

# SECTION – I

## INTRODUCTION & METHODOLOGY

### 1.1 Curtain Raiser

**Success** is the ultimate word that everyone would like to pronounce at the end of any business venture, particularly in service industries and even in one's personal life. Services are offered individually while some are offered as a part of the product, purchased and consumed by the customer. Organizations which are providing services will have to adopted best strategies time to time by taking service environment into consideration for organization success. Organizations have to consider several factors in developing and implementing strategies, beyond reengineering, restructuring and refocusing for organization success. According to **Adrian Payne<sup>1</sup> (1993)**, service is an activity that has an element of intangibility associated with it, involving the service provider's interaction either with the customers or with the property belonging to the customers. Service activities do not involve the transfer of ownership of the output. Thus, services are characterized by intangibility, inseparability, heterogeneity and perishability in nature. Hence, it should be produced and consumed instantly to feel and realize the core value of service. The success of any services industries are in the hands of internal customers involved in service delivery. Hence, this research work mainly focuses on pure services provide by the teachers who are regarded as internal customers and the students who are regarded as external customers. The main focus of this research is to identify new ways through which the present management institutions endowed with quality education. Management Education and its curriculum must be focused in conversion of laymen into employable and productive citizen.

---

<sup>1</sup> Adrian Payne (1993), "The Essence of Services Marketing, Prentice-Hall India Ltd, New Delhi.

## **1.2. Management Education as a Service**

Over the last decade, education is increasingly seen as an avenue for success. Indian Education after independence focused on conventional education which focused on overall development of the skill of a person. According to **Balaji,R**<sup>2</sup> "The business and management education could play a pivotal role in social uplift and triggering the entrepreneurial spirit in a society.

The business schools face several challenges in terms of imparting quality education. External environmental forces and stakeholders continuously put pressure on the business schools to adapt the changes happening in the business world. The rapid trend of globalization and technological changes have made difficult for organizations to survive in the competitive world. As a result the importance of management education has increased many folds. Business executives need to update their skills due to sudden changes in the external environment. In order to meet the challenges of the future, the reform of the higher education is inevitable. The Education Institutions need to strive to achieve balance between the education cost and the quality. One of the major criticisms of Management Education Service Providing Organizations is the gap between theory and practice.” Hence, the Management Education Services have become major sources of attention, due to the fact that competition of today has become severe.

## **1.3. Management Education Service in India- A Synoptic View**

In the past, the marketing of management education in India had little significance.

This was mainly because of three reasons.

- The first was that the demand exceeded the supply of service.
- Second, people’s perception that it was the duty of the government to

---

<sup>2</sup> Balaj,R, (2013), "Trends, Issues and Challenges in Management Education”, International Journal of Innovative Research in Science, Engineering and Technology, Vol. 2, Issue No.4, Pp 1257- 1262

provide this service to the people.

- Lastly, since Indian economy was more dependent on agriculture, people ignored the importance of management education.

Today's youth are keen in having a good career plan and making a mark for themselves. The importance of having good education and building a career has become the dream of many of the youngster and their parents who share their dreams. These changed the perceptions and also the changing market scenario has provided the required boost for the otherwise neglected area of the marketing of management education. This has forced the management education providers to re-examine their service offerings, leading to redesigning of their service to compete in the market place, to earn more revenue as well as expand their market share.

The recent commercialization of Conventional Education in general and Management Education in particular focused on quality of service delivery that generated employment opportunities which ultimately brought success in education. India Education has been enriched by the introduction of management education with the establishment of **Indian Institute of Social Science Welfare and Business Management** in **1953** by the Government of West Bengal under Kolkatta University. Currently, there are 3844 Management Education Service Providing Organizations in the country (**AICTE, 2013**). Management Education has gained importance in India within no time due to the content, course structure, employment ability and its process in providing the functional skills to the learners to optimize skills and utilize the limited resources for maximum output in any business venture.

Management education has a long history in India, dating back to the 19th century. In the beginning, management education focused on the commercial aspects of business on one

side, fulfilling the needs of the then British government on other. **Shukla**<sup>3</sup> in his research paper mentioned that the History of Management Education begun in India in 1886 AD.

- India's first B-school, i.e., Commercial School of Pacchiappa Charties was set up in 1886 in the southern city of Chennai (Madras).
- In 1903, British government initiated Secondary school level commerce classes at the Presidency College in Calcutta which focused on Secretarial practice, Business Communication, Short hand, Typing, Correspondence & Accounting.
- The first college level Business School was founded in 1913 in Mumbai i.e. Sydenham College.
- Soon followed by Commerce College at Delhi in 1920 as, later on it was renamed as Sri Rama College of Commerce.
- The Indian Institute of Social Science was found in 1948 as India's first management program with an intention to train manpower to create & spread the knowledge required for managing industrial enterprises in India.
- Catholic community founded Xavier Labor Relations Institute (XLRI) at Jamshedpur in 1949.
- Indian Institute of Social Welfare & Business Management (IISWBM) was set up in 1953 at Calcutta. That was considered as India's first official Management Institute.
- Government of India established two institutions in 1961, Indian Institutes of Management, one at Calcutta (West Bengal) and other at Ahmadabad (Gujarat).

---

<sup>3</sup> Shukla Shubhendu S. (2013), "Management Education in India", Issues and Concerns", International Journal of Education and Learning , Vol.2, Issue No.2, Pp.15-26.

- The IIM Calcutta was established in collaboration with the Sloan School of Management (MIT) for faculty & pedagogy development in the year 1961, with an intention to focus on Quantitative & Operational aspects of management.
- IIM Ahmadabad was founded in 1962, pioneered the case method of teaching in India with an emphasis on Qualitative strategic-integration.
- The mission of IIMs was to professionalize Indian Management education through teaching, research, training, institution-building & consulting with the support of expertise developed by the pioneering IIMs.
- Two more IIMs were founded in Bangalore (Karnataka) & other in Lucknow (U.P.) in 1973.
- The Indian Institute of Forest Management was setup in 1982 in Bhopal (M.P.) as a leader in specialized management education for the entire forestry system in India with the help of IIM, Ahmadabad.
- In late 1990's, two more IIMs were setup, one at Kozhikode (Kerala) & the other at Indore (M.P.).

After 1990, large numbers of management education institutions were established in the country. The following table shows a growth of Management Education Service Providing Organization in the country from 1950 till 2006:

**Table No: 1.1**  
**Growth of Management Education Service Providing Organization**

Sl.No	Period	No. of Management Education Service Providing Organization	Average Annual Addition
1	1950-1980	118	04
2	1980-1995	304	20
3	1995-2000	322	64
4	2000-2006	1017	169

Source: Dayal Ishwar, "Developing Management Education in India" Journal of Management Research'2 August 2006 P.101.2002 (The figure attributed for 2000-2006 as per AICTE data)

The phenomenal expansion of the Services Sector worldwide has led to services being considered as one of the most important sectors contributing highest percentage to world GDP. The policy of globalization, privatization and the expansion of MNCs worldwide led to the demand for Management Education cross the world. Managing talent in services industry is the most critical HR challenge of the service providing organizations and remains as a top executive agenda, for the foreseeable future. But various opinions and views of practicing HR and practicing Corporate Bosses indicate that HR functions are yet to come up to the level of expectation by training them in developing skills that required in perform a given job perfectly. This is not only found in the corporate sector but also in the management education service providing organizations too. **Mishra**<sup>4</sup> believes that the appeal of worship and say yes to every views of the superior should be avoided at all cost. This yes boss syndrome impinges on risk taking and quality decision making. **Menon**<sup>5</sup> hinted at prevalence of compromise when it comes to quantity vs. quality, and recruiting of people in numbers instead of recruiting the right fit that lead to mediocre production. The conflict between employees, thereby creating politics and groupism in the team became common phenomena of the corporate industry. This is also seen in management education service providing organizations (**Reena et.al**)<sup>6</sup>.

#### **1.4. Search for Alternative System**

According to **AMA**<sup>7</sup>, Marketing as “The process of planning and executing the conception, pricing, promoting and distribution of ideas, goods and services to create

---

<sup>4</sup> Mishra, Purva Senior VP-HR, Make My Trip, Times of India, Ascent,21/02/12, The 7 deadly HR sins

<sup>5</sup> Menon Ajit Executive Director – organizational development, DDB Mudra Group, Times of India, Ascent,21/02/12, The 7 deadly HR sins.

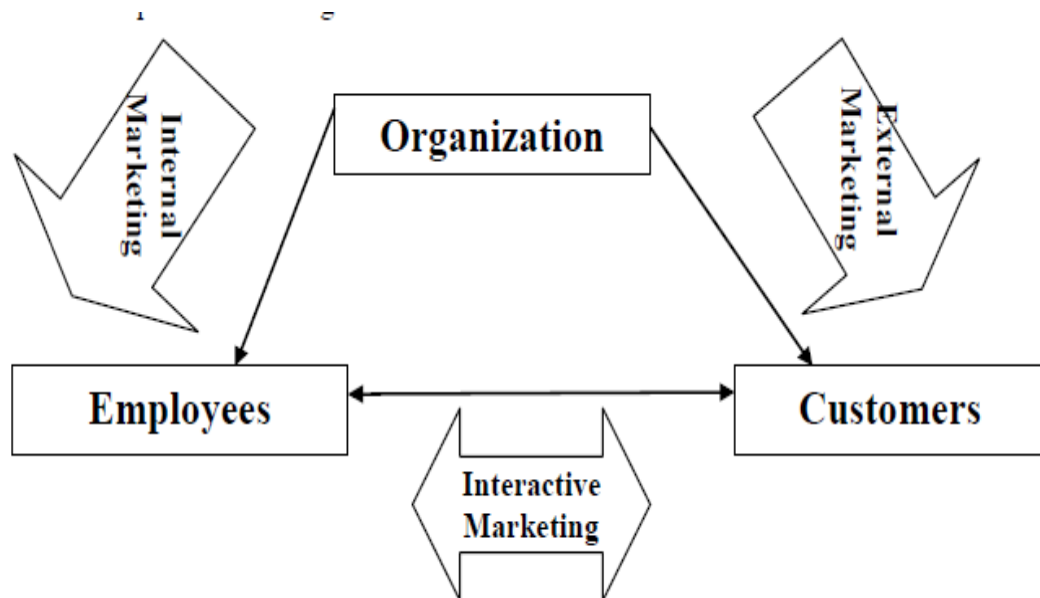
<sup>6</sup> Reena and Tejinder Sharma (2015),"Faculty Perspectives of Internal Marketing Practices: An Exploratory Study in B-Schools of Punjab,ISSN: 0971-1023 | NMIMS Management Review, Volume XXVI, Pp 55-63.

<sup>7</sup> Service Marketing (2004), The Icfai University Press, Hyderabad.

exchanges that satisfy individuals and organizational goals”.

