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CUSTOMER SERVICE MANAGEMENT AND ORGANIZATION PERFORMANCE: MODERATING EFFECT OF STRATEGIC DRIFT

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Abstract

This research investigates the link between customer service management, strategic drift, and organizational performance in manufacturing and merchandising organizations in Dodoma and Dar es Salaam regions of Tanzania, aiming to examine how customer service practices and strategic adaptation influence organizational success, with a particular focus on the moderating role of strategic drift. The hypothesis development section establishes three key hypotheses: customer service positively influences organization performance; strategic drift has an influence on organization performance; and strategic drift moderates the relationship between customer service and organizational performance. Data was collected from 210 participants using a cross-sectional research design, and structural equation modeling (SEM) was employed for analysis. The results confirm the hypotheses, indicating a significant positive relationship between customer service management and organization performance, as well as a moderate influence of strategic drift on organization outcomes. The findings emphasize the importance of prioritizing customer service excellence and strategic alignment within organizations. Recommendations are provided for practitioners to enhance customer service practices, embrace strategic adaptability, and cultivate a customer-centric culture. Theoretical implications highlight the contribution of this study to the understanding of customer service management and strategic drift in organizational performance literature. Limitations are acknowledged, including sample size constraints and the cross-sectional design, suggesting avenues for future research such as longitudinal studies, comparative analyses, and investigations into moderating factors and mediating mechanisms. Overall, this research contributes to the existing

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knowledge base and offers valuable insights for both academia and industry practitioners.

1.0 Introduction

In the competitive business environment organizations are striving to excellence and to effectively management of their resources so as to improve their performance, whether in a developed country or in a developing countries. One of the functions that may lead to improve organization performance is effectiveness in offering customer services and there are probably mechanisms to ensure there is link between customer services and organization performance. These same organization have in place strategies that are employed to help them stay in the business and this strategies are worthy being changed or updated to go with the pace changing business environment, otherwise the strategies may no longer hold true with the changes of business environment, some business even by recognizing of the importance of customer service in organization performance may fail due to strategic failure of improving the strategies with the pace of changing business environment.

To shed light of the above narration, a range of strategies have been proposed to improve organizational performance through effective customer service. Mcchesney (1999) emphasizes the importance of proactive management in creating and maintaining customer relationships, while Elisiva and Sule (2015) suggests that a prospector strategy, focused on innovation and creativity, can help organizations adapt to a competitive environment. Donaldson (1995) highlights the role of customer service as a source of competitive advantage, particularly in the manufacturing sector. Zhang, Thomas and Kelvin (1999) further underscores the need for a customer orientation framework, which includes upgrading staff awareness, changing culture, and involving customers and employees in service strategies. These studies collectively underscore the importance of customer service in organizational performance and the need for dynamic strategies to adapt to changing business environments.

Within today's service-oriented economy, customer service stands out as a pivotal tool for organizations striving to secure a competitive edge (Areni, 2003). Notably, satisfied customers not only foster repeat

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business but also serve as advocates, bolstering a service provider's reputation through positive word-of-mouth. Extensive research underscores the increasing profitability associated with retaining customers across diverse industries like automotive and banking, emphasizing the cost-effectiveness of nurturing existing clientele over acquiring new ones. As organizations prioritize service efficacy as a cornerstone of their strategic goals, it becomes imperative to explore the nuances distinguishing service delivery from traditional goods manufacturing and distribution (Samson & Little, 1993).

Measuring the efficacy of customer service spans various dimensions, including service empathy, access time, and courtesy, as noted by Haupt (2002). The significance of service quality has garnered considerable attention from researchers, managers, and practitioners in recent decades. In an environment rife with competition, service-centric enterprises must prioritize delivering superior quality to uphold customer satisfaction and retain lucrative clientele. While meeting customer expectations remains paramount, exceeding them by infusing unexpected elements of quality, such as attractive service attributes, holds merit as well (Thompson, 1985).

In assessing organizational performance, the concept encompasses both financial and operational dimensions, reflecting the effectiveness of the organization (Saraf et al., 2000). It is commonly defined as the degree of accomplishment attained by business organizations (Mathur, 2004). Expanding on this, Richard & Stevenson (2009) delineate three crucial areas encapsulating organizational performance: financial performance, performance as related to returns to shareholders and product market in the market place, similarly Kaplan and Norton (2007) advocate for the inclusion of non-financial performance metrics such as market share, product quality response, and time. They emphasize the importance of externally-focused metrics such as brand preference and customer satisfaction, as well as forward-looking measures such as employee satisfaction, succession planning and, retention, in the pursuit of organizational excellence.

