

## Internal Marketing and Employee Competencies: A study from selected banks

S. Mufeed Ahmad\*  
Qurashi Shazia\*\*

### Abstract

*This paper aims to examine the differences in internal marketing perspective and employee competencies across three selected banks viz. SBI, J&K bank and HDFC in Kashmir divisions. The paper presents the empirical evidence regarding the differences among the selected banks. The internal marketing perspective chosen for the study includes training and development, communication and motivation. The employee competencies has been measured using the attitude, skills and knowledge. The study found that the internal marketing perspective varied significantly across banks which in turn had a significant impact on their competencies.*

**Keywords:** Internal marketing, employee competencies, training, motivation, attitude, knowledge.

### Introduction

Organizations now-a-days confront two kinds of business sectors and two sorts of customers: inner and outer. Customers never again basically buy the items, they co-deliver and this cooperation of employees and customers in the purchasing procedure have prompted the development of internal marketing, in light of the way that the associations need to keep their workers (interior customers) cheerful and satisfied to guarantee satisfaction of their customers ( Rafiq and Ahmed 1993).

Authenticity of Internal marketing turned into an issue in view of two lines: 1. Internal consumer satisfaction 2. HR Perspective Lings, (2004). HR researchers believed this way to deal with a personal issue and just an equivalent word for good HRM (Foreman and Money, 1995) and an endeavor of improperly broadening the impact of marketing division all through whatever is left of the organizations (Rafiq and Ahmed, 1993). Anyway, numerous analysts contended that, however the two ideas are commonly comprehensive yet they are not characteristically the same (Collins and Payne, 1991; Gronroos, (1985); Rafiq and Ahmed, (1993); Preston and Steel, 2002). Internal marketing is a vital antecedent of human resource effectiveness. Rather, Rafiq and Ahmed (1993) stated that HRM and marketing practices ought to be coordinated as correlative strategies for upgrading the performance of the organizations.

Therefore, IM is a procedure between the organization and its employees inside a given organization setting. IM underlines the organizational orientation towards pitching its business to employees before pitching its services to outer customers (Gilmore, 1997). Such introduction will rouse employees by guaranteeing their need fulfillment, prompting accomplishment at external front (Greene, Walls and Schrest 1994; Varey, 2000).

Human Resource perspective of IM stresses the centrality of employees as an approach to acquire a reasonable competitive advantage (Morrison, 1996; Pfeffer, 1998). Employee customer interaction has been found to have noteworthy impact on the service experience of the customer (Bitner 1990; Hartline and Ferrel, 1996). Internal marketing incorporates effectiveness of the training, pay, work stacks,

\*Professor, Dept. of Management Studies & Dean, School of Business studies, University of Kashmir

\*\*Research Scholar, Dept. of Management Studies, University of Kashmir

satisfaction, challenges, growth opportunities gave by the business to his employees. In the event that these areas of employees needs and wants are not dealt, then the satisfaction of external customers is troublesome, if these desires are met, then employees become committed, co-agent, and energetic about the organizations. This is refined by regarding employees as internal customers (Sasser and Arbeit, 1976; Lings, 2000; Bansal *et al.*, 2001).

In line with the above, the present study investigates the differences in internal marketing perspective and employee competencies across the selected banks so as to examine whether the variation in internal marketing perspective caused the variation in employee competencies.

### **Review of literature**

In all organizations, internal marketing has an extraordinary significance, especially in the administration segment. This is on account of that there is face to face cooperation amongst employees and customers. In this way, effective organizations need to focus on internal marketing, which implies they need to regard employees as their internal customers. This is done by giving the best administrations and advantages, which will enhance their performance. The variety of translations as what internal marketing constitutes has prompted an extensive variety of exercises assembled under the umbrella of internal marketing (Rafiq and Ahmed, 2000). In 1960's internal marketing developed as a method for conveying quality items and services (Bennett and Barkensjo, 2005). The justification behind the internal marketing is the conviction that the fulfillment of inner clients (employees) will fortify the organization's human capital and will be in a superior position to fulfill the necessities and needs of outer clients (Berry, 1981).