Organizations generally plan selling activities which are systematically executed according to the business environment in which they operate. Marketing is a promotional tool and techniques of increasing the volume of sales and attract customers. Customers cannot be attracted by unskilled employees or poor product or service.

**Fig: 1.1**  
**Types of Marketing**



**Sources: Service Marketing, ICFAI Publication**

The figure 1.1 clearly indicates the different types of marketing. Organizations generally adopt marketing practice to increase the volume of sales, profit, expand the market, identify the target customer and identify the target market. These activities are considered as **Internal Marketing** which has to be executed with the support of organizations for organizational benefits. Thus broadly internal marketing practices are to be followed by the organization to attract its employees.

Therefore, it is assumed that some alternative system is required to support the employees to deliver quality services by Management Education Service Providing Organizations. This is possible with the new practices of Marketing. It is assumed that they need to adopt better Internal marketing practices in order to attract external customers (i.e. students). The practices used to attract students are viewed as **external marketing practices**. The quality of services is determined by the quality of employees. Hence, Management Education Service Providing Organization need to adopt best Internal Marketing Practices to recruit and retain the best and skilled employees i.e. teachers. The practices adopted to attract the internal customers, are viewed as **internal marketing practices**. In the same way internal customers also have to understand the future need of the customers and accordingly deliver their best services, which is possible through the adaption of best practices i.e. viewed as **interactive marketing practices**. This research focuses on extension of internal marketing practices in the dimension of Management Education Service Providing Organization.

### **1.5. Internal Marketing – A Brief Review**

Internal Marketing (IM) is a new and emerging discipline that is practiced in multiple companies under different terms. Employees constitute internal market of an organization. They are as important as the external customers as they play the pivotal role in satisfying the end customers and running the business. Unless these internal customers are satisfied with the work environment and other benefits offered by their employers, they will not be motivated to offer the best service to the external customers. The employees of an organization form the point of interaction between the organization and its customers. Therefore, the qualities of service offered by them determine the relations of the customers with the organization. **Berry<sup>8</sup> in the year 1981** describes employees as internal customer of an organization.

---

<sup>8</sup> Berry,L.L. "The employees as customers." Journal of Retail Banking. Vol. 3, March 1981.



## 1.6. Meaning of Internal Marketing

According to **Berry<sup>9</sup> (1981)**, internal marketing is the process of “ **viewing employees as internal customers, viewing jobs as internal products that satisfy the needs and wants of those internal customers while addressing the objectives of the organization.**” The study of Internal Marketing practices seeks new knowledge for the better performance of the internal customer with a view to fulfill the demand of external customers. There has been a search for the implementation of internal marketing component to enhance the performance of internal customers.

Internal Marketing has some basic components as that of external marketing. According to **Henry Woodruffe<sup>10</sup> (1992)**, the components of internal marketing practices are motivation, coordination, information and education. This is why some firms practice internal marketing to make external customers happy with the firms so that they will continue to buy the goods and services. (**Gronoroos<sup>11</sup> 1985**).

**Al.Hawary et al<sup>12</sup>. (2013)** defines “Internal Marketing as planned efforts using marketing – like approach to overcome organizational resistance, to change and to align, motivate and inter functionally co-ordinate and integrate employees towards the effective implementation of corporate and functional strategies in order to deliver customers satisfaction through the process of creating motivated and customer-oriented employees”.

---

<sup>9</sup> Berry,L.L. “The employees as customers.” Journal of Retail Banking. Vol. 3, March 1981.

<sup>10</sup> Woodruffe, Helen, “Service Marketing”, UK: Longman Group, 1992.

<sup>11</sup> Gronoroos, C (1985), “Internal Marketing Theory And Practice”, American Marketing Association’s Services Conference Proceedings, Pp41-47,

<sup>12</sup> Al-Hawary et al.(2013),“The Impact of Internal Marketing On Employee’s Job Satisfaction Of Commercial Banks In Jordan”, Interdisciplinary Journal Of Contemporary Research In Business, Vol 4, Issue No.9, Pp811-826

Another author **Qayum and sahaf<sup>13</sup> (2013)** defines “Internal Marketing as concerned with viewing employees as internal customers and jobs as internal products that satisfy the needs and wants of these internal customers while addressing the objectives of the organization”.

**Guyen and Sadaklioglu<sup>14</sup> (2012)**, defines, “Internal Marketing as a comprehensive programme concerned with employee recruitment, training, motivation, communication and retention efforts which results in positive attitudes towards work”.

**Kameswari and Rajyalakshmi<sup>15</sup> (2012)**, defines, “Internal Marketing as the application of marketing inside an organization to enhance customer focused and customers oriented employees”.

**Gronroos<sup>16</sup> (2007)**, defines, “Internal Marketing as involved with the establishment, maintenance and growth of internal relationships between employees despite their position within the business. Through this process employees must be motivated to deliver a quality service to both internal and external customers of the business”.

**Berry and Parasuraman<sup>17</sup> (1991)** defines “Internal marketing as the process of “attracting, developing, motivating and detaining qualified employees through job-products that satisfy their needs.”

---

<sup>13</sup> Qayum,Sahaf,Musadiq Amin (2013),"Internal Marketing: A pre-requisite for Employee satisfaction in Universities", International Journal of Business and Management Invention (IJBMI), Vol 2, Issue No 5, Pp 50-55.

<sup>14</sup> Guven,A & Sadaklioglu, H.(2012), "Internal Marketing approach in human resources management: A case study on the establishment", International Research Journal of Finance & Economics, Vol. 98 Issue No.5, Pp 106-118

<sup>15</sup> Kameswari, A.V & Rajyalakshmi, N (2012), "Role of internal marketing in job satisfaction of employees in State Bank of India", AIIMS International Conference on Management, Pp 47-56

<sup>16</sup> Gronroos, C(2007), "Service management and marketing: Customers management in service competitions, 3rd Editions, John Wiley and Sons Inc, London

<sup>17</sup> Berry, L. L., & Parasuraman A. (1991), “Marketing Services: Competing Through Quality”, New York: The Free Press.

**Berry and Parasuraman<sup>18</sup> (1991)** identify **attracting, developing, motivating and detaining qualified employees** as the best practice of internal marketing. They believe, organizations have to attract best and skilled employees. These employees need to provide best services. But this is not sufficient to get best service so they have to continuously develop their skills through different types of training that has been provided by the organizations. These employees have to be continuously motivated in order to get best service from them. When the employees are not properly acknowledged in terms of reward and award with a scope of improvement in their position for the skills they have developed may seek better opportunities at this juncture. Organizations therefore have acknowledge their talent in the form of promotion, increment and other means by which they have to retain them in service so that in return they can give their best to the organizations which will ultimately brings business success.

According to **Rafiq and Ahmed<sup>19</sup> (1995)**, “Internal marketing is a planned efforts using a marketing-like approach to overcome organizational resistance to change and to align, motivate and inter-functionally co-ordinate and integrate employees towards the effective implementation of corporate and functional strategies in order to deliver customer satisfactions through a process of creating motivated and customers-oriented employees.”

According to **Chaudhary<sup>20</sup>, (2011)** Management Education is suffering with lack of quality and quality faculty. Imparting necessary training and adopting best practices are necessary to improve the quality of management education. Hence, adopting internal marketing practices boost the management education service providing organization in the

---

<sup>18</sup> Berry, L.L and Parasuraman, (1991), “ Marketing Services: Competing through Quality, New York: The Free Press.

<sup>19</sup> Rafiq, M. and P.K. Ahmed, (1995) “The Role of Internal Marketing in the Implementation of Marketing Strategies”,. Journal of Marketing Practice: Applied Marketing Science, Vol.1, Issue No 4,Pp 32-51.

<sup>20</sup> Chaudhary, Sarita et al., (2011) “Emerging Issues in Management Education in India”, VSRD International Journal of Business & Management Research, Vol.1, Issue No 3, Pp.1-10.

country. In the same line, **Shetty et.al,**<sup>21</sup> (2012) identifies that the success of management lies in the success of converting the students into employable citizens. More students would like to take up their higher studies which have high reputation in the market and generate employment opportunities. Even the students, who are seeking admission in foreign countries, are attracted by the quality of management education and the quality of skill imparted to them.

Finally, **Kotler and Armstrong**<sup>22</sup> (2006), defines, “Marketing by service organization to train and effectively motivate its customers-contact employees and all the supporting service people to work as a team to provide customer satisfaction”.

### **1.7. The Component of Internal Marketing**

Most of the literature review of internal marketing is constrained with attracting, training, developing, and retaining the employees. But less works has been done in the domain of **7Ps**. **Naude et al**<sup>23</sup>, (2003) identifies the determinants of internal marketing orientation that enables the organizations to achieve success in their business. But it failed to explain the component of 7Ps. These 7ps of marketing mix has high influence on service delivery. According to **Zeithaml et al**<sup>24</sup>, (2006) marketing mix refers to the set of actions, or tactics, that a company uses to promote its brand or product or services in the market. The four traditional Ps of the marketing mix- Product, Place, Price and Promotion are adequate for marketing a product. However, research scholars failed to identify the intangible aspects which differentiates product from services. Given the special features of services like

---

<sup>21</sup> Bhavna R Shetty & Rajashree Gujarathi, (2012), "A Study Of Faculty Job Satisfaction And Its Impact on Student Satisfaction In Management Institutes of Nashik District Affiliated To University Of Pune," IOSR Journal of Business and Management (IOSRJBM) Volume 3, Issue No 4, Pp 1-08

<sup>22</sup> Kotler, P & Armstrong, G, (2006), "Principles of Marketing", 11th Edition, Upper Saddle River, Prentice Hall, New Jewrsey.

<sup>23</sup> Naude', P., Desai, J., & Murphy, J. (2003), "Identifying the determinants of internal marketing orientation", European Journal of Marketing, Vol 37, Issue No 9, Pp 1205-1220.

<sup>24</sup> Zeithaml, V.A, Bithner, M.J & Gremler, D.D (2006), "Service Marketing: Integrating Customer focus across the firm", McGraw-Hills, New York

perishability, intangibility and inseparability, which distinguish them from goods, strategist and marketer added three extra elements to the marketing mix for services. Earlier researches realized that People, Process and Physical Evidence play a greater role in the marketing of services than in the marketing of goods. When these 7Ps of marketing mix are considered as Internal Marketing Mix, then it has greater value; and, the value added services can be provided by the internal customers of the organizations for the greater interest of external customers.

#### **[a] Product in the form of Service Pack**

It refers to the item actually being sold. The product must deliver a minimum level of performance; otherwise even the best work on the other elements of the marketing mix won't do any good. But in the services sector, customers seek various benefits when they purchase intangible services. Customers' needs variety of services attached to single services as viewed by **Zeithaml et al<sup>25</sup> (1993)**. The service provided to the external customers should be a package. Along with the service, they must get some tangible product and various benefit associated with the services. The package should be mixture of both tangible and intangible product. These are to be produced and delivered by internal customers.

