Post and Pre Impact of Privatization on Customer Relationship Management of Pakarab Fertilizers: Illustrative Case Studies

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Abstract
This study is conducted to find out the Post and Pre Impact of Privatization on Customer Relationship Management of Pakarab Fertilizers. Pakarab fertilizer is the one of the major producer of the fertilizer in Pakistan and a chain of Fatima group of industries. there wasn’t any predefine CRM system before the privatization as it came under the umbrella of the government body named as NFC (national Fertilizer corporation), major vision of industry was to maintain the demand and supply of fertilizer on reasonable prices for the farmers. After the privatization the Fatima group of industries maintained and boosted their revenues by upgrading the marketing department to the international standards, enhancing their CRM system By applying oracle Architect 12 software in All departments of the industry. with this the dealers and the Regional managers of the industry make orders and transactions at real-time. secondary data is being is being used in this study

Introduction.
This case study is about the Pakarab fertilizer Multan which comes under the ownership of Arif habib investments and Fatima group of industries. This study majorly emphasize on the impact on CRM system before and after privatization. before the privatization the vision and mission of the industry was entirely different. before the privatization it comes under the umbrella of National fertilizer corporation. There was manually book keeping system in all the departments of Pakarab. After the privatization the approach of the company changes with respect to the CRM and mission and vision of the company was also highly motivated. Use of computer evolution came with the privatization the concept of Data warehousing its handling came with that. Current status of the Pakarab is their marketing department is highly diverted to the customer satisfaction, how to win back the customers and the retention strategies. 

Fertilizer is a key component for the modern farm technology for achieving the large production of the crop. High yield varieties of fertilizers were introduced in 1966-67 and set the stage for green revolution. Application of commercial fertilizers in Pakistan began in 1952-53 (Quddus, Siddiqi, & Riaz, 2008).

As the Major GDP part of our economy is agricultural, so making the best customer relations, its important to have Best CRM systems, as the in now a days industries are totally dependent on the part were the customer is satisfied.

Objectives of the study
- To find out the pre privatization impact on CRM system of Pakarab fertilizer Multan
- To Find Out The post Privatization impact on CRM system Pakarab fertilizer Multan

History of the Company
The company was established as a result of protocol concluded and signed on November 15, 1973 by the two Governments, to further strengthen the brotherly ties in the field of petroleum industries and Natural Resources available to the mutual benefits of the two brotherly Muslim countries. This step was taken to boost up the economy of Pakistan. On March 07, 1973, an agreement
was executed between West Pakistan Industrial Development Corporation of Pakistan (WPIDC) and Abu Dhabi National Oil Company (ADNOC). This agreement was finally signed on November 01, 1973. So as a result of this agreement of participation PakArab Fertilizer was established as a joint venture company. In fact company was initially named as National Gas Fertilizer Factory Multan. Thus the company was incorporated on Nov. 12,1973 with total authorized capital of Rs.1000 Million. Later WPIDC interests in the company were assumed by National Fertilizer Corporation of Pakistan (NFC) as a result of reformation of Public Sector Corporation. Under the privatization policy of Government of Pakistan, Pakarab Fertilizers Limited was privatized on July 14, 2005 at a cost of Rs.14.125 billion. It was acquired by a consortium of Fatima Group and Arif Habib Group.

**PLANTS OPERATING IN PFL MULTAN**
- AMMONIA PLANT
- NITRIC ACID PLANT
- POWER HOUSE
- UREA PLANT
- NITRO PHOSPHATE PLANT
- CALCIUM AMMONIUM NITRATE
- CO2 PLANT

**PRODUCTION**

**MAIN PRODUCTS:**
- Prilled Urea 280 MTPD
- Prilled Nitro phosphate 1015 MTPD
- Prilled Calcium Ammonium Nitrate 1500 MTPD

**MID PRODUCTS:**
- Nitric Acid 1380 MTPD
- Ammonia 960 MTPD
- Power 27MW (3*9 MW)

**AREA OF PFL**
- Factory Area 172 Acres
- Housing colony 130 Acres

**Pre privatization impact on CRM system**
Before the privatization of the company, it was under the hold of national fertilizer corporation. NFC (National Fertilizer Corporation) It was the regulatory body under the government and its key duties was to maintain the demand and supply of fertilizer for farmers to Build new plants for maintaining the supply of Fertilizer in Pakistan. The whole production of the Pakarab fertilizer was purchased by the NFC and further processing of the fertilizer was done by NFC

**NFC the only customer before the privatization**
Before the privatization the only customer of the Pakarab fertilizers was NFC. What ever Produced by the company was only For NFC because it was the government joint venture.
The ratio of the profit per 50 ton of the fertilizer was 10%.

