Study the Relationship of Internal Marketing with Job Satisfaction, Organizational Commitment and Organizational Citizenship Behavior

Ali Shaemi Barzoki
Department of Management, Faculty of Administrative Sciences & Economics, University of Isfahan, Iran
E-mail: shaemi@ase.ui.ac.ir

Tohid Ghoujali
Department of Management, Faculty of Administrative Sciences & Economics, University of Isfahan, Iran
E-mail: tohidghujali@gmail.com

Abstract

Today, service organizations pay more attention to their human resources due to the changing and competitive nature of business. One of the concepts considered by such organizations under the current conditions is internal marketing that will have consequences such as job satisfaction organizational commitment and emergence of organizational citizenship behaviors if it is conducted properly. Thus the present survey examines the relationship of internal marketing with job satisfaction organizational commitment and organizational citizenship behavior. Statistical population of this survey included employees of Urmia Melli Bank that were equal to six-hundred fifty (650) persons. One-hundred sixty five returned questionnaires were analyzed after sampling and distributing One-hundred seventy five (175) questionnaires. Results reveal that all six hypotheses have been confirmed at confidence level 95%.

Keywords: internal marketing, job satisfaction, organizational commitment, organizational citizenship behavior

1. Introduction

Nature of businesses has been changed in the current competitive world so that many successful service organizations consider service offering as a resource of competitive advantage which is matched with customer needs. On the other hand, it should be considered that human resources in service organizations constitute the core of the organization, since activities of employees have relation with customers of the organization and are regarded as a vital factor in development of effective relations with customers. Accordingly, providing needs of human resources in each organization must be regarded as the prerequisite for final success. In this regard internal marketing is an approach which considers employees as internal customers of the organization and states that the organization will be in a better situation for
offering services to external customers by satisfying needs of its internal customers. Indeed, internal marketing re-emphasizes the point that human resources of the organization should be considered as the most valuable property of the organization (Papasolomou, 2002). Therefore, organizations must perceive the role of their employees more than ever and take action towards providing their needs and increasing job satisfaction and organizational commitment for survival under changing environmental conditions, since based on accomplished researches increasing of employees' job satisfaction and organizational commitment is leded to enhancement of employees' tendency to show extra-role behaviors (Ilies et al., 2006 and Wang & Wong, 2011). Under such conditions employees won't withhold any attempt for the organization's success by performing activities surplus to their formal roles. Nowadays, such voluntary attempts are called organizational citizenship behaviors. Thus, organizations can increase their employees' job satisfaction and organizational commitment by paying sufficient attention to internal marketing and pave the way for showing organizational citizenship behavior through this.

2. Internal marketing

Today, human capitals in organization are one of the major factors in order to gain competitive advantage and create sustainable value for the organizations. Accordingly, providing needs of human resources in each organization should be regarded as the prerequisite for final success of any organization. In this regard, internal marketing is an approach which considers employees as internal customers of an organization and states that the organization will be in a better situation for offering services to external customers by satisfying needs of its internal customers (Foreman and Money, 1995).

Generally, concept of internal marketing is rooted in growth of service industries in the 1980's (Gronroos, 1981) and was introduced by Berry and Gronroos for the first time. The major core of this concept is that employees must be regarded as internal market of the organization (Varey, 1995). It means that the organization must be considered as a market which has internal customers and suppliers that providing needs of its internal customers will pave the way for final success of the organization. Satisfaction of internal customers of the organization could be resulted in satisfaction of external customers of the organization. An effective internal exchange among internal customers and service providers is a prerequisite for successful exchanges with the organization's external market (Heskett et al, 1994). In fact, internal marketing re-emphasizes the point that employees should be regarded as the most valuable property of the organization (Papasolomou, 2002).

In the viewpoint of Liao et al. (2004) internal marketing is applying marketing approach in managing all interactive activities within the organization so as to build up employee’s customer orientation and to create a more efficient internal environment. Dennis(1995) believes that internal marketing is a kind of strategic management philosophy which performs attraction, development, motivation and maintain of employees in the organization by providing a high-quality working environment. One of the most comprehensive definitions of internal marketing has been represented by Rafiq and Ahmed (2000). Rafiq and Ahmed (2000)
define internal marketing as ‘a planned effort using a marketing-like approach to overcome organizational resistance to change and to align, motivate and inter-functionally coordinate and integrate employees towards the effective implementation of corporate and functional strategies in order to deliver customer satisfaction through a process of creating motivated and customer-orientated employees’ (p 454).

