



PERCEPTION OF MANAGERS ON INTERNAL MARKETING IN NON-GOVERNMENTAL ORGANIZATIONS IN ZIMBABWE: A CASE OF MASVINGO PROVINCE

Jilson Zimuto

Business Management Studies, Great Zimbabwe University, Zimbabwe

Abstract

The study sought to establish the perception of managers towards the relevance of internal marketing in Non-Governmental Organizations (NGOs) in Zimbabwe. This has been necessitated by the escalating numbers of NGOs in this drought-stricken era. Many NGOs are in operation in Zimbabwe and Masvingo province in particular. Masvingo province was used in this study. In assessing this phenomenon, fifty (50) managers were interviewed at their offices in Zimbabwe. The sample comprised only NGOs managers in Masvingo province. The research findings proved that internal marketing is a new idea to most managers. However, managers expressed the sanguine desire to try internal marketing in their operations.

Key words: internal marketing, non-governmental organizations, perception.

Introduction

There are many interpretations of internal marketing in the world and to this end, there is no official definition. Internal marketing means applying the philosophy and practices of marketing to people who serve the external customers so that (1) the best possible people can be employed and retained and (2) they will do their best possible work. (Authors unknown, 1993, *The Foundations of Internal Marketing*, paper presented at EMAC Conference, p 150). The objective of internal marketing is to get motivated and customer-conscious personnel (Gronroos, 1981). Berry (1984) also views employees as internal customers, viewing jobs as internal products that satisfy the needs and wants of these internal customers while addressing the objectives of the organization. The authorities do not give a distinction between profit and Not-for-Profit organizations. This implies that internal marketing can be employed even in NGOs.

Internal marketing is a process of encouraging employees to accept changes in company philosophy or policy (Reardon and Enis, 1990). Internal marketing is attracting, developing, motivating and retaining qualified employees through job-products that satisfy their needs. Internal marketing is the philosophy of treating employees as customers . . . and it is the strategy of shaping job-products to fit human needs (Berry and Parasuraman, 1993). It is an important activity in developing a customer-focused organization. . . Fundamental aims of internal marketing are to develop internal and external customer awareness and remove functional barriers to organizational effectiveness (Christopher, Payne and Ballantyne, 1991). All the said issues may be applicable to any organization with employees, of which NGOs are included.

In addition, internal marketing proponents supply a set of activities aimed at establishing and improving internal exchange processes, for the purpose of achieving the organizational and/or departmental goals as efficiently and effectively as possible (Authors unknown, 1993, *The Foundations of Internal Marketing*, paper presented at EMAC Conference, p 151). In support, Rafiq and Ahmed (1993) suggest that internal marketing involves a planned effort to overcome organisational resistance to change and to align, motivate and integrate employees towards the effective implementation of corporate and functional strategies.

Internal marketing is a process and mechanism for ensuring effective responsiveness to environmental changes, flexibility for adopting newly designed administrative arrangements efficiently, and continuous improvement in performance. Internal marketing can assist the organization to match its responses to environmental change and to enhance its capacity continuously (Varey, 1995, p 52).

Internal marketing is any form of marketing within an organisation which focuses staff attention on the internal activities that need to be changed in order to enhance external market place performance (Ballantyne, Christopher and Payne, 1995). Sharing the same perception, it is a relationship development process in which staff autonomy and know-how combine to create and circulate new organisational knowledge that will challenge internal activities which need to be changed to enhance quality in marketplace relationships (Ballantyne, 1997). Those are activities that improve internal communications and customer-consciousness among employees, and the link between these activities and external marketplace performance (Hogg, Carter and Dunne, 1998).

It is a goal-oriented social process and a conceptual system for continually creating rapid strategic organisational change in response to the macro-environment (society) and the micro-environment (the community which constitutes the organisation) (Varey and Lewis, 1999, p 937). It is a strategy for developing relationships between staff across internal organisational boundaries. This is done so that staff autonomy and know-how combine in opening up knowledge

generating processes and challenge any internal activities that need to be changed. The purpose of this activity is to enhance the quality of external marketing relationships (Ballantyne, 2000).

The internal marketing (IM) concept was first proposed in the mid 1970s as a way of achieving consistent service quality – a major problem in the services area. Its basic premise was ‘to have satisfied customers, the firm must also have satisfied employees’ and that this could be best achieved by treating employees as customers, i.e. by applying the principles of marketing to job design and employee motivation (Pervaiz K. Ahmed and Mohammed Rafiq, 2002). More than 25 years ago, internal marketing (IM) was first proposed as a solution to the problem of delivering consistently high service quality by Berry et al.

Increasingly links have been established between staff and customer satisfaction. A recent study by the Institute of Employment Studies has identified that, in one retail chain, stores where the staff was more satisfied generated £200,000 more in sales per month than in other stores. Other research is demonstrating a correlation between progressive studies in the management of employees, including good internal communications, and increased organizational performance (Farrant, 2000). This clearly demonstrates that if top priorities are given to the interests of staff, customers and shareholders, performance is expected to improve. In NGOs, beneficiaries and donors are vital in internal marketing than employees only. The idea is supported by (Macrae et al, 1996) who argue that customer satisfaction depends on happy employees that are proud of the company they work for.

Benefits of Internal Marketing

The importance of developing or enhancing customer-consciousness and a service orientation in employees creates considerations of culture, how the internal market might be communicated with and the messages that might be communicated. Many writers in the 1980s and 1990s considered the application of the marketing mix to the internal marketplace (that is, employees), as well as the segmentation of employees into distinct groups, with resulting implications for communications (Dunmore, 2003). According to many researchers, internal marketing improves internal communication and as a result, work relations among subordinates and management will foster effectiveness and efficiency.

