

Facing New Chance in the Process of Globalization: Use CRM to Promote Corporate Culture Innovation

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Abstract –The information technology, networking, globalization, culture constantly collide and blend towards the development of the network. Facing new changes in the face of future enterprise, the corporate culture of innovation should also expand the study of the organizational structure, communication, values and the trend of the future enterprise. CRM implementation is not just simply the installation and application of the new system. It's essentially the business flow, information flow, restructuring, reorganization of the institutional structure and incentives change. It requires producing a new, flat, interactive structure, and challenges the traditional vertical integration and pyramid structure. CRM really advanced management concepts to promote a corporate culture of innovation, so that each member of the enterprise could feel that the opportunities and challenges of the information age.

Keywords –Customer relationship management; Innovation; Enterprise culture; Globalization

1. Introduction

Corporate culture is followed by all members of the common values, ethics, business ideas, code of conduct, and it is the sum of the spiritual and cultural philosophy in certain socio-economic and cultural conditions. An enterprise informed their development process values as the core of the unique culture management model. The corporate culture is the integration of the product of the social and cultural enterprise (organization) management practices, and it is the inevitable result of the development of modern enterprise management science logic. The theory of corporate culture is raised in the early 1980s. Corporate culture emerged as a new generation of management theory mode, which contains both the inevitability of social and historical background, and the inevitability of a logical development of management theory. In the twenties of this century, people began to notice the impact of interpersonal relationships in organizations, informal groups of organizational effectiveness, and began to focus on the social needs of people, and then produce a series theory to motivate the enthusiasm of the people. The theory of

corporate culture is a summary of the original management theory and innovation.

Customer Relationship Management (CRM) contains a new marketing concept. Customers as a valuable resource are considered in the business development of the enterprise. Customer relationship has become essential element of enterprise development. In the business management, customer resource is almost be regarded as personal information for marketing staff, but customer relationship management is the resurgence of historical information to predict future trends, which realize the enterprise and customer interests' interaction. Enterprises can make full use of customer resources, maintain and develop long-term relationships with customers, and can reduce the transaction costs and time costs by customer relationship management. Today's competition has surpassed the competition between enterprises, which has become a competitive relationship between the network and relationships, so it is particularly important to establish a strong network of relationships. The relationship network includes customers, suppliers, distributors, investors, employees and other partners, as shown in Figure 1. In fact, the scope of the CRM relationship management has exceeded the concept of customer relationship management.

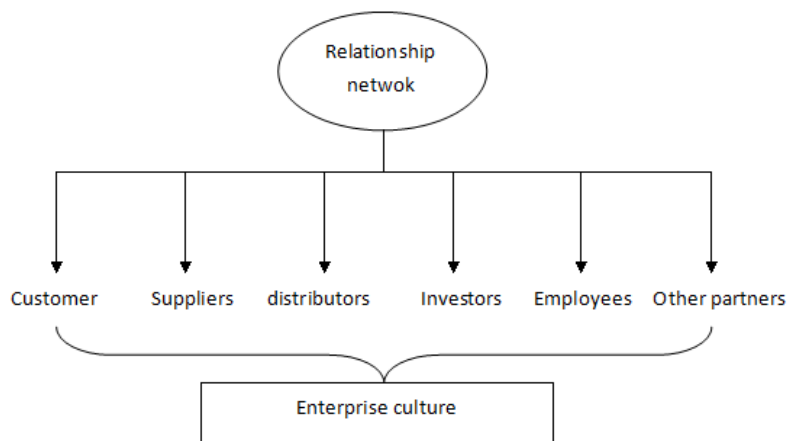


Figure 1. Relationship between CRM network and enterprise culture

To successfully implement a CRM strategy, enterprises must consider cooperative relations with other members of the network of relationships. Cooperation can bring many benefits to businesses, such as sharing costs, speeding up the absorption of new technology, and the sharing of customer information can bring market expansion. The creation and delivery of customer value is the co-operation of the network of relationships, which can provide more value to customers. The so-called customer value refers to the full benefit of the customers in the purchase and consumption process. People, processes, and services have become the main factors that constitute a customer value because the product differences are subtle. The key to creating value is to understand the customer's needs, and consider everything from the vital interests of the client. CRM as a new strategic thinking and methods of work has its unique charm and tremendous impact, which is gradually changing the traditional companies and have formed enterprises' cultural mechanisms.

