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**CREATING SUSTAINABLE COMPETITIVE ADVANTAGE
IN BANKING THROUGH TECHNOLOGY, CUSTOMER
RELATIONSHIP MANAGEMENT AND INTERNAL
MARKETING**



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Abstract

Purpose: The purpose of the study was to establish the need of creating sustainable competitive advantage in banking through technology, customer relationship management and internal marketing.

Methodology: The research was carried out through explanatory research. The target population of the study was 3,193 employees of the Co-op Bank. A sample of 68 employees spread across the bank was selected. The researcher used descriptive and inferential statistics in this study. The study used primary data. The study used a questionnaire as the preferred data collection tool. This study used the quantitative method of data analysis which included inferential and descriptive statistics. Descriptive statistics included frequencies and measures of tendency mainly means and frequencies. Inferential statistics included correlation analysis. The tool for data analysis was Statistical Package for Social Sciences (SPSS) version 17 program. The results were presented using tables and pie charts to give a clear picture of the research findings.

Results: The findings indicated that information technology has significant positive effect on competitive advantage. The findings also showed that customer relationship management (CRM) has a significant positive effect on competitive advantage of banks. The findings further implied that internal marketing has a significant effect on competitive advantage. Further the findings implied that information technology has significant positive effect on competitive advantage.

Unique contribution to theory, practice and policy: Following study results, it was recommended that investment in Information technology be emphasized in the banks as it has an effect on the overall achievement of competitive advantage. The study also recommended that banks should emphasize customer relationship by investing in a customer relationship management system. It was further recommended that employees are central to an effective CRM and as such firms must manage its relationships with their employees if they have any hope of fully serving customer needs and that this is especially important in firms where employees are the eyes of customers.

Keywords: Technology, customer relationship management, internal marketing, competitive advantage, sustainable competitive advantage.

1.0 INTRODUCTION

1.1 Background of the Study

First, the activity-position view argues that the firm's superior performance mostly results from its strategic choice that provides the firm a better positioning in the industry structure (Porter, 1980; 1985; 1991; 1996; Ghemawat & Rivkin, 2001). Porter (1980) argues that the strategic choice is determined by a range of competitive forces: the bargaining power of customers, the bargaining power of suppliers, and the intensity of rivalry amongst firms in the industry, the threat of substitute products, and the threat of new entrants into the industry. Thus, in this view, competitive advantage is achieved by fitting the role that can meet the industry-specific position. In particular, Porter (1996) emphasizes that competitive advantage resides in business activities and activity systems, rather than firm resources.

Secondly, the resource-based view holds that dissimilar resource endowments result in distinctive competitive advantage and different performances between firms (e.g., Barney, 1991; Wernerfelt, 1984; Peteraf & Barney, 2003). According to this view, the primary resources regarding a firm's competitive advantage include its physical assets, financial capital, human resources, organizational systems, technology and knowledge, and intangible assets (e.g., trademark, patent, copyright, and goodwill). In particular, Barney (1991) indicates that a firm's sustained competitive advantage results from its strategic resources that are valuable, rare, imperfectly imitable, and non-substitutable. This view focuses on a firm's internal attributes, especially its strategic resources (Peteraf & Barney, 2003).

1.2 Statement of the Problem

In today's deregulated world, members of financial services industry are continuously forced to seek new ways to gain on their competitors and to outdo one another in terms of effectively reaching to retail customers' demands for increasing sophisticated financial products and services (Peteraf & Barney, 2003). As they have moved away from traditional broad based marketing to retail relationship service provision to attract and hold customers, to cross-sell products and most importantly to turn customers to avail multi products and services, customer relationship management is of utmost importance to financial services industry for survival and growth. To keep customers in today's competitive environment, financial institutions are increasing the depth of relationship through implementation of customer relationship management programs (Soch & Sandhu, 2008).

Studies on the influence of customer relationship management, technology and internal marketing are scarce. Past studies either focus on one aspect only. Some studies (for instance, Soch & Sandhu, 2008) focus on customer relationship management and its influence on competitive advantage only. Others (for instance, Sheth & Parvatiyar, 2000) focus on technology only as a source of competitive advantage. Still others (for instance Roberts-Lombard, 2009) focus on internal marketing as a source of competitive advantage. No study has focused on the three aspects in one go and the influence that the three aspects would have on competitive advantage. This implies that a research gap exists. It is for this research gap that this study wished to identify the need of creating sustainable competitive advantage in banking through technology and customer relationship management.

1.3 Objective of the Study

The objective of this study was to establish the need of creating sustainable competitive advantage in banking through technology, customer relationship management and internal marketing.

2.0 LITERATURE REVIEW

Information and Communication Technologies (ICTs) may be viewed in different ways. The World Bank defines ICTs as “the set of activities which facilitate by electronic means the processing, transmission the customer populace as one system, there is simulated division of labour among bank branches with its associated positive impact on productivity among the branches. Furthermore, as it curtails customer travel distance to bank branches it offers more time for customers’ productive activities. Technological innovation such as the use of computer automation and electronic banking influences speed of bank services delivery, enhanced management decision making and saving time (Alu,2002).

