



**ST. MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES
DEPARTMENT OF MARKETING MANAGEMENT**

**EFFECT OF INTERNAL MARKETING PRACTICES ON EMPLOYEE'S
JOB SATISFACTION: THE CASE OF BANK OF ABYSSINIA**

**A Thesis Submitted to Department of Marketing Management in Partial Fulfillment of the Requirement for
the Masters of Arts Degree in Marketing Management**

**Prepared By: KIDIST TADESSE
Advisor: EPHREM ASSEFA (Ph.D)**

***ADDIS ABABA, ETHIOPIA
June 2022***

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DECLARATION

I Kidist Tadesse, Registration Number/I.D SGS/0338/2013A, do here by declare that this Thesis is my original work and that it has not been summited partially or in full, by any other person for an award of a degree in any other university/ institution.

Kidist Tadesse

Name

Signature

Date

LETTER OF CERTIFICATION

This is to certify that Kidist Tadesse carried out her thesis on the topic entitled “Effect Of Internal Marketing Practices On Employee’s Job Satisfaction: The Case Of Bank Of Abyssinia” This work is original in nature and is suitable for submission for the award of Master Art in Marketing Management.

Advisor: Ephrem Assefa (PhD)

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APPROVAL

The undersigned certify that they have read and hereby recommend to the St. Mary's University school of graduate studies to accept the thesis Kidist Tadesse and entitled "Effect Of Internal Marketing Practices On Employee's Job Satisfaction: The Case Of Bank Of Abyssinia" In partial fulfillment of requirement for the award of Master Degree in Marketing Management.

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<i>Advisor</i>	<i>Signature</i>	<i>Date</i>

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June 2022

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List of Acronyms

ANOVA: Analysis of variance

ATM: Automatic Teller Machine

BLUE: Best Linear Unbiased Estimator

BoA: Bank of Abyssinia

CLRM: Classical Linear Regression Model

HR: Human resource

ICT: information and communications technology

IM: Internal Marketing

ISQ: Internal Service Quality

OLS: ordinary least squares

POS: point of sale

SPSS: Statistical Package for the Social Sciences

VIF: Variance Inflation Factor

Abstract

The purpose of this study was to investigate the effect of internal marketing practices on employee job satisfaction at Bank of Abyssinia's Head Office in Addis Ababa, Ethiopia. Questionnaires were used to gather information. From 13 departments, multistage stratified sampling was used to select respondents. Quantitative data was processed via SPSS 26 and analyzed through descriptive, correlation, and regression analysis. The respondents' understanding of the research variables was assessed using a five-point Likert scale. Data were gathered from 293 employees out of whom 270 were returned and used for further analysis. The result of the study revealed that gender, age, work experience, education status and marital status of employees were significantly associated with employees' job satisfaction. The Pearson correlation and the multiple linear regression analysis signify existence of statistically significant relationship between employee's job satisfaction and internal marketing practices. Explicitly, employee training, empowerment, motivation, and internal communication were positively and statistically affected employees' job satisfaction. Therefore, it is recommended that, training should be delivered in phases to provide comprehension and adaptation to technological innovations, processes, and systems utilized in the financial sector on a global scale. Furthermore, bank management bodies should establish conditions that encourage their employees and recognize that all employees are unique persons who require distinct treatment based on their unique requirements and talents.

Keywords: *Job satisfaction, Internal marketing, Bank of Abyssinia*

CHAPTER ONE: INTRODUCTION

1.1. Background of the Study

The key objective of an organization's marketing efforts is to develop satisfying relationships with customers that benefit both the customer and the organization so as to achieve the wealth maximization of shareholders. Many organizations experts' efforts are to build smooth relationship with the internal customers through the applications of internal marketing.

There are numerous definitions of the concept of internal marketing. For example, (Gronroos ,1981), defined it as selling the firm to its employees or the process of attracting, developing, motivating, and retaining qualified employees through job products that satisfy their needs (Berry & Parasuraman, 1991). Clearly, the definitions underscore the growing interest among service providers to get employees to adopt the marketing concepts of customer orientation and become part of the company team. It has also been variously described as referring to 'those activities that improve internal communications and customer consciousness among employees, and the links between these activities and external market place performance, that lead to the provision of superior customer value'. We can think of internal marketing as 'viewing employees as internal customers, viewing jobs as internal products and then endeavoring to offer internal products that satisfy the needs and wants of these internal customers while addressing the objectives of the organization' (Baron and Harris, 2003).

In order to be effective employees, the internal marketing approach recognizes that all staff needs to understand and approve of the mission of the organization so that everyone is working towards a common goal. To achieve this, the services offered by the company need to be promoted to internal customers as well as to external customers. Berry (1981) advocates as stated above that the best way to achieve such employee motivation is to use traditional marketing tools and concepts internally with employees.

Marketing experts acknowledge that marketing a service is more difficult than marketing tangible products. Since a service has a special nature a company must consider thoroughly the special characters of a service which consists of five dimensions: Intangibility, Inseparability,

Perish ability and Heterogeneity or variability.

There are two important dimensions of service that makes quality internal marketing invariably significant for service sectors; first because of the intangibility element of the service products, where customers most often rely on such tangible cues to judge the service performance, second simultaneous production and consumption of service that makes each service encounters significant in determining customers satisfaction. As Ferguson and Brown (1991) argued that the function of marketing is not only to provide products for sale, but also to take care of the staff where direct human contact between customer-contact employees and the customer is demanded, because of the simultaneous characteristic of service. Consequently, employee relations and their interaction with customers become critical for service industry in providing a quality service.

Financial institutions, as one type in the service industry, are the most important engines of economic growth for any economy in the world. In Ethiopia the major financial institutions operating are banks, insurance companies and micro-finance institutions. The financial system especially the banking sector is highly concentrated. Concentration in the market is a barrier for the presence of a well-built competition (Ebisa Deribie 2012). Further, successful organizations are those that integrate efficient and effective management in internal and external dimensions (Olorunleke, 2000). To Survive and succeed in the modern world it is necessary to a firm know how to handle its competent employee as they are the defining factor on service delivery. However, the practice of internal marketing in Bank of Abyssinia seems to the reverse and there is high turnover. So this research focuses on filling this gap considering Impact of Internal Marketing Practices on Employee's Job Satisfaction: The Case of Bank of Abyssinia.

1.2. Background of the Organization

The present-day Bank of Abyssinia was established on February 15, 1996 (90 years to the day after the first but defunct private bank was established in 1906 during Emperor Menelik II) in accordance with 1960 Ethiopian commercial code and the Licensing and Supervision of Banking Business Proclamation No. 84/1994. BANK OF ABYSSINIA started its operation with an authorized and paid up capital of Birr 50 million, and Birr 17.8 million respectively, and with only 131 shareholders and 32 staff.

In two decades since its establishment Bank of Abyssinia has registered a significant growth in paid up capital and total asset. It also attracted many professional staff members, valuable shareholders and large customers from all walks of life. This performance indicates public confidence in the Bank and reliability and satisfaction in its services. Currently, employing the state-of-art banking technology, the Bank provides excellence domestic, international and special banking services to its esteemed and valuable customers. It also strives to serve all economic and services sectors via its ever increasing branch networks throughout the country.

1.3. Statement of the Problem

Successful organizations are those that integrate efficient and effective management in internal and external dimensions (Olorunleke, 2000). To Survive and succeed in the modern world, it is necessary to a firm know how to handle its competent employee as they are the defining factor on service delivery. Since a service is inseparable from the person providing it, a bank is known as much for its product as for the service provided by its staff.

Banking has traditionally operated in a relatively stable environment for decades. However, today the industry is operating under new; more complex atmosphere resulted from the major changes in the economic and political conditions, and the storming effects of the financial crisis which the whole world is still recovering from. All these factors have forced banks to find a new basis for competition in order to build and protect their competitive position. Most major banks have realized that improving service quality and creating customer relationships that deliver value beyond the provided by the core product itself is the key for fighting competition and driving performance (Ahmed Ibrahim Ghoneim and Nahla Hassan El-Tabie, 2014).

Internal marketing with its unique philosophy plays a critical role in the relationship building orientation, as it works on assuring the employees satisfaction and commitment which is an important prerequisite for providing high service quality. By adopting internal marketing, employees can be treated as internal customers of the organization. In turn, it works on preparing the employees to act in a customer-oriented manner by assuring that all employees have adequate skills, abilities, and knowledge (Ahmed Ibrahim Ghoneim and Nahla Hassan El-Tabie 2014).

However; most business especially Ethiopian banks tend to outward focus to delivery of their services. But, if a business organization wants to deliver sustainable quality service, it should

give attention to the internal customer commensurate 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 and Moustakis, 2007).

Employee turnover is a ratio comparison of the number of employees a company must replace in a given time period to the average number of total employees. Employee turnover is a costly expense especially in lower paying job roles.

In reality, when the employee turnover rate is highest Many factors play a role in this for any company, and these can stem from both the employer and the employees. Wages, company benefits, employee attendance, and job performance could all be factors that play a significant role in employee turnover. Further, Companies incur direct and indirect expenses, which include the cost of advertising, headhunting fees, human resource costs, loss of productivity, new hire training, and customer retention, every time they have to replace an employee. These expenses can add up to anywhere from 30 to 200 percent of a single employee's annual wages or salary, depending on the industry and the job role being filled (Amy Hissom, 2009). Specifically, taking the current employee turnover at Bank of Abyssinia and the absence of prior research motivates the researcher to identify the real cause of the problem focusing on internal marketing variable.

Internal Marketing (IM) is aimed at attracting, developing, motivating and retaining employees through job products that satisfy the needs (Kale, 2008). Hung and Lin (2008) argued that the majority of service organizations have not been able to successfully develop and implement IM strategies due to a lack of knowledge and understanding of the different components that constitute the IM environment. Even if attempts were made to examine the effect of IM on firm performance among large supermarkets in Nairobi (Lyambila, 2014), further broader investigation was not done to examine the effect of IM on job satisfaction in Ethiopian banking industry. To fill these gaps, this study was provided an empirically investigate the effect of IM on job satisfaction in Bank of Abyssinia employees. As mentioned by Gounaris (2008), despite the critical role that IM 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). Based on these prior studies, the influence of IM on job satisfaction should be investigated in Bank of Abyssinia. It is evident that the organizations which take care of their employees have a greater number of satisfied employees (Malik, Ahmad & Hussain, 2010). It is so hard to achieve job satisfaction, because human beings are known for their nature of being difficult to please. There are many ways to seek satisfaction and different people opted for different ways to search for job satisfaction. One study shows that one of the major factors for organizational success is a well-managed human resource (Malik, Saleem& Ahmad, 2010). The second research gap that makes this research unique was the lack of research conducted on IM in relation with job satisfaction and more specifically on Bank of Abyssinia. Though, IM plays a vital role for the long success of companies, the topic area has not been well researched in general and needs further investigation to empirically establish the relationship between internal marketing practices and job satisfaction.

The statement of the problem can be stated as “what is the Effect of Internal Marketing Practices on Employee’s Job Satisfaction”. It is so hard to achieve employee’s job satisfaction, because human beings are known for their nature of being difficult to please. There are many ways to seek satisfaction and different people opted for different ways to search for job satisfaction. One study shows that well managed human resource, one of the major factors for organizational success, should be taken care of (Malik, Saleem and Ahmad, 2010). It is evident that the organizations which take care of their employees have a greater number of satisfied employees (Malik, Ahmad & Hussain, 2010).

1.4. Research questions

Based on the problems stated above, the researcher was inspired to address the following questions.

- ✓ What is the perception of employees towards the internal marketing practices (empowerment, training, communication, and motivation) at Bank of Abyssinia?
- ✓ What is the level of job satisfaction of employees at Bank of Abyssinia?
- ✓ What is the effect of internal marketing practices on job satisfaction at Bank of Abyssinia?

1.5. Research Objectives

1.5.1. General Objectives

The general objective of this study was to investigate the effect of internal marketing practices on employee job satisfaction in the case of Bank of Abyssinia.

