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# **Relationship Between Key Account Management Orientation and Firm Performance in Ethio Telecom**

**Addis Ababa University  
College of Business and Economics  
Department of Management**

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A Research submitted in Partial Fulfilment of the Requirements for the Award of the Degree of Executive Masters in Business Administration

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Addis Ababa

# DECLARATION

I hereby declare that this work entitled “Relationship between Key Account Management Orientation and Firm Performance in Ethio telecom” is my own work and that, to the best of my knowledge and belief, it contains no material previously published or written by another person nor material which has been accepted for the award of any other degree or diploma of the university or other institute of higher learning, except where due acknowledgment has been made in the text.

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Advisor’s Approval

This Research project has been submitted for examination with my approval as a University advisor.

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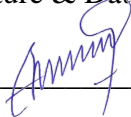
# Addis Ababa University

## College of Business and Economics

### EMBA Program

This is to certify that the research project prepared by Wondimagegn Temessa entitled: “Relationship between Key Account Management Orientation and Firm Performance in Ethio telecom” and submitted in partial fulfillment of the requirements for the degree of Executive Master of Business Administration in Management complies with the regulations of the university and meets the accepted standards with respect to originality and quality.

Approval of Board of Examiners

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## **Abstract**

Key Account Management (KAM) is a systematic approach to managing and growing a named set of an organization's most important customers to maximize firm value. Little research has been done on KAM and firm performance nexus in general and in Ethiopia in particular. The perception of both key account customers and Ethio telecom management members established the study setting. The research aimed to empirically examine the effect of Relationship between Key Account Management Orientation and Firm Performance of Ethio telecom. Data was collected from all the 116 key account customers and 109 Ethio telecom management members. The study used both descriptive and inferential statistics to analyze study results. The independent variables explained the dependent variable by 78.4%, and 65.8 % per the perception of key account customers and Management members, respectively. The findings signpost top management involvement, customer-centricity, inter-functional coordination, top management commitment influence KAM performance under key account customers model one and ability to customize, inter functional coordination and customer centricity influence KAM performance under management members model two. The study concludes key account management affects the performance of Ethio telecom.

**Keywords:** key account management, firm performance, Ethio telecom

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## List of Acronyms

ATC	Ability To Customization
AM	Account Manager
ET	Ethio Telecom
ETA	Ethiopian Telecommunication Authority
GTP	Growth Transformation Plan
IBTE	Imperial Board of Telecommunications of Ethiopia
IFC	Inter Functional Coordination
<i>IFS</i>	Inter-functional support
KA	Key Account
KAC	Key Account Customer's
KAM	Key Account Management
KAMO	Key Account Management Orientation
SME	Small and Medium Enterprise
SOHO	Small Office and Home Office
SPSS	Statistical Package for Social Science
TMC	Top Management Commitment
<i>TMI</i>	<i>Top Management Involvement</i>

# Chapter One: Introduction

## 1.1 Background of the study

The importance of building long-term relationships between buying and selling firms has been widely recognized in the literature (e.g. Webster 1992). A marketing approach aimed at building relationships with a loyal customer base in business markets is known as Key Account Management (KAM) (Donald et al. 1997). KAM involves targeting important customers by providing them special treatment in the areas of marketing, administration, and service (Barrett 1986). The topic of what drives KAM success has received a lot of attention from both academics and practitioners. Prior research regarding this issue is mainly normative and revolves around the organizational aspects of a KAM program. This is probably since researchers traditionally mainly treated KAM as an applied in nature, sales management aspect (Gosselin and Bauwen 2006). However, KAM represents an application of relationship marketing in business markets (McDonald et al. 1997) and, therefore, the factors that enable suppliers to develop long-term relationships with key accounts are of utmost importance (Millman and Wilson 1999).

Along these lines, this study will attempt to contribute by empirically validating that the values of customer orientation, top-management commitment, inter-functional coordination, ability to customization, top-management involvement, and inter-functional support, which is defined as Key Account management orientation (KAM0) are helping Ethio-Telecom to manage effective relationships with key account customers. In other words, the study will attempt to examine whether effective KAM relationships are dependent on the six variables.

### 1.1.1 Background of Ethio-Telecom

Telecommunications service was introduced in Ethiopia by Emperor Menelik II in 1894 when the construction of the telephone line from Harar to the capital city, Addis Ababa, was commenced. Then the interurban network was continued to expand satisfactorily in all other directions from the capital.

The Imperial Board of Telecommunications of Ethiopia (IBTE) was established by proclamation No. 131 on October 15, 1952. The main purpose of the Board, as stated in its establishment

charter of article 5 was “to rehabilitate, extend, repair and maintain the telecommunication facilities of Ethiopia and to engage in the business of telecommunication for profit.”

Under the Dergue regime, the Ethiopian telecommunications was renamed again as “ETHIOPIAN TELECOMMUNICATIONS AUTHORITY (ETA) in January 1981. It retained its name as ETA up to November 1996. At this period, the telecommunication services had made a major change in technology ranging from Automatic to Digital technology.

As a continuation of the last five-year plan and after concentrating its efforts on education, health, and agriculture, the Ethiopian government has decided to focus on the improvement of telecommunication services, considering them as a key lever in the development of Ethiopia, Ethio-Telecom is born, on Monday 29th November 2010, from this ambition of supporting the steady growth of our country, within the Growth Transformation Plan (GTP), with ambitious objectives for 2015.

The strategy of Ethio-Telecom will achieve its goal of both providing a reliable network and of improving customer services through a range of different levers that are part of its development strategy. Ethio-Telecom will develop and enhance the information system. This will help to decrease the delay for provision, sales, and activation as well as to provide more reliable information to the customer. In line with its ambitious mission, Ethio-Telecom has ambitious goals: Being a customer-centric company, Offering the best Quality of Services, Meeting world-class standards, Building a financially sound company.

Currently Ethio-telecom is organized under 12 divisions. These divisions are namely; Finance, Legal, Human Resource, Sourcing and Facilities, Residential Marketing and Sales, Customer Services, Enterprises, Internal Audit, Program Management Office/Security/Public Relations, Quality and Process, Information System, and Network Divisions. Each division has its chief officer.

Ethio-Telecom’s network coverage and type of services rendered are increasing from time to time. The same is true for its revenue. The annual gross profit growth rate is showing an increase from year to year. (Ethio-Telecom, 2017)

Enterprise Division is a sales division established in Dec 2010 on the account of serving those customers that generates the highest revenue to the company and those mission-critical institutions operating in the country to provide a tailor-made solution, support countries big & complex IT related support projects. It is organized in three departments and two sections namely: Key Account Department; SOHO/SME Department; Sales Support Department; Indirect Channel Section; Reporting and Telesales Section.

The two main departments fully engaged in sales to enterprise customers are Key Account and SOHO/SME Departments. Key Account department oversees developing, managing, and maintaining enterprises sales activities for large Enterprise customers through dedicated teams organized by sectors, zones, and regions. The business market is managed through 6 sectors: Financial Institutions, Public Service Enterprises, Private Service Enterprises, Production and Industries, Government and Administration, International organizations, and Embassies.

The division has more than 3500 Key Account customers throughout the country. whereby each Key Accounts customer has a dedicated sales executive for any telecom service inquiry. Even if there is no standard on how many customers should be managed by a single sales executive, the division continues to increase the number of managed customers. The number of managed customers per sales executive varies from 7 to 60 depending on the nature of the customers. Some customers do have many branches while the other customers do have less. All the sales have been monitored and evaluated by the sales administration section.

## 1.2 Statement of the Problem

KAM has become a common practice in the corporate world and has attracted growing attention. However, the KAM practice within Ethio-Telecom is still relatively new and its performance is not yet efficient. There are also substantial problems observed in the company's KAM programs such as poor inter-functional coordination, lack of top management commitments, lack of customer orientation among others. This is negatively affecting key account relationships and hence financial and non-financial corporate performance. Therefore, reexamining the related values of customer orientation, top-management commitment, inter-functional coordination, ability to customize, top-management involvement and inter-functional

support seems essential for the maximization of the performance of Ethio-Telecom. Based on these the following research questions are formulated.

There are different studies were conducted in Ethiopian Ethio-telcom organization for instance the study by Mouly et al (2010) conducted a study on an assessment of Ethiopian Telecom customer satisfaction. Other study by Daniel (2015) conducted a study on Service Quality and Customer Satisfaction the case of Cellular Phone users of Ethio-Telecommunications in Ambo Town. Hassen (20015) analyzed a study on the determinant factors affecting relationship management in ethio telecom in Mekelle town branch. Dires (2014) also conducted a study on to address the determinants of key account management effectiveness in the context of Ethio Telecom.

All of the above studies were conducted on the assessment of and also to analyze the determinants of customer satisfaction and services quality related. To the best of my knowledge none of the empirical studies were conducted in the KAM performance in Ethi-telecom from perspective of both key account customers and Ethio telecom management members. Therefore, this study empirically examines the performance of key account management of Ethio-Telecom.

### 1.3 Basic research question

Basic research questions to be examined during the process of this research include:

- ✓ What is the effect of top-management commitment on Ethio-Telecom key account management performance?
- ✓ What are the KAM practices which enhance Ethio-Telecom performance?
- ✓ What is the effect of inter functional coordination practice on KAM performance of Ethi-telecom?
- ✓ What is the effect of ability to customize and skill of Key account managers in Ethio-Telecom.
- ✓ What are the ways that help improve key account management processes in Ethio-Telecom.
- ✓ How customer centricity practice affect KAM performance in Ethio-telecom?

## 1.4 Objective of the study

### 1.4.1 General objective

The research objective of this study is to conceptualize and empirically examine the performance of key account management of Ethio-Telecom. In other words, the research will try to uncover the gaps in the existing KAM practice within Ethio-Telecom

### 1.4.2 Specific objectives

The specific objectives of the study will be:

- To assess top-management commitment and believe in the importance of KAM.
- To examine the impact of KAM practice on ethio Telcom performance,
- To examine the practice of inter-functional coordination and inter functional group handling on key accounts customers.
- To assess the ability to customize and skill of Key account managers in Ethio-Telecom.
- To assess ways that help improve key account management processes in Ethio-Telecom.
- To examine the level of customer centricity in Ethio-Telecom

## 1.5 Definition of used terms

**Key accounts (KA);** Key accounts are customers of strategic importance to a supplier and therefore their management is, by definition, among the most critical of business-to-business suppliers' activities (Milliman & Wilson, 1995).

**Account manager (AM):** An employee who is responsible for the day-to-day management of a customer's account in the business. The account manager is a point of contact, and provides customer support, up selling, technical assistance and general relationship management. An account manager may oversee several smaller accounts or may focus on a few larger accounts.

**Key Account Management (KAM):** is defined as an approach adopted by selling companies aimed at building a portfolio of loyal key accounts by offering them, on a continuing basis, a product/service package tailored to their individual needs (Millman & Roger, 1997). is a management of the customer relationships that are most important to a company. Key accounts are those held by customers who produce the most profit for a company or have the potential to

do so, or those who are of strategic importance. The development of these customer relations and customer retention is important to business success. Emphasis is placed on analyzing which accounts are key to a company at any one time, determining the needs of these customers, and implementing procedures to ensure that they receive premium customer service and to increase customer satisfaction.

## 1.6 Significance of the study

For Ethio-telecom the result of the study could have multiple benefits. One of the most important is that the findings can be used to bring about improvements in the Ethio telecom KAM performance. Studying to analyze the KAM performance also has significant implications for the following bodies; It has a greater benefit for ET top executive management to understand the KAM practice performance in an empirical way. It also has a practical significance, so as to evaluate the KAM performance in empirical ways whether; it is in the right track or not, suggests ways and means of tackling the problems on the decision makings.

The finding of the study could have some contribution to the already existing knowledge on the field of KAM practice performance with a theoretical significance for further researchers, academicians, and marketing researchers as an input to test a theory. Furthermore, it can be an initial to KAM performance, the cases of Ethiopia using these and other new dimensions, especially for manufacturing sectors.

## 1.7 Delimitation of the study

The finding of this research will be more fruitful if the scope is widened to include all the top management, key account managers, and inter-functional support managers of Ethio-Telecom instead of a sample of them. But due to time constraints it would be out of reach for the researcher to include all. The sample-based study however helps the researcher to stay focused to get quality data, cope up with the available time and other resource constraints.

## 1.8 Limitation of the study

Data availability and weaknesses remain a major setback in carrying out empirical research in most developing countries, particularly in Ethiopia. The number of time span used in this study is the basic limitations of the study. The research focuses on the examination of KAM practices

of a single firm, Ethio-Telecom. The issues of KAM practice and corporate performance however are enormous and wide. No study is perfect as it is carried out in an environment of recurring changes and limitation of resources including information.

Hence this study might face the following limitations:

- Shortage of time to facilitate the entire research work
- The research may face unwilling managers to respond to the questionnaire and may also face poor responses while filling questionnaires

However, the researcher believes that the reader can get a different kind of perspective in the debate to analyzing and measuring KAM practices.

## 1.9 Organization of the Study

The rest of the paper is organized as follows. Second chapter deal with the review of related literature which includes theoretical/conceptual and empirical reviews. The third chapter deals with the research methodology that the researcher will be following in the process of data collection, data analysis, and interpretation. Chapter four includes data presentation, interpretation, and discussions. Finally, under chapter five the overall findings of the research, conclusion, and recommendations of the research will be stated.