Gummesson (1987) states that idea of internal marketing lies in using the concept of external marketing in the organization's internal market. Thus, it is possible to propose concept of internal marketing mix. The most obvious description of internal marketing mix has been represented by Piercy and Morgan (1991) and has been extended by Rafiq and Ahmed (1993). According to the viewpoint of Piercy and Morgan (1991) using the product, price, communications and internal distribution will facilitate organizational change process. Ahmed and Rafiq (2003) applied price and payments, promotion (education, communications and empowerment), working environment and processes (job products) in their study as indices of internal marketing too. Galpin (1997) has used indices of internal relations, education and development, reward systems, empowerment and processes in his study in Malaysia in order to measure internal marketing.

3. Organizational citizenship behavior

Until 1990s, researchers consider in-role performance of employees mostly in order to study the relationship between job behaviors and organizational effectiveness. In-role performance is applied to those job behaviors that are stated in formal job description of employees in the organization. Today, researchers pay special attention to employees’ extra-role performance by differentiating between in-role performance and extra-role performance (Desivilya et al, 2006). Because despite of progress has been made in identifying antecedents to task performance within the job context, questions still remain with respect to what causes some individuals to take actions that go above and beyond their formal job requirements (Mayfield & Taber, 2010).

Extra-role performance refers to job behaviors beyond formal roles of employees that are voluntary and usually have no formal reward. However, they have a considerable impact on organizational effectiveness (Bateman and Organ, 1983). One of the most common conceptualizations conducted about extra-role performance is organizational citizenship behaviors (Netmeyer et al, 1997).

The need for inter-organizational and intra-organizational cooperation and interaction has been enhanced by increasing interdependencies among the individuals, groups and organizations. Under such conditions, role of organizational citizenship behavior is more than ever in increasing effectiveness and survival of the organization (Lepine et al., 2002 and King et al., 2005).

According to Organ (1988) organizational citizenship behavior is an individual and voluntary behavior that is not directly rewarded by formal reward systems of the organization; however, it is led to enhancement of organizational effectiveness and performance (Markoczy and Xin, 2004). Kwantes et al. (2008) define organizational citizenship behavior as behaviors which
enhance organizational effectiveness but are not rewarded explicitly by the organization and the employee participates voluntarily in them. The above definitions illustrate that organizational citizenship behavior must be first of all voluntary, that is not a pre-determined task and not a part of formal tasks of the individual. Also, George (1996) believes that considering organizational citizenship behaviors is important in organizations because they are not able to expect a wide range of voluntary behaviors required for realization of organizational purposes from employees through formal job description. Therefore, it is expected from the individuals as organizational citizens to perform more than necessities of their role and beyond formal tasks to obtain organizational purposes based on concept of organizational citizenship behavior (Bienstock et al, 2003). Podsakoff et al. (1990) and Organ (1988) has identified five dimensions of OCB: sportsmanship, conscientiousness, courtesy, altruism, and civic virtue. These five dimensions refer such organizational behaviors as following company rules, helping co-workers, try to prevent tensions and solving problems with others and actively participating in organizational affairs and creating of a suitable image from the organization.

4. Theoretical Framework and Hypotheses Development

4.1 Job satisfaction, organizational commitment and organizational citizenship behavior as consequences of internal marketing

Berry (1981) defined internal marketing as treating employees as the internal customers and jobs as the products, which are used to satisfy the needs of employees. In addition, in their studies on the correlation between internal marketing perceptions and job satisfaction, Berry and Parasuraman (1991) pointed out that enterprises must promote services to internal employees first and allow them to find pleasure in work before employees will be capable of providing effective service to external customers of the enterprise. In fact, internal marketing has a significant impact on job satisfaction (Ting, 2010). In the other researches Shiu and Yu (2010) and Chang and Chang (2007) have supported the significant impact of internal marketing on job satisfaction.