**CRM system before Privatization:-**
There was no CRM system installed before the privatization of the company. Vision of the company was different and all the data was processed through book keeping ledgers and customer indexes. If u have to get any information about the customer you would have to contact the NFC the it will provide details about the regarding customer. NFC maintained their data retailer data trough book keeping.

**Post privatization Impact on CRM system of Pakarab:-**
After the privatization of the Pakarab fertilizer the vision and mission of the company was totally changed customer retention and customer data maintained was the major key objective of the firm. the firm went through different stages of implementation of the different software’s for customer data management.

**Oracle Architect 12:-**
The whole organization is based on this software from HRM department to the customer relationship management this is the key software used for the processing of data. This software was implemented three years back and now it’s totally functional

**Data ware House :-**
The data warehouse of Pakarab fertilizer is situated in Lahore Administration Country Branch. All the data is processed through this warehouse it not only include data regarding CRM but it also contains HRM, Marketing sales work in processes, Vendors suppliers and combined mainframe system. the data warehouse belongs to Fatima group of companies and its totally functional and it satisfies all the international standards.

**CRM system the Frame work:**
There are total ten Regional mangers all over Pakistan and they process the sales and maintain the customer data all over the country and provide stats to the country manager. The below diagram shows the whole process how the dealer purchases through the order.

The dealer contacts the sales manager and negotiate the quantity and the price of the bulk fertilizer purchase ,first the person should have the dealership of the regarding firm. after that assistant sales manager places the order and first authenticate with the regional manager the regional manager then permit the sale order then the assistant sale manager peruses the process of purchase order entry .the purchase order entry is soft slip in which name place price freight charges order quantity and dealers no of order is mentioned .this data is entered to the data ware house situated in Lahore and then the date is decoded and re encoded and then its being printed and slip is provided to the dealer
The printed voucher is proof of the transaction for the dealer. After the voucher is placed then it's pinged to the distribution centers where the bulk ordered get ready for the transfer. The order should be greater than 10 tons and maximum 100 tons.

Results of Implementation CRM system:

Obstacle after implementation CRM System:

Many companies have spent hundreds of thousands of dollars and multiple years on CRM deployment projects, only to find they made a bad choice and must start over. The same happened in PAKARAB. They were unable to calculate the true cost of the project, recognize the cost and time issues involved in
ongoing customization, They were realistic about what the product can do, and be practical when it’s time to deploy.

What is customer relationship management software, exactly? The answer to that question is different depending on whom you ask. For many companies, CRM equals sales force automation (SFA). Others use the term CRM to describe customer support management, field service, contact center, or marketing automation.

Confusion or miscommunication on this important question can result in companies making bad decisions that can cost tens or hundreds of thousands of dollars and waste months, if not years, of time. Choosing the right system can dramatically improve the productivity of your team and increase customer satisfaction.

The wrong system can create chaos and frustration in addition to burning through a lot of cash, only to put your organization in a worse situation than where you started. The following highlights some of the more common mistakes companies make when choosing a CRM system, and how to avoid them.

**Major Obstacles Faced By the Management of Pakarab Fertilizer:**

- There was lack of technical knowledge and skill most of the employees don't know how to operate the computer
- Early stage they developers were unable to define the risk due to which the management has to bear loss and frustrated customers
- Employees feel discomfort in applying new tools and techniques
- Organization culture was going to change and most of the employees created hurdles resulting firing them.

**Conclusion:**

Organizations face considerable challenges in implementing large-scale integrated systems such as ERP and CRM. The promise of internal and external integration is understandably attractive in a world where service excellence, innovation and efficiency are relentlessly pursued. Pakarab fertilizer is totally on Oracle Architect 12 were all departments and it all customer data management is processed. Before the privatization as there was only one customer ,NFC so there was no need to implement the serious amount of system because before that the Pakarab didn’t come in the market competition. It was the government operated industry. After the Privatization of the industry Company jumped into the competition. the first competitor was FFC(Fauji Group) their Product Sona Urea. The Next Competitor was Angro Fertilizers. Daud Hercules Fertilizers Group was Another Major Competitor so Pakarab has to jump into the competition with the certain relying strategies of CRM system.

**References:**

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