#### **[b] Pricing of Services**

It refers to the value that is put for a product [**Sanchez et al<sup>26</sup>(2006)**]. It depends on the cost of production, segment targeted, ability of the market to pay, supply - demand and a host of other direct and indirect factors. There can be several types of pricing strategies, each tied in with an overall business plan. Pricing can also be used as a demarcation, to

---

<sup>25</sup> Zeithaml, V.A., Berry, L.L. and Parasuraman, A., (1993), "The nature and determinants of customer expectations of service", *Journal of the Academy of Marketing Science*, Vol. 21, Issue No. 1, Pp. 1-12.

<sup>26</sup> Sanchez, J, Callarisa, L.J., Rodriguez, R.M. & Moliner, M.A. (2006). "Perceived value of the purchase of a tourism product", *Tourism Management*, Vol. 27, Issue No 4, Pp 1-10.

differentiate and enhance the image of a product. **Hale<sup>27</sup> (1998)** states that the best reward system brings the best output in service industries. They emphasize on the best strategy for rewarding services. According to **Kulkarni and Dixit<sup>28</sup> (2012)** pay package is a major contemporary issue in retention of faculty in technical institutions. Thus the price that is paid to internal customers should take into account the cost of production of services, living cost and also give the best fringe benefits so that the internal customers is able give out their best which will ensure quality service. Thus the organization should adapt the best pricing policy, which not only enables the internal customers to generate quality service but is also able retain them.

### **[c] Promotion of Services**

This refers to all the activities undertaken to make the product or services known to the user and trade **Kotler<sup>29</sup> (1972)**. This can include advertising, word of mouth, press reports, incentives, commissions and awards to the trade. It also includes:

1. Personal Selling to internal customers as well as external customers
2. Publicity to internal customers as well as external customers
3. Public Relationship to internal customers and as well as external customers
4. Direct Marketing to internal customers as well as external customers

**Kumra and Vinnicombe<sup>30</sup> (2008)** in their research work, emphasis on public relation and direct marketing in order to increase sales for services. **Gronroos<sup>31</sup> (1982)** in his theory of

---

<sup>27</sup> Hale,J.(1998), "Strategic rewards: keeping your best talent from walking at the door", Compensation and Benefits Management, Vol.14, Issue No.3, Pp. 50-71.

<sup>28</sup> Ramesh R. Kulkarnivand Dayavanti Dixit,(2012),"Pay Package is a Major Contemporary Issue in Retention of Faculty in Technical Institutions - an Empirical Study of North Karnataka" International Conference on Management and Education Innovation, Vol.37, Issue No 12, Pp290-294

<sup>29</sup> Kotler, Philip,(1972), "A Generic Concept of Marketing", Journal of Marketing, Vol. 36, Issue No2,Pp. 46-54.

applied service marketing emphasize on interactive marketing in which internal customers are involved in the promotion of services. Many external customers in management education providing organization buy services because of internal customer. These internal customers by having special interaction they can promote services. Here, organizations will have to make promotion of service through internal customer.

#### **[d] Place of Services**

This refers to the point of sale. In every industry, catching the eye of the consumer and making it easy for them to buy it is the main aim of a good distribution or 'place' strategy [Berry & Parasuraman<sup>32</sup> (2004)]. Retailers pay a premium for the right location. In fact, the mantra of a successful retail business is 'location, location, location'. Dülgeroğlu & Taşkin<sup>33</sup> (2015) in their research work emphasis on place of service which includes neat, clean and hygienic working place adequate technological instruments, facilities physical conditions, climate of working space and internal customers' safety. This shows the readiness of internal customers in delivering service to the external customer. When services are provided according to need and place of internal customers, they are happier than when the organizations ask them to obtain the service at a location specified by them. Thus, place of service has high influence in selling of service. If management education service providing organizations facilitate this service to external customers, it may fulfill demand with quality.

---

<sup>30</sup> Kumra, S and Vinnicombe,S (2008). "A study of the promotion to partner process in a professional services firm: How women are disadvantaged", British Journal of Management, Vol.19, Issue No 1, Pp. S65-S74.

<sup>31</sup> Gronroos, C. (1982), "Strategic Management and Marketing in Service Sector", Marketing Science Institute, Cambridge, MA

<sup>32</sup> Berry,L.L,Parasuram, (2004), "Marketing Services: Competing Through Quality, The Free Press, A Division of Macmillan, Inc. New York.

<sup>33</sup> İsmail, Dülgeroğlu,Çağatan Taskin, (2015), "Internal Marketing In Public Service Sector and Its Effect on Job Satisfaction", Electronic Journal of Vocational Colleges-October/Ekim 2015, Pp 1-6.

## [e] People of Services

All companies are reliant on the people who manage front line Sales staff to the Managing Director (**Dixon et al<sup>34</sup> 2010**). Having the right people is essential because they are as much a part of business offering as the products/services offered (**Jaw et al<sup>35</sup> 2010**). These people are classified into:

1. Low Contact Service Providing Personals
2. High Contact Service Providing Personals
3. Moderate Contact Service Providing Personals
4. Consumer Service Employees
5. Professional Service Employees
6. Management Service Employees

Internal customers in management education service providing organization falls under the category of professional service employees who have high contact with the external customers. This domain should attempt to identify whether the organizations consider internal customers as a supplier of services connected with ultimate external consumers or not, whether the organization coordinate with internal consumers in service delivery and how do organization maintains relationship with the internal customer as a management practitioner and how organization reciprocate to the service provider i.e internal customer using appropriate service culture. The involvement of internal customer in the delivery of service will determine success for the business. Hence the organization may gain competitive

---

<sup>34</sup> Dixon, M, Freeman, K & Toman, N (2010), 'STOP trying to delight your customers", Harvard Business Review, Vol.88 Issue No (7/8), Pp. 116–22.

<sup>35</sup> Jaw,C,Lo,J-Y and Lin, Y-H.(2010), "The determinants of new service: Service characteristics, market orientation, and actualizing innovation effort," Technovation, Vol. 30, Issue No 4, Pp.265-277, 2010.



advantage. Thus Management Education Service Providing organizations will have to adapt people involvement as a component in delivery of management education service.

### **[f] Process of Services**

A process should involve logical steps that can be broken down to increase efficiency. It should have elements of flexibility which would help in achieving different results to produce the desired outputs (Franco et al<sup>36</sup> 1997). A service provider is required to have an understanding of the different processes available and their applicability in their business. Many decisions depend on the type of process chosen. Generally, there are two processes available to the service providing industries (Anklesaria<sup>37</sup>,2008). These are:

1. Line or Flow Operations
2. Job Shop Process

Service involves flow. It cannot be stored and delivered. Management education service too involves a particular flow. It is like the supply chain management. It starts with preparation and ends with result. Management Education Service Providing Organizations are not exception to this. Under the most commonly perceived process involves: [a] Goals/Objectives—[b] Syllabus—[c] Lesson Preparation – [d] Teaching – [e] Testing --- [f] Evaluation – [g] Result – [h] Employment. Here in each stage internal customers are involved. Organizations must adapt this flow as the main component so that flow of service which begins with lesson preparation ends with converting the external customers as employable.

---

<sup>36</sup> Lynne Miller Franco, Jeanne Newman, Gaël Murphy, Elizabeth Mariani, (1997), “Achieving Quality Through Problem Solving and Process Improvement”, Quality Assurance Project, 7200 Wisconsin Avenue, Suite 600 Bethesda, MD 20814 USA.

<sup>37</sup> Anklesaria, J., (2008), “Shared value chain cost-reduction through innovative supplier relationships”, paper presented at the Institute of Supply Management’s 93rd Annual International Supply Management Conference, St Louis, MO, USA.

## **[g] Physical Evidence of Services**

Almost all services include some physical elements even if the bulk of what the consumer is paying for is intangible (**Bitner<sup>38</sup>, 1990**). For example a hair salon would provide their client with a completed hairdo and an insurance company would give their customers some form of printed material. Even if the material is not physically printed (in the case of PDF's) they are still receiving a "physical product" by this definition. **Griffin<sup>39</sup> (1997)**, in his research identified the component which evidences for service delivery such as bill etc, in case of management education service providing organizations, the physical facilities, class rooms, materials provided by the teachers becomes physical evidence for service delivery. The physical evidence must have good quality that provides a kind of friendly atmosphere for external customers to learn with less stress. Thus, physical evidence should be a component of internal marketing.

### **1.8. The Aims of Internal Marketing**

Internal marketing is intended to develop customer orientation service among employees. **Gronroos<sup>40</sup> (1981)** suggested that the main aim of internal marketing is to create customer oriented service among service employees. He argued that internal marketing should "create an internal environment which supports customer-consciousness while producing and delivering the services among the personnel". Similarly, **Bowen and Schneider<sup>41</sup> (1988)** recommended that service firms should enhance their internal climate for service delivery in

---

<sup>38</sup> Mary Jo Bitner, (1992), "Services capes: The Impact of Physical Surroundings on Customers and Employees", *The Journal of Marketing*, Vol. 56, Issue No. 2, Pp. 57-71.

<sup>39</sup> Griffin, A. (1997) "PDMA Research on New Product Development Practices: Updating Trends and Benchmarking Best Practices", *Journal of Product Innovation Management* Vol.14 Issue No. 1, Pp 429-458.

<sup>40</sup> Gronroos, C.(1981),"Internal Marketing –in integral part of marketing theory", in *American Marketing Association Services Conference Proceeding*.

<sup>41</sup> Bowen, D., Siehl, C., & Schneider, B. (1989), "A framework for analyzing customer service orientations in manufacturing.", *Academy of Management Review*, Vol. 14, Issue No. 1, Pp 75-95.

order to impact positively upon the attitudes and behaviors of employees. **George<sup>42</sup> (1990)** believed that internal marketing is a holistic management process in which service organization adopt best practices to be followed by the internal customers of organization; it is used to integrate the multiple functions of the organization to ensure the quality that all internal customers understand work for the achievement of the goals and its activities aimed at supporting external customers' needs. **Stauss and Schulze<sup>43</sup> (1990)** advocate that “the objective of internal marketing is to get motivated and customer oriented personnel”. Consequently, they pointed out that internal marketing emphasizes the idea of customer focused service by creating acceptance of external customer needs among internal customers and creating an organizational environment that supports customer-oriented attitudes and behaviors (both internal customers and external customers). **Woodruffe<sup>44</sup> (1995)** argued that the aim of internal marketing is to ensure that the employees of a firm are motivated and committed to the goal of ensuring the best possible quality of service to the external customers. Internal marketing also strives to ensure that internal customers see themselves participating actively in achieving the goals of the organization in order to achieve long term success (**Woodruffe<sup>45</sup>, 1995**).