Also previous performed researches have showed that successful application of internal marketing could be resulted in positive job attitudes of employees such as job satisfaction, job involvement and organizational commitment (Tansuhaj et al, 1991). This means that internal marketing has also significant impact on organizational commitment and could be tested as one of antecedents of organizational commitment (Makanjee et al 2006 , Kyriazopoulos et al. 2007 and Abzari et al. 2011 ) . Indeed based on social exchange approach, employees will be committed to the organization when they believe that the organization is committed to them (Elanain, 2010). Likewise Lings (2004) illustrates that considering the employees as internal market through internal marketing could improve internal aspects of organizational performance such as job satisfaction, employees' retention and employees' organizational commitment.

On the other hand, we can claim that satisfying internal customers' needs through internal marketing could be leaded to forming and improving of employees' extra-role behaviors in
addition to improvement of their in-role behaviors. Also Yaghoubi et al. (2011) has showed that there are positive significant relationships among internal marketing and OCB and it means that increasing or decreasing in the internal marketing causes to increase or decrease OCB. This result is parallel with Hung and Lin (2008). In this regard, Seyed Javadin et al.(2010) have studied the mediating role of organizational citizenship behavior in the relationship between internal marketing and quality of services. Results of their research show the positive and significant impact of internal marketing on organizational citizenship behavior. Also, Bansal et al.(2001) have claimed that internal marketing can influences external marketing outcomes through OCBs.

Following this logic therefore, we propose the following hypotheses:

H1: Internal marketing has a significant positive effect on job satisfaction
H2: Internal marketing has a significant positive effect on organizational commitment
H3: Internal marketing has a significant positive effect on organizational citizenship behavior

4.2 Job satisfaction and organizational commitment

High employee satisfaction is important to managers who believe that “an organization has a responsibility to provide employees with jobs that are challenging and intrinsically rewarding” (Robbins, 2001). The meaning of job satisfaction (JS) has been discussed by many scholars. For example, Hoppock(1935) defined job satisfaction as a "satisfying feeling enjoyed by an employee with his or her current situation, both mentally and physically." In addition, Smith et al.(1969) also view job satisfaction as an employee's emotional reaction to employment. Furthermore, Spector (2003) defined job satisfaction simply as “the extent to which people like their jobs” (p. 210). This definition suggests that job satisfaction is a general affective reaction that individuals hold about their job (Lo and Ramayah, 2011). Also, Locke (1976) defined job satisfaction as "a pleasurable or positive emotional status resulting from the appraisal of one's job or job experiences". Additionally, theorists and researchers have looked at job satisfaction in terms of intrinsic and extrinsic factors. Extrinsic factors related to work environment and intrinsic factors related to work content (Alonderiene, 2010).

Organizational commitment differs from job satisfaction in that organizational commitment is a much broader concept. It reflects one’s feelings toward an entire organization, not just a specific job (Garland et al. 2009). Organizational commitment refers to the level of an individual's identification with and involvement in his or her organization (Mowday et al. 1982). One of the most widely recognized approaches in organizational commitment literature is the approach of Allen and Meyer (1990). Allen and Meyer’s scale(1990) was designed to measure the multi dimensional nature of commitment through three concepts. Continuance commitment is related to perceived costs of leaving and perceived of lack of alternatives. Employees with a high amount of continuance commitment stay in their organization because they have to, or there are important reasons to. On the other hand, Affective commitment means the emotional linkage between an employee and the organization. In fact employees with a high degree of affective commitment stay in their organization because they want to.
Also normative commitment refers to employees’ feelings of obligation to stay with the organization because of norms and values they share (Felfea and Yan, 2009; Abzari et al., 2011). Totally, each of the three aspects of organizational commitment refers to a psychological state which describes an employee’s relationship with the organization and has implications for their continuing membership (Kuruuzum et al. 2009).

Gunlu et al. (2010) analyzed the effects of job satisfaction on organizational commitment among the hotel managers in Turkey and the findings proved that as job satisfaction levels increased, organizational commitment increased as well. Generally, the positive impact of job satisfaction on organizational commitment has supported in many researches (Mahatanankoon, 2007; Deconinck, 2009; Rutherford et al., 2009 and Westover et al., 2010).

