

“The Effect of Internal Marketing Determinants on Employee Satisfaction”

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Abstract:

This study aims to identify the impact of internal marketing on employees Satisfaction. This study was conducted on all employees of several administrative levels in this sector. The study also aims to find out the impact of independent variables namely, in-house training, hiring, rewards, internal communication, salaries and motivation of the organization, on the dependent variable, which is the employees satisfaction. To achieve the study objectives, data were collected through the selection of a random sample of workers in the bank from various levels. 100 copies of the designed questionnaire were distributed over the targeted sample group. However, all copies of the questionnaire were recovered, and this is 100% of the total number of the distributed copies. The results show that the organization culture has strong impact on the employee's satisfaction. This variable came first among other variables, followed by the variables about motivation (incentives and rewards) regarding the impact on the dependent variable employees.

Keywords: Internal marketing, Internal training, motivation and rewards, Internal communication, Empowerment, organization culture, Performance employers.

1. Introduction

Internal Marketing is a modern concept in the world of holistic marketing. Is all about the relationships an employer from it is employees. It is said that staff should be seen as internal customer and their needs should be met. A company that concentrate solely on customer service for external customers and ignore internal customers will struggle.

Employee satisfaction is one aspect of an overall human resource planning strategy that works in concert with other strategies and programs such as performance management, rewards and recognition, recruitment and retention to build a healthy a healthy and safe work environment.

Motivated staff will work harder and give your external customer a better service. This will help improve the organizations reputation, sales and market shares over the long time.

Internal marketing first appeared as a concept a few years ago, then disappeared from the business press as new ideas came to fruition. But now it seems that internal marketing is back and being talked about again. What is internal marketing and why is it important?

Before of internal marketing. it is necessary at least to define the term “marketing”. In 1976, the Chartered Institute of Marketing defined “marketing” as being “The management process that identifies, anticipates and satisfies customer requirements profitably.” Although marketing has increasingly been used as a fashionable alternative word to describe the selling, advertising or promotion of a product or service, its definition is that of a management process.

Internal marketing is orienting a motivating customer contact employees and supporting service people to work as a team to provide customer satisfaction.

Internal marketing is one of the most complicated forms of marketing there is. It involves creating persuasive and informative messages that resonate with every department and employee within a company. The best way to conduct internal marketing in an effective way is to create a comprehensive plan (Hwang, S., & Der-Jang, 2005).

The sole purpose of any business is to make money for the owners who provide the necessary capital, and the employees who satisfy the requirements of customers who provide the business income.

Internal marketing is inward facing marketing. Internal marketing is used by marketers to motivate all functions to satisfy customers. With internal marketing the marketer is really extending and developing the foundations of marketing such as the marketing concept, the exchange process and customer satisfaction to internal customers.

The theory of internal marketing is that customers' attitudes toward a company are based on their entire experience with that organization, and not just with the products. Thus everyone who has any contact directly or indirectly with the customer helps to shape that customer's experience. Therefore, customer satisfaction is deeply dependent on the performance of a company's workforce.

Internal marketing is one of the most challenging kinds of marketing because employees have more information about companies and their products than any customer does. Their insider's perspective makes them particularly shrewd when claims are made about products or services. Convincing this population takes a thoughtful and comprehensive marketing approach. A degree in marketing is vital for carrying out effective internal marketing efforts (Kotler and Armstrong 2010).

Careers in internal marketing:

Specialists are experts in crafting messages that are informative and appealing. It is their job to find the words, images, and ideas that will best communicate a company's marketing goals to the public they are trying to reach. Usually, these are customers, but in the case of internal marketing they are employees. All internal communications about marketing will flow from a marketing communications specialist (Fisher, 2000).

Determinants of internal marketing:

Internal marketing refers to an idea that, in order to serve external customers effectively, the business must treat employees as their customers. In essence, the business must instill the right attitude and values in employees, so employees will transmit these to external customers. An internal marketing culture effectively operates as an extension of the business or corporate culture and a number of factors influence the nature of that internal marketing culture.

The state of an internal marketing culture depends heavily on the business vision. The vision expresses organizational purpose through the lens of values. When clearly presented, the vision and its values give employees a mental framework to evaluate the best way to interact with customers in achieving the business's purpose. It also provides principles that employees can use to understand the range of options available to them, as well as constraints. In the absence of clear vision and values, employees faced with customer questions often resort to inventing material on the spot. A poorly defined or absent vision also can leave employees unclear on what purpose the organization serves.