**Papasolomou<sup>46</sup> (2006)** stated that internal marketing aims to develop customer focused service among employees by defining internal marketing as “a mechanism for instilling people “to understand the requirements of external customer accordingly produce

---

<sup>42</sup> George, W.R., (1990), “Internal marketing and organizational behavior: a partnership in developing customer-conscious employees at every level”, *Journal of Business Research*, Vol. 20, Issue 1 No, Pp. 63-70.

<sup>43</sup> Stauss, B.; Schulze, H.S. (1990) “Internal Marketing” In *Marketing ZFP*, 12.Jg.(1990), Heft 3; S.149-158.

<sup>44</sup> Woodruffe, H.,( 1995) “Services marketing”, London: Pitman Publishing.

<sup>45</sup> Woodruffe, H.,( 1995) “ Services marketing”, London: Pitman Publishing.

<sup>46</sup> Papasolomou, I, (2006), “Building corporate branding through internal marketing: the case of the UK retail Bank Industry”, *Journal of Product and Brand Management*, Vol.15, Issue No1, Pp 37-47.

and deliver services. Moreover, **Compton et al**<sup>47</sup> (1987) argued that internal marketing aims to help employees understand the importance of their interactions with external customers and their responsibility for the interactive marketing performance of the organizations. Furthermore, the purpose of internal marketing is to create, maintain and enhance internal relationships within the organizations (**Voima and Grönroos**,<sup>48</sup> 1999). This in turn, will motivate employees to provide services to internal customer and external stakeholders in a customer-oriented manner (**Voima and Grönroos**,<sup>49</sup> 1999). In interactive marketing processes and in handling customer relationships, the role of employees is vital as customer contact with service employees may either make or break the relationship (**Grönroos**,<sup>50</sup> 2007). Thus, the goal of internal marketing is to create motivated, develop, and retain committed employees to build cardinal relationships with external customers.

According to **Gronoroos**<sup>51</sup>(1985), internal marketing are those practices adopted by organization for the welfare of the employees. But in his theory he mentioned about how to attract, develop, retain the employees, but he failed to explain certain issues of internal marketing such as participation of employees in the management, brand building and 7ps of marketing in the context of internal marketing. This research takes those components to look at internal marketing in to new dimension to explore possibility of implementing for business

---

<sup>47</sup> Compton, F., George, W.R., Grönroos, C. and Karvinen, M., (1987), “ Internal marketing. In: J.A. Czepiel et al. eds. *The Service Challenge: Integrating for Competitive Advantage*. Chicago: American Marketing Association, 7-12.

<sup>48</sup> Voima, P. and Grönroos, C., (1999), “Internal marketing: a relationship perspective.”, In: Baker, M., eds. *The IEBM Encyclopaedia of Marketing*. London: International Thomson Business Press, Pp. 747-51.

<sup>49</sup> Voima, P. and Grönroos, C., (1999), *Internal marketing: a relationship perspective.*”, In: Baker, M., eds. *The IEBM Encyclopaedia of Marketing*. London: International Thomson Business Press, Pp. 747-51.

<sup>50</sup> Grönroos, C., (2007),” *Service management and marketing: customer management in service competition*”. 3rd ed. Chichester: John Wiley.

<sup>51</sup> Grönroos, C., (1985),” *Internal marketing: theory and practice*”, In: *Proceedings of the American Marketing Association’s Services Marketing Conference*, Chicago 41-7.

success as well for the quality of service. **Gronroos**<sup>52</sup>(1981) also mention that “Internal Marketing – an integral part of marketing theory”, which consist of internal marketing, external marketing and interaction marketing. It specifically implements to earn the internal customer confident in quality service rendered. It make internal customer as a stakeholder of the organization who has to develop accountability in contribution of quality service for the return of compensation and benefits derived from organizations.

### **1.9. Internal Marketing and Human Resource Management**

Today, in most of the business organization’s **Human Resource Management** [HR] is playing a critical role in the day- to-day functions of the organization. It is looking after the needs of the employees. They are not being able to function independently and will have to carry on the activities according to the instruction given by the employer and the top management. HR is functioning under certain constraints. Speaking specifically of the HR province, today, a lot of allegations are hurled at the HR manager, threatening to tarnish his/her moral fiber. The practitioners’ perceptions to HR short coming are listed below:

**Arimanithaya**<sup>53</sup> characterizes the first unethical practice of HR i.e. ignorance. Today, we find ourselves in the midst of HR practitioners who have no clue of the current business challenges, goals, employee needs and wants. As a result of this ignorance, HR professionals fail to get the desired alignment between business goals, employees’ needs and HR programs/systems.

---

<sup>52</sup> Grönroos, C., (1981), “Internal marketing-an integral part of marketing theory”, In: Proceedings of the American Marketing Association’s Services Marketing Conference. Chicago, IL, 236-8.

<sup>53</sup> Sreekanth K Arimanithaya VP & chief of HR, Britannia Industries Ltd, The 7 deadly HR sins, Times of India, Ascent, 21/02/12

**Sah**<sup>54</sup>, reveals Good Hr leaders have a strong backbone of HR fundamentals. Today, we find these fundamentals missing in the HR fraternity. This defiance is a dangerous unethical behavior that leads to ineffectual HR credibility, thereby a weak backbone in the organization.

**Panyala**<sup>55</sup> adds that mistrustfulness is another potent toxicant of HR. In order to function effectively HR Manager needs to show some trust in his/her employees. As an HR head, they need to trust the employees so that in turn, they too develop a sense of loyalty towards the organizations and the customer.

**Shah**<sup>56</sup>, president Global HR and Corporate Service, Omnitech, Info Solutions believes that arrogance is a supreme sin of HR. Arrogance makes managers feel overconfident and brings a sense of belief that they are always right. This leads to building conflict between employees; thereby creating politics and groupism in the team.

**George**<sup>57</sup> (1990) proposed the idea of interdependence between internal marketing and human resource management as internal marketing components are developed in the domain of human recourse management. In other words, internal marketing is the philosophy of managing the human resources of the organization based on marketing perspectives **George and Grönroos**<sup>58</sup> (1989). **George**<sup>59</sup> (1990) believed that that if management wants its employees to do a great job for its customers, then the organization must do a great job with its employees. This means that the internal understanding between the organization and its

---

<sup>54</sup> Amulya Sah, DGMHR, Samsung India – software Engineering Lab, The 7 deadly HR sins, Times of India, Ascent,21/02/12

<sup>55</sup> Umapathy Panyala, CEO Apollo Hospital, Bangalore, The 7 deadly HR sins, Times of India, Ascent,21/02/12

<sup>56</sup> Nikul Shah, president Global HR and Corporate Service, Omnitech, Info Solutions , The 7 deadly HR sins, Times of India, Ascent,21/02/12

<sup>57</sup> George, W.R., (1990),” Internal marketing and organizational behavior: a partnership in developing customer-conscious employees at every level”, Journal of Business Research, Vol. 20, Pp. 63-70.

<sup>58</sup> George, W.R. and Grönroos, C., (1989), “Developing customer-conscious employees at every level-internal marketing”, In: Congram, C.A., and Frieman, M.L. eds. Handbook of Services Marketing. New York: Amacom.

<sup>59</sup> George, W.R,(1990),“Internal marketing and organizational behavior: a partnership in developing customer-conscious employees at every level”, Journal of Business Research, Vol. 20, Pp. 63-70.

employees should be cardinal before the organization satisfies its customers **George<sup>60</sup> (1990)**. Furthermore, **Gummesson<sup>61</sup> (1990)** suggested that internal marketing is the broad idea of training, education, information and communication within the organization. **Berry and Parasuraman<sup>62</sup> (1991)** too define internal marketing which includes the activities that are traditionally performed by human resource management. They believed that internal marketing practices included hiring for talent; offering a vision, and communicating that vision to employees; preparing people to perform; stressing the importance of team work; leveraging the freedom factor; measure and reward; and finally, knowing the external customers. They point out that designing a job product to attract, develop, motivate and retain internal customers requires sensitivity to employees concerns, attitudes and aspirations. Even **Kotler<sup>63</sup> (1991)** defined internal marketing as the task of hiring, training and motivating able employees to serve the customer well. In his definition he emphasized that internal marketing must precede external marketing as it makes no sense to promise customers excellent service before the employees are ready to provide it professionally. **Varey<sup>64</sup> (1995)** emphasized the same point in his research that human resources can be a resource for good service.

More recently, **Bansal et al<sup>65</sup> (2001)** suggested that equity, empowerment and commitment are important aspects of internal marketing although they are discussed in human

---

<sup>60</sup> George, W.R.,(1990),”Internal marketing and organizational behavior: a partnership in developing customer-conscious employees at every level”, *Journal of Business Research*, Vol. 20, Pp. 63-70.

<sup>61</sup> Gummesson, E.,(1990), “Marketing organization revisited: the crucial role of the part-time marketer”, In: Teare, R., Moutinho, L., Morgan, N. eds. *Managing and marketing services in 1990*. London: Cassel.

<sup>62</sup> Berry, L.L. and Parasuraman, A., (1991), “Marketing Services: competing through quality”, New York: The Free Press.

<sup>63</sup> Kotler, P., (1991), “Marketing management: analysis, planning, implementation and control”, 7th ed. Englewood Cliffs, NJ: Prentice Hall.

<sup>64</sup> Varey, R.J., 1995. Internal marketing: a review and some interdisciplinary research challenges. *International Journal of Service Industry Management*, Vol. 6, Issue No. 1, Pp 40-63.

<sup>65</sup> Bansal, H.S., Mendelson, M.B. and Shrama, B.,( 2001), “The impact of internal marketing activities on external marketing outcomes”, *Journal of Quality Management*, Vol. 6, Pp. 61-76.

resource management literature. **Bateson**<sup>66</sup> (1991) also criticized that the use of human resource management practices within the context of internal marketing and considered it a massive invasion of the human resource management function. There may be a fear that marketers will increase their influence within the organization, leading to conflicts between marketing and human resource management functions **Ahmed and Rafiq**<sup>67</sup> (1993).

Despite this overlap between the internal marketing function and the human resource management function, the discrepancy between them is quite clear, particular when the main idea of each are carefully examined **Woodruffe**<sup>68</sup> (1995). According to **Woodruffe**<sup>69</sup> (1995) “whereas a traditional view of human resource management may be seen as getting things done through people, internal marketing moves towards an alternative idea - developing human potential so that organizational goals can be achieved through the satisfaction of individual goals”. **Ahmed and Rafiq**<sup>70</sup> (1993) concluded that internal marketing contributes to human resource management through developing the internal customers by applying marketing techniques within the organizations. **Ahmed and Rafiq**<sup>71</sup> (1993) also believed that human resource management offers tools that can be used in internal marketing, such as training and recruitment, and internal marketing offers guidance on how these tools can be used to improve interactive marketing performance through customer-oriented employees **Grönroos**<sup>72</sup> (2000).

---

<sup>66</sup> Bateson, J.E.G., 1991. *Managing services marketing*. Fort Worth, TX: The Dryden Press.

