the regression equation for H_2 hypothesis. The unstandardized regression equation with constant "α" =13.865 and coefficient of independent variable "β" in algebraic form is:

$$Y = α + β_2X_2 + ε$$
SI CRM = 13.865 + 1.204CA+ ε

H_2 hypothesis is accepted.

H3: Innovative HR Practices has a positive impact on the outcomes of a CRM system.

To test the H_3 hypothesis, the researchers used regression in which table 13 shows the model summary and fit statistics together with the adjusted R^2 of the model which is 0.185 and the $R^2 = 0.194$ that means 19.4% of the variance in successful implementation of CRM in banks is due to Innovative HR Practices. The Durbin-Watson is 1.367 which is less than 2 that means there is 1st order positive auto-correlation found in the variables.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.440ª	.194	.185	2.580	1.367

Table 11

a. Predictors: (Constant), Innovative HR Practices

ANOVAª

Model		Sum of Squares	Df	Mean Square	F	Sig.
	Regression	156.708	1	156.708	23.538	.000ᵇ
1	Residual	652.452	98	6.658		
	Total	809.160	99			

Table 12

a. Dependent Variable: Successful Implementation of CRM
b. Predictors: (Constant), Innovative HR Practices

The ANOVA in table 14 shows the linear regression's F-test in which H_2 hypothesis is accepted with F value equal to 23.538. There is positive significant linear relationship between Innovative HR Practices and Successful implementation of CRM with 99 degrees of freedom highly significant.

Coefficientsª

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
	(Constant)	13.721	2.384		5.755	.000
1	Innovative HR Practices	.466	.096	.440	4.852	.000

Table 13

a. Dependent Variable: CRM

The regression equation for H_3 hypothesis is obtained from table 15. The unstandardized regression equation with constant "α" =13.721 and coefficient of independent variable "β" in algebraic form is:

$$Y = \alpha + \beta_3 X_3 + \varepsilon$$
SI CRM = 13.721 + .466HRP+ ε

H_3 hypothesis is also accepted.

Multiple Regression Analysis

Multiple regression analysis is a statistical method or technique to determine the trend and estimate the relationship between the dependent variable and multiple independent variables. In this study the researcher used the SPSS for the multiple regression analysis to test the relation between variables.

Correlation and variance Successful Implementation of CRM

R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
.517	.267	.244	2.486	1.511

Table 14

From the above table 16, the variance interpreter for all independent variables = 0.267 and standard error of the estimate = 2.486, R^2 is 0.244 that means the 26.7% of the variance in successful implementation of CRM is due to the top management support, customer attitude and Innovative HR Practices. Durbin-Watson =1.511 (Independence of error term Autocorrelation) which is less than 2 that shows the first order positive auto-correlation in the variables.

ANOVA table for multiple regressions

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	215.986	3	71.995	11.652	.000
	Residual	593.174	96	6.179		
	Total	809.160	99			

Table 15

The above ANOVA table 17 express that the residual sum of squares is 593.174, although the total sum of squares is 809.106. From the above table 17 which shows that regression analysis is significant it means that Top Management support, Customer Attitude and Innovative HR Practices has a significant effect on Successful implementation of CRM as F value 11.652 shows the significance of the factor understood in this study at a significance of 0.01 it confirms the proposed model (figure1).

Table 16

The standardized and unstandardized coefficient for independent variables in table 18 provides the regression equation. The unstandardized regression equation has the constant"α" whose values remain the same (4.127) and each independent variable has different coefficient "β". In the form of algebraic form the unstandardized regression equation is:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon$$

