Survey impact of emotional intelligent on CRM in insurance company in sannandaj city

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Abstract

Purpose - This study aimed to investigate the effects of emotional intelligence on customer relationship management (CRM) in insurance company in sannandaj city and identify the conceptual framework of emotional intelligence.

Research **designs, data, and methodology** - The data were collected using a questionnaire given to a sample of employees of public and private insurance in sannadaj (one of the Iran province). To test the hypotheses, AMOS was conducted for the 68 respondents of the sample using the SPSS Win 17.0 software. The concept of emotional intelligence (EI) has been on the radar of many leaders and managers over the past few decades. Emotional intelligence is generally accepted to be a combination of emotional and interpersonal competencies that influence behavior, thoughts, and interactions with others. Emotional intelligence consists of four factors: understanding the self's emotion, understanding other people's emotions, emotion utilization, and emotion control.

Results - As a result of the analysis, three factors (understanding the self's emotion, understanding of other people's emotions, and emotion utilization) were shown to have a significant effect on customer orientation. Emotion control had an insignificant effect on customer orientation. Only emotion control makes it difficult to solve customers' problems because it is a passive behavior. In order to solve the customers' problems, insurance employees have to show a positive attitude. Second, customer orientation had a significant effect on customer relationship management performance. In other words, customer orientation increases commitment to customer relationships. For example, employees who have a customer-orientated perspective provide good service to their customers, while employees who don't have a customer-orientated perspective can't

satisfy their customers. Customer orientation can also generate a good image among customers, because they evaluate the image of a insurance through the behavior of insurance employees. So it is very important for employees to show excellent customer orientation.

Keywords: Emotional Intelligence, Customer Orientation, CRM Performance, insurance, Kurdistan province

1. Introduction

In new business process, customer satisfaction has important position in participant goals and senior managers know their successful related to the large goals firms is in customers satisfying (Abasi, Torkamani , 2011). By this fact customer relationship management concept open a new way which is considered a strategy for keeping a long-term relationships with customers (Keramati and Nikzad , 2009). Kassanoff (2000) believed that customer relationship management as a strategy in the organization for profitability improved and customer satisfaction according customer groups and processes communication with manufacturers, it is expressed investment in customer relationship management makes better understanding, more accessible, and more effective interaction through different channels. (Salavati and colleagues , 2010). This issue in insurance is very important. insurance with customer relationship management could shorter sales cycle and customer loyalty with close relationships and increase revenue. Customer relationship management system could keep the customers and attract new customers (Shahraki and colleagues ,2010). In today marketing competitive conditions have proper place by customers and their company loyalty is very important. Company brand equity is the other important part in customer relationships. Brand equity is marginal utility or added value which is created by a product (Aaker, 2004). Today we witness personal insurance by attention to lack of brand in the other insurance with high speed increase their market share (Divandari and colleagues,2009). In terms of Acker, special value is a set of five groups of assets associated with brand, name and symbol which give some facilities to the special firm and some thymes make damages to this part. The Group's assets (components) include: 1. Brand Loyalty, 2. Brand Awareness, 3. Perceived Risk, 4. Brand affiliates, Other proprietary brand assets (Hosseini and colleagues ,2010). Relationship quality has an important and effective role on brand equity.

Relationship quality determined the relationship between customer and institution and this relation is depended to customer satisfaction says "Hennig & Klee (1997)". On the other hand, the other research like (Wang and colleagues,2006) has been shown that satisfied customers will have positive impact on the organization and firms. (1990) Crosby and colleagues pointed that customer relationship management could improve relationship quality by decrease the amount of indeterminate costs. (1999) Garbarino and Johnson found the customers that have strong relationships with institute, have positive attitude with customer relationship management and relationship quality factor such as confidence of degree, satisfaction and commitment. The basic of communication quality is trust, satisfaction and commitment.

management has positive impact on relationship quality (Wu&Li 2011). With regard to sensitive issue in banking was discussed with customer relationship management relationship quality, brand equity, banking. The main question in this research is design. Is there any significant relationship in with customer relationship management relationship quality, brand equity, banking.

2. Theoretical Research

2.1. Customer relationship management

Customer relationship management is composed of three main sections: customer, relationship and management. The purpose of customer is the final consumer which in the valuable relationships have supporting role. The purpose of relationship is loyal customers and profitable through learning relation and management is creativity and conducting customer-focused business Putting the customer at the center of the process and organizations (Abasi and Torkamani ,2010). Definition of customer relationship management is comprehensive strategy with business and marketing that this technology and business activity is related to the customer (Feinberg & Romano, 200). Therefore; financial insurance and organizations have direct relationship with customers, they collecting the information even of satisfied customer for select the different strategy of competitors' strategies have more sensitivity than for the reason of money and the change of behavior in banks and requires exact and on time planning by network administrators banking. Manager and customers in banks by keeping a personal relationship with customers could

have bank Profitability through customer account, suitable use of IT, monitor customer process, managing and evaluating of the result (Gilbert & Karen, 2003).