Information and Communication Technology has provided self-service facilities (automated customer service machines) from where prospective bank customers can complete their account opening documents direct online. It assists customers to validate their account numbers and receive instruction on when and how to receive their cheque books, credit and debit cards (Agboola, 2001). Thus, Technological Innovation deals with the Physical devices and software that link various computer hardware components and transfer data from one physical location to another (Laudon & Laudon; 2001 & 2010). ICT products in use in the banking industry include Automated Teller Machine, Smart Cards, Telephone Banking, MICR, Electronic Funds Transfer, Electronic Data Interchange, Electronic Home and Office Banking. Electronic Banking has tremendously improved the services of banks to their customers (Agboola, 2001).

Implementing customer relationship management, Mihelis *et al*, (2001) as quoted by Onut et al, (2007) considers the implementation of CRM in the banking sector to be focused on the evaluation of the critical satisfaction dimensions and the determination of customer groups with the distinctive preferences and expectations in the private bank sector. Saleh et al (2004) cited in Opara (2010) assert that banks have already began the process of deconstructing their business through horizontal process of outsourcing, involving two trends; deconstruction i.e. move away from monolithic organizations that undertake every activities towards networked’ models where a number of institutions (technology, communications) combine to deliver the overall offer to customers, centralization or work cross all segment, brands and competence.

The academic literature suggests that CRM offers a firm strategic benefits, such as greater customer satisfaction and loyalty (Kumar & Shah 2004), higher response to cross-selling efforts (Anderson 1996), and better word-of-mouth publicity. Overall, there is a strong sense that CRM efforts improve firm performance. Boulding and colleagues (2005) note that CRM has the potential to enhance both firm performance and customer benefits through the dual creation of value. According to this view, CRM enables firms to augment the value they extract from customers, while customers gain greater value because firms meet their specific needs.

3.0 RESEARCH METHODOLOGY

The research was carried out through an explanatory research. The target population of the study was 3,193 employees of the Co-op Bank. A sample of 68 employees spread across the bank was selected. The researcher used descriptive and inferential statistics in this study. The study used primary data. The study used a questionnaire as the preferred data collection tool. This study used the quantitative method of data analysis which included inferential and descriptive statistics. Descriptive statistics included frequencies and measures of tendency mainly means and frequencies. Inferential statistics included correlation analysis. The tool for data analysis was Statistical Package for Social Sciences (SPSS) version 17 program. The results were presented using tables and pie charts to give a clear picture of the research findings.

4.0 RESULTS AND DISCUSSIONS

4.1 Response Rate

A total of 60 responses/Questionnaires were received out of possible 68 Questionnaires. This indicated that a response rate of 88.23% was obtained.

4.2 Demographic Characteristics of Respondents who participated in the Primary Study.

4.2.1. Gender Distribution of the Respondents

The respondents were requested to indicate their gender.

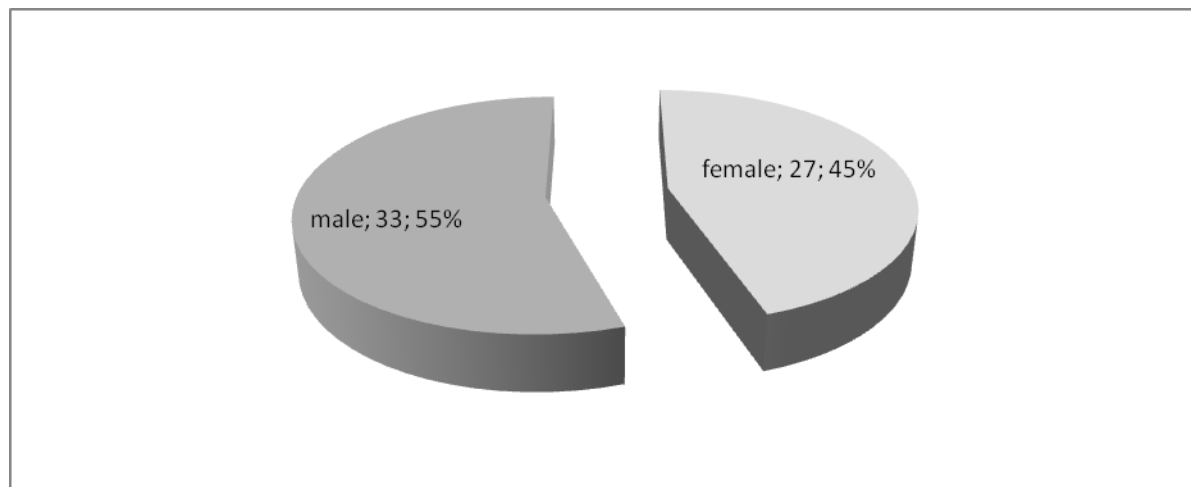


Figure 1: Gender Distribution of the Respondents

The results showed that 55% of the respondents were male while the rest, 45% were female. The results indicate that the banking sector is male dominated field. However, the gender distribution meets the constitution threshold of 33.3%. The gender distribution may have an implication on the performance of commercial banks.

