The Impact of Internal Marketing on the Organizational Performance through Organizational culture Mediation

Mohsin Ullah
PhD Scholar, Bahria University Islamabad
Dr. Hafiz Mushtaq Ahmad
Professor, Department of Management Sciences
Bahria University Islamabad

Abstract
There is a lot of debate on the relationship of internal marketing and performance as well the relationship of organizational culture and performance but there is no such study which shows the mediating role of organizational culture on the linkages between internal marketing and organizational performance. In an attempt to increase the conceptual body of knowledge, the present study follows a systematic presentation of the mechanism and impact of internal marketing on the firm performance through mediating role of organizational culture. Two prominent theories support the current study the resource based and social exchange theories which are widely used in the organizational management research.
Keywords: Internal marketing, Organizational culture, Organizational Performance, Competing Values Framework.

The world is rapidly moving from just organizational to global business thus creating the diversity in the business as well as the employees. To maintain the diversity is the need of the global business and is important for the firm performance (Marinova, J., Plantenga, J., & Remery, C. 2016) but sometimes this diversity becomes a challenge for the bigger organizations to achieve its strategic objectives in the global markets because of the implementation of the unified vision and goal among the members of their business system (Santhosh, M., & Baral, R. 2015). The employees of the different functional units and of the different culture work with each other and towards the goals of the business in an alien way Piercy, N., & Morgan, N. (1991). This creates the multiplicity of goals and visions among the members of the organization thus result in the short run and long run failure of the organizations (Sorge, A. 1982). For this reason the organizations must do the internal marketing to recruit, educate, motivate and align the employees of the organization for the required organizational culture and unified organizational vision and work processes Varey, R. J. 1995; Fregidou-Malama, M., & Hyder, A. S. 2015). The concept of internal marketing focuses on the integration of all functions and operations with mutual trust and coordination among the employees and members of the organization which will create a market oriented organizational culture (Morris, M. H., & Pitt, L. F. 1994). This will results the achievement of customers' satisfaction and customers' service to achieve competitive advantage. However it has been seen that the internal barriers like

interdependence of departments and communication barriers among different departments create implications to achieve internal marketing objectives (Papasolomou-Doukakis, I. 2002).

An important issue in the area of marketing management is demonstrating the link between internal marketing (IM) and business success. Although there is sufficient literature available on the concept of internal marketing (Berry, 1981; Gronroos, 1985; Tansuhaj, Randall, & McCullough, 1988; George, 1990; Varey, 1995; Varey & Lewis, 1999; Rafiq & Ahmed, 2000; Lings, 2004; Wieseke, Ahearne, Lam, & Dick, 2009 Lings & Greenley, 2010;), the phenomenon still need considerable attention because it is not universally accepted as construct or as concept. (Ferdous, 2013). One of the key features of internal marketing is its link to the performance of the firms. Researchers for instance Tansuhaj et al., (1988) ;Bruhn (2003), Lings, 2004; have worked on linking the internal marketing and firm performance, generally in the context of services marketing. However, the processes advocated to date are limited in their value to firms in terms of indicating exactly how the internal marketing work on the internal processes (the way of doing thing) of the firm and leveraging the performance (Ferdous, 2013).

In an endeavour to mitigate the confusion surrounding the understanding and operationalization of internal marketing as a construct, and how it is logically linked with competing values framework and performance, this paper proposes a conceptual integrative model addressing 'what' are the key internal marketing imperatives/activities and dimensions of culture required by organizations, and 'how' these activities are linked with each other through organizational culture to achieve business success. Such a model offers a process for firms desirous of developing a competitive advantage through the level of success of their business.

The second concern which was identified by Forman & Money (1995) that have not achieved the attention of the interest of researchers is to study the fragmented as well as group impact. The concept has a wide range of application in the field of management for the purpose of achieving individual, group and most importantly the organizational objectives; internal marketing is seen as something which the firm does to its employees as a whole. In fact there are sufficient evidences that internal marketing is often not performed by the entire organization, rather by groups, departments or functional division within it, this shows that internal marketing can be use for the collective objectives of the organization as well as for a specific group.

This study is supported by resource based view considering the well trained employees as the human capital and strategic asset, the asset which is difficult to imitate (Javadin et al. 2012; Mugo Akonkwa, 2016). The resource based view claims that these resources provide a competitive advantage, and are prerequisite for the sustainable long term performance. These resources must have the ability to support the

organization to attain and sustain the competitive advantage. The competitive advantage becomes always a challenge to be sustained over longer time period to the desired level so that the firm is competent enough to safeguard against all sort of duplication, transfer, and substitution of resources. Generally, the resource based theory is strongly supported by researchers of empirical studies.

In addition, social exchange theory developed by Hormans (1958) which was first explored to know the group behaviour of members in economic undertakings. This study considers the employees of the organization as the first customer and the individuals who avail the service of the firm are the ultimate customer. In both these theories the differences is the way the players inside and outside of the firm are perceived. The exchange theory tells us that it is not the individual or the firm that do exchanges with each other's but instead it's the exchange within the prescribed markets where both the players offers exchanges (Emerson, 1987, P.11), the theory answers a range of market characteristics; in contrast to social exchange theory which proposes the transactional relationship between specific members of the game as " every actions for a reward has a reciprocal rewarding reactions others (Blau, 1964, P.91).

Existing research has investigated the relationship of internal marketing on organizational performance (see: Kanyurhi, & Bugandwa Mungu Akonkwa, D. (2016); Yu & Barnes (2016); Koo, Kim, & Kim, (2016); Le Meunier-FitzHugh & Le Meunier-FitzHugh (2017); Although the limited and indirect but the research is available on how internal marketing impacts organizational culture (Roknić & First Komen (2015; Janjua, Ahmad & Afzal (2014); Mahmood (2013); Pizzinatto, Pizzinatto, Giuliani & Pizzinatto (2016). There is also significant amount of research that evaluates how organizational culture leads to better organizational performance (Martinez, Beaulieu, Gibbons, Pronovost & Wang (2015); Motilewa, Agboola, & Adeniji (2015); Jacobs, Mannion, Davies, Harrison, Konteh & Walshe (2013) ; Boyce, Nieminen, Gillespie, Ryan & Denison (2015) ; Wei, Samiee & Lee (2014) ; Awadh & Alyahya (2013). However, to the best of authors knowledge there is no research to date that establishes the expected causal chain of relationship between internal marketing, organizational culture, and organizational performance. Existing research suggest a causal relationship between internal marketing, organizational culture, and organizational performance. The present study suggests that the impact of internal marketing on organizational performance is not direct. It is however through organizational culture. Internal marketing can lead to a better and enhanced organizational culture that would ultimately lead to enhanced organizational performance.