Extraction customer relationship management in bank services according to the past is done by Kord Amiri (2009). He considered five aspects for run the customer relationship management:

1. Identify the need: such as the use of computer technology for run the suitable customer services, rapid correction services in customers request, a proper understanding of important customers through continuous learning process and

2. Mutual understanding: such as run the suitable environment banks for eliminating customer needs, customer satisfying is done by all the staffs

3. Flexibility: such as comprehensive database about customers, staffs skilled with customer relationship, detailed information of exact time of doing the services,

4. Customer orientation: such as senior managers attention with customer relationship management as necessary principles mandate, evaluation of customer satisfaction like periodically by banks, bank commitment to the timely services

5. Customer loyalty: the priority difference in customer services is according their exchange rate with the bank, investment communication with customers is according customers added value.

Relationship equity is developed relationship marketing. Relationship equity Pointe to customers perception which all expectation, prediction, goals and wishes don properly (1996 Jarvelin & Lehtinen,). Relationship equity is qualitative interactive relationship between customer and institute and protected of long- time relationship says ''Gummsson'' 1987. Businesses identified tow factor which effective on customer satisfactions and named instrumental factors and interpersonal factors (Abdul-Muhmin, 2005). Between tow factor individual factors is the most effective factor toward instrumental factor which in effective satisfied communication. Instrumental factors as basic for begin and development in relationship. Instrumental factors developed relationship infrastructure whereas individual factors helping to relationship retrofitting. Suitable relation interpersonal factors help to the strength customer and employee and development trust between them (Auh, 2005). However; interpersonal factor is not in a short time it obtained in long term. Interpersonal factors lead to identified variables such as trust, justice and shared values in business or service sectors (Bojei & Alwie , 2010).

2007,Ndubisi in his research that is done in banks Malaysia, dimensions communication quality is composed of four basic principle relationship marketing that involved trust, commitment and communication and Conflict Handling.

2.2.1. Trust

Definition of the trust according (1993) Moorman et al. (..…. Desire to rely on partners which trusted to him). Betrayal of the trust leads to escaping (by producer or supplier services). Trust as basic important relationship marketing with quality due to they pay attention to predictable action and behavior with their favor association between by this action their finality future rewards increased. (Ndubisi , 2007).

2.2.2. Commitment

Commitment is one of the important variables for strength perceived in marketing relation Moorman et al (1992) defined the commitment as a desire stable in valuable relationship. This action is in high level of requirement for bilateral succeed in order to satisfaction relation. However; relationship equity of customer vision is obtain by services ability in reduce the uncertainty. Banks have high commitment in doubt and reduce the uncertainty is more successful instead promote a relation. (Ndubisi , 2007) .

2.2.3. Communication

Communication in relationship marketing means information provide about services and action into promises if they have problems. This personal duty contact notified, quality improvement, amount, performance and other features, and create a sense of purchase. Also, communications give the information unsatisfied customer how they removed unsatisfied sources. (Ndubisi and Chan , 2005). When there is effective relationship between banks and customers, customers have more information about banks activity and initiatives, reduce the uncertainty is reduce and relationship quality is improved. (Ndubisi , 2007).

2.2.4. Conflict Handling

Dwyer et al. (1987) defined conflict handling and use of this factor for minimizing the negative messages visible and invisible issue, conflict handling prevent of

potential problems, solving the obvious problems and before problems and the ability of discussion about problems is there.

3. Emotional intelligent

Martin Seligman has developed a construct that he calls ìlearned optimismî (Schulman, 1995). It refers to the causal attributions people make when confronted with failure or setbacks.

Optimists tend to make specific, temporary, external causal attributions while pessimists make global, permanent, internal attributions. In research at Met Life, Seligman and his colleagues found that new salesmen who were optimists sold 37 percent more insurance in their first two years than did pessimists. When the company hired a special group of individuals who scored high on optimism but failed the normal screening, they outsold the pessimists by 21 percent in their first year and 57 percent in the second. They even outsold the average agent by 27 percent (Schulman, 1995).

In another study of learned optimism, Seligman tested 500 members of the freshman class at the University of Pennsylvania. He found that their scores on a test of optimism were a better predictor of actual grades during the freshman year than SAT scores or high school grades (Schulman, 1995). The ability to manage feelings and handle stress is another aspect of emotional intelligence that has been found to be important for success. A study of store managers in a retail chain found that the ability to handle stress predicted net profits, sales per square foot, sales per employee, and per dollar of inventory investment (Lusch & Serpkenci, 1990).