4.2.2. The Respondents Department

The respondents were requested to indicate the department they were in.

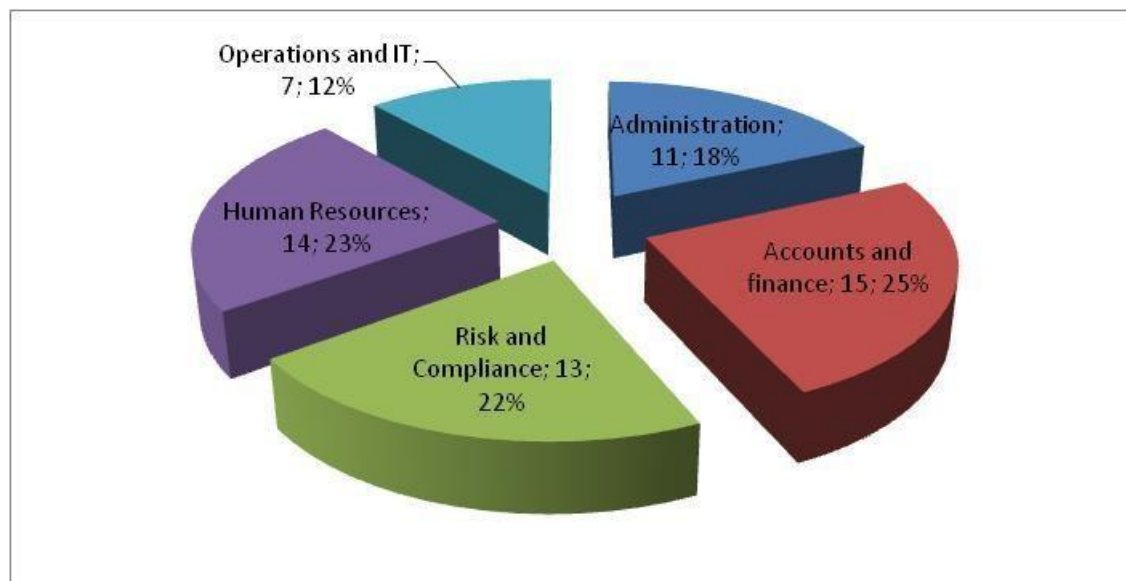


Figure 2: The Respondents Department

Results indicate that 25% of the respondents indicated that they are in accounts and finance department. A further 22% are in risk and compliance, 23% are in human resource department, 18% work in administration and finally 12% are in operations. The findings imply that the employees were well distributed across the organization and this may reduce the bias of responses. The results are in Figure 2.

4.2.3. Position in the department

The respondents were requested to indicate their position in their various departments.

Majority 45% of the respondents indicated that they are in middle management. 20% indicated that they are in the top management, 12% were in the operative section and finally 8% were in the support team and 13% did not specify. The findings imply that the respondents are well informed about technology, customer relationship management and internal marketing. The results are presented in Figure 3.