# Chapter Two: Review of Literature

## 2.1 Key Account Management

The emergence of the portable PC in 1994 contributed to the easy availability of strategic account data for organizations (Management center Europe, 2003). Companies strategically adapt their key account management approach to keep their competitive edge and to maintain a sustainable supplier-customer relation. Most of these adaptations occur because of market changes and different forces. Key account management helps to understand the characteristics and needs of key customers to serve as well as to optimize the relationship. It plays a strategic role in building closer relationships between supplier and customer organizations that add superior value to the customer's as well as to the supplier's business (Macdonald & Woodburn, 2007). Accordingly,

KAM has become a common practice in business-to-business interaction in most of the companies of the developed countries. It has attracted growing attention from both academics and from sales and marketing practitioners in recent years (Baddar and Brennan, 2009) the KAM approach clearly characterized by long-term relationship marketing orientation rather than traditional short-term transactional marketing. Key account management involves in:

- (1) identifying key accounts
- (2) analyzing key accounts
- (3) Selecting suitable relationship strategies for them
- (4) Continuously developing operational-level capabilities to enhance relationships

Ojasalo(2001) extended the above points by characterizing the general nature of the KAM approach in terms of several dimensions. In his study, he found that the KAM approach tends to focus on long-term relationships, and it has both managerial and theoretical orientation. Macdonald and Woodburn (2007), argued that key account management is essential and a boundary-crossing initiative. By its nature, Key account management requires dedicated sales executive or key account manager or team to coordinate day-to-day interaction with key accounts, which has significant implications on organizational structure and processes.

Therefore, suppliers might be able to resolve the issues of the organization by adopting a more appropriate structure, or by installing processes that work across the existing structure.

## 2.2 Key Account Management Model

### 2.2.1 Key Dimensions of Key Account Management Orientation (KAMO)

Spiros Gounaris · Nektarios cited on Tzempelikos Drawing on a literature review (Shapiro & Moriarty, 1984b; Zupancic, 2008; Richards & Jones, 2009; Millman & Wilson, 1999; Homburg et al., 2002) and in-depth interviews with senior managers from selling organizations, they propose that KAM is a multidimensional construct which includes customer orientation, top-management commitment, inter-functional coordination, ability to customization, top-management involvement and inter-functional support.

This conceptualization suggests that suppliers should develop KAM on effective relationships with the independent variables. Customers can only identify and evaluate an organization's what they see and observe. Only when all these six independent variables factors work in concert can effective KAM relationships emerge.

These six dimensions may not be the only components of KAM. In fact, literature has identified many dimensions of KAM that suppliers have to consider in order to develop effective KAM relationships (e.g. Ryals & Humphries, 2007). However, there seems to be a consensus in the literature concerning the importance of the proposed dimensions for a supplier seeking to develop KAMO (Zupancic, 2008; Millman & Wilson, 1999; Homburg et al., 2002; Richards & Jones, 2009; Jones et al., 2009). In the following paragraphs shows each dimension of KAM that emerge from this conceptualization.

### 2.2.2 Independent variables towards KAM

Coming to the organization's the six independent variables towards KAM are an important factor that is customer orientation, top management commitment, and inter-functional coordination, inter-functional support, *ability to customize* and top management involvement

- i. **Customer orientation** is the supplier's focus towards meeting the key account's individual needs through delivering superior value (Shapiro & Moriarty, 1984b; Guenzi et al. 2009). Customer orientation involves focusing on what the key account wants (Berry & Parasuraman, 1991), what would add to the key account value from the relationship (Pardo, Henneberg, Mouzas, & Naude, 2006) and, subsequently, how to deliver it (Guenzi et al., 2009; Guenzi, Pardo, & Georges, 2007). Customer-oriented culture, traditionally, captures the supplier's focus on the overall customer basis without differentiating between key accounts and other, average, customers (Homburg et al., 2002). However not all customers are of equal importance for the supplier. Therefore, adopting customer orientation for a supplier practicing KAM means paying more attention in satisfying key account's needs even if this is translated in dedicating fewer resources and attention in the other, average, customers (Piercy & Lane, 2006)
- ii. **Top management commitment** involves the demonstration of top management's belief about the importance of KAM (Millman & Wilson, 1999). Given that KAM is a strategic issue for the supplier, top management should initiate and overview its implementation (Millman & Wilson, 1999). Specifically, top management has the responsibility to initiate and monitor the implementation of programs tailored to the needs of specific key accounts (Millman & Wilson, 1999) and to affirm the importance of the KAM program as a major strategic orientation for the company (Pardo, 1999). Securing top management commitment is also important in order to avoid inter-department conflicts. Very often the KAM function tends to threaten the status quo of the organization (Millman & Wilson, 1999). Top management should make clear to the whole organization that KAM should not be treated competitively by other functions; on the contrary, all should contribute to the KAM function.
- iii. **Inter-functional coordination** is also an important value the supplier needs to develop. Inter-functional coordination is the coordinated utilization of resources in creating superior value for customers (Narver & Slater, 1990). Centralized purchasing functions call for an equally coordinated approach from various units of the supplier (Homburg et al., 2002). Literature suggests that the culture of inter-functional coordination fosters the exchange of customer information within the firm (Fisher, Maltz, & Jaworski, 1997). The diffusion of information about key accounts between the various departments of the firm enables suppliers to respond

to key accounts' needs in a flexible and direct way (Homburg et al., 2002) and, as a result, enhance the value that is being delivered to them (Narver & Slater, 1990). Thus, inter-functional coordination is a necessary condition for achieving effective KAM relationships (McDonald et al., 1997; Lambe & Spekman, 1997; Moon & Armstrong, 1994). Yet, because a KAM program requires the supplier to take specific actions towards serving the needs of the key account (Gosselin & Bauwen, 2006).

iv. **Inter-functional support** refers to the extent other departments provide the required help and support to the people responsible for managing key accounts. Inter-functional support is necessary so that various activities such as new product development, logistics etc., can be adapted to meet key accounts' needs. (Kahn & Mentzer, 1998; Homburg, Workman & Jensen, 2000; Zupancic, 2008). Moreover, inter-functional support provides more flexibility in the relationships with key accounts.

This is important given that many KAM relationships tend to be complicated with increasing needs of adaptation and alignment of the whole organization to provide effective responses to key account's needs (Capron & Hullan, 1999; Millman & Wilson, 1999).

However, this support does not always come easily (Homburg, Workman, & Krohmer, 1999; Homburg et al., 2002; Platzer, 1984). This difficulty becomes even more evident when KAM directors have no authority over other departments of the firm (Homburg et al., 2002; Gardner, Bistriz, & Klopemaker, 1998). Top-management, therefore, should pervade the whole organization for the importance of inter-functional support in the KAM success.

v. **The Ability to customize** (Lambe & Spekman, 1997; Montgomery & Yip, 2000). The ability to customize refers to the supplier's ability to deliver to key accounts a set of customized activities in order to build a close bond with the key account (Jap, 1999; Zupancic, 2008). The KAM literature (Jones et al., 2009; Lambe & Spekman, 1997; Montgomery & Yip, 2000; Napolitano, 1997) and the buyer-seller literature (Jap, 1999; Mohr & Nevin, 1990; Sheth & Sharma, 1997) has identified a series of customized activities that suppliers offer to their customers such as customized products/services and logistics, special pricing terms, taking over customer's workload, etc. that create value to the customers (Beverland, 2012).

Customization helps the supplier to contribute to customer's competitiveness by providing unique products and features that allow the customer to differentiate from competition either based on

quality or of cost (Day, 2000). As a result, the key accounts feel more committed to the supplier and are willing to further develop their relationship (Anderson & Weitz, 1992; Cannon & Perreault, 1999; Workman et al., 2003). However, customization requires investments in money, personnel, time, etc. The high cost of customization may lead to unprofitable relationships in the long run (Piercy & Lane, 2006). Therefore, effective KAM strategies should take into consideration the investment required in order to meet key account's needs through customized offerings, but at the same time, suppliers must recover this investment in the long run (Gupta & Lehmann, 2005). A supplier can benefit from customization, and therefore, should invest in customized activities, only when the estimated benefits outweigh the associated costs of investment. Thus, as customization lies in the heart of the KAM program, the supplier's ability to customization represents the set of values that suggest the adoption of KAMO.

In addition to inter-functional support, customization also requires significant resources in terms of money, time, technology and effort. This calls for increased top management involvement with the company's KAM programs

vi. **Top management involvement**, The supplier must develop top management involvement. Top management involvement is defined as the "extent to which senior management participates in KAM" (Homburg et al., 2002). Since a typical KAM program involves many functional units, the top management role should not be limited only to the overview of the KAM function but should also include initiatives that will help towards the further development of the relationship. Specifically, top management should allocate the necessary resources for the KAM function (money, time, personnel) and encourage cross-organizational responsiveness within the firm (Workman et al., 2003; Napolitano, 1997)

Moreover, top management can contribute to building close bonds with key accounts e.g. by meeting customer's people, even at the customer's premises. Such initiatives are highly appreciated by key accounts since they get the feeling that they are "embraced" by the whole organization and that they are important for the supplier. This leads to an increasing commitment to the relationship (Workman et al., 2003; Napolitano, 1997) and, as a result, to effective KAM relationships (Zupancic, 2008). Thus, top management involvement, in addition to inter-functional support, ability to customization, customer orientation, top management

commitment and inter-functional coordination are the set of values that reflect the degree to which the company has developed KAMO.

## 2.3 KAM performance

Cited in Tzempelikos, Nektarios, and Gounaris, Spiros (2015) In addition to financial objectives KAM aims to build mutually beneficial long-term relationships with the KA. Consequently, the benefits of KAM are not just financial (Ivens & Pardo, 2007). Further to the financial aspect of effectiveness, previous research has identified a relational/dyadic dimension of effectiveness for successful KAM programs (Richards & Jones, 2009; Guenzi, Georges & Pardo, 2009; Ivens & Pardo, 2007), especially since serving certain KAs can be unprofitable for the supplier, who then recovers the loss indirectly (Ryals & Holt, 2007). Thus, we approach the effectiveness of KAM based on both relational (dyadic) and financial outcomes, relying on the work of Palmatier, Dant, Grewal, and Evans (2006) to capture the relational (dyadic) dimension of effectiveness as reflected in the degree of cooperation between the supplier and the KA.

Nevertheless, the relationship between the implementation of the KAM program and the outcomes of the program are not direct. Rather, several relational outcomes, which in the extant literature have been suggested to capture different facets of what has been termed 'relationship quality' (Crosby, Evans & Cowles, 1990), mediate this relationship (Palmatier et al., 2006). While the literature is inconclusive, researchers tend to agree that satisfaction, trust and commitment are key relational outcomes mediating the effect of KAM practices on KAM performance (Richards & Jones, 2009; Alejandro, Souza, Boles, Helena, Ribeiro & Monteiro, 2011; Ivens & Pardo, 2007; Homburg et al., 2002). More specifically, satisfaction defines the (positive) affective state resulting from the appraisal of all aspects of an exchange relationship (Geyskens, Steenkamp & Kumar, 1999). Trust is described as the perceived credibility and benevolence of the supplier (Doney & Cannon, 1997). Commitment is the desire to continue the relationship in the future and the willingness to work to maintain it (Anderson & Weitz, 1992). Hence, to meet the objectives of this investigation we focus on these three relational outcomes.

## 2.4 Empirical review

Empirical study made by Tzempelikos and Gounaris (2012) on key account management and its

impact on performance. The researchers focused on the relationship-oriented perspective of KAM. Furthermore, the study examined the impact of KAM on financial and non-financial aspects of performance. The result of their study indicated that KAM has a positive impact on financial and non-financial performance, indicating that adopting KAM is a critical factor of success in the KAM relationship. Also, they find out that the effect of KAM is on non-financial aspects appear to be higher than the financial one.

Another study cited in Selamawit G. Alemayehu (2014), which is on the assessment of key account management orientation practices by travel agencies in Ethiopia using Gounaris and Tzepelikos (2012) key account orientation model. This study focused on the level of Ethiopian travel agencies key account orientation by looking into more of internal factors like, attitude related values (Top management commitment, customer orientation & inter-functional orientation) and behavioral related values (top management involvement, ability to customization & inter-functional support). The purpose of his study was to find out if the travel agencies' key account management orientation could be explained in terms of KAM (key account orientation model) of Gounaris and Tzempelikos, which developed in 2012. The attitudinal & behavioral dimensions of the model founded to be important & it found to apply to all managerial levels of travel agencies.

Mouly et al (2010) conducted a study on an assessment of Ethiopian Telecom customer satisfaction. The primary purpose of this research article was to explore Ethiopian telecom customer satisfaction levels. To attain this objective questionnaire was designed and distributed to 400 customers in Addis Ababa region and were asked regarding the customer service delivery of sole telecom service provider of the country Ethiopian Telecommunications Corporation (ETC). Through structured questionnaire and in-depth personal interviews with 400 Ethiopian telecom customers of both the sexes (252 male and 148 female) in and around Addis Ababa region collected the opinions on service interaction, service delivery process, customer complaint handling procedure, overall satisfaction levels and also customers opinion on improvement on telecom service providers ability in the last five years. This study used both quantitative as well qualitative survey research designs. The study found that 41% customers of ETC were dissatisfied with employees' interaction skills. Furthermore another 47% of the customers were

also disappointed with customer service delivery system and 70% customers were not pleased with the Complaint Handling Procedure and its outcome.