1.5.2. Specific Objectives

The research seeks to:-

- 1) To assess the perception of employees towards the internal marketing practices at Bank of Abyssinia
- 2) To assess the level of job satisfaction of employees at Bank of Abyssinia
- 3) To determine the effect of internal marketing practices on job satisfaction at Bank of Abyssinia

1.6. Scope of the Study

The scope of the study can be discussed in terms of the theme (conceptual scope), geographical area and the methodology adopted. Conceptually, the study is delimited to investigate the effect of Internal Marketing Practices on Employee's Job Satisfaction; internal marketing is treated as a multidimensional construct composed of four factors namely empowerment, training, communication, and motivation. Geographically, the study is delimited to one financial organization called Bank of Abyssinia located in Addis Ababa. Methodologically, the study is based on quantitative data gathered through questionnaire and analyzed via descriptive statistics (frequency, percentage, mean and standard deviation) and inferential statistics mainly correlation and regression analysis.

1.7. Limitations of the study

Studies which related to internal marketing practice to employee's job satisfaction in Ethiopia are very few which limits the researcher understands of the internal marketing in banking industry of Ethiopia. The study was conducted using stratified sampling technique and thus making it difficult to get an equal probability of all staff being considered for sampling purpose and also other demographic factors are not considered.

1.8. Organization of Research

This study is organized in five chapters. Chapter one discussed introduction of the study; More specifically, the chapter presented background of the study, background of the organization, statement of the problem, significance of the study, scope and limitations of the study, hypothesis, and definition of key terms. Chapter two presents existing literature and theoretical frame work on the relationship between internal marketing and employee job satisfaction. Chapter three is the methodology of the research where the research design and research methods are explained. Then findings and analysis comes in. Chapter four presents the result of the study and compare with the literature Chapter five presents the conclusion, Recommendation and limitation of the research.

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 & Ahmed,2000).
- **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).
- **Organizational performance:** Often understood as results of an organization measured against pre-set goals and objectives. “It is a broad construct which captures what organizations do, produce, and accomplish for the various constituencies with which they interact” (Baum &Rowley, 2002).
- **Motivation:** The development of desire within an employee to perform a task to his/her greatest ability based on the individual’s own initiatives (Rudolph & Kleiner, 1989).
- **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:** it may be seen as a process where individuals learn to see a closer correspondence between their goals and a sense of how to achieve them, and a relationship

between their efforts and life outcomes (Mechanic, 1991).

- **Internal Communication:** it denotes all forms of communication from management to employees in service organization (Lovelock & Wright, 1999)

CHAPTER TWO: LITERATURE REVIEW

This chapter discusses the theoretical and empirical literature in relation to internal marketing practices and job satisfaction. The chapter first discuss the basic concepts and terminologies and goes on to elaborate the basic theories with regard to the study variables. Then, it discussed review of empirical studies conducted locally and abroad in relation to the effect of internal marketing on job satisfaction. Finally, the chapter presents the conceptual framework of the study and the research hypotheses.

2.1. Theoretical review

2.1.1. Internal marketing

Internal marketing represents a rather recent concept and denotes the application of marketing within the business. It relies on two principles; namely that it is important to satisfy the needs of employees before the business can satisfy the needs of its customers; and the rule that apply in the market area of business. It stresses that in order to create and offer value for the customers; a strong focus on specific internal marketing components is mandatory. The term internal marketing, (IM) is used to describe the application of marketing internally within the organization. “Every department and every person is both supplier and a customer, and the organization’s staff works together in a manner supporting the company strategy and goals” (Salomão Alencar de Farias, 2010). Excellently managed service companies believe that employee relations will affect customer relations. In these firms, management carries out internal marketing and provides employee support and rewards for good performance. In addition, management regularly audits employee job satisfaction (Philip kotler Millennium edition, p244).

The definition of Berry (1981, 1984),“IM is viewing, employees as internal customers” IM is viewing jobs as internal products” IM results in overall customer satisfaction” define Internal marketing perfectly.

2.1.2. The development of internal marketing

Internal marketing was originally defined as making internal products (jobs) available to satisfy the needs of internal market (employees) so that it satisfies organizational objectives (Berry, et.al., 1976). The authors go on to add that a firm has to successfully hire, train and motivate employees to serve external customers since the needs of external customers can be satisfied partly because the needs of the firm's internal customers (employees) are satisfied.

Marketing aimed at internal customers is called internal marketing (Gronroos, 2001). However, since then, there have been a number of definitions of internal marketing and there is no unifying notion (Rafiq & Ahmed, 1993). For instance, George (1977) and Berry (1980) state that in order to keep external customers happy and satisfied the company's internal customers (employees) should be happy in their jobs. Internal marketing's goal is to hire, train and motivate employees so that they serve their customers well (Kotler, 1991), and to treat employees as customers (Berry & Parasuraman, 1991). A firm should be considered as a market and marketing inside the firm is internal marketing and therefore marketing tools that are used for external customers might be used for internal customers and the field of human resource management has started adopting appropriate marketing tools (Foreman & Money, 1995).

For a service to succeed, the three types of marketing; external marketing, interactive marketing and internal marketing, must be effectively conducted. On the right side of the service marketing triangle (Figure 1) is the external marketing, where the companies give promises to the customers and set up customers' expectations. At this stage the companies must keep the promises, otherwise the customers would be dissatisfied. On the base of the triangle (Figure 2.1) is interactive marketing, where employees and customers interact with each other. Unless employees are able and willing to deliver the services promised in the external marketing, the customers would be disappointed. The left side of the triangle (Figure 2.1) is internal marketing, where employees are trained and given skills and tools to enable the employees to provide the 17 promised service. If the internal marketing is not well managed by the companies, the whole triangle will fail. (Wilson et al., 2012).

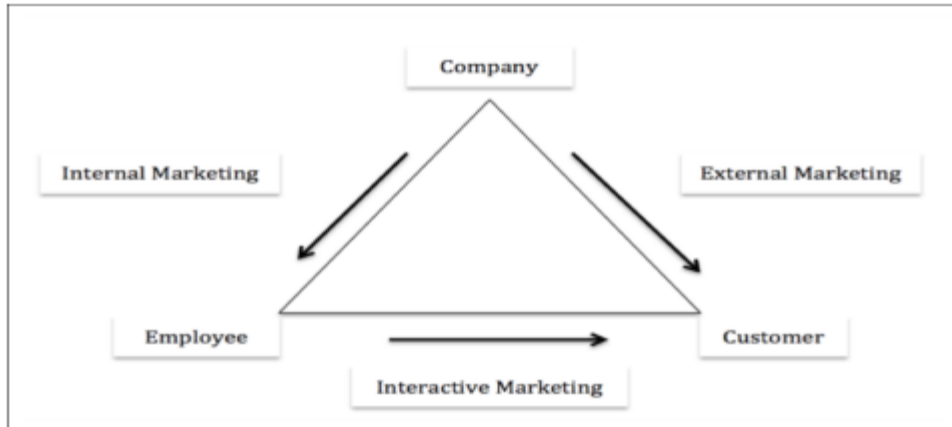


Figure 2 1 Coordination of the three types of marketing

Source: Wilson et al., 2012

Research has shown that service organizations should not only concentrate on external marketing (outside customers) but should focus on internal and interactive marketing as much as external marketing. Especially on internal marketing since the employees play the main role in the service (Chung-Cheng & Hung, 2008). Without being actively promoted internal marketing can have a negative effort on the service quality, which can result in reduced customer satisfaction and profitability. It has been suggested that internal marketing is a strategy for front line personnel who interact with customers to provide them with the best service possible (Ting, 2011). Organizations have adapted internal marketing to better understand the importance of employees' role in the organization (Esfahani, Amirosadat, Rahimi & Marandi, 2013). Wilson et al. (2012) wrote that the internal customers deliver a link between the customers, environment and the internal operations of the company. Front line employees perform a critical function in understanding, filtering, interpreting information and resources between the organization and its external customers. The concept of internal marketing indicates that the organization's employees are the first market of the company (Caruana & Calleya, 1998). This means that the company should work just as hard on satisfying the employees as they are at satisfying the external customers. The sooner the company realizes the importance of meeting the employee's needs, they is more motivated and committed to the company, this results in better service for external customers. (Ting, 2011) In the early years all the employee training, marketing 18 analyses and planning have all been centralized on the external environment, like external

customers, competitors and markets (Piercy & Morgan, 1991). According to Caruana and Calleya (1998) there is a better understanding on how the relationship between the company, employees and customers interact through different marketing activities. Internal, external and interactive marketing are all tools that are linked to each other and can be used to promote the companies' services or products.

According to Rafiq and Ahmed (2000) internal marketing was first introduced over 20 years ago as an answer to a problem of how to deliver high service quality consistently. The definition of internal marketing described by (Kotler, cited in Caruana & Calleya 1998, p. 109) is “the task of successfully hiring, training and motivating able employees to serve the customer well”. Caruana and Calleya (1998) argue that the main goals of internal marketing are to be seen as tools for supporting management methods, personnel policy, internal training and planning procedures. The aim of internal marketing is to sell services, campaigns and other marketing efforts and initiatives to the employees (Caruana & Calleya, 1998). According to Woodruffe (1995, pp. 86-87) it is possible to ensure that the employees of an organization are motivated and committed to guaranteeing the best possible treatment of customers and seeing themselves participating actively in achieving the organization's goals. Internal marketing is the key to this, if fulfilled the potential for long-term success is evident. Woodruffe (1995) suggested that internal marketing influences a critical element for service-orientated organizations, which is customer service. It is the most important factor of an organization's competitive advantage. She proposed “internal marketing is attracting increasing attention and growing recognition as an implementation tool for adoption by all organizations.” (Woodruffe, 1995).

2.1.2.1. Basic concepts and terminologies

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 Staff Company Internal Marketing External Marketing Interactive Marketing Customer 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 customer orientation conceptualization focuses attention on creating customer orientation in employees through a process of influencing, rather than satisfying and motivation employees (Rafiq & 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”.

2.1.3. Dimensions of internal marketing

Different scholars discuss the different elements of internal marketing but most of them revolve around the same ideas. As illustrated in the Service marketing book by Woodruffe (1995), the four most important areas within an organization that are essential to an internal marketing program are education/training, motivation, communication/information and coordination. According to Hog et al. (1998), there are a set of internal marketing dimensions which are: motivation, communication, empowerment, training and development. While Alshurideh, Alhadid and Barween (2015) stated that internal marketing dimensions are: motivation, communication, empowerment and training and development. Within the same theme, Ghoniem

and El-Tabie, (2014) outlined that internal marketing entails but is not limited to communication, strategic reward and training. Also, Esmaeel, Esmaeel and Mohammad (2013) implied that the six aspects of internal marketing are: job security, extensive training, generous rewards, sharing information, employee empowerment and reduced status distinctions. Based on reviewing the literature, this study is planned to take deep insight into a set of factors that seen core stones in creating and developing organization citizenship behavior which are: motivation, communication and training and development. The next section provides more lights on explaining each factor separately.

2.1.3.1. Empowerment:

The concept of empowerment has varying meanings in the literature ,most regard empowerment as referring to some form of “sharing of power” between management and employees. Others have taken a broader view of empowerment, who argues that empowerment is a motivational concept referring to enabling rather than delegating strategies that create conditions for heightening motivation from tasks through development of personal efficacy and removal of conditions that foster powerlessness (Tómas Bjarnason,P 33).

Interdepartmental co-ordination is not only of importance to employees’ understanding of the functions and limitations of other departments; such an understanding is central and underscores employee empowerment as an experiential structure of IM phenomenon. Empowerment as an element of IM experience manifests itself by way of keeping employees involved with activities within the organization in order to enable them to understand what they need to do as internal people, as well as provide them with the adequate level of training they require in order to execute their jobs effectively.

Adequate training and involvement provides the employees with the ability to come up with innovative and new ideas on how to improve the business as well as with making the right decisions that will ultimately, satisfy the needs of external customers. There is a general perception that employees would become more motivated in their jobs from being empowered, as the individual becomes more confident to deal with issues that may affect the external customer (Uchenna Paschal Anosike, 2008).