Emotional intelligence has as much to do with knowing when and how to express emotion as it does with controlling it. For instance, consider an experiment that was done at Yale University by Sigdal Barsade (1998; 1998). He had a group of volunteers play the role of managers who come together in a group to allocate bonuses to their subordinates. A trained actor was planted among them. The actor always spoke first. In some groups the actor projected cheerful enthusiasm, in others relaxed warmth, in others depressed sluggishness, and in still others hostile irritability. The results indicated that the actor was able to infect the group with his emotion, and good feelings led to improved cooperation, fairness, and overall group performance. In fact, objective measures indicated that the cheerful groups were better able to distribute the money fairly and in a way that helped the

organization. Similar findings come from the field. Bachman (1988) found that the most effective leaders in the US Navy were warmer, more outgoing, emotionally expressive, dramatic, and sociable.

4. Conceptual framework and hypotheses
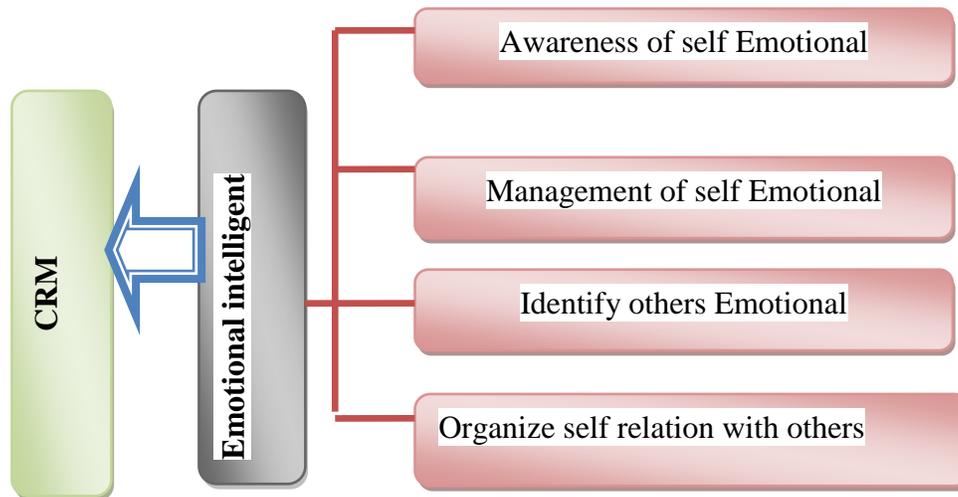
Hypotheses

1. Awareness of self Emotional has meaningful impact on CRM
2. Management of self Emotional has meaningful impact on CRM
3. Identify others Emotional has meaningful impact on CRM
4. Organize self relation with others has meaningful impact on CRM

Research methodology
Survey instrument
The survey instrument is composed of questions relating to the following two constructs that include CRM and emotional intelligent in organization such as Kurdistan insurance.

The aim of this study is Survey impact of emotional intelligent on CRM in insurance company in sannandaj city

For access to these goals 69 insurance personnel in public and private insurance have been sampled. The present study based of goals is description and based of method of gathering data is collection survey. The questionnaire was used to collect data.

Results

The results of current position of research variable are shown in below table.

Table1. Current position of research variables

S.d	Mean	N	variable
12.58	106.25	68	**Emotional intelligence**
3.94	23.68	68	Awareness of self Emotional
4.73	33.15	68	Management of self Emotional
4.24	21.69	68	Identify others Emotional
4.3	27.74	68	Organize self relation with others
16.44	148.66	68	**CRM**

Based of table1 CRM and emotional intelligent dimensions gave suitable position

Correlation of emotional intelligence and CRM

For determination relation between emotional intelligence and CRM is used of stab by stab regression. The result of this test is shown in table 2.

Table 2. The result of regression

Dobrin watson	S.d	E	R2	r	Model
1.99	14.14	0.26	0.271	0.52	

Table 3. ANOVA test

p-value	F	Mean m2	DF	MM	
0.001	24.51	4902	1	4902	Regression
		200	66	13203	residual
			67	18105	total

Table4. Regression function

p-value	t	standard beta	Un standard beta		Regression model
		beta	sd	B	
0.001	5.41		14.39	77	(a)
0.001	4.95	520.52	0.134	0.66	Customer Relationship Management

Based of the above tables there are meaningful relationship between emotional intelligent and its dimension and CRM in Kurdistan province insurance

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