The Impact of Internal Marketing Practice on Employee’s Satisfaction

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Abstract

Background: Internal marketing was explored to satisfy the employees and to solve the delivering service quality. The researcher takes ‘empowerment, training programs, incentive and rewards and internal communication in an account in order to investigate the internal marketing practice.

Objective: The objective of this paper is to study the effect of internal marketing practice on employee satisfaction in the bank of Khartoum, to investigate how internal marketing concept is implemented in the bank of Khartoum in Sudan.

Results: A sample of 105 questionnaire was distributed to the employees in their workplace 85 were found valid for statistical evaluation. In order to check the study hypotheses and to attain its goal, the applied mathematics Package for science Program (SPSS) was used. The result shows that internal communication found to be the most significant effect the practicing of internal marketing, followed by incentive and reward, empowerment and training program.

Conclusion: This study focus on four underpinning for developing employee satisfaction, it recommended that future research should extend the satisfaction underpinning and apply this study to other banks in Sudan or elsewhere especially comparison studies about this subject.

Keywords: internal marketing; empowerment; training programs; incentive, and reward

INTRODUCTION

The field of internal marketing is a recent and notable way of managing organization’s human resources from a marketing perspective. The concept has gained significant momentum in recent years, as can be seen by its attention from numerous authors, such as (Berry, 2002). Internal marketing provides a high quality of service to clients, thus achieving and maintaining elevated levels of customer satisfaction (Rafiq, Ahmed, & Rafiq, 2000). Integrated marketing implores two distinct concepts to ensure a multifaceted approach to organizational management. The first management approach being: 1 employee involvement in and knowledge about the company strategies and accountability to customer satisfaction and: 2 to ensure that employees are being satisfied to work toward company goals. The proposition of this approach is that if management wants the workers to make great achievements it is crucial for the said employee to feel supported and satisfied (Kim, 2005). This can be achieved by using an active marketing-like approach internally. Employees maintain a tremendous role in client retention when communicating directly with the customer, deeming it increasingly difficult for service providers to quality as customer ……Bayer-seller interactions, quality of service, delivery process and other such touch points become increasingly integral to marketplace success.

The significance of this research comes from its contribution to country perspective, organizational and individual perspective too. so that is forcing the organization to adopt a modern methods and continuously improved to remain a leader by providing the best quality services, and face all threats and take opportunities to keep of contemporary systems and the most important things, is to take human resource into account, as internal customer towards them for their strategies, and this will reflect positively on economic development.
The motive of this academic work is to research the effect of internal marketing practice on employee satisfaction (Bank of Khartoum), and how internal marketing concept is implemented in the bank of Khartoum in Sudan.

The main object of this article is to specify the extension of internal marketing practice on employee’s satisfaction in the bank of Khartoum. The extension impact can be identified through examination the effects of empowerment, training programs, incentives and bounces, and the intercom on the employee’s satisfaction.

THE LITERATURE REVIEW

Internal Marketing Concept

Although internal marketing concept is not a new field, but still attracts, maintain and enhance marketing department and human resource department to better practice and achievement in business firms (profit- nonprofit). Philosophy of managing human resource build on a marketing point of view (George, 1986). Internal marketing is about satisfying the internal customer (employees) so that external customers will be satisfied (Berry, Conant, & Parasuraman, 1991).

...viewing employees as internal customers, viewing jobs as internal products, and endeavoring to offer internal products that satisfy the needs and wants of these internal customers while addressing the objectives of the organization(p. 272).

Internal marketing is about enabling employees to satisfy the external customers need and want, with retention in mind (author). The internal customer (employee-customer) interface is the rock corner of the relation between the organization and customers anyhow the frontline employees are considered to be the service in customer perspective (Berry et al., 1991). With this, in mind, the responsibility of developing the standard relationship shouldn't solely get on employees and customers shoulder, however, a lot of vital the organization and worker compelling. Significantly contribution has been created within the management literature considering the large impact that human resource management practices have on customers.