Organizational performance, as articulated by Fahey & King (2010), is the evaluation of the value that is created by a firm relative to the expectations of its owners. This evaluation is manifest in various indicators including product quality, sustainability, reliability, profitability, productivity, market share, and cost management (Mathur, 2004).

Moreover, as organizations endeavor to excel, they may encounter constraints stemming from the failure of organizational strategies, leading to their potential deterioration. When strategies degrade within organizations and businesses, the concept of strategic drift comes into play, initially introduced by Johnson (1988). Strategic drift demonstrate the discrepancies between organization's strategic adaptations and the evolving environmental landscape, as building on this notion, Johnson et al. (2005) explained that strategic drift means the gradual erosion of the existing strategies' efficacy in addressing the organization's competitive positioning, definitely, s characterized as a progressive decline in proactive competitive actions, leading to an organization failing to recognize and responding to shifts in the firm’s landscape (Sammut-Bonnici, 2014).

Reflecting on the preceding discussion, Strategic drift is also characterized by a highly correlative organizational paradigm and culture that discourages probing and fosters significant barriers to change, that may be rooted from dominant leaders’ resistance to change and unfocused external business organization's environment (Mark & Spencer, 2008). Macharia (2014) asserts that effective strategic management hinges on aligning organization capabilities, resources and strategy. Competence, as defined by Agha, Alrubaiee, and Jamhour (2011), is the set of knowledge that positioning a firm and confers a competitive edge ahead of others. Organizational competence arises from the existence and functioning of a specific culture intertwined with a particular management system and organizational structure. Crafting a strategy embodies an organization's competence in pursuing distinctive actions that differentiate it in its operations and enhance its market and financial performance (Choge et al, 2018).

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2. Literature Review

2.1. Key Concepts

2.1.1 Concept of Strategic Drift

This phenomenon arises amidst an accelerated pace of environmental change, wherein the organization persists with its existing strategies, albeit at an incremental rate that fails to match the environment's rapid evolution (Gilligan & Wilson, 2009).

Danciu (2010) explained strategic drift as something emanating from shifts in market structures, consumer expectations, competitive dynamics, and micro-environmental factors, together with the changes in organizational strategies, which was not far from Harraf et al. (2016) who emphasized that strategic drift is manifested when organizations swiftly develop strategies that diverge from the evolving environment, stemming from organizational culture and historical impediments to change (Gilligan & Wilson, 2009).

2.121. Perspectives of Strategic Drift

Sammut-Bonnici (2014) interprets strategic drift as cognitive sluggishness in achieving an organization's original objectives. It stands in stark contrast to mission creep, which involves a gradual expansion of an organization's original mission or scope. Identifying strategic drift poses a challenge for executives within the organization, as internal culture and cognitive inertia can cloud judgment and impede the recognition of behaviors incongruent with the external environment (Handy, 1999).

Moreover, strategic drift is entirely perceived as a state where a reluctance to change ensues, preserving the status quo and resisting alterations within the value chain. This inertia discourages human resource innovativeness, discourages structural innovation in an organization, technology adoption, procurement policies, and product development (Johnson, Scholes & Whittington, 2005). Furthermore, when managerial and board levels exhibit a homogeneous mindset, the likelihood of strategic drift increases. This homogeneity fosters a shared culture and internal harmony, impeding strategists' ability to discern and adapt to external changes in the economy, society, technology or regulatory frameworks (Sammut-Bonnici, 2014).

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Grove (1996) defines strategic drift as a phenomenon characterized by a lack of attention to the external environment, particularly prevalent among organizations accustomed to monopolistic or oligopolistic market structures. This neglect often leads to a decline in performance, evidenced by decreasing revenues, market shares, profitability, and cash flow. Consequently, existing strategies may enter a phase of instability as priorities shift towards cost-cutting measures, further compromising the organization's long-term viability. In essence, Grove (1996) suggests that strategic drift occurs when an organization fails to realign its objectives and strategies in response to environmental changes. This resistance to change is attributed to the organization's entrenched culture and, to some extent, its historical trajectory.