Significance of the Study

Organizational culture and internal marketing has been identified by both academicians and practitioners as imperative for organizational survival and growth. The findings of the research will add to the knowledge and understanding of the subject of culture and internal marketing. Lack of research on the linkage between organizational culture, internal marketing and organizational performance highlight a knowledge gap. The present study will add to the existing body of knowledge and further elucidate the phenomenon and the linkage. The study may help in generating greater awareness among services sector on the importance of having better internal marketing techniques, as it would serve as a vehicle for organizational effectiveness. Additionally the research can help business to understand the value and potential contribution of organizational culture and internal marketing in enhancing organizational performance. The present study provides significant insight for HR managers in the services sector. The study will assist HR managers in developing better understanding of organizational culture and internal marketing.

Internal Marketing Concept

Internal marketing are set of activities which the human resource department use in organizations to efficiently and effectively motivate, educate and train their employees to launch better services to customers (Tsai, 2014). Internal marketing stresses that the success of the external marketing is dependent on the firm having motivated, satisfied and innovative employees. Internal marketing used by the firms to uplift their employees' competencies to respond to the organizational goals (Seo-Yoon Jung, Kyeong-Hyo Jung & Jae-Ik Shin 2016). Berry and Gronroos introduced internal marketing for the first time and it was proposed to the services industries and the roots of concept of internal marketing was originated in 1980's (Barzoki & Ghujali, 2013). In this arena of competition organizations are trying to improve and increase the quality and standard of their services. Many researchers are agreed that organizations have to cater both internal and external customers to improve the quality. To grow and to sustain the growth organizations need to pay attention towards both external and internal customers needs to improve the service quality (Sadeghloo et al., 2014). The major goal of the concept is that the employees must be obliged as the internal customers and visualize their value in the organization. It is considered as milestone for the organization that its employee has a good perception and to own the organization. Second they must recognize that being employees they are the internal market as well as internal suppliers through relational coordination and ultimately fulfil the needs of colleagues and the organization as well thus creating the competitive advantage of the organization through serving internal market the organization and fulfil the needs of the internal customers through

relational coordination which is the secret of the success for the organization(Barzoki & Ghujali, 2013).

Internal marketing starts when the organization start to recruit the best possible employees and to develop them fulfil their personal and organizational needs so that the employees will give the maximum output and improved job performance which will gratify the customers (Sadeghloo et al., 2014). There are two main stakeholders of the concept internal marketing. First every employee of the organization has their own internal customer, and that they in reciprocal also have internal customers. Second employer have some important duties to give benefits, preserve rights and provide extra rewards for their employees, which in return give the better performance to the organization overall in the external market(Gronroos, 1981).

Dimensions of Internal Marketing
Vision
Foreman and Money (1995) suggested three components of internal marketing that are rewards (rewarding and fairly compensating employees), development and directing towards a vision. The prime objective is connected to internal markets and it composed of investments in human capital so that they feel the ownership of the company; and that every employee realizes the company vision and its long term and short term objectives. (Paliaga & Strunje, 2011). Ng et al (2015) pointed out different components from where the company starts the internal marketing he (a) recruitment (b) training (c) motivation (d) communication (e) company vision/goals (f) co-optation.

Reward
Organization encourages that their internal customers (employees) must be satisfied through lucrative rewards who in return satisfy the external customer and fulfil their needs and wants (Haghighikhah et al 2016). Service-based organizations are totally depending on the relationship with their clients, they have to make strong relationship and good word of mouth to retain their existing customers and to demonstrate loyalty. It is obvious that employees who are strongly committed and satisfied with their jobs they have abilities to manage clients in a better way, such type of employees are productive and show their great effort to maintain strong relationship with the employers and they improve the reputation of their organization as well (Wegge, 2011). Zeithaml et al. (1988) emphasized that organizations should link the quality of service with reward so employees work hard to provide good quality service to their customers. Internal marketing is one strategy which adopts the reward system that is strongly connected with the service provider (employee) and the quality of service is purely associated with the customers (Pantouvakis, 2012). Awwad and Agti (2011) stated in their study of banking that if the reward is fair then it creates emotionally more strong and loyal internal customers for the

organization. There is also Non-financial internal marketing which include rewards which is non-monetary like recognition, appreciation, empowerment and some sort of motivational practices given by the organization to their employees (Haghighikhah et al 2016).

Employee Development

Internal marketing is adopted due to multiple reasons but most important is that the employee's awareness is increased. Internal marketing has main focus on the people who are the part of business and working inside the business boundaries and on those places where employee's satisfaction is needed (Mornay Roberts-Lombard 2010). There are many studies on internal marketing which state that there is strong need to develop satisfaction of employees and that employers should consider job as internal products, their aim should be to develop a loyal, most skilful and qualified personnel (Zampetakis and Moustakis, 2007). It is desirable and has no substitution if businesses quest for employees development, cater their emotions, and to develop their best comprehension capacity (Roberts-Lombard, 2010). There should be healthy and good relationship between the internal customers and the management of the organization and there should be emphasis on the delivery of best products and services and need satisfaction of the employee. There should be proper management style and system for the internal training and coaching of the employees that must help and support the nourishment of an internal environment of business (Mornay Roberts-Lombard 2010).

P1: There is a significant positive impact of internal marketing on organizational performance.

