

Building Customer Knowledge Management as a Panacea for Institutional Sustainability in Universities in Cross River State, Nigeria

Odigwe F. N.

*Department of Educational Management
University of Calabar, Calabar, Nigeria*

Okoi, I. I.

*Department of Educational Management
Faculty of Education, University of Calabar, Calabar
E-mail: ikpi.okoi@yahoo.com*

Abstract

Substantial changes in the educational environment such as acute competitive actions, deregulations of the educational system, variations in consumer demands, political pressure, etc have caused many educational institutions to design new competitive strategies. This study aimed at building Customer Knowledge Management as a panacea for institutional sustainability in Cross River State, Nigeria. Correlation design was used. The population of the study comprised of 19 faculty deans and 100 hundred Heads of Department in university of Calabar and Cross River State University of Technology (CRUTECH). Stratified sampling technique was used. The basis for stratification was federal and state government institutions. Instrument titled Customer Knowledge Management and Institutional Sustainability was used for data collection. A reliability estimate of 0.78 was obtained using Cronbach Alpha. Pearson product moment correlation statistics was used for data analysis. The findings revealed a significant correlation between Building Customer Knowledge Management and Institutional Sustainability. It was recommended that school managers should understand the relative importance of various students/customers services to current potential customers. This will enable the institutions to understand patterns of timing of demand for customer services on each of their product.

Keywords: customer knowledge management, institutional sustainability, customer services

Introduction

The most significant factor that can facilitate the sustainability of institutions in Cross River State has been a source of concern. Edet (2014) revealed that institutions have been performing very poor with this conditions no doubt, services of universities programme managers has been affected. It is often believed that educational development and change is dependent on the quality of teaching and of school management. The duties and responsibilities of school professionals involve enhancing the quality of life and helping students to show self-awareness develop themselves and understand wider issues involving their society and culture. Therefore, education authorities consider teaching as

investment in the future of their society, as it helps to nurture and develop the minds of future generations, Crosby (2009).

Public education by nature is public good. There is the notion that the public universities provides goods and services that contribute to the public good and that these contributions are being threatened by market forces and particularly the unrestrained activities of profit-making institutions. In this regard, the application of the concept of public good to higher education in all countries are in the public interest because of the society.

It is generally accepted that tertiary education in Sub-Saharan Africa is in deep turmoil. The crises is manifested in declining quality standards, fiscal challenges, increased students enrollments coupled with a large pool of unsatisfied demand; poor faculty moral, irrelevant curricula and rising unemployment among universities graduates. Universities have continue to suffer from deteriorating and dearth of infrastructures, nearly collapsed and outdated books and ill-equipped laboratories, dilapidated classrooms, poor remuneration and conditions of service of staff and the ongoing brain drain. Traditional public support systems can no longer cope with the service problems that have undermined the region's system of higher education, and alternative solutions are being sort in the granting of licenses to private operators (Eric, 2011).

Institutional sustainability is characterized by purposeful leadership, teachers and student's involvement, consistency among teachers and structured sessions. According to Denga (2015) institutional sustainability entails an effective school which has a productive school climate of central learning skills, appropriate monitoring of student's progress, is oriented and exhibits outstanding leadership.

Sustainability in this context refers to the act of taking appropriate steps to ensure that various programme provided by the university institutions are functioning optimally at all times. Specifically, it entails continuous provision of good learning environment, management of resources, leadership commitment, curriculum relevance and performance measure and review activities, Epoke (2013). In view of the fact that the federal government of Nigeria is not funding the university institutions adequately, there is a strong need according to Aina (2002) to look for ways of sustaining them before total collapse. Therefore, this study intends to determine whether school administrators in the study areas have knowledge about what they should do to satisfy, retain and gain more students or beneficiaries into the institutions in Cross River State through knowledge about customers.

Chapman (2008) is of the opinion that customers are the usual source of income for every business organization, the knowledge of this customers will go a long way to sustain the organization. According to dobney.com (2000-2010) customers knowledge refers to understanding your customers, their needs, wants and aims which is essential if a business is to align its process, product and services to build customer relationship. Customer knowledge is being a big topic of discussion.

Zikmund (2015) posit that the aim of building up a strong body of customer enterprise is to build and manage customer relationships now and over the longer term. The information on the knowledge of the customers according to Zikmund should be determining what to offer, when to offer it and how much for. In this regard school administrators need to design new products through innovation of curriculum experience, offer new services and compete in new market.

Luthans (2005) in his views about customers knowledge opined that the aim of collecting sharing and analyzing customer knowledge is to help school managers build sustainable business relationship with their students/customers, focusing on the customer needs and wants for each customers individually, and for all customers together. Kotler (2006) maintained that the holistic view of all sources of customer data is extremely important to understand strength and weaknesses of each type of data and to ensure that the school is operating with the most relevant view of the students.