2.1.3.2. Training:

According to Bansal, Mendelson and Sharma (2001) it has been described that internal marketing plays an important role in the training of front line employees because they are in need of the knowledge and ability to ensure service of high quality. Training programs are essential for providing employees with skills and knowledge about customers' needs and how to satisfy them. (Conduit & Mavondo, 2001). Training refers to structured activities to develop and improve employees' skills, knowledge and behaviors. In an effort to give them the tools to perform job-related duties, accomplish specific tasks and meet the quality requirements of the organization, training is necessary (Bulut & Culha, 2010). Training is a dimension of internal marketing to equip employees with relevant skills and knowledge to perform their job. Narteh (2012) stated, managers are able to observe and appraise employees' performance and if there are gaps in the skills and knowledge they is addressed through training programs. He also wrote that employees consider training to be an important element in the work environment, the higher the possibility for competence development, the larger the commitment is among employees. Narteh (2012) continued to write that training is not only a way to ensure that employees perform their job in a satisfying manner, but it also plays a critical role in building feelings of belonging among the employees.

Companies can use formal education such as schools and on-the-job training where new recruits learn from experienced employees. To service employees learning interactive skills which allow them to provide courteous, caring, responsive and empathic service is important (Wilson et al., 2008, p. 283). Education systems should teach behavioral strategies that employees may use when handling customers' need, personalities and circumstances (Bettencourt & Gwinner, 1996). Role-playing exercises can teach employees to be comfortable in their role as service providers. It puts employees in the shoes of the customer to see how they experience the service provided (Grady & Ohlin, 2009). Role-playing could be a tool that can sharpen the skills of the front line employees (Bettencourt & Gwinner, 1996).

According to Beatson, Gudergan and Lings (2008), the importance of providing front line employees with appropriate training is well known. Training has a direct positive impact on front line employee job satisfaction, which in turn affects their attitudes to serving the customers.

According to Al-Hawary et al. (2013), training is defined as the acquisition of skills and attitudes required to perform specific tasks. The employees should be trained and developed in such way that they get to understand the organization's objectives so that they can handle the tasks delegated to them quite perfectly. Consequently, staff training is preparing people to perform the service that enhances every sub-goal of IM; attracting, developing, motivating and retaining superior employees (Berry and Parasuraman, 1992). Effective training is offering employees a vision that would enrich their work with meaning and purpose. It also enhances the skills and knowledge of the employees to perform excellently, teamwork, with an effective measurement and rewards system, which lead to more motivation (Akroush et. al, 2013). Mbengo and Chinakidzwa (2014) found a positive relationship between training programs and employees' performance. The notion is that the training programs fosters the feelings of reciprocity emerges in the high-performing employees to acquire new skills, knowledge and competencies in order to make the employees up to date according to the dynamic corporate environment, which motivate them to seek promotions to higher level jobs which is the main cause of motivation. Additionally, employees is more motivated and able to satisfy customers' needs if they have the sufficient skills, knowledge and abilities needed to more effectively interact with 21 customers (Ghoniem & El-Tabie, 2014). Therefore, staff training is a vital element for employees' performance.

2.1.3.3. Motivation:

Motivation is something complex that comes from within the employees, it is multidimensional and difficult to measure since the definition cannot be set to fit all people. Having clear goals and feedback in the organization can have a positive effect on motivation (Cook, 2011, p. 229). According to Grönroos (2007, p. 405) most employees feel motivated to perform better if they are allowed the freedom to think, analyze, make decisions and act. In order for the employees to achieve this they need knowledge and skill so that they feel secure in an empowered position. Work motivation can be defined into two types, which are extrinsic motivation and intrinsic motivation. Extrinsic motivation emphasizes on the external rewards such as bonuses and benefits. The importance of intrinsic motivation is placed on gaining new skills and abilities, chances to learn new things, promotion, freedom, achievement, the work itself, recognition, praise from supervisor, friendship and accomplishment. Prior scholars (Stringer, Didham &

Theivananthampillai, 2011; Stringer et al., 2011) also found that intrinsic motivation has a positive relationship with job satisfaction, and extrinsic motivation has a negative relationship with job satisfaction. The reason is that the elements of intrinsic motivation, such as the feeling of achievement and enjoyment are related to the satisfaction of doing the job. Encouraging intrinsic motivation of the front line employees can increase job satisfaction and can make them more productive. Stringer et al., (2011) wrote that salary has a positive relation with job satisfaction and in order to increase front line employees' job satisfaction, managers should pay them an adequate amount of money.

Motivation is considered the major factor that has a huge impact on the employee's productivity and behavior; so managers should understand how to motivate the employees to enhance their performance, motivation is the drive to act or behave in a certain way (Bigley & Steers, 2003). The managers can motivate the employees through appraisals, recognition and rewards. There is a difference between rewards, and wages, as the reward is received for an effective superior performance, and the wages is received for conducting the normal duties that are asked from the 22 employees at a normal standard level (Saadat, 2005). A study by ELSamen and Alshurideh (2012) is designed to examine the impact of Internal Marketing (IM) on the Perceived Internal Service Quality (ISQ) among employees working in a Jordanian Pharmaceutical company. The results showed that motivated employees tend to have better perception of the ISQ. There is no doubt that the motivation is an important factor which improves the performance of the employee. Moreover, Eldeen & El-Said, (2001) emphasized on the importance of establishing motivation structures to enhance employee behavior and performance which in turn is reflected on the organization overall performance. When the employees feel that their good performance earns rewards, productivity is enhanced, turnover ratio and absenteeism is decreased, group work is more coordinated, and their resistance for change is less. Eventually, employee cooperation towards achieving the organization's objectives is obvious.

2.1.3.4. Internal communication:

Internal marketing communication needs to be managed in order to inform employees with accurate information that is consistent with what customers are hearing and seeing (Wilson et al., 2008,). The strategy of internal marketing must originate from top management of the

organization and should be communicated down to the employees working under them (Greene, Walls & Schrest, 1994). Grönroos (2007,) wrote that there is a need of informing employees about new service-oriented strategies as well as new ways of performing when interacting with customers. For employees to understand and accept new strategic ways of thinking, management needs to develop support tools such as audio-visual and written material. This is a form of communication that managers can use to help the employees to understand more about the changes occurring in the organization (Grönroos, 2007). Other media to explain new strategies can be magazines, web sites, direct mail, advertising and promotions. (Wilson et al., 2008,)

Communication within an organization is important since employees need information to be able to perform their tasks as service providers. Having a two-way communication where employees are able to talk to managers about their findings regarding the customer needs. This can enhance 23 the support from the managers' in order to improve the employees' performance. The information is required in order for employees to understand customer needs and how they as individuals are contributing to the organization. (Conduit & Mavondo, 2001)

If an organizations' advertising is not developed with input from operations, front line employees may not be able to deliver the service that has been promised in the external marketing efforts. To be able to provide service of high quality, organizations need to make sure employees are informed and motivated to deliver what the customers expect (Wilson et al., 2012, p.387). Insufficient information causes uncertainty, ambiguity and other organizational problems such as a decline in job satisfaction and productivity among employees. Useful information regarding organizational policies and personal performance is important in predicting job satisfaction (Rosenfeld, Richman & May, 2004). This is further supported by Rogers, Clow and Kash (1994) who wrote that without communication employees job satisfaction decrease along with the service quality.

According to Alshurideh, Alhadid and Barween (2015), the manner of applying of communicative mechanisms is important in order to enhance knowledge, skill and awareness of employees from issues related to their jobs. The means through which information is conveyed from one party to the other is referred to as communication. Dramatically, it is important to disseminate relevant information to all employees in an organization so as to have common goals

and values. Proper communication facilitates coordination of efforts towards achieving a common goal. The most effective method is face-to-face; however, internal communications also seek to improve employee relations with each other (Piercy & Morgan, 1991). Also, according to Ahmed and Rafiq (2003), the major factor that facilitates the organizational change process is communication. Where Martin and To (2013) ascertain the importance of communication to measure the internal marketing; which includes the management style in providing information to its employees, facing any difficulties in performing tasks, employees know to whom they will report.

In addition, Akroush et. al, (2013) have confirmed the relationship between internal communication effects on internal service quality. Result showed that internal communication is 24 important plays an essential role on creating suitable feedbacks that might raise both levels of performance, and job satisfaction. Communications approaches and ways in any organization may vary while the main point is not by discussing such approaches; but in how an organization should has the ability to communicate its values, and strategic points that fit accurately to their employees, and can be acknowledge smoothly (Deckop et al., 1999). 2.3.4

2.2. Job satisfaction

2.2.1. The concept of 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, Usman, Naseem, &Shafiq,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).

2.2.2. Drivers of job satisfaction

A job is not an entity; instead it is a notion referring to a mixture of tasks executed by an individual in a certain physical and social context for financial or other compensation. Therefore, job satisfaction is the sum of all job aspects, which indicates that certain aspects alone cannot cause satisfaction or dissatisfaction (Locke,1969). Luthans (2002, pp. 230-232), he suggested five job dimensions to represent what employees feel are the most important aspects of a job.

1. The work itself – Meaning the extent to which the job provides the employee with interesting tasks, opportunities for learning and the chance to accept responsibility. The work itself is one of the most important sources for job satisfaction.
2. Pay – What employees receive in financial compensation and if they feel that it is equitable to others in the organization. The pay is recognized to be significant but it can be very complex and hard to measure in the context of job satisfaction.
3. Promotion opportunities – is the chance to advance within the organization. Promotions can have a varying effect on job satisfaction. Employees who are promoted on the basis of performance tend to experience a higher degree of job satisfaction than those who are promoted because of seniority.
4. Supervision – The ability for supervisors to provide technical assistance and behavior support. The leadership skill of a manager can create job satisfaction. There is empirical evidence that suggests lack of supervision can cause an employee to quit.

5. Coworkers – The degree to which fellow workers are technically proficient and socially supportive. The relationship to other workers will have a modest effect on job satisfaction but difficulty to get along can have a negative effect on job satisfaction.

2.2.3 The relationship between internal marketing and job satisfaction

The relation between internal marketing and job satisfaction had been the concern of many researchers. If an organization implements internal marketing, then the organization is upgrading job satisfaction for employees which will lead definitely to enhancing the performance of the organization (Al-Hawary, Al-Qudah, Abutayeh, Abutayeh, & AlZyadat, 2013).

Nikbin, Saad and Ismail (2010) proposed that internal marketing is tied up with employees in organizations and is able to raise their level of satisfaction. Once employees are satisfied they are more motivated to deliver better service and be more customer-oriented (Nikbin et al., 2010). By developing an internal marketing strategy, organizations can increase the degree of the value employees receive in return for the work they perform; hence their satisfaction with their job also increases (Gounaris & Boukis, 2013). Past studies indicated that internal marketing has a positive influence on job satisfaction (Iliopoulos & Priporas, 2011). Successful internal marketing triggers positive attitudes towards employees, motivation and job satisfaction. It also prompts them to put their maximum effort at work, which will satisfy the external customers by fulfilling their needs and wants in a better way (Abzari, Ghorbani & Madani, 2011). A recent study by Nikbin et al. (2010) also confirms that internal marketing has an effective influence on job satisfaction. If internal marketing is operated successfully, it can positively influence employees' attitudes towards work.

Previous studies showed that internal marketing has a positive effect on job satisfaction. Ibrahim et al (2010) identified that the recruitment, development, internal communications, incentives and demographic factors (gender, age, experience and education) have impact on job satisfaction. Khan et al (2011) established a link between perceived internal service quality practices with employee retentions in mediating environment of employee job satisfaction. They identified

employee selection, training and development, work design; job description, rewards and compensation have positive and significant dimensionality to internal service quality.

The four components of internal marketing are connected with the five dimensions of job satisfaction because training provides and develops employees' skills and knowledge to perform their job (Bulut & Culha, 2010). This is connected to how Luthans (2002, pp. 230-232) wrote that the work itself such as opportunities for learning is an important element towards job satisfaction. Motivation has a connection to four of the dimensions of job satisfaction; pay is a way to motivate employees and as Stringer et al. (2011) wrote payment is positively related to job satisfaction. Intrinsic motivation regards promotion, the work itself and supervision and they all contribute to employee's job satisfaction (Stringer et al., 2011). Promotion contributes by giving the employees the opportunity to advance within the organization, the work itself by learning new skills and supervision by providing support (Luthans, 2002).

