

The Effects of Internal Marketing on the Employees' Work Performance in Small Businesses

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Abstract

The objective of the study is to understand the internal marketing practices by managers and its impact on the employees work performance in the small businesses. In organizational practices, internal marketing is playing important role in work motivation. This study explores the internal marketing practices adopted by the small businesses in the areas. The exploring the practices of internal marketing towards the work performance attitudes of people leads to the understanding of how the top management of the small businesses can motivate employees toward high work performance. In order to attain the objective stated above, quantitative methodology was adopted for this study. One hundred and fifty managers or proprietors working in the small businesses in the Ampara district were taken as respondents for survey questionnaire. The respondents include from confectionary businesses, textiles, small restaurants etc. The questionnaire was adopted from previous authors. Factor analysis was used for data reduction purpose. The regression and correlation were used as tool for data analysis. Findings reveal that internal marketing practices of small businesses influence on the work performance attitude of the employees in the small businesses. Small businesses are practicing internal marketing by doing staff appraisal, discussing the requirements and expectations of employees, managers' interaction with employees and by looking for the ways of quality improvements of the employees in the small businesses. Further, the study reveals that managers are reluctant to speak to the employees while working in order to find the reasons for the abnormal works and also managers do not attempt to identify the employees' requirements while employees are working in the small businesses. Moreover, the study finds that the internal marketing practices well contribute to the employees and thereby employees are motivated to put extra efforts on the work when required and they are happy to work in the small businesses. The study also recommends managers in the small businesses need to be trained well and they should try to understand individual requirements of the employees at work.

Keywords: Internal marketing, work attitudes, small business, work performance