



**THE EFFECT OF INTERNAL MARKETING ON ORGANIZATIONAL
COMMITMENT OF EMPLOYEES: THE CASE OF COMMERCIAL BANK OF
ETHIOPIA**

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Addis Ababa, Ethiopia

**THE EFFECT OF INTERNAL MARKETING ON ORGANIZATIONAL
COMMITMENT OF EMPLOYEES: THE CASE OF COMMERCIAL BANK OF
ETHIOPIA**

*(A Thesis Submitted to Department of Marketing Management for the Partial
Fulfillment of the Required for the Award of Masters of Arts Degree in
Marketing Management)*

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May, 2017

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DECLARATION

I hereby declare that this study entitled “*The Effect of internal marketing on organizational commitment of employees: The Case of CBE*” is my original work prepared under the guidance of my advisor Rakshit Negi (Ph.D). This paper is submitted in partial fulfilment of the requirement for the Award of Master of Arts Degree in Marketing Management and it has not been previously submitted to any diploma or degree in any college or university. I would like also to confirm that all the sources of materials used in this study are properly acknowledged.

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LETTER OF CERTIFICATION

This is to certify that Geleta Mekonnen carried out his study on the topic entitled “*The Effect of Internal marketing on organizational commitment of employees: The Case of CBE*”. This work is original in nature and suitable for submission for the award of the Masters Degree in Marketing Management.

Rakshit Negi (PhD)
(The research advisor)

Signature

Date

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Employees: The Case of CBE**

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LIST OF ACRONYMS/ABBREVIATIONS

ANOVA	Analysis of Variance
CBE	Commercial Bank of Ethiopia
IM	Internal Marketing
SPSS	Statistical Package for Social Science
VIF	Variance Inflation Factor

ABSTRACT

The objective of this study was to examine the effect of internal marketing on organizational commitment of Employees of CBE. The study used quantitative research approach to collect data from front line employees of CBE. A survey was made by taking 345 samples of CBE frontline employees as respondents through Simple random sampling technique. A structured questionnaire on five Likert scale basis was used to collect data. Both descriptive and inferential (correlation and regression) statistics were utilized using SPSS version 20 to analyze the data. The result indicate that all selected dimensions of internal marketing(training, empowerment, motivation and internal communication) have significantly and positively affects job satisfaction and job satisfaction has significant effect on organizational commitment as well. Thus, CBE is recommended to fully implement internal marketing principles to increase employees' job satisfaction and organizational commitment and the Management must consider the organization as its first market and satisfy the needs of its internal customers. It must also establish on internal marketing program for CBE on the basis of those internal marketing dimensions which enhance organizational commitment.

KEY WORDS: *Internal marketing, Training, Empowerment, Motivation, Internal communication, Job satisfaction and Organizational commitment.*

CHAPTER ONE

1.1 Introduction

This chapter consists of background of the study, company background, statement of the problem, research question, objective of the study, significance of the study, delimitation of the study, definition of terms, and organization of the paper are explained here under.

1.2. Background of the study

Now-a-days, the employees play a critical role in the fulfillment of the organizational goals, especially in promoting the quality of services. Due to the importance of the employees' outputs in organizations in general and service organizations in particular, wide researches have been done on these sorts of the outputs and their effective factors. Thus in recent decades, the related subjects of the internal marketing and the attitude toward the employees as the internal customers have been proposed seriously.

According to Kotler (2000), internal marketing should be as apriority before external marketing. IM starts with the organization recruiting the right people in the position to reach the point where these employees are satisfied and willing to do their job and accomplish customer satisfaction (Al-Hawary, Al-Qudah & Abutayeh, 2013).

According to Payne (1993), the key aims of internal marketing are the development of internal and external customer awareness and the removal of functional barriers to achieving organizational effectiveness. Lack of commitment from employees can be harmful to an organization, resulting in poorer performance arising from inferior services offerings and higher costs.

According to Rafiq and Ahmed (1995), internal marketing is a planned effort using a marketing-like approach to overcome organizational resistance to change and to align, motivate and inter-functionally co-ordinate 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. In fact the employees need the right type and level of training to perform their jobs. This can help to reduce ambiguity surrounding their role and help employees to meet the needs of customers more effectively. According to Christopher (2011), effective internal communications can help to ensure efficient and satisfactory service delivery, achieve

productive and harmonious working relationships, and build employee trust, respect, and loyalty.

Lings (2004) provided the internal market orientation that emphasizes on the contact between customers and employees and makes the philosophy of taking employees as customers working at the company as the foundation of creating internal market orientation. He further states that it plays a role to improve the relationship between the company and its employees and also to enhance the quality of relationship between employees and customers. Furthermore, Lings also pointed out that internal market orientation has two important implications. One is the perspective of organization internal performance that includes employees retaining, motivation and morality, employees' satisfaction and organization's commitment. The other is the perspective of organization external performance, such as service quality, customers' satisfaction and financial performance.

In today's competitive world, service giving organizations give high value to their customers. Gaining satisfaction and loyalty of external customers is an impossible task unless the needs and wants of human force (internal customers) in organizations are met; internal marketing being the most important approach that helps organizations in this direction. The inseparability of production and consumption of service makes service quality of a great value; hence, service giving organizations need to give high emphasis to the quality of service delivered by their front line service personnel. Main assumption of internal marketing is that employees must be viewed as the most invaluable asset of an organization and must be treated as internal customers because this result in gaining competitive advantage by organization respected (Papasolomou, 2002).

One of the challenges which organizations face today is building employees' commitment. Commitment is the relative strength of an individual's identification with, and involvement in a particular organization. Meyer and Allen (1997), the two authorities in the field of organizational commitment, specified three dimensions of it namely: affective, continuance and normative. Affective commitment is where the employee is seen to be emotionally attached, identified with the organization, and is, therefore, committed to pursue their goals with the organization. Meanwhile continuance commitment views the employee as being less affective and more calculative considering

the costs that would result in terms of interests such as pensions and security. On the other hand, normative commitment refers to employees' feelings of obligation to stay with the organization. Such feelings of obligation result from a process of internalization of normative pressures either prior or following affiliation to an organization. However, lack of commitment from employees can be detrimental to an organization, resulting in poorer performance arising from inferior service offerings and higher costs. It can, therefore, be said that internal marketing could be the answer to gaining employee commitment, succeeding where traditional internal communications programs have failed.

By satisfying these internal customers' needs the bank should be in better position to deliver the quality service desired to satisfy the external customer (Aburoub, Hersh & Aladwan, 2011). The reason for this is that fulfilling the employees' needs enhances employees' motivation and has a consequence, the higher the degree of employee satisfaction, the higher the possibility of generating external satisfaction and commitment and loyalty (Zampetakis & Moustakis, 2007). Boles et al. (2007) state that increase in employee satisfaction results in higher levels of affective commitment and thus retention.

1.3. Company Background

Commercial Bank of Ethiopia is one of the largest state owned and the leading bank in Ethiopia, established in 1942. CBE was legally established as a share company in 1963. Monetary and Banking Proclamation No. 83/1994, Licensing and Supervision of Banking Business Proclamation No. 84/1994, Banking Business Proclamation No 592/2008, and the various directives of the National Bank of Ethiopia (NBE) are the basis for the Bank's business operation. The CBE is supervised by Board of Directors and the day today functions of the bank are managed by the President. The Bank has a process -oriented corporate structure each process headed by a process owner. The management of the Bank reports to the President. In 1974, CBE merged with the privately owned Addis Ababa Bank. Since then, it has been playing significant roles in the development of the country. Pioneer to introduce modern banking to the country. It has more than 1148 branches stretched across the country. The leading African bank with assets of 384.6 billion Birr as on June 30th 2016. Currently CBE has more than 13.3 million account holders and the number of Mobile and Internet Banking users also reached more than

600,000 as of March 31th 2016. Active ATM card holders reached more than 1.1 million. CBE combines a wide capital base with more than 28,000 talented and committed employees. CBE has reliable and long-standing relationships with many internationally acclaimed banks throughout the world.

VISION

- To become a World-class Commercial Bank by the year 2025.

MISSION

- We are committed to best realizing of stakeholders' values through enhanced financial intermediation globally and supporting national development priorities by deploying highly motivated, skilled and disciplined employees as well as state-of-the-art technology. We strongly believe that winning public confidence is the basis of our success.

1.4. Statement of the problem

Internal marketing is aimed at 'attracting, developing, motivating and retaining employees' through job products that satisfy the needs (Kale, 2008). Internal marketing could serve as an enabling tool to improve satisfaction in Commercial Bank of Ethiopia. As the banking industry continued to grow in Ethiopia, competition became tighter. It is, therefore, imperative for banking institutions to put forth the importance of internal marketing. Hung and Lin (2008) argued that the majority of service organizations have not been able to successfully develop and implement internal marketing strategies due to a lack of knowledge and understanding of the different components that constitute the internal market environment. Even if attempts were made to examine the effect of internal marketing on organizational commitment (Berhanu, 2015), further broader nothing was done to investigate the effect of internal marketing on organizational commitment in Ethiopian banking industry. To fill these gaps, this study was provided an empirical investigation of the effect of internal marketing on organizational commitment of CBE front line employees.

As mentioned by Gounaris (2008), despite the critical role that internal marketing plays as a link between the organization external marketing objectives and its internal

capabilities, very few organizations generally use internal marketing in practices. But, if a business organization wants to deliver sustainable quality service, it should give attention to the internal customer adequate to its external customers. This also results that the higher the degree of employee satisfaction; the higher the possibility of generating external satisfaction and loyalty (Zampetakis & Moustakis, 2007). The second research gap that made this research unique was absence of sufficient research conducted on internal marketing in relation with organizational commitment studied on Ethiopian banking industries. Though, internal marketing play a vital role for the long success of companies, the area has not been well researched in general and needs further investigation to empirically establish the relationship between internal marketing practices and organizational commitment of employees. Therefore, this research seeks to make a contribution towards filling this knowledge gap while examining the effect of internal marketing concept in CBE by examining the role it plays in developing committed employees.

1.5. Research Questions

The study was inspired to answer the following questions;

1.5.1. Main Questions

How does internal marketing affect organizational commitment of CBE frontline employees?

1.5.2. Specific Questions

- Does internal marketing influence organizational commitment and job satisfaction of CBE front line employees?
- Does Job satisfaction influence organizational commitment of CBE front line employees?
- Does job satisfaction mediate internal marketing and organizational commitment relationship in the context of CBE front line employees?

1.6. Objective of the study

1.6.1. General Objective

The general objective of the study is to investigate the effect of internal marketing on organizational commitment of CBE front line employees.

1.6.2. Specific Objectives

The specific objectives include:

- To examine the effect of internal marketing on the level of job satisfaction of CBE front line Employees.
- To determine the effect of job satisfaction on the level of organizational commitment of CBE front line Employees.
- To examine the level of organizational commitment of CBE front line employees.
- To examine the role of job satisfaction in internal marketing - organizational commitment relationship.

1.7. Significance of the study

This study will be a significant input for the Commercial Bank of Ethiopia human resource management by indicating the relationship and effect of internal marketing on job satisfaction and organizational commitment and help them to differentiate the most important internal marketing elements used to employees' organizational commitment. The result and conclusion drawn may be used to implement CBE's vision world class bank by the year 2025 by understanding the need of internal marketing to give excellent service to customers through front line staffs. This study provides recommendations how to enhance organizational commitment by implementing internal marketing principles in CBE. Finally it paves the way for academicians, who are interested to make further investigation on the topic.

1.8. Scope of the study

Studies which related to internal marketing to organizational commitment in Ethiopia are very few and limits the researcher understands of the internal marketing in banking industry in Ethiopia. Therefore geographically, the study is delimited to the financial service sector and specifically the banking sector on Commercial Bank of Ethiopia, under Addis Ababa city branches only due to the homogeneity of service provision, policy

formulation and circulation and human resource strategy implementation of the bank over its all branches in the country. In addition to this, Internal marketing has various and different dimensions, nevertheless the study was conducted on only four dimensions; Training, Communication, Empowerment and Motivation used as an independent variable and job satisfaction as mediating variable and organizational commitment used as dependent variable.

1.9. Definition of Key terms

Internal marketing: is 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.(Rafiq and Ahmed ,2000).

Organizational Commitment: Is multidimensional in nature, involving an employee's loyalty to the organization, willingness to exert effort on behalf of the organization, degree of goal and value congruency with the organization, and desire to maintain membership (Bateman, et al., 1984).

Motivation: The development of desire within an employee to perform a task to his/her greatest ability based on that individuals own initiatives (Rudolph & Kleiner, 1989).

Job Satisfaction: refers to the attitude and feelings people have about their work. Positive and favorable attitudes towards the job indicate job satisfaction, Negative and unfavorable attitudes towards the job indicate job dissatisfaction (Armstrong, 2006).

Training: "is the process of preparing employees to perform their tasks efficiently by providing them with the right knowledge and developing their marketing skills" (Ali, 2010).

Empowerment: "the creation of values for employees so that they are able to perform their jobs independently" (Kazalaurkaife et al., 2012).

Internal Communication: "all forms of communication from management to employees in service organization" (Lovelock and Wright, 1999).

1.10. Organization of the Study

The research paper consists of five chapters. The first chapter deals with introductory part contains background of the study, statement of the problem, research questions, objectives of the study, hypothesis, definition of terms, significance of the study, delimitation/scope of the study, limitations of the study and organization of the paper. The second chapter reviews literatures related to the study. In this chapter various theoretical concepts and empirical review that relates with internal marketing and organizational commitment issues were discussed. The third chapter described the methodology employed in the study, including research design, research strategy, sampling design, the sources of the data, the data collection tools employed, and the methods of data analysis, Data analysis and interpretation of the research results, discussions and hypothesis test were presented in the fourth Chapter. The fifth chapter was summary, discussion of results, conclusions and recommendations. In addition other sections, namely, list of references and annexes were also parts of the research framework.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1. Introduction

In this section a range of literatures on key concepts which were essential for the study was reviewed. Points like service marketing triangle, Concept and definitions of Internal Marketing, elements of internal marketing, organizational commitment, and conceptual frame work of the study, relationship between internal marketing and organizational commitment and internal marketing variables were reviewed.

2.2. Theoretical Review

2.2.1. Services marketing triangle

Internal marketing first emerged in the services marketing literature and later in other domains such as service management and relationship marketing (Voima, 2000). Three basic sub-processes and purposes of service marketing (service triangle); external, interactive and internal marketing (Gronroos, 1998).

2.2.1.1 External marketing:

The first type is external marketing which focused on building the relationship between companies and external customers. Several traditional marketing activities, like pricing strategy, promotion activities and all kinds of communication with company's external customers, are implemented to attract customers and capture the attention of market. At this stage, the company will "set the promise" to its external customers in order to get the possibility to delivery services (Li, 2010).

2.2.1.2 Interactive marketing:

The second type of marketing is interactive marketing describes the moment of interactions between the front line employees and external customers (Gronroos, 1985). This kind of interaction was also defined by Paraskevas (2001) as service encounters in which employees have the responsibility of delivering the services to meet the requirements of external customers. He argued that the front line employees who have the direct contacts with external customers are playing a very important role in this service encounter, because any failure from the employees will lead to losses of external

customers. Furthermore, the effects of the other two marketing activities will be significantly damaged.

2.2.1.3 Internal marketing:

The last type in the service marketing triangle is called internal marketing, which is the marketing of building the relationship between company and its employees. It involves empowerment, trainings, internal communication and motivating (Li, 2010).