Following this logic therefore, we propose the following hypothesis:

H4: job satisfaction has a significant positive effect on organizational commitment

4.3 Job satisfaction and organizational commitment as antecedents of organizational citizenship behavior

Generally, OCB researchers have conducted several studies in order to identify the causes of OCB performance. Many of the studies focused on attitudes as predictors of OCB. Among the attitudinal variables found to be related to OCB are job satisfaction and organizational commitment (Blakely et al., 2005). In fact from a social exchange perspective, job satisfaction would have significant effects on employees’ voluntary behaviors (Hee Yoon and Suh, 2003). This result is parallel with Gonzalez and Garazo (2006), Ilies et al. (2006) and Athanasou and King (2002). Also, in the viewpoint of Bateman and Organ (1983) job satisfaction is one of the important predictor variables of organizational citizenship behavior.

On the other hand committed employees within the organization would have a higher tendency to conduct beneficial behaviors that would sometimes go beyond the formal job tasks or organizational expectations (Wang & Wong, 2011). Also, Compared to the less committed employees, highly-committed employees are more likely to contribute to their organization with positive behaviors and help organization’s develop (Greenfield et al., 2008). It means that another important antecedent of OCB is organizational commitment (Zoe, 2007; David and Thomas, 2008). In fact, the more employees are committed to organization, the more organizational citizenship behavior is expected.

Following this logic, therefore, we propose the following hypotheses:

H5: job satisfaction has a significant positive effect on organizational citizenship behavior
H6: organizational commitment has a significant positive effect on organizational citizenship behavior

Thus the conceptual model of research will be in the form of the figure 1.
5. **Research method**

This survey is applied type in terms of purpose and descriptive-field type in terms of data collection method. The statistical population included employees of Urmia Melli Bank that were equal to six-hundred fifty (650) persons. One-hundred sixty five returned questionnaires were analyzed after sampling and distributing one-hundred seventy five (175) questionnaires. Tool of data collection in this survey was standard questionnaire. Rafiq and Ahmed (1993)'s questionnaire was used to measure internal marketing, Podsakoff et al. (1990)'s questionnaire was used to measure organizational citizenship behavior and Allen and Meyer’s questionnaire(1990) was used to measure organizational commitment an Finally Smith et al. (1969) job description index questionnaire was used to measure job satisfaction.

6. **Reliability and Validity of the questionnaire**

6.1 **Reliability of the questionnaire**

Reliability of the questionnaire was determined through Cronbach alpha coefficient equal to 0.976 for the whole questionnaire. Also Cronbach alpha coefficient for the internal marketing' questionnaire 0.93, for the organizational citizenship behavior' questionnaire 0.90 and for the organizational commitment' questionnaire is equal to 0.96.

6.2 **Validity of the questionnaire**

First content validity of the questionnaire was confirmed through experts' views. Then confirmatory factorial analysis was conducted to determine factorial validity of the questionnaire by means of Amos Graphic software. Therefore, confirmatory factorial models were studied. Total indices of fit of measurement models are illustrated in the table 1. Comparing the amount of fit indices with their desirable amount in the second row illustrates confirmation of the measurement models in terms of fit indices.

7. **Model fit**

Given that structural equations model has been used to test research hypotheses the related model should first be evaluated in terms of fit indices before testing the hypothesis. Total fit indices of final model are indicated in the table 2. All indices are in the acceptable limit and show suitable fit of structural equations model.

8. **Hypotheses test**

After ensuring fit indices of the model we can express opinion about confirmation or rejection of research hypotheses. Partial index of p-value was used to test significance of hypotheses. In
order to confirm a hypothesis based on significance level 0.05 p-value must be less than 0.05. Results indicated in table (3) demonstrate confirmation of all research hypotheses at significance level 95%.

Figure (2) shows the final tested model of research.