By receiving support and feedback from management two-way communication is created between supervisors and employees, which is connected to how well the employees is able to perform their jobs (Conduit & Mavondo, 2001). According to Rogers et al. (1994) without communication job satisfaction among the employees will decrease. Lack of supervision and feedback from supervisors can cause employees to leave their job (Luthans, 2002, pp. 230-232).

Co-ordination focuses on how employees work together and therefore it is connected to coworkers. Activities need to flow from one actor to another and they need to be working towards the same goal (Malone & Crowston, 1990). Although the relationship with coworkers has a moderate effect on job satisfaction, disagreements can have a negative effect on job satisfaction (Luthans, 2002).

2.3.1 Variables Involved in Theory:

There are certain factors that determine how relationships are based on exchange and how they influence their surroundings (Wei et al., 2014).

- **Positive reinforcement:** As human beings are driven by self-interest, social exchange is strongly influenced by the number of benefits one particular party stands to gain from a transactional relationship. If consumers receive a high standard of quality from the goods and services that they spend their money on, then they are motivated to keep purchasing those goods and services. They will see that they feel a reasonable amount of satisfactory joy in relation to the amount that they have expended in order to procure the commodity that is satisfying them. Employees will work harder if employed by organizations that make satisfying them a primary concern, and the employer, in turn, is satisfied by the amount of work the employee is putting in.
- **Evaluation and comparison:** Before entering into transactional relationships, a party carries out an analysis of whether the benefits are going to be worth the cost, and if other parties that they are not currently linked with are going to provide a greater amount of benefits in exchange for a smaller amount of costs. An individual or organization evaluates the available alternatives and the potential advantages to be gained from each of them. If the primary option for entering into a transactional relationship is not the best option, subjectively speaking, the individual or organization selects a different option.

2.4 Review of Empirical Literature

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 differ 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 contributes to existing knowledge by examining the effect of internal marketing on job satisfaction in Bank of Abyssinia.

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

Training and Employee 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. In the study conducted on the effect of employee development program on employee satisfaction and by Karen (2007), employee 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 employee 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

H1a: There is a significant positive effect of employee training on employee job satisfaction.

Empowerment and Employee Job Satisfaction:

Employee empowerment is a process of giving authority to the employees to make necessary important decisions on their own about their day to day activities (Hass, 2010). Empowered employees are expected to perform their work more effectively and efficiently than non-empowered employees. Employee Empowerment has received recognition in management circles because it is one of the fundamental elements of managerial and organizational effectiveness that increase when power and control are shared in the organization (Ergeneli et al., 2007). Today, more than seventy percent of organizations have adopted some kind of

empowerment initiative at least for a part of their workforce (Lawler, Mohrman and Benson, 2001). In the last decade, empowerment has become particularly important for services, aiming to control or enhance service quality and customer satisfaction at the point of service production (Klidas et al., 2007).

Empowerment is an inner incentive state which is defined in relation with jobs and professions including inner imaginations which show people's desires towards their professional roles. These inner imaginations are: meaning, competency, effectiveness, and choice (Thomas & Velthouse, 1990).

Empowerment has now become an imperative for the organizations, especially for those who want to win external pressures with the help of their workforce support. Until the employees do not feel empowered they are not satisfied with their jobs. Empirical studies have depicted the empowerment as a significant predictor of job satisfaction. Empowered employees are more satisfied with their jobs (Spreitzer, Kizilos and Nason, 1997). A number of researchers have focused on the study of relationship of empowerment and job satisfaction (Fuller, 1999). Empowerment can affect job satisfaction to a particular extent (Bakker and Schaufeli, 2008; and Laage, 2003). The study conducted by Dickson and Lorenz, (2009) concluded that meaning, impact and self-determination cognitions of empowerment were positively associated with job satisfaction while competence cognition was not; nevertheless, an overall empowerment was found positively associated with job satisfaction. Researchers have come across the relationship of four cognitions of empowerment with different outcomes, but results have varied from one study to another (Carless, 2004; and Liden, Wayne and Sparrowe, 2000). Rana and Singh, (2016); Choong and Lau (2011); and Ning, Zhong, Libo and Qiujie (2009) stated significant and positive relationship between employee empowerment and job satisfaction in their research studies. Based on the above explanation, empowerment effect can be translated as

H1b: There is a significant positive effect of employee empowerment on employee job satisfaction.

Motivation and Employee 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 employee job satisfaction, there is a positive correlation between motivation and employee job satisfaction. That is, motivation increases with increase in employee commitment and vice versa (Prof.S.K. & Viveki, 2011).

According to Kaye & Evans (2000), maintaining human resources is one of the key challenges in managing an organization. Success in solving various human resource problems can produce an effective organization because employees who are motivated and more satisfied tend to be more cooperative and that they are more productive in the workplace. Research by Octaviann et al. (2017) examined the effect of motivation on employee performance. Larasati & Gilang (2014) found that motivation had a positive effect on employee performance at Witel Bekasi. Research conducted by Rizaldi (2017) examined the effect of motivation on employee performance shows that motivation has a positive effect on employee performance. Research by Badrianto & Ekhsan (2019) about the effect of motivation on employee performance found that motivation has a positive effect on employee performance. Hidayah (2018) shows that intrinsic motivation plays an important role in increasing employee job satisfaction. Octaviann et al. (2017) state that motivation has a positive and significant effect on job satisfaction. Hidayah (2018) also stated the need for employees to have the motivation to increase job satisfaction. Research result by Prabu (2005) states that combined motivations have a positive influence on job satisfaction. Research conducted by Akmal & Aslinda (2015) shows that motivation has a positive effect on employee job satisfaction. Based on the above explanation, motivation effect can be translated as

H1c: There is a significant positive effect of employee motivation on employee job satisfaction.

Internal Communication and Employee Job Satisfaction:

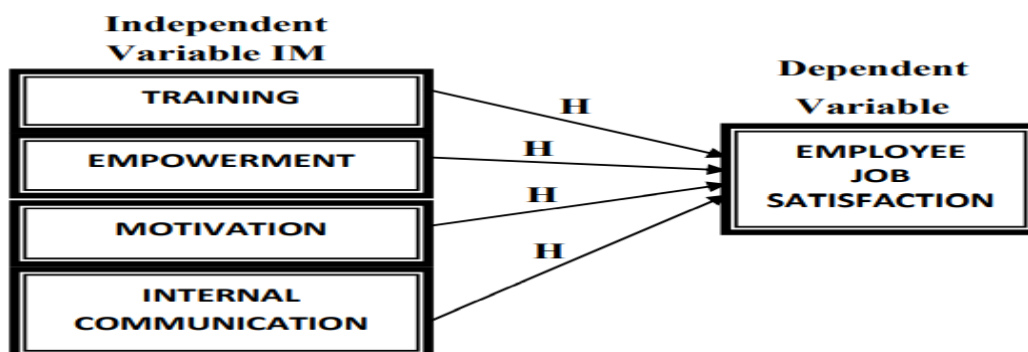
Internal Communication is process whereby people within an organization give and receive messages, it is a vital prerequisite for a well-functioning internal marketing culture. Without people being able or prepared to communicate with each other, there is no inter-departmental or inter functional co-ordination (Naude & Murphy, 2003). Researches indicate that internal

communication is one of the factors which influence employee 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 employee job satisfaction. With regard to the literature review that has been presented, the following hypotheses can be developed.

H1d: There is a significant positive effect of employee communication on employee job satisfaction.

2.5 Conceptual framework of the study

The conceptual framework of the study presented below (Figure 2.1) shows the effect of internal marketing (independent variable) on employee job satisfaction (dependent variable). In this study, internal marketing is treated as a multi-dimensional construct composed of four dimensions namely empowerment, training, internal communication and motivation. Social exchange theory was used as a basis to develop the conceptual framework of the study. The theory avers that when an organization treated and invested on its employees, in return employees is more willing to reciprocate back with high level of job performance and satisfaction.



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

Figure 2 2 Conceptual Framework of the Study

2.6 Research hypotheses

Based on the literature review and research question the study formulated the following hypotheses:

- H1: Internal marketing practices cause a statistically significant positive effect on job satisfaction.
- H1a: Empowerment positively and significantly affects employee job satisfaction.
- H1b: Training positively and significantly affects employee job satisfaction.
- H1c: Communication positively and significantly affects employee job satisfaction.
- H1d: Motivation positively and significantly affects employee job satisfaction.

CHAPTER THREE:

RESEARCH METHODOLOGY

This chapter comprises of topic related to how the research is carries out with respect to research design and methodological arenas. It begins by laying out the research design and approach for the research and follows in topics of sampling technique, tools used to collect the data, the procedure used to collect the data and methods of analysis. The reliability and validity of the research and ethical considerations also be addressed in this chapter.

3.1. Research Approach

Research approaches are plans and the procedures for research that span the steps from broad assumptions to detailed methods of data collection, analysis, and interpretation (Creswell, 2014). This plan involves several decisions of what should be used to study atopic. As Denzin& Lincoln (2011) explained there are three types of research approaches which are qualitative, quantitative and mixed Quantitative research referred to the measures and counts of things. Based on the suitability to answer the research question, quantitative approach is used.

According Creswell (2014), it is also important to classify the research approach in terms of whether it is inductive or deductive. First, the deductive approach – known as testing a theory, in which the researcher develops a theory or hypotheses and designs a research strategy to test the formula ted theory, second, the inductive approach – known as building a theory in which the researcher starts with collecting data in an attempt to develop a theory. In general (but not always), quantitative research methods are associated with deductive approaches (based on logic), while qualitative research methods are associated with inductive approaches (based on empirical evidence). In this study deductive approach is used because conclusion follows logically from premises and based on theoretical background.

3.2. Research Design

A research design is simply the frame work of the study. From different types of research designs descriptive and explanatory type of research design was employed as a main research

design for this study to the realization of intended objectives. The reason behind using descriptive research design is because the researcher is interested in describing the existing situation under study. Creswell, (1994) stated that the descriptive method of research is a technique of gathering information about the present existing condition. This research design is a fact-finding study with adequate and accurate interpretation of findings. This study also uses explanatory research design to explaining, understanding, predicting and controlling the relationship between variables. By taking cross-section of the population relevant data was collected at one point in time.

3.3. Population, Sample Size and Sampling Technique

3.3.1. Population

The target population of the study was at Head office level from who are working at different job position with a size of 1218 employees out of the total population (BoA HR Database, 2022). The researcher excluded employees of non-clerical like janitors and securities, Messenger, who are outsourced from other organization; moreover, the target population was selected as consideration of the easy access to data, cost effectiveness and easy manageability of the study

3.3.2. Sample Size

The following formula helps to find our sample from the large target population that we intend to study. In addition, this formula is used when our target population is large.

$$n = \frac{z^2 \cdot p \cdot q \cdot N}{e^2 (N - 1) + z^2 \cdot p \cdot q}$$

Source: C.R. Kotari (2004)

Where,

N=size of population

n=size of Sample

e=acceptable error

p=standard deviation of population,

$p=0.5$ where p is $1-q$

For this case using 5% margin of error at 95% confidence level, Z at 95% confidence level is 1.96

$N=1218$

$$n = \frac{1.96^2(0.5)(0.5)(1218)}{0.05^2(1218-1) + 1.96^2(0.5)(0.5)} = 293$$

$$0.05^2(1218-1) + 1.96^2(0.5)(0.5)$$

$n=293$

Table 3 1 sample size

Department	Number of f of BoA in Addis Ababa area (Head office level)	Proportion sample size
Financial management	93	22
Branch Banking	95	23
International Banking Business	102	24
Credit Business	102	24
Digital Banking	101	24
Corporate Human Resource	111	28
Enterprise Services	65	16
Internal Audit	100	24
Risk and Compliance	65	16
Legal	80	19
Marketing Management	105	25
Interest Free Banking	80	19
Information System	122	29
Total	1218	293

The number of sample size is 293 as calculated with the above formula.

Bank of Abyssinia total population is 1218 head office level and sample size calculated with the above formula and resulted 293. Based on there as on mentioned above the stratified sampling method is used to select 293 sample from head office departments.