The solid internal relationship between the organization and the employees can motivate the employees to better production and commitment toward client service. the internal marketing written work provide important basis for understanding the role of the firms have to influence on employee's job attitude and behaviors, internal marketing has been explained in a different ways from internally directed marketing mix e.g., (Piercy, 1991) to network of the internal transaction (Christopher, Martin, Adrian Payne, 1991) look the part of internal marketing in motivating and developing customer-oriented employees through the attentive development of the inner relationship.

EMPLOYEE SATISFACTION

Internal Marketing Dimension

Internal marketing is one of the most difficult forms of marketing. It takes the responsibility of persuasive and informative messages that match with every department and staff within a firm. The good way of managing internal marketing effectively is to create a comprehensive plan, taking empowerment, employee training, creating incentives and reward of the internal relations in the account.

![Figure 1: Concept of internal marketing](image-url)
Empowerment

The previous studies about empowerment had focused on managers (Feng-Cheng, 2016), while this study focused more on empowerment the employees at a different level in the organization, especially front-line employees as one of the satisfaction factors to the employees.

The emergence of automation routine tasks and total quality management approach, and just on time production methods, make the front-line employees involved in all manufacturing process (Banker, Rajiv D., Gordon Potter, 1993).

There are so many different concepts and definitions of empowerment, construct (Miguel, Ornelas, & Maroco, 2015). Most of the definitions show that empowerment concern on giving employees more power and freedom in carrying out the given tasks or context related to the subjects. Empowerment is to encourage and to reward employees for taking the initiative to feel free to decide on given activities (Dahou & Hacini, 2018). Empowerment means that giving employees responsibilities and power to make a decision. According to Jan Carlzon view empowerment as giving employees free well to do the work and free them from the rigid control by instruction, orders, and policies, and giving them the freedom to use their ideas and decisions, and actions. It is to release employee’s hidden resources and abilities to both individuals and companies (Carlzon, 1987).

Adapting this style to the organization, it is mean that completely benefit from employee's knowledge which will lead the employees to better performance in achieving organizational goals. As it is giving the employee a chance to decide the best way to implement the work it can also raise the employee's efficacy (Mwema, Nancy Wairimu, 2014).

Employees need feedback so that they can evaluate their success. As well as for the successful empowerment managers must be trained to link the employee to resources internal and external the organization. Managers must be sure that workers receive the right information they need in right time and must reward cooperation finally, empowered employees deliver the best result if they.

Motivation

The word motivation is taken from Latin word mover; it means (to move) (Vroom, 1964). Motivation is internal feeling that leads someone to go through fulfill needs. According to (Schulze, Douesnel, & Grégoire, 2016) confirm that for managers to understand employees behavior at the workplace, they must be aware of the motive concept, which will help the employees to act. Motivation is a need-satisfaction process, when a person's need is well satisfied, will work hard to achieve organizational goals (Robbins, 2001). Theories of motivation can be used for explaining behavior and attitude of the employees (Farquhar & Rowley, 2009).

Herzberg's motivation-hygiene theories were widespread and famous due to practical approach toward motivating employees. In studies that conducted by Herzberg in 1959 about the feeling of 200 engineers and accountants from 9 firms around the United States about the good and bad feeling related to the work, about the good feeling, the result was found that related to motivators, whereas bad feeling is related to hygiene factor. Motivation involves factors build into the job itself. Hygiene factors are external to the job (Teck-hong & Waheed, 2011).

Motivation factors influence how workers perform their work. When the workers are well motivated, they will strive to do a better performance. Merely being satisfied does not push the employee to work harder. In another hand, an employee can be highly motivated but not satisfied with the work. The employee might find the work interesting and challenging, but if they worried about job security or another company might pay more they will not be satisfied.

Incentive and Rewards

It is explicit that managers are always paid a high salary to attract, retention, motivate employees workers (Kochan, 2002) confirm that money can have a temporary effect on workers obedience and that money can't change the worker's behavior and attitude in the long term, money can only motivate the workers to look for another reward.