### **Internal Marketing**

The presence of internal marketing in the literature, it has encountered significant advancements, as indicated by Rafiq and Ahmed (2000) internal marketing has risen along three separate stages. In the early formative stage, amid the 1970's and the 1980's, most of the work centered upon the issue of employee motivation and satisfaction (Rafiq and Ahmed, 2000). A key presumption of internal marketing depends on the view that, "to have fulfilled customers, the firm must have fulfilled employees". For accomplishing employee's satisfaction, the workers are dealt with as customers and their jobs as an item (Berry, 1981). The second significant improvement of the internal marketing idea was stated by Gronroos (1981) who expressed that internal marketing shouldn't center around inspiring and fulfilling employees to complete a superior job, however it must elevate them to give customer cognizant conduct keeping in mind the end goal to positively affect the customers about the quality being conveyed and exploit the marketing opportunities that may happen amid the communication amongst customer and employees. Additionally, he recommended that with a specific end goal to convey quality services to customers, it is imperative to include an incentive at each level of the value chain. Consequently, the necessity of interior customers should be fulfilled by internal suppliers, which makes that each employee is both a provider and a client to different employees inside the organization. The way to deal with internal marketing was defined by Gummerson (1987), who named customer contact employees as "part time marketers". He contended that the part time marketers have the full capacity and majorly affect the future obtaining choices of customers than full-time marketers.

Moreover, Gronroos (1985) was the first to define internal marketing is tied in with motivating employees by dynamic marketing like exercises. Gronroos (1985) pointed out that the structure received

by an organization ought to be like that of its external marketing and by applying marketing like exercises internally. It will have the capacity to invigorate customer oriented behavior and service mindfulness among staff. In the third stage authors perceive the part of internal marketing methodology usage. Piercy and Morgan (1991) defines internal marketing as a key instrument that can be utilized to encourage the usage of the external marketing systems, where the objective of internal marketing are straightforwardly taken from the external marketing plan. Rafiq and Ahmed (1993) further enumerated the part of internal marketing by recommending that it can be utilized to encourage the use of any practical or corporate system. This prompts the broadening of internal marketing applications for an organization, not exclusively to services. Berry and Parasurman (1992) defined that the center goal of internal marketing is to draw in, create, propel and hold qualified employees.

### **Training and Development**

Training and development manages the procurement of comprehension, know-how, procedures and practices. Truth be told, training and development is a standout amongst the most essential parts of the human resource management as it enhances the performance of a person at organizational levels. The organizations are currently getting to be specific about expanding one's ability and along these lines greatly affected organizational learning. Organizational learning alludes to the procedure that is effective and react to both interior and outside information. The idea of organizational learning is already pushed that the learning's are keeping an eye on its business noteworthiness and on learning forms they are missing exact data (Easterby-Smith, 1999).

Strategically, organizational learning makes utilization of training and development as one of the reactions that deals with procuring, understanding, know-how, procedures and practices. These scholarly intangibles can be changed into an organizational asset through individuals that use such towards the accomplishment of the organization wide training and development (Armstrong, 2006). Training and development are arranged procedures that assist employees gain learning encounters with the goal that they perform out their present and future employments viably. Sims (2002) states that the training centers around current work while development centers around future employments. Fundamentally, the target of training and development is to assist organizations with achieving its objectives.

### **Communication**

Communication play an imperative part in organizations given the proof that powerful communication systems are effective in organizations, while others miss the mark regarding the ideal performance. Communication can be defined in number of ways. As stated by Bovee (2000), that the communication is the exchange of information and thoughts. Many authors expressed that communication creates a kind of climate inside the organization where there is regard for all employees. Communication should specifically originate from management and afterward move to a manager then to the director and afterward supervisor to workers, yet as the organization turns out to be large, this communication ends up troublesome, so a need is there to legitimately convey at all levels of organizations.

