Factors associated with internal service quality from the perspective of staff in Golestan' sports and youth offices

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ABSTRACT

The purpose of this study is to investigate factors associated with internal service quality from the perspective of staff in a sport organization. The research method in this study was descriptive and correlation method. The population of the study consisted of all staff with the Golestan's offices of Sports and youth (N=180). The sample size was considered by using random selection method that according to Morgan table 123 staff was selected as subjects. For this purpose, Paul Davis (2005) Internal Marketing questionnaire and Internal Service Quality that developed by Di Xie (2005) was used. Descriptive and inferential statistics methods for data analysis were used. The findings showed that between internal marketing and internal service quality in sports and youth offices staff, there is significant positive correlation. Also based on the regression analysis' results, all subscales of internal marketing can predict the internal service quality.

Keywords: *Internal Marketing, internal Service Quality, Golestan Province.*
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INTRODUCTION

Quality is something that has always attracted the attention of managers and leaders in organizations [1]. Nowadays, organizations seek to improve their performance through increasing the quality of their services. As many researchers contend, organizations need to deal with both internal and external customers. Successful organizations need to emphasize the quality of services offered to both internal and external customers. Such organizations are astute enough to predict the changing needs of their customers, to concentrate on their organizational capability to offer high-quality services, and to see the quality of internal service as a tool to gain competitive advantage [2].

Today, the conditions under which a company is working are constantly changing. The customers demand more than simply the core product. They want a wide range of values, attitudes and experiences. To what extent a company is able to deliver such an 'expanded' product will essentially depend on whether the company employs staff with the 'right' competencies, motivation and commitment. To develop and create a holistic and more profound customer experience requires well functioning teamwork between employees, as well as successful interplay between employees and management. Hoekstra et al. (1999) also emphasize the importance of focusing on employees: "every employee in a firm has his/her own responsibility for creating superior customer value". A new challenge for marketing leaders is therefore to manage the human resources [3]. However, it is not only in practice that this challenge is accepted. Within the last few years, we have seen attempts to combine marketing theories with contributions from the human resource management area [4]. Therefore, internal marketing is a term that has attracted the attention of many researchers. The internal marketing (IM) agenda is to provide the market to the internal supplier. IM contributes to HR's effectiveness. IM has to be treated as a separate construction and not merely as the representation of a number of human resources management functions [5]. IM attracts, develops,

347

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motivates, and retains qualified employees through job products that satisfy their needs. IM is also the philosophy of treating employees as customers and it is the strategy of shaping job-products to fit human needs [6].

According to *Kotler* (2000), internal marketing should be as a priority before external marketing. IM starts with the organization recruiting the right people in the position to reach the point where these employees are satisfied and willing to do their job and accomplish customer satisfaction [7]. Internal marketing in the service industry helps all employees comprehend the company's mission and aims, and refers to schooling, motivation, and appropriate appraisal to accomplish the organization's anticipated aims and keep excellent employees [8]. Internal marketing must be started, practiced, and supported by top management. It continues through middle management to front-line employees, and ultimately results in strong service quality [9].

Many of researchers believed that internal marketing can be effect on organizational processes. In this regard, the research results of Davis (2005) demonstrated that the dimensions of internal marketing greatly impacted service quality [10]. Tabatabai (2010) research results showed that internal marketing activities can improve the service quality of within the organization [11]. Al Hawari, et al research results with title "The impact of internal marketing on employee's job satisfaction of commercial banks in Jordan" showed that internal marketing practices affect on employees job satisfaction [7]. Also Bai et al (2013) showed that there is positive relation between internal service quality and physical education faculty members' job satisfaction [12].

More research has been done on marketing, have focused their attention on the external customers. Employees within the organization are internal customer. Attention to the needs of these customers can guarantee organization success. Internal marketing with identifying needs and motives of employees can enhance employee performance.

Sports organizations, like other organizations, need to internal marketing. In this regard, Internal Marketing may influence the quality of internal services, and, consequently, affect external service quality. Marketing plan for staff in sports organizations can improve service quality in sport. So the present study aims to investigate factors associated with internal service quality from the perspective of staff in a sport organization.

MATERIALS AND METHODS

Method: In view of the goal, the research is applied (functional), and in view of methodology, this research has descriptive, correlation method which was performed by field approach.

Statistical Population and Sampling: The population of the study consisted of all staff with the Golestan's offices of Sports and youth (N=180). The sample size was considered by using random selection method that according to Morgan table 123 staff was selected as subjects.

