

Examining the Psychometric Properties of Internal Marketing Concept: Scale Development and Validation in Jordanian Manufacturing Sector

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ABSTRACT

This research examined the measurement properties of internal marketing (IM) concept and developed a valid and reliable measurement scale that measures the level of internal marketing. To pursue towards our objective, a series of studies was conducted for the development and validation of multiple measures for the dimensions of IM. In the first study, the research team generated 65 statements that reflect the seven components of IM. Following the item generation step, four faculty members served as judges to evaluate the content/face validity of the items and over a period of two weeks, a group of customers evaluated the 65 statements and narrowed them down to 40 statements. Data for the study were collected from 416 full time employees at M. Haddad and Sons Co. Utilizing structural equation modeling and after a series of exploratory and confirmatory factor analyses, it was found that IM scale consists of 31 statements that reflects seven components: (1) Motivation and Reward System, (2) Effective Communication, (3) Effective Employees' Selection, (4) Effective Employees' Recruitment, (5) Effective Employees' Development, (6) Effective Support System and (7) Healthy Work Environment.

Keywords: Internal Marketing, Scale Development.

INTRODUCTION

Internal marketing becomes rapidly one of the most important concepts in the marketing field. Despite the rapidly accumulating literature on the topic, very few companies in our region apply this concept. Moreover, most managers do not even know the real meaning of internal marketing and the appropriate method of implementation. Internal marketing was originally developed in the service sector. Kotler and Armstrong (2006, p.67) asserted that it refers to *“marketing by a service firm to train and effectively motivate its customer-contact employees and all the supporting service people to work as a team to provide customer satisfaction.”*

Whilst the focus has been primarily upon service firms, internal marketing could be equally important in all firms, including manufacturers, non-profit entities and government agencies (Cahill, 1995). It is difficult for any organization to achieve high performance, without giving attention to their employees' development and establishing successful relationships with their organizational buyers. Hence, reaching a high level of performance depends on many factors such as top management support and management commitment. However, most of these factors are affected by the level of the company's investment in effective and efficient internal marketing.

The Study Problem:

While many academics and professionals have made contributions to the now extensive literature on internal marketing concept (IM), IM requirements and outputs,

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little work has been done on validating the measure IM practices. Rafiq and Ahmed (2000) identified five main elements of internal marketing: (1) employee's motivation and satisfaction, (2) customer's orientation and customer's satisfaction, (3) inter-functional coordination and integration, (4) marketing-like approach to the above, and (5) implementation of specific corporate or functional strategies. The authors asserted that given that valid measures of the constructs in the model already exist; it should be possible to develop a reliable measure of IM scale as a considerable contribution in IM research. Therefore, in this research, we examine the measurement properties of internal marketing construct and develop a valid and reliable measurement scale that measures the level of internal marketing implementation. In pursuing toward this objective, the level of internal marketing implementation in M. Haddad and Sons Co will be measured as a case study on Jordanian industrial sector. To the best knowledge of the researchers, this is the first attempt to examine this concept in industrial companies in Jordan

Significance of the study:

The review of literature showed that most of previous studies have been conducted in relation to the service sector, and very little have addressed the industrial sector. This study focuses on measuring the internal marketing practices in regards to the manufacturing and industrial sector.

According to the latest statistics published by Jordan Chamber of Industry and Central Bank of Jordan (2009), the industrial sector contributes between 16 to 20 percent of GDP in Jordan, employs roughly 10 percent of the labor force, provides much-needed foreign exchanges, and also accounts for nearly 70 percent of domestic exports. From the above facts it can be seen that industrial sector must be considered as one of the major

sectors in driving Jordan's economic future. In view of this, the industrial sector should be considered as an important field of study.

To eliminate bias in choosing one industry over another, M. Haddad and Sons Co. was selected as a representative of the manufacturing and distribution companies in Jordan. This company manufactures a variety of consumer products. Each division inside the company has its own employees, management and distribution channels. M. Haddad and Sons Co. has more than 600 employees and more than 5500 direct distribution channels and outlets. By local standard, M. Haddad and Sons Co. is considered to large be enough to conduct this study.

The findings of this research will contribute to the marketing literature because it represents the first study to examine the psychometric properties for internal marketing concept in Jordan. Moreover, managers in organizations will have a better guild on how to foster the internal marketing culture in their organizations and better comprehend the importance of such culture in enhancing the performance of their organizations.

INTERNAL MARKETING CONCEPTUAL DEVELOPMENT

The roots of the internal marketing concept lie in efforts to improve service quality. A key assumption underlying the view of internal marketing is to satisfy customers. The firm must also satisfy employees.' Satisfied employees create satisfied customers who are more loyal, and therefore, create more profit for the company (Ahmad and Rafiq, 2002).