3.3.3. Sampling technique

Sampling is the process of selecting a suitable sample for the purpose of determining parameters or characteristics of the whole population. To carry out a study, one might bear in mind what size the sample should be, and whether the size is statistically justified and lastly, what method of sampling is to be used (Leedy, 1997). The researcher applied simple random sampling techniques use in the selection of samples from the population. First, the population is stratified in to 13 groups based on the number of departments in Head office. Then, respondents were selected from each stratum proportionally by using simple random sampling to distribute questionnaires which were totally 293 sample employees.

3.4. Type of Data and Tools

Data was collected by using both primary and secondary data. To get a good understanding and to make the findings as reliable as possible, primary data was collected from Employees of the bank and the human resource manager was interviewed through structured questioner. These primary data were gathered through structured questionnaire based on the factor analysis model. The secondary data was collected from, journals, websites and documents related with, Internal Marketing and Employee job satisfaction. For understanding the impact of each independent variable a 5 Likert scale questionnaire is used. The variables of interest are empowerment, training, communication, reward and organizational support which are considered as job satisfaction measurements.

3.5. Procedures of Data Collection

To facilitate approaching the Bank for collecting data first the researcher secured the bank's administration permission to create conducive environment for conducting study. The questioners are distributed to the selected department's and respondents that are based on simple random sampling. Survey respondents were informed about the objective of the study and were asked to complete questionnaire on voluntary basis.

3.6. Methods of Data Analysis

Quantitative data gathered via structured questionnaire was processed through SPSS version 26 and analyzed using descriptive (frequency, percentage, mean and standard deviation) and inferential statistics (correlation and regression analysis). Data collected was analyzed to

encounter the objective of the research, and done to deal with the research questions. The data analysis is based on the data obtained from the questionnaire and interview. Before the statistical analysis, data collected from the primary survey is summarized, compiled, edited, and coded. The Pearson Correlation Analyses is employed among variables.

In doing so, the research tested the relationship between internal market practice and job satisfaction. In order to analyze the data of this study the researcher used both descriptive and inferential statistics. Descriptive statistics is used to summarize the data collected in tables and graphs. To present descriptive statistic for this study, means, standard deviations, percentage values, is used.

Besides, inferential statistics was used to generalize and make predictions from the results of the data. There as on for this choice is because of the nature of the data which is categorical data. Simple linear regression analysis or correlation is used to answer research questions.

3.7. Reliability and validity of data collection instruments

Validity is an important term in research that refers to the conceptual and scientific soundness of a research study. It is a very important and useful concept in all forms of research methodology. Its primary purpose is to increase the accuracy and usefulness of findings by eliminating or controlling as many confounding variables as possible, which allows for greater confidence in the findings of a given study (Marczyk et al, 2005). As the instrument had been subjected to verification and analysis and used as a very useful instrument in different settings in the research world it holds good instrument validity.

Reliability refers to the consistency or dependability of a measurement technique, and it is concerned with the consistency or stability of the score obtained from a measure or assessment over time and across settings or conditions. If the measurement is reliable, then there is less chance that the obtained score is due to random factors and measurement error (Marczyk, Matto and Festinger, 2005).

Statistically, Cronbach's alpha is commonly used test of internal reliability and essentially calculates the average of all possible split half reliability coefficients. A computed alpha coefficient varies between 1 (denoting perfect internal consistency) and 0 (denoting no internal

reliability).

Structured/closed questioner of data collection is quite popular, particularly in case of big enquiries (Kothari, 2004). Therefore, a structured questionnaire is utilized to collect the data from bank of abyssinia employees. The respondents were asked to rate their level of perception of the six variables on five point Likert scale basis to obtain firsthand 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 2 Reliability of Data Collection Instruments

Variables	Number of items	Cronbach alpha (reliability coefficient)	Name of the scholar/s who developed the scale, year)
• Empowerment	4	0.82	Gounaris (2008a & 2008b); Al-Qudah et al. (2013)
• Motivation	5	0.84	Gounaris (2008a & 2008b); Al-Qudah et al. (2013)
• Training	6	0.78	Gounaris (2008a & 2008b); Al-Qudah et al. (2013)
• Internal Communication	5	0.73	Gounaris (2008a & 2008b); Al-Qudah et al. (2013)
• Job satisfaction	9	0.86	Spector (1997)

Internal marketing was examined using 20 items, which contains four dimensions (training, empowerment, motivation and internal communication). Job satisfaction was examined using 9 items. The questionnaire was developed and distributed to employee was in English language, no need of translation. This was because one of their job requirements is the skill of English language for bank of Abyssinia employees.

3.8. Ethical Considerations

To reach the respondents the researcher provides formal letter to the offices that the offices help for distributing questionnaire to head office employee. The researcher informs the respondents and the office staff that the data collection is only for academic purpose. The researcher does not

force the participants to fill the questionnaire willingly and keep confidentiality of the information given by the respondents.

3.9. Pilot Test

A pilot study is a mini-version of a full-scale study or an experimental testing of the data collection instrument. This is usually done in preparation for the complete study (Teijlingen & Hundley, 2001). To ensure validity and reliability of data, the questionnaire was pilot-tested with twenty-nine (10% of total sample size) employees before its administration. Probability random sampling method was utilized in selecting the employees that filled in the questionnaires. The pre-test data was subjected into reliability testing using Cronbach Alpha, resulting in a reliability coefficient of 0.923 which is above 0.7; the minimum recommended by Santos and Reynolds (1999).

CHAPTER FOUR

DATA ANALYSIS AND PRESENTATION

4.1. Introduction

This chapter presents the analysis of the survey questionnaire as well as results of the data analysis. The target population of this study composed of employees of Bank of Abyssinia. Questionnaires had been collected at the mid of March 2022. Among 293 questionnaires distributed, 270 were returned back from employees of the bank and used for further analysis. This implies that 92.15% of questionnaires were returned.

Table 4 1 Response Rate

Questionnaires	Numbers	Percentage
Filled and collected	270	92.15
Non responded	23	7.85
Total	293	100

Source: Author's computation using SPSS 26 (2022)

4.2. Descriptive Statistics

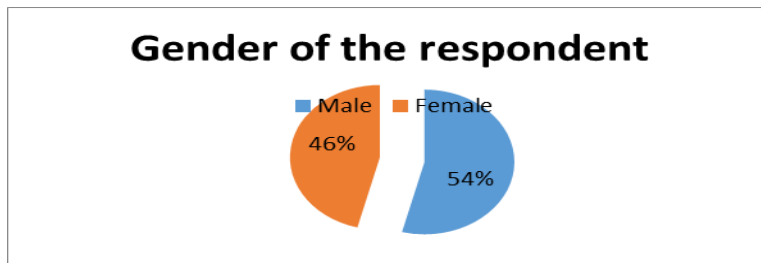
4.2.1. Demographic Characteristics

The research-analyzed data with regard to the demographic factors and the results were presented as follows:

A. Gender

Figure 4.1 shows the gender of the respondents who participated in the study. From the total respondents, 54% were male and 46% were female.

Figure 4 1 Gender of the respondents

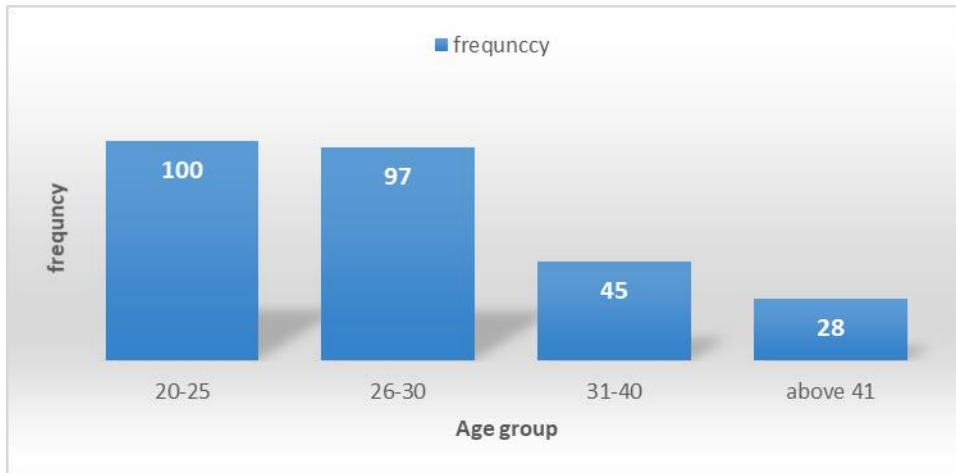


Source: Author's computation using SPSS 26 (2022)

B. Age

As shown in the figure below, 37 percent (100) of the employees were in the age group of 20-25, 36 percent (97) of the responders were in the age group of 26-30, 17 (45) percent were in 31-40 age group and the remaining 28 respondents were above 21 years old.

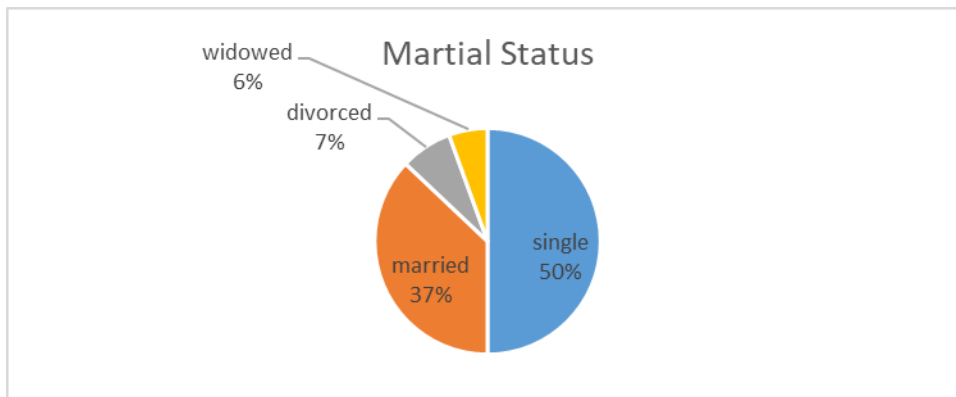
Figure 4 2 Age of the respondents



C. Marital status

Figure 4.3 portrays the marital status of the respondents in the sample. Results show that 50 percent are single- never married before, 37 percent are married/living together, 7 percent are divorced, 6 percent are widowed.

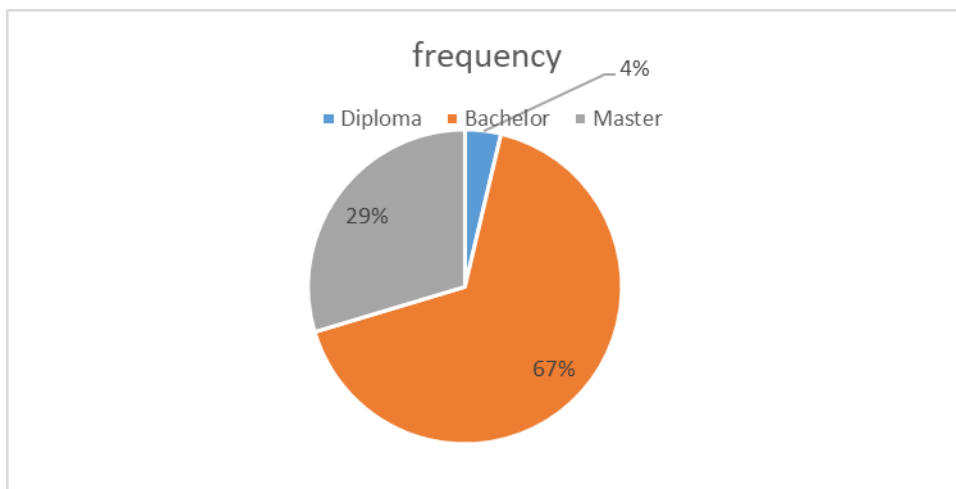
Figure 4 3 Martial Status of the respondents



D. Level of Education

The researcher investigates respondent's level of education. Findings showed that 67 percent of the respondents have a bachelor degree. In addition, 29 percent of respondents have studied master program. The remaining 4 percent of the respondents have a diploma. From the result majority of the respondents about 96 percent of the respondents were a holder of bachelors and master degree.

