INTERNAL MARKETING STRATEGY, EMPLOYEE COMMITMENT AND EMPLOYEE PERFORMANCE OF SELECTED KENYAN PUBLIC UNIVERSITIES; THE MODERATING EFFECT

Lydia Muriuki
State Department of Infrastructure Kenya – P.O 10579-30100
Email: kmwengei@gmail.com

Abstract—Internal marketing strategy is emerging as a central theme of increasing importance in both academic and practitioner discourse, as a key strategy in enhancing employee commitment for superior employee performance hence satisfied clientele and assured organizational performance. The present study set out to investigate the effect of internal marketing strategy on employee performance and the moderating role of employee commitment among selected public universities in Kenya. A total of 384 employees were sampled from both administrative and academic staff positions, employing stratified random sampling proportionately from the selected four Universities. The study used primary data which was largely quantitative, collected by use of structured questionnaires. Both descriptive and inferential analyses were conducted. Findings reveal a significant relationship between internal marketing strategy and employee performance among selected public universities in Kenya. The study further found a significant relationship between employee commitment and employee performance among selected public universities in Kenya. The study however found no significant moderating effect of employee commitment on the relationship between internal marketing strategy and employee performance among selected public universities in Kenya. The study recommends that to enhance employee performance among institutions of higher learning and particularly public universities, internal marketing strategy and employee commitment are among the strategic practices that should be emphasized. The study validates the main theory underpinning the study that is the Resource Based View. As established in the study, employees across various public higher education institutions are the key resources thereof, tasked with the mandate to produce both competitive and marketable graduates. Policy makers ought to derive cue from the study findings that by understanding the applicability of internal marketing strategy in universities; it would eventually lead to focusing attention and resources on establishing internal marketing systems in universities to inspire superior employee performance. Finally, the study suggests several avenues of further studies which include studying different dimensions of Internal Marketing strategies in different university settings.

Keywords—Employee Commitment, Employee Performance, Internal Marketing, Public Universities, Organizational Performance.

INTRODUCTION

Employee performance is critical to the success of any organization and public universities are not an exception. It is therefore imperative for an organization to adopt strategies that will not only increase employee commitment but also enhance the employee’s performance. If an organization is to achieve its goals, it must not only have the required resources, it must also use them effectively (Saul, 2010). Due to this realization, organizations are seeking to understand how one of the last truly competitive resources, their human resources, can be managed to perform to their best and therefore enhance employee performance and competitive advantage (Boxall et al., 2007).

Universities and higher education systems across the globe are particularly taking leading roles in their States’ economic development efforts, through among other avenues, innovation and Knowledge Transfer that helps businesses grow and prosper. As such, staff competence in the academia is particularly often in the center of attention in high educational institutions (Akuezuilo, 2010; Davenport, 2013; Kaczynski, 2013). The challenges experienced by universities currently,
such as large student enrolments, globalization of education with inherent competition for staff and students has called for competence in delivery of quality education with a view to produce competent, world-class graduates in the wake of highly dynamic economic growth driven by science and fast paced technology (Maicibi, 2013, McNamara, 2014). The emerging issues of brain drain, have further placed pressure on academic staff to perform and improve the status of the university in the global academia (Kaczynski, 2013).

Thus, university staff, both administrative and academic, are required to prove their credibility and continued retention in university employment based on the strength and magnitude of their research activities, teaching and consultancy services among other capabilities (Ng’ongah, 2012). Employee performance has been a contentious issue in most countries due to poor work ethics, which have developed gradually, poor co-ordination between departments among other factors (Davenport, 2013). There are always gaps between the expected and actual performance (Akuezuilo, 2010). Although several studies have been conducted on employee performance in different contexts mostly with a view to understanding what factors contribute to its enhancement, it remains unexplored in literature how internal marketing strategy and employee commitment both influence employee performance in the academia.

Internal marketing was introduced by Berry et al. (1976), the main concept of Internal Marketing Strategy is that employees are internal clientele, and work is a product that should meet the needs and requirements of clientele to achieve organizational goals (Robertson and Cooper, 2010). In other words, the main essence of Internal Marketing Strategy is to accept this point that it should relate with employee like internal clientele (Grayson, 2010). In the present study, Internal Marketing Strategy is defined as means of involving staff at all levels in effective marketing programmes by enabling them to understand their role within the organization.