Internal marketing is viewed as planned efforts to align, motivate, and integrate employees toward effective implementation of corporate strategies by treating them like customers through job products that satisfy their needs (Gronroos, 1981; Berry and Parasuraman, 1991; Rafiq and Ahmed 1993).

Thus, internal marketing is concerned with (1) improving employee routines through internal motivation, (2) ensuring that the entire organisation understands each department's function, (3) marketing the organisations product or services to customers, and (4) improving the overall business process within an organisation to ensure that resources to progress the organisations aspiration are made available to the internal customer (Joesph, 1996). Rafiq and Ahmed (2000) synthesized the research on IM and defined it as: 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 (p. 454)

After careful examination of the previous research, this research extends the current work on internal marketing by including all dimensions of internal marketing in a single study and examines the dimensionality and the measurement properties of these factors. Figure 1 depicts the proposed model. In this study, it illustrates that internal marketing is a multi-dimensional construct that consists of seven dimensions. These dimensions are:

1. Motivation and Reward System
2. Effective Communication
3. Effective Employees' Selection
4. Effective Employees' Recruitment
5. Effective Employees' Development
6. Effective Support System
7. Healthy Work Environment

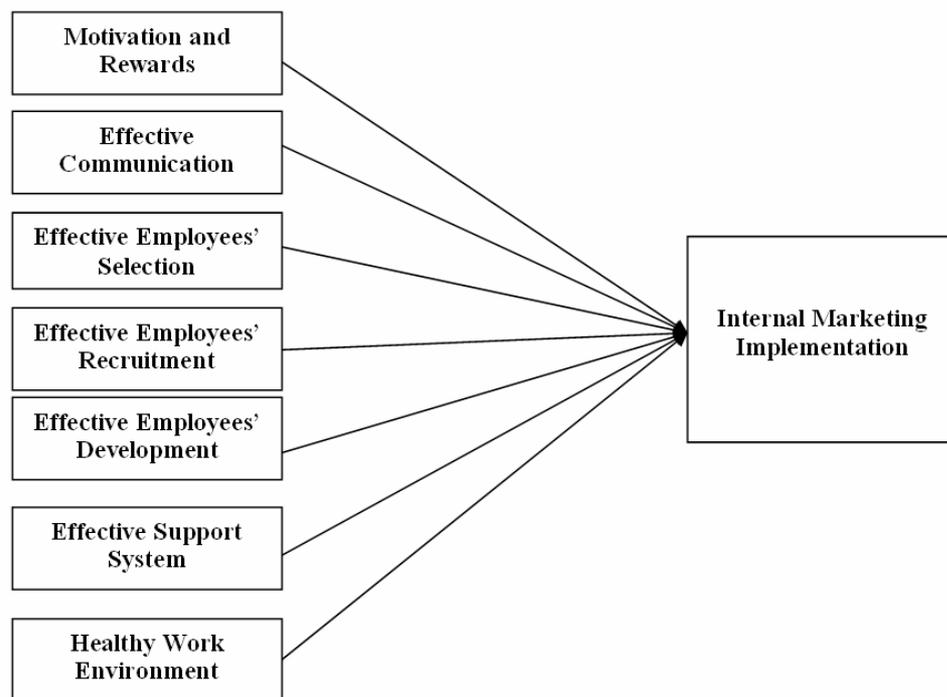


Figure 1: Proposed Dimensions for Internal Marketing Implementation

***This model is developed on the basis of the previous studies , and mainly on Rafiq and Ahmed (2000)work.**

Motivation and Reward Systems:

Organizations competing in the labor market consider their employees not just as a cost but as a resource in which the organization has invested and from which it expects a valuable return. (Noe, Hollenbeck, Gerhart, and Wright, 2006). To develop and maintain personnel, a business must formulate a compensation plan that attracts, motivates, and retains the most effective individuals. This plan should be flexible, equitable, easy to administer, and easy to understand. Good compensation programs facilitate and encourage proper treatment of customers. (Pride and Ferrell. 2000).

Companies that seek competitive advantage through employees must be able to manage the behavior and output their employees. One of the most difficult challenges is how to get managers to distinguish between good, average, and poor performers (Noe, Hollenbeck, Gerhart, and Wright, 2006).