2.1.3. Dimensions of Strategic Drift

Strategic drift emerges when the original objectives lose clarity and relevance, on this instances Langeler (1992) theorized that strategic drift occurs when the initial purposes become ambiguous, rendering the strategies inadequate in upholding the organization's vision. Consequently, adjustments are necessitated, either by reshaping the vision to align with the strategy or vice versa. A robust strategy hinges upon a well-defined vision, ensuring organizational success. Langeler (1992) suggests that when the vision fails to align with the current strategy, decisions are made incrementally to support the existing strategy rather than in alignment with the overarching vision.

marketing myopia, Leadership complacency, organizational commitment, and logical incrementalism are dimensions associated with strategic drift. Leadership complacency manifests when leaders become self-satisfied, often coupled with an obliviousness to the actual challenges or deficiencies facing the organization (Bielic et al., 2020). This complacency hampers organizations' ability to forecast and adapt to environmental changes, leading to a downward spiral culminating in organizational demise (Harraf et al., 2016). In today's interconnected global markets, leadership complacency is untenable for organizations striving to maintain competitiveness, especially on an international scale. Leaders must actively combat complacency by fostering agility within their organizations (Soltwisch, 2015), thereby mitigating the risk of strategic drift.

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Marketing myopia denotes a narrow-minded approach where companies fail to focus on long-term business strategies, disregarding the genuine needs and desires of their consumers (Levitt, 1960). This myopic focus prioritizes short-term marketing goals over long-term objectives, often leading to the neglect of consumer preferences and needs (Martinez, 2014). Logical incrementalism, on the other hand, blends strategy formulation and implementation into a process-oriented approach. This method views strategy as a series of loosely connected decisions handled incrementally, often decentralized below the corporate level for expediency (Quinn, 1980). Incremental approaches, through gradual adjustments aligned with environmental changes, help organizations sidestep strategic drift.

Organizational commitment is the individual's positive or negative attitude towards the organization as a whole. It reflects an employee's sense of identity and dependence on the organization, influencing behaviors such as retention and absenteeism (Dennis, 1998; Moorhead & Griffin, 1995).

2.2. The Concept of Performance

Performance, as defined by Stephen and Mary (2002), encapsulates the culmination of all organizational work processes and activities, representing the effectiveness of transforming inputs into outputs (Thursby, 2000). It entails assessing actual outcomes against intended outputs, comprising product market performance, financial performance, and shareholder return, as delineated by Richard et al. (2009). Liptons (2003) suggests that firm performance fundamentally reflects the organization's ability to endure. However, the multifaceted nature of firm performance poses challenges in determining appropriate measurement methods and timing. While performance measurement quantifies the efficiency and effectiveness of actions and decisions (Wagoner, 1999), it alone does not suffice. Performance management, as described by Kurt (2004), serves as a process guiding organizations in formulating, implementing, and adapting strategies to meet objectives. Managers grapple with determining the most suitable performance measures and measurement systems tailored to their organizations' strategies and objectives, as there is no one-size-fits-all framework for performance evaluation (Richard et al., 2009).

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2.2.1. Measuring Performance

In this aspect, TRADE (2000) categorized most performance measures into six general categories; first is effectiveness, indicating how well the process output aligns with requirements. Efficiency, the second category, signifies the process's ability to produce the intended output at minimal resource cost. Quality, the third category, assesses the extent to which goods or service meets expectations. Timeliness, the fourth, measures whether work is completed correctly and on schedule, usually defined by customer requirements. The fifth category, productivity, evaluates the value added by the process relative to labor and capital consumed. Finally, safety measures the overall health of the organization and the working environment for its employees.

Firm performance serves as a significant research construct and is commonly employed as a dependent variable (Cho & Pucik, 2005; Richard et al., 2009). Franco-Santos and Bourne (2005) stress the importance of selecting appropriate measures and targets for performance evaluation, typically falling into categories such as quality, profitability, productivity, growth, and customer satisfaction (Liptons, 2003). Historically, financial performance measurement was considered the primary method for assessing organizational effectiveness and efficiency (Cavenaghi, 2001). Miller and Swope (2006) propose structuring performance assessment around seven areas: effectiveness, productivity, quality, customer satisfaction, efficiency, innovation, and financial sustainability. Kaplan and Norton advocate for multidimensional performance measures encompassing financial and non-financial aspects, introducing perspectives such as internal processes, financial, customer, and innovation (Kaplan & Norton).

2.3 concept of customer service

According to Schwab (2007), customer service stands as a cornerstone of a company's overarching business strategy, emphasizing that without customers, a business lacks its fundamental purpose. Gronroos (1990) echoes this sentiment, defining marketing as the establishment, maintenance, and enhancement of relationships with customers and partners, ensuring that all parties involved achieve their objectives profitably.