Daniel (2015) conducted a study on Service Quality and Customer Satisfaction the case of Cellular Phone users of Ethio-Telecommunications in Ambo Town. The study was tried to provide relevant factors that cause customers to respond about mobile phone services delivered by Ethio-telecom. The research approach employed for the study is mixed approach i.e. both qualitative and quantitative approaches used to find out the effect of Ethio-telecom service quality on customer satisfaction. For the purpose of the study both primary and secondary data are used. The primary data are collected through questionnaire and interview with the Ambo branch Ethio-telecom employees, manager and customers. Furthermore, secondary data are taken from documents and brochures that are available from the branch office. The research design employed is descriptive and uses charts and frequency table to discuss the output. A sample of 500 were selected through simple random sampling from the total population. Result of the study shows that mobile phone users face a number of the problems like network busy, error in connection, poor network coverage, slow mobile internet service and expensive price of the service.

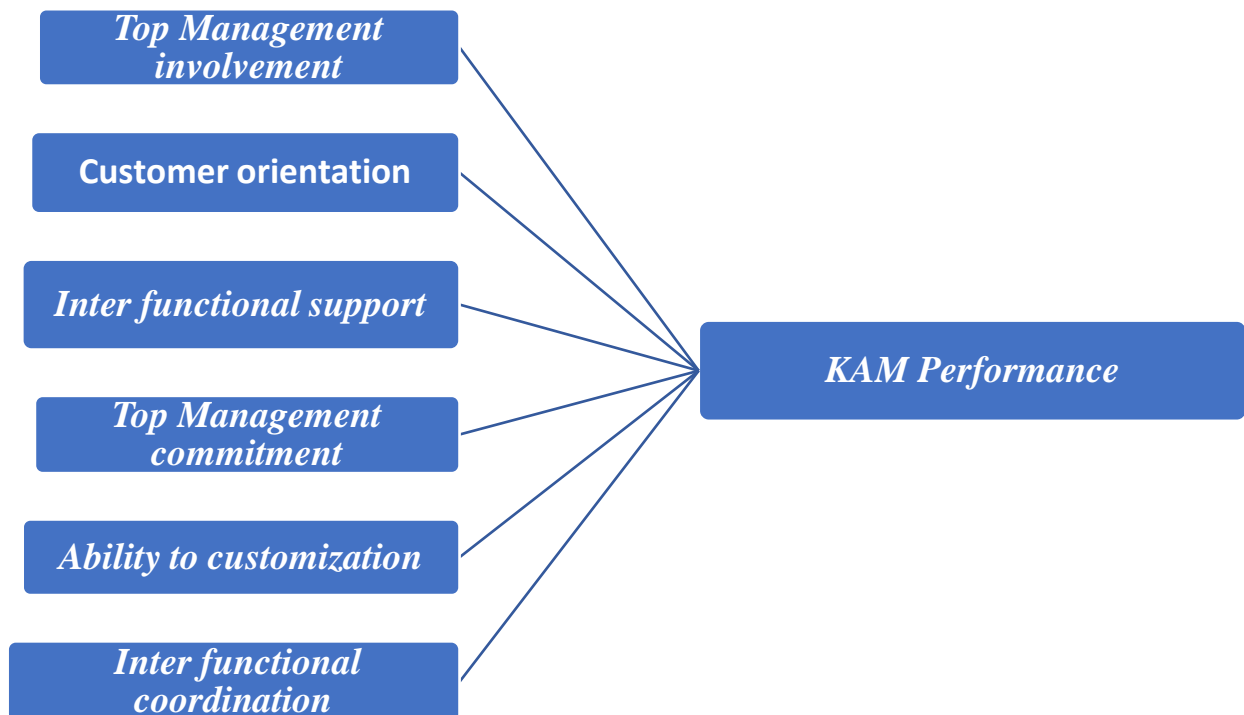
Dires (2014) conducted a study on to address the determinants of key account management effectiveness in the context of Ethio Telecom. A conceptual model of factors that affect KAM effectiveness was developed and hypothesized. The hypotheses were tested with data collected from key account department of Ethio Telecom using structural equation modeling. The findings of this study show that from the postulated seven determinants of KAM effectiveness (strategy, solution, people, management, screening, government, and culture), the three (solution, management, and screening) were found significant determinants. The scope of the study is limited to a single telecom operator company in Ethiopia and analyzed from the perspective of the supplier. The findings provide the empirical application of the KAM model theorized by incorporating two additional external factors proposed to determine KAM effectiveness. The study contributes to the improvement of KAM implementation in Ethio Telecom particularly.

Hassen (2015) analyzed a study on the determinant factors affecting relationship management in ethio telecom in Mekelle town branch. In order to collect data both primary and secondary data sources were used in the study. The primary data was collected from users of the services and

employees of the ethio telecom by using questionnaire. The secondary data was collected from books and other related records of the corporation. The sampling method used for customers was convenience and simple random sampling was used for employee so as to gather primary data. The collected data were analyzed using descriptive analysis and accordingly interpreted and reported.

## 2.5 Conceptual framework

After reviewing different works of literature on the study, the researcher adopted Workman *et al.* (2003) model. The researcher modified the variables in the model to develop the below conceptual framework for the study with the intentions of having variables which can fit for the study area.



Source: Literature and own Formulation

Figur 2.1: Conceptual framework

## 2.6 Hypotheses

Based on the above conceptual model the below hypotheses have been developed with respect to the research objective.

H1: Top management commitment in KAM is positively related to performance

H2: Customer orientation is positively related to performance

H3: Inter functional coordination is positively related to performance

H4: Top management involvement in KAM is positively related to performance

H5: Ability to customization is positively related to performance

H6: Inter functional support is positively related performance

## **Chapter Three: Research Methodology**

### **3.1 Research Design and Approach**

The main objective of the study is to assess the key account management strategy practice on the performance of Ethio -telecom. Therefore, to achieve this objective properly explanatory and descriptive research design with quantitative and qualitative data approaches will be used through this study. The reason for using explanatory research is that according to the Kothari (2004, p.19) explanatory research method is very important to explain the cause and effect relationships phenomena.

A research design is a plan that specifies the methods and procedures for collecting and analyzing needed information (Zikmund et al, 2009 pp.66). The conceptual structure which a research is conducted; it is the mailestone for the collection, measurement and analysis of data. The study was employed both descriptive and explanatory research design with quantitative and qualitative data approaches to ascertain the data the primary and secondary data.

In addation, to realize the objective of this study objective and to provide a conclusive answer for the research questions outlined in chapter one, the researcher adopted the following research design and methodology. The research approach for this study is Deductive research approach. Since the study used Gounaris and Tzepelikos (2012) key account Management orientation and measurement model. KAMO model to study the research objective and based on the result it has recommended for other similar organizations. For this study, the researcher used quantitative research methods. It involves the series of data in quantitative form, which can be subjected to complex quantitative analysis in a formal and rigid as the relationship between the dependent and independent variables will be measured quantitatively (Kothari, 2004). The study used quantitative methods as required by the study to meet the specific objectives. This was with the objective of having complete and valid data to achieve the research objective.

### **3.2 Target Population and sample size selection**

#### **3.2.1 Sampling Techniques**

The sampling techniques for respective management members and key Account customers for this study is census sampling. This is with the intension of achieving the research objective and

the researcher believed that this technique is the most appropriate considering the target population the sample frame is small and taking a sample from it would give insufficient response to generalize.

### **3.2.2 Sample size & sampling procedure**

The Sample size for this study is 116 key account customers and 109 respective management members, which are all related to key accounts management. The customer's also active and managed customer by ethio telecom who are located in Addis Ababa. The researcher did not include the staff of key account management any sampling procedures since the researcher used the census-sampling method the study.

## **3.3 Data Collection**

### **3.3.1 Primary Data**

Primary data was used in this study and the source of the data was from key customers and management staff in ethio telecom. Close-ended questionnaires and semi structured questionnaires were employed to collect the data. Respondents were contacted personally to collect the required information via a questionnaire. Primary data was the backbone for the study, as it enabled to understand the company practice and to get a valid conclusion for the study. Hence for collecting this data, the researcher made an interview for selected customers and management members and used well designed structured questionnaire submitted to both types of respondents (respondents were top management, Middle management, lower management and expert of the organization as well ethio telecom), Respondents have been informed and assured about confidentiality

### **3.3.2 Secondary Source**

The researcher collected secondary data from Enterprise Key account Department performance reports of Ethio-Telecom & corporate office database and related research works conducted around this topic which helped the study to have valid data.

## 3.4 Method of Data Analysis

Once the data was collected, verification was conducted, and complete questionnaires were identified. Then the data is coded into SPSS (statistical package for social science) according to the variables selected and the questions asked. The data analysis was performed using descriptive and inferential statistics. IBM SPSS statistics (statistical Package for social scientists) software version 20 is used to process the data.

### 3.4.1 Descriptive statistics

The final report of the relevant demographic variables was produced through central tendency measurements (frequency and frequency distribution, valid & cumulative percentage, and comparison of mean). Also, tabular explanations are used to present the result with the help of SPSS.

### 3.4.2 Inferential statistical Analysis

In inferential statistical analysis, correlation and multiple linear regression methods were utilized using statistical package for social sciences (SPSS) software. The use of these statistical tools and methods of presentation are described below.

### 3.4.3 Correlation

Correlation ( $r$ ) is used to describe the strength and direction of the relationship between two variables. Since all variables are measured as an interval level, Pearson product-moment correlation was used. Correlation “ $r$ ” output always lies between -1.0 and +1.0 and if “ $r$ ” is positive, there exists a positive relationship between the variables. If it's negative, the relationship between the variables is negative. While computing a correlation, the significance level shall be set at 95% with an alpha value of 0.05 or a chance of occurrence of odd correlation is 5 out of 100 observations.

### 3.4.4 Multiple Regression Analysis

Multiple regression analysis is a major statistical tool for predicting the unknown value of a variable from the known value of variables. And it is about finding a relationship between

variables and forming a model. The Model for this study was developed using six factors or predictors which have influences on performance.

$$Y_i = \beta_0 + \beta_1 X_{1i} + \beta_2 X_{2i} + \beta_3 X_{3i} + \beta_4 X_{4i} + \beta_5 X_{5i} + \beta_6 X_{6i} + \epsilon_i$$

Where Y is the dependent variable and the independent variables are those which explain the response ranges from X1 to X6.

**Table 3. Model Specification of Variables.**

No	Independent variable	Beta Coefficients ( $\beta$ )	Independent variable assigned by X
1	Customer Centricity	$\beta_1$	X <sub>1</sub>
2	Top- Management commitment	$\beta_2$	X <sub>2</sub>
3	Inter- functional coordination	$\beta_3$	X <sub>3</sub>
4	Ability to Customization	$\beta_4$	X <sub>4</sub>
5	Top-Management Involvement	$\beta_5$	X <sub>5</sub>
6	Inter-functional support	$\beta_6$	X <sub>6</sub>
7	Constant	$\beta_0$	1
	<b>Dependent variable</b>		Variable assigned by Y
1	Performance		Y

### 3.5 Measurement Instruments

The employed questionnaire contains the general information of the respondents and Likert scale measurements of the variables. The general information includes gender, educational level, job position in the company, and years of company experience. Five points Likert scale was used to rate the independent and dependent variables, which ranges from Strongly-disagree (1) to Stronglyagree (5) level of agreement. These five points Likert scale are adapted from different literatures of scholars. Closed ended questionnaire has been administered to the respondents and ordinal scale (i.e. Likert scale) was used to measure the attitude of respondents to indicate how

strongly they agree or disagree with the constructed statements that range from very positive to negative toward as attitudinal object. For each of the questions which use Likert scale, there were five responses that have been checked and numerical score was assigned to each of the questions as follow: **SD**= Strongly Disagree **D** = Disagree **N** = Neutral **A**= Agree **SA**= Strongly Agree.

### 3.6 Ethical consideration

The source of data for the study was a questionnaire from ethio telecom key accountcustomers. The respondents were assured that the information provided by them is confidential and used exclusively for academic purposes. In addition, respondents were informed not to include any identity detail and personal reference in the questionnaire. This minimized the biasedness of the response collected from the respondents. Besides, the different research studies, articles, and textbooks used as a reference in the study are exhaustively cited. Generally, the whole process of the research was controlled to be within acceptable professional ethics.

### 3.7 Validity and Reliability Test

#### 3.7.1 Validity Test

The scientific soundness of a research finding is determined by the validity of the instruments used. All possible efforts were exerted to make the data collection instruments easily understandable by the respondents so that the intended information can be collected thereby increasing the trustworthiness of the ultimate findings. After the questionnaire was constructed, pre-testing was done with individuals who have knowledge of the area by allowing them to read and comment on it. Constructive comments were collected from the individuals and the questionnaire was adjusted accordingly. Then, validation of the instrument was given by academic advisor before the data collection.

#### 3.7.2 Reliability Test

Reliability is essentially the dependability of an instrument to test what it was designed to test. The appropriate test for reliability is inter-item consistency reliability which is popularly known as the Cronbach's coefficient alpha. According to Joseph and Rosemary (2003), Cronbach's alpha reliability coefficient ( $\alpha$ ) normally ranges between 0 and 1. According to these authors, there is a greater internal consistency of the items if the Cronbach's alpha coefficient closes to

1.0. Based on the following rule of thumb of (George and Mallery, 2003, p. 231), if “ $\alpha > 0.9$  – ‘Excellent’,  $\alpha > 0.8$  – ‘Good’,  $\alpha > 0.7$  – ‘Acceptable’,  $\alpha > 0.6$  – ‘Questionable’,  $\alpha > 0.5$  – ‘Poor’, and  $\alpha < 0.5$  – ‘Unacceptable’.” Table 3.2 and Table 3.3 below shows that there is “acceptable” and “good” internal consistency of each independent variable’s parameters used. And the study has the sum of the independent variables average Cronbach’s alpha value of ( $\alpha = 0.963$ ) and the reliability test of the study is located on “excellent” range.