Excellent service companies know that positive employee's attitudes will promote stronger customer's loyalty. Kotler and Keller (2006) report that there is a high correlation between customer's satisfaction, employee's satisfaction, and store profitability. (Kotler and Keller, 2006). Motivating individuals and encouraging them to behave in an excellent, right way leads to positive results and vice versa. Failure to deliver motives will lead to negative results. The most important thing managers can do to raise employee satisfaction is to focus on making the work challenging and interesting. (Robbins and Judge, 2007)

Benefiting from employees' knowledge requires a management style that focuses on developing and empowering employees to be held accountable for their actions,; in return, they share the rewards and losses results from these actions . Pay plan are typically used to energize, direct, or control employee behavior. Most employees compare their own pay with that of others,

especially those in the same job. (Noe, Hollenbeck, Gerhart, and Wright, 2006).

Many organizations today recognize that motivating employees also requires a level of respect between management and workers. This respect can be seen as involving employees in decisions that affect them, listening to employees, and implementing their suggestions where appropriate. (Decenzo and Robbins, 2005, page 43). Tansey and McGrath, (2004) addressed the manner in which management can use internal marketing to motivate employee to provide the best possible service to customers. The study focused on using internal marketing as a mechanism for ensuring the motivation of service employees. The implementation of an internal marketing program ensures that motivation is at the forefront of managements' priorities. This study views that motivation is not solely the responsibility of human resources but rather the responsibilities of all managers throughout the organisation.

Effective Communication:

Internal marketing communications can be both vertical and horizontal, Vertical communication is either downward, from management to employees, or upward, from employees to management. Horizontal communication is one that across functional boundaries in an organization. (Zeithaml and Bitner, 2000)

Communication serves major functions within a group or organization: (Robbins and Judge, 2007) such as (1) controlling members' behavior (2) fostering motivation by clarifying to employees what is to be done, the formation of specific goals, feedback on progress toward the goals and reinforcement of desired behavior all stimulate motivation and require communication, (3) facilitating decision making. Thus, effective communication is essential to any group's or

organization's effectiveness. This is essential to provide employees with the information, tools, and skills to perform successful interactive marketing. Some of these skills are provided through training.

Chuan and Wen (2005) examined the significant factors and structural aspects of internal marketing in high – tech industries in Taiwan. The management, who were interviewed, generally agreed that their companies have implemented internal marketing, organization learning, and innovation functions. To employees, the highest consent and satisfaction is for companies, which make the effort to communicate with employees. At the managerial and supervisory levels, acquisition of information and communication with employees is necessary. Leaders who can clearly express the organization's development vision and perspectives may be more effective in achieving employees' commitment and satisfaction.

Effective Selection:

The objective of effective selection is to match individual characteristics (ability, experience, and so on) with the requirement of the job. When management fails to get a proper match, both employees and organization will suffer (Robbins and Judge, 2007). The explicit goal of selection process is to identify and hire individuals who have the knowledge, skills, and abilities to perform the jobs within the organization successfully. Management should strive during the selection of new employees to find job candidates who not only have the ability, experience, and motivation to perform but also a value system that is compatible with that of organizations (Robbins and Judge, 2007).

Effective Recruitment:

The role of recruitment is to build a supply of potential new hires that the organization can draw on if the need arises. Thus, human resource recruitment is defined as any practice or activity carried on by the

organization with a primary purpose of identifying and attracting potential employees (Noe, Hollenbeck, Gerhart, and Wright, 2006).

An effective recruiting process requires a significant pool of candidates to choose from. The more diversity within that group, the better the recruitment will be (Decenzo and Robbins, 2005). However, the best quality workers are becoming harder to locate, so the process of generating a large numbers of qualified applicants may incur great expense on the organizational account, in terms of both time and money.

Just as it is important to select the right customers before trying to keep them, a company must find the right kinds of employees before enticing them to stay (Lovelock, 1996). Therefore, effective recruitment is an important step in the application of internal marketing. Finding applicants, who have the competence, ability, and willingness to work, may not be an easy task. By implementing more effective employee recruiting techniques, the company is more likely to be able to recruit more suitable employees.

Employees' Development:

Competent employees do not remain competence forever. Skills deteriorate and become obsolete and calling for new skills need to be learned (Robbins and Judge, 2007). Development is the acquisition of knowledge, skills, and behaviors that improve an employee's ability to meet changing in job requirements and different customer demands (Noe, Hollenbeck, Gerhart, and Wright, 2006). Several elements have been suggested for employees' development. The first and mostly adopted is employees' training. Training focuses on enhancing employees' personal qualities that lead to greater organizational productivity (DeCenzo and Robbins, 2005). Employees' ability to acquire knowledge and skills in the training programs and apply the newly adopted skills in their jobs will create a

learning environment inside the organization to facilitate the coordination of the different functions inside the organization.