Money can or can't motivate employees. According to contingency view, workers from various countries, age, salary, career and cultural backgrounds may evaluate the desire for much different. Yang worker has a high desire for money in far and the middle east in a comparison with those in the north and south America (Teck-hong & Waheed, 2011).

In a study conducted by (ZHANG et al., 2010) resulted in the young workers with low salary is more focus on money. While the older with high salary and good management position can be motivated only by job security interesting work and recognition.

Salary plays a significant role in motivating salespeople. Anyhow mediator can influence the connection between salary and job satisfaction (Tang & Luna-arocas, 2004) mention this low of money may reflect employees value and want if workers are evaluating money more, so they will be satisfied with their salary and ultimately their jobs.

Training and Developing employees:-

Although training can cost a large of money and time it is still the only way for companies to keep alive and improving this new fast globe. It helps to better performance which all firms looking for and reducing the waste time which means that high productivity in addition to reducing the error amount cause the employees knew well what they are doing in carrying out the given
Employee’s satisfaction:

Employee’s satisfaction is significant to an organization's success. Many researchers in the area of improving employees satisfaction in different firms, including academic sector have been made (Wong, E. S. K., and Teoh, 2009). Most of the previous studies found that employees satisfaction is related to salary, it has been scientifically proven, increase in employees satisfaction result in more productivity (Shikdar, A. A., and Das, 2003). According to (Robbins, 2001) employees satisfaction the most affected elements for human, physically, mentally and socially. Employee satisfaction is related to life satisfaction if workers are satisfied with their works would seem to be happy with their lives. Therefore, it's known that satisfied employees are more productive and will keep working for the organization for a longer period of time. Moreover satisfied employed are able to provide better service to customers which will reflect on customer’s satisfaction. Positive employee behavior is associated with employee’s satisfaction (Dawson, 2005). Satisfied employees are always generating a satisfied and loyal customer.

It was considered that motivation and satisfaction are to be similar in different cases; they seem to be like having the same meaning. Hersey and Blanchard (Hersey, P., and Blanchard, 1988) mentioned that motivation and satisfaction are contrastive in case of execution and reward. Motivation is affected by future looking at the relationship between execution and reward, whereas satisfaction related to how employees feel about the reward that they have received. According to (Warkentin et al., n.d.) motivation is always related to what people will get in future whereas satisfaction more related to the past events. Huselid, (1995), proved that, if employees are not motivated, the transformation will increase and workers will be disappointed and unproductive. Various researchers support the point of view (Parsons & Broadbridge, 2006; Robbins, 2001).

Theories of employee’s motivation study a model that links job satisfaction, motivation, and performance. It's significant to take this into consideration and clarify how motivation and satisfaction are contrastive from each other's employee satisfaction is thought related to work, whereas motivation is a process of changing someone behavior. The so many studies proved that it is quite possible to satisfy the employees but you may not motivate them. Therefore motivation and satisfaction are not the same as each other because of motivation drive to satisfaction, which will enhance the performance.

From the study objective of examining the extension impact of internal marketing on employee’s satisfaction we come to the main hypotheses as follows:-
H1: There is a significant relationship between empowerment and employee’s satisfaction.
H2: There is a significant relationship between training programs and employee’s satisfaction.
H3: There is a significant relationship between incentives and rewards and employee’s satisfaction.
H4: There is a significant relationship between internal communications and employee’s satisfaction.

METHODOLOGY

In this study, 105 employees from family banks in Sudan (Khartoum branch) have been selected. 85 samples were found to be useful for analysis. The questionnaire was distributed to the employee in their workplace, and it included a series of statements which has been adapted from the previous studies (Teck-hong & Waheed, 2011) job satisfaction and motivation. Shah, (2014) model of internal marketing, and communication (Abosag, East, Tynan, & Lewis, 2006). The questionnaire was given to the specialist, and experts and they asked for modification after then it has been distributed to the 20 samples for reliability and validity which as follow