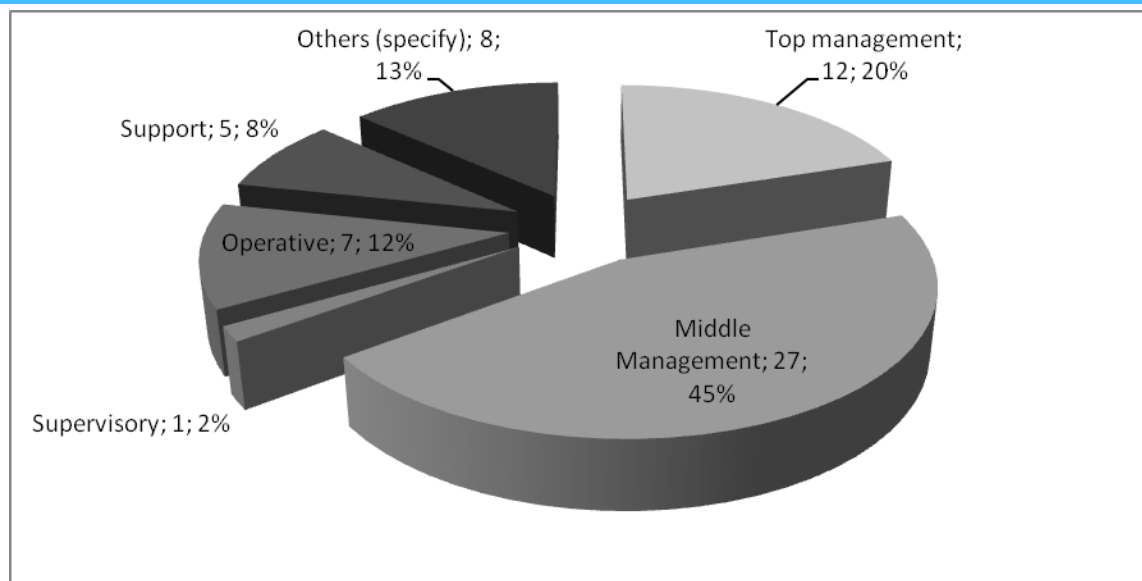


Figure 3: Position in your department

4.2.4. Level of Education of Respondents

The respondents were requested to indicate their level of education

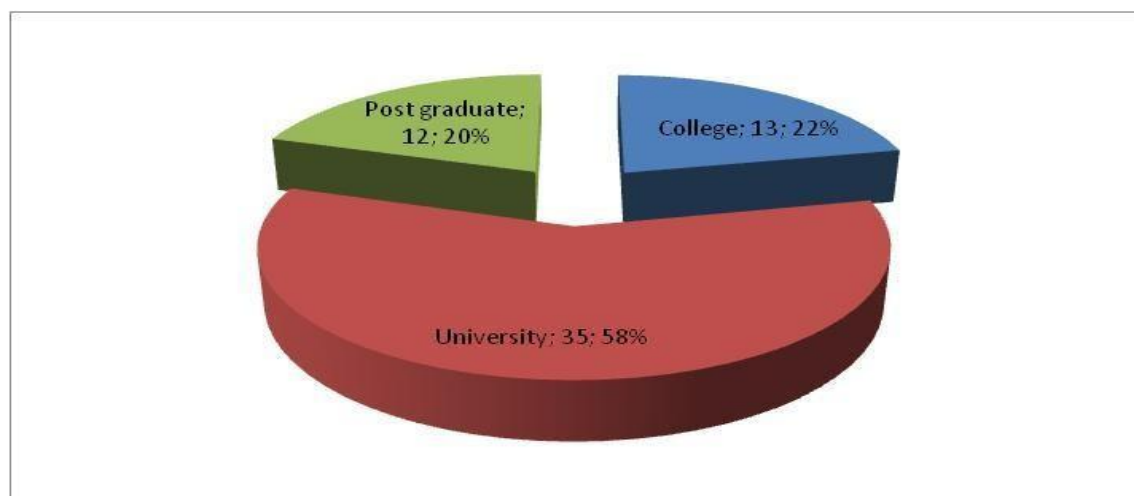


Figure 4: Level of Education of Respondents

Results indicate that 58% of the respondents indicated that their highest level of academic qualification was university level. 22% indicated that their highest level of academic achievement was college while a further 20% were post graduate. The findings implied that the employees in banks are highly qualified and this may have a positive implication on the level of customer relationship management, internal marketing and competitive advantage. The results are in Figure 4

4.2.5. Length of service

The respondents were requested to indicate the length of service.

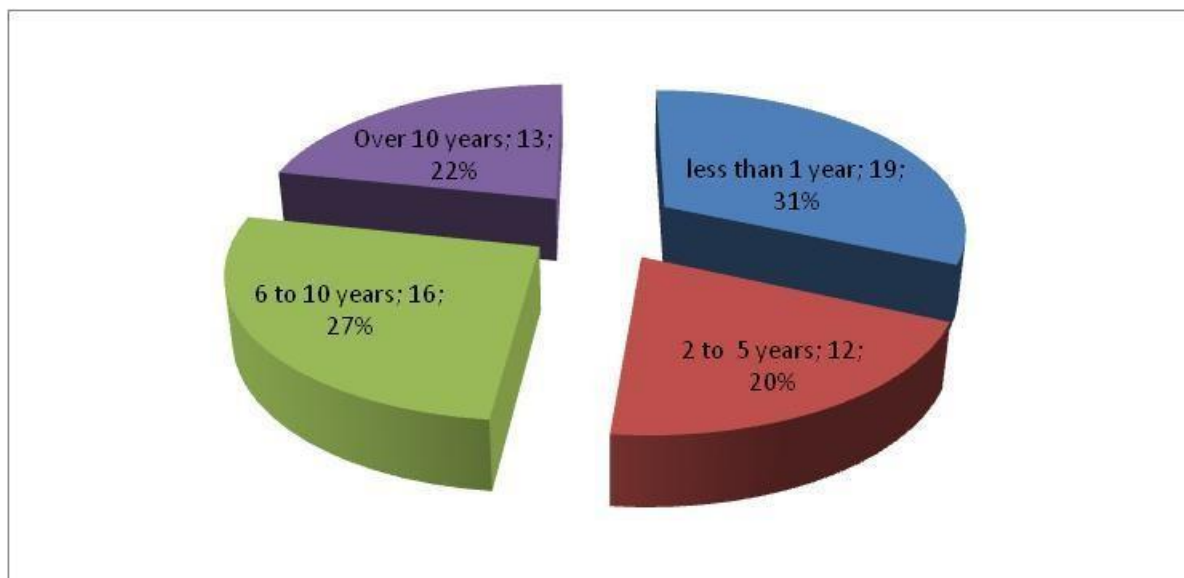


Figure 5: Length of service

Results showed that 31% of the respondents indicated that they had been working for less than a year. A further 27% has been working in the bank for 6 to 10 years, 10% for 11 to 15 years while 22% have been working in the bank for 10 and above years and 20% have been working for 2 to 5 years. The findings reveal that in total, 49% of respondents had worked with the bank for over 6 years. The findings imply that the employee set consists of employees of varying experience.