The second element of employees' development is related to employees' involvement and empowerment. When involving the employees in decisions that affect them, increasing their autonomy and control over their work lives, employees will become more motivated, committed, productive, and satisfied with their jobs (Robbins and Judge, 2007). Empowerment means giving employees the desire, skills, tools, and authority to serve the customer. While the key to empowerment is giving employees authority to make decisions, authority alone is not enough. Employees need the knowledge and tools to be able to make these decision, they need incentives that will encourage them to make the right decisions (Zeithaml and Bitner, 2000). Empowerment leads to employees becoming more adaptive. Empowerment also leads to quicker response by employees to the needs of customer. Empowerment is crucial in allowing employees to customize service delivery (Ahamd and Rafiq, 2002).

Finally, fostering the team work spirit among the employees will contribute in developing the employees because they will be able to better understand each other and open up communication in work groups (Robbins and Judge, 2007). Hence, facilitating the inter-functional coordination that helps the organization to be more market oriented.

Effective Support Systems:

Today more than ever, businesses are using information technology to gain and sustain a competitive advantage (Haag, Cumming, and Phillips. 2007). To support a workforce by creating systems that would support communication and information transfer is of a fundamental importance (Dunmore, 2002).

The company's marketing information system should

be cross between what managers think they need, what managers really need, and what is economically feasible (Kotler and Keller, 2006). The main focus of the marketing system is on data storage and retrieval, as well as on computer capabilities and management's information requirements (Pride and Ferrel, 2000).

New technology causes changes in skill requirements and work roles and often results in redesigning work structures, fax, computers, sophisticated equipment share information with others and help working in teams through technology, and the information needed to improve customer service and product quality becomes more accessible to employees (Noe, Hollenbeck, Gerhart, and Wright, 2006). Technology is a set of tools that enable you to work more efficiently and effectively with information (Haag, Cumming, and Phillips. 2007). Using e-mail, internet and video conferencing will help the virtual teams that are separated by time geographic distance, culture, and/or organizational boundaries to interact and complete their projects (Noe, Hollenbeck, Gerhart, and Wright, 2006). Technology to support decision making falls into one of two general categories: (1) systems that help you analyze a situation and then leave the decision entirely up to you and (2) systems that actually make some sort of recommendation concerning what action to take (Haag, Cumming, and Phillips. 2007).

A well-established information system is required to provide the decision maker with basic data for most ongoing decisions. Corporations have responded by developing marketing decision support systems that aid marketing managers in decision making by helping them anticipate the effect of certain decisions. As a future business leader, you will need to understand and manage the transition facing you in business operation (Murphy, Hildebrandtm and Thomasm 1997).

Healthy Work Environment:

Creation of a healthy work environment does not

occur overnight. It requires acknowledgment of the reality of the present environment, clear behavioral expectations and standards, systems, and structures to ensure the organizational changes are enduring and a means to assess continually the health of the work environment.

Creating a healthy work site involves removing any harmful substances, such as asbestos, germs, mold, fungi, cigarette smoke, and so forth, thus limiting employees' exposure. (Decenzo and Robbins, 2005). Implementing safety awareness programs is an important internal marketing tool to attempt to instill symbolic and substantive changes in the organization's emphasis on safety, which includes activities such as: (1) identifying and communicating job hazards, (2) a safety incentive program to reward workers for their support and commitment to safety goals, and (3) establishing a safety management system through education and skills training (Noe, Hollenbeck, Gerhart, and Wright, 2006)

Scale Development and Validation

We proposed IM to be a multi-dimensional construct, consisting of seven components: (1) Motivation and Reward System (MR), (2) Effective Communication (EC), (3) Effective Employees' Selection (ES), (4) Effective Employees' Recruitment (RE), (5) Effective Employees' Development (ED), (6) Effective Support System (ESS) and (7) Healthy Work Environment (WE).

Following the guidelines offered by Churchill

(1979), we undertook a series of preliminary data collection efforts and analyses to develop and select a pool of measurement items that adequately tapped the domain of the seven proposed internal marketing dimensions. Three consecutive studies were conducted to achieve the aforementioned objective. In the first study, based on a review of related literature in IM, the research team generated 65 statements that reflect the seven components of IM. In the second study, a two-step approach was used for the item purification process. Following the item generation step, four faculty members from two faculties of business administration in Jordan served as judges to evaluate the content/face validity of the items. In this analysis, the judges were exposed to the definition of each IM components plus a related explanation and asked to allocate each of the 65 statements to an appropriate component or to a "not relevant" or "not applicable" category. Items that did not receive consistent classification by the four judges were eliminated. Over a period of two weeks, a group of customers evaluated the 65 statements and narrowed them down to 40 statements. A total of 23 statements were deleted in this process, resulting in 42 statements for further analysis. In the third study, the research team conducted exploratory factor analysis on the 42 statements. This iterative process resulted in the identification of a total of 31 measurement items that appeared to accurately represent the dimensions of the internal marketing construct.