Culture

In 1874 one of the renowned anthropologist E. B. Tyler defined culture as "the complex collection of knowledge, beliefs, arts, morals, customs, and some other capability and habits a person acquires as a individual of society. " This definition contains two fundamentals points the one which distinguishes one group of society from the others and the other is the idea of the acquired behaviour. Gusfield, J. (2006). A process of continual framing and reframing of future aspirations and past events, even as an entrepreneurial journey unfolds over time" (Garud et al., 2014b, p. 1489). Culture is a ''code of many colors'' traceable in multiple registers such as values, stories, frames, toolkits and categories (Giorgi et al., 2015).The cultural resources involved have ranged from company and product names (Glynn & Abzug, 2002; Zhao, Ishihara, & Lounsbury, 2013) to stories about market opportunities, business models, and future profits (Navis & Glynn, 2010). From this perspective, culture is conceived as a consequential aspect of any entrepreneurial domain, and the scholarly focus is whether and how entrepreneurs deploy cultural resources to legitimate their new ideas and ventures. Culture becomes a

set or tool kit which provide to the individual a options rather than a integrated whole which directs the members to behave in the desired way and directions and the business gurus are the trained to use the culture as map rather than cultural dopes (Swidler, 1986)." Contemporary economic sociology has struggled with culture. In spite of the importance of understanding economics and culture in classical sociological theories, modern approaches, specifically those concentrating on markets and market actions, are different. This philosophy of sociology of market drag the attention to use the culture in the analysis of market and economic actions by considering culture as something which effects the market operation or something that constitutes the economic operation(Levin 2008).

Organizational Culture

Organizational culture is combination of shared beliefs, values, and basic assumptions. As organizations are assumed to solve problems relating internal integration or external adaptation, So Schneider, B., Ehrhart, M. G., & Macey, W. H. (2013)define it as a setting in which newcomers are trained to think and feel proper way irrespective of myths and stories communicated by people.

Osborne (1996) pointed out that organisation's strategic values are the rationale for business viability that build and create link between firm and environment. Williams, S. L. (2002) termed values as a reflection of organisation culture prevailing within organization. Organisation culture is dependent on employee's perception about organisation and its vision mission and goals thus focusing on a unified mindset of individuals because organisations are collections of people. The job descriptions of employees are formulated on the basis of organization goals cascading from vision mission to departmental level than individual employee level. Narver and Slater, (1990) described market orientation culture is key to creating superior customer value efficiently and effectively. Kroeber and K1uckholm, (1952) and Smircich, (1983) pioneered the concept of organisational culture in the field of anthropology. There is no consensus and commonly agreed definition but still literature defined it so in a variety of different ways. Sathe, (1983) and Sapienza, (1985) defined it from cognitive components perspective such as values, beliefs and assumptions, that are individual characteristics. Deshpande and Webster (1989) and Deshpande, Farley and Webster (1993) stated that organisations are purposive, the actual practices and expressed ideas by members are an important manifestation of the prevailing culture.

The Competing Values Framework

According to (Cameron & Quinn, 1999; Helfrich et al., 2007; Goodman et al., 2001; Quinn & Kimberly, 1984) the competing values framework refines and states the complicated nature of organization,

complex and intricate nature of organizational culture and CVF also gives insight to taxonomy of some important cultural values that indicate desired modes and offer structural disposition of operation.

Quinn and Rohrbaugh (1981) initially developed the CVF to clarify the language used in defining the organizational effectiveness construct in analysis, development, and design. There are multiple and conflicting criteria associated with assessing organizational performance and multiple constituencies will give preference to certain values that differ according to their organizational perspective and the interests they represent. The CVF has been used in a variety of organizational research studies, including those related to leadership roles (Belasen & Frank, 2008), self-managed work teams (Zafft, Adams, & Matkin, 2009), strategic human resource management (Panayotopoulou, Bourantas, & Papalexandris, 2003), quality of work life (Goodman, Zammuto, & Gifford, 2001), and development of voluntary organizations (Crim, Grabowski, Neher, & Mathiassen, 2011). In addition, investigations into the psychometric properties of the CVF have demonstrated high validity and reliability estimates (Lamond, 2003; Shim, Lusch, & Goldsberry, 2002; Vilkinas & Cartan, 2006). There are two dimension of organizational culture identified through the structure of competing value framework: one is internal/external focal point and second is stability/flexibility. These two dimensions further open into four quadrants which represents *Clan* (team), *Adhocracy* (entrepreneurial), *Hierarchical*, and *Market* (rational) cultures. Different nature of cultures are seen due to these four quadrants

Market (Rational) cultures provides control and firmness and it has external focal point. These organizations have main focus toward result-oriented structure, and are mainly concerned with the gain, results and winning Burton, L. J., & Peachey, J. W. (2014),

Hierarchy (bureaucratic) cultures has high command on internal focal point, organization are shaped well and formalized having complete rules and structure (Hartnell et al., 2011, p. 679). For the achievement of stable and preferable environment efficiency is very important (Cameron , 2008).

Other two quadrants are very important in culture and need more attention to focus.

Clan (Team) cultures contains much focus on flexibility and higher degree of internal focal point in this culture employees have higher degree of cohesiveness and these employees have higher intensions to share their goals. This clan culture is just like family in the organization and employees work there like member of families and they corporate with each other and they have very friendly nature. The main characteristic of clan culture is that they love to work in team like structure, employees are involved in their work deeply, and they trust each other in every aspect (Hartnell et al., 2011, p. 679) and also cooperate with each other and strong commitment of employees with the

organization (Quinn & Kimberly, 1984; Cameron & Quinn, 2006). This clan culture is reported as most preferable and liked by people. People love to work in this environment (Cameron, K. S., Quinn, R. E., DeGraff, J., & Thakor, A. V. 2014).

Adhocracy cultures are also flexible just like clan culture but it is opposite to clan culture in this aspect that it has external focal point. This type of culture can give tangible results and the key problem areas of the areas of the customers as well the organization can be identified through it (Waterman, 1993). Such type of organizational culture is very beneficial for entrepreneurs and for innovativeness, people are not status quo and they change according to the external environment demand. Employees have autonomy and the nature of culture is democratic, employees have autonomy to make changes. They bring innovativeness in the organization and mistakes are tolerable and are porn for criticism and the criticism is perceived constructive (Cameron & Quinn, 2011; Quinn & Kimberly, 1984; Denison & Spreitzer, 1991).