Employee Commitment (EC) is widely described in the management and behavioral sciences literature as a key factor in the association between individuals and corporations. For example, Robertson and Cooper (2010) and Gilbert and Ivancevich (2009) all describe Employee Commitment as the factor that promotes the attachment of the individual to the corporation. These authors argue that the high levels of effort exerted by staff with high levels of employee commitment would lead to higher levels of performance and effectiveness at both the individual and the organizational level. Staffs are regarded as committed to a corporation if they willingly continue their association with the corporation and devote considerable effort to achieving organizational goals (Stevens, 2010). Lack of commitment from staffs can be harmful to a corporation, resulting in poorer performance arising from inferior service offerings and higher costs.

THEORY AND HYPOTHESES DEVELOPMENT

Resource-Based View Theory

The resource-based view of the firm (RBV) and the resultant resource-based theory (RBT) provide an important framework for explaining and predicting the basis of a firm’s competitive advantage and performance (Barney et al., 2011; Vorhies and Morgan, 2005). In the past decade, the applications of resource-based logic in marketing have grown exponentially; in the 1990s, only 19 articles in marketing explicitly referenced the RBV, but in the 2000s, that number increased to 104. In just 2012–14, more than 50 published conceptual and empirical marketing articles drew on RBT. This upward trend indicates the growing importance of RBV to marketing. While top management journals have dedicated special issues solely to RBT (issues 17(1), 27(6), and 37(5) of Journal of Management), there is a need to synthesize the fragmented applications of RBV in marketing (Ramaswami et al., 2009).

Historically, RBT has been applied most frequently in three domains: marketing strategy (Fang et al., 2011), international marketing (Ruiz-Ortega and García-Villaverde, 2008), and marketing innovation (Barney et al., 2011). The primary motivation for using RBT in various marketing domains is the compelling framework it offers for integrating multiple, dissimilar resources to explain synergistic, differential effects on performance and the contingencies associated with each (Fang et al., 2011). As much as 70% of a firm’s market value may come from its intangible resources, and organizational performance increasingly seems tied to intangible resources, such as customer relationships or brand equity (Barney et al., 2011). Extant research also suggests that the greatest benefits accrue when externally focused, market-based resources are complemented by internal resources (Slotegraaf and Dickson, 2005), in line with Day’s (1994) argument that to “exploit” outside-in capabilities, “there has to be a match” with inside-out capabilities.

Internal Marketing Model

The main objective of IMS is to promote the knowledge about inside and outside clientele and lift the operational obstacles which may be in the way of making the services based on values and organizational effectiveness (Christopher et al.,
1991). IMS views the staff and jobs as inside clientele and inside products, respectively (Lee and Chen, 2005). In the market-oriented literature and strategic management, more attention was paid to the outside factors of a corporation, although you can see today that a balance should be created between the outside and inside factors, as both are critical for a strategy to be successful (Lings, 1999). Foreman and Money (2007) held that when a corporation has an inside chain of supply comprising inside clientele and suppliers, the corporation’s management ought to view the corporation as a market. This means that meeting the inside client needs will put the corporation in better conditions to provide high-quality services to the outside clientele (Foreman and Money, 2007). Therefore, IMS is an important activity in the development of a client-oriented corporation.

Among the most important factors which may employ the personnel’s behaviors, attitudes and interaction to render services of even better qualities is internal marketing. The philosophy of IMS is an important thing that is the personnel are counted as inside clientele. Kotler and Keller (2006) stated that services require three types of marketing: inside, outside and interactive (Figure 2.1).

**The Commitment-Trust Theory**

Drawing on the political economy paradigm, Thorrelli (1986) maintains that power is the central concept in net-work analysis because its mere existence can condition others. In contrast, keeping in mind that roughly one-third of such ventures as strategic alliances are outright failures (Sherman 1992), what should be central to understanding relationship marketing is whatever distinguishes productive, effective, relational exchanges from those that are unproductive and ineffective—that is, what-ever produces relationship marketing successes instead of failures. Though there are no doubt many contextual factors that contribute to the success or failure of specific relation-ship marketing efforts, we theorize that the presence of relationship commitment and trust is central to successful relationship marketing, not power and its ability to "condition others."