Table 1: Internal Marketing Dimensions and Their Represented Items

Internal Marketing Dimensions Scale
Motivation and Reward Systems (MR1- MR8)
MR1: The company gratitudes its employees in different ways such as certificates of appreciation and thanks and other moral incentives
MR2: The money rewards which is given to employees contribute to the stimulation of innovation to enhance performance.
MR3: The company sends the distinguished employees on training courses.
MR4: The company publishes the names of distinguished employees to increase motivation towards work development
MR5: The company respects the work of all staff to encourage them to give their best.
MR6: The company stresses on the need to deal with workers as a special internal customers.
MR7: Incentives are distributed to employees within a law of justice.
MR8: The company prepares research to determine the employees' wishes and methods of satisfaction.
Effective Communication (EC1- EC7)
EC1: The process of communication is between all administrative levels and in all directions.
EC2: There is a special box in the company to receive the employees' complaints.
EC3: The company is focusing on collective work and responsibility to increase harmony.
EC4: There are regular meetings between management and employees to maintain the effectiveness of communication.
EC5: The focus is on finding the spirit of communication between workers and management.
EC6: Each employee has a job description which is clearly understood by him/her.
EC7: All administrative instructions are clearly understood by all employees.
Effective Selection (ES1- ES5)
ES1: The company develops a plan to define their future human resources needs.
ES2: The company is keen on collecting the largest number of job applications, classify, and keep them until needed.
ES3: The company is interested in hire workers who have good experience and educational certificates and have the capacity to innovate.
ES4: The company is interested in hire workers who have the skills and capabilities necessary for excellent job performance.
ES5: The company employs workers in positions commensurate with their competences.
Effective Recruitment (ER1- ER4)
ER1: The selection procedures are based on the principle of equity and excellence.
ER2: The company uses a variety of sources to find the suitable workers.
ER3: The company adopts specific measurements to assess and classify applications prior to adoption
ER4: The company constructs a specialized work team to evaluate applications and to conduct

interviews before the final selection.
Employee Development (ED1-ED6)
ED1: The company conducts regularly training programs for all workers.
ED2: The company gives the workers the ability to make personnel decisions necessary to perform the work directly related to their positions.
ED3: Workers in the company get all the information they need to perform their work.
ED4: The management take the opinion of the company's employees in solving work-related problems.
ED5: Improve performance is a collective responsibility of all employees in the company.
ED6: The company is concerned to encourage their employees to work with the spirit of team work.
Effective Support Systems (ESS1-ESS6)
ESS1: The company responds to any development in technology in the external environment.
ESS2: The company provides technological support and equipments necessary to perform the work.
ESS3: The company provides all the facilities and capabilities necessary to perform the work.
ESS4: The company affords all means for modern communication.
ESS5: The company is keen on modernizing all equipments and devices to ensure quality and accuracy of performance.
ESS6: The company re-engineers its computer software to suit the future needs.
ESS7: There is a specialized department in the company to provide computer technology support.
Healthy work environments (WE1-WE5)
WE1: The company has a specialized section dedicated to public safety.
WE2: There is an integrated system against fire in all sections.
WE3: There is a specialized department in the company to increase security protection.
WE4: The company uses prevention programs to prevent the occurrence of any accidents.
WE5: Public safety laws and procedures are clearly presented, established, and understood by all staff.

Source: these variable were generated from previous studies

Population:

M. Haddad and Sons Co. was selected to represent the research field of this study in order to provide some degree of control over the potential influence of industrial sector upon internal marketing practices.

Choosing M. Haddad and Sons Co. provided the ability to study a number of industries in only one case. The company produces a variety of consumer products

under different types of industrial sectors. This case study is an examination of how this company implements the dimensions of internal marketing in order to become a case study for other companies in the future with similar organizational situation.

The total population of this study consisted of 605 employees at corporate, tactical and operational levels in various divisions at M. Haddad and Sons Co. the

population is classified as follows:

Management at all levels	14
Administrative employees	20
Engineers	15
Technical employees	31
Sales employees	42
Guards	12
Drivers	21
Labor	<u>450</u>
Total	605

Sampling and unit of analysis:

We decided to obtain the view of all employees inside the organization. Specifically, a total of 416 respondents from the company's employees participated in the study. Employees who have worked for less than one year in the company were excluded from the research' sample, since the period of time they spent in the company was not enough to understand and to know all details and policies in the corporate long term strategy.