P2: *there is a significant positive impact of internal marketing on organizational culture.*

P2: *There is a significant positive impact of culture on organizational performance.*

Organizational Performance
Process:

High performance and valued organizations is one of those organizations who completely satisfy the demand of its all related stakeholders. This idea was presented by the model of strategic constituencies. Many other organizational scholars (Gunby, 2009; Jensen, 2010; Jun & Shiau, 2012; Salancik, 1984) compiled their definition of organizational performance in a very different way, according to them organization represents as a political body that satisfies different constituencies and have bargaining power. According to Steers (1976) process model provides evaluators with different frameworks and structures for analysing the important procedures causing influencing performance. Balanced scorecard was for the first time introduced by Kaplan and Norton in 1992 (Kaplan & Norton 1992). Individual behaviour is very important because it affects the organizational performance and it is the basic element of the process model. The model has some important characteristics that it focuses on movement from organizational-level to the individual-level. There is a basic logic behind all this shift is that if the employees are satisfied with the organization then they meet the all objectives of the organization and they provide the strong support (Martz, 2013).

Financial Performance

Studied emphasises on the highly competent and highly satisfied personnel who creates customer and market oriented organizational

culture to boost the economic performance of the services firms. The basic reason behind the core competence of services firms is to rely on the trained human resource (Lee 2016; Anand, Gardner, & Morris, 2007; Leiponen, 2006). Number of authors put emphasis on this point that there is a strong link between functional level of HRM implementation and also corporate financial performance. Gascio (1991) and Flamholtz (1985) also emphasized on this point that the financial returns linked with the heavy investments in progressive HRM practices are considered as the generally substantial.

Employee development:

Research shows that there is increased attention towards the upgradation of the internal marketing activities in an enterprise have a enhanced impact on the employees satisfaction and thus the firm performance. (Haghighikhah, 2016). Therefore it is always suggested to the organizations or service provider firms that they should focus more on their internal employees so they can satisfy their external customers in a proper way (Gounaris, 2008). Organizations firstly have to convince their employees to comprehend and gain satisfaction related to product/services and the brands they have entitled, so it is obvious when the internal customers are fully aware of the firm products and develop a belief in it then they demonstrate best performance to satisfy the external customers and the ultimate customers of the firm (Varun et al 2015).

Linkage of Internal Marketing, Organizational Culture, and Organizational Performance:

The aforementioned literature highlights the linkage of IM with OC and OP. Based on the existing studies a causal chain of relation can be established between the three variables where OC serves as a mediating variable, explaining that the influence of IM and OP is through OC. Mediating role of OC has been widely discussed in management literature. Shehu & Mahmood 2014) used culture as mediating variable to study the relationship between entrepreneurial orientation and firm performance.(Mugo et al 2015) Used, culture as mediating variable to find the relationship between management succession and corporate growth strategy in manufacturing sector. (Gochhayat, J., Giri, V. N., & Suar, D. 2016) used culture as mediating to study multilevel leadership and organizational effectiveness in Indian technical education. (Memon, 2014) used culture as mediating to find Effects of Leadership Styles on Employee Performance.

We can determine internal marketing by the vision and rewards and development. (Foreman & Money,1995). Organizational performance and internal marketing have strong linkage which is also identified by the prior literature. It is overall concept about the internal marketing that it has strong linkage with the firm performance so that in order to get satisfaction from the customers, first of all we have to train, educate and motivate our internal customers, in return they can fulfil the

goals of the organization. There are positive results for the firm employees by putting some effort in the development of internal marketing (Lings & Greenley, 2010). In order to gain the better results and to enhance the performance of the company it is important to improve the internal association between the functions, departments and their employees within the organization (Turkoz & Akyol, 2008). Tsai and Tang (2008) said that if organizations want to improve their performance then it's their foremost responsibility to treat their employees as the internal customers, this will give empowerment and courage to the employees to provide their best service to the external customers.
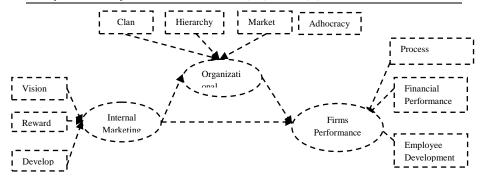
In addition to that some authors also said that internal marketing have great role in creating the conducive and strong organizational culture. Internal marketing can also improve the behaviours of the customers and also polish their attitude which is considered as the crucial factor (Reza, Javadin, Rayej, Yazdani, Estiri, & Aghamiri, 2012). The basic purpose of the internal marketing is to create the satisfied and contend employees. This satisfaction and determination is very important to encourage the frontline employees to embrace the organizational goals, objectives that will be advantageous for the organization, employees and for customers as well (Panigyrakis & Theodoridis, 2009). Service oriented organizations took benefit from the internal marketing by reducing conflicts, by encouraging inter-functional communication and also helps the organizations to shape the market- oriented culture (Tsai et al., 2012). In previous literature it is not explicitly discussed about the link of internal marketing and organizational culture, but it can significantly help to foster the organizational culture by the internal marketing. It can also affect the behaviours of workforce which is very important for the development of the organizational culture. Organizational culture is considered as the backbone on which organizational performance is based. According to (Jacobs et al., 2013) there is a strong relationship between the performance of organization with the strong culture of the senior and upper management team within English hospitals. There was a noted variation in culture of organization over a different span of time but also it is observed in different hospitals. There is a proof exist in literature relevant to the organization performance and its culture within the hospitals which is considered as the important public sector. Prior literature of the organizational culture put emphasis on this point that organizational culture is very important and effective for the performance of the firm. Xenikou and Simosi (2006) study suggests that in Greece financial organization found only two out of the four major cultural characteristics had a strong impact on the financial performance of the firm. Ginevičius and Vaitkūnaite (2006) emphasized culture of the organization identified by participation and cooperation definitely effects the performance of the culture. Kotter (2012) also pointed out that organizational culture has some positive

potential to refine the employee sense of problem solving, employee job satisfaction and through this they can improve organizational performance.