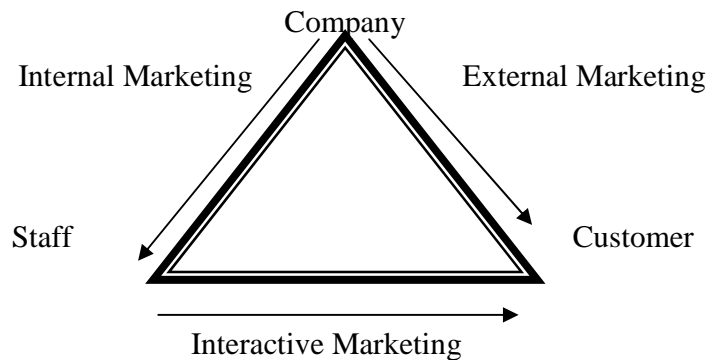


Figure 2.1: Three types of service marketing; Adapted from Gronroos (1998).

2.2.2. Concept and Definitions of Internal Marketing

The concept of internal marketing was first derived from the work of Sasser and Arbeit (1976) who stated “personnel is the first market of a service company”. Berry (1981) was the first to give a definition of internal marketing by defining internal marketing as “viewing employees as internal customers, and jobs as internal products that satisfy the needs and wants of these internal customers while addressing the objectives of the organization”. The development of theory on internal marketing can be categorized into three phases (Rafiq & Ahmed, 2000).

Phase 1: Employee motivation and Satisfaction

In the early developmental phase, the majority of the literature on internal marketing focused upon the issue of employee motivation and satisfaction. The major reason behind this was the fact that the roots of the internal marketing concept lie in efforts to improve service quality. Not being automatons, individuals exhibit inconsistencies in the performance of service tasks and as a consequence cause variation in the level of delivered service quality. The problem of “Variability” focused organizational efforts on getting employees to deliver consistently high quality service. The overall effect of this

was to bring to the fore the issue of employee motivation and satisfaction. Viewing Employees as Internal Customers as Berry's (1991) defined internal marketing is viewing employees as internal customers, viewing jobs as internal products that satisfy the needs and wants of these internal customers while addressing the objectives of the organization. Viewing their Job Offerings as Product and their Employees as Customer forces Managers have to devote the same care to their jobs as they devote to the purchases of their services (Sasser & Arbeit, 1996).

Phase 2: Customer Orientation

This phase was initiated by Gronroos (1981), he suggested that the main aim of internal marketing is to create customer orientation among service employees. He argued that internal marketing should "create an internal environment which supports customer consciousness among the personnel". Gronroos (1985) advocated that "an organization's internal market of employees can be influenced most effectively and hence motivated to customer consciousness, market orientation and sales-mindedness by a marketing-like internal approach and by applying marketing-like activities internally".

Johnson and Seymour (1985) state "internal marketing deals with creating customer oriented behaviors among employees". Kotler (1991) mentions that "internal marketing is about building customer orientation among employees by training and motivating both front-line and support staff to work as a team". Papasolomou (2006) stated that internal marketing aims to develop customer orientation among employees by defining internal marketing as "a mechanism for instilling a people orientation within an organization as a prerequisite for instilling and strengthening the service, customer, and marketing orientation among organizational personnel". The key difference between the theories of the two phases is that Gronroos customer orientation conceptualization focuses attention on creating customer orientation in employees through a process of influencing, rather than satisfying and motivation employees (Rafiq and Ahmed, 2000).

Phase III: Strategy implementation and Change management

Winter (1985) was the first to give direction to the third phase of development of internal marketing theory; he recognized the role of internal marketing as a technique for managing employees towards achievement of organizational goals. Winter (1985) mentions that the role of IM is that of "aligning, educating and motivating staff towards

institutional objectives, the process by which personnel understand and recognize not only the value of the program but their place in it". George (1990) states that internal marketing is "as a holistic management process which can be used to integrate the multiple functions". According to Rafiq and Ahmed (1993) IM is "a planned effort to overcome organizational resistance to change and to align, motivate and integrate employees towards the effective implementation of corporate and functional strategies". Taking into account the above-mentioned three phases and the concepts related to it, employee motivation and satisfaction, customer orientation and strategy implementation and change management stating, different authors propose different definition of internal marketing.

Table 2.1 Internal marketing definitions.

Author	Definition
Al-Hawary et al. (2013:813)	Internal marketing can be defined as a planned effort using a marketing-like approach to overcome organizational resistance, to change and align, motivate, and interfunctionally co-ordinate and integrate employees towards the effective implementation of corporate and functional strategies in order to deliver customer satisfaction through the process of creating motivated and customer-oriented employees.
Qayum and Sahaf (2013:50)	Internal marketing is concerned with viewing employees as internal customers, and jobs as internal products that satisfy the needs and wants of these internal customers while addressing the objective of the organization.
Kameswari and Rajyalakshmi (2012:47)	Internal marketing is the application of marketing inside an organization to enhance customer focused and customer oriented employees.
Gronroos (2007:389)	Internal marketing is involved with the establishment, maintenance and growth of internal relationships between employees despite their position within the business. Through

this process employees must be motivated to deliver a quality service to both internal and external customers of the business.

Kotler and Armstrong (2006:300) Marketing by a service organization to train and effectively motivate its customer-contact employees and all the supporting service people to work as a team to provide customer satisfaction.

Coper and Cronin (2000) Internal marketing as the organization's attempts for education, reward and generally management of human resources for better service offering.

Source: Various sources (2017).

Internal marketing for the purpose of this study can thus be defined as:

A philosophy for the management of large service organization where the employees, in this case CBE front line employees, are viewed as an internal customer market. Internal marketing includes marketing tactics geared towards the attraction, development, retention and inter-functional coordination of employees with the overall objective of enhancing service quality to the customer, even as creating value and satisfaction for the employee.

2.2.3. Elements of Internal Marketing

Scholars have given various variables on the dimension of internal marketing. There is much debate as to the elements that constitute an internal marketing mix and authors cannot agree as to what constitutes internal marketing with elements. There are many proposals about the IM elements provide for the academic literature. Below are dimension of internal marketing used by different scholars.

- Rafiq and Ahmed (1993): Employee motivation and satisfaction; Customer orientation and Customer satisfaction; Inter-functional coordination and integration; Marketing-like approach; and Implementation of specific corporate or functional strategies.
- Ahmed and Rafiq (2002): Product, Price, Place, Promotion, Participants, Tangible evidence and Process.

- Lings (2004): Employee empowerment, Employee training and skills development, internal communication and Reward.
- Barnes et al. (2004): Knowledge management, Communication, Training and staff retention, Rewards, Leadership and management.
- Gounaris (2006): Selection, Training and development, Incentive systems or Empowerment.
- Ali (2010): Internal communication, Employee recruitment, Employee training, Employee, empowerment, internal market research and segmentation and Motivation/rewards.

For the purpose of this study four dimensions which were the most repeatedly stated by the scholars and the relevance of the study are selected.

2.2.3.1. Training

“Training is the process of preparing employees to perform their tasks efficiently by providing them with the right knowledge and developing their marketing skills” (Ali, 2010). The studies show that the investment in training will have tangible results including the improvement of the attitudes, increase of the skills for promoting the quality of services, and the employees’ satisfaction and loyalty (Dubrin, 2004). Training can assist employees in developing a holistic view of a service strategy by providing them with an understanding of the role of each individual in relation to other individuals, the various functions within the firm, and the customers (Cronin and Taylor, 1992).

Foreman and Money (1995) defines employee development as a strategic investment by an organization in training its members. If employees are required to perform their tasks well, they must be armed with the necessary skill and knowledge that is required of them. Piercy and Morgan (1991) say that in order for internal marketing to be effectively employed within an organization, employees must be trained and properly developed to fulfill its service role. With a well developed workforce, an organization will exploit the full potential of its resource (the employees) thus improving business performance. Those companies failing to offer employees career opportunities, room for advancement and enhancement of skills and knowledge may find it difficult to retain qualified employees.

2.2.3.2. Empowerment

Empowerment refers to the practice of enabling an individual to think, behave, take action, control work and make decisions in autonomous ways (Samen & Alshurideh :2012).Through empowerment, employees can make faster decisions which in turn increase productivity, enhance the service experience and improve overall performance (Ueno,2010).

Accordingly, empowerment has received significant attention from scholars due to its impact on organizational effectiveness and competitive advantage in the service industry. Hamborstad and Perry (2011) argue that empowerment should be directed toward enriching employees with the abilities and skills to fulfill customers' requests and needs. When this is done, customer satisfaction can be obtained and linked to organizational success. Consequently, service organizations and practitioners should make more and better efforts toward providing customer-contact employees with enough empowerment by increasing their information, training, knowledge, and trust.

Many organizations have discovered that to be truly responsive to customer needs, providers need to be empowered to accommodate customer requests and to recover on the spot when things go wrong. Zeithal and Bitner (1996), argue that while the key to empowerment is giving employees authority to make decisions on customer's behalf, it is insufficient when exercised solely. Employees need the knowledge and tools to be able to make these decisions and they need incentives to encourage them to make the right decisions. Flexibility, quick decisions and authority given to staff characterize an empowered organization.

2.2.3.3. Motivation

In most organizations, the situation is that the customers are highly demanding of employees even as the employees in turn hold high expectations from their jobs as sources of self-actualization and self-development (Rafiq & Ahmed, 1998). Here, internal marketing sought to increase employee motivation by focusing on treating the job as an internal product and try to "sell" it to the employees. This inward-looking philosophy is enhanced by steps which motivate employees to try out the product first.

The term motivation has been defined variously by different authorities in the study of Psychology, Management and allied disciplines. According to Cole (2009), motivation is essentially about what drives a person to work in a particular way and with a given

amount of effort. To Buford et al (1995), motivation is a pre-disposition to behave in a purposive manner to achieve specific needs. Obviously, there are divergences in these definitions, though some common threads seem to exist. What is common to the foregoing definitions, among others, is that something has to trigger an employee to perform in an exceptional way. For purpose of this paper, motivation is operationally defined as a set of indefinite factors that cause a person (an employee) to perform his or her duties in a special way. The factors are described as indefinite because they constantly change with time, as pointed out by Kovach (1987). What is implicit in this definition is that an employee will not work in that special way if he or she is not encouraged (motivated) to do so. An understanding of this definition depends on the appreciation of some existing theories of motivation.

2.2.3.3.1. Theories of Motivation

Among the earliest and well-known researchers in the motivation domain were Homans (1950) and Maslow (1954). The former identified three key elements (activities, interactions and sentiments) as the controlling factors of members in an informal group. Homans (1950) defines activities as the task performed by the members of an informal group. He refers to interactions as the relationship among the members; and explains sentiments as the individual and collective attitudes of these members. Homans regards these three elements as independent because, according to him, a change in any one of them affects the other two elements. Maslow (1954) on the other hand developed the need-hierarchy theory. In his theory, Maslow postulated that people's (employees') needs are arranged in a hierarchy in which basic needs generally have to be satisfied before higher needs come to play. Maslow's idea did not escape criticisms and has hence been modified by other theorists notably Alderfer (1969) who introduced the idea of need along a continuum rather than in a hierarchy. Herzberg et al (1987) view motivation with different lenses. Their idea is today known as the Herzberg two-factor theory as it reduces the factors of motivation to two namely intrinsic and extrinsic factors. The former, which includes achievements and recognition, produces job satisfaction, whilst the latter comprising Pay and Promotion and job security is often a source of lack of motivation on the part of employees.

There is also the McClelland Achievement Theory which is based on the idea that the single most important motive is the need for achievement. McClelland (1961) suggests that the need for achievement is a key human motive, which responds to, and is a product of, personal experience and cultural background. This can be indoctrinated by means of training and other attitude-forming activities. The theory advocates that the three most important employee motivational factors are the need for achievement, the need for power or authority, and the need for affiliation or belonging, in that order. One other theory of motivation which seems to be accepted by most scholars in the present century is the Adam's Equity Theory.

The basis of this theory, in the work context, is that people make comparisons between themselves and others in terms of their inputs and what outcomes they receive from their inputs. The theory states that when employees perceive an unequal situation, they experience equity tension which they attempt to reduce by appropriate behavior. Employees may either act positively to improve their performance and /or seek improved rewards, or may act negatively (show lackadaisical attitude to work) on grounds of being under-paid. Logical as they may be, all these theories and several others have their loopholes and are hence seen as inconclusive in contemporary literature, but they provide some interesting insight into employee motivation. They are, in fact, relevant and a useful way to understand employee motivation.

2.2.3.4. Internal Communication

Ahmed et al. (2003) identify internal communication as the dissemination of information within the organization to enable the creation of employees with a greater sense of ownership, accountability and responsibility. They further state that when employees are well-informed about the expectations of its customers as well as the condition and health of the organizations, they are more willing to dispense their duties diligently which in turn improves the business performance. They also believe that internal communication is an important element of internal marketing as it is the key factor in creating understanding among employees.

Internal communication is a complex and continuous process through which organizational members create, maintain, and exchange information in the organization. Two important issues need to be addressed with this definition. First, it is important to

note that all organizational members participate in this process. Communication is not the sole responsibility or privilege of managers. Even if managers create and send most of the messages, their subordinates and peers create meaning from those messages. Second, while the process is said to be transactional in which all parties enact both sender and receiver roles to create mutual and shared meanings of messages, shared meaning is not always achieved in organizational settings. An effective internal communication is very important tool for the internal marketing, it helps the management to ensure service delivery with high satisfactory level and build employee trust, respect and loyalty (Lovelock & Wright, 1999).

2.2.4. Job satisfaction

The term job satisfaction refers to the attitude and feelings people have about their work. Positive and favorable attitudes towards the job indicate job satisfaction, Negative and unfavorable attitudes towards the job indicate job dissatisfaction (Armstrong, 2006). It can be considered as one of the main factors when it comes to efficiency and effectiveness of business organizations.

The research tells us that job satisfaction is the level of “favorableness or unfavorableness with which workers view their job (Werther & Davis, 1999).” It refers to an employee’s general opinion towards his/her job, such as; a person with high degree of job satisfaction has a positive feeling towards his job, whereas one who is unhappy with the job can grip a negative attitude (Robbins & Coulter, 2005). Some scholars argue that job satisfaction is an emotive reaction to a job condition, which is often decided by how nicely results meet up or exceed expectations, for example, if workers think that they are treated unjustly, receive less remunerations, they are more probably to have a negative feelings toward their work, supervisor or coworkers (Luthans, 2005; Manzoor et al., 2011).

Job satisfaction is important as internal marketing will also serve as a tool for organization to attract, retain and motivate its employees. Thus, it is imperative that employees must be able to relate positively to its job and are “satisfied” users of the internal product, which is the job itself. Job satisfaction is defined a show content an individual is with his or her job. The underlying view of internal marketing is based on

the concept that in order for a service organization to have satisfied customers, it must first have satisfied employees (George, 1990).

2.2.5. Organizational Commitment

2.2.5.1. Definition of Organizational Commitment

Organizational commitment is 'typically conceived of as an individual's psychological bond to the organization, including a sense of job involvement, loyalty, and a belief in the values of the organization'. According to another definition, organizational commitment is defined in terms of the strength of an individual's identification with an involvement in a particular organization. Organizational commitment is characterized by three factors: A strong belief in and acceptance of the organization's goals and values, a willingness to exert considerable effort on behalf of the organization and a definite desire to maintain organizational membership (Porter, Streers & Boulian, 1973).

Meyer & Allen (1997) constructed their three-dimensional component based on observing similarities and differences in organizational uni-dimensional concepts. In general their discussion was that commitment links individual with organization and thus, this link decreases the probability of turnover (Meyer & Herscovitch, 2001). They distinguish three kinds of commitment:

- i. Affective commitment: show individual's affective dependence to organization. Meyer and Allen believe that a person feels effective dependence on organization when the aims and values of organization seem like his/her aims and values and to be convinced that he/she must help organization achieve its goals (Allen & Meyer, 1990).
- ii. Continuance commitment: it is related to willingness to stay in organization for expenses of its leave and compensation due to stay in organization. Indeed this kind of commitment is created when a person would believe that his abilities are not affordable in the market, or that he lacks necessary skills to compete in the areas of interest. Such employees feel a kind of dependency on their existent organization. Indeed, this kind of commitment included two infrastructures. One is based on degree of person's willingness

about leave of organization and the other is related to distinguishing between available and substitution positions in the case at organization's leave and expenses from it (Awwad & Agti, 2011: 311).