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A study by RightNow Technologies (2008) revealed that a staggering 87 percent of customers cease doing business with a company due to subpar customer service, underscoring the critical role service quality plays in customer retention. Moreover, loyal customers prioritize exceptional service over price considerations, underscoring the significance of customer-centric approaches. From the customer's standpoint, value is derived from the service received, encompassing their experience and the outcomes, leading them to prefer services that offer maximum satisfaction (Lusch, 2007; Carbone, 2004; Edvardsson & Olsson, 1996). Gaffney (2007) contends that to maintain a competitive edge, companies must shift from reactive to proactive customer interaction strategies, acknowledging the rising centrality of user-centric communication networks. Sturdy (2001) further emphasizes the importance of delivering exceptional, value-enhanced service, positioning customer-centricity as a strategic imperative for weathering the business landscape's uncertainties (Frazer-Robinson, 1999).

2.3 Hypothesis Development

2.3.1 Customer service and organization performance

Customer service encompasses a series of activities aimed at enhancing customer satisfaction, spanning from pre-purchase to post-purchase interactions, ensuring that products or services meet customer expectations (Rhee and Bell, 2002). While some may perceive customer service as solely the responsibility of the Marketing department, it is, in fact, a collective effort involving every individual within an organization (Fry, L., Charles, & E. Hattwich, 1998). Service quality, a crucial component of customer service, pertains to the ability to obtain desired services from a chosen provider at the right price. As customer desire is paramount, it is posited that consumers seek lower prices, expanded service choices, better value, acceptable quality, and availability, all of which contribute to organizational performance through increased sales (Lacobucci, 1995). Thus, this study aims to explore the relationship between customer service and organizational performance.

Kotler (1997) underscores the significance of good customer service within the broader business framework, highlighting its role in fostering customer satisfaction, loyalty, profitability, and organizational growth. Indeed, exceptional customer service serves as a key differentiator for

companies, setting them apart from competitors. Consequently, the success of a business hinges on the quality of its customer service, as evidenced by its impact on sales growth, profitability, brand equity, and employee development. In essence, an organization's growth is intricately tied to the caliber of its customer service, emphasizing the pivotal role it plays in driving overall success.
H1. Customer service positively influences organization performance

2.3.2 Strategic drift and organization performance
Study has been conducted on the narration between strategic drift and organization performance, but did not pay particular attention on leadership change, cultural shifts, competitive pressure and strategic monitoring and evaluation dimensions. For instance the study by Gachanje, Kinyua and Muchemi (2022), described that strategic drift have impact of firm performance, since the paper was literature survey, did not articulate on how this may influence organization performance. Sammut-Bonnici, (2015), demonstrated the that there is influence of strategic drifts to organizational performance ,but did not provide that narration that how it affects.
H2. Strategic drifts has influence of organization performance

2.3.3 Customer service, strategic drift and organization performance
Theirs is limited empirical literature that establishes the moderating effect of strategic drift on Customer service to organization performance. With the developed conceptual framework this study aims to test the moderation effect of strategic drift safe in the knowledge that Customer service to organization performance may not be fully utilized if strategically the organization fails to improve the adopted strategies in relation to the changes of the organization environment or adopt to the changes.

H3. Strategic drift moderates the relationship between customer service and organization performance

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3. Methodology

3.1 Study locations

The participants of the study were obtained from manufacturing and merchandising organizations in Dodoma region and Dar es Salaam region in Tanzania. The choice of the regions is based on the fact of growing economy in the regions, Dar es Salaam as a region with a big volume of trade activities and Dodoma as a capital city with growing urbanization.

3.2 Design and approach of the study

This study used cross-sectional design, Using a cross-sectional research design for studying the influence of customer service management on organizational performance, with a focus on the moderating effect of strategic drift, in manufacturing and merchandising organizations in Dodoma and Dar es Salaam regions in Tanzania, offers several justifications: the study involved the organization were researcher had to collect data from multiple organizations within a relatively short period. Since the study aimed to understand the influence of customer service management on organizational performance at a specific point in time, this design aided provide a snapshot of the current relationship between these variables without the need to track changes over time, there is no risk of attrition or dropout since data is collected only once from each organization.