P 5: *Organizational culture mediates the relation between internal marketing and organizational Performance.*

Proposed Conceptual Model

Internal marketing will create the market oriented culture and will therefore affect the firm performance positively. There are numerous studies which shows the relation between the internal marketing and firm performance but the mediating role of the organizational culture is least noticed. Thus the mediation of culture will enhance the impact of internal marketing on performance. The propose model would further help in exploring how internal marketing initiatives can help foster an organizational culture that ultimately leads to improvement in organizational performance. This model will help in improving the dimensions of human resource practices by suggesting new ways of human and service development through culture improvement thus enhancing the performance.

In the theoretical framework the relationship is proved from the literature. This study add to the existing literature on the relationship of internal marketing to firm performance through mediation of culture. Different studies have proved the role of culture as mediation (Gochhayat, 2016; Mugo et al, 2015; Shehu & Mahmood, 2014; Memon, 2014). The relationship of internal marketing and culture was studied by (Pizzinatto, A. K., Pizzinatto, N. K., Giuliani, A. C., & Pizzinatto, N. K. (2016); Proctor, 2010; Hogg et al., 2010; Giannopoulos, A. A., & Avlonitis, G. J. (2014); Shiu & wei yu, 2010). Similarly the impact of organization culture and organizational performance was also studied by different researchers and a linear relationship was found (Martinez, E. A., Beaulieu, N., Gibbons, R., Pronovost, P., & Wang, T. (2015).; Dadzie et al., 2012; Jacobs, R., Mannion, R., Davies, H. T., Harrison, S., Konteh, F., & Walshe, K. (2013). Shiu Agbényiga, 2011; Shiu & wei yu, 2010). The three dimensions of the internal marketing were used by Forman and Money (1995) and culture dimensions are proved from (Helfrich 2007). Tsang (2016) used three dimensions of performance financial performance, process and people development for measurement.

Discussion

In today's fast and competitive world, motivating employees and uplifting positive behaviours and catering their need have become a major challenge before organizations. On the basis of the review of literature, this study has proposed a conceptual framework and formulated certain propositions which aim to provide insights to managers to enhance positive employee attitudes and behaviours through internal marketing. Although a lot of research has been done to find out the impact of internal marketing activities, there still exist a lot of research gaps that need to be addressed. One important point is to look into the mechanism of internal marketing which through organizational culture improve the performance of the organization. This study discovers internal marketing initiatives twist asymmetric and less engaged behaviour into positive employee attitudes and behaviours. The research implications of this article are discussed below.

Research Implications

The conceptual framework provides many significant propositions that need further empirical scrutiny. Future research is required in order to test the model using a questionnaire survey among employees of the telecom sector. The framework developed here shows that by initiating the internal marketing activities will impact the positive and congenial organizational culture which in turns enhances the co relational among the employees as well as improve the trust in the organization Yu, T. W. et al,(2010). This study guides us that with the internal marketing initiative the vision of the organization is properly communicated thus an enhanced focus on the short and long term goals is achieved (Rafeei & Rafeei 2014). Further suggest that through the transparent and well designed reward system the employees are tuned energized for day to day activities and for the further learning about the system and process of the organization Sadeghloo, M., Nodeh, Z. H., & Rajabloo, R (2014). A well designed and minutely configured information system may be developed to have a close check on the process, culture and human development of the organization. This study also explores the mediating effect of organizational culture which draws

the attentions of many practitioners. The most important contribution of this framework is identification of culture typology that effects the organizational performance in different environmental circumstances.

References

Agbényiga, D. L. (2011). Organizational culture-performance link in the human services setting. *Administration in Social Work*, *35*(5), 532-547.

Anand, N., Gardner, H. K., & Morris, T. (2007). Knowledge-based innovation: Emergence and embedding of new practice areas in management consulting firms. *Academy of Management Journal*, *50*(2), 406-428.

Barzoki, A. S., & Ghujali, T. (2013). Study the relationship of internal marketing with job satisfaction, organizational commitment and organizational citizenship behavior. *International Journal of Academic Research in Business and Social Sciences*, *3*(3), 33.

Belasen, A., & Frank, N. (2008). Competing values leadership: Quadrant roles and personality traits. *Leadership & Organization Development Journal*, *29*(2), 127-143.

Berry, L. L. (1981). The employee as customer. Journal of Retail Banking, 3, 33–40.

Blau, P. M. (1964). *Exchange and power in social life*. Transaction Publishers.

Bruhn, M. (2003). Internal service barometers: Conceptualization and empirical results of a pilot study in Switzerland. *European Journal of Marketing, 37, 1187–1204.*

Burton, L. J., & Peachey, J. W. (2014). Organizational culture mediates the relationship between transformational leadership and work outcomes. *Journal of Intercollegiate Sport*, *7*(2), 153-174.

Calvin Taylor (2015) Between Culture, Policy and Industry: Modalities of Intermediation in the Creative Economy, *Regional Studies, 49:3, 362-373*

Cameron, K. (2008). A process for changing organization culture. *Handbook of organization development*, *14*(5), 2-18.

Cameron, K.S., and Quinn, R.E. (1999). Diagnosing and changing organizational culture: Based on the competing values framework. *Reading, MA: Addison-Wesley*.

Cameron, K. S., Quinn, R. E., DeGraff, J., & Thakor, A. V. (2014). *Competing values leadership*. Edward Elgar Publishing.

Cascio, W. F. (1991). *Costing human resources* (Vol. 21). Boston, MA: South-Western Educational Publishing.

Crim, T., Grabowski, L., Neher, C. S., & Mathiassen, L. (2011). An investigation of competing values in development of a voluntary organization.

Dadzie, C. A., Winston, E. M., & Dadzie, K. Q. (2012). Organizational culture, competitive strategy, and performance in Ghana. *Journal of African Business*, *13*(3), 172-182

Denison, D. R., & Spreitzer, G. M. (1991). Organizational culture and organizational development: A competing values approach. *Research in organizational change and development*, *5*(1), 1-21.