Figure 4 4 Level of Education



E. Experience in Bank of Abyssinia

From the table below, 41 percent (112) had a service between 1-3 years, about 30 percent (82) between 4-6 years of service in the bank, 19 percent (50) had 7-10 years of service, 5 percent of the respondents worked 11-15 years in bank of Abyssinia, and the remaining 4 percent of the respondents had more than 15 years of experience in Bank of Abyssinia.

Table 4 2 Experience in BOA

Experience in BOA	Frequency	Percent
1-3 years	112	41%
4-6 years	82	30%
7-10 years	50	19%
11-15 years	14	5%
more than 15 years	12	4%
total	270	100%

Source: Author's computation using SPSS 26 (2022)

4.2.2. Descriptive Statistics of the variables under study

The researcher employed descriptive statistics such as mean and standard deviation to analyse the collected data. The summary of descriptive statistics of all variables that are evaluated based on a 5-point Likert scale (from "1" "strongly disagree" to "5" "strongly agree"). According to Zaidaton and Bagheri (2009) the mean score below 3.39 was considered as low, the mean score from 3.40 up to 3.79 was considered as moderate and mean score above 3.8 was considers as high as illustrated by comparison bases of mean of score of five-point Likert scale instrument.

The interpretation was made based on the following measurement scale intervals or ranges. Mean scores 4.51-5.00 excellent or very good, 3.51-4.50 good, 2.51-3.50 average or moderate, 1.51-2.50 fair and 1.00-1.50 is poor (Btawee, 1987). An itemized rating scale was used to construct the range. This range was later used to measure the perceived level of the respondents towards each variable. The following formula was used to construct the range. Alhakimi and Alhariry (2014) state that Likert scale response has to be put on an interval of mean, based on the following formula.

$$\text{Interval} = \frac{\text{minimum} - \text{maximum}}{n} = \frac{5 - 1}{5} = 0.8$$

Thus, the mean value of each individual item is ranging from 1- 5 falls within the following interval.

Table 4 3 interval of mean perception

Interval	Interval of mean perception
1.00-1.80	Strongly dis agree
1.81-2.60	Disagree
2.61-3.40	Neutral
3.41-4.20	Agree
4.21-5.00	Strongly agree

Source: Author's computation using SPSS 26 (2022)

4.2.2.1. Descriptive statistics for Training

Employees were asked six items to measure their perception towards the training offered by the organization. For training the mean collective agreement level is $M = 3.82$ as an average (moderate) mean score from five items. It shows that most respondents strongly agree on training offer influences them to satisfy repeatedly. In addition, it is also the indication of satisfaction of employees with the training practice in Bank of Abyssinia.

Table 4 4 Descriptive statistics of training

	N	Mean	Std. Deviation
In BOA training is closely related to the individual needs of each frontline employee.	270	3.64	.853
A newly hired employee will have to find his own answers to the requirement of the job.	270	3.14	.827
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.	270	3.70	.984
If one moved from one task to another, the manager will facilitate to train him/her for a pre-specified period.	270	4.19	.833
BOA has adequate resources to train employee	270	3.64	.777
Training is clearly directed at creating the Competencies that is important to the business	270	4.63	.797
Overall average	270	3.82	0.74
Valid N (listwise)	270		

Source: Author's computation using SPSS 26 (2022)

4.2.2.2. Empowerment

Empowerment is the other internal marketing practices. Employees were asked four items to measure their perception towards empowerment by the organization. For empowerment, the mean collective agreement level is $M = 3.97$ as a very good mean score from four items. This measurement is significantly high agreement employee job satisfactions. It shows that most respondents strongly agree on empowerment offer influences them to satisfy repeatedly.

Table 4 5 Descriptive statistics of Empowerment

	N	Mean	Std. Deviation
My managers allows me to use my own judgment in solving problems	270	4.19	.910
My managers encourage me to take initiatives	270	4.22	.864
My managers allow me to take a high degree of initiative.	270	4.26	.901
My managers trust me to exercise good judgment.	270	3.21	1.126
Overall average	270	3.97	0.85
Valid N (listwise)	270		

Source: Author’s computation using SPSS 26 (2022)

4.2.2.3. Motivation

The other internal marketing practices is motivation. Employees were asked five items to measure their perception towards motivation schemes by the organization. For motivation, the mean collective agreement level is M =4.16 as strong mean score from five items. This measurement is significantly high agreement employee job satisfactions. It shows that most respondents strongly agree on motivation offer influences them to satisfy repeatedly.

Table 4 6 Descriptive Statistics of Motivation

	N	Mean	Std. Deviation
When I do something extra ordinary I know that I will receive some kind of reward.	270	4.22	.758
I receive feedback from my supervisor on my job performance regularly.	270	4.37	.730
The incentive given to employees are motivating and on competitive basis.	270	4.37	.833
The performance measurement reward system encourages employees to work hard.	270	3.44	.846
My income and the annual increment are based on periodic performance evaluation	270	4.41	.932

Overall average		4.16	0.72
Valid N (listwise)	270		

Source: Author's computation using SPSS 26 (2022)

4.2.2.4. Internal Communication

The last but not the least internal marketing practice is internal communication. Employees were asked four items to measure their perception towards internal communication in the organization. The internal communication with the average good mean and standard deviation was 3.74 and 0.90, respectively. The standard deviation was, therefore, a measure of how well the mean represents the data whereas, coordination small standard deviation means (relative to the value of the mean itself) indicates that the data points are close to the mean.

Table 4 7 Descriptive Statistics of internal Communication

	N	Mean	Std. Deviation
Before any policy and procedures change my manager informs me phase to phase in advance	270	4.52	.935
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.	270	3.26	1.162
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.	270	3.46	1.065
Department manager is never too busy if one of their Frontline employees wishes to meet personally	270	3.59	1.123
Department manager is spends time with their customer service officer, explaining them organization values and how these vales affect what the organization expects from each individual employee	270	3.87	.831
Overall mean	270	3.74	0.90
Valid N (listwise)	270		

Source: Author's computation using SPSS 26 (2022)

4.2.2.5. Job Satisfaction

Employees were asked nine items to measure their level of job satisfaction in the organization. As shown in the table below, the mean and standard deviation for employees' perception towards job satisfaction were 3.64 and 0.82, respectively. This indicates the bank should have to do more in making job satisfaction best. The mean as a good mean score level of agreement from nine items each respectively. The standard deviation was, therefore, a measure of how well the mean represents the data whereas, coordination small standard deviation means (relative to the value of the mean itself) indicates that the data points are close to the mean.

In this case, the larger standard deviation (relative to the mean) indicates that the data points were distant from the mean (i.e. the mean is not an accurate representation of the data) (Field, 2009). Similarly, high standard deviation means that the data were widespread, which means that employers give a variety of opinions and the low deviation means that employers express close opinions. Therefore, from the above table, we can learn that employers seem to express a closer opinion and the mean is an average (moderate) fit for the data.

Table 4 8 Descriptive Statistics of job satisfaction

	N	Mean	Std. Deviation
I love my job and I am satisfied with my current carrier	270	4.34	.819
The employees in the organization feel secured in their job	270	4.24	.947
I am satisfied with my job because there is equal growth and development opportunity	270	3.57	1.220
I am satisfied with the salary I draw at present	270	3.74	1.096
I am satisfied with the responsibility and role that I have in my work.	270	3.06	.867
I feel that I have very few options to consider leaving this bank.	270	3.33	1.059
Right now, staying with my bank is a matter of necessity as much as desire.	270	3.48	.784
Too much in my life would be disrupted if I decided to leave my bank	270	3.19	.775

now			
One of the few serious consequences of leaving this organization would be the scarcity of available alternatives	270	3.83	.868
Overall mean	270	3.64	0.82
Valid N (listwise)	270		

Source: Author's computation using SPSS 26 (2022)

4.3. Correlation Analysis

A correlation analysis was run among the variables as displayed below. Correlation coefficient denoted by r ranges between -1 and +1 and quantifies the direction and strength of the linear association between two variables. From the below table 4.8 correlation table from training and empowerment have $r.913^{**}$, $P < 0.01$ this means training has positive and strong correlation with empowerment. Therefor training positively correlated with empowerment. Motivation has also strong positively correlated relationship with training with $r .876$. in addition, internal communication is strongly correlated with training like other explanatory variable with Pearson correlation coefficient of 0.889. Finally, training has positive and strong correlation with job satisfaction since it has a Pearson correlation coefficient with it.

Empowerment has strongly and positively correlated with motivation, internal communication and job satisfaction with Pearson correlation coefficient of 0.931, 0.875 and 0.848 respectively. Motivation has also strong relationship with internal communication and job satisfaction with Pearson correlation coefficient of 0.898 and 0.889 respectively. The remaining variable internal communication has a strong relationship with job satisfaction with Pearson correlation coefficient of 0.962.

Table 4 9 Correlation among study variables

Correlations		Trainin g	Empowe rment	Motiva tion	Internal communicati on	Job satisfaction
Training	Pearson Correlation	1				
	Sig. (2-tailed)					

	N	270				
Empowerment	Pearson Correlation	.913**	1			
	Sig. (2-tailed)	.000				
	N	270	270			
Motivation	Pearson Correlation	.876**	.931**	1		
	Sig. (2-tailed)	.000	.000			
	N	270	270	270		
Internal Communication	Pearson Correlation	.889**	.875**	.898**	1	
	Sig. (2-tailed)	.000	.000	.000		
	N	270	270	270	270	
Job satisfaction	Pearson Correlation	.812**	.848**	.889**	.962**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	270	270	270	270	270
**. Correlation is significant at the 0.01 level (2-tailed).						

Source: Author's computation using SPSS 26 (2022)

4.4. Regression Analysis

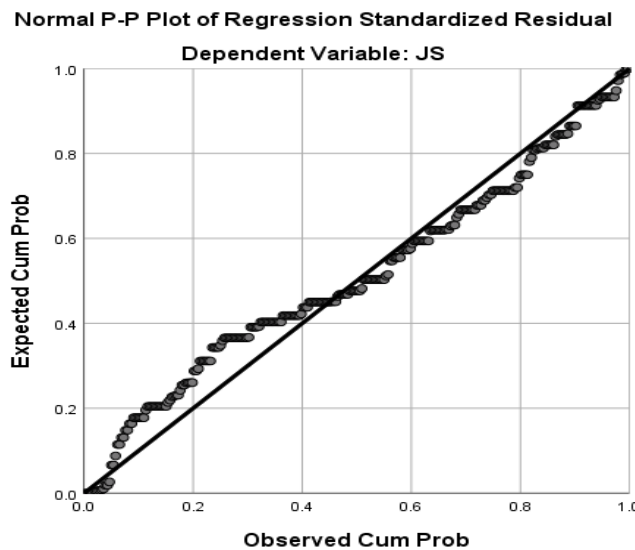
4.4.1. Diagnostics Tests

In this section of study, diagnostic test on the model was conducted to check the average value of the error is zero, whether the residual is normally distributed or not, the variance of the error is constant, the covariance between the error term over the time is zero and the variables stated in this study were not violating the classical linear regression assumption. As per Brooks, (2008) the first assumption required that the average value of the errors is zero ($E(u_t) = 0$). In fact, if a constant term is included in the regression equation, this assumption will never be violated (Brooks, 2008). Since there is no intercept parameter without constant term, the first assumption will never go against. This means there is no potentially severe bias in the slope coefficient estimates in the regression model. However, the rest assumptions of CLRM (Classical Linear Regression Model) were properly tested and presented as follows:

4.4.1.1. Linearity Test

The linearity of associations between the dependent and independent variables can be tested by looking at the P-P plot for the model. The closer the dots lie to the diagonal line, the closer to normal the residuals are distributed. As depicted in the below graph, the visual inspections of the p-p plot revealed that there exists linear relationship between the dependent and independent variables.