<sup>67</sup> Ahmed, P.K. and Rafiq, M., 1993. The scope of internal marketing: defining the boundary between marketing and human resources management. *Journal of Marketing Management*, Vol.9, Issue No 3, Pp. 219-232.

<sup>68</sup> Woodruffe, H., (1995) “*Services marketing*”, London: Pitman Publishing.

<sup>69</sup> Woodruffe, H., (1995) “*Services marketing*”, London: Pitman Publishing.

<sup>70</sup> Ahmed, P.K. and Rafiq, M., 1993. The scope of internal marketing: defining the boundary between marketing and human resources management. *Journal of Marketing Management*, Vol.9, Issue No 3, Pp. 219-232.

<sup>71</sup> Ahmed, P.K. and Rafiq, M., 1993. The scope of internal marketing: defining the boundary between marketing and human resources management. *Journal of Marketing Management*, Vol.9, Issue No 3, Pp. 219-232.

<sup>72</sup> Grönroos, C., (2000.) “*Service management and marketing: a customer relationship management approach*”, 2nd ed. Chichester: John Wiley.



Successful internal marketing requires that marketing and human resources work together **Bowen et al**<sup>73</sup> (2000). These views illustrate the partly covered under internal marketing and human resources management functions. According to **Hillmer et al**<sup>74</sup> (2004), human resource planning enables the organizations to utilize the human resource at an optimum level by the organizations. If the components of internal marketing are applied, the best service will be delivered.

The phenomenal expansion of the Services Sector worldwide has led to services being considered as one of the most important sectors contributing to world gross domestic product. In developed countries, more people are employed in the services sector than in agriculture or industry, unlike the developing countries. Managing talent in service industry is the most critical HR challenge worldwide and will remain at or near the top of executive agendas in every region for the foreseeable future. The ability to gain competitive advantage through people strategies requires an overall HR approach.

According to **Hillmer et al**<sup>75</sup> (2004) fast changing work environments, combined with how service operations are managed, often lead to high stress which can result in increasing employee turnover. Besides this, service organizations are more labour intensive than manufacturing organizations therefore employees have become critical success factor in service companies **Normann**<sup>76</sup> (2000). It is important that they are taken care of so that it can result in lower employee turnover, economic growth and satisfied customers.

---

<sup>73</sup> Bowen, D.E., Schneider, B. and Kim, S.S., (2000), "Shaping service cultures through strategic human resource management", In: Swartz, T.A. and Iacobucci, D. eds. Handbook of Services Marketing & Management. Thousand Oaks, CA: Sage, Pp. 439-54.

<sup>74</sup> Hillmer, S., Hillmer, B., and McRoberts, G. (2004), "The real costs of turnover: lessons from a call center", Human Resource Planning, Vol. 27, Issue. No 3, Pp 34-41

<sup>75</sup> Hillmer, S., Hillmer, B., and McRoberts, G. (2004). The real costs of turnover: lessons from a call center. HumanResource Planning, Vol. 27, Issue. No 3, Pp 34-41

<sup>76</sup> Normann, R. (2000), "Service Management", Malmo: Liber AB.

**Czaplewski et al**<sup>77</sup> (2001) mentioned that while nearly every service company says its goal is to provide excellent service, evidence shows that the service quality of many organizations are below customer expectations. One of the basic reasons for service quality problems is the lack of commitment and skills of the frontline employees who are interacting with customers. In last two decades with growing Indian economy, a significant development took place in various service sectors. Regardless of growth and opportunities in this sector it also faces several HR issues which are a key challenge for the industry in India. One of the main problems for service organizations has been attracting and retaining high quality employees **Heskett et al**<sup>78</sup> (2008). An analysis of secondary sources (mainly articles from newspapers and business magazines and the very few available research papers on Indian service sector) reveal problems that can seriously impact the high growth rates predicted for this sector. These include issues such as increasing employee turnover, stressful work environment and poor career development (**Singh**<sup>79</sup> 2005, **Grossman**<sup>80</sup> 2006). In addition, finding and retaining talented people, training, and career planning are pertinent areas which need to be addressed. Service organizations interface with customers through various touch points and these touch points are not secluded but immediate and inter-connected. Globally, there has been increasing attention to the personal interaction between the customer and the employee on the frontline of service businesses (**Mattson**<sup>81</sup>, 1994). Employees who are happy in their place of work are more motivated to contribute and can do so more effectively. This

---

<sup>77</sup> Czaplewski, A., Ferguson, J., and Milliman, J. (2001), "Southwest airlines: How internal marketing pilots success", *Marketing Management*, Vol. 10, Issue No. 3, Pp 14-17

<sup>78</sup> Heskett, J. L., Jones, T. O., Loveman, G. W., Sasser, W. E. Jr, Schlesinger, L. A. (2008), "Putting the service-profitchain to work", *Harvard Business Review*, July-August, Pp.118-29.

<sup>79</sup> Singh, P., and Pandey, A. (2005) .Women in call centres. *Economic and Political Weekly*, Vol. 12 February.

<sup>80</sup> Grossman, R. J. (2006). HR's rising star in India: in the hottest sectors of India's booming economy. *HR Magazine*, [Online] Available: [http://findarticles.com/p/articles/mi\\_m3495/is\\_9\\_51/ai\\_n26993579/](http://findarticles.com/p/articles/mi_m3495/is_9_51/ai_n26993579/)

<sup>81</sup> Mattson, J. (1994), "Improving service quality in person-to-person encounters", *The Service Industries Journal*, Vol. 14, Issue No.1, Pp. 45-61

also translates into better consumer experiences and in turn, leads to stronger financial performance by the firm and overall economic growth.

In India there is an increasing demand and supply gap for professionals. It is sometimes difficult for HR managers to maintain consistency in performance and keep the motivation levels high especially when the work is monotonous. Similar situation appear to be prevailed in Management Education Providing Organizations. In the research of **Kumar**<sup>82</sup> (2011), “a major refrain of the critics of Management education is lack of academic-industry interface having a bearing on the emerging body of knowledge on Management. Since the activities of business schools focus not on a speculative but a clinical subject i. e. Management, a substantial proportion of academic research should deal with real business problems, jointly with top managers. Investment banks created in the past years true in house universities that developed huge research on markets and companies but lacked the soundness and independence of academic research”. On the other hand, academics have sometimes neglected the practical relevance of their research **Onzonol**<sup>83</sup> (2010). Business schools should act as bridges between academia and the real business world **Onzonol**<sup>84</sup> (2010). By becoming knowledge hubs instead of reservoirs, business schools may better contribute to the advance of Management theory and practice **Onzonol**<sup>85</sup> (2010).

---

<sup>82</sup> Shwetaand Manoj Kumar,(2011), "Management Education in India: Issues & Challenges", Vol. 3, Issue No. 1, Pp. 5-14

<sup>83</sup> Onzonol, Santiago Iniguez. (2010), "Management education: The best is yet to come. In 'From challenge to change: Business schools in the wake of financial crisis' (A compendium of essays put together by Global Foundation for Management Education) accessed from [www.gfme.org/pdf/complete\\_web.pdf](http://www.gfme.org/pdf/complete_web.pdf)

<sup>84</sup> Onzonol, Santiago Iniguez. (2010). Management education: The best is yet to come. In 'From challenge to change: Business schools in the wake of financial crisis' (A compendium of essays put together by Global Foundation for Management Education) accessed from [www.gfme.org/pdf/complete\\_web.pdf](http://www.gfme.org/pdf/complete_web.pdf)

<sup>85</sup> Onzonol, Santiago Iniguez. (2010). Management education: The best is yet to come. In 'From challenge to change: Business schools in the wake of financial crisis' (A compendium of essays put together by Global Foundation for Management Education) accessed from [www.gfme.org/pdf/complete\\_web.pdf](http://www.gfme.org/pdf/complete_web.pdf)

In addition to this **Kumar**<sup>86</sup> (2011) adds that Management Education Service Providing Organizations in India are facing multiple issues. However, proliferation of Management Education Service Providing Organizations, quality of education, faculty shortage, poor regulatory mechanism and governance and accountability are major concerns that merit thorough critical appraisal. Shortage of qualified faculty in Indian Management Education Service Providing Organizations is major concern. Currently the institutions are facing 30% shortage of faculty and it might rise up to 50% by 2020 if the scenario does not improve **Dave**<sup>87</sup> (2011). Deans and directors of business schools observe that the key challenges faced by any institute in EQUIS accreditation are international issues (71 per cent concluded that it is most challenging) and faculty shortage (54 per cent). Additionally, management graduates are generally not inclined to enter teaching profession due to lower pay packages as compared to industry offerings. Despite the large number of students graduating every year, there is now an increasing scarcity of appropriate skills gained through the education system, which is low on quality and relevance. Because of shortages, the hiring of new talent has become more expensive.

Employee attrition represents significant costs to service industry companies. High attrition rates drive up training costs, and increase human resources, recruiting, and productivity costs. They also increase the prospect of customer service complaints or quality problems, and create substantial continuity problems for longer-lived projects. Because of high turnover, companies are required to hire more aggressively, resulting in a gradual loss of the basic cost-effective. In India, the average annual attrition rate in the Business Process Outsourcing (BPO) sector hit a high of close to 50% a few years ago. Better attrition

---

<sup>86</sup> Shwetaand Manoj Kumar,(2011), "Management Education in India: Issues & Challenges", Vol. 3, Issue No. 1, Pp. 5-14

<sup>87</sup> Dave, J. (2011), "Acute faculty crunch stares India's b-schools in the face", Daily News Analysis,1 March 2011.

management and the 2008-2009 global economic slowdowns have helped reduce the figure to 24-30%, but this still has a significant impact on costs and quality **Mike**<sup>88</sup> (2009). The hospitality industry suffers from a high-attrition rate at almost all levels. Whether hiring people at entry level or in senior management roles, there are many challenges **Jauhari and Manaktola**<sup>89</sup> (2009). This increases the costs of hiring and training employees. Therefore, being a people intensive sector, service industry companies need to pay special attention to the internal marketing activities. They must attract, retain and keep employees motivated and committed at all times **Deery and Kinnie**<sup>90</sup> (2004), which, in turn, ensures delivery of high quality service to customers **Schneider and Bowen**<sup>91</sup> (1988). Internal customers are the strength of any organizational success since their value to the organization is essentially intangible and not easily replicated **Meaghan et al**<sup>92</sup>(2002) therefore argued that managers in various organizations must ensure that there is Internal customers continuity in their organizations to enhance organizational competitiveness **Dunmore**<sup>93</sup> (2002) advocated that internal marketing is increasingly important to organizations due to growth in significance of the service sector and the knowledge-based economy.

---

<sup>88</sup> Mike,(2009), "Employee attrition in India": from <http://www.sourcingline.com/resources> - accessed on January 7th, 2013.