Deshpande, R., & Webster Jr, F. E. (1989). Organizational culture and marketing: defining the research agenda. *The journal of marketing*, 3-15.

Deshpandé, R., Farley, J. U., & Webster Jr, F. E. (1993). Corporate culture, customer orientation, and innovativeness in Japanese firms: a quadrad analysis. *The journal of Marketing*, 23-37.

Eddy balemba kanyurhi Déogratias BUGANDWA Mugu Akonkwa , (2016),"Internal marketing, employee job satisfaction, and perceived organizational performance in microfinance institutions", *International Journal of Bank Marketing, Vol. 34 Iss 5 pp.*

Emerson, R. M. (1987). *Social exchange theory*. K. S. Cook (Ed.). Newbury Park, CA: Sage.

Eric Ng, Wei-Ta Fang & Ching-Yu Lien (2016) An Empirical Investigation of the Impact of Commitment and Trust on Internal Marketing. *Journal of Relationship Marketing, 15*(1-2), 35-53,

Ferdous, A. S., Herington, C., & Merrilees, B. (2013). Developing an integrative model of internal and external marketing. *Journal of Strategic Marketing*, *21*(7), 637-649.

Flamholtz, E. G. 1985. Human resource accounting (2d ed.). San Francisco: Jossey-Bass.

Foreman, S. K., & Money, A. H. (1995). Internal marketing: concepts, measurement and application. *Journal of Marketing Management*, *11*(8), 755-768.

Fregidou-Malama, M., & Hyder, A. S. (2015). Impact of culture on marketing of health services–Elekta in Brazil. *International Business Review*, *24*(3), 530-540.

Goodman, E.A., Zammuto, R.F. and Gifford, B.D. (2001). The competing values framework: Understanding the impact of organizational culture on the quality of work life. *Organization Development Journal*, 19(3), 58-68.

Gounaris, S. (2008). Antecedents of internal marketing practice: some preliminary empirical evidence. *International Journal of Service Industry Management*, *19*(3), 400-434.

Garud, R., Schildt, H. A., & Lant, T. K. (2014). Entrepreneurial storytelling, future expectations, and the paradox of legitimacy. *Organization Science*, *25*(5), 1479-1492.

George, W. R. (1990). Internal marketing and organizational behavior: A partnership in developing customer-conscious employees at every level. *Journal of Business Research, 20, 63–70.*

Gochhayat, J., Giri, V. N., & Suar, D. (2016). Multilevel leadership and organizational effectiveness in Indian technical education: the mediating role of communication, power and culture. *International Journal of Leadership in Education*, 1-15.

Goodman, E. A., Zammuto, R. F., & Gifford, B. D. (2001). The competing values framework: Understanding the impact of organizational culture on the quality of work life. *Organization Development Journal*, *19*(3), 58.

Giannopoulos, A. A., & Avlonitis, G. J. (2014, July). in search of balanced market orientation: internal marketing, external marketing and the role of culture in the tourism sector. In *2014 Global Marketing Conference at Singapore* (pp. 1957-1962).

Giorgi, S., Lockwood, C., & Glynn, M. A. (2015). The many faces of culture: Making sense of 30 years of research on culture in organization studies. *The Academy of Management Annals*, *9*(1), 1-54.

Ginevičius, R., & Vaitkūnaite, V. (2006). Analysis of organizational culture dimensions impacting performance. *Journal of Business Economics and Management*, *7*(4), 201-211.

Glynn, M. A., & Abzug, R. (2002). Institutionalizing identity: Symbolic isomorphism and organizational names. *Academy of Management journal*, *45*(1), 267-280.

Glynn, M. A., & Navis, C. (2013). Categories, identities, and cultural classification: Moving beyond a model of categorical constraint. *Journal of Management Studies*, *50*(6), 1124-1137.

Grönroos, C. (1981). Internal marketing–an integral part of marketing theory. *Marketing of Services*, *236*, 238.

Gronroos, C. (1985). Internal marketing–theory and practice. Services marketing in a changing environment (pp. 41–47). Chicago, IL: American Marketing Association.

Gusfield, J. (2006). Culture. *Contexts, 5*(1), 43-44. Retrieved from http://www.jstor.org/stable/41802795

Haghighikhah, M., Khadang, M., & Arabi, M. (2016). Internal Marketing: Employee Satisfaction and Word of Mouth in Guilan's Saderat Bank. *International Journal of Marketing Studies*, *8*(2), 147.

Hartnell, C. A., & Walumbwa, F. O. (2011). Transformational leadership and organizational culture. *The Handbook of Organizational Culture and Climate*, *2*.

Helfrich, C. D., Li, Y. F., Mohr, D. C., Meterko, M., & Sales, A. E. (2007). Assessing an organizational culture instrument based on the Competing Values Framework: Exploratory and confirmatory factor analyses. *Implementation Science*, *2*(1), 13.

Homans, G. C. (1958). Social behavior as exchange. *American journal of sociology*, *63*(6), 597-606.

Jacobs, R., Mannion, R., Davies, H. T., Harrison, S., Konteh, F., & Walshe, K. (2013). The relationship between organizational culture and performance in acute hospitals. *Social science & medicine*, *76*, 115-125.

Jensen, M. C. (2010). Value maximization, stakeholder theory, and the corporate objective function. *Journal of applied corporate finance*, *22*(1), 32-42.

Jung, S. Y., Jung, K. H., & Shin, J. I. (2016). The Effects of Market Orientation and Corporate Image on Organizational Performance through Internal Marketing: Focused on SMMs in South Korea.

Jun, K. N., & Shiau, E. (2012). How are we doing? A multiple constituency approach to civic association effectiveness. *Nonprofit and Voluntary Sector Quarterly*, *41*(4), 632-655.

Kaplan RS and Norton DP, "The Balanced Scorecard - Measures that drive performance", Harvard Business Review, 1992 Jan/Feb, pp71-79.