4.3 Information Technology and Sustained Competitive Advantage

4.3.1 The bank has invested in a management information system that is easy to use

The respondents were asked if the bank management information system that is easy to use. The results are presented in table 1.

Table 1: The bank has invested in a management information system that is easy to use

	Frequency	Percent
strongly disagree	5	8.3%
disagree	8	13.3%
neutral	11	18.3%
agree	31	51.7%
strongly agree	5	8.3%
Total	60	100.0

A majority (51.7%) agreed while 8.3% strongly agreed bringing to a total of (60%) of those who agreed. Thirteen point three percent disagreed. Eighteen point three percent were neutral. However 13.3% disagreed and 8.3 strongly disagreed.

4.3.2 The management information system has enabled the minimization of administrative cost

The respondents were asked if the bank management information system enabled the minimization of administrative cost. The results are presented in table 2

Table 2: The management information system has enabled the minimization of administrative cost

	Frequency	Percent
strongly disagree	4	6.7%
disagree	11	18.3%
agree	31	51.7%
strongly agree	14	23.3%
Total	60	100.0

Majority (51.7%) agreed while 23.3% strongly agreed bringing to a total of (75%) of those who agreed. six point seven were neutral. However 18.3% disagreed and 6.7 strongly disagreed.

4.3.3 The management information system is compatible with other systems

The respondents were asked if the management information system is compatible with other systems. The results are presented in table 3.

Table 3: The management information system is compatible with other systems

	Frequency	Percent
strongly disagree	4	6.7%
disagree	7	11.7%
neutral	4	6.7%
agree	20	33.3%
strongly agree	25	41.7%
Total	60	100.0

Majority (41.7%) agreed while 33.3% strongly agreed bringing to a total of (75%) of those who agreed. six point seven percent were neutral. However 6.7% strongly disagreed and 11.7% disagreed.

4.3.4 The management information system is flexible enough to supports the growth of the bank

The respondents were asked if the management information system is flexible enough to support the growth of the banks. The results are presented in table 4.

Table 4 : The management information system is flexible enough to supports the growth of the bank

	Frequency	Percent
strongly disagree	4	6.7%
disagree	5	8.3%
neutral	5	8.3%
agree	32	53.35
strongly agree	14	23.3%
Total	60	100.0

A majority (53.3%) agreed while 23.3% strongly agreed bringing to a total of (76.6%) of those who agreed. eight point three were neutral. However 6.7% strongly disagreed and 8.3% disagreed.

4.3.5 The bank has invested heavily in an ATM network

The respondents were asked if the bank has heavily invested in ATMS. The results are presented in table 5

Table 5: The bank has invested heavily in an ATM network

	Frequency	Percent
strongly disagree	4	6.7%
disagree	7	11.7%
neutral	4	6.7%
agree	22	36.7%
strongly agree	23	38.3%
Total	60	100.0

A majority (38.3%) strongly agreed while 36.7% agreed bringing to a total of (75%) of those who agreed. six point seven was neutral. However 6.7% strongly disagreed and 6.7% strongly disagreed.

4.3.6 The bank has invested heavily in internet banking

The respondents were asked if the bank has invested in heavily in internet banking. The results are presented in table 6.

Table 6: The bank has invested heavily in internet banking

	Frequency	Percent
strongly disagree	4	6.7%
disagree	4	6.7%
agree	31	51.7%
strongly agree	21	35.0%
Total	60	100.0

A majority (51.7%) agreed while 35% strongly agreed bringing to a total of (86.7%) of those who agreed. Six point seven both strongly disagreed and agreed.

4.3.7 The management information system of the bank has been crucial in delivering innovative customer products and services

The respondents were asked if the bank management information system has been crucial in delivering innovative customer products and services. The results are presented in table 7

Table 7: The management information system of the bank has been crucial in delivering innovative customer products and services

	Frequency	Percent
strongly disagree	4	6.7%
disagree	7	11.7%
neutral	4	6.7%
agree	31	51.7%
strongly agree	14	23.3%
Total	60	100.0

A majority (51.7%) agreed while 23.3% strongly agreed bringing to a total of (75%) of those who agreed. Eleven point seven percent disagreed while 6.7 strongly disagreed.

4.3.8 The management information system of the bank has been crucial in assisting employees to enhance their performance and productivity

The respondents were asked if the bank management information system has been crucial in assisting employees to enhance their performance and productivity. The results are presented in table 8

Table 8: The management information system of the bank has been crucial in assisting employees to enhance their performance and productivity

	Frequency	Percent
strongly disagree	4	6.7%
disagree	11	18.3%
agree	31	51.7%
strongly agree	14	23.3%
Total	60	100.0

A majority (51.7%) agreed while 23.3% strongly agreed bringing to a total of (75%) of those who agreed. Thirteen point three percent disagreed while 6.7% strongly disagreed.