The employees' sample was classified as follows:

Management at all levels	10
Administrative employees	16
Engineers	10
Technical employees	18
Sales employees	21
Guards	6
Drivers	15
Labor	<u>320</u>
Total	416

ANALYSES AND RESULTS

Purification Based on EFA Results

An index of Kaiser's measure of sampling adequacy (overall MSA = 0.942) and Bartlett's test of Sphericity ($p \leq 0.00$) suggests that factor analysis is appropriate for analyzing our data. After examining the pattern matrix

of the EFA, all items had loadings greater than 0.4 and communalities greater than 0.5. Due to the nature of this study, however, several items loaded on two or more factors, which produced a drop in item-to-total correlation as well as Cronbach's alpha. These items are coded (as can be seen in Table 1) as "EC2, ES1, ES2, ER1, ED1, and ESS4" Therefore, we sequentially deleted these items from the subsequent analysis and re-conducted the EFA as well as measurement reliability statistics. Cronbach's alpha for the eight-item motivation and reward system scale (MR) was 91.2%, for the five-item effective communication scale (EC) was 88%, for the three-item effective selection scale (ES) was 86.6%, for the three-item effective recruitment scale (ER) was 80.3%, for the five-item effective development scale (ED) was 85.2%, for the six-item effective support system scale (ESS) was 84.9%. Finally, Cronbach's alpha for the five-item health work environment scale (WE) was 81.5%.

Purification Based on CFA Results

Assessment of Measurement Model

The objective of this study is was retain the items that have high loadings to maintain face validity since the modification indices suggest that many items have more in common with each other than the specified model allows. Therefore, consistent with the extant literature, offending items were sequentially deleted until the standardized loadings and the fit indices revealed that no improvement could be attained through item deletion. In addition, following guidelines outlined by Voss, Spangenberg, and Groohmann (2003), a series of shortened versions of the scale were compared using χ^2 difference test, goodness of fit indices (GFI), and adjusted goodness of fit indices (AGFI). Following the decision rules, the item deletion process stops when one or two possible results occur: (1) the χ^2 difference test shows no difference (2) the AGFI does not increase.

Additionally, the comparative fit indexes will be used to compare between the scales (i.e., AIC, CFI).

The measurement model was estimated using LISREL (8.5) (See figure 2 for the full CFA model) . Although the model has excellent fit indexes ($\chi^2 = 1,524.44$, $df = 573$, CFI = 0.9, RMSEA = 0.06, AGFI = 0.80, and model AIC = 1710.44), the modification indexes suggested that some items have significant cross loadings. The items are: MR2, MR8, EC7, ED3, and ESS7. We decided to sequentially delete these items and run the measurement model again. The fit indices

revealed that the model provides excellent fit to the data (Hu and Bentler, 1999) ($\chi^2 = 1029.9$, $df = 413$, CFI = 0.92, RMSEA = 0.06, AGFI = 0.83, and model AIC = 1195.9). This model has better fit indexes and is favored for two reasons: (1) the AIC for this (1195.9) is lower than the AIC for the saturated model (1710.44), and (2) the AGFI for this model (0.83) is higher than the AGFI for the saturated model (0.80). Therefore, the modified model will be the base for our discussion in the subsequent discussion.