Koo, K. R., Kim, S. J., & Kim, K. H. (2016). The effects of internal marketing capability on export marketing strategy, B2B marketing mix and export performance. *Journal of Global Scholars of Marketing Science*, *26*(1), 51-65.

Kotter, J. (2012). The key to changing organizational culture. *Leadership column, Forbes*, *27*.

Kroeber, AL., and Kluckholm, C.K, (1952). Culture: A Critical Review of Concepts and Definitions. Harvard University Peabody Papers, No.47. Cambridge, Mass: Harvard University

Lamond, D. (2003). The value of Quinn's competing values model in an Australian context. *Journal of Managerial Psychology*, *18*(1), 46-59.

Le Meunier-FitzHugh, K., & Le Meunier-FitzHugh, L. (2017). How Does Market Orientation Affect Sales and Marketing Collaboration and Business Performance?. In *The Customer is NOT Always Right? Marketing Orientationsin a Dynamic Business World* (pp. 307-307). Springer, Cham.

Leiponen, A. (2006). Managing knowledge for innovation: the case of business-to-business services. *Journal of Product Innovation Management*, *23*(3), 238-258.

Levin, P. (2008). Culture and markets: How economic sociology conceptualizes culture. *The ANNALS of the American Academy of Political and Social Science*, *619*(1), 114-129.

Lings, I. N. (2004). Internal market orientation: Construct and consequences. Journal of Business Research, 57, 405–413.

Lings, I. N., & Greenley, G. E. (2010). Internal market orientation and market-oriented behaviours. *Journal of Service Management, 21, 321–343*.

Marinova, J., Plantenga, J., & Remery, C. (2016). Gender diversity and firm performance: evidence from Dutch and Danish boardrooms. *The International Journal of Human Resource Management*, *27*(15), 1777-1790.

Martinez, E. A., Beaulieu, N., Gibbons, R., Pronovost, P., & Wang, T. (2015). Organizational culture and performance. *The American Economic Review*, *105*(5), 331-335.

Martz, W. (2013). Evaluating organizational performance: rational, natural, and open system models. *American Journal of Evaluation*, *34*(3), 385-401.

Maryam, S., Marzieh, T., & Marzieh, G. (2014). Relationship among market orientation, service quality and organizational performance from perspective of Gonbad Kavoos Telecommunication firm employees. *Adv. Appl. Sci. Res*, *5*, 464-466.

Memon, M. A., Salleh, R., Harun, H., Rashid, R. A., & Bakar, Z. A. (2014). Training, Engagement, Social Exchange Ideology and Employee Turnover: A Proposed Moderated Mediation Conceptual Framework. *Australian Journal of Basic & Applied Sciences*, *8*(5), 151-156.

Morris, M. H., & Pitt, L. F. (1994). The organization of the future: unity of marketing and strategy. *Journal of Marketing Management*, *10*(7), 553-560.

Mugo, M., Minja, D., & Njanja, L. (2015). The Effect of Succession Planning on Corporate Growth Strategy among Local Family Businesses in the Manufacturing Sector in Nairobi County, Kenya.

Narver, J. C., & Slater, S. F. (1990). The effect of a market orientation on business profitability. *The Journal Of Marketing*, 20-35.

Osborne, A. B. (1996). Practice into theory into practice: Culturally relevant pedagogy for students we have marginalized and normalized. *Anthropology & Education Quarterly*, *27*(3), 285-314.

Paliaga, M., & Strunje, Ž. (2011). Research of implementation of internal marketing in companies in the Republic of Croatia. *Economic Research-Ekonomska Istraživanja*, *24*(1), 107-121.

Papasolomou-Doukakis, I. (2002). Internal marketing: a means for creating a sales or marketing orientation? The case of UK retail banks. *Journal of Marketing Communications*, *8*(2), 87-100.

Panayotopoulou, L., Bourantas, D., & Papalexandris, N. (2003). Strategic human resource management and its effects on firm performance: an implementation of the competing values framework. *International Journal of Human Resource Management*, *14*(4), 680-699.

Panigyrakis, G. G., & Theodoridis, P. K. (2009). Internal marketing impact on business performance in a retail context. *International Journal of Retail & Distribution Management*, *37*(7), 600-628.

Pantouvakis, A. (2012). Internal marketing and the moderating role of employees: An exploratory study. *Total Quality Management & Business Excellence*, *23*(2), 177-195.

Pizzinatto, A. K., Pizzinatto, N. K., Giuliani, A. C., & Pizzinatto, N. K. (2016). Internal marketing and organizational culture: a case on multi brands company.

Piercy, N., & Morgan, N. (1991). Internal marketing—The missing half of the marketing programme. *Long range planning*, *24*(2), 82-93.

Tony Shiu & wei yu, 2009 (2010) Internal marketing and its basis for sound customer relationship management, *Journal of Management & Marketing in Healthcare, 3:4, 256-263*

Quinn, R.E. and Kimberly, J.R. (1984). Paradox, planning, and perseverance: Guidelines for managerial practice. In Kimberly, J.R. & Quinn, R.E. (Eds.), Managing Organizational Transitions (pp. 295 313). Homewood, IL: Dow Jones-Irwin.

Quinn, R. E., & Kimberly, J. R. (1984). Paradox, planning, and perseverance: Guidelines for managerial practice. *Managing organizational transitions*, *2*(9), 5-3.

Quinn, R. E., & Rohrbaugh, J. (1981). A competing values approach to organizational effectiveness. *Public productivity review*, 122-140.

Rafiq, M., & Ahmed, P. K. (2000). Advances in the internal marketing concept: Definition, synthesis and extension. *Journal of Services Marketing, 14, 449–462*.

Rafeei, S., & Rafeei, S. (2014). Studying the Relationship between Internal Marketing and Organizational Entrepreneurship Development in Tehran SMEs. *International Journal of Basic Sciences & Applied Research*, *3*, 1-6.

Reza, S., Javadin, S., Rayej, H., Yazdani, H., Estiri, M., & Seyed Ali Aghamiri, S. A.(2012), How organizational citizenship behavior mediates between internal marketing and service quality. *International Journal of Quality & Reliability Management*, *29*(5), 512-530.