Nonetheless, communication is characterized as integrated one, i.e., it comprises of formal and informal communication that happens at all levels of an organization. Communication is thought to be a social procedure that happens just when there is a social collaboration between people. Communication, particularly shows the channels and innovative means by which this procedure might be encouraged. As per Bovee and Thill (2000), members accomplish a mutual comprehension, animate others make a move

and urge individuals to think in new ways, the communication is thought to be compelling. Then again, in communication the sender more often than not has an aim of affecting the beneficiary and is thought to be a two-way process.

So as to make a feeling of ownership, accountability, and responsibility among employees of the organization Ahmed *et al.*, (2003), states that the communication as the most ideal route through which the information can be spread. At the point when employees of an organization are all well informed as what the customers expect and the conditions and wellbeing of the organization, they are all more ready to do their obligations in the most ideal way and that thusly enhances the performance. Communication should be successful so the administration create and maintain the upper hand for organizational performance (Rowe, 2001).

### **Motivation**

Various definitions have been put forward on motivation portraying motivation as a power that follows up on or inside the person to start and direct behavior (Gibson *et al.*, 2000). In this manner, motivation empowers and guides the behavior of a person towards a specific objective (Sansone and Harackiewicz, 2000). Rudolf and Kleiner (1989) stated motivation as development of passion that causes an employee to play out task with his full limit and capacity in light of the individual initiative. In this way, motivation is a person's inward power that pushes employees to accomplish individual and organizational objectives. Horwitz *et al.*, (2003) stated that the employees are profoundly energetic through the help of the best management and challenging workplace. Ahmed and Rafiq (2003) stated that motivation in itself isn't sufficient for employees as through employee activity the customer orientation must be legitimately conveyed into the outside commercial place. Carslen (2003) stated that for an organization to be productive and exceptionally energetic workforce is fundamental. Henceforth, to influence them to perform and be faithful to the organization rewards is given to employees. Rudolph and Kleiner (1989) believes that the essential prerequisite which management must meet for the employee to perform are outward rewards.

### **Employee Competencies**

Competencies are attributes of a person that prompt his aptitudes and capacities, bringing about a compelling performance with a word related territory. As stated by Klemp (1980) competencies are hidden characteristics of a person that leads his/her to perform better at work. A basic trademark implies that competencies is a noteworthy piece of a person's identity and can foresee behavior in various circumstances and job tasks.

### **Attitude**

Koslowsky and Zeev (1990) believed that workers who're dependable towards the organization have an invaluable mentality concerning trades. In other hand, workers who are not dedicated to the office; have a terrible attitude towards the trade. In addition to this Erich J.Schwarz, (2009), stated that workforce who have a powerful mentality towards exchange inside the partnership come to be prized representatives to the organization. Leanne catcher, (2009) stated that the organization interchange influences the state of mind of both the sexual orientation predictable with the place of occupation and it entitled the issues which customs and circumstance, wherein personnel opposes trade that choose the undertaking accomplishment and absence of self-conviction for the work .LanCoa, (2013) pointed out that employees attitude is proactively de-terminated with the good of the environment and their

individual goal and ethics. Hechanova (2003) stated that while in transit to make an exchange, profitable, work force need to detect adequately talented and learned in specifically amid change steady declaration which would reduce panic and doubt and therefore, competition to change.

### **Knowledge**

Collin (1997) refers to Gardner's (1989) connection of ability with unsaid comprehension and understands that with propositional aptitude. Another way of communicating this distinction is among decisive information (understanding what), and procedural comprehension (seeing how). From this point of view, it is consistently contended that the buy of declarative data (express genuine learning) needs to go before the change of procedural data, which identifies with the use of information setting. Gagnes (1962) stated that the model of various leveled understanding suits with this strategy, making sense of the data sets fundamental for comprehension, becoming more acquainted with and acting legitimately on a paradigm undertaking. This is then followed back to each subordinate arrangement of mental data, giving a portrayal of understanding this is an expanding number of fundamental and prevalent.