2. The significance of CRM on corporate cultural transformation

Enterprises have changed the focus from relationship between enterprises and employees to the relationship between employee and customer. The era of new economy has proved that the relation of enterprise and society will directly affect the enterprise's reputation, which will promote or obstacle the future development of enterprises. The most important aspect of business relationships is the connection of clients, and customer, as a part of society, is one of the important ways to connect the enterprise and social association. Enterprise social reputation is always showed by business products, brand reputation, enterprise credit and so on. CRM will integrate all customer information through computer and network, which makes the relationship between customers and enterprises more closely linked. Because customer information has become company truly controllable resources and the sharing resources, enterprises can improve the efficiency of enterprise management and enhance the core competitiveness gradually.

From the attention of customers demand change to pay close attention to the individual needs of customers. In the operation of traditional enterprises, it faces a group of market. Most of the enterprises are based on enterprise self interest departmentalism idea to operate their own products. Once the enterprises discover a product slow-moving, they will consider how often the sales promotion firstly, but ignore the consumer demand as a breakthrough. Therefore, the real meaning of "to solve customer needs" should be changed from the traditional products around the production of "mass marketing" model to provide personalized marketing concept to customer.

CRM brings the biggest change to company culture. The traditional enterprise management focuses on internal management, namely the background part of enterprise, but ignores the customer oriented resources external to the front part. The emergence of CRM makes the enterprise external resource, especially the main customer resource reasonable, which serves as a kind of special enterprise management. The management concept and management technology have provided a using various ways of collection and analysis of customer resource system, and the more important part is to provide a kind of new strategic concept. It shows that the customer is modern enterprise important resource values, which can help enterprises, make full use of customer-oriented external resources, extend new market and business channels, and enhance customer satisfaction and profitability.

The rational consumption management train of thought has been changed to emotional consumption management train of thought. With the continuous accumulation of wealth of society, people's consumption concept has changed from the original pursuit of high quality and inexpensive rational consumption age to the feelings of the consumer age. The most prominent feature of emotional consumption eras is the consumers focus on the pursuit of a kind of spiritual satisfaction. The final decisive factors are likely to be the emotion of consumer to the enterprise. Enterprise culture is affecting enterprises by establishing a good relationship between the key factors of the enterprise. By implementing CRM, the enterprises and the customers can maintain long-term relationship of trust, which can also enhance customer

loyalty effectively, reduce operating costs, and increase revenue.

Management innovation promotes enterprise culture to change subsequently, and the implementation of the idea of management plays a guiding and promoting role in the innovation. The appearance of CRM makes the traditional product as the center of the "inner" enterprise culture to take the customer as the center "as" enterprise culture, which is not only due to the homogeneity of the products and the formation of buyer's market the competitive advantage of enterprises is increasingly difficult to reflect, but also by network technology and other modern traffic communication tools, the appearance and rapid development of the global it, which makes the competition between enterprises becomes almost face to face. In addition, technological advances reduce the enterprises' risks and barriers, which makes the enterprise faces the more complex and severe competition situation.