SI CRM = 4.127 + 0.326TMS + 0.721CA + 0.295HRP + ε

Where:
   SI CRM = Successful Implementation of CRM
        TMS = Top Management Support
          CA = Customer Attitude
        HRP = Innovative HR Practices
Any single unit change in top management support will lead to a 0.326 change in implementation of CRM; any single unit change in customer attitude will lead to 0.721 changes in implementation of CRM; and every single unit change in Innovative HR Practices will lead to 0.295 changes in implementation of CRM. From the table 18 the Collinearity for the independent variable is good (0.701, 0.737, 0.943).
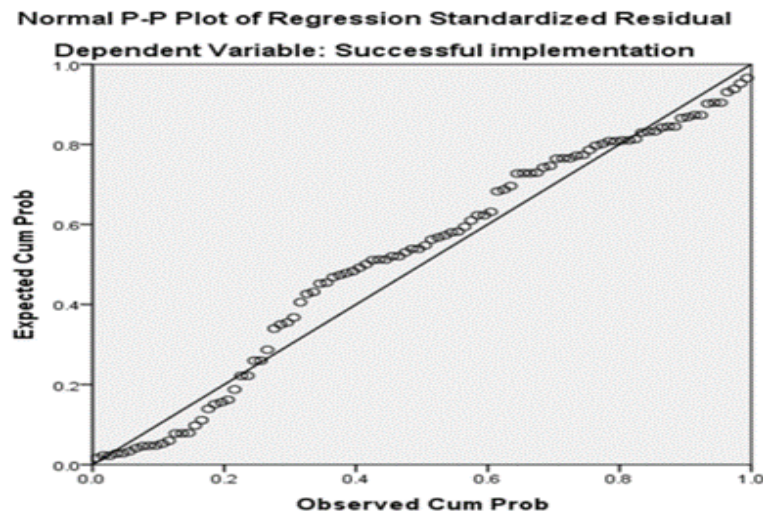
Figure 3: *Normal P-P Plot of Regression*

The figure 3 shows that all the variables in this study are multivariate normal as required by the linear regression analysis that all the variables should be multivariate normal. The figure 3 also shows the normality of data and - Independence of the independent variables.

Findings

This study on factors for successful implementation of CRM in banks revealed that it is very important for banks to recognize and value customers. The value perception of the customer service is an exit barrier which bounds the customers to search the alternatives (Buttle, 2016). If a person having inactive account for a long time with bank should be contacted. To determine the customer attitude it is very important for banks to recognize valued customer. Banks are targeting new customers as valued customers because for successful implementation of CRM's basic aim is to retain the customers. Person just holding positive impression to bank is less important for bank because in perception of bank employees the person holding positive impression to bank is like artificial customer.

Most of bankers are prefer to maintain personal relationship with long term customers because the illiterate customers have hesitation to respond electric and postal services. The frequency of contact with customers is not fixed. Normally frequency of contact with customers is depending on the requirement of the bank. When bank needs to communicate some information or required any information regarding its customer than banks contact with customer. More frequency of contact with valued customers leads to higher rate of customer retention.

The internal reliability of the items in scale tested using the Cronbach's Alpha coefficient is 0.729 of 19 questions. KMO was 0.628 that shows the sample was not adequate for doing factor analysis. Descriptive statics shows the innovative HR practices are most effective and influencing variable for implementation of CRM in banks. The correlation analysis shows all the independent variables are positive correlated with dependent variable.

Multi regression analysis was used to conclude the trend and analyse the relationship between the variables, top management support, customer attitude and innovative hr practices have significant and positive effect on the implementation of CRM in Pakistani Banking Sector.

All the hypotheses (H_1, H_2, H_3) were tested using the regression and were accepted. Hypothesis testing results are shown in table 19 all hypothesis were accepted.

S#	Hypothesis	F	P value	Acceptance	Relationship	Result
1	H_1	8.620	.004	<0.01	Positive	Accepted
2	H_2	16.045	.000	<0.01	Positive	Accepted
3	H_3	23.538	.000	<0.01	Positive	Accepted

Table 17

CONCLUSION

Theoretical Implications

The basic aim of this study was to analyze the status of CRM and Innovative HR Practices in Pakistani banking sector and also explore the challenges faced by the banks for successful implementation of CRM. Researchers tried to find the relationship between the implementation factors like top management support, customer attitude in perception of employees, innovative HR practices and CRM practices in Pakistani banks. Beside these major implementation factors other factors are also involved in the success of CRM. The research findings and model validated that the implementation factors (top management support, customer attitude and innovative HR practices) are correlated with successful implementation of CRM along with some other factors.

Managerial Implications

There is a stiff competition in the banking industry. The current status of CRM in Pakistani banking sector is not satisfactory. Management of banks should take positive steps for the implementation of CRM in banks to compete in international market. The current study shows that the top management support is very important for the implementation of CRM system in Pakistan banking sector. It is very difficult for employees to adopt the CRM in the bank if the top management is not serious in implementation of CRM. Bank customer is the person who receives the services from the bank and employees have to contact with the person for regular business. Depending on how banks are implementing the CRM practices, banks should involve innovative HR practices. With the appropriate training banks can effectively implement the CRM. Further researchers recommends to the bank managers to form and implement policies for long term. Regular staff training programs should be arranged so as to promote teamwork among the employees. The bank representative should regularly contact with valued and inactive customers. Also, the bank should arrange some interactive sessions with customers to build trust and educate them about the use of CRM system and its benefits. Banks should reduce the response time with quick customer service and problem solving. Banks should hire the employees who are suitable for that particular locality to successful implementation of CRM system. The research by Siu (2016) also concluded that the effective implementation of CRM is needed for the long term sustainability of business.