- iii. Normative commitment: it reflects staying in the organization as a member of it, so that a person feels his/her staying in an organization is a correct option (Allen & Meyer, 1997; McKenna, 2005). Persons who have high degree of normative commitment feel that they are bound to continue their work (job) in the organization. Indeed normative commitment shows employee's belief relative to their responsibility in relation to organization (Stallworth, 2004) and it directs employees to stay in the organization (Chang & Lin, 2008). Main subject of commitment would be willingness to conducting an act by a consistent behavior either explicit or implicit (Meyer & Schoorman, 2001).

2.2.5.2. Outcomes and Determinants of Committed Employees

Committed employees are less likely to quit and accept their jobs, thus cost of high turnover is not incurred and they involved less supervision. Close supervision and rigid monitoring control process are time consuming and expensive. Furthermore, a committed employee perceives the value and organizational goals, the employee thinks of his goal and the organization's goals in personal terms. Also, research shows that employees who are more committed demonstrates higher job performance, less job displeasure, less supervision, more moral and ethical behavior, diminished intent to leave, less stress and organizational citizenship.

Furthermore, they perceive the value of organizational goals and think of their goals and those of the organization's in personal terms. A lot of cost efficiencies can accrue as a result of committed employees. Below, is a table that summarizes some of the outcomes and determinants of organizational commitment (Scholl, 1981).

Table 2.2: Outcomes and Determinants of Organizational Commitment

Inducement Systems	Employee Affective States	Social Identity	Behavioral Outcomes
<p>Reward</p> <ul style="list-style-type: none"> • Pay is perceived as equitable & affirms one’s value. • Expectation of continued growth in pay • Career pathing-employees see their future in the organization <p>Managerial</p> <ul style="list-style-type: none"> • Leaders empower employees • Leaders recognize the contributions of employees <p>Task</p> <ul style="list-style-type: none"> • Employees see how their jobs contribute to the mission • Jobs require employees to use 	<p>Self Concept/ Worth</p> <p>Individuals:</p> <ul style="list-style-type: none"> • Feel valued • Feel like they are making a valuable contribution • Feel that the organization does something of value • See their job as a source of validation of skills & ability <p>Stability-Individuals:</p> <ul style="list-style-type: none"> • Feel secure and believe they have a future with the organization <p>Trust their leaders reciprocity</p> <ul style="list-style-type: none"> • Individual feel obligation to repay perceived “debts” to organizations and 	<p>When the organization is a source of self concept validation, individuals begin to define their social identity in terms of organization, that is, it begins to define who they are. This means that these individuals:</p> <ul style="list-style-type: none"> • Take pride in being members of the organization • Are concerned about the reputation of the organization 	<p>Committed Employees:</p> <ul style="list-style-type: none"> • Take a long term view of membership <p>Exhibit Extra Role Behavior</p> <ul style="list-style-type: none"> • Work to advance the reputation of the organization. • Defend the organization • Willing to make investments that commit to organizationa l further.

valued skills people in their
• Employees see the organization
results of their efforts

Source: (Scholl, 1981).

2.2.6. Internal Marketing and Organizational Commitment

Primary factor in internal marketing is that employee feels that management consider their needs and have responsibility about them. Successful internal marketing cause to employee would have a positive view relative to their job and this attitude include organizational commitment, job satisfaction and job high motivation. Lack of commitment would be very dangerous for organization it causes to more poor performance and as a result undesirable services and organization's expenses increase.

Hogg (1996) states that internal marketing could be a useful resolution for creating commitment in employee and success increase in failed and traditional internal relational plan. Schlessenger & Heskett (1991) emphasize on importance of high – motivation employee and refer it as success cycle. This cycle is result of crease of employee about their role in increase of customer satisfaction. This was performed by Jawarski & kohli (1993). They divided the market – orientation into three aspects of replying, creating information in the organization and develop information in the organization. Those internal marketing steps have a positive impact on internal aspects at organizational performance such as staff satisfaction and staff commitment (Awwad & Agti, 2011).

2.3. Review of Empirical Studies

Previous studies have identified in the context of the internal marketing. Table 2.3 below presents a comprehensive summary of studies into internal marketing with different variables. The model developed in the context of one country may not be applicable in other countries as the institutional, economic and socio-cultural factors may different from region to region or from one sector to another within the same region. Beside to this, there is a gap in the research into internal marketing with respect to banks in Ethiopia. This research will contribute to existing knowledge by examining the effect of internal marketing on organizational commitment in CBE.

Table. 2.3. Internal marketing variables

Researcher's & Year of Research	Research title	Research Result
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Tortosa et al. (2009).	Internal marketing and organizational performance	Internal marketing has an impact on the understanding of the employees and such an understanding can leads to the increase of the quality of services and the increase of the customer satisfaction for received services.
Vazifehdo ost (2012).	Market orientation, internal marketing, organizational commitment and organizational Performance.	Empirical findings confirmed that internal marketing, organizational commitment and market orientation have positive direct and indirect effects on bank's both market performance (customer satisfaction and customer loyalty) and financial performance.
Mohamm adi et al. (2012).	Internal marketing, job satisfaction, organizational commitment and customer orientation.	The studied showed that there was significantly positive correlation between internal marketing and customer orientation, and given indirect effect internal marketing has on customer orientation through affecting organizational commitment as a mediatory variable as well as significant positive correlation among them.
Zaman et al. (2012).	Internal marketing, organization commitment, market orientation and business performance.	The findings of the study suggested that internal marketing had a significant impact on employees' commitment, their market orientation and overall profitability of the firm. In addition, the mediating relationship of organization commitment with internal marketing and market orientation was not supported.

Hailu (2015)	Internal marketing and employee's job satisfaction.	The research has proved the entire hypothesis formulated has positive relationship with the employee job satisfaction
Gilaninia et al. (2013).	Internal marketing, customer orientation and organizational commitment.	According to the results obtained from the test result indicated that there is significant relationship between internal marketing and customer orientation, between internal marketing and organizational commitments, between organizational commitments and customer orientation and also organizational commitments has moderator role in relation between internal marketing and customer orientation.

Source: various sources (2017).

Several studies on internal marketing have proved that internal marketing has resulted in the development of organizational commitment among employees. This research focuses on the link between internal marketing (training, empowerment, motivation and internal communication), job satisfaction as a mediating variable and organizational commitment.

2.3.1. Training and Job Satisfaction

Training is one of the most repetitively mentioned dimensions of Internal Marketing; Ahmed and Rafiq (2003), Gounaris (2006) and Tsai and Tang (2008) are among the scholars that identified training is one of the dimension internal marketing can be explained. According to Karen (2007), employee development is defined as a system for assisting employees to develop within their current jobs or advance to fulfill their goals for the future and different researchers defined job satisfaction as the extent of affective reaction to which employees like their jobs.

In the study conducted on the effect of employee development program on job satisfaction and employee retention by Karen (2007), job satisfaction came from when employees are provided growth and development opportunities and when they are supplemented through fair and equitable human resource practices. All employees should be given equal opportunities for development if they each take ownership for their goals and action plans. It shows a clear link between training and job satisfaction, i.e. when people receive relevant and valuable training, they are generally happier in their jobs. When that training is carried to the next level and becomes overall development, employees tend to feel even more valued by their employers. Based on the above explanation, training effect can be drawn as

H1: There is a significant positive relationship between training and Job satisfaction.

2.3.2. Empowerment and Job Satisfaction

Empowerment is an inner incentive state which is defined in relation with jobs and professions including 4 inner imaginations which show people's desires towards their professional roles. These inner imaginations are: meaning, competency, effectiveness, and choice (Thomas & Velthouse, 1990). Based on the above explanation, empowerment effect can be translated as

H2: There is a significant positive relationship between Empowerment and Job satisfaction.

2.3.3. Motivation and Job Satisfaction

Motivation can be defined as the development of a desire within an employee to perform a task to his/her greatest ability based on that individual's own initiative (Rudolph & Kleiner, 1989). In the case study conducted on Relationship between Motivation and Job satisfaction, there is a positive correlation between motivation and job satisfaction i.e. motivation increase with increase in job satisfaction and vice versa. (Prof.S.K. & Viveki, 2011). Based on the above explanation, motivation effect can be translated as

H3: There is a significant positive relationship between motivation and Job satisfaction.

2.3.4. Internal Communication and Job Satisfaction

Internal Communication is process whereby people within an organization give and receive messages, it is a vital prerequisite for a well-functioning internal marketing

culture. Without people being able or prepared to communicate with each other, there will be no inter-departmental or inter functional co-ordination (Naude & Murphy, 2003). Researches indicate that internal communication is one of the factors which influence job satisfaction. With active and assessable communication, employees are better able to understand their job and are more connected to it. This leads to better performance and higher job satisfaction. Anderson and Martin (1995), Downs and Hazen, (1977), Madlock (2008), Orpen, (1997) and Varona, (1996) are among the researchers who studied the relation between communication and job satisfaction. . With regard to the literature review that has been presented, the following hypotheses can be developed.

H4: There is a significant positive relationship between communication and Job satisfaction.

2.3.5. Job satisfaction and organizational commitment

Robbins (1996) assumed that job satisfaction stands for the general attitudes that a worker has toward his/her job, with a high level of job satisfaction indicating a positive attitude. Job satisfaction refers to a joyful or positive emotional state regarding work or the work experience (Shimizu et al, 2005; Suzuki et al, 2006). Porter and Lawler's (1968) definition of job satisfaction includes both internal and external satisfaction. From the above definition internal satisfaction refers to the causes that create job satisfaction, and are closely related to the job itself. In other meanings, it is the level of satisfaction achieved through the job itself, through facets such as sense of achievement, growth, self-esteem, independence, and sense of control (Shimizu et al, 2005). Zargaran et al (2013) conducted a study entitled "studying the effect of job satisfaction perception and employee commitment". The aim of this study was to investigate the effect of internal marketing on job satisfaction and organizational commitment. The results show that there is a positive relationship between job satisfaction and organizational commitment. Given the previously discussed empirical research, the following hypothesis is presented.

H5: There is a significant positive relationship between job satisfaction and organizational commitment.

2.4. Conceptual Framework of the Study

The conceptual framework of this study is developed based on the literature review presented earlier and the models of internal marketing proposed by Ahmed and Rafiq

(2000) to support the linkages between internal marketing elements and Organizational commitment suggested in this conceptual framework.

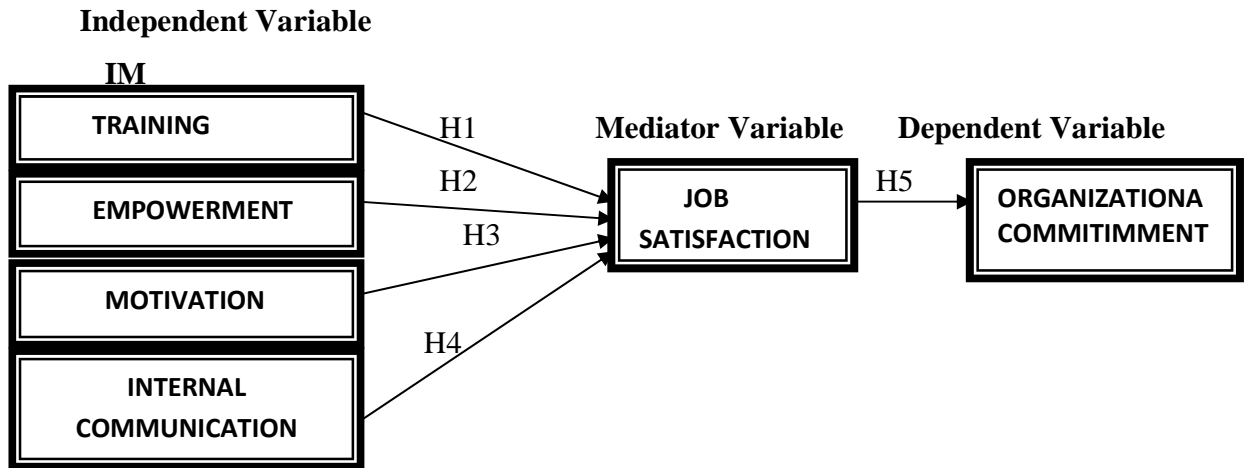


Fig 2.2. Conceptual Framework of the study.

Source: Modified from Al-Qudah et al. (2013).

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.1. Introduction

This chapter presents the research approach that was adopted in the study. It explains in detail the research methodology utilized and its justification for the purposes of this study. The chapter also discusses procedures and activities undertaken, focusing on namely the study's research design, data collection, and sampling design, data processing and

analysis and instrument development. It further addresses issues of reliability and ethical considerations of the study.

3.2. Research Approach

The research approach is often either quantitative or qualitative. The best research approach to use for a study depends on that study's research purpose and the accompanying research question (Yin, 1994). Quantitative research is a research approach that is formalized and highly structured. Through the study of some specific variables on a great number of objects of investigation, this approach enables the researcher to make universal generalizations. All variables are measured by statistical methods, since the information is transformed into numerical data and thus easily presentable in figures.

Qualitative research approach emphasizes the subjective aspects of human activity by focusing on the meaning, rather than the measurement of social phenomena (Hussey and Hussey, 1997). Qualitative research involves studies that do not attempt to quantify their results through statistical summary or analysis. It seeks to describe various aspects about behavior and other factors in the social sciences and humanities. In this kind of research data are often in the form of descriptions, not numbers. It typically involves in-depth interviews, group discussions, and observations without formal measurement.

The main objective with this work was to study the effect of different aspects of internal marketing on organizational commitment, therefore quantitative methods were used in order to describe and compare different aspects of internal marketing influencing organizational commitment of CBE front line employees.

3.3. Research design

Research design is the blueprint for fulfilling research objectives and answering research questions (John et al., 2007). Three types of research design, namely exploratory (emphasizes discovery of ideas and insights), descriptive (concerned with determining the frequency with which an event occurs or relationship between variables) and explanatory (concerned with determining the cause and effect relationships).

3.3.1. Explanatory Research

The goal here is to develop precise theory that can be used to explain the empirical generalizations. Based on this, the researcher formulates hypotheses that are tested empirically. According to Yin (1994) the study is explanatory when the focus is on cause-effect relationships, explaining what causes produced what effects. Wiedersheim-Paul & Eriksson (1999) says that the explanatory research approach must be used when it is necessary to show that one variable causes or determines the value of the other variables. As this study aims to examine the effect of internal marketing on organizational commitment in CBE employees, it targets to measure relationships between variables, explanatory type of research were used.

3.3.2. Descriptive Research

The objective is to provide a description of various phenomenons's connected to individuals, situations or events that occur. Descriptive research is recommended when you search data, often secondary, in order to describe a few aspects of a clearly structured problem. Wiedersheim-Paul & Eriksson (1999) a descriptive study tries to discovers answers to the questions who, what, where and sometimes how.

As this study Descriptive type of research were used because it involves investigation which provides detail picture of the situation and detail description of the findings display in tables the level of internal marking (training, internal communication , empowerment and motivation) as perceived by CBE employees and describe the level of organizational commitment of employees in CBE.

3.3.3. Exploratory Research

Here, research is designed to allow an investigator to just look around with respect to some phenomenon, with the aim being to develop suggestive ideas. The purpose is to gather as much information as possible concerning a specific problem.

3.4. Population and Sampling

3.4.1. Population

The target population is defined as the total number of cases that conform to predetermined specifications (Iacobucci & Churchill, 2010). The important element of the group is that it shares a common set of characteristics (Hair et al., 2010). For the purpose of the study, the target population was represented as all frontline employees currently working in CBE branches in the country, and maintaining a direct contact with external customers.

3.4.2. Sampling frame

The sampling frame is similar to the target population and relates to the list of elements from which the sample is drawn (Conradie, 2012). Due to the homogeneity of service provision, human resource strategy implementation of the bank over its all branches in the country, the sample frame will be limited to Addis Ababa city branches.