Roknić, S., & First Komen, I. (2015). Internal marketing application and its effects on corporate culture in trade companies in the Republic of Croatia. *Zbornik Veleučilišta u Rijeci*, *3*(1), 55-68.

Roberts-Lombard, M. (2010). Employees as customers-An internal marketing study of the Avis car rental group in South Africa. *African Journal of Business Management*, *4*(4), 62.

Ryu, H. S., & Lee, J. N. (2016). Innovation patterns and their effects on firm performance. *The Service Industries Journal*, *36*(3-4), 81-101.

Sadeghloo, M., Nodeh, Z. H., & Rajabloo, R (2014). The relationship between internal marketing and organizational commitment in Golestan's sports and youth offices.

Salancik, G. R., & Meindl, J. R. (1984). Corporate attributions as strategic illusions of management control. *Administrative science quarterly*, 238-254.

Santhosh, M., & Baral, R. (2015). A conceptual framework for exploring the impacts of corporate social responsibility on employee attitudes and behaviour. *Journal of Human Values*, *21*(2), 127-136.

Sapienza, A. M. (1985). Believing is seeing: How culture influences the decisions top managers make. *Gaining control of the corporate culture*, 66-83.

Sathe, V. (1983). Implications of corporate culture: A manager's guide to action. *Organizational Dynamics*, *12*(2), 5-23.

Schneider, B., Ehrhart, M. G., & Macey, W. H. (2013). Organizational climate and culture. *Annual review of psychology*, *64*, 361-388.

Shehu, A. M., & Mahmood, R. (2014). The mediating effect of organizational culture on the relationship between entrepreneurial orientation and firm performance in Nigeria. *Mediterranean Journal of Social Sciences*, *5*(23), 480.

Shim, S., Lusch, R. F., & Goldsberry, E. (2002). Leadership style profiles of retail managers: personal, organizational and managerial characteristics. *International Journal of Retail & Distribution Management*, *30*(4), 186-201.

Shiu, Y. M., & Yu, T. W. (2010). Internal marketing, organisational culture, job satisfaction, and organisational performance in non-life insurance. *The Service Industries Journal*, *30*(6), 793-809.

Smircich, L. (1983). Concepts of culture and organizational analysis. *Administrative science quarterly*, 339-358.

Sorge, A. (1982). Cultured organization. *International Studies of Management & Organization*, *12*(4), 106-138.

Steers, R. M. (1977). Antecedents and outcomes of organizational commitment. *Administrative Science Quarterly*, 46-56.

Suleiman Awwad, M., & Mohammad Agti, D. A. (2011). The impact of internal marketing on commercial banks' market orientation. *International Journal of Bank Marketing*, *29*(4), 308-332.

Swidler, A. (1986). Culture in action: Symbols and strategies. *American Sociological Review*, 273-286.

Tansuhaj, P., Wong, J., & McCullough, J. (1987). Internal and external marketing: Effects on consumer satisfaction in banks in Thailand. *International Journal of Bank Marketing, 5, 73–83.*

Tsai, Y. (2014). Learning organizations, internal marketing, and organizational commitment in hospitals. *BMC Health Services Research*, *14*(1), 152.

Tsai, Y., Wu, S. W., & Chang, S. T. (2012). Internal marketing establishes the culture of market orientation. *Business, Economics, Financial Sciences, and Management*, 471-479.

Tsai, Y., & Tang, T. W. (2008). How to improve service quality: Internal marketing as a determining factor. *Total Quality Management*, *19*(11), 1117-1126.

Tseng, S. M. (2016). The effect of knowledge management capability and customer knowledge gaps on corporate performance. *Journal of Enterprise Information Management*, *29*(1), 51-71.

Turkoz, I., & Akyol, A. (2008). Internal marketing and hotel performance. *Anatolia*, *19*(1), 149-154.

Varey, R. J. (1995). Internal marketing: A review and some interdisciplinary research challenges. International Journal of Service Industry Management, 6, 40–63.

Varey, R. J., & Lewis, B. R. (1999). A broadened conception of internal marketing. European Journal of Marketing, 33, 926–944.

Varun, K., Indu, B., & Ashish, K. (2015). Internal Branding: A Review of Indian Hotel Industry. *Advances in Management*, *8*(11), 11.

Vilkinas, T., & Cartan, G. (2006). The integrated competing values framework: Its spatial configuration. *Journal of Management Development*, *25*(6), 505-521.

Waterman, R. H. (1993). *Adhocracy: The power to change*. WW Norton & Company.

Wegge, J., Jeppesen, H. J., Weber, W. G., Pearce, C. L., Silva, S. A., Pundt, A., ... & Piecha, A. (2011). Promoting work motivation in organizations. *Journal of Personnel Psychology*.

White Gunby Jr, N. (2009). Firm performance and complementary strategy development processes. *Management Decision*, *47*(5), 806-818.

Williams, S. L. (2002). Strategic planning and organizational values: links to alignment. *Human Resource Development International*, *5*(2), 217-233.

Xenikou, A., & Simosi, M. (2006). Organizational culture and transformational leadership as predictors of business unit performance. *Journal of Managerial Psychology*, *21*(6), 566-579.

Zafft, C. R., Adams, S. G., & Matkin, G. S. (2009). Measuring Leadership in Self-Managed Teams Using the Competing Values Framework. *Journal of Engineering Education*, *98*(3), 273-282.

Zampetakis, L. A., & Moustakis, V. (2007). Entrepreneurial behaviour in the Greek public sector. *International Journal of Entrepreneurial Behavior & Research*, *13*(1), 19-38.

Zeithaml, V. A., Berry, L. L., & Parasuraman, A. (1988). Communication and control processes in the delivery of service quality. *The Journal of Marketing*, 35-48.

Zhao, E. Y., Ishihara, M., & Lounsbury, M. (2013). Overcoming the illegitimacy discount: Cultural entrepreneurship in the US feature film industry. *Organization Studies*, *34*(12), 1747-1776.