Limitation of the Study and Suggestion for Future Research

In this study researchers spent a good time in the selected banks and observed CRM and HR practices. Response rate from the respondents remain good but number of limitations were found in the study. Major limitations were the time shortage and due to this limitation, the sample size of bank employees was small. Demographically only male branches are visited and female branches are not included in the study due to the shortage of time. Sample contains only the bank employees and customers were not included in this study but numerous studies were conducted on the customer attitude and customer behaviour, many researchers not includes the customers in the study like Anshari et al. (2009) conducted the study on CRM to produce a better connection between business and improve customer satisfaction, includes only 10 bank employees in survey. In this study researcher include only bank employees. Researcher aims to analysis the status of the CRM, problems and challenges in the banking sector of Pakistan and the practical implementation of CRM by the bank employees. Employees have the key role in the implementation of any project.

This study provides new dimensions for the future researchers. A similar study with large sample size including bank customers and both genders male and female may be conducted in the same sector and any other sector. A comparative study with other countries can also be conducted. Pakistan is an emerging market so regular and periodical studies should be conducted in banking sector to analyse the status of Innovative HR Practice and CRM for the continuous improvement in banking sector of Pakistan.

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Appendix - A
Factor Analysis Table 3

Item #	Factors	TMS	SI CRM	HRP	CA
1	It is required to maintain long term relationship with customers.	.623	-	-	-
2	Electronic system can enhance customer satisfaction thereby build long term relationship.	.652	-	-	-
3	CRM is going to improve the business in Banks.	.418	-	-	-
4	The extent of effectiveness of CRM evaluation.	.537	-	-	-
5	The flexibility of CRM to keep pace with technological developments.	.489	-	-	-
6	Though we have CRM, I believe that people are not using it adequately.	-	.622	-	-
7	On the whole I am satisfied with implementation CRM here.	-	.454	-	-
8	I feel secure and happy with CRM in the bank so far.	-	.447	-	-
9	CRM needs to be improved.	-	.505	-	-
10	CRM leads to improved performance in bank	-	.743	-	-
11	The extent of the application of customer relationship management in accordance with the strategy of CRM.	-	.449	-	-
12	The extent of helping CRM system our organization places the right person in the right job.	-	-	.604	-
13	The suitability of jobs to the requirements of customer relationship management.	-	-	.531	-
14	The extent of improving your training program to coordinate with CRM.	-	-	.477	-
15	Readiness your people to work in CRM environment.	-	-	.481	-
16	Evaluating management skills using CRM	-	-	.609	-
17	I feel motivated with CRM polices.	-	-	.413	-
18	Customers will increase with CRM.	-	-	-	.694
19	Improving relations with the customers using CRM	-	-	-	.694

Extraction Method: Principal Component Analysis.
SI CRM= Successful Implementation of CRM,
TMS= Top Management Support, HRP= Innovative HR Practices, CA= Customer Attitude

Appendix - B

Inter Variables Correlation Matrix Table 6

		SI CRM (DV)	HRP (IV)	CA (IV)	TMS (IV)
SI CRM (DV)	Pearson Correlation	1	.440**	.375**	.284**
	Sig. (2-tailed)		.000	.000	.004
	N	100	100	100	100
HRP (IV)	Pearson Correlation	.440**	1	.507**	.225*
	Sig. (2-tailed)	.000		.000	.024
	N	100	100	100	100
CA (IV)	Pearson Correlation	.375**	.507**	1	.044
	Sig. (2-tailed)	.000	.000		.663
	N	100	100	100	100
TMS (IV)	Pearson Correlation	.284**	.225*	.044	1
	Sig. (2-tailed)	.004	.024	.663	
	N	100	100	100	100

**. Correlation is significant at the 0.01 level (2-tailed).
*. Correlation is significant at the 0.05 level (2-tailed).

Table 18

Standardized & Unstandardized Coefficients Successful Implementation of CRM

	Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
	B	Std. Error	Beta	t	Sig.	Tolerance	VIF
(Constant)	4.127	3.875		1.065	.290		
Innovative HR Practices	.295	.110	.278	2.668	.009	.701	1.426
Customer attitudes	.721	.327	.224	2.206	.030	.737	1.356
Top management support	.326	.139	.212	2.352	.021	.943	1.061

*. Correlation is significant at the 0.05 level (2-tailed).