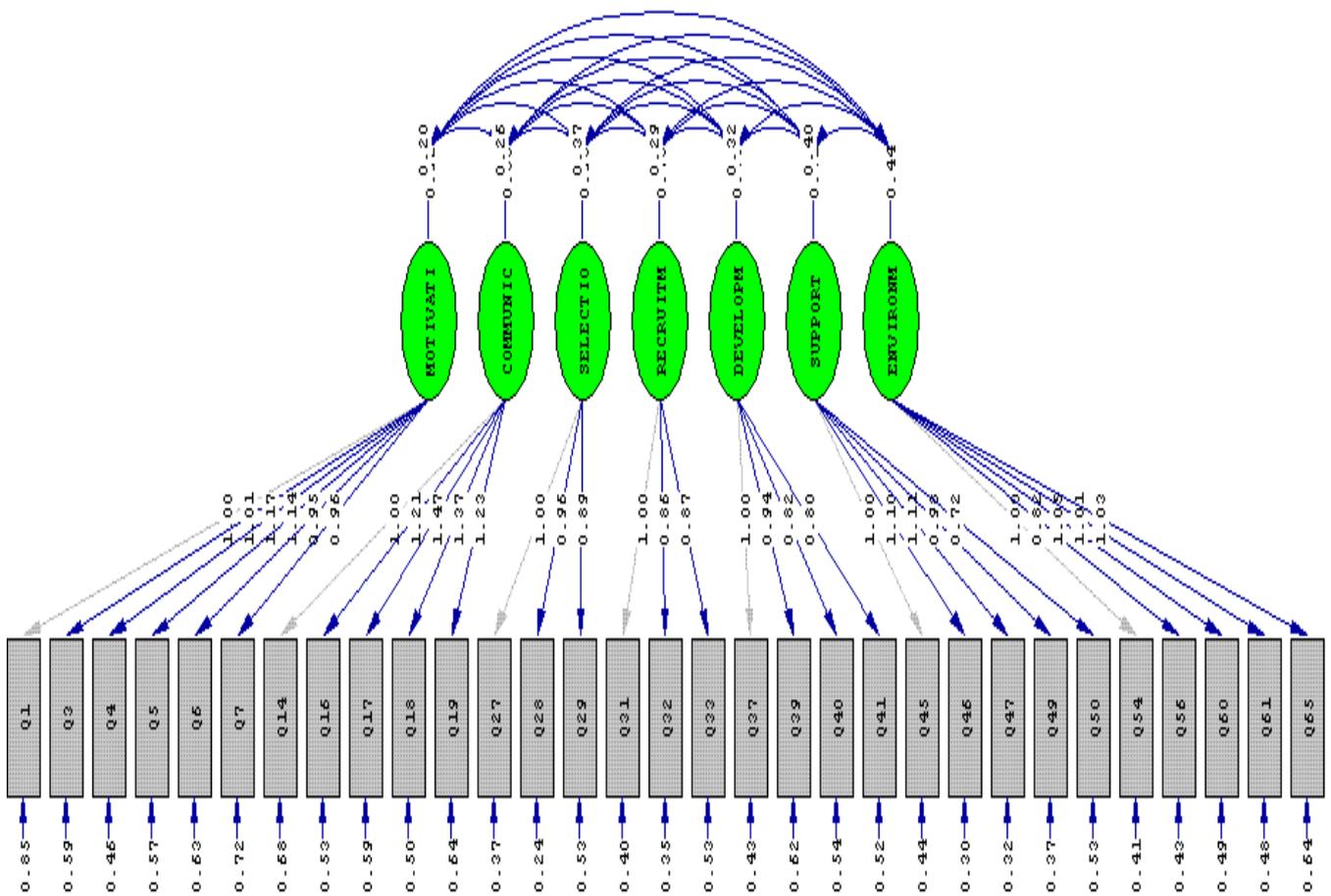


Figure 2: Internal Marketing CFA Model

Assessment of Constructs' Validity

Additional evidence provided by or derived from the

CFA suggests that the resulting measures are reliable and valid (Refer to Table 2 for details.) More

specifically, the relatively high composite reliabilities (MR = 0.90, EC = 0.95, ES = 0.88, ER = 0.80, ED = 0.82, ESS = 0.89, and WE = 0.81) and average variances extracted (MR = 61%, EC = 58%, ES = 70%, ER = 58%, ED = 53%, ESS = 63%, and WE = 47%) provide evidence in support of the measures' reliability (Fornell and Larcker, 1981; Gerbing and Anderson, 1988) except for the health work environment variable where the AVE was 47% which is below the minimum value of 50%. Furthermore, indication of the measures' convergent validity is provided by the fact that all factor loadings are significant and that the scales exhibit high levels of internal consistency (Gerbing and Anderson, 1988;

Fornell and Larcker, 1981).

Evidence of the measures' discriminant validity is provided by the fact that the average of the variance extracted for each construct is higher than the shared variance between each pair of constructs in the model. For example, MR and EC are than the shared variance between the both (44%). The results however, did not provide a support for the discriminant validity between ESS and WE as the shared variance between the both (52%) was higher the AVE for WE (47%). Table 3 below shows the correlations among the constructs that were used as a based to calculate the shared variance.

Table 2: Composites Reliability and Average Variance Extracted for Each Construct

<i>Factors</i>	<i>Items</i>	<i>Std Loading</i>	<i>Composite Reliability</i>	<i>AVE</i>
Motivation & Reward System			0.90	0.61
	The company gratitude their employees in different ways such as certificates of appreciation and thanks and other moral incentives	0.72		
	The company sends the distinguished employees on training courses	0.78		
	The company publishes the names of distinguished employees to increase motivation towards work development	0.86		
	The company respects the work of all staff to encourage them to give their best.	0.82		
	The company stresses on the need to deal with workers as a special internal customers.	0.75		
	The company prepares research to determine the employees' wishes and methods of satisfaction	0.74		
Effective Communication			0.95	0.58
	The process of communication is between all administrative levels and in all directions.	0.66		
	The company is focusing on collective work and responsibility to increase harmony	0.77		
	There are regular meetings between management and employees to maintain the effectiveness of communication.	0.81		
	The focus is on finding the spirit of communication between workers and management	0.81		
	Each employee has a job description which is clearly understood by each employee	0.74		
Effective Selection			0.88	0.70
	The company is interested to hire workers who have good experience and educational certificates and have the capacity to innovate	0.85		
	The company is interested to hire workers who have the skills and capabilities necessary for excellent job performance	0.89		
	The company employs workers in positions commensurate with their competences	0.77		