Instrument (s): For collecting data, two standard questionnaires were used. Internal Marketing Questionnaire provided by Paul Davis (2005). This scale consists of 26 items on a 5-point Likert scale (1: Totally disagree, 2: Disagree, 3: No comment, 4: Agree and 5: Totally agree) and examines Internal Marketing at five dimensions (Staff development, Organization operation, External customer satisfaction, External marketing methods and Knowledge transfer). The second questionnaire is Internal Service Quality that developed by Di Xie (2005). This scale consists of 21 items on a 5-point Likert scale (1: Totally disagree, 2: Disagree, 3: No comment, 4: Agree and 5: Totally agree). To calculate the reliability of the questionnaires, a pilot study was conducted. The results showed a reliability coefficient of α=0.883 for Internal Marketing Questionnaire and α=0.848 for Internal Service Quality, which indicated the consistency of measurement.

Data Analyses: SPSS software was used to analyze the data. As to the statistical measures, descriptive statistics including frequency, percentage, mean, standard deviation and tabulations were used to describe the data. Inferential statistics including Pearson correlation formula and Linear Regression (Enter Method) were used to test the hypotheses.

RESULTS

After distributing the survey questionnaires, finally 114 questionnaires were returned. The subjects were 76 males and 38 females. 64.9 percent of the participants had B.S or higher degrees.

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Table 1. Result of Kolomogorove Smirnove test to verify data normality

Statistic Variable	N	Z	Sig	Test result
Internal Marketing	114	1.881	0.066	Normal data
Internal Service Quality	114	1.160	0.065	Normal data

To test if data were normally distributed the Kolmogorove-Smirinove Test was used. Results in Table 1 show that Internal Marketing data (Z=1.881, P=0.066) and Internal Service Quality data (Z=1.160, P=0.065) are normal.

Table 2. Relationship between Internal Marketing and its subscales with Internal Service Quality

Variables	Service Quality			
	N	r	P	r^2
Staff development	114	0.286	0.03	0.08
Organization operation	114	0.487	0.001	0.23
External customer satisfaction	114	0.412	0.001	0.16
External marketing methods	114	0.312	0.02	0.09
Knowledge transfer	114	0.567	0.001	0.32

Pearson correlation formula was run to examine the relationship between internal marketing and its subscales with internal service quality.

Table 2 illustrates the results of Pearson correlation test. Regarding the results in Table 2, there is a positive and significant relationship between staff development and internal service quality (r=0.286, P≤0.03). Also, the results of correlation coefficient shows that there is a positive and significant relationship between the Organization operation and internal service quality from the employee's perspective (r=0.487, P≤0.001). Between External customer satisfaction and internal service quality there is a positive correlation (r=0.412, P≤0.001). In addition, there is a positive and significant relationship between External marketing methods and internal service quality from the employee's perspective (r=0.312, P≤0.02). Finally, observed a positive correlation between Knowledge transfer and internal service quality (r=0.567, P≤0.001).

Table 3. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.581	0.494	0.421	0.365

Table 4. Result of Linear regression

Model	B	Beta	t	Sig.
Staff development	0.346	0.356	2.896	0.03
Organization operation	0.486	0.489	5.823	0.001
External customer satisfaction	0.702	0.713	6.653	0.001
External marketing methods	0.641	0.653	6.261	0.001
Knowledge transfer	0.876	0.751	8.236	0.001

Based on the regression analysis' results, all subscales of internal marketing can predict the internal service quality, but it can be concluded that among these subscales, Knowledge transfer, External customer satisfaction and External customer satisfaction have the most important role in predicting internal service quality.

DISCUSSION AND CONCLUSION

The issue of quality is one of the major challenges that organizations, particularly service organizations, face. The quality of services is typically investigated in terms of the viewpoint of external customers. During the past decade, extensive research has been conducted on the conceptualization of service quality. However, such discussions mainly focus on external

Customers and less attention has been devoted to the internal linkages between divisions and departments within an organization with the result that little research has been undertaken on serving the needs of internal customers.

The results revealed a significant correlation between internal marketing and internal service quality. Also based on the regression analysis' results, all subscales of internal marketing can predict the internal service quality. This is consistent with the findings of Davis (2005) and Tabatabai (2010) [10,11]. By developing a customer-driven system that matches internal services to users' needs, a company will become more competitive. This is because, in an ideal working environment, internal service encounters would result in successful inter-departmental relationships. By

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organizational units providing high levels of service quality to internal customers, a company can achieve more effective performance, lower waste, and lower costs. In addition, according to the service–profit chain concept, improvements in ISQ are also expected to result in improved external service quality and overall profits.

Sports organizations, like other organizations need to develop their service quality. So attention to quality of internal services can contribute to their success. Therefore, directors and HR managers at the sports and youth offices of Golestan province are recommended to improve internal marketing through developing strategic plans consistent with their organizational activities.

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