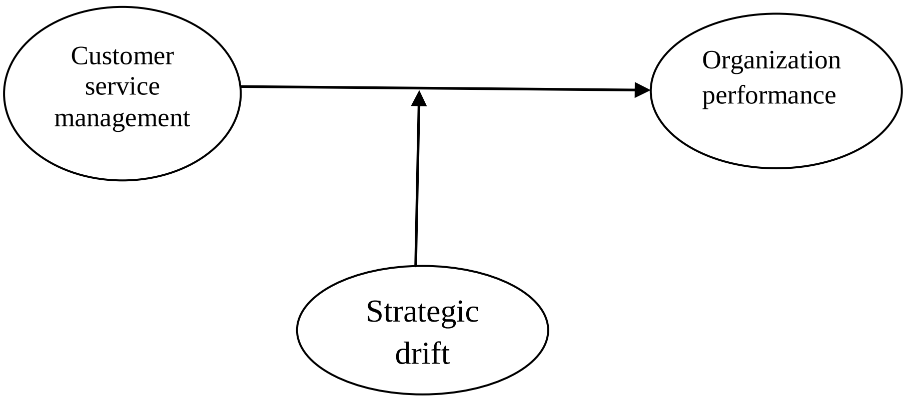

Figure 1. Conceptual framework
Source (s): *Author's own creation*

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3.3 sampling and data collection procedures

Data were gathered from January to March, 2024. The participants were selected by using convenient sampling technique. Data were gathered from January to March, 2024. The participants were selected by using convenient sampling technique. The questionnaire was sent to 250 participants that included branch managers, organizations managers, business development managers and cluster heads through WhatsApp in Google Forms, where 210 (84%) participants responded. The study used WhatsApp because of the scattered locations of the organizations, this online approaches were suitable because of their flexibility and accessibility (Vasantha and Harinarayana, 2016).The questionnaire was redistributed four times for reminding the target respondents. The survey tool was created by focusing on the variables being studied (see section 3.4). Before being sent to the respondents, the questionnaire was pilot tested to 16 business development manager to determine if its design and contents fit the target respondents.

Sufficiency of the sample size was confirmed by Soper's sample size calculator for structural equation modeling (SEM) as used by Jaffu (2024). The calculator took into account the number of latent variables (three), observable variables (12), anticipated effect size (0.3), desired statistical power (0.8) and p-value (0.05) to determine the lowest acceptable sample size. The calculator recommended a sample size of 119. Since the technique only suggests a tolerable sample size, 210 responses are adequate.

3.4 Measurements of variables

In customer service management the study captured four elements and through researcher modification to include customer satisfaction, retention, and loyalty, service quality and response time attributes that are adopted from Pezeshki (2009). As for strategic drift the study captured four elements and through researcher modification to include leadership change, cultural shifts, competition pressure and strategic monitoring and evaluation adopted from Gachanja et al (2022), and lastly for organization performance study captured four elements and through researcher modification to include revenue growth, return of investment, market share and positioning and brand recognition adopted

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from Hamann et al(2013). The respondents' responses were captured on a Likert scale of five dimensions, from strongly agree to strongly

3.5 Reliability and validity

Prior to actual data collection, the questionnaire was tested on 16 participants who were then not included in the study. The researcher used the observations from the pre-test to revise the design and contents of the tool so as to improve its understandability. Also, Cronbach's alpha coefficients were used for testing internal consistency. The results in Table 1 show that Cronbach's alpha values are in the acceptable margin (Vaske et al., 2017). Average variance extracted (AVE) was employed in this study to determine convergent validity, Table 2 presents that the AVE values are within the tolerable range (0.5), also discriminant validity as according to Fornell–Larcker criterion, the results indicate that each AVE construct's value is higher than its squared inter-construct correlation, implying discriminant validity was attained (Hair et al., 2021).

3.6 Data analysis

In hypotheses testing, structural equation modeling (SEM) was employed, SEM was used because it has been recommended as a multivariate technique for determination latent variables relationships (Fan et al., 2016), since the variables used in this study are latent. Confirmatory factor analysis (CFA) was also performed. CFA was used to ensure reliability and validity of the results (Sureshchandar, 2023), it was employed to assess constructs' factor loadings as well as the reliability and validity of the dataset.