### **Skills**

Proctor and Dutta (1995) expressed that the most noteworthy legitimate printed content on skills procurement and aggregate performance skills as a behavior that is sorted out. Every component of the announcement is vital: to start with, with a training capacity grows; second, it's miles point guided in response to a couple of calls for internal and external environment while added substances of behavior are reliant into reasonable styles; lastly, subjective requests is diminished as ability creates. Essentially, towards degree capacity, most researchers utilize the speed or potentially precision of general performance, two factors among which there's unavoidably a recognition of trade off. In correspondingly saying their origination of ability, Proctor and Dutta (1995) recognize perceptual abilities, reaction choice abilities, motor talents and inconvenience settling capacities. Perceptual capacities are included with the possibility to make judgments; additional muddled conditions require extra spotlight on preparing, anyway numerous commitments that to begin to require intrigue develop to be automated. Capacity in choosing the perfect response might be created to work out; Reaction time is influenced by the differing choices and might be raised by methods for Supplying fortifies actualities, in this manner lessening the choices. Engine abilities are the non-robotized components of performance for example, the speed and exactness of physical activities or mastery. Trouble-fixing skills, while organizing upon mind and mental models, can be gained and progressed through exercise.

### **Hypotheses**

H1; There is no significant difference in internal marketing perspective across select banks.

H2: There is no significant differences in employee competence perspective across select banks.

### **Scope of the study**

The present study examines the internal marketing and employee competence of the selected banks. The internal marketing practices chosen for the study include training and development, communication and motivation. The study attempts to compare the internal marketing practices and employee competence across banks in order to understand whether the internal marketing perspective across banks results in enhancing employee competence.

The study thus makes an attempt to understand and examine the importance of internal marketing and employee competence in current business environment.

## Research Methodology and Data Collection

The current study followed exploratory research design. The target population for the study constitutes employees at executive level having designations of associate executives, executives, senior executive, and executive managers of the three major banks of Kashmir division; J&K bank, SBI, HDFC. The total population for the study constituted 2414 employees, out of which a representative random sample of 501 employees were selected for the purpose of primary data collection. The sample size of 501 employees has been arrived with the help of online sample calculator with the confidence level 95% and confidence interval (margin of error) of 5 and also by a formula proposed by Yamen, 1973) and also by Hair et, al (1998).

The secondary data for the current study was collected from respective bank websites, official records, manuals, books, journals and electronic publications. The primary data was collected from the respondents from the selected organizations in the sample area with the help of structured questionnaire. Internal marketing was measured using three constructs; Training and development by Rao (2000). Communication by Pareek(2002) &Thornhill et al (1996) and Motivation by Thurau (2004) and Pareek (2002). The employee competence has been measured with the help of items adopted from Siddiqui (2007).

## Results and Discussions

The differences in internal marketing perspective across the selected banks was analyzed to see whether the internal marketing perspective adopted in the selected banks varied considerably or not.

For the present study a total of 519 employees across all the three regions were contacted. 205 employees from Jammu and Kashmir Bank, 148 employees from State Bank of India and 166 employees from HDFC Bank. The region wise break up is provided in table 1. The employees were classified on the basis of gender, age and experience with the bank.

**Table 1: Employees taken in sample**

N=519					
Region	JK BANK		SBI		HDFC
Central	77		55		68
North	59		41		44
South	69		52		54
Total	205		148		166

However, from Jammu and Kashmir Bank out of 205 respondents only 201 returned the filled questionnaires, with a good response rate (98.03%). In State Bank of India, 141 filled questionnaires were returned out of 148, (response rate = 95.27%). In HDFC Bank 159 filled questionnaires were returned out of 166 (response rate= 95.78%). The overall response rate is 96.53% (501 questionnaires). The zone wise breakup is given in table 2.

**Table 2: Response Rate**

N=501						
Region	JK BANK		SBI		HDFC	
	QD	QR	QD	QR	QD	QR
Central	77	75	55	53	68	65
North	59	58	41	39	44	43
South	69	68	52	49	54	51
Total	205	201	148	141	166	159
Response Rate	98.03%		95.27%		95.78%	

On the basis of gender and experience the employees are classified as and are given in table 3:

**Table 3: Employees Sample (Gender & Experience)**

N=501					
Region	Gender		Experience		
	Male	Female	<10	11 to 20	>20
Central	111	84	42	92	61
North	72	65	36	70	31
South	93	76	41	84	44
Total	276	225	119	246	136
	55.09%	44.91%	23.75%	49.10%	27.15%

*Note: \*percentage calculated out of total questionnaires received (501)*

In the present study, table 4, represents the sample of employees that is classified on the basis of age.