9. Conclusion

Major problem of the present survey according to the proposed conceptual model was examined by proposing six hypotheses. Job satisfaction, organizational commitment and organizational citizenship behavior were studied as consequences of internal marketing in first three hypotheses. Hence, results obtained from testing hypothesis one indicate positive impact of internal marketing on job satisfaction. This issue has been supported in several studies. For example, Longbottom et al.(2006) state that offering services to internal customers of the organization in order to enhance their job satisfaction level and as a result faster growth and development of the organization is purpose of internal marketing. Results obtained from researches by Ting (2010) and Chang and Chang (2007) reveal positive impact of internal marketing on job satisfaction too. The relationship between internal marketing and organizational commitment was tested in hypothesis two that obtained results reveal confirmation of significant impact of internal marketing on organizational commitment. Indeed it seems that better providing of needs of employees through proper implementation of internal marketing principles could have a positive impact on increasing of employees' interest and commitment to the organization. Results obtained from testing hypothesis two are consistent with research results of Abzari et al.(2011) and Kyriazopoulos et al.(2007). Similarly, results of testing research hypotheses show confirmation of hypothesis three, i.e. positive impact of internal marketing on organizational citizenship behavior. In fact, considering internal marketing in organizations not only could be effective on enhancement of job satisfaction and organizational commitment of employees but also it could be resulted in voluntary behaviors in work environment and thus facilitates availability of organizational success. According to Yaghubi et al. (2011) whatever more attention is paid to internal marketing in the organization, employees' intention to be involved in organizational citizenship behaviors will be higher. Moreover, Seyyed Javadin et al. (2010) confirmed impact of internal marketing on organizational citizenship behavior. The relationship between job satisfaction and organizational commitment was examined in hypothesis four and positive impact of job satisfaction on organizational commitment was supported. Impact of job satisfaction on organizational commitment has already been confirmed in many researches (Gunlu et al., 2010; Mahatanankoon, 2007 and Westover et al., 2010). Finally, job satisfaction and organizational commitment in hypotheses five and six were examined respectively as attitudinal antecedents of organizational citizenship behavior. Results obtained from testing research hypotheses illustrate positive and significant impact of job satisfaction and organizational commitment on organizational citizenship behavior. Indeed organizations can enhance the possibility of appearing organizational citizenship behaviors by employees through improvement of employees' job attitudes such as job satisfaction and organizational commitment. These results
(results obtained from testing hypotheses five and six) are consistent with results of Gonzalez and Garazo (2006) and David and Thomas (2008).

**Corresponding Author**: Department of Management, Faculty of Administrative Sciences & Economics, University of Isfahan, Iran. E-mail: tohidghujali@gmail.com

**References**


Markoczy, L. and Xin, K.(2004). The virtues of omission in organizational citizenship behavior, Anderson Graduate School of Management: University of California.