Commitment and trust are "key" because they encourage marketers to work at preserving relationship investments by cooperating with exchange partners, resist attractive short-term alternatives in favor of the expected long-term benefits of staying with existing partners, and view potentially high-risk actions as being prudent because of the belief that their partners will not act opportunistically. Therefore, when both commitment and trust—not just one or the other—are present, they produce out-comes that promote efficiency, productivity, and effectiveness. In short, commitment and trust lead directly to cooperative behaviors that are conducive to relationship marketing success.

Drawing on two decades of theory and empirical research on commitment in organization behavior (Mathieu and Zajac, 2010) and the recently developing commitment and trust literature in marketing, we identify five major precursors of relationship commitment and trust. Specifically, relationship termination costs and relationship benefit directly influence commitment, shared values directly influence both commitment and trust, and communication and opportunistic behavior directly influence trust (and, through trust, indirectly influence commitment).

**Internal Marketing Strategy and Employee Commitment**

Kelemen and Papasolomou-Doukakis (2004) established the fact that firms can satisfy external customers effectively, if there is successful exchange with its employees (Lu et al, 2007). Some scholars have also found an extrinsic link between the satisfaction of internal employees and that of external customers (Palmatier et al, 2006; Heskett et al, 2008). At the heart of the internal marketing concept is the notion that employees represent an internal market within an organization (Ahmed and Rafiq, 2003; Lu et al, 2007). This internal market can be regarded as a segment of employees that needs to be informed, developed and motivated in order to elicit their commitment to organizational goals (Papasolomou-Doukakis, 2002).

As a result of its perceived benefits, there has been an increased interest among marketing scholars and practitioners alike, seeking to understand the antecedents of employee commitment (Mishra et al., 2010; Abzari, 2011; Ting, 2011). For instance, Chang and Chang (2009) found that internal marketing was positively related to job commitment of nurses in Taiwan. However, an extensive review of the extant literature suggests a dearth of research linking internal marketing practices and employee commitment especially in the financial services industry. Moreover, the reviews also revealed that marketing scholars have not been consistent with the conceptualization of the dimensions of internal marketing. For instance, Chang and Chang (2009) conceptualized internal marketing into employee-oriented measures, internal communication and external activities.
Employee Commitment and Employee Performance

Studies emanating from the human resources management literature (Rashid et al., 2003; Lu et al., 2007; Yiing and Ahmad, 2009) show that having committed employees in organizations leads to better employee performance because employees with greater commitment to their organizations perform better on their jobs as compared to those who have lower commitment. Similarly, other scholars also found that commitment of employees to the organization leads to job satisfaction (Lings, 2004; Lings and Greenley, 2007) and organizational citizen behavior (Farzad et al., 2008; Hung and Lin, 2008). Before this, Caruana and Callelya (1998) urged management in organizations to build a sustainable personnel base that is strongly committed and has intentions of staying with the organization into the foreseeable future.

Commitment to organizations is positively related to such desirable outcomes as job satisfaction and attendance and negatively related to such outcomes as absenteeism and turnover (Gummesson et al., 2010). Also, Fang et al. (2011) stated that stronger commitment could result in less turnover and absenteeism, thus increasing an organization’s productivity. However, the relationship between employee commitment and job performance is more tenuous (Dunmore, 2012). Bies et al.’s (2007) meta-analysis showed that the confidence interval around the mean correlation between employee commitment and performance included zero. Thus, they concluded commitment has relatively little direct influence on performance in most instances.

Several studies, describe the term commitment as an affective orientation of the employees toward the organization. Employees with affective commitment continue service with organization because they want to do so. Kanter (1968) describe cohesion commitment as the attachment of an individual’s found of affectivity and emotion to the group. Affective commitment to the goal and values and to the organization for its own sake, a part from its purely instrumental worth argues by Buchanan (1974). Porter and Mowday et al. (1979) describe affective approach as “the relative strength of an individual’s identification with and involvement in a particular organization.