Table 1. Factor loadings, Cronbach's alpha and construct reliability

Items	Factor loadings	AVE	Cronbach's alpha	Construct reliability
Customer service management		0.533	0.813	0.819
CSM_1	0.710			
CSM_2	0.783			
CSM_3	0.810			
CSM_4	0.815			
Strategic drift		0.735	0.914	0.917
STRDF_1	.831			
STRDF_2	0.872			
STRDF_3	0.897			
STRDF_4	0.873			
Organization performance		0.529	0.817	0.818
PPER_1	0.781			
PPER _2	0.791			
PPER _3	0.796			
PPER _4	0.732			

Source (s): Data analysis by author

Table 2. Discriminant validity

	CR	AVE	ST	PP	CM
ST	0.917	0.735	**0.857**		
PP	0.818	0.529	0.435***	**0.727**	
CM	0.819	0.533	0.385***	0.464***	**0.730**

Source (s): Data analysis by author

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4. Results and discussion

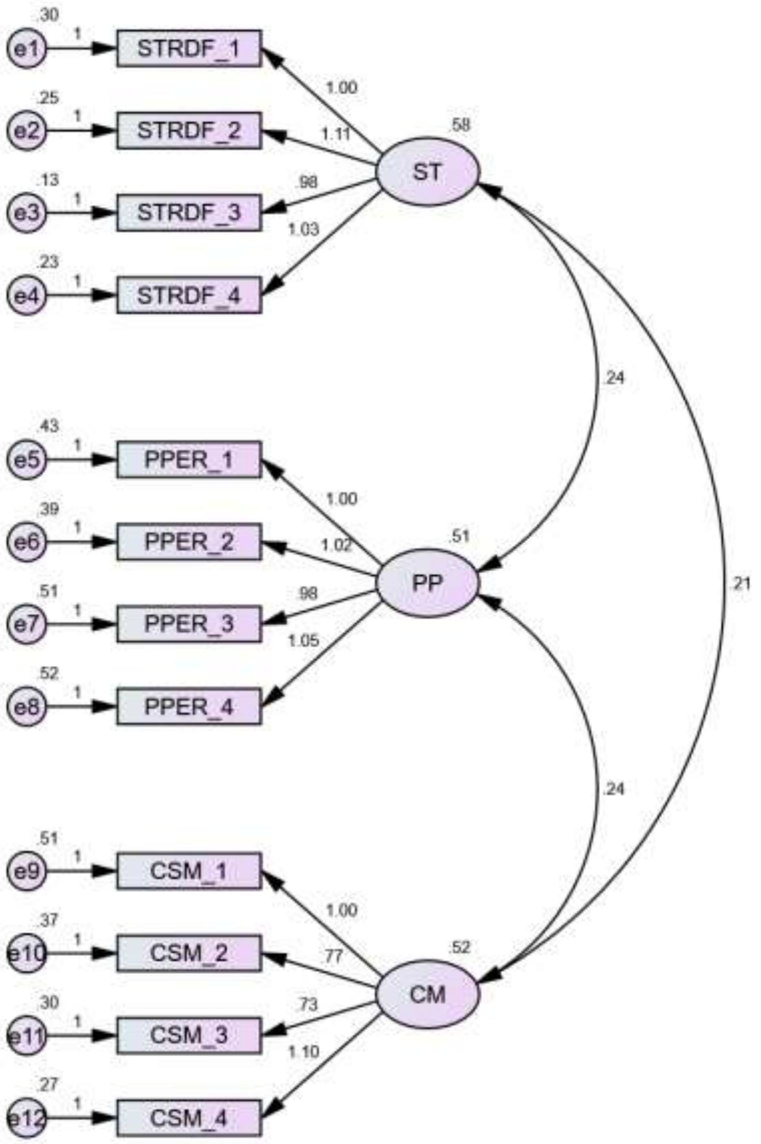

Figure 2. CFA
Source (s): Author's own creation

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In this sense, the items of the variables used explain the latent variables of the study. The other model fit indices are CMIN/DF 1.949, comparative fit index (CFI) 0.979, and root mean square error of approximation (RMSEA) 0.050. Thus, the model fits the data because all the indices are within the allowable margins (Sharif Nia et al., 2023).

Table 3. Model Fit Measures

Measure	Estimate	Threshold	Interpretation
CMIN	99.424	--	--
DF	51	--	--
CMIN/DF	1.949	Between 1 and 3	Excellent
CFI	0.979	>0.95	Excellent
SRMR	0.042	<0.08	Excellent
RMSEA	0.050	<0.06	Excellent
PClose	0.480	>0.05	Excellent

Source (s): Data analysis by author

4.1 Hypotheses testing

The study tested three hypotheses. “Customer service positively influences organization performance” (H1). “Strategic drifts has influence of organization performance”(H2) and “Strategic drift moderates the relationship between customer service and organization performance” (H3). The results of the study are in line with all three hypotheses, as shown in Table 5.