<sup>89</sup> Jauhari, V., and Manaktola, K. (2009), "Managing workforce issues in the hospitality industry in India", *Worldwide Hospitality and Tourism Themes*, Vol. 1, Issue No. 1, Pp: 19-24

<sup>90</sup> Deery, S., Kinnie, N. (2004). Introduction: the nature and management of call centre work. in Deery, S., Kinnie, N.(Eds),*Call Centres and Human Resource Management: A Cross-national Perspective*, Palgrave Macmillan,Basingstoke, Pp.1-22.

<sup>91</sup>Bowen, D.E. and Schneider, B.,(1988), "Services marketing and management: implications for organizational behavior", *Research in Organizational Behaviour*. Greenwich: JAI Press Inc, 43-80.

<sup>92</sup> Meaghan Stovel., & Nick Bontis. (2002). Voluntary turnover: knowledge management-friend or foe? *Journal of intellectual Capital*, Vol. 3 Issue No3, Pp 303-322

<sup>93</sup> Dunmore, M.,(2002), "Inside-out marketing: how to create an internal marketing strategy", London: Kogan Page.

This is after all, why firms practice internal marketing-to makes external customers happy with the firms so that they will continue to buy our goods and services **Gronoroos<sup>94</sup> (1985)**. In fact there is growing demand of faculty in Management Education Service Providing Organizations which causes the employees to move from one institution to another. The only way to retain them is to exercises internal marketing practices. Various authors, who took their research study on internal marketing, found that the practices of internal marketing helped the organization to retain their employees. Therefore, if the Management Education Service Providing Organizations practice Internal Marketing, it will help them to achieve the main objective of education which in turn ensures quality.

#### **1.10. Review of the Literature and Research Gap Analysis**

The student of Northwestern University in the Department of Integrated Marketing Communications conducted a study on Internal Marketing Practices<sup>95</sup> in the **year 2006**. They identified six key characteristics that drive successful internal marketing practices. The study shed light on strategies and tactics that align motivate and empower internal customers, at all functions and levels, too consistently deliver a company's "brand promise," which, in turn, helps businesses reach their goals. The six common characteristics of highly effective internal marketing practices are: (1) Senior management participation, (2) Integrated organizational structure, (3) Strategic marketing approach, (4). Human resources partnership, (5) Focus on employee engagement and (6) Internal brand communication. This white paper explores specific internal tactics deployed by the companies studied in these six categories.

---

<sup>94</sup> Grönroos, C., (1985),” Internal marketing: theory and practice”, In: Proceedings of the American Marketing Association’s Services Marketing Conference, Chicago 41-7.

<sup>95</sup> Internal Marketing Best Practice Study, Forum for People Performance Management and Measurement, Northwestern University. <http://www.enterpriseengagement.org/articles/content/8288825/internal-marketing-best-practices/>

According to **Ha et al**<sup>96</sup> (2007), Internal Marketing has theoretical framework such as: Inter-functional Coordination & Integration, Customer Orientation and Marketing - like approach, Job Satisfaction, Empowerment, Service Quality, Employee Motivation, Development, Vision, Strategic Reward, Senior Leadership and Internal Communication.

**Woodruffe**<sup>97</sup> (1992), identified internal marketing practices are motivation, coordination, information and education. Accordingly, he classifies the main components of internal marketing practice into: i). Recruitment and selection, ii). Motivation, iii). Education and Training iv). Coordination, v).Empowerment, vi). Rewards, vii). Communication and viii). Knowledge sharing.

According to him, the process of internal marketing starts with attracting and selecting the best and the most suitable resources for an organization. The next step is to motivate them through effective job design and reward systems. There are should be coordination and cooperation among internal customers to ensure satisfaction and best services to external customers. This can be achieved by encouraging teamwork in the organization. Internal customers also need to be empowered to play a more important role in the organizational decision-making as this enhances their self-esteem and they feel valued by the company. Education and training of the employees is important for the growth and progress of the organization and of the employees as well. The article by **Davis**<sup>98</sup> (2001) examines the impact of consultative and participative styles of management on internal marketing. It shows how general managers, department managers and individuals can use internal marketing to increase employee involvement in reaching decisions, making commitments and taking action.

---

<sup>96</sup> Ha, Norbani Che , Bakar, Raida Abu & Jaafar, Syed Izzaddin Syed , (2007), "Internal Marketing Issues in Service Organizations in Malaysia", International Review of Business Research Papers, Vol. 3 Issue No. 5, Pp.134-145.

<sup>97</sup> Woodruffe, Helen,(1992), "Service Marketing", UK: Longman Group.

<sup>98</sup> Tim R.V. Davis, (2001) "Integrating internal marketing with participative management", Management Decision, Vol. 39 Issue No: 2, Pp.121 - 132

**Ballantyne**<sup>99</sup> (2003) explored the structural relationships through which internal marketing can create value for an organization, its customers and its employees. It is argued that internal marketing requires a relationship-mediated approach, where planned phases of learning activity in volunteer groups generate new internally valid knowledge critical to the improvement of external market performance.

**Pitt et al**<sup>100</sup> (1999) stated that internal marketing is a critical issue of marketing profession, human resources and other executives. They argue that if poor service is provided between employees it is unlikely that good service will ultimately be provided to the external customer.

**Gould**<sup>101</sup> (1998) states that when information is integrated with skills, understanding and experience, it becomes knowledge which the organization can use to its advantage. His research illustrates the importance of communication processes alongside business processes to achieve continuing improvement.

**Piercy**<sup>102</sup> (1995) observes that while customer satisfaction measurement is currently one of the commonest prescriptions in both the marketing and management literatures, little attention has been paid to the effects of customer satisfaction measurement, particularly in terms of the impact on the internal market, i.e. the employees and managers inside the organization.

---

<sup>99</sup> David Ballantyne, (2003) "A relationship-mediated theory of internal marketing", *European Journal of Marketing*, Vol. 37 Issue No: 9, Pp.1242 – 1260

<sup>100</sup> Pitt, M., Bruwer, J., Nel, D. and Berthon, J. P., (1999), "A framework for research in internal marketing and the study of service quality: some propositions", *Management Research News*, Vol. 22, Issue No 7, Pp. 1-11.

<sup>101</sup> Gould, B, (1998) "Emotional capital and internal marketing", *Antidote, The*, Vol. 3 Issue No 8, Pp.34 - 37

<sup>102</sup> Nigel F. Piercy, (1995),"Customer satisfaction and the internal market", *Journal of Marketing Practice: Applied Marketing Science*, Vol. 1 Issue No 1, Pp. 22 - 44



A paper titled Internal Brand Building and Structuration: the Role of Leadership, by **Vallaster & Chernatony**<sup>103</sup> (2006) provides empirical insights on how change is brought about during internal brand building.

**Herington et al**<sup>104</sup> (2006) found that competitive advantage can be attained through development of a relationship-building culture which includes building relationships inside the organization as well as customer relationships. In fact, successful customer relationships rely on successful internal relationships in other words practicing internal marketing.

**Aurand et al**<sup>105</sup> (2005) in the, Journal of Product & Brand Management, found that employees seem to have a more positive attitude toward the brand and are more likely to incorporate this image into their work activities when there is some degree of HR involvement in the internal branding process.

**Morgan**<sup>106</sup> (2004) in their study Business Agility and Internal Marketing, have found that fundamentally, the same principles which are used to market solutions to the organization's external customers can be employed to better segment, target and position the Information Service solutions to the internal customer base.

Internal marketing act as part of the marketing strategy with the employee's themselves whom are termed as internal customers. It is used as a philosophy for managing the firm's human resources based on a marketing perspective to build internal competencies

---

<sup>103</sup> Christine Vallaster, Leslie de Chernatony, (2006) "Internal brand building and structuration: the role of leadership", European Journal of Marketing, Vol. 40 Issue No 7/8, Pp.761 - 784

<sup>104</sup> Carmel Herington, Lester W. Johnson, Don Scott, (2006) "Internal relationships: Linking practitioner literature and relationship marketing theory", European Business Review, Vol. 18 Issue No 5, Pp.364 - 381

<sup>105</sup> Aurand, Timothy W., Gorchels, Linda, Bishop, Terrence R. (2005) "Human resource management's role in internal branding: an opportunity for cross-functional brand message synergy", Journal of Product & Brand Management, Vol. 14 Issue No 3, Pp.163 - 169

<sup>106</sup> Morgan, Robert E. (2004) "Business agility and internal marketing", European Business Review, Vol. 16 Issue No 5, Pp.464 – 472

for external success **George**<sup>107</sup> (1990). It is a strategy that aims for the creation of high-performance work systems by managing the interdependent elements of the internal marketing concepts to achieve greater firm's competencies. Consequently, these variables will influence a firm's competitive advantage. **Rafiq & Ahmed**<sup>108</sup> (2000) expands the idea of internal marketing and define them as, "...a planned effort using a marketing-like approach to overcome organizational resistance to change and to align, motivate and inter-functionally coordinate and integrate employees towards the effective implementation of corporate and functional strategies in order to deliver customer satisfaction through a process of creating motivated and customer oriented employees".

**Gronoroos**<sup>109</sup> (1981) first allude to the fact that customer orientation is the driving force for internal marketing. This is especially important for services organizations where the most crucial part of the business occurs during employee-customer contact. Hence, internal marketing's aim is to get motivated and customer-oriented employees. Customer orientation is defined as the understanding of the need of one's target buyer in order to create value for them continuously. This effects business vis-a vis organization performance by decreasing the buyer's cost in relations with the buyer's benefits. This induces buyers to be loyal as they feel that their needs are being satisfied by the service rendered.

**Hwang and Chi**<sup>110</sup> (2005) shows that there is empirical evidence to support the relationship between internal marketing and business performance. In their research measuring the relationship of internal marketing and international hotel performance, they

---

<sup>107</sup> George, W.(1990). "Internal Marketing and Organizational Behavior: a partnership in developing customers-conscious employees at every level, *Journal of Business Research*, 20, Issue No 1, Pp. 63-70.

<sup>108</sup> Mohammed Rafiq, Pervaiz K. Ahmed, (2000) "Advances in the internal marketing concept: definition, synthesis and extension", *Journal of Services Marketing*, Vol. 14 Issue No 6, Pp.449 – 462.

<sup>109</sup> Gronoroos C. (2000) "Marketing Theory: Adopting service logic for marketing", London, Sage publications.

<sup>110</sup> Hwang, I and Chi, D. (2005), "Relationships among internal marketing, employee satisfaction and international hotel performance: An empirical study", *International Journal of Management*, Vol. 22, Pp285-293.

prove that implementation of internal marketing has a positive relations with business performance of the hotels. The symbiotic relationship between the organization and internal customer, as with the organization external customer relationship, is designed with the intention of creating value. Ultimately, the value creation results in the increase of profitability, customer retention, market share, i.e. the increase in business performance **Mazvancheryl et al (2001)<sup>111</sup>**.