3.4.3. Sampling technique

Sampling technique is technique used to select suitable sample so as to represent the whole population.

The technique selected for this study was simple random sampling technique. In the case of simple random sample every member of the population has known and equal chance of selected. This method reduces the potential for bias in the selection of respondents included in the sample. This sampling method was employed for the reason that it could be specified each employees of CBE, the sampling frame could be easily identified and the researcher obtained the name of every employee from CBE data base. Numbers were assigned to each name of frontline employee and then a random sample was generated by using random number generator. Please see appendix two the random number generated. This table of 345 random numbers was produced according to the following specifications: Numbers were randomly selected from within the range of 1 to 3415. Duplicate numbers were not allowed.

3.4.4. Sample size

This refers to the number of items to be selected from the universe to constitute a sample. The size of sample should neither be excessively large, nor too small, it should be optimum. An optimum sample is one which fulfills the requirements of efficiency, representativeness, reliability and flexibility. While deciding the size of sample, researcher must determine the desired precision as also an acceptable confidence level for

the estimate. The size of population variance needs to be considered as in case of larger variance usually a bigger sample is needed. The size of population must be kept in view for this also limits the sample size. The parameters of interest in a research study must be kept in view, while deciding the size of the sample. As such, budgetary constraint must invariably be taken into consideration when we decide the sample size Kothari (2004).

To draw sample size from identified finite population, Krejcie and Morgan (1970) sample size formula was used. Most commonly the formula is computed based on 95% confidence interval of the accuracy of the sample size.

Currently, the number of front line employees in Addis Ababa branches were 3415, therefore, in this study 345 questionnaires were distributed to meet up to the required level of number of responses from employees at CBE in Addis Ababa branches. For a given population size of 3415 at the confidence level of 95% and a margin of error of 5% can be calculated as

$$S = \frac{X^2 N p (1-p)}{D^2 (N-1) + X^2 p (1-p)}$$

Where; S = required sample size.

X^2 = table value of chi - square for one degree of freedom at the desired confidence level (3.841 for 0.95 confidence interval).

N = the given population

P= population proportion (assumed to be 0.5 since this would provide the maximum sample size)

D= the degree of accuracy set at 0.05.

$$\text{Therefore, } S = \frac{3.841 * 3415 * 0.5 (1-0.5)}{(0.05)^2 * (3415 - 1) + 3.841 * 0.5 (1 - 0.5)}$$

$$S \approx 345$$

3.5. Sources of data

The study was employed both primary and secondary sources of data. Primary data were collected through well designed questionnaire adopted from previous study. This was completed by respondents (CBE employees) that were willingly filled and returned the questionnaire. Secondary data were collected from CBE data base; In order to get the

name of every frontline employee and company profile. In addition to this, Secondary data were collected through a theoretical study comprised of books, research thesis, articles, internet, manuals and annual reports.

3.6. Data Collection Instrument and Procedures

Structured/closed questioner of data collection is quite popular, particularly in case of big enquiries (Kothari, 2004). Therefore, a structured questionnaire was utilized to collect the data from CBE employees. The respondents were asked to rate their level of perception of the six variables on five point Likert scale basis to obtain first hand information through direct solicitation of responses from the frontline employees. The Likert scale is Question type based on a rating scale designed to measure attitudes or reactions. Likert scaling is a bipolar, measuring either positive or negative response to a statement Likert (1932).

Table 3.1 Likert Scale

Selective Item	Strongly disagree	Disagree	Neutral neither agree nor disagree	Agree	Strongly agree
Score	1	2	3	4	5

Source: (Likert, 1932)

The questionnaire consists of general, specific and an attached letter. The questionnaire was accompanied with a letter to describe that what purpose the survey was conducted. The general questions are concerning socio-demographic information of respondents such as sex, age and level of education. The specific questions section includes 49 questions, all of them were considered to investigate and examine the attitudes and views of respondents about research question with Likert scale.

Table 3.2: Research variables and their corresponding measures

Variable	Source	No of items
Training	Gounaris (2008); Al-Qudah et al. (2013)	6 items were used to measure this variable

Empowerment	Gounaris (2008); Al-Qudah et al. (2013)	4 items were used to measure this variable
Motivation	Gounaris (2008); Al-Qudah et al. (2013)	5 items were used to measure this variable
Internal Communication	Gounaris (2008); Al-Qudah et al. (2013)	5 items were used to measure this variable
Job Satisfaction	(George, 1990).	5 items were used to measure this variable
Organizational Commitment	Meyer & Allen (1997)	24 items were used to measure this variable

Internal marketing were examined using 20 items, which contains four dimensions (training, empowerment, motivation and internal communication). Job satisfaction was examined using 5 items and Organizational Commitment was examined using 24 items. The questionnaire was developed and distributed in English language, no need of translation. This is because one of their job requirements is the skill of English language for CBE employees.

3.7. Data Analysis

The analysis of the data collected consists of examining, categorizing, summarizing or by some means reorganizing collected data to test the proposition of the study. Every study should however have a general framework for how the data is analyzed (Yin, 1994). To conduct this study data were collected from respondents. The collected data was organized and process by using SPSS version 20 statistical software programs were used to analyze the data. Only questionnaires that were returned and fully completed deemed valid and used in the analysis, but if the questionnaires were not be returned or not fully completed then they were deemed to void.

Descriptive analysis such as frequencies, percentages, means and standard deviations were used to summarize and present the data. In addition to this, Pearson's correlation

coefficient was used to show the interdependence and to ascertain whether a statistically significant relationship between the independent and dependent variables and inferential statistics. In addition to this, multiple regression analysis were used to test the significance contribution of each independent variable to the dependent variable. Independent t-test was used to test mean differences between two groups. Thus, t-test was used to compare mean difference between genders/academic qualifications of the CBE employees with respect to the level of organizational Commitment. Finally, One-Way ANOVA analysis was carried out to compare mean difference among work experience, marital status, level of education and age groups of the CBE employees with respect to the level of organizational commitment.

3.7.1. Model Specification

The equation of regressions on this study is generally built around two sets of regression equation, the first equation ,namely dependent variable (Job satisfaction) and independent variable (internal marketing: training, empowerment, motivation and internal communication). The basic objective of using regression equation on this study is to make the study more effective at describing, understanding and predicting the stated variables. The regression equation is as follows:

$$JS = \alpha_1 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + e$$

Where:

JS = Job Satisfaction

X1= Training

X2= Empowerment

X3= Motivation

X4= Internal communication

α_1 = the intercept term- constant which would be equal to the mean if all slope coefficients are 0.

e = the error term

β_1 , β_2 , β_3 , and β_4 are the coefficients associated with the average amount the dependent variable increases when the independent variable increases by one standard deviation.

The second regression equation is as follows:

Dependent variable organizational commitment and independent variable job satisfaction

$$OC = \alpha_1 + \beta_1 X_1 + e$$

Where:

OC = Organizational Commitment

X1= Job satisfaction

α_1 = the intercept term- constant which would be equal to the mean if slope coefficients are 0.

e = the error term

β_1 is the coefficient associated with the average amount the dependent variable increases when the independent variable increases by one standard deviation.

3.8. Reliability and Validity

3.8.1. Reliability

Reliability can be defined as the extent to which a scale is able to obtain consistent results across time, different evaluators or different items (Churchill and Brown, 2007). Internal consistency reliability test was conducted and the Cronbach's alpha coefficients for the instrument were calculated. Cronbach alpha values vary in values from 0, meaning no consistency, to 1, meaning complete consistency. Cronbach alpha values of 0.80 or higher are considered as high reliability, those between 0.70 and 0.80 are regarded as having good reliability, values between 0.60 and 0.70 are fair, and coefficients lower than 0.60 are questionable (Hair et al., 2010). Before distributing the questionnaire to all respondents, 20 questionnaires for pilot test to make sure the questions were clear and reliable (Adams, et al., 2007). Hence, a total of 30 questioners were distributed in one branch for the pilot survey which was helped the researcher to ensure that the questionnaire were in fact clear to respondents and reliable.

The pilot survey has proved the questioners designed to collect the desired data was reliable. Moreover, for the reliability test of the all data Cronbach's alpha was calculated using SPSS and the result is presented in Table 3.3. below. The alpha values for all constructs in the study were greater than the guideline of 0.70, so it can be concluded that the measurements can be applied for analyses with acceptable reliability.

Table 3.3: Measurement Reliability.

Variable	Cronbach's Alpha	No of Items
Training	.895	6
Empowerment	.867	4
Motivation	.746	5
Internal Communication	.868	5
Job satisfaction	.736	5
Organizational commitment	.812	24

Source: survey data (2017)

3.8.2. Instrument validity

Validity is the precision of a measure or the degree to which research instruments measure what it is supposed to measure (Zikmund and Babin, 2010). Content validity and construct validity were used to test for validity.

3.8.2.1. Content validity

Iacobucci & Churchill (2010) define content validity as the adequacy of the area in which characteristics are captured by the measure. When professionals are convinced that the items match the definition, it is said to have content validity (Zikmund & Babin, 2010). In determining content validity the researcher was adopted scales and scale items from previous studies where possible. Besides, the opinion of bank experts and academicians in the field was taken to ensure the validity of the instrument. Finally the questionnaire were revised and corrected based on the feedback collected from experts in the field. So that it will be relevant and applicable to the objective of this study.

3.8.2.2. Construct validity

Iacobucci & Churchill (2010) and Malhotra (2007) define construct validity as the ability or the degree to which the instrument measures what it is supposed to measure. In addition to this, construct validity is the degree to which elements being assessed are

identified before hypothesizing any functional relationships. In setting up the questionnaire, the researcher was used previous studies that were all proven reliable

3.9. Ethical Considerations

The study was undertaken after ensuring all ethical consideration was taken. The purpose of the study was explained to each study participants and verbal consent will be obtained from all study subjects before distributing the questionnaire. For this purpose the introduction part of the questionnaire were stated the purpose and importance of the study, confidentiality. Respondent were informed their full right to fill the questions or to withdraw from the study at any time without any unfavorable consequences, and they were not harmed as a result of their participation or non participation.

Moreover, no information was modified or changed, therefore information were presented as collected and all the literatures collected for the purpose of this study are appreciate in the reference list.

CHAPTER FOUR RESULT AND DISCUSSION

4.1. Introduction

This chapter of the research paper organized in the following manner: It consists of the demographic profile of the respondents were presented and analyzed. To facilitate ease in

conducting the empirical analysis, the results of descriptive analyses were presented first, followed by the results of Pearson's correlation coefficient and multiple regressions were analyzed. Moreover, One-Way ANOVA analysis and independent sample t-test was carried out to compare mean difference between and among demographic profiles. A total of 345 questioners were distributed, and 313 were received back. After excluding 11 invalid questionnaires, a total of 302 valid questionnaires were accepted showing response rate of 87.53%.

4.2. Demographic Profile of Respondents

The samples of this study have been classified according to five demographic background information collected during the questionnaire survey. The purpose of the demographic analysis in this research is to describe the characteristics of the sample such as the number of respondents' proportion of males and females in the sample, range of age, marital status, educational level, and service years of respondents of frontline employees of CBE. The demographic composition of the respondents is summarized in Table 4.1 below.

Majority of the respondent were males which is 64.6% and female respondents were 35.4%. Respondents' age were also explained. 55.3% between twenty and twenty five, 30.8% twenty six to thirty, 11.3% thirty one to forty and 2.6% were more than forty one. The marital status of the respondents consist 67.2% single, 30.8% married and 2% of the respondents were divorced. Educational level was also enquired where most of the respondents of educational level of both sex lye on first degree which is 85.8% of all respondent. The remaining 11.3% are diploma graduate and 3% at Masters and above level. Furthermore, Respondents' job experiences were also explained. 34.1% of the respondents have job experience between one to three years, 60.3% between four to six years, 5% seven to ten years, and only 0.7% of respondent have eleven to fifteen years of experience.

Table 4.1: Demographic information for CBE frontline employees

Demographic Information		Frequency	Valid Percent	Cumulative Percent
Gender	Male	195	64.6	64.6
	Female	107	35.4	100.0
	Total	302	100.0	
Age	20-25	167	55.3	55.3
	26-30	93	30.8	86.1
	31-40	34	11.3	97.4
	41 and more	8	2.6	100.0
	Total	302	100.0	
Marital Status	Single	203	67.2	67.2
	Married	93	30.8	98.0
	Divorced	6	2.0	100.0
	Total	302	100.0	
Education Level	Diploma	34	11.3	11.3
	Bachelor	259	85.8	97.0
	Master and Above	9	3.0	100.0
	Total	302	100.0	
Service Years	1-3 years	103	34.1	34.1
	4-6 years	182	60.3	94.4
	7-10 years	15	5.0	99.3

	11-15 years	2	.7	100.0
	Total	302	100.0	

Source: Survey Data (2017).

In summary, the majority of the respondents were single males within the age group 20-25 having predominantly first degree and four to six service year.

4.3. Descriptive Statistics

In this section, the respondents answer present in the form of table. The tables contain mean and standard deviation of their response. Mean value provides the idea about the central tendency of the values of a variable. Standard deviation is to give the idea about the dispersion of the values of a variable from its mean value. All of the variables were measured using five point Likert scale ("1" Strongly disagree; to "5" Strongly agree). The interpretations of the Likert scale results are: scores of 1 to 2.32 indicate low level, scores of 2.33 to 3.65 indicate medium level, and scores of 3.66 to 5 indicate high level (Alhakimi and Alhariry, 2014).

4.3.1 CBE frontline employees' perception on training

This section of the questionnaire tested the attitude and views about training levels of CBE frontline employees. A series of six statements were presented to respondents and respondents were asked to rate their level of agreement with each statement.

The means for the training items construct ranged between 2.09 and 2.98 (1= strongly disagree and 5= strongly agree) and the standard deviation for the training perception construct ranged between 0.840 and 1.235 which show some level of variance. The statement which respondents agree with most was “training is clearly directed at creating the competencies that is important to the business” (mean=2.98 and standard deviation= 1.235). The statement indicating the least level of agreement was “in CBE training is closely related to the individual needs of each frontline employee” (mean= 2.09 and standard deviation= 0.84). The overall mean for the perception of training is 2.55, indicating that the majority of respondents towards medium level of agreement with the statements specified in the study.

Table 4.2: Descriptive statistics for attitude of CBE frontline employees about Training

Training	Mean	Std. Deviation
In CBE training is closely related to the individual needs of each front line employee.	2.09	.840
A newly hired employee will have to find his own answers to the requirement of the job.	2.16	.906
Before the implementation of the major change in service rules i always gets significant training regarding its impact on our daily activities and job description.	2.38	1.089
If one moved from one task to another, the manager will facilitate to train him/her for a pre specified period.	2.66	1.252
CBE has adequate resources to train employees	2.82	1.223
Training is clearly directed at creating the competencies that is important to the business.	2.98	1.235
Overall level of employees perception about training	2.55	1.09

Source: Survey data (2017)

4.3.2. CBE frontline employees' perception on empowerment

This section of the questionnaire tested the attitude and views about empowerment levels of CBE frontline employees. A series of four statements were presented to respondents and respondents were asked to rate their level of agreement with each statement.

The means for the empowerment items construct ranged between 2.77 and 3.54 (1= strongly disagree and 5= strongly agree) and the standard deviation for the empowerment perception construct ranged between 1.09 and 1.116 which show some level of variance. The statement which respondents agree with most was “My managers allow me to use my own judgment in solving problems” (mean=3.54 and standard deviation= 1.116). The statement indicating the least level of agreement was “My managers trust me to exercise

good judgment” (mean= 2.77 and standard deviation= 1.09). The overall mean for the perception of empowerment is 3.11, indicating that the majority of respondents towards medium level of agreement with the statements specified in the study.