Applying the marketing mix within an organization implies that marketing techniques used in external marketing can also be applied to employees. An example would be the use of the product strategy within the internal marketplace. If the jobs offered to employees are treated as just like products on the market, workers will definitely like their responsibilities. This means considering targeted employees as potential consumers who can be influenced to adopt particular attitudes or behaviours that are considered desirable by other employees (mostly senior managers) (Dunmore, 2003).

In summary, once employees are viewed as internal customers, viewing jobs as internal products that satisfy the needs and wants of these internal customers while addressing the objectives of the organization will benefit both the employee and the organization. Researchers also seem to suggest that even shareholders who are donors in the NGOs will get the satisfaction they expect.

Methodology

Fifty managers were interviewed at their offices to minimise chances of refusals and spoilt papers. A series of regression analysis were performed and results were analysed.

Discussion

The relationship between managers and the knowledge of internal marketing
Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.973	.347		2.801	.007
Managers	.578	.083	.708	6.951	.000

a. Dependent Variable: Internal marketing knowledge

The table above shows that one unit increase in managers increases the knowledge of internal marketing knowledge by 0.708 units (71%). Also the influence of NGOs managers is significant as measured by the t-ratio of its coefficient 6.951 which is more than 1.96.

The relationship between internal marketing employment and large NGOs
Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	2.602	.315		8.250	.000
IM employment	.173	.092	.263	1.888	.065

a. Dependent Variable: In big NGOs only

In the table above, one unit increase in internal marketing employment increases the chances of internal marketing in big NGOs only by 0.263 units (about 26%). However, the influence of internal marketing employment is not significant as measured by the t-ratio of its coefficient 1.888 which is less than 1.96. Though it seems to be close still the hypothesis that internal marketing should be employed in big NGOs only, is rejected.

The table below establishes whether internal marketing employment motivates workers
Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	2.592	.327		7.930	.000
IM employment	.090	.095	.135	.940	.352

a. Dependent Variable: Motivates workers

According to this table, a unit increase in the perception of internal marketing employment in NGOs increases motivation of workers by 0.135 units (13, 5%). However, the influence of internal marketing employment is not significant as measured by the t-ratio of its coefficient, 0.940 which is not close to 1.96. Therefore NGOs managers think that internal marketing as a strategy does not motivate workers. Their perception may be due to the fact that they are not aware of what internal marketing is able to achieve as advocated by Berry and Parasuraman (1991) who argue, 'Internal marketing is attracting, developing, and motivating and retaining qualified employees through job-products that satisfy their needs. Internal marketing is the philosophy of treating employees as customers and it is the strategy of shaping job products to fit human needs.'

The perception of managers in embracing internal marketing
Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	1.973	.386		5.116	.000
Managers	.328	.092	.457	3.555	.001

a. Dependent Variable: To embrace IM

One unit increase in management's thinking increases the chances of embracing internal marketing by 0.457 (45.7%). What it implies therefore is that NGOs management teams require workshops on internal marketing to help them gain this new dimension. Since many trends are affecting how businesses and organization should run, the IM knowledge should help to improve their operations.

In conclusion, NGOs should not be left behind in marketing endeavours. The major reason behind this is the fact that the roots of the internal marketing concept lie in the effort to improve service quality. Inconsistencies in the performance of service tasks will be dealt with.

References

- BaUantyne, D., Christopher, M. and Payne, A. (1995), "Improving the Quality of Services Marketing: Service (Re)Design is the Critical Link", *Journal of Marketing Management*, 2, pp.7-24.
- Berry, L. L. and Parasuraman, A. (1991). *Marketing Services: Competing Through Quality*, p. 151. New York: The Free Press.
- Berry, L.L. (1984), "The employee as customer", In: Lovelock, C. (Ed.), *Services Marketing*, American Marketing Association, Chicago, IL, p.242
- Ballantyne, D. (2000). Internal relationship marketing: a strategy for knowledge renewal. *International Journal of Bank Marketing*, 18 (1), 274-86.
- Christopher, M., Payne, A. & BaUantyne, D. (1991), *Relationship Marketing: Bringing Quality, Customer Service and Marketing Together*, Butterworth Heinemann, Oxford, UK.
- Dunmore, M. (2002), *INSIDE-OUT MARKETING How to Create an Internal Marketing Strategy*, Kogan Page, London.
- Farrant, J (2000) *Internal Communications*, Hawksmere, London
- Hogg, G., Carter, S. and Dunne, A (1998), "Investing in People; Internal Marketing and Corporate Culture", *Journal of Marketing Management* 14 (8), pp. 879-895.
- Rafiq, M. and Ahmed, P.K. (1993). The scope of internal marketing: defining the boundary between marketing and human resource management. *Journal of Marketing Management*, 9, 219-32.
- Reardon, K and Enis, B (1990) Establishing a Companywide Customer Orientation Through Persuasive Internal Marketing, *Management Communication Quarterly*, 3 (February), pp 376-87
- Varey, R.J. (1995), "Internal Marketing: A Review and Some Interdisciplinary Research", *International Journal of Service Industry Management* 6 (1), pp. 40-64.

Varey, Richard J. 1995a. Internal marketing: A review and some interdisciplinary research challenges. *International Journal of Service Industry Management* 6, no. 1: 40–63. ———. 1995b. A model of internal marketing for building and sustaining a competitive service advantage. *Journal of Marketing Management* 11, nos. 1–3: 41–54.