<table>
<thead>
<tr>
<th>N of items</th>
<th>Reliability (alpha Cronbach)</th>
<th>Validity</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>4</td>
<td>0.92</td>
</tr>
<tr>
<td>2</td>
<td>4</td>
<td>0.87</td>
</tr>
<tr>
<td>3</td>
<td>4</td>
<td>0.91</td>
</tr>
<tr>
<td>4</td>
<td>4</td>
<td>0.90</td>
</tr>
<tr>
<td>5</td>
<td>6</td>
<td>0.85</td>
</tr>
<tr>
<td>Total</td>
<td>22</td>
<td>0.93</td>
</tr>
</tbody>
</table>

After making sure of the reliability and validity samples were asked to check their degree of agreement in the questionnaire with each statement. The samples were scored on a five-point scale which represents: one for "strongly disagree", two for "disagree", three for "neutral", four for "agree", and five for "strongly agree". Multiple regressions were performed to predict the internal marketing practice and employee’s satisfaction.

RESULTS

The demographic data show that most of the respondent were females represented 48 while males were 37, (56%), (43%) respectively. Almost the age of the respondents was under 45 years (84%) of age. Graduates accounted for 48 % while 31% of
them were higher educated, (58) 68% are bachelor’s degree awarded. Master degree (7) 8%, postgraduate (11) 12%, with/MA/MS/(5) 5%, PhD(4) 4%. 15% has been working with the present bank for more than 15 years, 30% between 10 and 15 years, 29% between 5 and 10 years, 5 years or less 23%. The table (2) explaining statistically as follow.

Table 2: Mean and Standard Deviation

<table>
<thead>
<tr>
<th>Underpinning</th>
<th>N</th>
<th>Mean</th>
<th>Std-deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Empowerment</td>
<td>85</td>
<td>6.8706</td>
<td>2.56714</td>
</tr>
<tr>
<td>Training program</td>
<td>85</td>
<td>4.93176</td>
<td>1.65624</td>
</tr>
<tr>
<td>Incentive and rewards</td>
<td>85</td>
<td>6.3176</td>
<td>2.09428</td>
</tr>
<tr>
<td>Internal communication</td>
<td>85</td>
<td>5.7412</td>
<td>2.05955</td>
</tr>
<tr>
<td>Employee satisfaction</td>
<td>85</td>
<td>7.2706</td>
<td>2.08959</td>
</tr>
</tbody>
</table>

The table shows a significant relationship among all five (underpinning) and employee satisfaction at five percent significant level. Therefore, and given the representative of the sample, it could be said that employee tends to be satisfied if they have been:
- Empowered
- Trained
- Rewarded
- Sufficient internal communication is built

More support of these underpinning the higher of employee satisfaction will be achieved. All items of the research premise are firmly supported. From the statistic evidence. It could be sum up the finding: the more great training program in the bank and empowering employees, more internal communicating and rewarding the more employee’s satisfaction will be achieved the more external satisfaction will be which will result in the improvement of the bank industry it will reflect in the country economy as a whole.

Table 3: one way ANOVA

<table>
<thead>
<tr>
<th>Variables</th>
<th>Beta</th>
<th>T</th>
<th>Sig</th>
<th>R²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>5.026</td>
<td>0.000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Empowerment</td>
<td>0.455</td>
<td>8.105</td>
<td>0.000</td>
<td>0.207</td>
</tr>
<tr>
<td>Training program</td>
<td>0.189</td>
<td>8.648</td>
<td>0.000</td>
<td>0.036</td>
</tr>
<tr>
<td>Incentive and rewards</td>
<td>0.462</td>
<td>4.741</td>
<td>0.000</td>
<td>0.213</td>
</tr>
<tr>
<td>Internal communication</td>
<td>0.484</td>
<td>5.038</td>
<td>0.000</td>
<td>0.234</td>
</tr>
</tbody>
</table>