Table 3.2 Reliability Test of Variable’s Using Cronbach’s Alpha for customer’s data

<b>Reliability Statistics</b>					
<u>N<sub>o</sub></u>	Variable Name	Cronbach's Alpha Value	Cronbach's Alpha based on standardized items	<u>N<sub>o</sub></u> of items	( $\alpha$ ) reliability ranges
1	Customer Centricity	0.777	0.783	5	Acceptable
2	Top- Management commitment	0.837	0.836	5	Good
3	Inter- functional coordination	0.854	0.856	4	Good
4	Ability to Customization	0.767	0.765	6	Acceptable
5	Top-Management Involvement	0.851	0.851	4	Good
6	Inter-functional support	0.638	0.647	3	Acceptable
7	Satisfaction	0.854	0.855	3	Good
8	Trust	0.822	0.832	5	Good
9	Commitment	0.824	0.826	4	Good
	Overall	0.963	0.963	39	Excellent

Source: Own computation using SPSS of the survey, 2019

Table 3.3 Reliability Test of Variable’s Using Cronbach’s Alpha for ManagementStaffsdata

<b>Reliability Statistics</b>					
<u>N<sub>o</sub></u>	Variable Name	Cronbach's Alpha Value	Cronbach's Alpha based on standardized items	<u>N<sub>o</sub></u> of items	( $\alpha$ ) reliability ranges

1	Customer Centricity	0.671	0.643	5	Acceptable
2	Top- Management commitment	0.836	0.863	5	Good
3	Inter- functional coordination	0.818	0.821	4	Good
4	Ability to Customization	0.756	0.753	6	Acceptable
5	Top-Management Involvement	0.884	0.882	5	Good
6	Inter-functional support	0.572	0.590	3	Poor
7	Satisfaction	0.802	0.801	3	Good
8	Trust	0.817	0.817	5	Good
9	Commitment	0.869	0.868	4	Good
	Overall	0.953	0.952	40	Excellent

**Source: Own computation using SPSS of the survey, 2019**

# Chapter Four: Data Analysis and Discussions

## 4.1 Data Analysis

In this chapter, the data collected using questioner and presented based on the objectives of the study set above. The data was found to be important to explain the effect of different factors on Relationship between Key Account Management Orentation and Firm Performance in Ethio telecom. Descriptive and inferential statistics were used to analyze and interpret the results of the study. The descriptive analysis consists of central tendency measurements (frequency and frequency distribution, percentage, valid & cumulative percentages). Also, tabular explanations are used with the help of SPSS. ANOVA, Correlation, and multiple linear regression analysis with the help of statistical package for social sciences (SPSS) software were also used to present the findings of the study.

The data were collected using fivepoint Likert scale which is non-parametric in nature was converted into parametric one by computing the sum and taking the average of each variable. Hence it is possible to conduct Pearson correlation and linear multiple regression (Creech, 2011).

Pearson correlation ( $r$ ) is used to describe the strength and direction of the relationship between the dependent variable which is KAM performance and the six independent variables. Multiple regression analysis is used to predict the KAM performance from the set of the independent variables.

### 4.1.1 General information for Key account customers

#### Gender of the Respondents

As depicted in Table 4.1 below, out of 116 respondents, 68.1 % of them were male and the remaining 31.9% were female respondents.

**Table 4.1: Sex of the Respondents**

		Frequency and Percentage			
Gender		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	79	68.1	68.1	68.1
	Female	37	31.9	31.9	100.0

	Total	116	100.0	100.0	
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Source: Own computation using SPSS of the survey, 2019

### Ages of the Respondents

Table 4.2 shows that few respondents (2.6%) have in the age group of 18-24 while the majority of the respondents (60.3 %) have in the age group of 36 -35. 24.1 % of the respondents have in the age group interval of 25-35. From the total respondents above 50 age group have 12.9 %. Based on their age status, it can be said that most of the respondents have found in the 36 -50 age group.

**Table 4.2: Ages of the Respondents**

		Frequency and Percentage			
Respondent Age		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Between 18-24	3	2.6	2.6	2.6
	Between 25-35	28	24.1	24.1	26.7
	Between 36-50	70	60.3	60.3	87.1
	Above 50	15	12.9	12.9	100.0
	Total	116	100.0	100.0	

Source: Own computation using SPSS of the survey, 2019

### Education Level of the Respondents

Table 4.3 shows that one respondent (0.9 %) has an educational level of Diploma while the majority of the respondents (51.7%) have acquired their first degree. 44 % of the respondents have a second degree from the total sample and above second-degree holders there are four respondents (3.4 %) from the total sample. Based on their educational status, it can be said that the respondents have the ability to understand and use telecom services.

**Table 4.3: Educational level of the Respondents**

		Frequency and Percentage			
Education Level		Total Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Diploma	1	.9	.9	.9
	Degree	60	51.7	51.7	52.6
	MA/MSc Degree	51	44.0	44.0	96.6
	Above MA/MSc Degree	4	3.4	3.4	100.0
	Total	116	100.0	100.0	

Source: Own computation using SPSS of the survey, 2019

### Sectoral organization of the respondent

The researcher also wanted to establish sector organization held by the respondents in the organization. The results are presented in Table 4.4 and from the result most of the respondent they were from production and industrial sector (28.4 %), Services sector (20.7 %), Government organization (19 %) and Embassy, and International Organization (19 %) respectively.

**Table 4.4:Sector of organization of the Respondents**

		Frequency and Percentage			
Sector of Organization		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Financial institution	15	12.9	12.9	12.9
	Embassy and Int.NGO	22	19.0	19.0	31.9
	Government Organ	22	19.0	19.0	50.9
	Service	24	20.7	20.7	71.6
	production and indu	33	28.4	28.4	100.0
	Total	116	100.0	100.0	

Source: Own computation using SPSS of the survey, 2019

### Current position of the respondent

As it can be seen from the table below the majority of the respondents (44 %) are middle management based on the company's job classification. 21.6 % of the respondents are lower management and expert were also the same percent as lower management. From the total respondents' top management were accounted for 8.6 %. The remaining 4.3 % of the respondents are others.

**Table 4.5: Job Position of the Respondents**

		Frequency and Percentage			
Respondent position		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Top Management	10	8.6	8.6	8.6
	Middle Management	51	44.0	44.0	52.6
	Lower management	25	21.6	21.6	74.1
	Expert	25	21.6	21.6	95.7
	Other	5	4.3	4.3	100.0
	Total	116	100.0	100.0	

Source: Own computation using SPSS of the survey, 2019

### Experience of the Respondents

As can be seen from table 4.6, more than 37 % of the respondents have experience of 10 years and above. 30.2 % of the respondents have worked 7 to 10 years. 25.9 % of the respondents have worked 4 to 6 years. 6.9 % of the respondents have 1 to 3 years of work experience.

**Table 4.6: Experience of the Respondents**

		Frequency and Percentage			
Experience		Total Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Between 1-3	8	6.9	6.9	6.9
	Between 4-6	30	25.9	25.9	32.8
	Between 7-10	35	30.2	30.2	62.9
	Above10	43	37.1	37.1	100.0
	Total	116	100.0	100.0	

Source: Own computation using SPSS of the survey, 2019

#### 4.1.2 Background information for Etho-telecom management members

The study sought to establish the demographic information of Etho telecom management member in order to determine whether it had an influence on the performance of the organization. The demographic information of the respondents included levels of education, position held, number of years worked in the organization. This information is necessary because the respondents' competence of answering the questions ably will be dependent on their level of education, a position held, and also the period in which they will have worked in the organization.

##### Respondents' sex

The study also sought to determine the respondents' background information in terms of gender. This was necessary to determine the number of men and women employees in the organization and establish any gender disparities in the organization's workforce. Table 4.7 shows that majority of the respondents were male comprising 76.1 % while females were 23.9% implying that more males than female workers in the organization.

**Table 4.7: Sex of Respondents**

Gender		Frequency and Percentage			
		Total Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	83	76.1	76.1	76.1
	Female	26	23.9	23.9	100.0
	Total	109	100.0	100.0	

Source: Own computation using SPSS of the survey, 2019

##### Respondent's Age

The study further established the respondent's age distribution categorized in a certain range. This was to determine how age relates to organizational performance. From the findings shown in Table 4.8, most (61.5 %) of the respondents' were within the age bracket of 36-50 years and 38.5 % were aged between 25 -35 years. This implies that most of the employees are energetic such that they are experienced enough to give appropriate answers concerning the study.

**Table 4.8: Respondent's Age**

		Frequency and Percentage			
Respondent Age		Total Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Between 25-35	42	38.5	38.5	38.5
	Between 36-50	67	61.5	61.5	100.0
	Total	109	100.0	100.0	

Source: Own computation using SPSS of the survey, 2019

### Education level of the respondent

It was important to establish the education level held by the study respondents to discover if they were equipped with relevant knowledge and skills on the performance of the organization. From the findings, the majority, 53.2 % of the respondents indicated that they had a master's degree level of education and 46.8 % of the respondents had a degree. This demonstrated that most of the organization employees were qualified professionals with technical knowledge and skills on the study problem and thus provided the study with reliable information on assessment Key account management performance and its link with the customers.

**Table 4.9: Educational Levels of the respondents**

		Frequency and Percentage			
Education level		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Degree	51	46.8	46.8	46.8
	MA/MSC Degree	58	53.2	53.2	100.0
	Total	109	100.0	100.0	

Source: Own computation using SPSS of the survey, 2019

### Current position of the respondents

The researcher also wanted to establish the positions held by the respondents in the organization. The competence of a respondent is assumed to have a direct relationship with one's current occupation position which would have been attained based on their level of education and

competence on their job. The results are presented in Table 4.10. As it can be seen from the table below the majority of the respondents (39.4 %) were middle management based on the company's job classification. 34.9 % of the respondents were lower management. From the total respondents' top management were accounted for 18.3 %. The remaining 7.3 % of the respondents were experts.

**Table 4.10: Job Position of the Respondents**

Respondent position		Frequency and Percentage			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Top Management	20	18.3	18.3	18.3
	Middle management	43	39.4	39.4	57.8
	Lower Management	38	34.9	34.9	92.7
	Expert	8	7.3	7.3	100.0
	Total	109	100.0	100.0	

Source: Own computation using SPSS of the survey, 2019

### Working Experience of the Respondents

The study determined the working experience held by the respondents to ascertain the extent to which their responses could be relied upon to make conclusions on the study problem using their working experience. It was divided into three categories. From the findings in Table 4.11, (9.2 %) indicated to have a working experience of 4-6 years, 5.5 % had a working experience of 7- 10 years, and 85.3 % had a working experience of more than 10 years. The result implies that respondents with a high working experience assist in providing reliable data on the study problem since they have technical experience on the problem being investigated by the study.

**Table 4.11: Working Experience of the Respondents**

Year of Experience		Frequency and Percentage			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Between 4-6	10	9.2	9.2	9.2
	Between 7-10	6	5.5	5.5	14.7
	Above 10	93	85.3	85.3	100.0

	Total	109	100.0	100.0	
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Source: Own computation using SPSS of the survey, 2019

### 4.1.3 Result of Survey data

In this part, the data collected using the Likert scale is presented for both the dependent and independent variables.

**Table 4.12: Summary statistics of the independent variables of Key account customer(model 1)**

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
CustomerCentericity1	116	2.20	5.00	3.5500	.66614
Top management commit1	116	1.80	5.00	3.3466	.78656
InterFunctional Coord1	116	2.25	5.00	3.5216	.88439
Ability to Customize	116	2.17	5.00	3.4095	.61203
Top Management Involv1	116	2.00	5.00	3.4461	.83132
Interfunctionalgroup1	116	2.33	5.00	3.4080	.72243

Source: Own computation using SPSS of the survey, 2019

Based on the mean comparison of the independent variables shown in Table 4.12 and the detailed survey result from respondents in Appendix 2, it can be seen that Customer Centricity ranked first followed by Inter- functional coordination. Top management involvement, ability to customize, inter-functional support, and top management commitment ranks from 3 to 6 respectively.

**Table 4.13: Summary statistics of the components of dependent variable of Key Account Customer (model 1)**

Components	Statistics Values				
	N	Minimum	Maximum	Mean	Std. Deviation
Satisfaction	116	1.33	5.00	3.3190	.92876

Trust	116	2.20	5.00	3.5672	.75109
Commitment	116	2.25	5.00	3.7349	.52263

Source: Own computation using SPSS of the survey, 2019

As per the summary statistics Table 4.13 and Appendix 3 the performance of the organization is the dependent variable which is measured by satisfaction, trust, and commitment. Shows that the majority of the respondents have rated most of the constructs as agree on a five-point Likers scale. Appendix 3 shows the detailed survey result from respondents and the mean value of each component of the dependent variable is shown below in Table 4.13 the mean value of commitment is ranked first. Trust and satisfaction are ranked second and third respectively.