4.3.9 Correlation between Information Technology and Competitive Advantage

Table 9: Correlation between Information Technology and Competitive Advantage

		Competitive advantage	Information technology
Competitive advantage	Pearson Correlation	1	.768**
	Sig. (2-tailed)		.000
	N	60	60
Information technology	Pearson Correlation	.768**	1
	Sig. (2-tailed)	.000	
	N	60	60

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

Correlation results in Table 9 indicates that the relationship between information technology and competitive advantage is positive and significant ($r=0.768$, p value < 0.01). The findings imply that information technology has significant effect on competitive advantage.

4.4 Customer Relationship Management and its Contribution to Sustainable Competitive Advantage In Banking Industry.

4.4.1 CRM strategy enables the banks to analyze the customer profiles

The respondents were asked if CRM strategy enables the banks to analyze the customer profiles. The results are presented in Table 10

Table 10: CRM strategy enables the banks to analyze the customer profiles

	Frequency	Percent
strongly disagree	6	10.0%
disagree	7	11.7%
neutral	3	5.0%
agree	33	55.0%
strongly agree	11	18.3%
Total	60	100.0

A majority 55% agreed while 18.3% strongly agreed bringing to a total of (73.3%) of those who agreed. However 11.7% disagreed and 10% strongly disagreed.

4.4.2 The CRM strategy helps banks identify most profitable customer and prospects

The respondents were asked if CRM strategy helps banks identify most profitable customer and prospects. The results are presented in Table 11

Table 11: The CRM strategy helps banks identify most profitable customer and prospects

	Frequency	Percent
strongly disagree	5	8.3%
agree	37	61.7%
strongly agree	18	30.0%
Total	60	100.0

A majority 61% agreed while 30% strongly agreed bringing to a total of (91%) of those who agreed and 8.3% disagreed.

4.4.3 The CRM enables the bank to provide better customer service

The respondents were asked if CRM enables bank make to provide better customer service. The results are presented in Table 12

Table 12: The CRM enables the bank to provide better customer service

	Frequency	Percent
disagree	5	8.3%
agree	30	50.0%
strongly agree	25	41.7%
Total	60	100.0

A majority 50% agreed while 41.7% strongly agreed bringing to a total of (91.7%) of those who agreed. However, 8.3% disagreed and none strongly disagreed.

4.4.4 The CRM enables the bank makes call centers more efficient

The respondents were asked if CRM enables bank make call centers more efficient. The results are presented in Table 13

Table: 13: The CRM enables the bank makes call centers more efficient

	Frequency	Percent
disagree	15	25.0%
agree	38	63.3%
strongly agree	7	11.7%
Total	60	100.0

A majority 63.3% agreed while 11.7% strongly agreed bringing to a total of (75%) of those who agreed. However, 25% disagreed and none strongly disagreed.

4.4.5 The CRM enables the bank and help sales staffs close deal faster

The respondents were asked if CRM enables sales staff to close the deal faster. The results are presented in Table 14.

Table: 14: The CRM enables the bank and help sales staffs close deal faster

	Frequency	Percent
strongly disagree	10	16.7%
disagree	5	8.3%
agree	23	38.3%
strongly agree	22	36.7%
Total	60	100.0

A majority (38.3%) agreed while 36.7% strongly agreed bringing to a total of (74.7%) of those who agreed. Sixteen point seven strongly disagreed and eight point three disagreed.

4.4.6 CRM enables discovery of new customers and increases customer's revenues.

The respondents were asked if CRM enables discovery of new customers, and increase customer's revenues. The results are presented in Table 15.

Table: 15: CRM enables discovery of new customers, and increase customer's revenues

	Frequency	Percent
neutral	5	8.3%
agree	21	35.0%
strongly agree	34	56.7%
Total	60	100.0

A majority (56.7. %) strongly agreed while 35% strongly agreed bringing to a total of (91.7%) of those who agreed. However 8.3% were neutral.

4.4.7 Correlation between Customer Relationship Management and Competitive Advantage

Table 16: Correlation between CRM and Competitive Advantage

		Competitive advantage	crm
Competitive advantage	Pearson Correlation	1	.584**
	Sig. (2-tailed)		.000
	N	60	60
crm	Pearson Correlation	.584**	1
	Sig. (2-tailed)	.000	
	N	60	60

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

Correlation results in Table 16 indicates that the relationship between customer relationship management (CRM) and competitive advantage is positive and significant ($r=0.584$, p value < 0.01). The findings imply that customer relationship management (CRM) has a significant positive effect on competitive advantage.

4.5 Effect of Internal Marketing on the Competitive Advantage of Banking Industry

4.5.1 Constant monitoring the level of commitment in serving customers' needs.

The respondents were asked if they do monitor the level of commitment in serving customers need measure. The results are presented in Table 17

Table 17: Constantly monitor the level of commitment in serving customers' needs

	Frequency	Percent
disagree	7	11.7%
neutral	5	8.3%
agree	38	63.3%
strongly agree	10	16.7%
Total	60	100.0

A majority (63.3%) agreed while 16.7% strongly agreed bringing to a total of (80%) of those who agreed. Eight point three were neutral while 11.7% disagreed.