Normative commitment develops on the basis of earlier experiences influenced by, for example family-based experiences (parents that stress work loyalty) or cultural experiences (sanctions against “job-hopping”) (Allen & Meyer, 1997). Normative commitment can increase through beliefs that the employees have that employers provide more than they can give. The normative aspect develops as individuals’ perception of their moral obligation to remain with a specific organization, irrespective of how much status improvement or fulfillment the organization gives the individual over the years (March & Mannari 1977). So normative commitment/obligation seen as a result of the receipt of benefits (which encourages a feeling that one should reciprocate), and/or acceptance of the terms of a psychological contract.

Thus, hypothesis $H_0$ stipulates that there is no significant effect of Employee Commitment on Employee Performance among Selected Public Universities in Kenya.

Internal Marketing Strategy, Employee Commitment and Employee Performance

A number of scholarly works have linked the concept of internal marketing with employee commitment and performance. According to Ting (2011), the logic behind internal marketing is that, by satisfying the needs of internal customers, they would be committed to reciprocate and deliver the quality of service desired to satisfy external customers. Chang and Chang (2009) observes that fulfilling employee needs enhances employee motivation and retention, and as a consequence, the higher the degree of employee satisfaction, the higher their commitment towards the organization and ultimately the more efficient the service delivery. Later, a customer-centric view also emerged in the literature on internal marketing. Hassan (2010) holds that seeing employees as internal markets and motivating them is not enough to deliver value to customers unless the firm orients them to be ‘customer-minded’ through mainstreaming employee commitment principles.

Tsai and Wu (2011) argue that the underlying principle of internal marketing is that effective service delivery requires committed and customer-conscious employees. This stage of the development of internal marketing was also recognized by Ahmed and Rafiq (2006) with their definition of internal marketing as a planned effort using marketing-like approach directed at motivating employees for implementing and integrating organizational strategies towards customer orientation.

In another study conducted by Tsai and Wu (2011), the authors explored the relationships between internal marketing, employee commitment and the quality of health services. In a similar context, a study conducted by Narteh (2012),
focused on investigating the impact of four internal marketing practices (empowerment; training and development, rewards and communication) on the commitment of employees in the commercial banks’ sector in Ghana. The results of this study also indicated that empowerment, the training and development but also the rewards have a significant impact on employee commitment, while communication has no impact whatsoever on this construct. Gilaninia et al. (2013) also examined the impact of internal marketing components on employee commitment among the Refah bank staff in the Ardabil Province. The study showed that internal marketing had a positive impact on employee commitment.

Thus, hypothesis H03 states that there is no significant moderating effect of Employee Commitment on the relationship between Internal Marketing Strategy and Employee Performance among Selected Public Universities in Kenya.

Conceptual Framework

To achieve the study objectives, the various aspects under study are conceptualized in figure 2.4 below. From the conceptual framework, two gaps can be clearly noted: How Internal Marketing Strategy (independent variable) influences employee performance (dependent variable) among selected public universities in Kenya; and how this influence is moderated by employee commitment (moderating variable). The study therefore endeavored to address the gap.

METHODS AND DATA

This study is multivariate in nature, incorporating both descriptive and explanatory designs. An explanatory research design was adopted since the study attempts to connect ideas to understand cause and effect (Stigler, 2002), which in the present study involves determining whether significant associations exist between the three conceptualized variables namely IMS, EC and employee performance as stated in the hypotheses.

The target population for the study comprised all the employees in the four public universities with their main campuses in Nairobi County namely University of Nairobi, Kenyatta University, Multimedia University College and the Technical University of Kenya.

The study employed the Fisher et al. (1983) formula for determining sample sizes in large populations. This is as shown below:

\[
n = \frac{Z^2pq}{d^2}
\]

Where \( n \) = the required sample size, when the target population is more than 10,000

\( Z \) = is standard normal deviate at the required confidence level, 0.05, which gives 1.96

\( p \) = is the proportion of the target population estimated to have the characteristics being measured when one is not sure, so one takes middle ground (0.5)

\( q \) = 1-\( p \) (1 - 0.5 = 0.5)

\( d \) is the level of statistical significance, which is a standard set at 0.05
\[ n = \frac{1.96^2 \times 0.5 \times 0.5}{0.05^2} = 384 \]

Therefore \( n = 384 \).

The study used primary data which was largely quantitative in nature. According to Neuman (2011), quantitative data is information about quantities; that is, information that can be measured and written down with numbers.