Garcia-murillo and Annabi (2002) carried out a study on how customer's knowledge has received little attention in the knowledge management literature. The result of their findings revealed that practices in marketing and customer relationship management have not been able to capture

knowledge from customers that comes from social interactions with firm employees. Eisehardt and Galunice (2000) examined the major stumbling blocks to organizations or institutions competitive advantage. The following findings were obtained.

Firstly, understanding customer diversity and applying one or two customer knowledge management styles exclusively to all types of customers. Customers differ even in the same industry segments and this variety among customers requires a richness of customer knowledge, management styles with different approaches and techniques.

Secondly, inappropriate incentives for customers and organizational entities to leverage customer knowledge management to its full potentials for both parties. The challenges is both avoiding under estimation of incentives, as well as over estimating them. These can work as disincentives of not properly sensed, denied and implemented.

Thirdly, inadequacies in organizational infrastructure and processes to handle the leveraging of knowledge from customers. Current theory regarding balanced score cards in organizations emphasize organization processes to enable customers satisfaction and the converse should now also be possible- the ability of organizational processes to accommodate diverse customer knowledge input.

The conclusion drawn from the customer's knowledge management creates new knowledge sharing platforms and processes between institutions and their customers. Moreso, knowledge about customers is considered as a continuous strategic process which institutions enable their customers to move from passive information sources and recipients of information sources and recipient of products and services to empowered knowledge partners.

Customers or students, wherever they are, want satisfaction. If they are buying a product/service, they would want it to fit the intended purpose. They would also, want it to be safe, reliable and probably durable. Cole (2014), is of the view that all organizations/institutions have to provide these and many other features, in order to maintain their relevant performance indices against competition. He further explained that these considerations are very important in deciding a product market strategy, and can make all the difference between success and failure in achieving strategic objectives.

In the case of service, clients as availability, reliability, effectiveness [fitness for purpose], and courtesy, among others. They may also be influenced by price (Evans 2015). According to Cole (2014) the key element in the concept of quality service delivery to customers include; courtesy of treatment, acceptable price-range, reliability and/ or durability, availability (in time), after-sales services, efficiency of delivering and fitness for purpose/conformance to design.

Kotler and Armstrong (2005) are of the views that organizations and institutions compete for the same customers. The business that win this battle will receive the larger portion of the market. Daris (2007) opined that consumer's priorities and perceptions also change over time. Lewis (2006) also posited that by overlooking the fundamental shift in customer attitudes to capitalize on it. That, if school administrators monitor the information available on the knowledge of their customers, they will be able to identify and respond to these trends.

Lewis (2006) also added that, the quality of customer service after sale is often as important as the quality of the product itself. Also, excellent customers services cannot compensate for a weak product, but poor customer service can quickly clear all the advantages associated with delivering a product of superior quality.

Accordingly, Michael, Gbolaham, Olusegun and Linus (1997) stated that providing value to customers/clients is much more than simply eliminating defects. Customers/clients value has many dimensions and must be systematically determined in the organizations. They also added that it cost more to attract new customers as it does to retain old ones. Such a commitment may mean providing better value than all other competitors, and it is associated with increasing the institutions market share through retaining old customers and wining new customers.

Michael et al in addition, opined that values can either be positive or negative because value can be realized or sacrificed. Realized value is value that customers receives; it can include image, ease of use, reliability, consistency, employment, and a host of other characteristics. Sacrifice value is the

value that the customer give up. It can include time, money, energy, frustration, worry and a number of other components. The difference between value realized and value sacrificed is called net value. For all competitive ventures in the universities to determine the best net value, thereby giving the school administers a target, the business objective will be to move the institutions/organization customers to a position of higher value realized and lower value sacrificed so that the best net value in the institutions can be offered.

Although the capability view of customer knowledge management has not received widespread support in the literature, it does same to emphasize that a certain mix of resources are needed to effectively manage customer relationships. Grant (2009) suggest that effective customer knowledge and relationship management demands that institutions at a minimum be capable of gathering intelligence about its current and perspective customers, and applying that intelligence to shape its subsequent interactions with them (i.e change its behaviour toward them, Bradshaw and Brush 2001; Hirschowitz 2001). Conclusively, the capability perspective suggests that effective customer knowledge management represents a potential source of competitive advantage, given that it requires an indefinite, hard to imitate mix of resources.

Therefore, it is not just customer satisfaction that tertiary institutions need to keep in sight. Customer satisfaction begins with employees/ lecturers satisfaction [Evans 2005]. If lecturers are giving all they need, all the training they need, and all the support they need. There is no way they cannot perform the way you need them to do with respect to customer/student satisfaction. Universities in Nigeria have to provide better services and many other standard features, in order to maintain their relevant performance indices against competition in the education industry (Crosby, 2005). These considerations are very important in deciding the nature of graduates/products into the labour market. It is against this background that this study aimed at determining the relationship between building customer relationship as a panacea for institutional sustainability in Cross River State Universities.