#### **1.10.1. Gap in Literature Review**

This literature review shows that sufficient amount of research work is done on internal marketing in different field of corporate business. But no research work has been done in the context of Management Education Service Providing Organizations. Hence it is proposed to undertake a study under the title **“A CRITICAL STUDY ON INTERNAL MARKETING PRACTICES IN RESPECT OF ‘MANAGEMENT EDUCATION SERVICE PROVIDING ORGANISATIONS’ IN ASSAM.**

#### **1.10.2. Study – Meaning**

According to Oxford dictionary, Study means a setting of the mind or thought upon a subject; hence, application of mind to books, arts or science or to any subject, for the purpose of acquiring knowledge. The application of mind in the particular area for the purpose of acquiring knowledge is regarded as study. In this present research, study means the study of Internal Marketing Practices and Management Education Service Providing Organizations which is a emerging field of research in the area of management, which seeks new knowledge for the better performance of the internal customer to fulfill the demand of the external customers.

---

<sup>111</sup> Mazvancheryl, S.K., Anderson, E.W. and Fornell, C. (1999), Customer Satisfaction and Shareholder Value: The Association between ACSI and Tobin’s q, working paper University of North Carolina, Chapel Hill, NC, available at: <http://webuser.bus.umich.edu/genea/research/q.pdf> (accessed 15 August 2012).

### **1.10.3. Critical study- Its features / scope of critical**

A critical study deals with the subject in depth taking maximum consideration of both the positive and negative facts where the reasons behind the facts are analyzed. The study that contributes most significantly to the qualitative and quantitative assessment of risk, is called Principal study which is also called as critical study. This research work has a specific purpose: to explore new ideas and compare the implementation of internal marketing practices, to find and evaluate the facts of internal marketing practices in management education service providing organizations. This research work tried to find if internal marketing components are practiced, how it has improved the quality and performance of the employees and how it fulfills the demands of the external customers. Therefore, this study will allow the organizations to address both the internal and external customers' grievances.

### **1.10.4. Critical study –Method is applicable to proposed study**

Since this study tries to find the facts about the importance of Internal Marketing in management education service providing organization, it has a specific purpose to explore new ideas in the field of service marketing and to compare how the various organizations are practicing internal marketing components to fulfill the needs of the external customers. This study adds to the body of knowledge by showing how internal marketing concept is applied in management education service providing organization to achieve core competence and competitive advantage. The internal customers provide their services directly to the external customer, since the organizations do not provide such services directly.

### **1.10.5. Management Education Service Providing Organization**

Over the last decade, education is increasingly being seen as an avenue to success. The management of educational services has become necessary, due to the fact that competition today has become so severe. Even the best of the students feel that they need some

professional help, not just studies, chart out their career plans. Parents are prepared to pay what is necessary, as they realize that it's an investment in their children's future. Moreover, now if a student cannot go to a school or college, teaching comes to him. With the development of modern communication technologies, such as satellite, radio and the growth of the internet, students can take up study, practically in the field of interest every subject through distance education. These systems have helped all those, who want to attain higher education but are unable to adjust to the inflexibility of formal classroom education. This research work deal with management education services which means education in courses such as BBA, MBA, PGDM, etc in all the discipline.

This research management education as services, since services are those activities which satisfy human wants. Some services are offered individually while some are offered as a supplement to a product purchased or a major service consumed by the customer. Essentially, services are intangible but sometimes they may involve the use of some tangible goods too. According to **Adrian Payne**<sup>112</sup>, services as an activity has an elements of intangibility associated with it and which involves the service provider's interaction either with the customers or with the property belonging to the customers. Services activities do not involve the transfer of ownership of the output. Thus, services consist of intangibility, inseparability, heterogeneity and perishability in nature. This research considers Management Education as service since it has the characteristics of intangibility, inseparability, heterogeneity and perishability. This research work mainly focuses on pure services provide by the teachers who are regarded as internal customers and students who are regarded as external customers.

---

<sup>112</sup> Adrian Payne, (1993), "The Essence of Service Marketing", Delhi: Prentice-Hall India.

### 1.11. Genesis of the Problem

Indian Education System is the second largest education system in the world. There are 519 universities, 2500 B-Schools and 25,951 colleges in the country<sup>113</sup>. The main vision of these institutions is to provide Quality Education to the external customers. A large majority of the research scholar considers education as a kind of social service to the society. But objections has been raised that the employers of the Management Education Service Providing Organizations converted it as a profit making organization. The main focus is on profit making rather than producing employable citizens. Apart from these, the problem of failure of HR function in respect of the Indian Education system is being raised. This is more valid in the context of Higher Education in general and Management Education [i.e. in respect of Management Education Service Providing Organization] in particular. This becomes a cause of concern given that many Educational organizations of Higher learning are required to follow established standard rules, regulations and norms as per UGC guidelines for different categories of employee's position. Amongst others, the serious charges brought against these Management Education Service Providing Organisations is that there is a huge shortst of qualified, efficient and effective employees in the management institutions **Maheshwari<sup>114</sup>(2007)**. India's top institutions, such as the centrally-funded Indian Institutes of Technology and Indian Institutes of Management have reported a 25% shortage in faculty **Maheshwari<sup>115</sup> (2007)**. In a bid to avert the crisis of shortages of faculties, many business schools, including the IIMs and the Indian School of Business are taking the help of industry experts as a visiting faculty and guest lecturers.

---

<sup>113</sup> TeamLease Services,India Labour Report 2012 [www.teamlease.com/index.php?module=user...file...](http://www.teamlease.com/index.php?module=user...file...)

<sup>114</sup> Maheshwari,Shruti Padliya, (2007), "Management Education: Current Scenario in India", IOSR Journal of Business and Management (IOSR-JBM), Pp 66-70.

<sup>115</sup> Maheshwari,Shruti Padliya, (2007), "Management Education: Current Scenario in India", IOSR Journal of Business and Management (IOSR-JBM), Pp 66-70.

The compensation benefit of the employees of the Management Education Service Providing Organizations differs from one institute to another institute which causes high employees turnover in the management institutions. In fact there is growing demand of faculty in B-Schools or “Management Education Service Providing Organizations” which causes the employees to move from one institution to another. The only way to retain them is to exercises internal marketing practices.

As per the literature review employees participation in the management of the organization enhance employees’ efficiency and quality service delivered to internal Customers. Questions are raised by inquisitive minds whether all the employees are given equal opportunity to take part in the management for decision making. That in return brings satisfaction to the internal customers who get enthusiasm to provide best services to the external customers. When the employees are given opportunity to take part in the management, do they take decision for the welfare and satisfaction of the external customer? Because, many a time employees i.e. internal customers put down their own demand for their satisfaction rather than need of the external customers. This study would like to bring these serious issues into light for its solution for the betterment of the society.

Today, the quality of many management education services providing organization is highly questionable because it fails to cover the external customers as employable personnel. Questions raised are if the quality of services is being driven by the improvement that has been taken place in the quality of Internal Customers, if there is effects of improvement of the quality of internal customer on the improvement on the quality external customers, and if the Internal Marketing Practices are improving the relationship between the external customers and internal customers, improving the performance of the internal customers’ and ‘performance of the external customers. Questions are also raised if Internal Marketing

Practices are leading to Internal Brand Building as well as External Brand Building. The next question often put forward is the effects of internal marketing practices on the performance of the organizations. There are number of study conducted on importance of internal marketing practices. Author pertinent research question often raised is that employees i.e internal customers too required to act as a seller of services who is required to adopt marketing practices along with the organizations.

### **1.12. Scope of the Study**

It is that the present study is confined in respect of the ‘**MANAGEMENT EDUCATION SERVICE PROVIDING ORGANISATIONS**’ in Assam only. In terms of the context this research limited to identify the role internal customers participation in the management in providing quality management education. **Naude**<sup>116</sup> (2003) opines that Internal Marketing orientation is an area within the broader market orientation that remains relatively under-researched. **Gould**<sup>117</sup> (1998) concludes that many businesses should give serious consideration to the idea that HR and Marketing should be combined. According to **Gronoroo**<sup>118</sup>(1985), internal marketing are those practices adopted by organization for the welfare of the employees. But in his theory he mentioned about how to attract, develop, retain the employees, but he failed to explain certain issues of internal marketing such as participation of employees in the management, brand building and 7ps of marketing in the context of internal marketing. The current research while acknowledging these components as internal marketing practices and looking at the internal marketing practice in new dimension, further identifies and classifies the best Internal Marketing Practices into **Employees**

---

<sup>116</sup> Pete Naudé, Janine Desai, John Murphy, (2003) "Identifying the determinants of internal marketing orientation", European Journal of Marketing, Vol. 37 Issue No 9, Pp.1205 - 1220

<sup>117</sup> Gould, B, (1998) "Emotional capital and internal marketing", Antidote, The, Vol. 3 Issue No 8, Pp.34 - 37

<sup>118</sup> Grönroos, C., (1985), "Internal marketing: theory and practice", In: Proceedings of the American Marketing Association's Services Marketing Conference, Chicago 41-7.



**Participation in Management, Developing Quality of Internal Customers, Developing Internal as well as External Customers Branding, 7Ps Of Internal Marketing Mix.**

**1.13. Objectives of the Study**

Given the survey of literature and scope, the objectives of the study are:

[1] To ascertain relationship between the ‘Internal Customers’ ‘participation in management decision making’ in one hand and ‘satisfaction to the Internal Customers’, and ‘satisfaction of the External Customers’ on the other.

[2] To ascertain relationship between ‘The improvement of quality of Internal Customers’ in one hand and ‘improvement on the quality of External Customers, ‘Relationship with External Customers’ and ‘Improvement in the Performance of the External Customers’ on the other hand.

[3] To ascertain the degree and direction of association between ‘the Internal Marketing Practices’ in one hand and ‘the Organization’s Performance’, ‘the Internal Customers’ Performance’ and ‘the External Customers Performance’ on the other hand.

[4] To ascertain relationship between ‘the Internal Marketing Practices’ in one hand and ‘Internal Brand Building’, ‘External Brand Building’ on the other hand

[5] To provide suggestions for improvement based on the findings.

This research has taken the above mentioned objectives to find the present status of Internal marketing practices by Management Education Service Providing Organizations in Assam.

#### **1.14. Hypotheses of the Study:**

Given the Objectives, the following working hypotheses are considered for the study:-

**Broad Hypothesis: [1]** “There is no significant association between the ‘**Internal Customers’ participation in management decision making**’ in one hand and ‘**satisfaction to the Internal Customers**’, and ‘**satisfaction of the External Customers**’ on the other

**Corollary hypotheses are:**

**H1a:** The ‘Internal Customers’ participation in management decision making’ process does not bring any satisfaction to the ‘Internal Customers.

**H1b:** The ‘Internal Customers’ participation in management decision making process does not bring any satisfaction to the external customers.

**Broad Hypothesis: [2]** There is no significant association between ‘**The improvement of quality of Internal Customers**’ in one hand and ‘**improvement on the quality of external customers, relationship with external customers and improvement in the performance of the external customers**’ on the other hand.