Table 4.3: Descriptive statistics for attitude of CBE frontline employees about Empowerment

Empowerment	Mean	Std. Deviation
My managers allow me to use my own judgment in solving problems	3.54	1.116
My managers encourage me to take initiatives	3.18	1.091
My managers allow me to take a high degree of initiative.	2.94	1.066
My managers trust me to exercise good judgment	2.77	1.090
Overall level of employees perception about empowerment	3.108	1.090

Source: Survey data (2017)

4.3.3. CBE frontline employees’ perception on motivation

This section of the questionnaire tested the attitude and views about motivation levels of CBE frontline employees. A series of five statements were presented to respondents and respondents were asked to rate their level of agreement with each statement.

The means for the motivation items construct ranged between 2.53 and 4.14 (1= strongly disagree and 5= strongly agree) and the standard deviation for the motivation perception construct ranged between 0.921 and 0.614 which show some level of variance. The statement which respondents agree with most was “The incentive given to employees are motivating and on competitive basis” (mean=4.14 and standard deviation= 0.614). The statement indicating the least level of agreement was “My income and the annual increment are based on periodic performance evaluation” (mean= 2.53 and standard deviation= 0.921). The overall mean for the perception of motivation is 3.43, indicating that the majority of respondents towards medium level of agreement with the statements specified in the study.

Table 4.4: Descriptive statistics for attitude of CBE frontline employees about Motivation

Motivation	Mean	Std. Deviation
When i do something extra ordinary i know that i will receive some kind of reward.	3.38	.624
I receive feedback from my supervisor on my job performance regularly	3.06	.775
The incentive given to employees are motivating and on competitive basis	4.14	.614
The performance measurement reward system encourages employees to work hard.	4.04	.698
My income and the annual increment are based on periodic performance evaluation	2.53	.921
Overall level of employees perception about motivation	3.43	0.726

Source: Survey data (2017)

4.3.4. CBE frontline employees' perception on internal communication

This section of the questionnaire tested the attitude and views about internal communication levels of CBE frontline employees. A series of five statements were presented to respondents and respondents were asked to rate their level of agreement with each statement.

The means for the internal communication items construct ranged between 2.95 and 3.21 (1= strongly disagree and 5= strongly agree) and the standard deviation for the internal communication perception construct ranged between 1.092 and 1.001 which show some level of variance. The statement which respondents agree with most was “Before any policy and procedures change my manager informs me phase to phase in advance” (mean=3.21 and standard deviation= 1.001). The statement indicating the least level of agreement was “If an employee has a certain personal problem that influences negatively his/her work performance, she/he is encouraged to discuss it with his/her manager” (mean= 2.95 and standard deviation= 1.092). The overall mean for the perception of

internal communication is 3.064, indicating that the majority of respondents towards medium level of agreement with the statements specified in the study.

Table 4.5: Descriptive statistics for attitude of CBE frontline employees about internal communication.

Internal Communication	Mean	Std. Deviation
Before any policy and procedures change my manager informs me phase to phase in advance.	3.21	1.001
Managers are sincerely interested in listening to what frontline employees have to say about their jobs, the problems they have and the solutions that employees suggest	3.13	1.046
If an employee has a certain personal problem that influences negatively his/her work performance, she/he is encouraged to discuss it with his/her manager.	2.95	1.092
Branch manager is never too busy if one of their frontline employees wishes to meet personally.	2.98	1.125
Branch manager is spend time with their customer service officer, explaining them organization values and how these vales affect what the organization expects from each individual employee	3.05	1.121
Overall level of employees perception about internal communication	3.06 4	1.077

Source: Survey data (2017).

4.3.5. Comparison of CBE frontline employees' perception on internal marketing constructs

Table 4.6. Below show the overall means of all items in the internal marketing mix constructs for CBE frontline employees' level of perception. According to the findings of the means motivation represented the highest overall mean score (mean= 3.43), meaning that CBE frontline employees have a tendency towards agree with statements relating the

motivation construct (1= strongly disagree and 5= strongly agree) compare to other constructs. Empowerment followed with overall mean score of 3.12. This was followed by internal communication (mean= 3.06). The lowest level of agreement was with the training construct (mean= 2.52).

Table 4.5: Overall mean and standard deviation scores for the internal marketing mix

Construct	Mean	Standard deviation
Training	2.52	0.930
Empowerment	3.12	0.94
Motivation	3.43	0.387
Internal communication	3.06	0.866

Source: Survey data (2017).

4.4. Normality test

The study used two methods of assessing normality; graphically (Normal Probability Plot) and numerically (Skewness and Kurtosis). In the Normal Probability Plot it will be hoped that points will lie in a reasonably straight diagonal line from bottom left to top right. This would suggest no major deviations from normality. Appendix three depicted that the scores are normally distributed.

Numerically, the evaluation of normality in the data analysis began with exploring the skewness and kurtosis values of the elements of internal marketing mix and job satisfaction. skewness and kurtosis values greater than 1 and less than -1 are considered being abnormally distributed (Gamst et al., 2008). Table 4.7. Below summarizes the skewness and kurtosis values of the constructs. The skewness and kurtosis values for the internal marketing mix elements, namely, training, empowerment, motivation and internal communication were all below 1 and greater than -1 indicating that the data is normally distributed for these elements. The job satisfaction and organizational

commitment also showed skewness and kurtosis value of less than 1, and is therefore normally distributed.

Table 4.7: Summary of skewness and kurtosis statistic

Constructs	Skewness	Kurtosis
Training	.845	-.053
Empowerment	-.026	-.500
Motivation	-.306	-.195
Internal Communication	.338	-.940
Job satisfaction	.236	.571
Organizational commitment	-.102	.338

Source: Survey data (2017).

4.5. Correlation analysis

In this study Pearson’s correlation coefficient was used to determine whether there is significant relationship between training, empowerment, motivation and internal communication with job satisfaction. The following section presents the results of correlation on the relationship between independent variables and dependent variable.

4.5.1. Correlation analysis for internal marketing- Job satisfaction

Table 4.8. Below indicates that the correlation coefficients for the relationships between job satisfaction and its independent variables are linear and positive ranging from weak to moderate correlation coefficients.

Table 4.8. Correlation analysis for IM-Job satisfaction

Correlations					
	Training	Empowerment	Motivation	Internal Communication	Job satisfaction

Training	1	.125*	.300**	-.004	.403**
Empowerment	.125*	1	.106	-.091	.180**
Motivation	.300**	.106	1	.086	.580**
Internal Communication	-.004	-.091	.086	1	.190**
Job satisfaction	.403**	.180**	.580**	.190**	1

*. Correlation is significant at the 0.05 level (2-tailed).

**. Correlation is significant at the 0.01 level (2-tailed).

Source: Survey data (2017)

As it is clearly indicated in table above, significant correlation between training and employee job satisfaction ($r=0.40$, $p<0.01$). This implies that increase training is associated with increase employees' job satisfaction and training has a significant and positive relation with job satisfaction. The correlation analysis indicates that there is a positive correlation exist between empowerment and employee job satisfaction ($r=0.18$, $p>0.01$). Motivation has a significant and positive relation with employee job satisfaction ($r=0.58$, $p<0.01$). Internal communication has a positive relation with job satisfaction ($r=0.19$, $p=0.01$).

Although we cannot make direct conclusions about causality from a correlation, we can take the correlation coefficient a step further by squaring it. The correlation coefficient squared (known as the coefficient of determination, r^2) is a measure of the amount of variability in one variable that is shared by the other (Field, 2009). Therefore, based on the correlation coefficients result obtained from the table training can account for 16%, Empowerment for 3.2 %, motivation for 33.6% and internal communication for 3.6 % of the variation in job satisfaction. This implies that, the most important internal marketing practices on job satisfaction is motivation in CBE, which goes to prove that motivation is perceived as a dominant internal marketing practice to affect job satisfaction.

4.5.2. Correlation analysis for Job satisfaction – organizational Commitment

Table 4.9. Correlation analysis for Job satisfaction – Organizational commitment

Correlations			
		Job satisfaction	Organizational commitment
Job satisfaction	Pearson Correlation	1	.874**
Organizational commitment	Pearson Correlation	.874**	1
**. Correlation is significant at the 0.01 level (2-tailed).			

Source: Survey data (2017).

As it is clearly indicated in table above, strong positively significant correlation between employee job satisfaction and organizational commitment ($r=0.87$, $p<0.01$). This implies that increase employees' job satisfaction is associated with increase organizational commitment.

4.6. Regression Analysis

Multiple regression analysis was conducted to examine effect of internal marketing on organizational commitment

4.6.1 Assumptions of regressions analysis

Multiple Regressions is a statistical technique that allows us to predict someone's score on one variable on the basis of their scores on several other variables. Then, the following assumptions test should be done (Pallant, 2005).

- i. Sample size:** - Different authors tend to give different guidelines concerning the number of cases required for multiple regressions. Tabachnick and Fidell (2001) give a formula for calculating sample size requirements, taking into account the number of independent variables to use: $N > 50 + 8m$ (where m = number of independent variables). In this study four independent variables had existed and cases were 345. Therefore, the study satisfied sample size assumption.

- ii. Linear relationships:-** Job satisfaction is assumed to be linearly related with internal marketing elements; meaning the dependent variable job satisfaction is assumed to be impacted with changes in internal marketing elements (the independent variables). The relationship between the two variables should be linear. This means that at a scatter plot of scores should be a straight line (roughly), not a curve (Pallant, 2005). The scatter plots of this study show that there is almost linear relationship between the variables. The plots do not show any evidence of non-linearity; therefore, the assumption of linearity is satisfied. Please see appendix four the p- plot diagram.
- iii. No or little multicollinearity:-** Multicollinearity is used to describe correlation among independent variables. If there is high correlation between two or more predictor variables, may cause problems when trying to draw inferences about the relative contribution of each predictor variable to the success of the model (Pallant, 2005). Multicollinearity in this study was tested using Variance Inflation Factor (VIF) value and tolerance value (see annex nine). If tolerance value closed to 1 and VIF value is around 1 and not more than 10, it can be concluded that there is not multicollinearity between independent variable in the regression model (Pallant, 2005).
- iv. Homoscedasticity:-** Homoscedasticity is the variability in scores for variables of independent should be similar at all values of variable dependent. In order to ensure the fulfillment of this relationship between independent variable and dependent variable, the variance of dependent variable values must be equal at each value of independent variables (Hair, 2010). For a basic analysis it is worth plotting ZRESID (*Y*-axis) against ZPRED (*X*-axis), because this plot is useful to determine whether the assumptions of random errors and homoscedasticity have been met. Decision rule: If there were certain variant, such as organize shaping dot (waves, fuse and narrow), therefore no homoscedasticity happened. If there were not certain variant, and dots spreads above and below 0 numbers in axis *Y*, then homoscedasticity did happened (Pallant, 2005). The scatter plots show that there is homoscedasticity. Thus the assumption is reasonably supported in this study. Please see appendix five the scatter plot diagram

v. **No auto correlation:** - Regression analysis is based on uncorrelated error/residual terms for any two or more observation (Kothari, 2004). This assumption is tested for each regression procedure with the Durbin-Watson test, which test for correlation between variables residuals. The test statistic can vary between 0 and 4 with a value of 2 meaning that the residuals are uncorrelated (Field, 2009). A value greater than 2 indicates a negative correlation between adjacent residuals, whereas a value below 2 indicates a positive correlation. As a general rule, the residuals are independent (not correlated) if the Durbin-Watson statistic is approximately 2 (see Annex six), and an acceptable range is 1.50 - 2.50 (Muluadam, 2015). In this study the Durbin-waston value was 2.002, which is very close to 2, therefore it can be confirmed that the assumption of independent error has almost certainly been met.

4.6.2. Relation between Internal Marketing and Job Satisfaction

In this survey, five hypotheses were developed to study the indirect impact of internal marketing dimensions on organizational commitment through job satisfaction. For the purposes of determining the extent to which the explanatory variables (internal marketing elements such as, training, empowerment, motivation and internal communication) were examined on the dependent variable (mediating), i.e. job satisfaction using multiple regressions. Regression analysis was employed after the study met the regression assumptions. The significance level of 0.05 with 95% confidence interval was used.

(Note: $R^2 = 0.429$; $Adj. R^2 = 0.421$.; $F\text{-value} = 55.72$; $Sig = 0.000$).

The regression model presents how much of the variance in the measure of Job satisfaction is explained by the underlying internal marketing elements. The predictor variables i.e. internal communication, training, Motivation and empowerment have accounted 42.1 % (see Annex seven) of adjusted R square which indicates 42.1% job satisfaction in CBE was explained by the variation of the four predictor variables whereas the remaining 57.9% are explained by other variable of this model.

The ANOVA table tells us whether the overall model results in a significantly good degree of the prediction of the outcome variable (Field, 2009). The proposed model was adequate as the p-value is less < 0.05 i.e. 0.000 (see Annex seven). This indicates that the

overall model was statistically significant relationship between internal marketing practices and job satisfaction.

Table 4.10: Coefficients of IM- Job Satisfaction

Coefficients of Job Satisfaction						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.679	.177		3.833	.000
	Training	.110	.021	.245	5.311	.000
	Empowerment	.050	.020	.112	2.524	.012
	Motivation	.516	.050	.481	10.387	.000
	Internal Communication	.077	.021	.160	3.610	.000
a. Dependent Variable: Job satisfaction						

Source:Survey data (2017)

The objective of the regression in this study is to find out an equation that could be used to find the impact of predictors on dependent variable. The first regression equation takes the following form:

$$JS = \alpha_1 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + e$$

Where:

JS = Job Satisfaction

X1= Training

X2= Empowerment

X3= Motivation

X4= Internal communication

α_1 = the intercept term- constant which would be equal to the mean if all slope coefficients are 0.

E= error term

So the equation becomes

$$\text{Job Satisfaction} = 0.679 + 0.245X_1 + 0.112X_2 + 0.481X_3 + 0.160X_4$$

The hypothesis test results based on standardized coefficient beta and P-value to test whether the hypothesis to reject or accept. As shown from above Table 4.15 training of CBE, P value is significant ($P < 0.05$) and the beta value is positive (beta= .245). Therefore, the result supported the initial hypothesis and infers that training has a significant and positive effect on job satisfaction of CBE frontline employees. With regards to empowerment of CBE, P-value is significant ($P < 0.05$) and the beta value is positive (beta= .112). Therefore, the result supported the initial hypothesis and infers that empowerment has a significant and positive effect on job satisfaction of CBE frontline employees. The same is true for motivation of CBE, P-value is significant ($P < 0.05$) and the beta value is positive (beta= .481). Therefore, the result supported the initial hypothesis and infers that motivation has a significant and positive effect on job satisfaction of CBE frontline employees. Regarding to internal communication of CBE, P-value is significant ($P < 0.05$) and the beta value is positive (beta= .160). Therefore, the result supported the initial hypothesis and infers that internal communication has a significant and positive effect on job satisfaction of CBE frontline employees.

4.6.3. Relation between job satisfaction and organizational commitment

The ultimate goal of this study was to examine if internal marketing has effect on organizational commitment through job satisfaction; consequently, further regression analysis was conducted taking organizational commitment as dependent variable and job satisfaction as predictors

(Note: Adj. R² = 0.764.; F-value = 973; Sig=0.000).

The predictor variables i.e. job satisfaction has accounted 76.4 % (see Annex eight) of adjusted R square which indicates 76.4% of organizational commitment in CBE was

explained by the job satisfaction whereas the remaining 23.6 % are explained by other variable of model.

The ANOVA table tells us the proposed model was adequate as the p-value is less < 0.05 i.e. 0.000(see Annex eight). This indicates that the model was statistically significant relationship between job satisfaction and organizational commitment

Table 4.11. Summary of Coefficient for Job Satisfaction – organizational commitment

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.585	.082		7.141	.000
Job satisfaction	.812	.026	.874	31.200	.000
a. Dependent Variable: Organizational commitment					

Source: Survey data (2017)

The second regression equation takes the following form:

$$OC = \alpha_1 + \beta_1 X_1 + e$$

Where: OC = Organizational Commitment

X₁ = Job satisfaction

$$\text{Organizational commitment} = 0.585 + 0.874 X_1$$

The regression analysis shows that Job satisfaction has a strong and significant positive effect on organizational commitment ($P < 0.05$; $\beta = 0.874$). Thus, infers that job satisfaction has a significant and positive effect on organizational commitment of CBE frontline employees. Therefore, the result supported from the above two model; infer that

internal marketing has an effect on organizational commitment of employees through job satisfaction.