<table>
<thead>
<tr>
<th></th>
<th>D F</th>
<th>CMIN / DF</th>
<th>P</th>
<th>GFI</th>
<th>CFI</th>
<th>RM R</th>
<th>RM SEA</th>
<th>PCLOSE</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Acceptable amount (X)</td>
<td>-</td>
<td>0&lt; X&lt; 3%</td>
<td>X&gt; 9%</td>
<td>X&gt;9%</td>
<td>X&lt; 9%</td>
<td>X&lt;9%</td>
<td></td>
<td>X&gt; 5%</td>
<td></td>
</tr>
<tr>
<td>Altruism</td>
<td>2</td>
<td>1.511</td>
<td>.2 21</td>
<td>.99 1</td>
<td>.99 2</td>
<td>.05 9</td>
<td>.056</td>
<td>.350</td>
<td></td>
</tr>
<tr>
<td>civic virtue</td>
<td>2</td>
<td>.502</td>
<td>.6 05</td>
<td>.99 7</td>
<td>1.0 00</td>
<td>.02 3</td>
<td>0.00</td>
<td>.712</td>
<td></td>
</tr>
<tr>
<td>courtesy</td>
<td>2</td>
<td>1.824</td>
<td>.1 61</td>
<td>.98 9</td>
<td>.99 4</td>
<td>.04 3</td>
<td>.071</td>
<td>.279</td>
<td></td>
</tr>
<tr>
<td>sportsmanship</td>
<td>2</td>
<td>1.106</td>
<td>.3 31</td>
<td>.99 3</td>
<td>.99 8</td>
<td>.03 8</td>
<td>.025</td>
<td>.468</td>
<td></td>
</tr>
<tr>
<td>conscientiousness</td>
<td>2</td>
<td>1.550</td>
<td>.2 12</td>
<td>.99 1</td>
<td>.99 4</td>
<td>.04 1</td>
<td>.058</td>
<td>.340</td>
<td></td>
</tr>
<tr>
<td>price</td>
<td>1</td>
<td>1.493</td>
<td>.1 04</td>
<td>.96 5</td>
<td>.99 1</td>
<td>.05 9</td>
<td>.055</td>
<td>.392</td>
<td></td>
</tr>
<tr>
<td>Job products</td>
<td>2</td>
<td>.782</td>
<td>.7 39</td>
<td>.97 8</td>
<td>1.0 00</td>
<td>.08 5</td>
<td>0.00</td>
<td>.951</td>
<td></td>
</tr>
<tr>
<td>Job place and environment</td>
<td>5</td>
<td>.696</td>
<td>.6 27</td>
<td>.99 1</td>
<td>1.0 00</td>
<td>.02 2</td>
<td>0.00</td>
<td>.794</td>
<td></td>
</tr>
<tr>
<td>communications</td>
<td>5</td>
<td>.908</td>
<td>.4 75</td>
<td>.99 0</td>
<td>1.0 00</td>
<td>.04 8</td>
<td>0.00</td>
<td>.680</td>
<td></td>
</tr>
<tr>
<td>JS</td>
<td>9</td>
<td>1.340</td>
<td>.2 10</td>
<td>.97 6</td>
<td>.99 6</td>
<td>.02 9</td>
<td>.046</td>
<td>.487</td>
<td></td>
</tr>
<tr>
<td>Affective commitment</td>
<td>1</td>
<td>1.24</td>
<td>.3 9</td>
<td>.95 95</td>
<td>.97 5</td>
<td>.03 5</td>
<td>.041</td>
<td>.39</td>
<td></td>
</tr>
<tr>
<td>Continuous commitment</td>
<td>1</td>
<td>1.31</td>
<td>.1 6</td>
<td>.95 95</td>
<td>.96 5</td>
<td>.06 5</td>
<td>.032</td>
<td>.43</td>
<td></td>
</tr>
<tr>
<td>Normative commitment</td>
<td>1</td>
<td>1.51</td>
<td>.2 5</td>
<td>.98 94</td>
<td>.94 4</td>
<td>.04 4</td>
<td>.040</td>
<td>.26</td>
<td></td>
</tr>
</tbody>
</table>

Table 1. General fit indices of measurement models
Table 2. General indices fit of final structural equations model

<table>
<thead>
<tr>
<th>Index</th>
<th>DF</th>
<th>CMIN/DF</th>
<th>P</th>
<th>GFI</th>
<th>CFI</th>
<th>RMR</th>
<th>RMSEA</th>
<th>PCLOSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>amount</td>
<td>129</td>
<td>1.43</td>
<td>0.12</td>
<td>0.921</td>
<td>0.959</td>
<td>0.053</td>
<td>0.052</td>
<td>0.16</td>
</tr>
</tbody>
</table>

Table 3. Result of test of hypotheses

<table>
<thead>
<tr>
<th>Independent variable</th>
<th>Dependent variable</th>
<th>Standard coefficient</th>
<th>impact</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>IM H₁ → JS</td>
<td></td>
<td>0.62</td>
<td></td>
<td>0.000</td>
</tr>
<tr>
<td>IM H₂ → OC</td>
<td></td>
<td>0.71</td>
<td></td>
<td>0.000</td>
</tr>
<tr>
<td>IM H₃ → OCB</td>
<td></td>
<td>0.53</td>
<td></td>
<td>0.000</td>
</tr>
<tr>
<td>JS H₄ → OC</td>
<td></td>
<td>0.61</td>
<td></td>
<td>0.002</td>
</tr>
<tr>
<td>JS H₅ → OCB</td>
<td></td>
<td>0.43</td>
<td></td>
<td>0.000</td>
</tr>
<tr>
<td>OC H₆ → OCB</td>
<td></td>
<td>0.72</td>
<td></td>
<td>0.007</td>
</tr>
</tbody>
</table>

Note: IM = internal marketing  JS = job satisfaction OC = organizational commitment OCB = organizational citizenship behavior
Figure 1. Proposed Conceptual Model

Source: Developed for this research

Note: IM = internal marketing  JS = job satisfaction  OC = organizational commitment  OCB = organizational citizenship behavior
figure 2. final model of research