The regression analysis conducted aimed to understand the factors influencing organizational performance (PPER), with two key independent variables: Customer Service Management (CSM) and Strategic Drift (STD). CSM encompasses aspects such as customer satisfaction, retention, loyalty, service quality, and response time, reflecting the organization's efforts in maintaining positive customer relationships. The coefficient estimate for CSM is 0.3448, indicating that for every unit increase in CSM, PPER is predicted to increase by 0.3448 units. This positive coefficient suggests that investing in customer service management practices tends to have a favorable impact on organizational performance. Additionally, the statistical significance of CSM, as indicated by its low p-value (0.0113), underscores its importance in driving organizational success. The impact of customer service management on organizational performance is significant, with a focus on customer satisfaction, retention, and loyalty, service quality, and response time. Gilaninia, Taleghani, & Talemi (2013) and Agwu, Onwuegbuzie, & Onasanya (2017) both emphasize the crucial role of service quality in achieving customer satisfaction and organizational growth. Further, Anthony (2015) highlighted the influence of quality customer service management on employee satisfaction, which also impact customer service delivery.

On the other hand, the variable capturing Strategic Drift (STD) encapsulates factors like leadership changes, competition pressure, cultural shifts, and strategic monitoring and evaluation, demonstrate organization's ability to adapt to environmental changes and maintain strategic alignment, where the coefficient of STD is -0.3226, this indicate that for every unit increase in STD, PPER is decreased by 0.3226 with a p-value of 0.0370; this suggests that while strategic drift may have an impact on organizational performance, its influence is statistically significant in this analysis. In the context strategic drift remains an essential aspect for organizations to monitor and manage, as it can significantly affect long-term competitiveness and sustainability. The analysis reveals intriguing insights into the moderating effect of Strategic Drift (STD) on organizational performance, as indicated by its coefficient estimate, p-value, and confidence intervals. This illustrates that strategic drift may have a negative influence on organizational performance, and if the aspects of leadership changes, cultural shifts, competition pressure, and strategic monitoring and evaluation are well handled positively, they may mitigate this negative impact and potentially even contribute positively to organizational performance. This is supported by Gachanja, (2022), who stated that strategic drift as linked to factors like leadership changes, competition pressure, cultural shifts, and strategic monitoring and evaluation, significantly impacts organizational performance. This was also evident in the customs department of Mogadishu, Somalia, where a lack of strategic management practices has hindered goal attainment (Ahmed, & Mukhongo, 2017). The speed of strategic decision-making also plays a crucial role, with faster decision-making leading to better firm performance (Baum, & Wally, 2003). Furthermore, the strategic choices made by top management teams, including the decision to engage in organizational learning, can significantly influence firm performance (Ahmed, & Mukhongo, 2016). For the sake of organization, if they do not invest in adapting to change and pay less attention to these aspects that may lead to strategic drifting, then drifting is evident and this is not health for the organization performance for the narrated indicators on the presented model.

Futher to the above narration, the concept of strategic drift, characterized by a lack of adaptation to change, and has been linked to negative outcomes in various organizational contexts. Gachanja (2022) and Tzveta (2014) both highlight the detrimental impact of strategic drift on firm performance, with Gachanja emphasizing the decline in competitive advantage and Tzveta discussing its role in the development of strategic crises. Berman, Ackroyd, & Greenstreet (2006) extended this narrations to the realm of safety performance, noting that high-performing organizations can experience a gradual decline in safety due to organizational drift, on the other hand Baalen (2005) offers strategies for dealing with drift, to include the importance of recognizing when it occurs and maintaining a dual focus on objectives and operational issues.

Table 5. Regression coefficient

	coeff	Se	t	p-value	LLCI	ULCI
constant	0.9435	0.4663	2.0233	0.0437	0.0266	1.8604
CSM	0.3448	0.1354	2.5469	0.0113	0.0786	0.6110
STD	-0.3226	0.2165	-1.4901	0.0370	-0.7484	-0.1031
Int_1	-0.0121	0.0598	-.2017	0.0243	-0.1054	-0.1295

Note (s): Dependent variable: PPER, Moderating variable: STD, independent variable: CSM

5. Conclusion, Recommendation and implications of the study

5.1 Conclusion

The study confirmed the positive influence of customer service on organizational performance, highlighting the significant role of customer satisfaction, retention, loyalty, service quality, and response time. Additionally, while strategic drift was found to have a significant effect on organizational performance, its impact was more nuanced, with a coefficient estimate indicating a negative relationship, albeit with marginal statistical significance. These findings contribute to the existing body of knowledge and literature by emphasizing the role of customer service management and strategic drift onto driving organizational success. Organizations should prioritize investment in effective customer service practices to enhancing customer satisfaction and loyalty, ultimately leading to improved organizational performance. Similarly, organizations need to be mindful of strategic drift and proactively manage changes in culture, leadership, and competitive landscape to maintain strategic alignment and long-term competitiveness.