**Table 4: Employees Sample (Age wise)**

N=501			
Region	<30	31 to 50	>50
Central	51	102	42
North	34	82	21
South	35	93	41
Total	120	277	104
	23.95%	55.29%	20.76%

*Note: \*percentage calculated out of total questionnaires received (501)*

### Differences in the Perception of Respondents

It is important to confirm that whether the employees perceive the various constructs differently or not and if their perceptions differ, then the difference is examined whether they are statistically or it is just because of random variation. The analysis results may reveal such areas where more focus is required in order to increase or improve employee performance. Accordingly, the section is devoted to inspect the perceptual differences of employees about the various constructs studied in the present study.

### Internal Marketing Perspective

The current study shows the perceptual differences of employees about the components of internal marketing perspective (Training and development, Communication, and motivation) on the basis of three factors (Demographic variables) namely region, age and experience. The three variables are categorized into three factors, each (Region-1.central 2.North 3.South; Age- 1.<=30years 2.31 to 50 years 3.>50 years; Experience-1.<=10 years 2.11 to 20 years 3.>20 years. In order to examine the perceptual differences ANOVA is used. The results are presented in table 5.

**Table 5:** Differences in Internal Marketing perspective across banks and on the Basis of Region, Age and Experience

N=501								
Variables	Organizations			Factors	Mean Score	ANOVA	Sig.	
T&D	SBI	Mean Score	.590	Region	1.Srinagar	2.92	1.349	.282 <sup>ns</sup>
		3.1			2.North	2.83		
					3.South	2.77		
	J&K	2.95	.601	Age	1.≤30 years	2.83	.932	.384 <sup>ns</sup>
					2.31 to 50 years	2.85		
					3.>50 years	2.75		
	HDFC	3.76	.551	Experience	1.≤10 years	2.82	.545	.645 <sup>ns</sup>
					2.11 to 20 Years	2.81		
					3.>20 years	2.78		
C	SBI	3.19	.629	Region	1.Srinagar	3.09	.244	.697 <sup>ns</sup>
					2.North	3.11		
					3.South	3.10		
	J&K	3.08	.636	Age	1.≤30 years	3.10	1.156	.316 <sup>ns</sup>
					2.31 to 50 Years	2.86		
					3.>50 years	3.09		
	HDFC	3.58	.617	Experience	1.≤10 years	3.11	.954	.443 <sup>ns</sup>
					2.11 to 20 Years	2.86		
					3.>20 years	3.18		
M	SBI	3.17	.748	Region	1.Srinagar	2.95	.349	.714 <sup>ns</sup>
					2.North	2.65		
					3.South	2.70		
	J&K	2.98	.837	Age	1.≤30 years	2.89	.276	.761 <sup>ns</sup>
					2.31 to 50 Years	2.79		
					3.>50 years	2.70		
	HDFC	3.54	.709	Experience	1.≤10 years	2.70	.033	.985 <sup>ns</sup>
					2.11 to 20 Years	2.79		
					3.>20 years	2.83		

**Note: scoring scale: 5=strongly agree, 4=agree, 3=neutral, 2=disagree, 1=strongly disagree**

**Note: SD=Standard deviation, T&D=Training & development, C=Communication, M=Motivation**

**Ns=not significant**



The results in the current study clearly reveal that training and development is higher in HDFC bank with a mean score of 3.76 (SD=.551) as compared to SBI and J&K bank. The communication which is considered as an important dimension of internal marketing is not significant as the differences between the three banking organizations are clearly shown in table 5. The motivation stands as the final dimension measuring internal marketing. In case of HDFC the employees are highly motivated as compared to J&K bank and SBI.