**Table 4.14: Summary statistics of the independent variables of Management members (model 2)**

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
CustomerCentricity	109	2.60	4.80	3.7835	.53826
Top-Management commitment	109	2.00	5.00	3.6771	.74928
Inter-functional coordination	109	1.25	5.00	3.4197	.76745
Ability to Customization	109	1.50	5.00	3.5596	.64371
Top-management involvement	109	1.20	5.00	3.5908	.78570
Interfunctional Support	109	1.33	4.67	3.4679	.73159

Source: Own computation using SPSS of the survey, 2019

Based on the mean comparison of the independent variables shown in table 4.14 and Appendix 4, above the majority of the respondents strongly agreed or agreed that their organization applies to the listed factors to achieve appropriate KAM performance in the organization. It can be seen that Customer Centricity is ranked first followed by Top management commitment, Top management involvement. The ability to customize inter-functional support and inter-functional coordination ranks from 3 to 6 respectively. Overall, the mean value is falling to agreed.

**Table 4.15: Summary statistics of the components of dependent variable of Management Members (model 2)**

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Satisfaction	109	1.00	4.67	3.1651	.83101
Commitment	109	1.50	5.00	4.0321	.73212
Trust	109	1.40	4.80	3.5706	.66713

Source: Own computation using SPSS of the survey, 2019

Based on table 4.15 and Appendix 5 summary result above the response of the respondents are falling in to agree on level therefore, management staff in the organization are committed, trustable and satisfy the others to achieve KAM performance in Echio-telcom. As per the summary result above the mean value of commitment is ranked first. Trust and satisfaction is ranked second and third respectively.

## 4.2 Regression Analysis

Regression analysis is a statistical measurement used for estimating the relationships among the dependent and independent variables. It enables to determine the strength of the relationship between variables and the predictive power of the independent variables on the dependent variable. In short, regression helps a researcher understand to what extent the change of the value of the dependent variable causes the change in the value of the independent variables, while other independent variables are held unchanged. Regression analysis is a way of statistically sorting out the variables that have indeed an impact. While there are many types of regression analysis, at their core they all examine the influence of one or more independent variables on a dependent variable.

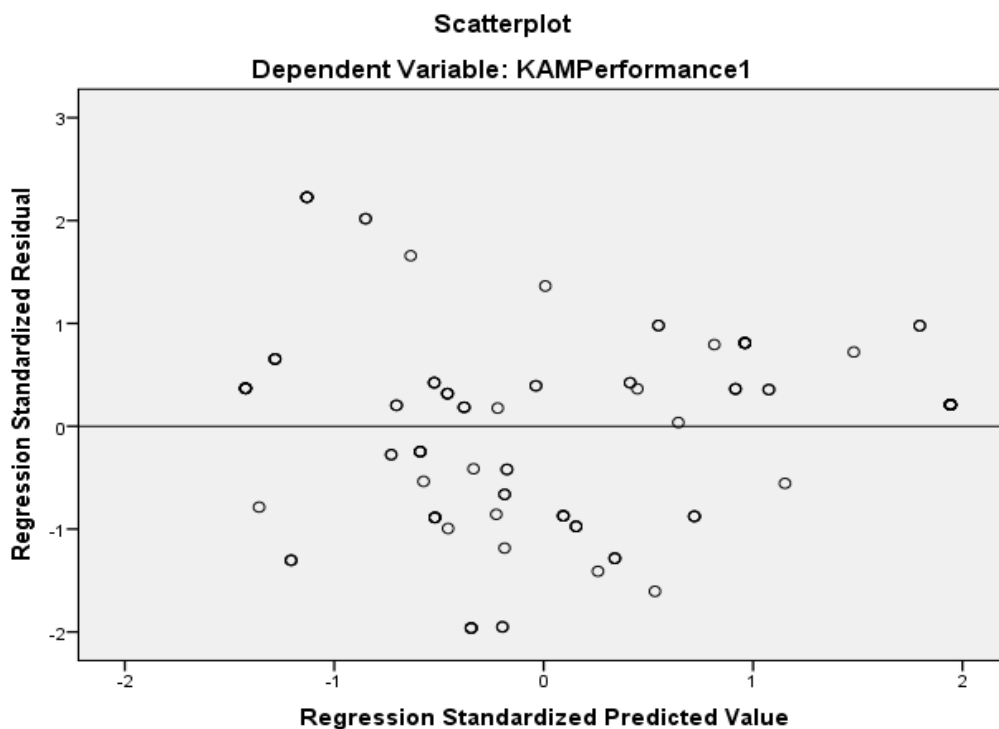
### 4.2.1 Regression analysis for Key accounts customers (Model 1)

#### 4.2.1.1 Diagnostic Tests of Assumptions of Classical Linear Regression Model (CLRM)

The Classical linear regression model such as homoscedasticity, autocorrelation, Multicollinearity, and normality were conducted and discussed below.

### a. Homoscedasticity Test

This assumption of homoscedasticity is central to the linear regression model. It describes a situation in which the error term (that is, random disturbance in the relationship between the independent variables and the dependent variables) is the same across all values of the independent variables. Assumptions can be checked by a scatter plot diagram. The result plots the values the model would predict, against the residuals obtained. As the predicted values increase, the variation in the residuals should be roughly similar. The graph looks like a random array of dots. So, the model is homoscedasticity.



Source: Own computation, survey 2019

**Figure 4.1 Homoscedasticity Test**

### b. Autocorrelation Test

Durbin-Watson statistic is used to test for the presence of serial correlation among the residuals. The residuals are not correlated if the Durbin-Watson statistic is approximately 2, and an acceptable range is 1.50 - 2.50. As it can be shown from the table below the Durbin-Watson statistic value is 1.986 and this value almost approaches 2 therefore, there is no autocorrelation problem in this model.

**Table 4.15: Autocorrelation Test**

Model Summary					
Model	R	R <sup>2</sup>	Adjusted R <sup>2</sup>	SE	DW
1	.865 <sup>a</sup>	.748	.734	.31899	1.968
a. Predictors: (Constant), Interfunctionalgroup1, InterFuncCo1, Top management Involvement, Ability to Customize, CustomerC1, Topmanagement Comi1					
b. Dependent Variable: KAMPerformance1					

Source: Own computation using SPSS of the survey, 2019

**c. Multicollinearity Test**

Multicollinearity is the situation in which the independent variables are highly correlated each other. When independent variables are correlated, there is an “overlap” or sharing of predictive power. This may lead to the paradoxical effect, whereby the regression model fits the data well, but none of the predictor variables has a significant impact in predicting the dependent variable. This is because when the predictor variables are highly correlated, they share essentially the same information. Thus, together, they may explain a great deal of the dependent variable, but may not individually contribute significantly to the model. The existence of multicollinearity can be checked using “Tolerance” and “VIF” values for each predictor variable. Tolerance values less than 0.10 and VIF (variance inflation factor) greater than 10 indicates the existence of multicollinearity (Robert, 2006). The VIF is a measure of the reciprocal of the complement of the inter-correlation among the predictors. The decision rule is a variable whose VIF value is greater than 10 indicates the possible existence of a multicollinearity problem. Tolerance (TOL) defined as 1/VIF, it also used by many researchers to check on the degree of collinearity. The decision rule for tolerance is a variable whose TOL value is less than 0.1 shows the possible existence of a multicollinearity problem (Gujarati,2004).

Based on the test result below all the variance inflated factor (VIF) values are less than 10 and also all the tolerance value greater than 0.1 therefore, in this model there is no high multicollinearity problem. Multicollinearity problem it is not a matter of existence rather it is a matter of degree.

**Table 4.16: Test of multicollinearity**

	Collinearity Statistics

<b>Variables</b>	<b>Tolerance (1/VIF)</b>	<b>VIF</b>
Customer Centricity	0.294	3.399
Top -Management commitment	0.264	3.789
Inter- functional coordination	0.317	3.154
Ability to Customization	0.269	3.714
Top-Management Involvement	0.331	3.025
Inter-functional support	0.241	4.143

**Source: Own computation using SPSS of the survey, 2019**

#### **d. Normality test**

Multiple regressions require the residuals to be normally distributed. Skewness and kurtosis are statistical tools that can enable to check if the data is normally distributed or not. According to Smith and Wells (2006), kurtosis is defined as “property of a distribution that describes the thickness of the tails. The thickness of the tail comes from the amount of scores falling at the extremes relative to the Gaussian/normal distribution”. Skewness is a measure of symmetry. A distribution or data set is symmetric if it looks the same to the left and right of the center point. The skewness and kurtosis test results of the data is within the acceptable range (-1.0 to +1.0) and it can be concluded that the data is normally distributed. The kurtosis and skewness results are shown in the appendix.

#### **4.2.1.2 Regression Result Analysis and Discussion**

Overall, the entire model passed the four diagnostic tests in accordance with Classical Linear Regression Assumptions (CLRM). The next part will present the results of the regression output to analyze the factors that affecting KAM performance. With the help of multiple linear regression analysis, model summary, ANOVA, and Beta coefficient were determined, and the regression model was developed.

**Model Summary:** In the model summary below (table 4.17), the multiple correlation coefficients R, indicates a very strong correlation of 0.865 between KAM performance and

thesix independent variables. The multiple coefficient of determination or  $R^2$  is 0 .748 and this value reveals that the model accounts for 78.4 % of the variation in the KAM performance is explained by the employed explanatory variables but the remaining 21.6 % of the variation is unexplained by this model.

**Table 4. 17: Model -1 Summary**

Model Summary <sup>b</sup>				
Model	R	R <sup>2</sup>	Adj. R <sup>2</sup>	SE
1	0.865 <sup>a</sup>	0.748	0.734	0.31899
a. Predictors: (Constant), Interfunctionalgroup1, InterFuncCo1, TopmanagementInvolvement, AbilitytoCustomize, CustomerC1, TopmanagmentCo1				
b. Dependent Variable: KAM Performance				

Source: Own computation using SPSS of the survey, 2019

**ANOVA Model Fit:** The model's overall fit can be examined with the help of ANOVA. Accordingly, Table 4.18of this study shows that the value of R and R2 found from the model summary is statisticallysignificant at (F=53.889) with the corresponding p-value is 0.00 and it can be said that overall the model is significant. There is a meaningful relationship between KAM performance and the explanatory variables.

**Table 4.18: ANOVA table**

ANOVA <sup>a</sup>						
Model		SS	df	MSS	F	Sig.
1	Regression	32.900	6	5.483	53.889	.000 <sup>b</sup>
	Residual	11.091	109	.102		
	Total	43.991	115			
a. Dependent Variable: KAM Performance						
b. Predictors: (Constant), Interfunctionalgroup1, InterFuncCo1, Top management Involvement, Ability to Customize, CustomerC1, TopmanagmentCo1						

Source: Own computation using SPSS of the survey, 2019

**Table 4.19: Regression output result for Key account customers (Model 1)**

Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.859	.177		4.850	.000
	Customer centricity	.247	.082	.266	3.003	.003
	Top management commitment	.166	.074	.211	2.259	.026
	Inter Functional coordination	.171	.060	.244	2.858	.005
	Ability to Customize	-.030	.094	-.029	-.318	.751
	Top management Involvement	.322	.062	.433	5.174	.000
	Inter functional group	-.100	.084	-.117	-1.194	.235

a. Dependent Variable: KAMPerformance1

Source: Own computation using SPSS of the survey, 2019

**Standardized Beta Coefficient:** It is the coefficients that can explain the relative importance of explanatory variables. These coefficients are obtained from regression analysis after all the explanatory variables are standardized. As can be seen from table 4.19 above, the standardized coefficient of top management involvement is the largest value followed by customer-centricity, inter-functional coordination, top management commitment, inter-functional group and ability to customize from three to six respectively. The larger the standardized coefficient, the higher is the relative effect of the factors to the KAM performances.

**Unstandardized Beta Coefficient ( $\beta$ ):** As it is defined in chapter three, the unstandardized coefficients ( $\beta_1$  up to  $\beta_6$ ) are the coefficients of the estimated regression model. Hence, by including the error term ( $\epsilon$ ), the model for KAM performance can be written as;

$$Y_i = \beta_0 + \beta_1 X_{1i} + \beta_2 X_{2i} + \beta_3 X_{3i} + \beta_4 X_{4i} + \beta_5 X_{5i} + \beta_6 X_{6i} + \epsilon_i$$

$$\hat{Y}_i = 0.859 + 0.247X_{1i} + 0.166X_{2i} + 0.171X_{3i} - 0.030X_{4i} + 0.322X_{5i} - 0.1X_{6i}$$

The intercept ( $\beta_0$ ) is the point on the vertical axis where the regression line crosses the Y axis. The value of  $\beta_0$  is 0.859 which means the expected value of KAM performance is 0.859 when all the eight variables assume zero value.

Among the six factors, four of them are found to be a statistically significant effect on KAM performance. The significant variables customer-centricity, top management commitment, inter-functional coordination, and top management involvement. Inter functional group and ability to customize was the two insignificant variables.