The study employed the use of structured questionnaire with close-ended questions. This helped guide respondents’ answers within the choices given to ensure they stay in focus with the study objectives. To this end, respondents were presented with descriptive statements in a 5-point Likert scale on which they were required to rate by scoring the extent to which they perceived a particular statement is descriptive of the force in the corporations.

**Validity of Data Collection Instruments**

Validity is the extent to which differences found with a measuring tool reflect true differences among respondents being tested (Copper and Schindler 2003). The present study performed content validity testing which consisted of administering the questionnaire to 10 expert researchers and consulting with the university supervisors who gave their feedback on the extent to which the indicators correctly represent the concept of the study. Their feedback was then used to improve the questionnaire.

**Reliability of Data Collection Instruments**

Reliability is concerned with estimates of the degree to which a measurement is free of random or unstable error (Copper and Schindler 2003). Cronbach alpha, which is a measure of internal consistency, was used to test the internal reliability of the measurement instrument. The higher the score, the more reliable the generated scale is. (Nunnaly, 1978) has indicated 0.7 to be an acceptable reliability thus it was considered adequate for this study.

**Measurement of Variables**

**Independent Variable**

The study adopted, owing to their practicability to the present study, Lings and Greenley’s (2007) Internal Market Orientation Pattern Matrix as adopted from Jaworski’s and Kohli’s (1993) Market Orientation Scale, with a bias on the internal market components. Five dimensions of Internal Market Orientation are hereby identified. These are: formal written information generation, formal face-to-face information generation, informal information generation, communication and dissemination of information, and responding to this internal market information.

**Dependent Variable**

In examining employee performance, the study adopted the perceived degree of employee performance measure encompassing three dimensions including Trait-based information, Behavior-based information, result based information as developed by Opatha (2002); Duraisingam and Skinner (2005); and Mathis and Jackson (2003).

**Moderating Variable**

For employee commitment the study adopted a 12-item questionnaire themed around three components namely Affective Commitment, Continuance Commitment and Normative Commitment, as adopted from the employee commitment questionnaire (OCQ) by Mayer et al. (1993).

The following analytical multiple regression model was used:

\[ Y = \alpha + \beta_1X + \beta_2M + \varepsilon \]

Whereby:

\[ Y = \text{Employee performance} \]
\[ \alpha \text{ is the y-intercept or model coefficient;} \]
\[ \beta_1 \text{ and } \beta_2 \text{ are the coefficients of the independent variables;} \]
\[ X = \text{Internal Marketing} \]
\[ M = \text{Employee Commitment} \]
\[ \varepsilon \text{ is the error term established from heteroscedasticity test;} \]
Whereas model I was not used to test any hypothesis directly in the study, the same complemented the moderation model whereby the study aimed to establish any R square change to further complement the significance of the moderating variable.

To aid in testing for moderation, the moderating variable was computed by multiplying X by M. A z –score was then computed for both X and M to specify the precise location of each value within the distribution by indicating whether the score is above the mean (positive) or below the mean (negative). The numerical value of the z-score specifies the distance from the mean by counting the number of standard deviations between X and μ. The resultant scores give a distribution that has a mean score of zero and a standard deviation of one.

The z –score is calculated as:
\[ Z = \frac{X - \mu}{\sigma} \]

Where:
- \( Z \) = the standardized score
- X = the X value
- \( \mu \) = the mean of the distribution
- \( \sigma \) = the standard deviation of the distribution.

After the z score was computed, the following regression model was employed:
\[ Y = \alpha + \beta_1 X + \beta_2 M + \beta_2 (X \times M) + \varepsilon \] …II

There was a significant moderating effect if \( \beta_2 (X \times M) \) was statistically significant in the second model.

RESULTS

The moderating effect of employee commitment on the effect of internal marketing strategy on employee performance among selected public universities in Kenya

The study sought to determine the moderating effect of employee commitment on the effect of internal marketing strategy on employee performance among selected public universities in Kenya.

\[ Y = \alpha + \beta_1 X + \beta_2 M + \beta_2 (X \times M) + \varepsilon \] …II

Where
- Y = Employee performance
- \( \alpha \) is the y-intercept or model coefficient;
- \( \beta_1 - \beta_4 \) are the coefficients of the independent variables;
- X = Internal Marketing
- M = Employee Commitment
- \( \varepsilon \) is the error term established from heteroscedasticity test;

To aid in the moderation analysis, a z –score was computed to specify the precise location of each value within the distribution by indicating whether the score is above the mean (positive) or below the mean (negative). The numerical value of the z-score specifies the distance from the mean by counting the number of standard deviations between X and \( \mu \). The resultant scores give a distribution that has a mean score of zero and a standard deviation of one.