4.6. Organizational commitment of CBE employees based on gender

Table 4.12. Independent samples test of organizational commitment based on gender							
		Gender of the Respondent	N	Mean	Std. Deviation	Std. Error Mean	
Organizational commitment	Male		195	3.1323	.38779	.02777	
	Female		107	3.0880	.38297	.03702	
Independent Samples Test							
		Levene's Test for Equality of Variances		t-test for Equality of Means			
		F	Sig.	T	df	Sig. (2-tailed)	Mean Difference
Organizational commitment	Equal variances assumed	.056	.813	.953	300	.341	.04427
	Equal variances not assumed			.957	220.666	.340	.04427

Source: Survey data (2017).

The independent sample t-test was applied to compare the mean score of the two gender group (male and female). In this case, as the table depicts above shows that the mean difference between male and female subjects with organizational commitment is not significant as a p-value (0.341) is greater than 0.05. It can state with 95% confidence that there is not significant relationship between organizational commitment of CBE frontline employees' and their gender.

4.8. Organizational commitment of CBE employees based on Age

In order to determine whether there are any significant differences between organizational commitments of CBE frontline employees' and their age group, the one way ANOVA has been run. To use ANOVA, ideally the data satisfy two conditions: The dependent variable (organizational commitment) is normally distributed and the population variances across levels are equal (test of homogeneity of variance). The organizational commitment constructs as shown in Table 4.7. skewness and kurtosis value of less than 1, and normally distributed. To test homogeneity of variance it is important to look Sig. value in table 4.13. Below Sig. value (.209) is greater than 0.05. This shows that the population variances across levels are equal. Thus, test of homogeneity of variance satisfied.

Table 4.13. Test of Homogeneity of Variances of Age			
Organizational commitment			
Levene Statistic	df1	df2	Sig.
1.520	3	298	.209

Source: Survey data (2017).

As the table below shows that the mean difference between age groups subjects with organizational commitment is not significant as their Sig. value (.939) is greater than 0.05. This shows that organizational commitment of CBE frontline employees' based on age did not differ significantly. It can state with 95% confidence that there is not significant relationship between organizational commitment of CBE frontline employees' and their age group.

Table 4.14: One- way ANOVA test of organizational commitment based on age

Organizational commitment					
	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	.061	3	.020	.135	.939
Within Groups	44.795	298	.150		
Total	44.856	301			

Source: Survey data (2017).

4.9. Organizational commitment of CBE employees based on marital status

In order to determine whether there are any significant differences between organizational commitments of CBE frontline employees' and their marital status, the one way ANOVA has been run. To use ANOVA, ideally the data satisfy two conditions: The dependent variable (organizational commitment) is normally distributed and the population variances across levels are equal (test of homogeneity of variance). The organizational commitment constructs as shown in Table 4.7 skewness and kurtosis value of less than 1, and normally distributed. To test homogeneity of variance it is important to look Sig. value in Table 4.15 below. Sig. value (.725) is greater than 0.05. This shows that the population variances across levels are equal. Thus, test of homogeneity of variance satisfied.

Table 4.15 Test of Homogeneity of Variances of marital status			
Organizational commitment			
Levene Statistic	df1	df2	Sig.
.323	2	299	.725

Source: Survey data (2017).

As the table below shows that the mean difference between marital status subjects with organizational commitment is not significant as their Sig. value (.809) is greater than 0.05. This shows that organizational commitment of CBE frontline employees' based on

marital status did not differ significantly. It can state with 95% confidence that there is not significant relationship between organizational commitment of CBE frontline employees' and their marital status.

Table 4.16 : One- way ANOVA test of organizational commitment based on marital status					
Organizational commitment					
	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	.064	2	.032	.212	.809
Within Groups	44.792	299	.150		
Total	44.856	301			

Source: Survey data (2017).

4.10. Organizational commitment of CBE employees based on level of education

In order to determine whether there are any significant differences between organizational commitments of CBE frontline employees' and their level of education, the one way ANOVA has been run. To use ANOVA, ideally the data satisfy two conditions: The dependent variable (organizational commitment) is normally distributed and the population variances across levels are equal (test of homogeneity of variance). The organizational commitment constructs as shown in Table 4.7 skewness and kurtosis value of less than 1, and normally distributed. To test homogeneity of variance it is important to look Sig. value in Table 4.17 below. Sig. value (1.00) is greater than 0.05. This shows that the population variances across levels are equal. Thus, test of homogeneity of variance satisfied.

Table 4.17. Test of Homogeneity of Variances of level of education			
Organizational commitment			
Levene Statistic	df1	df2	Sig.
.000	2	299	1.000

Source: Survey data (2017).

As the table below shows that the mean difference between level of education subjects with organizational commitment is not significant as their Sig. value (.651) is greater than

0.05. This shows that organizational commitment of CBE frontline employees' based on level of education did not differ significantly. It can state with 95% confidence that there is not significant relationship between organizational commitment of CBE frontline employees' and their level of education.

Table 4.18 : One- way ANOVA test of organizational commitment based on Level of Education					
Organizational commitment					
	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	.129	2	.064	.431	.651
Within Groups	44.727	299	.150		
Total	44.856	301			

Source: Survey data (2017).

4.11. Organizational commitment of CBE employees based on service years

In order to determine whether there are any significant differences between organizational commitments of CBE frontline employees' and their service year, the one way ANOVA has been run. To use ANOVA, ideally the data satisfy two conditions: The dependent variable (organizational commitment) is normally distributed and the population variances across levels are equal (test of homogeneity of variance). The organizational commitment constructs as shown in Table 4.7 skewness and kurtosis value of less than 1, and normally distributed. To test homogeneity of variance it is important to look Sig. value in Table 4.19 below. Sig. value (0.089) is greater than 0.05. This shows that the population variances across levels are equal. Thus, test of homogeneity of variance satisfied.

Table 4.19. Test of Homogeneity of Variances of level of service year			
Organizational commitment			
Levene Statistic	df1	df2	Sig.
2.195	3	298	.089

Source: Survey data (2017).

As the table below shows that the mean difference among service years subjects with organizational commitment is not significant as their Sig. value (.792) is greater than

0.05. This shows that organizational commitment of CBE frontline employees' based on service years did not differ significantly. It can state with 95% confidence that there is not significant relationship between organizational commitment of CBE frontline employees' and their service years.

Table 4.20 : One- way ANOVA test of organizational commitment based on service year					
Organizational commitment					
	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	.156	3	.052	.346	.792
Within Groups	44.700	298	.150		
Total	44.856	301			

Source: Survey data (2017).

4.12. DISCUSSION OF THE RESULT

This study was aimed to examine the effect of internal marketing on organizational commitment of employees. Training, empowerment, internal communication and Motivation were selected as internal marketing dimensions and job satisfactions was selected as a mediating variable because they have been repeatedly used by various researchers as it has been clearly indicated in literature review part. For the purpose of this study five hypotheses were developed, brief discussion on each hypothesis is given below.

H1. There is a positive significant relation between Training and Job Satisfaction.

The research finding shows that there is a positive relation between employees training and Job satisfaction, many researchers studied the effect of training on employee's job satisfaction and how the training related to job satisfaction and proved the theory to be true. Among the studies conducted, a study conducted on the effect of employee development program on job satisfaction and employee retention by Karen (2007) was taken as example. When people receive relevant and valuable training, they are generally happier in their jobs. When that training is carried to the next level and becomes overall development, employees tend to feel even more valued by their employers. They are not only given the tool to do their jobs well, but they are also given opportunities to develop new skills and attain career goals. Companies that invest on their employees and clearly

communicate the importance of employees may keep employees (Karen, 2007). The most likely explanation for the result of this study is due to most training programs apart from the basic training given by the company for new comers, are refresher trainings which are limited in number and are highly at technical with a high tendency of employees considering the training program as part of the job not as personal development program and also the mechanism of delivering the training is not adult learning style. Hence, employee's job satisfaction drawn from the training could be insignificant for CBE frontline employees.

H2: There is a positive relationship between Communication and Job satisfaction.

As the above statistics Table 4.10 implies, communication has a positive relation with job satisfaction in CBE frontline employees. The study attested that when employees feel that they are good contributors, they will be encouraged to get involved and participate more for the sake of the organization. Yet again, when manager communicates effectively with the employees, listens to their complaints, answering their questions and provide those ways to communicate effectively, the organization will encourage them to enhance their work and feel satisfied about their jobs. The result was also supported by a case study which was conducted on The Relationship between Internal Communication and Job Satisfaction by Hrud (2011) which showed that with active and assessable communication, employees are better able to understand their job and are more connected to it.

H3: There is a positive relationship between motivation and Job Satisfaction

One of the research findings that can be concluded from the statistics provided in 4.10 is that motivation is positively related with employee's job satisfaction in CBE frontline employees. Giving the employees sense of achievement, providing them with new opportunities for advancement and promotions are key motivator that creates positive job attitudes. In addition, this result is also consistent with Mohammadi, H. et.,al (2012) finding of the positive correlation between motivation and job satisfaction.

A recent study conducted on The Impact of Internal Marketing on Employee's Job Satisfaction of Commercial Banks in Jordan states that motivating employees should be one of the main roles of the manager in the organization. The manager must acknowledge that his/her employees are the most important asset they have in order to have a

distinctive output- whether it is a tangible product or an intangible service- and costs of investing in this asset will always be for the benefit of the organization. (Sulieman et al, 2013).

H4. There is a positive significant relation between Empowerment and Job Satisfaction. One of the research findings that can be conclude from the statistics provided above is that empowerment is positively and significantly related to job satisfaction in CBE. My managers allow me to use my own judgment in solving problems and my managers encourage me to take initiatives are the major empowerment items that have a strong impact on job satisfaction.

H5. There is a positive significant relation between Job Satisfaction and organizational commitment.

When people are satisfied with their jobs, they will have a positive attitude feeling about their jobs. Therefore, it is unlikely that they will change their jobs. If employees feel that the company treats them fairly or well, the workers will feel that they are responsible to keep working hard for their companies. The finding is consistent with results obtained by Zargaran et .al (2013)

4.13. Hypothesis Results

The table below provides the summery overview of the hypothesis results of the research

Table 4.21. Summary of Hypothesis Results

Hypothesis	Analysis used	Result
H1: There is a significant positive relationship between training and Job satisfaction.	Multiple regression	Accepted (the outcome of the multiple regression supports the hypothesis; $\beta=0.245$, $p <0.05$)
H2: There is a significant positive relationship between Empowerment and Job satisfaction	Multiple regression	Accepted (the outcome of the multiple regression supports the hypothesis; $\beta=0.112$, $p <0.05$)
H3: There is a significant positive relationship between motivation and Job satisfaction.	Multiple regression	Accepted (the outcome of the multiple regression supports the hypothesis; $\beta=0.481$, $p <0.05$)
H4: There is a significant positive relationship between communication and Job satisfaction	Multiple regression	Accepted (the outcome of the multiple regression supports the hypothesis; $\beta=0.160$, $p <0.05$)
H5: There is a significant positive relationship between job satisfaction and organizational commitment	Multiple regression	Accepted (the outcome of the multiple regression supports the hypothesis; $\beta=0.874$, $p <0.05$)
H ₀ : $\mu_1 = \mu_2$ H ₁ : At least one mean value is different from others.	Independent sample t- test	Failed to accept (with 95% confidence that there is not significant relationship Between the level of organizational commitment and gender; $P(0.341) \square 0.05$.
H ₀ : $\mu_1 = \mu_2$ H ₁ : At least one mean value is different from others.	One way- ANOVA	Failed to accept (with 95% confidence that there is not significant relationship between the level of organizational commitment and

<p>$H_0: \mu_1 = \mu_2$ H_1: At least one mean value is different from others.</p>	<p>One way- ANOVA</p>	<p>age; P (0.939) \square 0.05. Failed to accept (with 95% confidence that there is not significant relationship between the level of organizational commitment and marital status;</p>
<p>$H_0: \mu_1 = \mu_2$ H_1: At least one mean value is different from others.</p>	<p>One way- ANOVA</p>	<p>P (0.809) \square 0.05. Failed to accept (with 95% confidence that there is not significant relationship between the level of organizational commitment and educational level;</p>
<p>$H_0: \mu_1 = \mu_2$ H_1: At least one mean value is different from others.</p>	<p>One way- ANOVA</p>	<p>P (0.651) \square 0.05. Failed to accept (with 95% confidence that there is not significant relationship between the level of organizational commitment and service year; P (0.792) \square 0.05.</p>

Source: Survey data (2017).

CHAPTER FIVE

CONCLUSION AND RECOMMENDATIONS

5.1. Introduction

In this chapter of the study, summary of major findings, conclusion drawn, recommendations and limitation of the study are stated.

5.2. Summary of major findings

The general objective of the study was to examine the effect of internal marketing on organizational commitment of employees, examine the dimension of internal marketing that affect organizational commitment indirectly through job satisfaction. The researcher has employed explanatory research design with which job satisfaction was explained using the four internal marketing dimensions and the relationship between job satisfaction and organizational commitment was established. And primary data was collected from selected employees of the bank through questionnaire. In order to analyze the collected data, correlation, multiple regressions, independent sample t-test and one way ANOVA were employed.

The results of data computations are summarized as follows.

From the correlation analysis done, it is clearly indicated in table 4.12, significant correlation between training and employee job satisfaction ($r=0.40$, $p<0.01$). This implies that increase training is associated with increase employees' job satisfaction and training has a significant and positive relation with job satisfaction. The correlation analysis indicates that there is a positive correlation exist between empowerment and employee job satisfaction ($r=0.18$, $p>0.01$). Motivation has a significant and positive relation with employee job satisfaction ($r=0.58$, $p<0.01$). Internal communication has a positive relation with job satisfaction ($r=0.19$, $p=0.01$).

As it is clearly indicated in table 4.13, strong positively significant correlation between employee job satisfaction and organizational commitment ($r=0.87$, $p<0.01$). This implies that increase employees' job satisfaction is associated with increase organizational commitment.

The first regression analysis obtained from the model summary showed that, the predictor variables i.e. internal communication, training, Motivation and empowerment have accounted 42.1 % (seen Appendix seven) of adjusted R square which indicates 42.1% job satisfaction in CBE was explained by the variation of the four predictor variables whereas the remaining 57.9% are explained by other variable of this model.

The hypothesis test results based on standardized coefficient beta and P-value to test whether the hypothesis to reject or accept. As shown from above Table 4.15 training of CBE, P value is significant ($P < 0.05$) and the beta value is positive (beta= .245). Therefore, the result supported the initial hypothesis and infers that training has a significant and positive effect on job satisfaction of CBE frontline employees. With regards to empowerment of CBE, P-value is significant ($P < 0.05$) and the beta value is positive (beta= .112). Therefore, the result supported the initial hypothesis and infers that empowerment has a significant and positive effect on job satisfaction of CBE frontline employees. The same is true for motivation of CBE, P-value is significant ($P < 0.05$) and the beta value is positive (beta= .481). Therefore, the result supported the initial hypothesis and infers that motivation has a significant and positive effect on job satisfaction of CBE frontline employees. Regarding to internal communication of CBE, P-value is significant ($P < 0.05$) and the beta value is positive (beta= .160). Therefore, the result supported the initial hypothesis and infers that internal communication has a significant and positive effect on job satisfaction of CBE frontline employees.

The second regression analysis obtained from the model summary showed that, the predictor variables i.e. job satisfaction has accounted 76.4 % (see Annex eight) of adjusted R square which indicates 76.4% of organizational commitment in CBE was explained by the job satisfaction whereas the remaining 23.6 % are explained by other variable of model.