The quality of communication in your business can impact the internal marketing culture. If the business allows different departments to operate as silos, departments can easily develop independent agendas that discourage open communication. A functional internal marketing culture calls for the dissemination of the same information and values, presented in the same way, across the entire organization. Silos and entrenched separation between management and rank-and-file workers makes effective education of all employees to work toward the same organizational goals difficult or impossible. The message from management in a given department, implicit or explicit, becomes that the department comes first. If marketing and sales both take this attitude, customers get very different experiences from different parts of the business.

Resources can play a crucial role in how well or how poorly an internal marketing culture functions. The best materials for instructing on vision and values can prove useless if the business infrastructure cannot deliver those materials in the right way at the right time. Setting up an internal social networking site for employees may sound good on paper, but only if employees can readily access and integrate it at work. If only five percent of employees regularly access computers during the workday, the internal social networking site wastes money and server space. If the majority of employees use dedicated workstations, then multimedia presentations, streaming video and social networking can all function to reinforce the internal marketing culture and prove valuable in educating employees.

A strong internal marketing culture can prove beneficial to businesses in a number of ways. On the whole, internal marketing prompts higher engagement and satisfaction among employees. Businesses that build strong internal marketing cultures also experience better internal communication, even across departments, and improvements in external business relationships (Rong, C., & Guoliang, C. 2013).

Definition employee satisfaction:

In human resource terms, employee satisfaction means employees are contented with their work and position. To be contented, they likely enjoy much of their work, they feel management is fair and cares about them, and they are comfortable in their work environment - both with other staffers, and with the resources they have available to complete their jobs. It ties in closely with employee turnover, since unhappy staffers are more likely to seek positions elsewhere. It is expensive to replace employees, so many HR departments have a goal of keeping employee satisfaction at a high level so turnover stays low. And Employee satisfaction, also known as job satisfaction, is the extent to which an individual is happy with their job and the role it plays in their life.

Employee satisfaction or job satisfaction is, quite simply, how content or satisfied employees are with their jobs. Employee satisfaction is typically measured using an employee satisfaction survey. These surveys address topics such as compensation, workload, perceptions of management, flexibility, teamwork, resources. and These things are all important to companies who want to keep their employees happy and reduce turnover, but employee satisfaction is only a part of the overall solution. In fact, for some organizations, satisfied employees are people the organization might be better off without.

The extent to which employers priorities' employee satisfaction depends on the employer and the industry – the Hawthorne studies and the work of George Elton Mayo in the 1930s put the link between employer satisfaction and productivity on the radar.

Satisfaction researchers tend to differentiate between affective satisfaction and cognitive job satisfaction – affective satisfaction is the sum total of pleasurable emotions and feelings associated with the job and its place in the individual's life, whereas cognitive satisfaction refers to rational satisfaction over particular facets of the job e.g. pay and day-to-day responsibilities. There are a wide variety of theories surrounding employee satisfaction. Dispositional theory, for example, argues that individuals are predisposed to a certain level of job satisfaction regardless of the job or industry. Range of Affect Theory, put forward by Edwin A. Locke in the 1970s, is a theory based on expectations – satisfaction depends on the gap between what an employee expects from a job and what they actually get.

Employee attitudes typically reflect the moral of the company. In areas of customer service and sales, happy employees are extremely important because they represent the company to the public. Satisfaction, however, is not linked solely to compensation. Sure, a raise or benefits will probably improve employee contentment, at least temporarily, but small, inexpensive changes can have a long-term impact. Employee satisfaction can be measured 2 ways: indirectly, by watching trends in employee turnover; and directly, by asking employees about their level of satisfaction via surveys, interviews, and focus groups.

In indirect measurement, management watches the trends in employees leaving the organization, and assumes that satisfaction levels are adequate when turnover levels are at or below industry norms. They may also drill down to watch for specific departments or functions with higher-than- average or higher-than-usual turnover, and implement direct measurement actions in those areas to determine causes for the increase in separations(Grönroos, 1995).

The relationship between internal marketing and employee satisfaction:

Internal marketing was originally defined as making internal products (jobs) available to satisfy the needs of internal market (employees) so that it satisfies organizational objectives (Berry, et.al., 1976). The authors go on to add that a firm has to successfully hire, train and motivate employees to serve external customers since the needs of external customers can be satisfied partly because the needs of the firm's internal customers (employees) are satisfied. Marketing aimed at internal customers is called internal marketing (Gronroos, 2001). However, since then, there have been a number of definitions of internal marketing and there is no unifying notion (Rafiq & Ahmed, 1993). For instance, George (1977) and Berry (1980) state that in order to keep external customers happy and satisfied the company's internal customers (employees) should be happy in their jobs. Internal marketing's goal is to hire, train and motivate employees so that they serve their customers well (Kotler, 1991), and to treat employees as customers (Berry & Parasraman, 1991). A firm should be considered as a market and marketing inside the firm is internal marketing and therefore marketing tools that are used for external customers might be used for internal customers and the field of human resource management has started adopting appropriate marketing tools (Foreman & Money, 1995). Internal marketing has also been defined as a marketing technique within an organization which creates and communicates corporate values (Hogg & Carter, 2000) and it should be considered as part of the broader market orientation concept which was originally developed for marketing to external customers, however, the same concept can also be used for marketing to internal customers (Nude, et.al., 2002).