5.2 Recommendations

Based on the analysis, organizations are urged to prioritize customer service excellence by investing in strategies aimed at enhancing customer satisfaction, retention, and service quality. This entails staff training, process improvements, and leveraging technology to optimize the overall customer experience. Furthermore, fostering a culture of strategic agility is recommended to navigate the dynamic business environment effectively. This involves continuous monitoring of external factors, promptly adjusting strategies and anticipating changes to maintain alignment with market conditions. Furthermore, cultivating a customer-centric culture throughout the organization, aligning employee incentives with customer satisfaction, and emphasizing the importance of customer service at all levels are crucial for long-term success. Additionally, regular performance monitoring and evaluation, focusing on key indicators related to customer service and strategic alignment, enable organizations to identify areas for improvement and make informed decisions to enhance overall performance.

5.3 Limitations of the Study

Considering that the study provided valuable insights, it's important to acknowledge the study's limitations for future refinement. The specific sample size and context of the study, as indicated by the current coefficients and p-values, caution against generalizing findings to larger populations or different industries. Additionally, reliance on self-reported data, evident in the current analysis, may introduce response bias. Future research could explore objective performance measures or alternative data collection methods. Furthermore, the cross-sectional design, reflected in the current analysis, limits the establishment of causal relationships between variables. To address this, longitudinal studies or experimental designs, suggested by the current results, could offer deeper insights into the temporal dynamics and causal effects of customer service management, strategic drift, and organizational performance, strengthening the basis for decision-making and further research.

5.4 Practical Implications

The findings of this study provide practical implications for organizations seeking to enhance their performance:

By prioritizing and investing in customer service management initiatives, organizations can leverage the insights garnered to strengthen their competitive advantage. Focusing on improving customer

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satisfaction, retention, loyalty, service quality, and response time enables them to build lasting relationships with customers, ultimately driving long-term success. Furthermore, understanding the impact of strategic drift on organizational performance emphasizes the importance of adaptability and strategic alignment. Organizations must proactively monitor and manage changes in leadership, culture, and competitive pressure to navigate dynamic business environments effectively. This requires a commitment to strategic flexibility and the ability to swiftly adjust strategies to maintain alignment with evolving market conditions. By incorporating these insights into their operational strategies, organizations can position themselves for sustainable growth and resilience in the face of ongoing market changes, ensuring continued success and relevance in the competitive landscape.

5.5 Theoretical Implications

This study contributes significantly to the theoretical understanding of the link between customer service management, strategic drift, and organizational performance. The study offered empirical evidence of the positive impact of customer service on organizational performance and highlighting the moderating role of strategic drift, the findings support and extend existing literature in this domain. Furthermore, these findings contribute to advancing theoretical frameworks and lay a solid foundation for future research endeavors in the fields of customer service management and strategic management.

In conclusion, the study emphasizes the critical importance of effective customer service management and strategic drift in shaping organizational performance. The recommendations derived from this study offer valuable guidance for practitioners, facilitating the enhancement of customer service practices, fostering strategic alignment, and enabling adaptation to evolving business landscapes. Despite its limitations, this study significantly augments the existing knowledge base and opens up avenues for further exploration and research in this vital area of study.

6. Areas of further studies

This study sheds light on the intricate relationship between customer service management, strategic drift, and organizational performance, yet

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it also reveals several avenues for future exploration. Firstly, as the study focused on direct relationships, further investigation into moderating factors such as industry type and organizational size could offer a more nuanced understanding. Furthermore, exploring mediating variables like employee motivation or organizational culture could unveil the underlying mechanisms at play. Longitudinal studies are warranted to capture the dynamic nature of these relationships over time, while comparative analysis across diverse settings could enhance the generalizability of findings. Employing alternative research methods and considering external environmental factors, such as macroeconomic trends and regulatory changes, could also deepen understanding. Moreover, examining these constructs from cross-cultural perspectives could illuminate their operation in different cultural contexts, benefiting multinational organizations operating in diverse markets.

In summary, while this study provides valuable insights, it underscores the need for further investigation in several key areas. Future research endeavors should delve into moderating and mediating factors, employ longitudinal and comparative approaches, explore alternative research methods, and consider external environmental influences and cross-cultural perspectives to enrich understanding of the relationship between customer service management, strategic drift, and organizational performance.

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