The regression analysis as shows in table 4.16 that Job satisfaction has a strong and significant positive effect on organizational commitment ($P < 0.05$; $\beta = 0.874$). Thus, infers that job satisfaction has a significant and positive effect on organizational commitment of CBE frontline employees. Therefore, the result supported from the above two model; infer that internal marketing has an effect on organizational commitment of employees through job satisfaction.

5.3. Conclusions

Commercial bank of Ethiopia has a vision to become a world-class commercial bank by the year 2025. In an effort to attain its vision, managers and policy makers in the bank

need to give more emphasizes to this idea of internal marketing and apply this concept in a more focused and thorough manner. Management of CBE must consider the organization as its first market and satisfy the needs of its internal customers. It must also establish an internal marketing program for CBE on the basis of those internal marketing dimensions which enhance organizational commitment.

The findings that can be concluded from the statistics provided above is that training is positively and significantly related to job satisfaction in CBE. When people receive relevant and valuable training, they are generally happier in their jobs. When that training is carried to the next level and becomes overall development, employees tend to feel even more valued by CBE. The finding is consistent with results obtained by Karen (2007).

The most important factor that can affect job satisfaction is motivation, as the above statistics imply, motivation has a positive and significant effect on job satisfaction of CBE frontline employees. Giving the employees a sense of achievement, providing them with new opportunities for advancement and promotions are key motivators that create positive job attitudes. The finding is consistent with results obtained by (Prof.S.K. & Viveki, 2011).

One of the research findings that can be concluded from the statistics provided above is that empowerment is positively and significantly related to job satisfaction in CBE. My managers allow me to use my own judgment in solving problems and my managers encourage me to take initiatives are the major empowerment items that have a strong impact on job satisfaction. Empowerment is an extremely effective management control tactic, which significantly influences the behavior and attitudinal character of employees' job satisfaction. Previous researches have also highlighted the significant relationship between empowerment and job satisfaction (Thomas & Velthouse, 1990).

In regard to internal communication, internal communication has a positive and significant effect on job satisfaction of CBE frontline employees. The study attested that when employees feel that they are good contributors, they will be encouraged to get involved and participate more for the sake of the organization. Yet again, when a manager communicates effectively with the employees, listens to their complaints, answers their questions and provides those ways to communicate effectively, the organization will

encourage them to enhance their work and feel satisfied about their jobs. The finding is consistent with results obtained by Anderson and Martin (1995), Downs and Hazen (1977).

The last major finding was the effect of job satisfaction on organizational commitment of employees. The statistical result showed, job satisfaction has a significant relation with organizational commitment of CBE frontline employees. I am satisfied with my job because there is equal growth and development opportunity and the employees in the organization feel secured in their job are some of the job satisfaction items that have a strong impact on organizational commitment. Satisfied employees tend to be more loyal to their organization. Generally, when people are satisfied with their jobs, they will have a positive attitude feeling about their jobs. Therefore, it is unlikely that they will change their jobs. If employees feel that the company treats them fairly or well, the workers will feel that they are responsible to keep working hard for their companies. The finding is consistent with results obtained by Zargaran et .al (2013)

One of the research objectives was met by employing independent t-test and one way ANOVA. Both results showed that no significant variation between CBE frontline employees of different gender, age, marital status, level of education and service years with organizational commitment. From this one can conclude that there is no significant relationship between organizational commitments of CBE frontline employees' and their five demographic profiles.

Finally, all selected internal marketing dimensions have significant relation with job satisfaction and job satisfaction has impact on organizational commitment which implies internal marketing have indirect impact on organizational commitment.

5.4. Recommendation

Based on the findings of the study, the following recommendations can be forwarded

- As internal marketing is the process of attracting, developing, motivating, and retaining qualified employees through job-products that satisfy their needs. The first recommendation given is, for CBE to attract, develop, motivate, and retain qualified employees by enabling Human Resource Department should implement market-like approach.
- Managers should empower frontline employees because it is proved that from the findings when the frontline employees are participants in decision making process they provide much better committed employees. Instead of taking each and every decision making situation to the managers, the employees should be empowered to decision making in cases where the decision is routine and not critical, then the frontline employees will be able to have better organizational commitment.
- Since communication has a significant impact on organizational commitment, CBE should develop an open communication system between management and sub ordinates and also among employees to create connection, and to encourage employees forward their constructive ideas. So, in order to achieve committed employees managers should make regular meetings with the frontline employees to hear their opinions and feedbacks about the job. Moreover, before any policy and procedures change managers should inform them phase to phase in advance.
- Training is recommended to be continuous process with no end for frontline employees. CBE should arrange both on job and off job training programs especially when new employees are hired, new technologies are introduced and when new procedures and methods of operation are applied.
- Furthermore, motivation is one of internal marketing element an organization to give due attention to encourage employees; hence, CBE should be periodically assessed frontline employees performance, rewarding system and on incentives to encourage employees like, bench marking international carrier practices on salary scales and other benefits .

5.5 Limitations and directions for future researches

5.5.1. Limitations

This study was conducted only CBE that are found in Addis Ababa branches and this means it is difficult to generalize the study to all other private banks or industries .Next, Even though there are numerous Job categories in CBE, the study targeted only front line employees of CBE that are a direct contact with customer. It could have been more generalized if other customer service officer other than front line employees from different job categories were incorporated to this study.

5.5.2. Directions for future researches

Future researches should apply the study's model on a larger population of CBE, other private banks and other service and manufacturing industries. It is also possible that additional dimensions of internal marketing, other factors and constructs that can be included in a comprehensive model.

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APPENDIX ONE

Questionnaire



Addis Ababa University College of Business and Economics

School of Commerce Post Graduate Studies Program

Dear Respondent,

I am a graduate student in the department of marketing management, in AAU School of Commerce. Currently I am undertaking a research entitled '**The Effect of Internal Marketing on Organizational Commitment of Employees**'. The questioner is designed to enable me collect information for the research. You are one of the respondents selected to participate on this study. Please assist me in giving correct and complete information to present a representative finding. Your participation is entirely voluntary and the questionnaire is completely anonymous.

Finally, your kind assistance to this questionnaire will be appreciated. I confirm you that the information that you share me will be kept confidential and only used for the academic purpose.

Thanks for your co-operation.

For further information +251911699130

SECTION 1: RESPONDENT'S DEMOGRAPHIC INFORMATION

This part of the questionnaire includes item related to basic data of respondents please indicate your responses by putting \surd marks in the circle.

1. Gender: Male Female
2. Age: 20-25 26-30 31-40 41 and more
3. Marital status single married Divorced Widowed
3. Level of your education: Diploma Bachelor Master and above
4. Service years at CBE:
 1-3years 4-6 years 7-10 years 11-15 years
 More than 15 years

SECTION 2: INTERNAL MARKETING

Please put ✓ mark in the following questions in terms of how much you agree with the statement. (i.e. 1 being you strongly disagree and 5 being you strongly agree)

Where, 1-Strongly Disagree 2- Disagree 3-Neutral 4-Agree and 5-Strongly Agree

No	Training	Strongly Disagree	Disagree	Neutral	Agree	Strongly agree
1	In CBE training is closely related to the individual needs of each frontline employee.					
2	A newly hired employee will have to find his own answers to the requirement of the job.					
3	Before the implementation of a major change in service rules i always gets significant training regarding its impact on our daily activities and job description.					
4	If one moved from one task to another, the manager will facilitate to train him/her for a pre-specified period.					
5	CBE has adequate resources to train employees					
6	Training is clearly directed at creating the Competencies that is important to the business.					
	Empowerment					
1	My managers allows me to use my own judgment in solving problems					
2	My managers encourage me to take initiatives					
3	My managers allow me to take a high degree of initiative.					
4	My managers trust me to exercise good judgment.					
	Motivation					
1	When I do something extra ordinary I know that I will receive some kind of reward.					
2	I receive feedback from my supervisor on my job performance regularly.					

3	The incentive given to employees are motivating and on competitive basis.					
4	The performance measurement reward system encourages employees to work hard.					
5	My income and the annual increment are based on periodic performance evaluation					
	Internal Communication					
1	Before any policy and procedures change my manager informs me phase to phase in advance					
2	Managers are sincerely interested in listening to what frontline employees have to say about their jobs, the problems they have and the solutions that employees suggest.					
3	If an employee has a certain personal problem that influences negatively his/her work performance, she/he is encouraged to discuss it with his/her manager.					
4	Branch manager is never too busy if one of their Frontline employees wishes to meet personally					
5	Branch manager is spend time with their customer service officer, explaining them organization values and how these vales affect what the organization expects from each individual employee					
	Job satisfaction					
1	I love my job and I am satisfied with my current carrier.					
2	The employees in the organization feel secured in their job.					
3	I am satisfied with my job because there is equal growth and development opportunity.					
4	I am satisfied with the salary I draw at present.					
5	I am satisfied with the responsibility and role that I have in my work.					
3	I feel that I have very few options to consider					

	leaving this bank.					
4	Right now, staying with my bank is a matter of necessity as much as desire.					
5	Too much in my life would be disrupted if I decided to leave my bank now					
6	One of the few serious consequences of leaving this organization would be the scarcity of available alternatives.					

SECTION 3: ORGANIZATIONAL COMMITMENT

This organizational commitment scale is intended to measure your perception of the three dimensions of organizational commitment such as Affective, Normative, and Continuance. Please make a \checkmark mark on your response to the following questions in terms of how much you agree with the statement according to the five point scale labeled. (i.e. 1 being you strongly disagree and 5 being you strongly agree)

Where, 1-Strongly Disagree 2- Disagree 3-Neutral 4-Agree and 5-Strongly Agree

No	Affective Commitment	Strongly Disagree	Disagree	Neutral	Agree	Strongly agree
1	I would be very happy to spend the rest of my career with this bank.					
2	I really feel as if this bank's problems are my own					
3	I feel a strong sense of belonging to this bank.					
4	I do not 'feel emotionally attached' to this bank.					
5	I do not feel like 'part of family' in this bank.					
6	This organization has a great deal of personal meaning for me.					
7	I enjoy discussing about my bank with people outside it.					
8	I think that I could easily become as attached to other bank as I am to this one.					
	Continuance Commitment					
1	I am not afraid of what might happen if I quit my job without having another one lined up.					

2	It would be very hard for me to leave my bank right now, even if I wanted to.					
3	I feel that I have too few options to consider leaving this bank.					
4	Right now, staying with my bank is a matter of necessity as much as desire.					
5	Too much in my life would be disrupted if I decided to leave my bank now					
6	One of the few serious consequences of leaving this bank would be the scarcity of available alternatives.					
7	It wouldn't be too costly for me to leave my bank is a matter of necessity as much as desire.					
8	One of the major reasons I continue to work for this bank is that leaving would require considerable personal sacrifice-another bank may not much the overall benefits I have here.					
	Normative Commitment					
1	I think that people these days move from bank to bank too often.					
2	I do not believe that a person must always be loyal to his or her bank.					
3	Jumping from bank to bank does not seem at all unethical to me.					
4	One of the major reasons I continue to work in this bank is that I believe loyalty is important and therefore feel a sense of moral obligation to remain.					
5	If I got another offer for a better job elsewhere I would not feel it was right to leave my bank.					
6	Things were better in the days when people stayed in one organization for most of their careers					
7	I was taught to believe in the value of remaining loyal to one bank.					
8	I do not think that to be a 'bank man' or 'bank women' is sensible any more					

APPENDIX TWO

345 Random Numbers

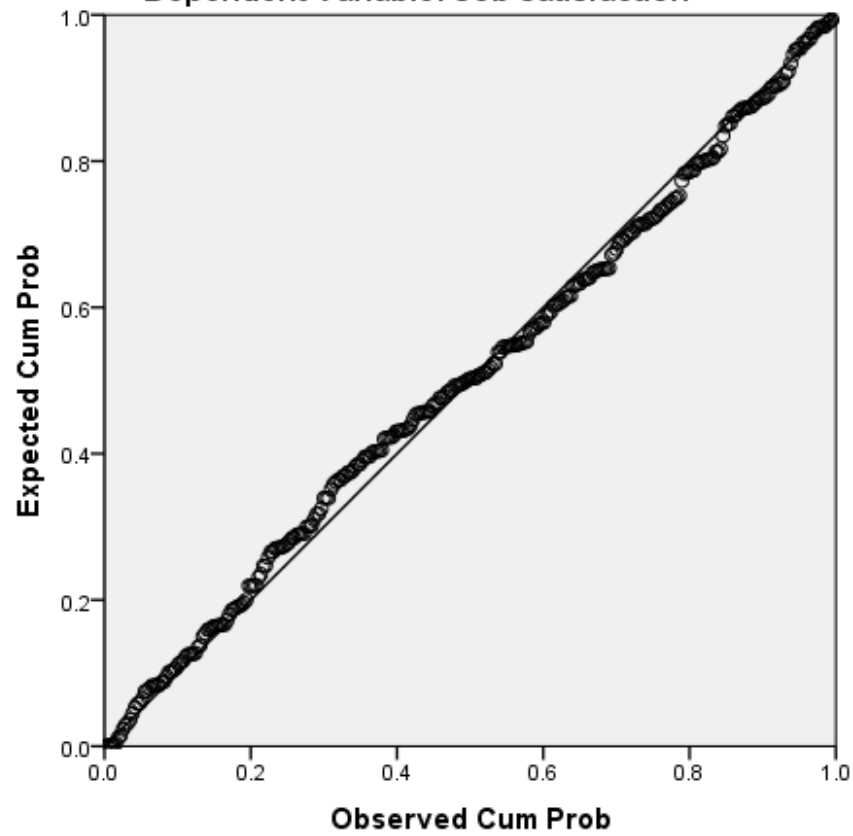
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1143 1882 1480 2684 1581 3077 2005 2712 3099 2844 0195 1312 2283 2785 2880 0086 1640 1298
3231 3355 2078 2493 0341 0874 0181 2260 1946 1982 1873 2201 1216 1663 2137 3223 1567 1517
2575 1909 2092 1545 3186 1677 0282 0145 2370 1618 2967 2333 1727 2639 3318 2187 2165 1326
1335 3122 0268 1093 2940 0815 2867 1034 2210 3004 2224 2055 1654 2858 2662 0742 3085 0377
0765 0509 1275 2392 2457 0450 0546 1166 2721 1472 3405 1020 3158 0158 1421 1955 1262 3341
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2894 2552 1070 2101 3332 1239 2502 2128 1435 0099 0692 0728 0619 0947 3377 2917 3391 1968
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0924 2538 2019 1763 2529 0231 1202 2611 1800 2420 0560 0218 2151 2274 0997 2319 2675 3209
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0147 1086 3284 1013 0088 0357 2057 1278 1109 0708 1912 1715 3211 1232 2846 3234 2978 0329
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1561 1861 2773 0037 1415 2299 1460 0562 2349 0402 0320 2167 0949 2094 1168 1437 3138 1451
2190 1788 2992

pecs: This table of 345 random numbers was produced according to the following specifications:
Numbers were randomly selected from within the range of 1 to 3415. Duplicate numbers were not
allowed. This table was generated on 6/21/2017.