The z –score is calculated as:
\[ Z = \frac{X - \mu}{\sigma} \]
Where:

\[ Z = \text{the standardized score} \]
\[ X = \text{the } X \text{ value} \]
\[ \mu = \text{the mean of the distribution} \]
\[ \sigma = \text{the standard deviation of the distribution} \]

**Table 4.1: Moderating effect of employee commitment on the effect of internal marketing strategy on employee performance among selected public universities in Kenya**

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.723a</td>
<td>.523</td>
<td>.519</td>
<td>6.56420</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Moderator, Employee Commitment, Internal Marketing Strategy

**ANOVAa**

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>14905.612</td>
<td>3</td>
<td>4968.537</td>
<td>115.309</td>
<td>.000b</td>
</tr>
<tr>
<td>1 Residual</td>
<td>13572.946</td>
<td>315</td>
<td>43.089</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>28478.558</td>
<td>318</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Employee Performance

b. Predictors: (Constant), Moderator, Employee Commitment, Internal Marketing Strategy

**Coefficientsa**

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>-7.447</td>
<td>7.053</td>
<td>-1.056</td>
<td>.292</td>
</tr>
<tr>
<td>Zscore: Internal marketing Strategy</td>
<td>1.527</td>
<td>.087</td>
<td>.736</td>
<td>17.572</td>
</tr>
<tr>
<td>1 Zscore: Employee Commitment</td>
<td>-.009</td>
<td>.055</td>
<td>-.007</td>
<td>-.168</td>
</tr>
<tr>
<td>Moderator</td>
<td>.373</td>
<td>.360</td>
<td>.042</td>
<td>1.036</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Employee Performance

*Source: Survey Data, 2015*

The results presented in table 4.32 indicates that there is no significant moderating effect of employee commitment on the relationship between internal marketing strategy and employee performance among selected public universities in Kenya even though (R Square = .523, F = 115.309, p < 0.05). The \( \beta \) depicting the coefficient for the interaction (XZ) was however not significant (\( \beta = .042, t= 1.036, p = 0.301 \)). The null hypothesis that there is no significant moderating effect of employee commitment on the relationship between internal marketing strategy and employee performance among selected public universities in Kenya was therefore supported.
DISCUSSION OF FINDINGS

Effect of Internal Marketing Strategy on Employee Performance

The study examined the effect of internal marketing strategy on employee performance among selected public universities in Kenya. A majority of respondents only highly agreed that among other aspects defining internal marketing strategy, in their respective institution we have regular staff appraisals in which we discuss what staff want (4.392), their respective managements meet with employees at least once a year to find out what expectations they have of their jobs for the future (4.392); they do a lot of internal market research (4.361); the management regularly meets with all staff to report about issues relating to the whole organization (4.361); and that when it is found out that employees are unhappy with supervision or management, corrective action is taken (4.357). A Pearson product moment correlation analysis was performed revealing a very strong and positive correlation (r = .722; P value = .000) between internal marketing strategy and employee performance among selected public universities in Kenya was established that was statistically significant at either 0.01 level or 0.05 level of confidence.

The finding contradicts with Snell and White (2009) in whose exploratory study on the application of internal marketing in professional services firms, using the qualitative research approach and a sample of 19 professional services firm, found that internal marketing strategy is in practice but are applied at different degrees within the organizations. This current study however basing its source as major public universities found that internal marketing views employees as customers and their works as products in order to satisfy internal customer’s demands and needs hence internal marketing strategy is applied in the general institution fraternity for improved employee performance. The study findings agree with Foreman and Money (2007) who found that the three components of internal marketing which are: reward; retaining and motivating employees have significant impact on their productivity.