4.5.2 Systematic measurement of customer satisfaction

The respondents were asked if they measure customer satisfaction systematically. Results are presented in Table 18.

Table 18: Systematic measurement of customer satisfaction

	Frequency	Percent
disagree	5	8.3%
agree	20	33.3%
strongly agree	35	58.3%
Total	60	100.0

A majority (58.3%) strongly agreed while 33.3% agreed bringing to a total of 91.3% of those who agreed. Eight point three disagreed.

4.5.3 Top managers from every function regularly visit current prospective customers

The respondents were asked if their top managers from every function regularly visit current prospective customers. The results are presented in Table 19

Table: 19:Top managers from every function regularly visit current prospective customers

	Frequency	Percent
disagree	5	8.3%
neutral	3	5.0%
agree	20	33.3%
strongly agree	32	53.3%
Total	60	100.0

A majority (53%) strongly agreed while 33.3% agreed bringing to a total of (86.3%) of those who agreed Five percent were neutral, 8.3% disagreed, and none strongly disagreed.

4.5.4 After sales Service

The respondents were asked if they give close attention to after sale service. The results are presented in Table 20.

Table 20: After sales Service

	Frequency	Percent
disagree	5	8.3%
neutral	3	5.0%
agree	16	26.7%
strongly agree	36	60.0%
Total	60	100.0

A majority (60%) strongly agreed while 26.7% agreed bringing to a total of (86.7) of those who agreed. Five percent were neutral, 8.3% disagreed, and none strongly disagreed.

4.5.5 Communication on Unsuccessful Customers

The respondents were asked if they freely communicate information about our successful and unsuccessful customers' experiences across all business functions. The results are presented in Table 21

Table 21: Communication on Unsuccessful Customers

	Frequency	Percent
disagree	5	8.3%
neutral	3	5.0%
agree	16	26.7%
strongly agree	36	60.0%
Total	60	100.0

A majority (60%) strongly agreed while 26.7% agreed bringing to a total of 86.7% of those who agreed. Five percent were neutral and 8.3% disagreed.

4.5.6 The business functions are integrated in serving the needs of our target markets

The respondents were asked if all of the business functions, finance/ accounting are integrated in serving the need of the targeted market. The results are presented in Table 22

Table 22: The business functions are integrated in serving the needs of our target markets

	Frequency	Percent
disagree	5	8.3%
agree	24	40.0%
strongly agree	31	51.7%
Total	60	100.0

A majority of (51.7% agreed while 40% strongly agreed bringing to a total of 91.7% of those who agreed. Eight point three percent were neutral.

4.5.7 The management encourage sharing potentially sensitive information on costs with other employees

The respondents were asked if the management encourages sharing potentially sensitive information on cost with other employees. The results are presented in Table 23.

A majority of (51.7% strongly agree while 46.7% strongly agreed bringing to a total of (98.4%) of those who agreed while 1.7 were neutral.

Table 23: The management encourage sharing potentially sensitive information on costs with other employees

	Frequency	Percent
disagree	1	1.7%
agree	28	46.7%
strongly agree	31	51.7%
Total	60	100.0

4.5.8 The management encourage sharing potentially sensitive information on productivity with other employees

The respondents were asked if the management encourages sharing potentially sensitive information on productivity with other employees. The results are presented in Table 24.

Table 24: The management encourage sharing potentially sensitive information on productivity with other employees

	Frequency	Percent
disagree	5	8.3%
agree	28	46.7%
strongly agree	27	45.0%
Total	60	100.0

A majority of (46.7%) agreed while 45.0% strongly agreed bringing to a total of (91.7%) of those who agreed. However, 8.3%disagreed.

4.5.9 The management encourage sharing potentially sensitive information on quality with other employees

The respondents were asked if the management encourages sharing of sensitive information on quality information with other employees. The results are presented in Table 25.

A majority of (56.7%) agreed while 33.3% strongly agreed bringing to a total of (95%) of those who agreed. Ten percent were neutral

Table 25: The management encourage sharing potentially sensitive information on quality with other employees

	Frequency	Percent
neutral	6	10.0%
agree	34	56.7%
strongly agree	20	33.3%
Total	60	100.0

4.5.10 The management encourage sharing potentially sensitive information on financial performance with other employees

The respondents were asked if the management encourages sharing of sensitive information on financial performance with other employees. The results are presented in Table 26

Table 26: The management encourage sharing potentially sensitive information on financial performance with other employees

	Frequency	Percent
neutral	3	5.0%
agree	34	56.7%
strongly agree	23	38.3%
Total	60	100.0

A majority of (56.7% agreed while 38.3% strongly agreed bringing to a total of (95%) of those who agreed. five percent were neutral.

4.5.11 The management encourages autonomous action among staff

The respondents were asked if the management encourages autonomous action among staff The results are presented in Table 27

Table 27: The management encourages autonomous action among staff

	Frequency	Percent
neutral	6	10.0%
agree	34	56.7%
strongly agree	20	33.3%
Total	60	100.0

A majority of 56.7% agreed while 33.3% strongly agreed bringing to a total of (90%) of those who agreed Ten percent were neutral.