Statement of Problem

It has been observed that tertiary institutions in Cross River State of Nigeria are Not living up to expectations in delivering quality products expected of the system. The institutions have been performing very poor and with these conditions services of University programme managers have been affected. It is often believed that educational development and change is dependent on the quality of teaching and school management. School managers have to ensure that there is need to enhance the quality of life and helping students to show self-awareness, develop themselves and understand wider issues involving their societies and culture.

Institutions of higher learning are failing in their responsibilities. School enrolment is depreciating, quality services is on the decrease while customer satisfaction is a total failure. Institutional sustainability is important in this era of competition. School managers need to pay attention to the services they provide to their students. Parents and stakeholders wants satisfaction. If they are buying a product/service, they would want it to be fit for the intended purpose, and they want it to be safe, reliable and probably durable. Therefore the courtesy of treatment, acceptable price range, reliability or durability, availability and after-sales service is important in building customer relationship in order to sustain the institution. Therefore, in what way does customer relationship relate with institutional sustainability?

Purpose of the Study

The general purpose of this study is to examine the relationship between customer relationship and institutional sustainability in Cross River State Universities.

1. Specifically, the study aimed at determining the relationship between customer knowledge management and institutional sustainability in Cross River State Universities

Statement of Hypothesis

Customer knowledge management does not significantly relate to institutional sustainability in Cross River State Universities.

Methodology

This study looked at building customer relationship as a panacea for institutional sustainability in Cross River State Universities, Nigeria. The study used correlation design. The population of the study consist of 19 Faculty Dean's and one hundred and six (106) Heads of Departments in University of Calabar and Cross River State University of Technology (CRUTECH), giving a total of one hundred and twenty five 125 in the population. The sampling technique adopted was stratified sampling technique. The basis for stratification is federal and state government school. The sample size for this study is census. That is the entire size of the population were used for the study. Cronbach reliability estimate of 0.78 was obtained using the questionnaire instrument.

Instrument title customer knowledge management and institutional sustainability questionnaire was used for data collection twelve items used in the study which consist of positive and negative statement. The instruments were design using statement such as: Strongly Agree (SA) Agree (A), Disagree (D) and Strongly Disagree (SD).

Presentation of Result

The result obtained from the administration of the questionnaire is presented below.

Hypothesis One

Customers knowledge management does not significantly relate to institutional sustainability in Cross River State Universities

Table 1: Pearson product moment correlation analysis on the relationship between Customer Knowledge Management and Institutional Sustainability
N=125

Variable	X	SD	r
Customer knowledge management	14.16	2.86	0.62
Institutional sustainability	15.61	3.16	

$r(125)=0.62, P<0.05$

The result of the table revealed that customer knowledge management significantly relate to institutional sustainability ($r(125)=0.62, p<0.05$). Thus, the result revealed that customer knowledge management enhances institutional sustainability.

Discussion

The result of this hypothesis revealed that there is significant relationship between customer knowledge management and institutional sustainability of Universities in Cross River State. The null hypothesis was rejected while the alternate hypothesis was retained. The result of this finding is in line with the views of Chapman (2008) who stated that customers are the usual source of income for every business organization, the knowledge of these customers will go a long way to sustain the organization and institution. In consonant with the result of this finding, Zikmund (2015) stated that the aim of building up a strong body of customer knowledge is so that institutions can build and manage customer relationship now and over the longer term. He further reiterated that institutions should determine what to offer, when to offer it and how much for. Therefore school managers need to design new products through innovation of curriculum experience, offer new services and compete in new market.

Luthans (2015) and Kotler (2006), maintained that the holistic view of all sources of customer data is extremely important to understand strength and weaknesses of each type of data and to ensure the school is operating with the most relevant view of the students. Garcio-Murillo and Annabi (2002) revealed that customer knowledge management as a philosophical perspectives recognizes that in order for exchange relationship to last, institutions must continually deliver what their customer value a feast that is best accomplished by those institutions that boost customer centric culture. Their findings also revealed that customer knowledge management builds a bridge between the marketing paradigm and focuses on the importance of creating customer value, something that is only implied in the other of perspective.

Davis (2001).Kotler and Armstrong (2005), Lewis (2006), Grant (2009)agreein their studies that customer knowledge management is important in building sustainable institutions.

Conclusion

The study that building customer relationship through customer knowledge management is important in the sustainability of institutions in Cross River State. Customer knowledge management will enable institutions to invest in the customers that are potentially valuable for the institution and also minimize their investment in non-valuable customers.

Recommendations

The following recommendations were made in this study.

1. School managers should understand the relative importance of various Students/customer services to current and potential customers. This will enable the institution to understand patterns and timing of demand for customer services on each of their products.
2. Programme/institutional managers should improve on all their business activities, product and services. They should also position their organization/ institution in the market place in order to be more competitive.

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