The positive and statistically significant correlation established between Internal Marketing Strategy and employee performance and the MRA finding that IMS has a positive and significant effect on EP is in tandem with a myriad of studies. In an empirical study Tansuhaj, Randall, and McCullough (2010) found out that through improved job satisfaction, internal marketing enhances employee performance. Ahmed et al. (2012) revealed a positive relationship between the Internal marketing practices and employee performance. Hwang and Chi’s (2005) research on international hotels in Taiwan also support internal marketing’s positive impact on employee performance. Chang and Chang (2007) in their study on hospitals observe that internal marketing has a positive influence on employee performance. Gounaris (2008) in his study observes that employee job satisfaction is partially a function of internal-marketing actions like empowerment, participative decision making and informality of communication.

The Effect of Employee Commitment on Employee Performance

The study examined the effect of employee commitment on employee performance among selected public universities in Kenya. A majority of respondents exhibited high affective, continuance and normative commitment levels to their respective institutions. Affectively, a majority of respondents were found to highly agree that they would be very happy to spend the rest of their career with their organization (4.361); and that they really feel as if the organizations’ problems are their own (4.354). On continuance commitment, a majority of respondents highly agreed that they are afraid of what might happen if they quit their job without having another one lined up (4.361); and that too much in their life would be disrupted if they decided to leave their organization now (4.354). Further, normatively, a majority of respondents highly agrees that were taught to believe in the value of remaining loyal to one institution (4.361); and that people these days move from organization to organization too often (M = 4.354). A Pearson product moment correlation analysis was performed revealing a positive correlation relationship between employee commitment and employee performance among selected public universities in Kenya, which that was statistically significant (r = .198; P value = .000) at either 0.01 level or 0.05 level of confidence.

Findings reveal that employee commitment significantly determines employee performance among selected public universities in Kenya. It follows then that employee commitment is a crucial factor in achieving organizational success through improved employee performance. Individuals with low levels of commitment will do only enough to work by. They do not put their hearts into the work and mission of the organization. They seem to be more concerned with personal success than with the success of the organization as a whole. By contrast, employees with high commitment to an organization see themselves as an integral part of the organization. Anything that threatens the organization is an imminent danger to them as well. Such employees become creatively involved in the organizations mission and values,
and constantly think about ways to do their jobs better. In essence, committed employees work for the organization as if the organization belongs to them.

The study findings, which were positive and statistically significant, agree with an impressive amount of research efforts that have been conducted to understanding the concepts and to identify implication of employee commitment over the performance of the employees on the workplace. Aamir and Sohail (2006) examined the influence of employee commitment on two—turnover intentions and on job performance. Rajendran Muthuveloo and Radian Che Rose (2005) study explores that employee commitment, leads to positive organizational outcomes. Komal Khalid Bhatti, Samina Nawab (2011) said that job satisfaction has the highest impact on high employees’ commitment and productivity.

The moderating effect of employee commitment on the effect of internal marketing strategy on employee performance

The study established that there is no moderating effect of employee commitment on the effect of internal marketing strategy on employee performance among selected public universities in Kenya. This informed the third null hypothesis of the study (H₃) that there is no significant moderating effect of employee commitment on the relationship between internal marketing strategy and employee performance among selected public universities in Kenya which was tested through the Baron and Kenny (1986) approach. The finding contributes to the close interconnection between internal marketing and employee commitment, both of which focus on the feelings and the thoughts employees have towards their work and the organization. Tansuhaj et al. (1991) showed that successful application of internal marketing could result in job attitudes of employees such as job satisfaction, job involvement and employee commitment. The study therefore was in divergence from a myriad other studies on the employee commitment which posited that internal marketing has significant effect on employee commitment and could be tested as one of antecedents of employee commitment (Makanjee et al 2006, Kyriazopoulos et al. 2007 and Abzari et al. 2011). Contrary to the study, Elainain (2010), also found that employees will be committed to the organization when they believe that the organization is committed to them. Likewise, Lings (2004) illustrates that considering the employees as internal market through internal marketing could improve internal aspects of organizational performance such as job satisfaction, employees' retention and employees' employee commitment.

The study further contradicts with Tansuhaj et al. (2011) who found that one of the important consequences of IM is to improve employee commitment of employees, in turn leading to higher job performance and lower turnover of employees. The findings also differ with Caruana et al. (2010) who examined the relationship between market orientation and employee commitment through using the three components of employee commitment (affective commitment, normative commitment, and continuance commitment) and the three dimensions for market orientation (internal marketing information generation, information gathering and responsiveness).