2. Research Questions

The study try to solve the problem by finding answer to the following questions: To what extent the internal marketing affect employee job satisfaction?

3. Research objectives

The main goal of the study is to investigate the relationship between internal marketing and employee job satisfaction, to examine the impact of the motivation (bounce and incentive) in employee satisfaction.

4. Study Model

The figure model reflecting the relationship between internal marketing determinants and employee satisfaction.

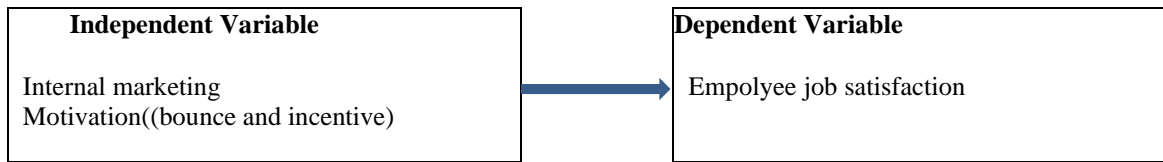


Table (1) Show the relationship between Motivation and Job Satisfaction:

Correlations			Job satisfaction	Motivation
				N
Spearman's rho	Job satisfaction	Correlation	1.000	.123
		Coefficient		
		Sig. (2-tailed)	.	.448
		N	100	95
	Motivation	Correlation	.123	1.000
		Coefficient		
		Sig. (2-tailed)	.448	.
		N	95	95

Decision:

While the correlation coefficient $R = .123$ and significant level $(.448) > (0.05)$ then do not reject the Null hypothesis.

Report:

Then there is positive relationship between Motivation and Job Satisfaction and there is no Statistical Significant relation between Motivation and job satisfaction.

H4: There are statistical relation between Motivation and job satisfaction: Depend on my study result $R=0.123$ and significant level 0.448 has week positive relation between salary and employee satisfaction the questioner result support my hypothesis.

5. Conclusion

The research study was conducted by quantitative and qualitative approaches and combination of two variables internal marketing and job satisfaction for determining the best way for employee satisfaction in banking sector in Sudan.

Adopt of internal marketing determination will enhance the bank moves to word employee satisfaction in order to have a highly effective internal marketing determination .the bank must be equipped with all six factors determination: training, salary, motivation, communication, reward system and hiring. The implementation of effective internal marketing determination can result to employee satisfaction and led to better productivity.

This study has provided a theoretical model to show the bank relationship between internal marketing determinations and employee satisfaction. It provide comprehensive framework that used for explaining the impact of the internal marketing determinations on employee satisfaction . In addition the purpose of this study in also raising awareness among the managers to be more attention to internal marketing , customer satisfaction and assist then in improving organization performance and competitiveness.

It hope that the research study result will be able to support all bank sector managers to facilitate their internal marketing process in order to improve and enhance organization performance. The employee are playing the most important role in bank success for this reason managers we needed to be recognize in internal marketing polices and applied them by efficient way.

6. Recommendation :

Recommendation Depending on the findings of the study the following recommendations are proposed.

Frist , The approach used in this study could be extended to other banks and organizations of further research.

Second ,Any bank or company in world thank to build position in global market place , it must build capacity for internal marketing practices and played them by sufficient way to achieve employee satisfaction.

Third , there is a need to direct the administration at all levels to have more interest in all dimensions of internal marketing which employees can apply as internal marketing has clear impact on their performance and on the success of bank sector in Sudan.

Fourth , concentration of the Sudan bank sector development program should be on the internal market which can improve the performance of their employees to serve customers effectively.

Fifth, a culture within the organization characterized by creativity and innovation must be built, and it should be different from traditional ones so that the level of employees' performance is raised.

Sixth , attention to incentives and rewards offered to workers in the Sudanese bank sector should increase since it influences the performance at work.

Seventh, administration at the bank sector must be encouraged to pay more attention to training due to its importance in the improvement of the employees' performance of development of their methods of work. Quality of service provided to people from outside Sudan, more investment from Arabs or non-Arabs shall contribute to raising the level of the national income.

Eight, training courses workers need must be studied as they leads to the creation of external customer satisfaction.

Ninth, internal communication ties between workers also need to be strengthened as they facilitate the transfer and access of information among employees, which will reflect on their performance.

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