3. Reason analysis of Implementation of CRM must be inserted company culture

The enterprise culture is the enterprise management philosophy and the enterprise spirit, which include enterprise staff belonging, enthusiasm and creativity of the people of this management theory. At the same time, it is the rules and regulations of enterprises. Because the connotation of enterprise culture includes management of enterprises in all aspects of the work, thus it is very important to construct a management idea to adapt the enterprise culture. It can also make the management idea gradually penetrate into the all the staff, so as to guide the staff to take the initiative to realize the goal of enterprise,

and promote the development of enterprises. Therefore, management philosophy and corporate culture as the two sides of a coin for the enterprise management is essential. Management philosophy can be used to guide management work, and to manage the philosophy as the core of the enterprise culture. Specifically, the implementation of CRM must match with the corporate culture, its reasons as followed:

It is essential to continuously improve the competitiveness of enterprises. Construction of enterprises in accordance with CRM corporate culture is mainly to help enterprises to establish a "customer-centric" the strategy, and corporate culture, staff and innovation mechanism can contribute to the enhancement of enterprises' adaptability and resilience under the market economy system, resulting in the enhancement of enterprise competitiveness. Corporate culture innovation are playing an important role in competitiveness improvement and building suitable economic structure.

In order to adapt to the development of knowledge economy, the enterprise should strive to create innovative awareness and try to encourage the risk enterprise culture environment. With the coming of high-tech era, technology innovation and competition inevitably are full of risk, so the enterprises must be able to tolerate mistakes and failures, bolding innovation system and enterprise culture. In the era of knowledge economy, intellectual capital will become the key successful factors of the enterprise growth of resources. If the enterprise wants to survive and develop, it must strengthen knowledge management, and share knowledge with each other, as shown in Figure 2.

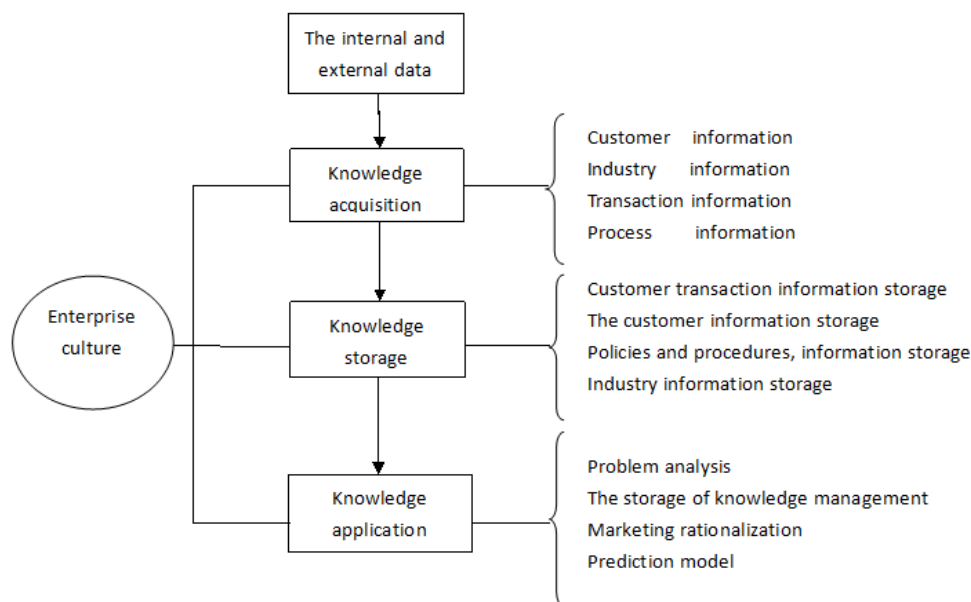


Figure 2. CRM model based on knowledge management

Successful enterprise should pay attention to its core competitiveness firstly. Core competition ability is a kind of enterprises, which can provide market potential capacity and form the ability that is difficult for competitors to imitate. New century needs people to master new technology and adapt to the new change. It is

also necessary for enterprises to strengthen the cross-cultural management as well as the cross-industry enterprise cultural integration and reconstruction. According to the characteristics of the network economy, enterprises must improve the overall quality of

enterprises so as to enhance the core competitiveness of different enterprises.