The study, however, established no moderating effect of employee commitment on the effect of internal marketing strategy on employee performance among selected public universities in Kenya. This informed the third null hypothesis of the study (H₃) that there is no significant moderating effect of employee commitment on the relationship between internal marketing strategy and employee performance among selected public universities in Kenya which was tested through the Baron and Kenny approach. It was therefore accepted.

REvised Conceptual Model

Figure 4.1 below illustrates the revised conceptual model as informed by results of the hypothesis test. From the figure, it can be observed that internal marketing strategy has a significant effect on employee performance. Employee commitment was also found to significantly affect employee performance. Employee commitment does not however have a significant moderating effect on the relationship between internal marketing strategy and employee performance.

<table>
<thead>
<tr>
<th>Independent variable</th>
<th>Moderating Variable</th>
<th>Dependent variable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal Marketing</td>
<td></td>
<td>Employee Performance</td>
</tr>
<tr>
<td>• Informal information generation</td>
<td>H₁</td>
<td>• Trait-Based information</td>
</tr>
<tr>
<td>• Formal face-to-face information generation</td>
<td>H₀₃</td>
<td>• Behavior-Based Information</td>
</tr>
<tr>
<td>• Formal written information generation</td>
<td></td>
<td>• Results-based information</td>
</tr>
<tr>
<td>• Information dissemination</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Response</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

![Figure 4.1 Revised Conceptual Model](image)
CONCLUSION OF THE STUDY

Internal marketing strategy significantly influences employee performance. With comparably high levels of internal marketing strategy practiced across the institutions and the significantly high employee performance levels thereof, it can be deduced that the internal marketing elements can be enhanced to bring about increased levels of awareness in order to enhance employee commitment and therefore performance. Through the implementation of a formal internal marketing programme in which each of the internal marketing mix elements are understood and communicated to employees, its end is the same that the institution cares about their employees’ needs. Furthermore, just like the external customer, internal customers have become more knowledgeable about internal products and services. If employees are aware of the internal mix, they are able to determine their own level of satisfaction with each of these elements and provide feedback when specific items are not meeting their needs.

Findings reveal that employee commitment significantly determines employee performance among selected public universities in Kenya. It can be deduced therefore that employee commitment is a crucial factor in achieving organizational success through improved employee performance. The lack of statistical significance in the MRA results of employee commitment on employee performance can be attributed to a number of strategic human resource factors that go hand in hand with employee commitment in order to realize superior employee performance.

RECOMMENDATIONS AND POLICY IMPLICATIONS

Based on the foregoing findings, their discussions and subsequent conclusions, the following recommendations can be made. The same are presented in terms of the study’s implications to theory, policy and practice as well as future studies.

Implications to theory

The study was anchored on two theories, that is, the resource-based view of the firm and the Internal Fit Model. Whereas RBV proposes that effectively leveraging organizational resources earns the organization competitive advantage, the Internal Fit Model proposes the integration of different HR policies and practices towards superior employee performance. Based on the study findings, it is apparent that employees across various public higher education institutions are the key resources thereof, tasked with the mandate to produce both competitive and marketable graduates.

Implication to Policy and Practice

Policy makers ought to derive cue from these university employees by understanding the significance and applicability of internal marketing strategy in universities; it would eventually lead to focusing attention and resources on establishing internal marketing systems in universities. This would be of benefit to all stakeholders of the university service setting, the most important being the students. Public university administration should hire employees who are likely to become linked to the organization and should create clear and realistic job and organizational previews for their employees.

SUGGESTIONS FOR FURTHER STUDY

The paper put forth by the present study is that whereas internal marketing strategy and employee commitment independently have a significant effect on employee performance among public universities in Kenya, employee commitment does not significantly determine the effect of internal marketing strategy on employee performance thereof. The results of this study suggest several avenues for future research. This study took five dimensions of internal marketing, that is Informal information generation, Formal face-to-face information generation, Formal written information generation, Information dissemination and Response, future research can adopt more and different dimensions such as; leadership, human resources management, retention policy, and many more dimensions that might affect the employee performance. Employee performance was also studied in three dimensions, that is, trait, behavior and result based information.

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