The results reveal that the perceptual differences of respondents (employees) about Training and Development across the three regions of Kashmir are not statistically significant (ANOVA=1.349, p value=.282). The same results were examined on the basis of age and experiences as in both the cases the p value is above .05.(table 5). Moreover, in communication the mean values also reveal that the perceptual differences are not statistically significant across Regions (ANOVA=.244, p value=.697), Age (ANOVA=1.156, p value=.316), Experience (ANOVA=.954, p value=.443). In case of motivation, the employee’s perception across Regions (ANOVA=.349, p value=.714), Age (ANOVA=.276, p value=.761) and Experience (ANOVA=.033, p value=.985) is not statistically significant.

It was found that the internal marketing varied significantly among the organizations. Hence. Hypothesis H1 which says “There is no significant difference in internal marketing across select banks” is rejected.

### Employee Competence Perspective

In the present study, the perceptual differences of respondents (employees) about the components of employee competence (Attitude, Skills, Knowledge) are shown on the basis of three demographic variables namely Region, Age and Experience. These three variables are classified into three factors (Region-1.central 2.North 3.South; Age- 1.≤30years 2.31 to 50 years 3.>50 years; Experience-1.≤10 years 2.11 to 20 years 3.>20 years). The perceptual differences across all the demographic variables are then evaluated through ANOVA and the results are presented in table 6.

**Table 6:** Differences in employee competence across banks and on the Basis of Region, Age and Experience

N=501								
Variables	Organizations			Factors		Mean Score	ANOVA	Sig.
A	SBI	Mean score	SD	Region	1.Srinagar	2.62	1.31	.898 <sup>ns</sup>
		2.92	.638		2.North	2.77		
					3.South	2.71		
	J&K	2.75	.612	Age	1.≤30 years	2.52	2.890	.053 <sup>ns</sup>
					2.31 to 50 years	2.60		
					3.>50 years	2.82		
	HDFC	2.95	.664	Experience	1.≤10 years	2.59	4.671	.013 <sup>ns</sup>
					2.11 to 20 Years	2.69		
					3.>20 years	2.89		
S	SBI	3.21	.659	Region	1.Srinagar	3.08	1.143	.083 <sup>ns</sup>
					2.North	3.03		
					3.South	3.02		
	J&K	2.77	.692	Age	1.≤30 years	3.04	.307	.769 <sup>ns</sup>

					2.31 to 50 Years	2.81		
					3.>50 years	2.76		
	HDFC	3.90	.582	Experience	1.≤10 years	2.75	.139	.889 <sup>ns</sup>
					2.11 to 20 Years	3.01		
					3.>20 years	2.98		
K	SBI	3.15	.663	Region	1.Srinagar	3.29	1.392	.261 <sup>ns</sup>
					2.North	3.12		
					3.South	3.09		
	J&K	2.93	.712	Age	1.≤30 years	2.93	2.555	.089 <sup>ns</sup>
					2.31 to 50 Years	2.98		
					3.>50 years	3.12		
HDFC	3.37	.644	Experience	1.≤10 years	2.97	.693	.512 <sup>ns</sup>	
				2.11 to 20 Years	3.08			
				3.>20 years	3.44			

**Note: Scoring: Note: scoring scale: 5=strongly agree, 4=agree, 3=neutral, 2=disagree, 1=strongly disagree**

**Note: SD=Standard deviation, A=Attitude, S=Skills, K=Knowledge**

*ns=not significant, \*p<.05*

The employee competence perspective is studied on the basis of three sample organizations. The construct Attitude in HDFC appears to be reasonably high in terms of mean score 2.95 (SD=.664) than SBI and J&K bank. In the second construct Skills, it can be observed that the HDFC bank outperforms with a mean score of 3.90 (SD=.582) than SBI with a slightly lesser mean score and then J&K bank. The final construct of employee competence is knowledge and again HDFC stands at a higher level as shown in table 6

The results reveal that the employee's attitude increases competence across the three regions of Kashmir (ANOVA=.131, p value=.898). The difference with respect to age is statistically insignificant as (ANOVA=2.890, p value=.053) (see table 6). Further, the employee competence with regard to experience they have with the organization they are working with is of significant difference (ANOVA=4.671, p value=.013). The perceptual differences in employee's skills across Regions (ANOVA=1.143, p value=.083), Age (ANOVA=.307, p value=.769) and Experience (ANOVA=.139, p value=.889) is not significant. The same is true for the differences in employees perception about Knowledge across Regions (ANOVA=1.392, p value=.261), Age (ANOVA=2.555, p value=.089) and Experience (ANOVA=.693, p value=.512).