<i>Factors</i>	<i>Items</i>	<i>Std Loading</i>	<i>Composite Reliability</i>	<i>AVE</i>
Effective Recruitment			0.80	0.58
	The company uses variety of sources to find the suitable workers.	0.80		
	The company adopts specific measurements to assess and classify applications prior to adoption	0.77		
	The company constructs a specialized work team to evaluate applications, to conduct	0.71		
Employees Development			0.82	0.53
	The company gives the workers the ability to make personnel decisions necessary to perform the work directly related to their positions	0.80		
	The management take the opinion of the company's employees in solving work related problems	0.72		
	Improve performance is a collective responsibility of all employees in the company	0.70		
	The company is concerned to encourage their employees to work with the spirit of team work	0.69		
Effective Support System			0.89	0.63
	The company responds to any development in technology in the external environment			
	The company provides technological support and equipments necessary to perform the work	0.79		
	The company provides all the facilities and capabilities necessary to perform the work	0.86		
	The company is keen on modernizing all equipments and devices to ensure quality and	0.86		
	accuracy of performance	0.81		
	The company re-engineers its computer software to suit the future needs	0.64		
Healthy Work Environment			0.81	0.47
	The company has a specialized section dedicated to public safety	0.72		
	There is an integrated system against fire in all sections	0.64		
	There is a specialized department in the company to increase security protection	0.71		
	The company uses prevention programs to prevent the occurrence of any accidents	0.70		
	Public safety laws and procedures are clearly presented, established, and understood by all staff	0.65		

Table 3: Correlations among the Internal Marketing Dimensions

	MR	EC	ES	ER	ED	ESS
MR	1.00					
EC	0.66					
ES	0.59	0.68				
ER	0.56	0.72	0.71			
ED	0.61	0.76	0.68	0.71		
ESS	0.45	0.62	0.67	0.61	0.65	
WE	0.32	0.54	0.57	0.52	0.55	0.72

Conclusion

The purpose of this research was to examine the dimensionality of internal marketing concept. Although previous research have examined the concept of internal marketing, very little work has been done toward measuring this construct. Therefore, based on intensive review of the relevant literature, we proposed internal marketing to be a multi-dimensional construct consisting of seven components: (1) motivation and reward system, (2) effective communication, (3) effective employees' selection, (4) effective employees' recruitment, (5) effective employees' development, (6) effective support system and (7) healthy work environment.

The proposed model was tested on a sample of 416 employees from M. Haddad and Sons Co. This company was selected to provide some degree of control over the potential influence of industrial sector upon internal marketing practices. The results from a series of exploratory and confirmatory analyses supported the proposed model. The internal marketing scale is shown to be reliable, valid and have excellent fit indexes.

Theoretical and Managerial Implications

The findings from this research have theoretical as well as managerial implications. From a theoretical perspective, this research is the first attempt to develop a valid and reliable scale that consolidates the literature on

internal marketing dimensions in a single study. This is an important contribution for the marketing literature because it sets the grounds for future research on internal marketing implementation.

From a managerial perspective, the findings from this research provide managers and decision makers with the guidelines on the factors needed to foster internal marketing culture in their organizations. Inter-functional coordination is needed for implementing internal marketing. This is evident from the fact that top management support, human resources, and marketing communications are all factors needed for implementing internal marketing. This inter-functional coordination is in the heart of market orientation. Hence, the internal marketing is a marketing concept which must be linked to all other marketing activities and we should take into consideration how to connect the implementation of internal marketing strategy with other marketing concepts.

Furthermore, in order to construct a powerful internal marketing strategy the marketing people should establish a segmentation strategy due to the differences among the departments' needs. Management should use the segmentation and targeting strategies when dealing with the employees in order to deliver a specific message to each category of the staff. Additionally, special concern should be given to the sales department as they represent the first line employees when dealing with the clients.

Future Research Recommendation:

Although, we could develop a valid and reliable scale for internal marketing, future research should examine the internal marketing network through investigating the effect of internal marketing on organizations' outcomes such as satisfaction, turnover and performance. Moreover, future research in the area of this study should continue to develop and empirically test models to understand the components of internal marketing

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