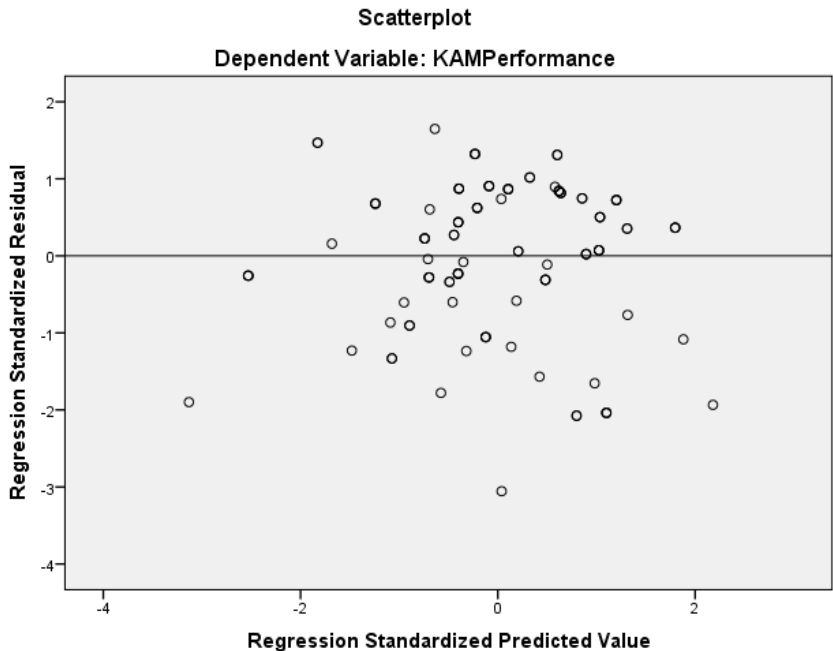
#### **4.2.2 Regression Analysis for Management Members (Model 2)**

Regression analysis is a statistical measurement used for estimating the relationships among the dependent and independent variables. It enables us to determine the strength of the relationship between variables and the predictive power of the independent variables on the dependent variable. In model one above the study try to show factors that affecting KAM performance from the customers' side but in this section the study tries to show the factors that affecting KAM performance from the staff of the organization side. All the diagnostic tests and estimation criteria is presented in model one therefore it does not discuss in detail simply in this section presenting the statistical output.

##### **4.2.2.1 Diagnostic Tests of Classical Linear Regression Model (CLRM)**

**Homoscedasticity Test:** As per the scatter plot figure 4.2 below when the predicted values increase, the variation in the residuals should be roughly similar. The graph looks like a random array of dots. Therefore, the variance of the error term in this model homoscedastic or free from heteroscedastic problems.

#### **Figure 4.2 Homoscedasticity Test**



Source: Own computation, survey 2019

**Autocorrelation Test:** As it can be shown from the table 4. 20 below the Durbin-Watson d statistic value is 1.716 and this value almost approaches to 2 therefore and found between the interval 1.5 to 2.5., there is no autocorrelation problem in this model.

**Table 4.20: Autocorrelation Test**

<b>Model 2 Summary <sup>b</sup></b>					
Model	R	R <sup>2</sup>	Adjusted R <sup>2</sup>	SE	DW
1	.811 <sup>a</sup>	.658	.638	.37388	1.716
a. Predictors: (Constant), Inter functional support, customer Cen, Ability to Customize, Inter functional Coord in, top management invol, Top managementComi					
b. Dependent Variable: KAM Performance					

Source: Own computation using SPSS of the survey, 2019

**Multicollinearity Test:** As per the test result table 4.21 below all the variance inflated factor (VIF) values are less than 10 and also all the tolerance value greater than 0.1 therefore, in this model there is no high multicollinearity problem. Multicollinearity problem it is not a matter of existence rather it is a matter of degree.

**Table 4.21: Test of multicollinearity**

Variables	Collinearity Statistics	
	Tolerance (1/VIF)	VIF
Customer Centricity	0.566	1.67
Top -Management commitment	0.378	2.646
Inter- functional coordination	0.420	2.379
Ability to Customization	0.401	2.493
Top-Management Involvement	0.399	2.509
Inter-functional support	0.619	1.6717

Source: Own computation using SPSS of the survey, 2019

**Normality test:** As presented in appendix 2 the skewness and kurtosis test results of the standardized and unstandardized residuals were within the acceptable range (-1.0 to +1.0) and also the mean of the residual is equaled zero and it can be concluded that the residual is normally distributed in this model.

#### **Regression result for management members**

This model 2 is passed all the diagnostic tests of the classical linear regression assumption. The next part will present the results of the regression output to analyze the factors that affecting KAM performance from the Management of Ethio-telecom side. With the help of multiple linear regression analysis, model summary, ANOVA, and regression coefficients were determined, and the regression model was developed.

**Model-2 Summary:** In the model summary below (table 4.22), the multiple correlation coefficients R, indicates a very strong correlation of 0.811 between KAM performance and these six independent variables. The multiple coefficient of determination or  $R^2$  is 0.658 and this value reveals that the model accounts for 65.8 % of the variation in the KAM performance is explained by the employed explanatory variables but the remaining 34.2 % of the variation is unexplained by this model.

**Table 4.22: Model Summary**

Model Summary				
Model	R	R <sup>2</sup>	Adjusted R <sup>2</sup>	SE
1	.811 <sup>a</sup>	.658	.638	.37388
a. Predictors: (Constant), InterfunctionalSupport, customerCen, AbilitytoCustomize, InterfunctionalCoordination, topmanagementinvol, TopmanagementCommitment				
b. Dependent Variable: KAMPerformance				

Source: Own computation using SPSS of the survey, 2019

**ANOVA Model Fit:** The regression models overall fit can be examined with the help of ANOVA. Accordingly, table 4.23 below of this study shows that the value of R and R<sup>2</sup> found from the model summary is statistically significant at (F=32.771) with the corresponding p-value is 0.00 and it can be said that overall the model is significant. There is a meaningful relationship between KAM performance and the explanatory variables from Ethio-telecom management staffs side.

**Table 4.23: ANOVA table for management Members (model 2)**

ANOVA <sup>a</sup>						
Model		SS	Df	MSS	F	Sig.
1	Regression	27.486	6	4.581	32.771	.000 <sup>b</sup>
	Residual	14.259	102	.140		
	Total	41.744	108			
a. Dependent Variable: KAM Performance						
b. Predictors: (Constant), Inter functional Support, customer Cen, Ability to Customize, Inter functional Coordin, top management involvement , Top management Commitment						

Source: Own computation using SPSS of the survey, 2019

### Regression output result for Management Members (Model 2)

**Table 4.24: Regression output result for Management members**

Coefficients <sup>a</sup>				
Model	Unstandardized Coefficients	Standardized Coefficients	T	Sig.

	B	Std. Error	Beta		
1 (Constant)	.321	.285		1.128	.262
Customer centricity	.177	.089	.153	1.993	.049
Top management commitment	.029	.078	.035	.367	.714
Inter Functional coordination	.215	.072	.265	2.969	.004
Ability to Customize	.337	.088	.349	3.823	.000
Top management Involvement	.074	.073	.093	1.020	.310
Inter functional support	.094	.063	.110	1.502	.136

a. Dependent Variable: KAMPerformance

Source: Own computation using SPSS of the survey, 2019

**Standardized Beta Coefficient:** As can be seen from table 4.24 above the standardized coefficient of ability to customize is the largest value followed by inter-functional coordination. Customer centricity, inter-functional support, top management involvement, and top management commitment ranks from three to six respectively. The larger the standardized coefficient, the higher is the relative effect of the factors to the KAM performances.

**Unstandardized Beta Coefficient ( $\beta$ ):** As it is defined in chapter three, the unstandardized coefficients ( $\beta_1$  up to  $\beta_6$ ) are the coefficients of the estimated regression model. Hence, by including the error term ( $\epsilon$ ), the model for KAM performance can be written as;

$$Y_i = \beta_0 + \beta_1 X_{1i} + \beta_2 X_{2i} + \beta_3 X_{3i} + \beta_4 X_{4i} + \beta_5 X_{5i} + \beta_6 X_{6i} + \epsilon_i$$

$$\hat{Y}_i = 0.321 + 0.177X_{1i} + 0.029X_{2i} + 0.215X_{3i} + 0.337X_{4i} + 0.074X_{5i} + 0.094X_{6i}$$

The intercept ( $\beta_0$ ) is the point on the vertical axis where the regression line crosses the Y-axis. The value of  $\beta_0$  is 0.0321 which means the expected value of KAM performance is 0.321 when all the eight variables assume zero value. Among the six factors, three of them are found to be statistically significant effect on KAM performance. The significant variables are the ability to customize, inter-functional coordination, and customer-centricity. Top management involvement, top management commitment, and inter-functional support was the three insignificant variables.

## 4.3 Discussion of the two-regression models

### 4.3.1 Customer orientation

It is the supplier's focus towards meeting the key account's Customers' needs through delivering superior value (Shapiro and Guenzi et al. 2009). As per the regression output of model one table 4.19 above, the coefficient of customer centricity is positive and statistically significant at 1 percent level of significance. This implies that a one-unit increase in customer-centricity leads to 0.247 unit increase in KAM performance being other variables are constant. Similarly, in regression output two table 4.24 above the coefficient customer-centricity is positive and statistically significant at 10 percent level of significance. The coefficient value is 0.177 and this implies that a one-unit increase in customer-centricity leads to a 0.177 unit increase in KAM performance when other explanatory variables being constant. Customer centric culture, traditionally, captures the supplier's focus on the overall customer basis without differentiating between key accounts and other, average. Therefore, adopting customer orientation for a supplier practicing KAM means paying more attention in satisfying key account's needs even if this is translated in dedicating fewer resources and attention in the other, average, customers. The finding of this study is in line with the findings of Piercy & Lane (2006), Homburg et al. (2002), Guenzi et al. (2009), and Homburg et al. (2002).

### 4.3.2 Top management commitment

Top management has it is the responsibility to motivate and monitor the implementation of programs tailored to the needs of specific key accounts. As presented in table 4.19 above the coefficient of top management commitment is positive and statistically significant at 5 percent level, which indicates that when top management commitment increase by one unit, the level of KAM performance increase by 0.166 unit, holding other explanatory variables constant. However, in regression output two the coefficient of top management commitment is positive and statistically insignificant effect on KAM performance as presented in table 4.24 above. Giving attention top management commitment is also important in order to avoid inter-department conflicts among the organization. Top management should make clear to the whole organization that KAM should not be treated competitively by other department functions; on the contrary, all staffs should contribute to the KAM function. The finding of this study is in line with the findings of Millman & Wilson (1999) and Pardo (1999).

### **4.3.3 Inter Functional coordination**

As per the regression output one in table 4.19 above the coefficient of inter-functional coordination is a positive effect on KAM performance and statistically significant at one percent level of significance. The coefficient level is 0.171 and this implies that when the level of inter-functional coordination increased by unit, the KAM performance increased by 0.171 unit being other explanatory variables constant. Similarly, as per regression output two table 4.24 the coefficient of inter-functional coordination positive and statistically significant effect on KAM performance at 1 percent significant level. The coefficient implies that if inter-functional coordination increased by one unit the level of KAM performance increased by 0.215 unit, holding other explanatory variables constant. The culture of inter-functional coordination should improve the exchange of customer information within the organization. Thus, inter-functional coordination it is a necessary condition to achieving maximum KAM performance. The findings of this study are in line with the findings of Gosselin & Bauwen (2006), Homburg et al. (2002), McDonald et al. (1997) Lambe & Spekman (1997) and Moon & Armstrong (1994).

### **4.3.4 Ability to Customization**

As indicated in regression output one table 4.19 above the coefficient of ability to customization is a negative and statistically insignificant effect on KAM performance. However, as per regression model two in table 4.24 above the coefficient of ability to customization is positive and statistically significant effect on KAM performance. The coefficient of the variable implies that if the ability to customization increased by one unit then the KAM performance increased by 0.337 unit. The ability to customization it is the supplier's ability to provide services to key accounts a set of customized activities in order to build a close bond with the key account customers. Generally, the ability to customization from Key account customer side were an insignificant effect on KAM performance but from the management of Ethio-telcom side were positive and significant effect on KAM performance. The finding of this study is consistent with the findings of Beverl (2012) and Jones (2009).

### **4.3.5 Top management Involvement**

As per regression output one in table 4.19 above, the coefficient of top management involvement have positive and statistically significant effect on KAM performance at one percent significance level. The coefficient of the variable implies if the level of top management involvement increased by one unit then KAM performance increased by 0.332 unit. However, based on regression output two in table 4.24 above the coefficient of top management involvement is positive and statistically insignificant effect on KAM performance. As clearly shown from the result top management involvement has a significant effect on KAM performance on the side of customers but on the side of staff management it has an insignificant effect. Top management can contribute in building close bonds with key accounts. Top management involvement it is the extent to which senior management staff participates in KAM performance. Top management involvement should allocate the necessary resources for the KAM function like money, time, and personnel, and encourage cross-organizational responsiveness within the organization. Generally, the finding of this study is consistent with the findings of Zupancic (2008), Workman et al. (2003) and Homburg et al.(2002).

#### **4.3.6 Inter functional support**

It refers to the extent other departments an organization provides the required help and support to the customers responsible for managing key account customers. Inter-functional support is necessary so that different activities such as new product development and logistics. As presented in both regression output results the coefficient of inter-functional support have an insignificant effect on KAM performance. Generally, when considering the effect of inter-functional support on KAM performance from the customer side and staff workers side there is a statistically insignificant effect on KAM performance.

## **Chapter Five: Conclusion and Policy Recommendation**

This chapter presents the summary of findings, conclusion and policy recommendation based on the findings from the study. Summary of findings and conclusions from the estimated results is presented in the next section whilst section 5.2 presents policy implications on the basis of the findings of this study.

### **5.1 Summary**

The main objective of the study is to assess the key account management strategy practice on the performance of Ethio -telecom. Based on the literature review discussed in chapter 2, six variables have been established to the key account management practice on the performance of Ethi-telecom. These variables are top management involvement, customer-centericity, inter - functional coordination, top management commitment, intrfunctional support and ability to customize.