4.5.12 The management encourages the developed of a clear vision

The respondents were asked if the management encourages the developed of a clear vision. The results are presented in Table 28.

Table 28: The management encourages the developed of a clear vision

	Frequency	Percent
neutral	2	3.3%
agree	34	56.7%
strongly agree	24	40.0%
Total	60	100.0

A majority of (56.7% agreed while 40% strongly agreed bringing to a total of (96.7%) of those who agreed. Three point three was neutral.

4.5.13 Recruitment selection systems

The respondents were asked if they appreciate on the recruitment selection system. The results are presented in Table 29.

Table 29: Employee Satisfaction on Recruitment selection systems

	Frequency	Percent
neutral	2	3.3%
agree	34	56.7%
strongly agree	24	40.0%
Total	60	100.0

Majority (56.7%) agreed while 40% strongly agreed bringing to a total of (96%) of those who agreed. Three point three were neutral.

4.5.14 Satisfaction on Compensation package

The respondents were asked if they are satisfied on their compensation package. The results are presented in Table 30.

A majority (66.7%) agreed while 33.3% strongly agreed bringing to a total of 100% of those who agreed.

Table 30: Satisfaction on Compensation package

	Frequency	Percent
agree	40	66.7%
strongly agree	20	33.3%
Total	60	100.0

4.5.15 Employee's satisfaction on Job security

The Employees' were asked if they do have job security. The results are presented in Table 31.

Table 31: Employees satisfaction on Job security

	Frequency	Percent
strongly disagree	5	8.3%
neutral	5	8.3%
agree	24	40.0%
strongly agree	26	43.3%
Total	60	100.0

A majority (43.3%) strongly agreed while 40. % agreed bringing to a total of (83.3 %) of those who agreed. eight point three percent were neutral, 8.3% strongly disagreed, and none disagreed.

4.5.16 Employee's satisfaction on Career growth

The employees were asked if they were satisfied with their career growth. The results are presented in Table 32.

Table 32: Employees satisfaction on Career growth.

	Frequency	Percent
disagree	6	10.0%
neutral	3	5. %
agree	27	45.0%
strongly agree	24	40.0%
Total	60	100.0

A majority (45%) agreed while 40% strongly agreed bringing to a total of (85%) of those who agreed. point five percent were neutral, 10% disagreed and none strongly disagreed.

4.5.17 Employees are satisfied on Reward motivation

The employees were asked if they were satisfied on reward motivation. The results are presented in Table 33

Table33: Employees are satisfied on Reward motivation

	Frequency	Percent
disagree	6	10.0%
neutral	3	5.0%
agree	19	31.7%
strongly agree	32	53.3%
Total	60	100.0

A majority (53%) Strongly agreed while 31.7% agreed bringing to a total of (84.7%) of those who agreed. point five percent were neutral, 10% disagreed and none strongly disagreed.

4.5.18 Employees Satisfaction working environment

The Employees were asked if they were satisfied with the working environment. The results are presented in Table 34.

Table 34: Employees Satisfaction working environment

	Frequency	Percent
disagree	2	3.3%
neutral	4	6.7%
agree	19	31.7%
strongly agree	35	58.3%
Total	60	100.0

A majority (58.3%) strongly agreed while 31.7% agreed bringing to a total of (90%) of those who agreed. Six point seven percent were neutral, 3.3% disagreed and none strongly disagreed.

4.5.19 Correlation between Internal Marketing on Competitive Advantage

Correlation results in Table 35 indicates that the relationship between internal marketing and competitive advantage is positive and significant ($r=0.712$, p value < 0.01). The findings imply that internal marketing has a significant effect on competitive advantage.

Table 35: Correlation between Internal Marketing and Competitive Advantage

		Competitive advantage	Internal marketing
Competitive advantage	Pearson Correlation	1	.712**
	Sig. (2-tailed)		.000
	N	60	60
Internal marketing	Pearson Correlation	.712**	1
	Sig. (2-tailed)	.000	
	N	60	60

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

CONCLUSIONS AND RECOMMENDATIONS

4.6 Conclusions

It was concluded that the bank has invested in a management information system which was easy to use and that the bank has invested in a management information system which has enabled the minimization of administrative costs. Results led to the conclusion that the core banks management information system was compatible with other systems and that the management information system was flexible enough to supports the growth of the bank.

Results led to the conclusion that CRM strategy enables the banks to analyze the customer profiles. It was inferred that CRM strategy helps banks to identifying the banks most profitable customer and prospects and that CRM enables the bank to provide better customer service.

Results led to the conclusion that the banks constantly monitor their level of commitment to serving customers' needs and those they also measure customer satisfaction systematically.

4.7 Recommendations

Following study results, it is recommended that investment in Information technology be emphasized in the banks as it has an effect on the overall achievement of competitive advantage.

The study recommends that banks should emphasize customer relationship by investing in a customer relationship management system.

In line with study results, it is recommended that employee empowerment be emphasized in the banks as it has an effect on the overall achievement of strategic competitive advantage.

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