Figure 4 5 Normal P plot of regression standardized residual



Source: Author's computation using SPSS 26 (2022)

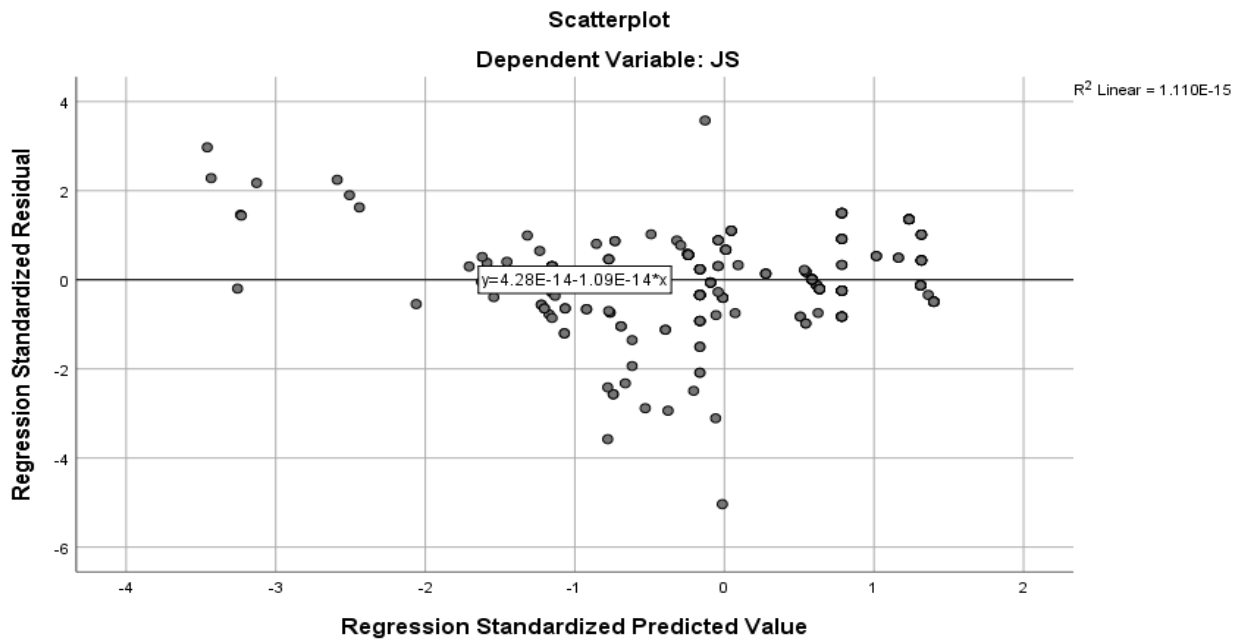
4.4.1.2. Homoscedasticity Test

The second assumption of CLRM states that the variance of the errors is constant, σ^2 this is known as the assumption of homoskedasticity (Brooks, 2008). If the errors do not have constant variance, they are said to be Heteroskedasticity. In other words, if the residuals of the regression have systematically changing variability over the sample, that is a sign of Heteroskedasticity (Brooks, 2008). The violation of this assumption results in the OLS estimator inefficient.

The assumption of homoscedasticity refers to equal variance of errors across all levels of the independent variables (Osborne & Waters, 2002). This implies it requires even distribution of residual terms or homogeneity of error terms throughout the data. Homoscedasticity can be checked by visual examination of a plot of the standardized residuals by the regression

standardized predicted value (Osborne & Waters, 2002). If the error terms are distributed randomly with no certain pattern, the problem is not detrimental for analysis. The scatterplot in Fig below shows that the standardized residuals in this research are distributed evenly which shows that no violation of homoscedasticity.

Figure 4 6 Scatterplot dependent variable



Source: Author's computation using SPSS 26 (2022)

4.4.1.3. Serial Correlation Test

One of the assumptions of the classical linear regression model is that the error is assumed uncorrelated across the time. In violation of this assumption, the OLS estimators are inefficient, so no longer BLUE. One of the assumptions of regression is that the observations are independent. If observations are made over time, it is likely that successive observations are related. If there is no autocorrelation (where subsequent observations are related), the Durbin-Watson statistic should be between 1.5 and 2.5. Values below 1 and above 3 are problematic and causes for concern. To check this assumption, we need to look at the Model Summary box presented below.

Table 4 10 Model Summary

Model Summary^b					
Model	R	R Square	Adjusted R Square	Std.Error	Durbin-Watson
1	.873 ^a	.847	.846	.19131	1.586
a. Predictors: (Constant), internal communication, empowerment , Training, motivation					
b. Dependent Variable: Job Satisfaction					

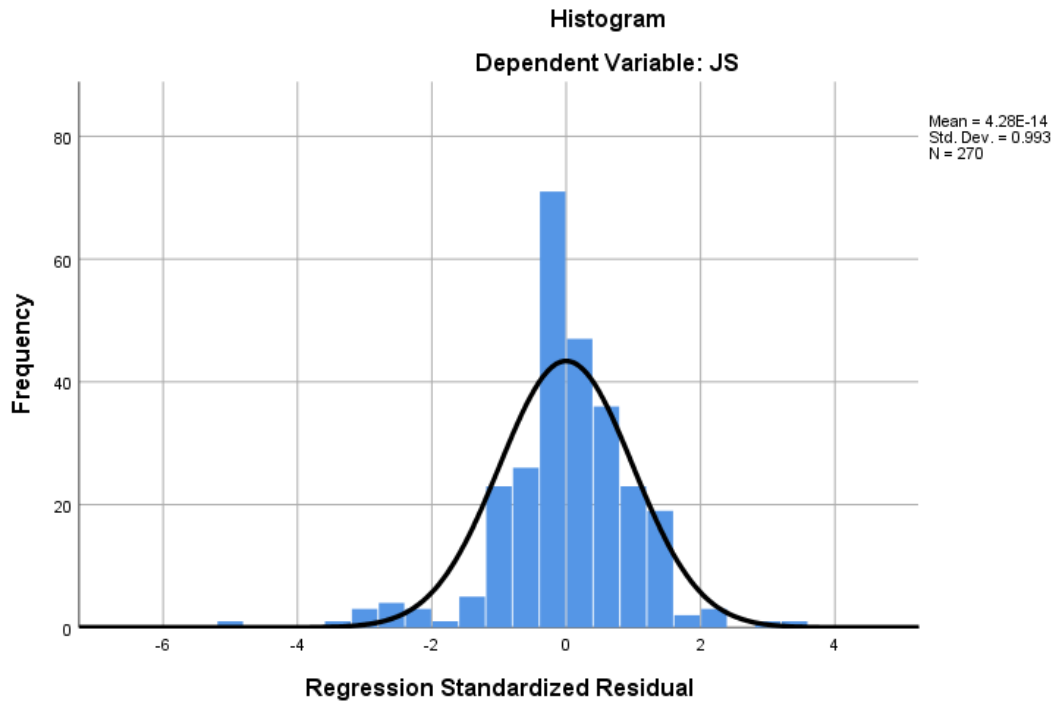
Source: Author’s computation using SPSS 26 (2022)

As the table above reveals that errors are responding independently and autocorrelation is not a concern with the Durbin-Watson value of 1.586. Therefore, it is possible to say the autocorrelation test has been met.

4.4.1.4. Normality Test

The fourth important diagnostic test conducted in this paper is the normality assumption (i.e. normally distributed errors). Brooks (2008) Stated that the normality assumption “(ut~ N (0,σ²))” is required in order to conduct single or joint hypothesis tests about the model parameters. Therefore, it is quite important, to have some general description for common types of distributions. In an ideal world our data would be distributed symmetrically around the center of all scores. As such, if we draw a vertical line through the center of the distribution then it should look the same on both sides. This is known as a normal distribution and is characterized by bell-shaped curve. This shape basically implies that the majority of scores lie around the center of the distribution (Field, 2006). The normal distribution graph was shown on Figure below and revealed that the assumption of normality has been met.

Figure 4 7 Histogram dependent variable JS



Source: Author's computation using SPSS 26 (2022)

4.4.1.5. Testing For Multicollinearity

If one explanatory variable has shown exact linear relation with the other explanatory variable, then the model suffers from perfect collinearity, as a result it cannot be estimated or satisfied the OLS properties. For the purpose of measuring the existence of multicollinearity problem in the model the researcher was used Variance Inflation Factor (VIF). As noted by Gujarati (2004), the rule of thumb suggested that if variance inflation factor (VIF) exactly or exceeds 10 there is a problem of multicollinearity. As shown in the table below, the researcher measured the VIF and gets a value of less than 10 for all the explanatory variables. Consequently, one can know that there is no serious multicollinearity problem among the variables that can be included in the model estimation.

Table 4 11 Multicollinearity Diagnostics

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	Training	.568	1.760
	Empowerment	.772	1.295
	Motivation	.668	1.497
	Internal communication	.148	6.745
	Mean VIF	0.539	1.855

Source: Author’s computation using SPSS 26 (2022)

4.4.2. Results and Discussions of Multiple Regression Models

In regression model, one variable, called the dependent variable, is expressed as a linear function of one or more other variables, called the explanatory variables. In such model it is assumed implicitly that causal relationships, if any, between the dependent and explanatory variables flow in one direction only, namely, from the explanatory variables to the dependent variable. Since correlation doesn’t lead to causation, the researcher used a regression analysis in order to verify the influence/ effects of each independent variable (training, empowerment, motivation and internal communication) on the dependent variable that is job satisfaction. In line with this, the overall regression analysis results and discussions were presented as follows:

Table 4 12 Model Summary

Model Summary^b					
Mode	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.873 ^a	.847	.846	.19131	1.586
a. Predictors: (Constant), internal communication, empowerment , Training, motivation					
b. Dependent Variable: Job Satisfaction					

Source: Author’s computation using SPSS 26 (2022)

Table 4 13 Analysis of Variance

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	172.094	4	43.023	1175.485	.000 ^b
	Residual	9.699	265	.037		
	Total	181.793	269			

a. Dependent Variable: JS

b. Predictors: (Constant), internal communication, empowerment , Training, motivation

Source: Author’s computation using SPSS 26 (2022)

Table 4 14 Regression Coefficients

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.387	.081		4.770	.000
	Training	0.396	.044	0.356	9.067	.000
	Empowerment	0.117	.045	.121	2.593	.010
	motivation	0.205	.050	.180	4.100	.000
	Internal communication	0.922	.034	1.011	27.438	.000

a. Dependent Variable: Job Satisfaction

Source: Author’s computation using SPSS 26 (2022)

As per the multiple linear regression result in table 4.14 above, the relationship between the variables included in the model can be represented in the following multiple equation as follows.

<p>Job satisfaction = 0.387+0.396 * training + 0.117*Empowerment + 0.205*motivation+0.922*internal communication</p>

4.4.2.1. Goodness of Fit Statistics

Goodness of fit statistics intended to show how well does the model containing the explanatory variables that can explain variations in the dependent variable. As depicted in table above, the adjusted R-squared (the coefficient of determination) of the model was 0.846. The result indicated that the change in internal communication, empowerment, Training, motivation collectively explains 84.6% of the variation in job satisfaction. In contrary, the remaining 15.4% of changes on job satisfaction were explained by other exogenous factors which were not included in the current study.

4.4.2.2. Discussions and Interpretations on Explanatory Variables

As depicted in table above, among the four repressors included in the model that need to be statistically significant at 5% level of significance. All explanatory was statistically significant. Hence, all explanatory variables were found to be important factors to influence job satisfaction in Bank of Abyssinia.

Training

In view of the above regression model in table 4.14, the relationship between training and job satisfaction was positive; the relationships are statistically significant at 5% level of significance. The slope of training is 0.396. The result suggested that, job satisfaction increases by a factor of 0.396 when training increases by one unit keeping other factors constant. Therefore, it can be concluded from the model that training was the most crucial factor in explaining job satisfaction.

Results of many studies indicate that the effects of job training go beyond those that might be considered traditional, that is, the acquisition of knowledge, the improvement of skill, and the increasing of efficiency in the workplace. This review of literature looks at the relationship between job training and job satisfaction, and also examines the concept of job training satisfaction. For example, Jehanzeb, et al (2013) investigated the effects of training and development on job satisfaction and turnover intentions in fast food franchises of Saudi Arabia. The study found strong positive relationship between training program and job satisfaction among the employees. Vasudeva (2014) also examine the relationship of training on job

satisfaction and organizational effectiveness. The result of the study revealed that training commitment, training needs assessment, training contents and delivery approaches, and training evaluation positively and significantly influence the employee's work commitment, job satisfaction and job performance. The result is aligned with Shen and Tang (2018), Sarker & Ashraf (2018), Ullah et al (2020), who analyzed the effect of internal branding.