Before going to the main analysis of the study, a reliability test was administered to check whether the questionnaire is reliable or not. In this regard as per Table 3.2 illustrates all the quaternaries were reliable and acceptable with Cronbach's Alpha result 0.963. In Table 3.3 illustrates all the quaternaries were reliable and acceptable with Cronbach's Alpha result 0.953.

Related to the demographic characteristics for Etho-telecom customers Table 4.1 specify that majority of the employees 68.1 % were male. Regarding their age level majority of them were between age group of (36-50). Regarding educational level again Table4.2 illustrated that majority of the employees were BA degree holder. Moreover, Table 4.6 indicates that majority of the employees have more than ten years of work experience in the organization.Regarding Sector of organization of the Respondents majority of the respondants were from production and industries. Table 4.5 specify the majority of the respondants 44 % were in middle management level.

Related to the demographic characteristics for Ethio-telecom staff workers Table 4.7 shows that majority of the respondents were male comprising 76.1 %. Regarding their age level most (61.5 %) of the respondents' were within the age bracket of 36-50 years. Regarding education level of the respondents majority, 53.2 % of the respondents indicated that they had master's Degree level of education. Table 4.10 specify majority of the respondents (39.4 %) were in middle management based on the company's job classification. Regarding working experience of the respondents majority of 85.3 % had a working experience of more than 10 years.

In addition, the result of correlation analysis was made. In this regard Table 4.19(model one) shows that all the independent variables(top management involvement, customer-centricity, inter-functional coordination, top management commitment, intrfunctional support and ability to customize).The result shows that the model tested is significant ( $p < 0.000$ ) with the R square 0.748 . This value indicates that 74.8 % of variation in KAM performance explained by the six independent variables entered into the regression. The remaining 25.2 % of the variation in KAM performance unexplained by this model.

Regarding model two in Table 4.24 out of six independent variable three variables are statistically significant effect on KAM practice performance i.e.ability to customize, inter-functional support and Customer centricity. Overall the model is statistical significant with the P-value of 0.000 and with the F- value of 32.77. The value of R square 0.658 and this value indicates that 65.8 % of the variation in KAM performance is explained by six independent variables. The remaining 34.2% the variation is unexplained by this model.

## 5.2 Conclusions

This research objective of this study is to empirically examine the performance of key account management of Ethio-Telecom. And the basic research questions are the following

- ✓ What is the effect of top-management commitment on Ethio-Telecom key account management performance?
- ✓ What are the KAM practices which enhance Ethio-Telecom performance?
- ✓ What is the effect of inter functional coordination practice on KAM performance of Ethio-telecom?

- ✓ What is the effect of ability to customize and skill of Key account managers in Ethio-Telecom.
- ✓ What are the ways that help improve key account management processes in Ethio-Telecom.
- ✓ How customer centricity practice affect KAM performance in Ethio-telecom?

Thus, on the base of research questions and specific objectives the following conclusions were made. Those determining factors with their relative importance contribution for the KAM performances of the company's are; top management involvement, customer-centricity, inter-functional coordination, top management commitment, intrfunctional support and ability to customize.

All determinant factors of KAM performance have a positive correlation with KAM performance. The correlation between the dependent variable (KAM performance) and independent variables (top management involvement, customer-centricity, inter-functional coordination, top management commitment, intrfunctional support and ability to customize) was strong and 0.865 for the first model and 0.811 for the second model.

The multiple regression assumptions like multicollinearity, Autocorrelation, normality and Heteroskedasticity tests are met accordingly in model one and model two. The ANOVA test result in both model showed that, the value of R and R<sup>2</sup> obtained under the model summary part was statistically significant and overall both model significant. The multiple linear regression analysis of the independent variables and dependent variables shows that under model one out of six independent variables four variables are positively and statistically significant effect on KAM performance i.e. top management involvement, customer-centricity, inter-functional coordination, top management commitment. Under model two out of six independent variables three variables are positively and statistically significant effect on KAM performance i.e. Ability to Customize, Inter Functional coordination and Customer centricity.

From the above result the researcher conclude that, top management involvement, customer-centricity, inter-functional coordination, top management commitment and Ability to Customize are the key factors that affect Key account management performance.

### 5.3 Policy Recommendation

From the conclusion made based on the major findings of the research the following recommendations are suggested. These are:

- Since top management involvement is the most and significant factor to improve the KAM performance of Ethio-telecom. Ethio-telecom needs to invest different activities that increase top management involvement towards the organization such as, the company focusing management attention (fairness, support for difficult working conditions, work or family balance) on issue common concern among employees, designing reward programs to recognize personal accomplishment lead to high level of commitment.
- Customer-centricity should pay attention by Ethi-telcom since customer centericity for a supplier practicing KAM means paying more attention in satisfying key account's needs.
- There are several issues that the top management in the company, regarding commitment. there is the need to balance up monetary based incentives with supportive non-monetary essentials to improve top management commitment, it is fundamentally important to highlight that in order toachive KAM performance.
- Ethio telecom in Ethiopia should invest in inter-functional coordination and ability to customize as this will lead improvement in the KAM performance of the institution.
- The strategy plan of Ethio telecom should have to link to their key customer strategy plan enable to address timely the requirde resources .

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## APPENDIXES

### Appendix 1: Normality test of the residuals for model 1 (key customers)

Descriptive				
			Statistic	Std. Error
Standardized Residual	Mean		0E-7	.09039311
	95% Confidence Interval for Mean	Lower Bound	-.1790514	
		Upper Bound	.1790514	
	5% Trimmed Mean		-.0133109	
	Median		.2087641	
	Variance		.948	
	Std. Deviation		.97356360	
	Minimum		-1.96199	
	Maximum		2.22695	
	Range		4.18895	
	Interquartile Range		1.29450	
	Skewness		.085	.225
	Kurtosis		.039	.446
Unstandardized Residual	Mean		0E-7	.02883414
	95% Confidence Interval for Mean	Lower Bound	-.0571149	
		Upper Bound	.0571149	

	5% Trimmed Mean	-.0042460	
	Median	.0665928	
	Variance	.096	
	Std. Deviation	.31055319	
	Minimum	-.62585	
	Maximum	.71037	
	Range	1.33622	
	Interquartile Range	.41293	
	Skewness	.085	.225
	Kurtosis	.039	.446

**Appendix 2: Normality test of the residuals for model 2 (management members )**

<b>Descriptives</b>				
		Statistic	Std. Error	
Unstandardized Residual	Mean	0E-7	.03480264	
	95% Confidence Interval for Mean	Lower Bound	-.0689849	
		Upper Bound	.0689849	
	5% Trimmed Mean	.0166827		
	Median	.0844524		
	Variance	.132		
	Std. Deviation	.36335020		

	Minimum		-1.14246	
	Maximum		.61598	
	Range		1.75844	
	Interquartile Range		.45126	
	Skewness		-.807	.231
	Kurtosis		.134	.459
Standardized Residual	Mean		0E-7	.093083 9
	95% Confidence Interval for Mean	Lower Bound	-.184508 6	
		Upper Bound	.184508 6	
	5% Trimmed Mean		.044620 1	
	Median		.225878 3	
	Variance		.944	
	Std. Deviation		.971825 32	
	Minimum		-3.05565	
	Maximum		1.64752	
	Range		4.70317	
	Interquartile Range		1.20695	
	Skewness		-.807	.231
	Kurtosis		.134	.459

## Appedix 2

**Table 4. 12 Summary of key customers Survey result for the independent variables(Model 1)**

Customer Centricity	Measurement
---------------------	-------------

	<b>Strongly disagree</b>	<b>Disagree</b>	<b>Neutral</b>	<b>Agree</b>	<b>Strongly agree</b>
Ethio telecom's gives priority to satisfying the needs of key account customer	0.00 %	3.45 %	31.03%	46.5%	18.97 %
Ethio telecom's always monitors key account customers' services needs	0.00 %	10.34 %	31.90 %	37.93%	19.83 %
Ethio telecom's tries to deliver superior value to key account customer through its product/services	0.00 %	14.66 %	28.45 %	38.79%	18.10 %
Ethio telecom's frequently measures the level of satisfaction of key account customers	0.00 %	22.41 %	26.72 %	43.97 %	6.9 %
Ethio telecom's pays a lot of attention on the after-sale service for key customers	3.45 %	20.69 %	26.72 %	39.66 %	9.48 %
<b>Top - Management commitment</b>					
Top management uses key account management as a major business strategy	0.00 %	8.62 %	31.9 %	43.97 %	15.52 %
Top management considers key account management services as a model to the rest of organization	3.45 %	23.86 %	30.17 %	20.69 %	19.83 %
The top management closely follows up major demands and problems of key account customers	0.00 %	39.66 %	6.03 %	33.62 %	20.69 %
The top management has no hesitation to spend necessary time with key account customers	0.00 %	29.31 %	25.86 %	39.66 %	5.17 %
The top management always stresses the need for all units to contribute to key accounts	3.45 %	14.66 %	40.52 %	37.93 %	3.45 %
<b>Inter- functional coordination</b>					
All units of ethio telecom share information about key account customers	0.00 %	21.55 %	27.59 %	30.17 %	20.69 %
All units of ethio telecom realize that they can contribute to delivering of superior value to key account customers	3.45 %	21.55 %	30.17 %	25.00 %	19.83 %
All units of ethio telecom are willing to contribute when a problem occurs to a key customer	0.00 %	19.83 %	24.14 %	31.9 %	24.14 %
Ethio telecom's various units work in cooperation	0.00 %	12.93 %	36.21 %	26.72 %	24.14 %

to satisfy key customer need					
<b>Ability to Customization</b>					
Ethio telecom's provide its products/ services according to your needs	3.45 %	8.62 %	33.62 %	37.07 %	17.24 %
Ethio telecom's responds immediately to key accounts customer problems	0.00 %	23.28 %	30.17 %	39.66 %	6.90 %
Ethi telecom's upgrade the level of service quality based on your needs	0.00 %	13.79 %	37.07 %	45.69 %	3.45 %
Ethio telecom's set pricing policy to the expectation of key account customers	0.00 %	12.93 %	50.00 %	35.34 %	1.72 %
Ethio telecom's designs internal processes in order to meet your needs	0.00 %	18.10 %	43.97 %	21.55 %	16.38 %
Ethio telecom frequently and informally communicate with key customers	0.00 %	22.41 %	14.66 %	44.83 %	18.10 %
<b>Top-Management Involvement</b>					
Top management allocates the required resources with priority to key account customers	0.00 %	18.9 %	29.31 %	39.66 %	12.07 %
Top management systematically monitors the KAM function within the company	0.00 %	24.14 %	40.52 %	18.97 %	16.38 %
Top management interferes when necessary, in order to find solutions to problems that key accounts customers face	0.00 %	20.69 %	25.86 %	33.62 %	19.83 %
Top management initiatives lead to the development of the relationships with key customers	3.45 %	11.21 %	31.03 %	37.07 %	17.24 %
<b>Inter-functional support</b>					
All units within Ethio telecom contribute when needed for supporting key account customers	0.00 %	24.14 %	25.86 %	43.10 %	6.90 %
The managers who are responsible for managing Key accounts try hard to get help from other units regarding his/her key account customer	0.00 %	19.83 %	16.38 %	43.97 %	19.83 %
Key account customers have priority of support by	0.00 %	20.69 %	43.10	25.86	10.34 %

other functional units			%	%	
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Source: Own computation using SPSS of the survey, 2019

### Appedix 3

**Table 4.14 Summary of dependent variable Survey result for Key account Customers (Model 1)**

Satisfaction	Measurement				
	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
You are very satisfied with ethio telecom service	6.03 %	10.34 %	55.17 %	8.62 %	19.83 %
You are very pleasant that you are managed by Key account Management	0.00 %	24.14 %	18.97 %	37.93 %	18.97 %
If you had to do it all over again, you would still choose ethio telecom as a service provider	6.03 %	11.21 %	56.90 %	10.34 %	15.52 %
Trust					
You are convinced that ethio telecom keeps its promises to you	12.07 %	6.03 %	35.34 %	32.76 %	13.79 %
You believe that ethio telecom is genuinely concerned about your business success	2.59 %	19.83 %	26.72 %	31.03 %	19.83 %
You believe that ethio gives you the necessary information	0.00 %	4.31 %	28.45 %	43.97 %	23.28 %
You believe that etho telecom upholds your best interest	0.00%	17.24 %	27.59 %	40.52 %	14.66 %
You consider as ethio telecom is trustworthy	0.00 %	7.76 %	31.90 %	43.97 %	16.38 %

<b>Commitment</b>					
is something that you are very committed to	0.00 %	3.45 %	24.14 %	67.24 %	5.17 %
is very important to you	0.00 %	2.59 %	24.14 %	68.10 %	5.17 %
is what you consider it deserve your maximum effort	0.00 %	4.31 %	25.00 %	61.21 %	9.48 %
is something that you intend to maintain indefinitely	0.00 %	5.17 %	30.17 %	56.03 %	8.62 %