4. How to promote the implementation of CRM from the innovation of the enterprise culture

4.1. Managers need to take the lead in establishing suitable for CRM enterprise culture.

New enterprise management strategy and culture only recognized by all employees and acceptance, the quality of the staff team can improve obviously. In the process of introducing CRM, in order to make the company's corporate culture with innovation, it is necessary for enterprises to establish a "customer-centric" core philosophy. Not only the requirement for the customer and employee engagement to provide a good information platform, more important is the requirement that all employees of the company make concerted efforts to make customer satisfaction and efforts, and all employees must be added to the strong customer orientation in practice. In addition, it is necessary to get business leaders and managers attention. On one hand, managers set up the incentive mechanism and management mechanism, leading to the formation of a strong cohesion and combat effectiveness, and stimulate the staff's enthusiasm and the creativity. On the other hand, enterprises can continue to follow up on customer expectations, they envisaged the company performance and customer satisfaction, such as the establishment of the customer tracking system, through the free "customer hotline" and so on, which can maximize the convenience of customers advice and suggestions.

4.2. Redefine the concept of business.

First of all, define the concept of business from the interests of customers. Due to the "customer-centric" business model develops quickly, for many companies, the reform of advance gradually type has not enough to meet the needs of the market, but the need is for enterprise business philosophy revolution type reconstruction, a fundamental change in the enterprise system, the idea of a "from the interests of customers". However, due to the traditional values of the "inertia" role, many companies are difficult to change its management perspective over a period of time. Importing CRM actively and constructing a corresponding enterprise culture can quickly promote enterprises to firmly establish the "customer-centric" business strategy in the pursuit of customer satisfaction in order to continue the development process. Enterprise management must be combined with market demand. When the changes in market demand appearing, business philosophy should change. The enterprise is a completely independent economic entity that needs to face the market and participate in the competition. This request enterprise has the market competition consciousness, and one of the most fundamental points is to form a market concept, including the formation of cost, sales, product quality, packaging, and advertising and after sale service and

other aspects, all of the overall consciousness, to improve enterprise product market competitiveness.

4.3. Establish a "customer oriented" business organization.

Under the condition of market economy, "take the customer as the center", establish a "customer oriented" business organization, should be focus in the customer-oriented enterprises external resources, that is to say the enterprise should make the products or services to customer satisfaction. Modern enterprises to the "customer" concept have been extended, which is divided into internal customer (employee) and external customers (users). Enterprise management has shown results should make the inside and outside of the enterprise customer satisfaction. Thus, the modern enterprises need to promote the idea of people oriented management, respect for people, caring for people, and mobilize the enthusiasm of people. The success of an enterprise depends on the staff's enthusiasm and talent and enterprise combined with target, which makes the enterprise each organization departments around the customer to coordinate operation.

4.4. Staff training is important

Establish "from the interests of customers" business philosophy and "customer oriented" business organizations. Only let every employee in new business organizations operate freely can make the management organization produces the maximum benefit. While training is to let enterprise employees to avoid conflicting ideas, quickly operate in the new organization and have the benefit effective ways. Enterprise culture is not the most direct factor, but is the most permanent decisive factor. The world of successful enterprises has three main reasons, which are the quality products, good sales and deep cultural background. And high-quality products and good sales often arise from the profound cultural foundation. After the cultural transformation of the enterprises, CRM will become a strong tool for enterprise culture, and provide guarantee of the implementation and enforcement of enterprise culture.

5. Conclusion

The enterprise culture will bring inestimable influence to the enterprise's development, if enterprises develop to a certain. Companies such as IBM, its unique corporate culture are the core factor to support the continuous development of enterprises. Corporate culture as employee recognition of common values and norms of behavior can bring direct effect to business development. At present, most top managers of big company believe that enterprise culture has become the most important factor which can make enterprises outstanding. Traditional enterprises in the specific economic environment and management background, has formed some commonness of enterprise culture, and the enterprise culture has been recognized by most of the staff. Modern information affects various enterprises, and

changes the original corporate culture profoundly. CRM as a new strategic thinking and work method is gradually transforming the culture mechanism that has been formed, and establishes a “customer-centric” principle, which will promote the implementation of the strategy of enterprise culture.

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Vitae

Qing-Yi Chen was born in 1990. She obtained a master degree in department of management, Minzu University of China.