Empowerment

Empowerment is the initial, fundamental and an extraordinary aspect for achievement of success and growth for any business and enhances the productivity. Employees and customer satisfaction is, therefore, effected by empowerment using it as a tool through which businesses goals could be obtained. Employee empowerment is a process of giving authority to the employees to make necessary important decisions on their own about their day-to-day activities. In view of the above regression model in table 4.14, the relationship between empowerment and job satisfaction was positive; the relationships are statistically significant at 5% level of significance. The slope of empowerment is 0.117. The result suggested that, job satisfaction increases by a factor of 0.117 when empowerment increases by one unit keeping other factors constant. Therefore, it can be concluded from the model that training was the most crucial factor in explaining job satisfaction.

Empowerment has now become imperative for the organizations, especially for those who want to win external pressures with the help of their workforce support. Until the employees do not feel empowered they are not satisfied with their jobs. Empirical studies have depicted the empowerment as a significant predictor of job satisfaction. Empowered employees are more satisfied with their jobs.

Motivation

The coefficient estimate of motivation in the above regression model revealed positive and statistically significant association with job satisfaction at 5% level of significance. The slope of motivation is 0.205. The magnitude of the coefficient indicated that job satisfaction increases by a factor of 0.205 when motivation increases by one unit, keeping other independent variables constant. This result aligned with different researcher result. For example, a study by Bakhtawar (2016) indicates that basic motivational factors as identified from the literature review have a

significant impact on employee’s job satisfaction level, while the absence of motivational factors may lead to demotivation, as the level of motivation classifies employees either being satisfied or unsatisfied, in their career path. Furthermore, the analysis also indicates that basic factors such as health benefits, transport facilities, rewards and compensations, safety and security concerns are also given equal importance by the employees, in sustaining motivation levels and escalating job satisfaction.

Internal Communication

Communication plays an extremely important role in each organization. It is impossible to imagine an organization without communication. Banda (2019) describe communication as an adhesive that connects the organization. Effective communications can help you decrease morale problems and stay satisfied that you are in the loop and part of the team. Understanding how good communication affects you and your superiors will help you build stronger job satisfaction. As revealed in table 4.14 above, the relationship between internal communication and job satisfaction was positive and statistically significant at 5% level of significance. The slope of international cooperation is 0.922. The result indicated that job satisfaction increases by a factor of 0.992 when internal communication increases by one unit, keeping other explanatory variables constant.

4.4.3. Hypothesis Testing

Table 4 15 Hypothesis testing based on multiple models results

Hypothesis	Result	Justification
H₁ : Training has a positive and statistically significant effect on job satisfaction.	Accepted	$\beta = 0.387, p < 0.05$
H₂ : Empowerment has a positive and statistically significant effect on job satisfaction	Accepted	$\beta = 0.117, p < 0.05$
H₃ : Motivation has a positive and statistically significant effect on job satisfaction	Accepted	$\beta = 0.205, p < 0.05$
H₄ : Internal communication has a positive and statistically significant effect on job satisfaction.	Accepted	$\beta = 0.992, p > 0.05$

After a thorough theoretical and empirical literature reviews, the researcher had specified four (4) hypotheses in chapter two namely: H₁: training has a positive and statistically significant effect on job satisfaction, H₂: empowerment has a positive and statistically significant effect on job satisfaction, H₃: motivation has a positive and statistical significant effect on job satisfaction and H₄: internal communication has a positive and statistical significant effect on job satisfaction. As reveled in table 4.15 above, the hypothesis results revealed that all the four explanatory variables, training, empowerment, motivation and internal communication with beta values of 0.387, 0.117, 0.205 and 0.992 significant values at 5% level of significance. Hence, the analysis supported and accepted the claim putted in H1, H2, H3 and H4.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1. Summary of Major Findings

The overall objective of this study was to examine Effect of Internal Marketing Practices on Employee's Job Satisfaction: The Case of Bank of Abyssinia and explore the effect of internal marketing that affect organizational commitment indirectly through job satisfaction. In this research appropriate research method were designed and primary data were collected from selected employees of the bank through questionnaire. In order to analyses the collected data, descriptive statistics, correlation, multiple regressions, multicollinearity test, heteroscedasticity test independent sample test and one-way ANOVA were conducted. The results of data computations are summarized as follow.

Descriptive statistics revealed the mean values for training, empowerment, motivation, internal communication and job satisfaction with mean value of 3.82, 3.97, 4.16, 3.74 and 3.64 respectively. All mean values are nearly with same range. Hence, the researcher understood from employee's response the majority of them are moderately satisfied with the bank lists of those independent variables.

Correlation coefficient computed for determining the relationship between independent (predictors) and dependent variables (job satisfaction). There was a positive and statistically significant as well strong relationship between independent and dependent variables. Training has Pearson correlation of $r=0.812$ and $p<0.01$, empowerment has $r=0.848$, $p<0.01$, motivation has 0.889 and $p<0.01$, and the last variable internal communication has a Pearson correlation of 0.962 and $p<0.01$. This indicates that the dimensions have nearly similar positive and strong relation with job satisfaction of the bank. In addition, correlation coefficient among explanatory variable was strongly and positively correlated among each variable with statically significant at 1 percent level of significance.

The hypothesis test results based on unstandardized coefficient beta and P-value to test whether the hypothesis to reject or accept. Based on the training of Bank of Abyssinia, the P- value is

significant ($P < 0.05$) and the beta value is positive ($\beta = 0.387$). Therefore, the result supported the initial hypothesis and infers that training has a significant and positive effect on job satisfaction of Bank of Abyssinia in head office employees. With regards to empowerment of Bank of Abyssinia, P-value is significant ($P < 0.05$) and the beta value is positive ($\beta = 0.117$). Therefore, the result supported the initial hypothesis and infers that empowerment has a significant and positive effect on job satisfaction of Bank of Abyssinia at head office employees. The same is true for motivation of Bank of Abyssinia, P-value is significant ($P < 0.05$) and the beta value is positive ($\beta = 0.205$). Therefore, the result supported the initial hypothesis and infers that motivation has a significant and positive effect on job satisfaction of Bank of Abyssinia head office employees. Regarding to internal communication of Bank of Abyssinia, P-value is significant ($P < 0.05$) and the beta value is positive ($\beta = 0.992$). Therefore, the result supported the initial hypothesis and infers that internal communication has a significant and positive effect on job satisfaction of Bank of Abyssinia head office employees of bank of Abyssinia.

5.2. Conclusions

The study was designed to examine the Effect of internal marketing using four dimensions; empowerment, training, motivation and internal communication on employee Job satisfaction in case of Bank of Abyssinia. The research has proved the entire hypotheses formulated has positive relationship with the employee job satisfaction.

Bank of Abyssinia has a vision to become a world-class commercial bank and to achieve this vision management of Bank of Abyssinia 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 Bank of Abyssinia on the basis of those internal marketing dimensions which enhance organizational commitment.

The findings that can be conclude from the statistics provided above is that training is positively and significantly related to job satisfaction in Bank of Abyssinia. When employee receives 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 Bank of Abyssinia.

The other 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 Bank of Abyssinia head office employees. Giving the employees sense of achievement, providing them with new opportunities for advancement and promotions are key motivator that creates positive job attitudes.

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 Bank of Abyssinia. Empowerment is an extremely effective management control tactic, which significantly influence the behavior and attitudinal character of employee job satisfaction.

In regard to internal communication, internal communication has a positive and significant effect on job satisfaction of Bank of Abyssinia employees. The study attested that when employees feel that they are good contributors, they is 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 was encourage them to enhance their work and feel satisfied about their jobs. Finally, all selected internal marketing dimensions have significant relation with job satisfaction.

5.3. Recommendation

Taking into consideration that the human power is the greatest resource in organizational success, the current study also presents some important remarks that could be used by the management decision makers and managers in order to maintain employees job satisfaction that need their full focus and attention in turning their employees into their most reliable and permanent asset. And as a result of the results and discussions, the following recommendations can be forwarded;

- ✚ Since open communication system between management and subordinates, as well as amongst workers, to foster collaboration and encourage employees to share constructive ideas. Managers should meet with all staff on a frequent basis to hear their ideas and feedback on the job in order to obtain dedicated employees. Furthermore, managers should notify employees in advance of any policy or procedural changes.

- ✚ Internal marketing is defined as the process of attracting, developing, motivating, and retaining talented people by providing job-products that meet their requirements. The Human Resource Department of the Bank of Abyssinia should develop a market-like approach to recruit, motivate, and retain talented staff.
- ✚ Instead of delegating all decision-making to managers, employees should be enabled to make decisions in circumstances where the choice is regular and non-critical. This would allow staff to have more organizational commitment.
- ✚ For all staff, training should be an ongoing, never-ending activity. When new workers are employed, new technologies are introduced, and new processes and ways of operation are implemented, the Bank of Abyssinia should implement both on-the-job and off-the-job training programs.
- ✚ Furthermore, motivation is important internal marketing elements that an organization should pay attention to in order to encourage employees; as a result, Bank of Abyssinia's employees' performance, rewarding system, and incentives to encourage employees, such as benchmarking international carrier practices on salary scales and other benefits, should be evaluated on a regular basis.

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APPENDIX ONE

**ST. MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES
DEPARTMENT OF MARKETING MANAGEMENT**

Dear Respondent,

I am a graduate student in the Department of Marketing Management (MBA in Marketing Management), at St. Mary's University, School of Graduate Studies. Currently, I am undertaking a research entitled 'The Effect of Internal Marketing Practices on employee's Job Satisfaction, the case of Bank of Abyssinia. 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 is appreciated. I confirm you that the information that you share me is kept confidential and only used for the academic purpose. Thank you very much for your willingness to spare 15 minutes from your precious time to participate in this study.

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.

Gender:	<input type="radio"/> Male	<input type="radio"/> Female			
Age:	<input type="radio"/> 20-25	<input type="radio"/> 26-30	<input type="radio"/> 31-40	<input type="radio"/> Above 41	
Marital status	<input type="radio"/> single	<input type="radio"/> married	<input type="radio"/> Divorced	<input type="radio"/> Widowed	
Level of your education:		<input type="radio"/> Diploma	<input type="radio"/> Bachelor	<input type="radio"/> Master and above	
Service years at BOA:		<input type="radio"/> 1-3years	<input type="radio"/> 4-6 years	<input type="radio"/> 7-10 years	
	<input type="radio"/> 11-15 years	<input type="radio"/> More than 15 years			
Position at the organization:	<input type="radio"/> ?	<input type="radio"/> ?	<input type="radio"/> ?	<input type="radio"/> ?	

SECTION 2: INTERNAL MARKETING AND JOB SATISFACTIO

The following statements are used to measure your perception towards the internal marketing practices of the bank using 5 points Likert scale. Please put \surd 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

Training	1-Strongly	2-	3-Neutral	4-Agree	5-Strongly
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		Disagree	Disagree			Agree
1	In BOA 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	BOA has adequate resources to train employee					
6	Training is clearly directed at creating the Competencies that is important to the business					
	Empowerment	1-Strongly Disagree	2- Disagree	3- Neutral	4-Agree	5-Strongly Agree
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-Strongly Disagree	2- Disagree	3- Neutral	4-Agree	5-Strongly Agree
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-Strongly Disagree	2- Disagree	3- Neutral	4-Agree	5-Strongly Agree
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	Department manager is never too busy if one of their Frontline employees wishes to meet personally					

5	Department manager is spends time with their customer service officer, explaining them organization values and how these vales affect what the organization expects from each individual employee					
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SECTION 3: JOB SATISFACTION

The following statements are used to measure your level of job satisfaction in the bank using 5 points Likert scale. 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

	Job satisfaction	1-Strongly Disagree	2- Disagree	3- Neutral	4-Agree	5-Strongly Agree
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.					
6	I feel that I have very few options to consider leaving this bank.					
7	Right now, staying with my bank is a matter of necessity as much as desire.					
8	Too much in my life would be disrupted if I decided to leave my bank now					
9	One of the few serious consequences of leaving this organization would be the scarcity of available alternatives					

THANK YOU!