The difference was found to be highly significant. It specifies that the internal marketing perspective in the selected banks varied significantly which in turn influence their competencies. So, we reject hypothesis H2 which says, "There is no significant difference in employee competencies across select banks".

### **Findings and conclusion**

From the above analysis it is concluded that:

- The present study examined that the training and development is the most influential predictor of the three key indicators of employee competencies. The result appears to be logical as training and development is more important for employees of an organization as it improves individual performance at all levels. It helps employees to do their present and future jobs more effectively and efficiently. The knowledge being the most influential predictor is again very logical as employees of an organization need to know about the products and services offered.\
- The employee performance in the banking industry in Kashmir is marginally satisfactory. Particularly, in case of J&K bank employee's performance is lower in comparison to SBI and HDFC. It indicates the internal marketing practices are higher in HDFC as because of that the competence of employees increases and that results in higher performance with employees. As such, the organizations are required to revisit the internal marketing practices or its implementation. So that the performance of employees will be better that will positively contribute towards long term survival and growth.
- The employees of the banking industry in Kashmir are not highly motivated. This need to be addressed more seriously. The reason being that it recorded lesser mean score against other dimensions of internal marketing. This means that the employees are less motivated and that would have an impact on their competence and finally on their performance. This scenario asks for proper attention on increasing employee motivation, as internal marketing plays a very significant role by focusing on treating the job as internal product and sell it to employees. The employee needs and expectations should be properly addressed as that would result in better performance.
- The employee attitude as one of the dimensions of employee competence of the banking industry in Kashmir is not at its best. It's an employee attitude that finally distinguishes between a good and bad service. An employee cannot be successful if he is not having the right attitude to put forward his skills and knowledge. The right attitude of employees can help the organization to gain competitive advantage. In this the results reveal that this dimension of employee competence has a mean score lower as compared to others. This scenario needs to be properly addressed as the right attitude will have a long term effect on organizations growth and survival.

### **Suggestions**

The study comes up with the following suggestions:

- A need to direct administration at all levels to have more interest in all dimensions of internal marketing which employee can apply as internal marketing has a clear impact on employee competence.
- More focus should be taken on internal marketing and employee competence which will enhance their own capabilities and will also serve customers effectively.
- Employees in the organization should be motivated in terms of giving them a sense of accomplishment, providing them with new opportunities for advancement and promotions that creates a positive attitude towards their work so as to increase their performance.
- The training programs for employees in banking organizations must be conducted at regular basis with a view of enhancing their ability to deliver better services. Proper care should be taken

while designing the training program, as the training needs of the employees should be identified and addressed properly.

- The methods that should be employed during training should not only include teaching and learning approach but must include training activities. This will help employees to understand things clearly and deliver superior quality services. Administration of banking organization should be more focused towards training as that improvises their method of work.
- The organization should foster efficient channels of communication so that the employees are informed about the new plans, strategy, objectives and also communication provides the employees an opportunity to put their ideas and thoughts in front of the managers so that they should be taken into consideration.
- Managers need to put lot of emphasis on the skills of employees. A group of essential abilities that involve the development of a knowledge base, expertise level and mindset that is increasingly necessary for success in the modern workplace. Employability skills are typically considered essential qualifications for many job positions and hence have become necessary for an individual's employment success at just about any level within a business environment. This will enhance their competence and finally had a greater impact on the performance of employees.

### **Limitations**

Despite following a thorough analysis procedure,. The findings of the present research should be inferred in light of certain limitations. In the current study the variables are measured using a questionnaire (subjectivity). The feedback is based on employee respondents and this did not include any feedback from the customers. Furthermore the generalization of the results is a concern as the study is conducted only in Kashmir division. So, the future research may be conducted in different areas covering different geographical parts may help in understanding the relationship between internal marketing and employee competencies.

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