Note: R=0.503; R² = 0.253; F = 28.122; Sig = 0.000

Implication

This paper aims to research the four dimensions of the effect of internal marketing: training, incentive and reward, internal communication and empowerment at the bank of Khartoum on satisfaction. The result of this research show that empirical clue for the impact on employee satisfaction of four dimensions of internal marketing namely empowerment, training program, incentive, and rewards internal communication. The study found that internal communication is the most significant factor that effect employee’s satisfaction, followed by incentive and reward, empowerment and training program. In the Bank of Khartoum, communication has a positive relationship with satisfaction. It is a mechanism by which the organization's employees may pass on their data, thoughts, opinions and plans to other staff or supervising managers. It is possible to do this process through written or oral media. Managers interact with workers using written letters or notes to remind them of the company's new plans, strategies and strategic objectives (Al-qudah, Mash, & Sherrrihan, 2013; Simo, Douanla, & Fangue, 2020).

Several scholars have recently extensively analyzed the effects of training and development as a component of employee satisfaction and how it handles work satisfaction-related training and development. Since the organization recognizes that it’s most important asset is human capital, and because the company aims to achieve better quality of service and enhanced results, it has organized training and development programs for its employees to enhance their performance and skills by investing in professional, strong, special and high service performance and higher performance. Although the company is aware of the high cost of these services, it recognizes that the return will recover the cost from this approach and also from a strong return that will be paid later.

This analysis adds advantage to previous work by through empirical observation linking a lot of comprehensive list of underpinning to the variable list to assist in discovering the follow of internal in such countries like Sudan. The study was built on previous studies in the field of internal marketing. Which had scrutinized an incomplete list of determinants employees satisfaction (Shabbir & Salaria, 2014). For the practical part of this study first conclusions is that bank wants to build internal marketing through empowering the employees to make a decision, training them which will reflect on the performance of the work, incentive, and reward for the best performance in the future of internal communication.

For measuring the effect of internal marketing practice on employee satisfaction, the author used statistical tests to find correlations between different variables, and regression for finding R2, due to sub-independent variables the author found facial factor throughout one way ANOVA as in Table 3.
Empowerment is one of the important elements to internal marketing as it appears in table (3) Beta (0.455) Sig (0.000) ultimately in creating employee satisfaction in the bank of Khartoum in Sudan branch (Madani) and elsewhere, banks should strive to satisfy their internal customer by keeping them and making them happy and improve their environmental conditions.

As for training program, statistical evidence shows a strong relationship among training program and employee satisfaction. The bank should recognize the importance of training program, for reducing the wasting time and doing things in the right way for the first time, the result of training will appear in the employee's performance. Employee satisfaction can be achieved by incentive and rewards, different people have different ways of motivation, the bank should find a good way to motivate the internal customers. The statistical evidence show on the table (3) the bank focus in the internal communication network which is very important, Beta (0.484) Sig (0.000) significant relationship with the employee satisfaction. Internal communication is one of the important ingredients for the employee satisfaction if the employee-customer is empowered internal communication should be built for making the right decision.

CONCLUSION AND FUTURE RESEARCH

This study demonstrated that, although Sudan has been under the America sanction from 1997 till 2017 which banned Sudan banks from dealing with others foreigners banks, it does not ban them from applying the scientific method to keep on going with the international environment. Also, the study measured the (underpinning) of internal marketing can predict employee satisfaction at least in the bank of Khartoum (Sudan).

The researcher aimed to let the bank management to pay close attention to satisfaction elements, (empowerment, training program, incentive and rewards, internal communication), and it will make a significant contribution in the field. This study focus on four underpinning for developing employee satisfaction, it recommended that future research should extend the satisfaction underpinning and apply this study to other banks in Sudan or elsewhere especially comparison studies about this subject.

America sanction on Sudan was very long and it affected the country economic especially banking industry, others research need to be conducted in the same field of internal marketing in others countries under America government sanctions. Finally, decision makers and managers need to be empowered to turn their staff into their most reliable and lasting assets with their full attention and interest. And they should concentrate on improving the employees' different skills and motivating them to be innovative and explore their abilities by assigning them to training courses that fit each employee's skills or interests.

REFERENCES


