Investigating the Effects of CRM and Negotiation to Improve the Organization Loyalty: With Special Reference to Leading Insurance Organization in Sri Lanka

A. Deepthi Thanuja De Zoysa,
Insurance Assistant,
Sri Lanka Insurance Corporation,
Colombo, Sri Lanka.
E-mail: dezoysadeepthi@gmail.com

Abstract
This research paper examines the effects of Customer Relationship Management (CRM) and negotiation in insurance sector with a focus on Sri Lankan context. Customer is the key factor of any insurance organization. Due to the more and fiercer competition in today’s business, many companies are required to build long-term profitable relationships with customers. Therefore, maintaining customer relationships and negotiation are very important for any organization because customers will provide competitive advantage than other assets and it will build up a proper CRM. But the problem is whether the employees use this effectively and efficiently. The main purpose of this research is to examine the usefulness of CRM and negotiation to improve the organization loyalty in Sri Lanka. 240 employees were randomly taken as the sample of this study. Methods such as interviews and questionnaires were used to collect primary data and magazines, books, journals and web sites were used as secondary data. Data analysis has been done quantitatively. The main research instrument used for the research was the questionnaire designed by the researcher. According to the survey, it was found that in the Sri Lankan context, the overall Customer Relationship Management and negotiation are in a satisfactory level and that the customer relationship has improved in Sri Lanka compared to the past. Suggestions help further improvement of customer service and the designing of a good customer relationship program and employee development program at every single meeting point of the customer and the organization. This will help employees to assess the customer relationship effectively and efficiently to improve the organization loyalty.

Key Words: Customer Relationship Management, Negotiation, Loyalty, Customer, Employees