Source: Own computation using SPSS of the survey, 2019

## Appendix 4

**Table 4. 16 Summary of independent variable Survey result for Managementmembers (model 2)**

<b>Customer Centricity</b>	<b>Measurement</b>				
	<b>Strongly disagree</b>	<b>Disagree</b>	<b>Neutral</b>	<b>Agree</b>	<b>Strongly agree</b>
Satisfying the needs of key accounts is one of the major objectives for ethio telecom	0.00 %	0.00 %	2.8 %	35.8 %	61.5 %
We always monitor the extent that we satisfy our key accounts' needs	0.00 %	9.2 %	30.3 %	53.2 %	7.3 %
Ethio telecom's tries to deliver superior value to key account customer through it product/services	0.00 %	1.8 %	24.8 %	52.3 %	21.1 %
We frequently measure the level of satisfaction of our key account customers	1.8 %	27.5 %	17.4 %	45.9 %	7.3 %
We pay a lot of attention to the after-sale service of our key account customers	1.8 %	17.4 %	17.4 %	52.3 %	10.1 %
<b>Top - Management commitment</b>					
Top management affirms the importance of key account management (KAM) as a major strategical orientation for the company	0.00 %	8.3 %	13.8 %	38.5 %	39.4 %

Top management sets an example to KAM for the rest of the organization	0.00 %	15.6 %	31.2 %	42.2 %	11.0 %
Top management closely overviews all the activities concerning the management of our key accounts	0.9 %	15.6 %	16.5 %	56.9 %	10.1 %
Top management has no hesitation to spend a lot of time to contribute in the management of our key accounts	0.00 %	16.5 %	26.6 %	41.3 %	15.6 %
Top management has no hesitation to spend a lot of time to contribute to the management of our key accounts	0.00 %	17.4 %	20.2 %	42.2 %	20.2 %
<b>Inter- functional coordination</b>					
All units share information with regard to key accounts	5.50 %	18.35 %	26.61 %	39.45 %	10.09 %
All units realize that can contribute in the delivering of superior value to key accounts	0.92 %	17.43 %	33.03 %	44.04 %	4.59 %
All units are willing to contribute when a problem of a key account occurs	2.75 %	9.17 %	27.52 %	49.54 %	11.01 %
There is integration among the different units in order to satisfy the key accounts' needs	2.75 %	15.60 %	25.69 %	44.04 %	11.93 %
<b>Ability to Customization</b>					
We adapt our products/ services according to our key accounts' needs	0.92 %	11.93 %	20.18 %	56.88 %	10.09 %
We respond immediately to our key accounts' problems	3.67 %	12.84 %	27.52 %	34.86 %	21.10 %
We adapt the level of our service quality according to our key accounts' needs	3.67 %	19.27 %	42.20 %	27.52 %	7.34 %
We adapt our pricing policy to our key accounts	5.50 %	21.10 %	24.77 %	34.86 %	13.76 %
We design internal processes in order to meet our key accounts' needs	1.83 %	11.93 %	15.60 %	55.96 %	14.68 %
We frequent and informally communicate with our key accounts	0.00 %	4.59 %	17.43 %	51.38 %	26.61 %
<b>Top-Management Involvement</b>					

Top management allocates the required resources (money, time, personnel) for the KAM function	0.00 %	11.93 %	14.68 %	55.96 %	17.43 %
Top management systematically monitors the KAM function within the company	3.67 %	13.76 %	22.02 %	49.54 %	11.01 %
Top management interferes when necessary, in order to find solutions to problems that key accounts customers face	0.92 %	8.26 %	22.94 %	52.29 %	15.60 %
Top management actively participates in the designing of activities regarding our key accounts	1.83 %	15.60 %	21.10 %	43.12 %	18.35 %
Top management compensates/ rewards the actions and initiatives that lead to the development of the relationships with our key accounts	6.42 %	11.93 %	33.03 %	40.37 %	8.26 %
<b>Inter-functional support</b>					
The other units contribute when needed for improving the management of our key accounts	2.75 %	6.42 %	21.10 %	57.80 %	11.93 %
The managers who are responsible for managing our accounts have to try hard to obtain help from other units regarding our key accounts	9.17 %	5.50 %	13.76 %	51.38 %	20.18 %
KAM is viewed as ‘competitor’ by other functional units	6.42 %	22.07 %	37.61 %	30.28 %	3.67 %

Source: Own computation using SPSS of the survey, 2019

## Appendix 5

**Table 4.18: Summary of dependent variable Survey result for management member (model 2)**

Satisfaction	Measurement				
	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
Our key accounts are very satisfied with us	6.42 %	19.27 %	28.44 %	43.12 %	2.75 %
They are very pleasant with what we do for them	5.50 %	19.27 %	17.43 %	48.62 %	9.17 %

If they had to do it all over again, they would still choose us as a supplier (They have regretted their decision to cooperate with us)	7.34 %	16.51 %	50.46 %	23.85 %	1.83 %
<b>Trust</b>					
They are convinced that we keep our promises to them	2.75 %	20.18 %	29.36 %	39.45 %	8.26 %
They believe that we are genuinely concerned about their business success	0.92 %	15.60 %	29.36 %	48.62 %	5.50 %
They believe the information that we give them	0.00 %	8.26 %	16.51%	59.63 %	15.60 %
They believe that we keep the best interest in mind	1.83 %	14.68 %	22.94 %	47.71 %	12.84 %
They consider us trustworthy	0.00 %	7.34 %	24.77 %	53.21 %	14.68 %
<b>Commitment</b>					
is something that top management is very committed to	0.92 %	11.93 %	18.35 %	49.54 %	19.27 %
is very important to ethio telecom (key account customers)	0.00 %	4.59 %	2.75 %	44.95 %	47.71 %
is that ethio telecom considers it deserves maximum effort to maintain	0.92 %	5.50 %	20.18 %	40.37 %	33.03 %
is something that ethio telecom intend to maintain indefinitely	0.00 %	5.50 %	16.51 %	46.79 %	31.19 %

Source: Own computation using SPSS of the survey, 2019

## Appendix 6: questionnaire for Key account customers

**Dear Respondent,**

This Survey questionnaire is developed by Wondimagegn Temessa a graduate student of College of Business and Economic at Addis Ababa University, in bid to solicit Key Account Management Practice and performance of Ethio Telecom. Your information from this questionnaire will be

used as an input to my senior thesis, required of me in partial fulfillment of MBA Degree in Executive Master of Business Administration. Your response will be used as a valuable and primary input for the study. For this reason, you are kindly requested to take few minutes of your busy schedule to fill this questionnaire. Since your participation has remarkable value, for my research, your cooperation is very much appreciated.

**Confidentiality:** I would like to assure you that this research is only for academic purpose and will be kept in full secrecy. . No other person will have access to data collected besides, in any sort of report published, the researcher will not include any private information that will make it possible to identify any respondent.

**Thank you in advance for your genuine, honest, and prompt response!**

### **Part One: Respondents profile**

**Please use “✓” this mark for your response**

1. Sex  Male  Female
2. Age (years)  18-24  25- 35  36-50  Above 50
3. Highest Education level  Diploma  Degree  MA/MSc Degree  
 Above MA/MSc degree
4. Sector your organization belongs  
 Financial institution  Embassy and International NGO  
 Government organization  service  production and industry
5. Your current position in the organization  
 Top Management  Middle Management  Lower Management  
 Expert  Other \_\_\_\_\_
6. Year of service  
 1-3Years  4-6 years  7-10  above 10

**Part Two: Question related to measure the key account management performance**

***Please tick to indicate your preferred choice***

1= strongly disagree

2=Disagree

3=Neutral

4=Agree

5=Strongly Agree

<i>Customer centricity</i>	1	2	3	4	5
Ethio telecom's gives priority to satisfying the needs of key account customers				✓	
Ethio telecom's always monitors key account customers' service needs				✓	
Ethio telecom's tries to deliver superior value to key account customer through its products/services			✓		
Ethio telecom's frequently measures the level of satisfaction of key account customers					
Ethio telecom's pays a lot of attention on the after-sale service for key customers			✓		
<b><i>Top- Management commitment</i></b>					
Top management uses Key Account Management as a major business strategy			✓		
Top management consider Key Account Management service as model to the rest of the organization				✓	
The top management closely follow up major demands and problems of Key account customers				✓	
The top management has no hesitation to spend necessary time with key account customers				✓	
The top management always stresses the need for all units to contribute to key accounts				✓	
<b><i>Inter- functional coordination</i></b>					
All units of ethio telecom share information about key account customers		✓			
All units of ethio telecom realize that they can contribute to delivering of superior			✓		

value to key account customers					
All units of ethiotelcom are willing to contribute when a problem occurs to a key customer				✓	
Ethio telecom's various units work in cooperation to satisfy key customer need					✓
<b>Ability to Customization</b>					
Ethio telecom's provide its products/ services according to your needs			✓		
Ethio telecom's responds immediately to key accounts customer problems					✓
Ethi telecom's upgrade the level of service quality based on your needs				✓	
Ethio telecom's set pricing policy to the expectation of key account customers			✓		
Ethio telecom's designs internal processes in order to meet your needs				✓	
Ethio telecom frequently and informally communicate with key customers				✓	
<b>Top-Management Involvement</b>					
Top management allocates the required resources with priority to key account customers			✓		
Top management systematically monitors the KAM function within the company					
Top management interferes when necessary, in order to find solutions to problems that key accounts customers face					✓
Top management initiatives lead to the development of the relationships with key customers				✓	
<b>Inter-functional support</b>					
All units within Ethio telecom contribute when needed for supporting key account customers					✓
The managers who are responsible for managing Key accounts try hard in order to get help from other units regarding his/her key account customer					✓
Key account customers have priority of support by other functional units				✓	
<b>Satisfaction</b>					

You are very satisfied with ethiotelcom service				✓	
You are very pleasant that you are managed by Key account Management				✓	
If you had to do it all over again, you would still choose ethio telecom as service provider			✓		
<b>Trust</b>					
You are convinced that ethio telecom keeps its promises to you			✓		
You believe that ethio telecom is genuinely concerned about your business success		✓			
You believe that ethio gives you the necessary information		✓			
You believe that etho telecom upholds your best interest			✓		
You consider as ethio telecom is trustworthy				✓	
<b>Commitment</b>					
<i>“Ethio telecom relationship with key account customers” :</i>					
is something that you are very committed to				✓	
is very important to you					✓
is what you consider it deserve your maximum effort				✓	

is something that you intend to maintain indefinitely				✓	
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**Appendix 7: questionnaire for management members**

**Part One: Respondents profile**

Please use “✓” this mark for your response

1. Sex  Male  Female
2. Age (years)  18-24  25- 35  36-50  Above 50
3. Highest Education level  Diploma  Degree  MA/MSc Degree  
 Above MA/MSc degree
4. Your current position in the organization  
 Top Management  Middle Management  Lower Management  
 Expert  Other \_\_\_\_\_
5. Year of service  
 1-3Years  4-6 years  7-10  Above 10

**Part Two:** Question related to measure the key account management performance

*Please tick to indicate your preferred choice*

*1=Strongly disagree      2=Disagree      3=Neutral      4=Agree*

*5=Strongly Agree*

<i>Customer Centricity</i>	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
Satisfying the needs of key accounts is one of the major objectives for ethio					✓

telecom					
We always monitor the extent that we satisfy our key accounts' needs				✓	
We try to deliver superior value to our key accounts through our products/services				✓	
We frequently measure the level of satisfaction of our key account customers				✓	
We pay a lot of attention on the after-sale service of our key account customers				✓	
<b>Top- Management Commitment</b>					
Top management affirms the importance of key account management (KAM) as a major strategical orientation for the company					✓
Top management sets an example to KAM for the rest of the organization				✓	
Top management closely overviews all the activities concerning the management of our key accounts				✓	
Top management has no hesitation to spend a lot of time in order to contribute in the management of our key accounts			✓		
Top management always stresses the importance that all units can contribute in delivering value to our key accounts				✓	
<b>Inter- functional Coordination</b>					
All units share information with regard to key accounts			✓		
All units realize that can contribute in the delivering of superior value to key accounts		✓			
All units are willing to contribute when a problem of a key account occurs				✓	
There is integration among the different units in order to satisfy the key accounts' needs				✓	
<b>Ability to Customization</b>					
We adapt our products/ services according to our key accounts' needs			✓		
We respond immediately to our key accounts' problems				✓	
We adapt the level of our service quality according to our key accounts' needs		✓			
We adapt our pricing policy to our key accounts			✓		
We design internal processes in order to meet our key accounts' needs				✓	
We frequent and informally communicate with our key accounts				✓	
<b>Top-Management Involvement</b>					
Top management allocates the required resources (money, time, personnel) for the KAM function				✓	
Top management systematically monitors the KAM function within the company				✓	
Top management interprets, when necessary, in order to find solutions to problems that our key accounts face					✓
Top management actively participates in the designing of activities regarding our key accounts			✓		
Top management compensates/ rewards the actions and initiatives			✓		

that lead to the development of the relationships with our key accounts					
<b><i>Inter-functional support</i></b>					
The other units contribute when needed for improving the management of our key accounts			✓		
The managers who are responsible for managing our accounts have to try hard in order to obtain help from other units regarding our key accounts				✓	
KAM is viewed as 'competitor' by other functional units			✓		
<b><i>Satisfaction</i></b>					
Our key accounts are very satisfied with us		✓			
They are very pleasant with what we do for them			✓		
If they had to do it all over again, they would still choose us as supplier (They have regretted for their decision to cooperate with us)			✓		
<b><i>Trust</i></b>					
They are convinced that we keep our promises to them				✓	
They believe that we are genuinely concerned about their business success			✓		
They believe the information that we give them			✓		
They believe that we keep the best interest in mind		✓			
They consider us trustworthy				✓	
<b><i>Commitment</i></b>					
"Our relationship with key accounts..."				✓	
is something that top management is very committed to				✓	
is very important to ethio telecom (key account customers)					✓
is that ethio telecom considers it deserves maximum effort to maintain				✓	
is something that ethio telecom intend to maintain indefinitely				✓	