APPENDIX THREE

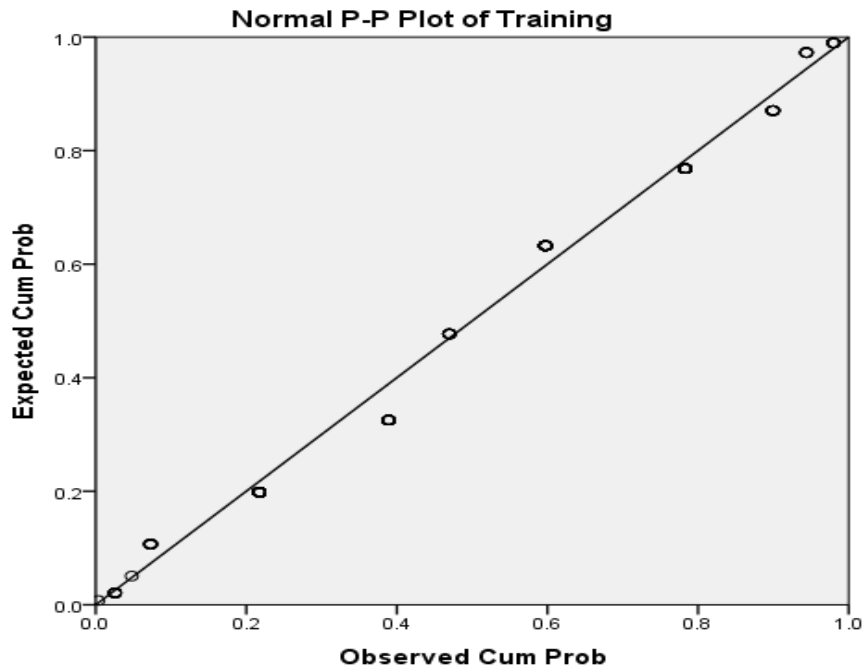
Normal P-P Plot of Regression Standardized Residual

Dependent Variable: Job satisfaction

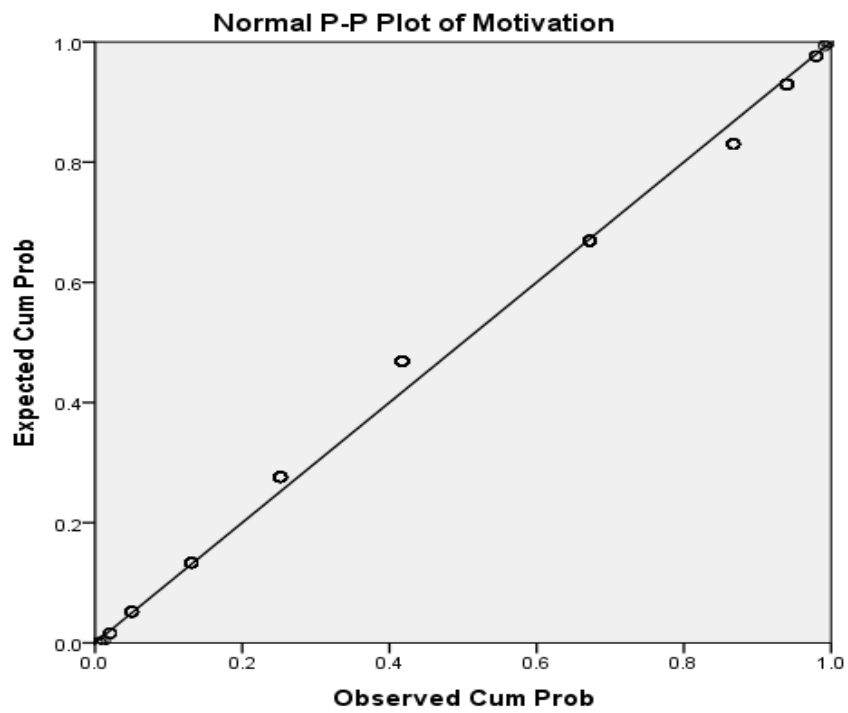


Scatter plot linearity test for internal marketing mix elements with organizational commitment

Training and job satisfaction

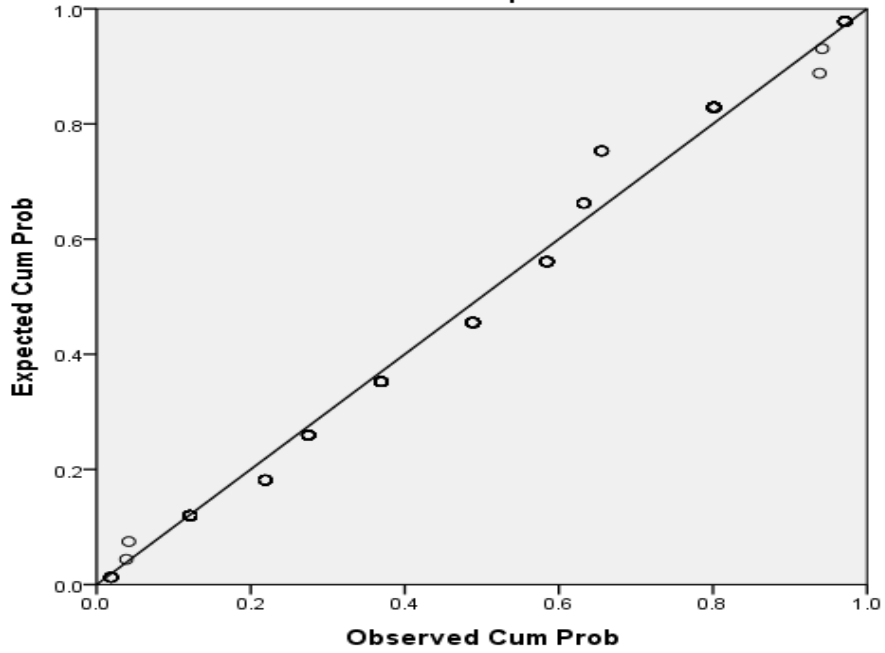


Motivation and Job Satisfaction



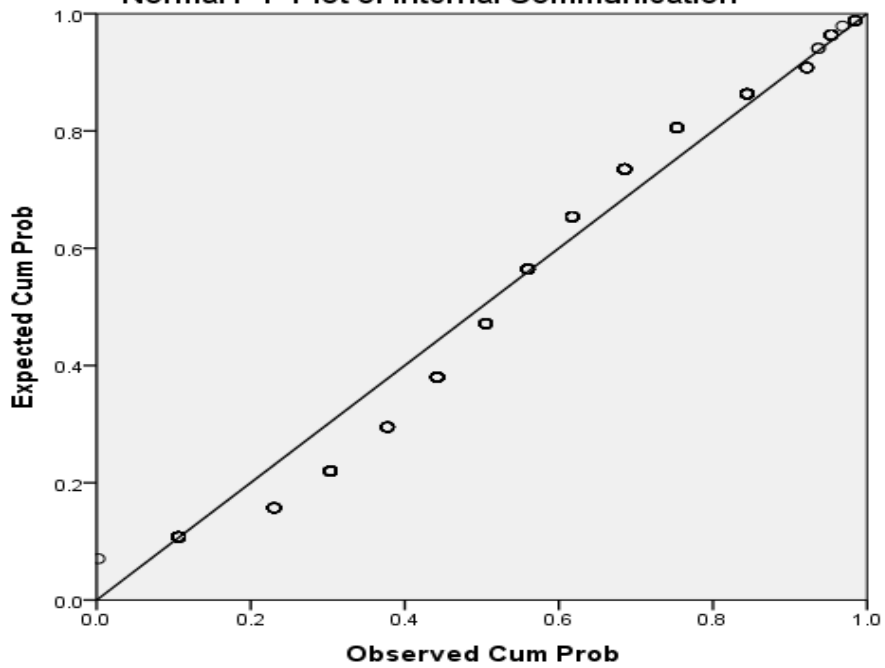
Empowerment and Job satisfaction

Normal P-P Plot of Empowerment

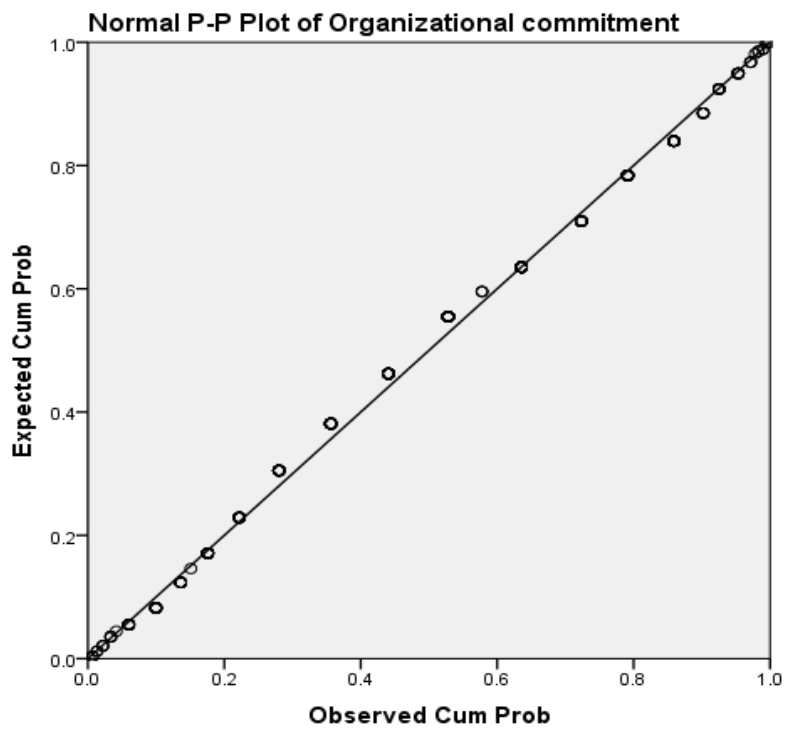
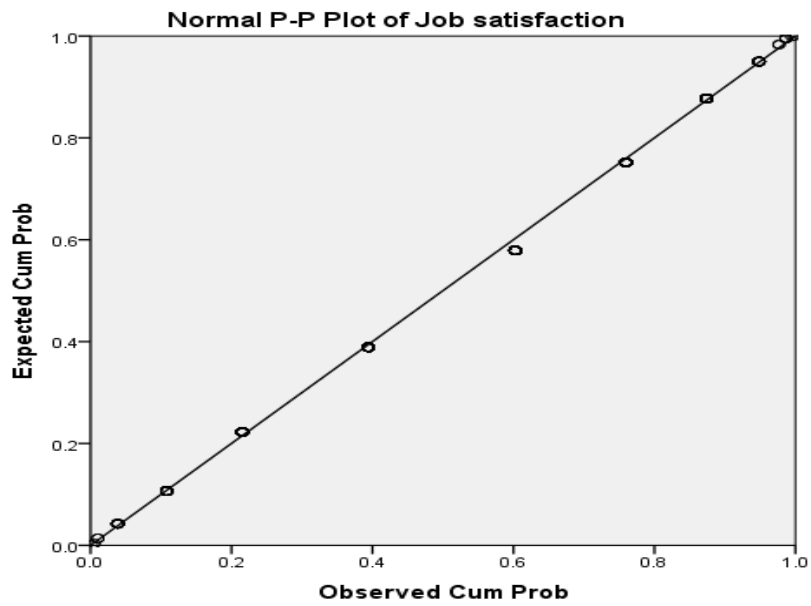


Internal communication and job satisfaction

Normal P-P Plot of Internal Communication



APPENDIX FOUR

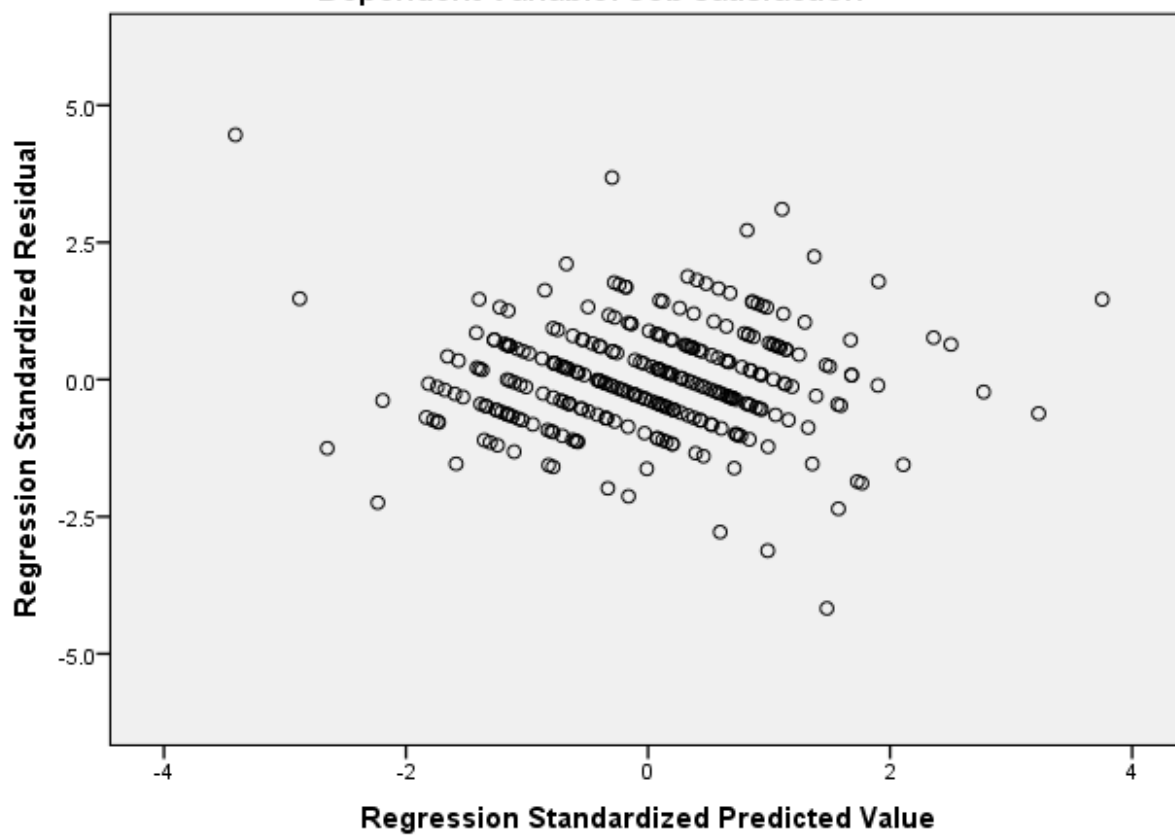


Scatter plot Homoscedasticity test for internal marketing mix elements and organizational commitment

APPENDIX FIVE

Scatterplot

Dependent Variable: Job satisfaction



APPENDIX SIX

Model summary of Durbin Watson

Model	Change Statistics					Durbin-Watson
	R Square Change	F Change	df1	df2	Sig. F Change	
1	.429	55.728	4	297	.000	2.002

a. Predictors: (Constant), Internal Communication, Training, Empowerment, Motivation

b. Dependent Variable: Job satisfaction

Source: survey data (2017)

APPENDIX SEVEN

Model Summary for IM-Job Satisfaction

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.655 ^a	.429	.421	.31616
a. Predictors: (Constant), Internal Communication, Training, Empowerment, Motivation				
b. Dependent Variable: Job satisfaction				

Source: survey data (2017)

ANOVA- IM – Job satisfaction

ANOVA of Job Satisfaction						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	22.282	4	5.571	55.728	.000 ^b
	Residual	29.688	297	.100		
	Total	51.970	301			
a. Dependent Variable: Job satisfaction						
b. Predictors: (Constant), Internal Communication, Training, Empowerment, Motivation						

Source: Survey data (2017).

APPENDIX EIGHT

Model Summary for Job Satisfaction- organizational Commitment

Model Summary organizational Commitment					
Model	R	R Square	Adjusted Square	R	Std. Error of the Estimate
1	.874 ^a	.764	.764		.20202
a. Predictors: (Constant), Organizational commitment					

Source: Survey data (2017).

Summary of ANOVA for Job Satisfaction – organizational commitment

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	34.288	1	34.288	973.426	.000 ^b
	Residual	10.567	300	.035		
	Total	44.856	301			
a. Predictors: (Constant), Job satisfaction						
b. Dependent Variable: Organizational commitment						

Source: Survey data (2017).

APPENDIX NINE

Multicollinearity of Internal Marketing elements

Model	Collinearity Statistics	
	Tolerance	VIF
Training	.901	1.110
Empowerment	.970	1.031
Motivation	.896	1.116
Internal Communication	.982	1.018

Dependent Variable: Job satisfaction

Source: Survey data (2017)