**Corollary hypotheses are:**

**H2a:** The improvement of quality of Internal Customers’ does not bring any improvement on the quality of external customers.

**H2b:** The improvement in the quality of Internal Customers’ and the improvement in the relationship with the external customers’ have inverse relationship.

**H2c:** The improvement in the quality of Internal Customers’ and ‘improvement in the performance of the external customers’ are negatively associated.

**Broad Hypothesis: [3]** There is no significant association between ‘**The internal marketing Practices**’ in one hand and ‘**the Organization’s Performance, the Internal Customers’ Performance and the External Customers Performance**’ on the other hand.

**Corollary hypotheses are:**

**H3a:** The Level of Internal Marketing Practices does not affect the organizations performance.

**H3b:** The Level of Internal Marketing Practices does not affect the Internal Customers' performance.

**H3c:** The Level of Internal Marketing Practices does not affect the External Customer's performance.

**Broad hypothesis: [4].** There is no significant association between 'The internal marketing Practices' in one hand and 'Internal Brand Building, 'External Brand Building' on the other hand.

**Corollary hypotheses are:**

**H4a:** Internal Marketing Practices do not lead to Internal Brand Building

**H4b:** Internal Marketing Practices do not lead to External Brand Building

**1.15. Research Methodology**

Research Methodology is the backbone of this research. An appropriate research philosophy and methodology is adopted in this study. This research considers four essential areas. First, the philosophical paradigms used in the research are discussed and the most suitable one is identified, justified and adopted. Second, the reasons for the adoption of deductive approach is explained and adopted. Third, a clear explanation for the data collection and data analysis technique is provided. Fourth, issues regarding research credibility, reliability and validity are fully explained.

**1.15.1. Research Philosophy**

In this section two main philosophical paradigms in the field of management research are discussed, namely, positivism and interpretivism. The assumption of realism is also taken

into account in this research. (Hussey and Hussey<sup>119</sup>, 1997; Easterby-Smith<sup>120</sup> et al, 2002; Gill and Johnson<sup>121</sup>, 2002; Saunders et al<sup>122</sup>, 2007).

### 1.15.2. Positivism Paradigm

Positivism beliefs, the study of human behavior should be conducted in the same way as the studies conducted in natural sciences Hussey and Hussey<sup>123</sup> (1997). It assumes the world is external and objective and researchers can explain causal relationship by the means of facts in the objective of research Carson et al<sup>124</sup> (2001). In this regard, Easterby-Smith et al<sup>125</sup> (1991) explains positivism paradigm means “the social world exists externally and that its properties should be measured through objective methods rather than being inferred subjectively through sensation, reflection or intuition”.

In this positivism paradigm, the researcher will be external to the process of data collection, there is little to be done in order to change the substance of the data collected Saunders et.al<sup>126</sup> (2007). This implies that “the researchers are independent of and neither affects nor is affected by the subject of the research” Remenyi et al<sup>127</sup> (1998). Consequently, the truth can be found the collection of data which results in indisputable facts, so personal beliefs, feelings, intuitions and emotions don not reflected in the research.

---

<sup>119</sup> Hussey, J. and Hussey, R.,(1997), "Business research: a practical guide for undergraduate and postgraduate students", Basingstoke: Macmillan Business.

<sup>120</sup> Easterby-Smith, M., Thorpe, R. and Lowe, A.,(2002), "Management research: an introduction", 2nd ed. London: Sage.

<sup>121</sup> Gill, J. and Johnson, P., (2002),"Research methods for managers", 3rd ed. London: Sage.

<sup>122</sup> Saunders, M.N.K., Lewis, L. and Thornhill, A.,(2007),"Research methods for business Students", 4th ed. Harlow: Financial Times Prentice Hall.

<sup>123</sup> Hussey, J. and Hussey, R.,(1997), "Business research: a practical guide for undergraduate and postgraduate students", Basingstoke: Macmillan Business.

<sup>124</sup> Carson, D., Gilmore, A., Perry, C. and Gronhaug, K., (2001),"Qualitative marketing research", London: Sage.

<sup>125</sup> Easterby-Smith, M., Thorpe, R. and Lowe, A.,(2002), "Management research: an introduction", 2nd ed. London: Sage.

<sup>126</sup> Saunders, M.N.K., Lewis, L. and Thornhill, A.,(2007),"Research methods for business Students", 4th ed. Harlow: Financial Times Prentice Hall.

<sup>127</sup> Remenyi, D., Williams, B., Money, A. and Swartz, E.,(1998), "Doing research in business and management: an introduction to process and method", London: Sage.

The positivism paradigm is usually associated with quantitative research methods **Hussey and Hussey**<sup>128</sup> (1997) which is used in this research. The researcher used the theory to develop hypotheses and test them statistically either to accepted or reject the hypothesis to confirm the facts. Thus, researcher followed a more structured way in conducting the research and their conclusion is based on the results of statistical analysis and their interpretations of data rather than judgments.

### 1.15.3. Interpretivism Paradigm

Social scientists criticize the positivism paradigm and point out that “the physical sciences deal with objectives which are outside us, whereas the social sciences deal with the action and behavior, which are generated from within the human minds” **Hussey and Hussey**,<sup>129</sup> (1997). The interpretivism paradigm assumes that social reality is within us and therefore, the act of discovering reality has an effect on that reality **Hussey and Hussey**<sup>130</sup> (1997). In other words, the interpretivism paradigm legitimates the value, personal belief and convictions of the people involved in the phenomenon under investigation **Jankowicz**<sup>131</sup> (2005).

The interpretivism paradigm ignores to explain the casual relationship by means of objective facts and statistical analysis, but rather it uses more personal process to understand the reality **Carson et al**<sup>132</sup> (2001). Hence, it is significant in discovering the details of phenomena behind an event systematically. It is associated with qualitative research method

---

<sup>128</sup> Hussey, J. and Hussey, R.,(1997), "Business research: a practical guide for undergraduate and postgraduate students", Basingstoke: Macmillan Business.

<sup>129</sup> Hussey, J. and Hussey, R.,(1997), "Business research: a practical guide for undergraduate and postgraduate students", Basingstoke: Macmillan Business.

<sup>130</sup> Hussey, J. and Hussey, R.,(1997), "Business research: a practical guide for undergraduate and postgraduate students", Basingstoke: Macmillan Business.

<sup>131</sup> Jankowicz, A.D., 2005), "Business research projects", 4th ed. London: Thomson.

<sup>132</sup> Carson, D., Gilmore, A., Perry, C. and Gronhaug, K., (2001),"Qualitative marketing research", London: Sage.

(Hussey and Hussey<sup>133</sup>, 1997; Easterb-Smith et al<sup>134</sup>, 2002; Collis et al<sup>135</sup> 2003) which is used in this research. Thus, the interpretivism paradigm enables the researcher to adopt flexibility in conducting their research and making a conclusion based on the understanding of the context in which the phenomena under investigation have taken place. However, the decision on which philosophical paradigm should be adopted by a researcher depends on the questions they seek to answer on one hand, and on other hand, the researcher's perception of social reality Saunders et al<sup>136</sup> (2007). Thus, this research even follows the realism paradigm too.

#### 1.15.4. Realism Paradigm

Saunders et al<sup>137</sup> (2007), state that the realism paradigm explains "what the sense show us as reality is the truth: that objectives have an existence independent of the human mind". The realism paradigm state that exists in the phenomena can be discovered by the researcher Easton<sup>138</sup> (2002). Similarly, Saunder et al<sup>139</sup> (2007) suggest that the realism paradigm assumes that a scientific approach can be used to develop knowledge through collecting and understanding data. In this way, researchers are able to comprehend the reality

---

<sup>133</sup> Hussey, J. and Hussey, R.,(1997), "Business research: a practical guide for undergraduate and postgraduate students", Basingstoke: Macmillan Business.

<sup>134</sup> Easterby-Smith, M., Thorpe, R. and Lowe, A.,(2002), "Management research: an introduction", 2nd ed. London: Sage.

<sup>135</sup> Collis, J. and Hussey, R.,(2003), "Business Research: a practical guide to undergraduate and postgraduate students", 2nd ed. Basingstoke: Palgrave Macmillan.

<sup>136</sup> Saunders, M.N.K., Lewis, L. and Thornhill, A.,(2007),"Research methods for business Students", 4th ed. Harlow: Financial Times Prentice Hall.

<sup>137</sup> Saunders, M.N.K., Lewis, L. and Thornhill, A.,(2007),"Research methods for business Students", 4th ed. Harlow: Financial Times Prentice Hall.

<sup>138</sup> Easton, G., (2002), "Marketing: a critical realist approach", Journal of Business Research, Vol. 55 Issue.2, 103-109.

<sup>139</sup> Saunders, M.N.K., Lewis, L. and Thornhill, A.,(2007),"Research methods for business Students", 4th ed. Harlow: Financial Times Prentice Hall.

of the social world in which people share their view independently **Perry et al**<sup>140</sup> (1999). Thus, the reality paradigm suggests that the researcher should conduct a piece of research which explores the reality of a social world. This in turn allows the opportunity to learn a given phenomena. Moreover, there are two types of realism. Naive realism assumes that through the use of appropriate research methods, reality can be understood **Bryman**<sup>141</sup> (2008). By contrast, critical realism suggests that the world knowledge exists independently and recognizes that the knowledge of the world can only ever be imperfect **Sayer**<sup>142</sup> (1992). Consequently, to explain and understand the social phenomena need critical study (**Sayer**<sup>143</sup> 1992; **Hunt**<sup>144</sup>, 1991). Critical realism acknowledges that “there are enduring structures and generative mechanisms underlying and producing observable phenomena and events” **Bhaskar**<sup>145</sup> (1989). Critical reality is not perfectly apprehended due to imperfect human intellectual mechanisms and the basically inflexible nature of the social phenomena under investigation **Guba and Lincoln**<sup>146</sup> (1994).

A critical study deals with the subject in depth taking maximum consideration of both the positive and negative facts where the reasons behind the facts are analyzed. The study that contributes most significantly to the qualitative and quantitative assessment of risk, also called principal study is called as critical study. This research work has a specific purpose: to explore new ideas and compare the implementation of internal marketing practices, to find and evaluate the facts of internal marketing practices in the context of Management Education

---

<sup>140</sup> Perry, C., Riege, A. and Brown, L.,(1999)," Realism's role among scientific paradigms in marketing research. Irish Marketing Review, Vol. 12 Issue. 2, Pp. 16-23.

<sup>141</sup> Bryman, A., (2008), "Social research methods", Oxford: Oxford University Press.

<sup>142</sup> Sayer, A., (1992), " Method in social Science: a realist approach", 2nd ed. London: Routledge.

<sup>143</sup> Sayer, A., (1992), " Method in social Science: a realist approach", 2nd ed. London: Routledge.

<sup>144</sup> Hunt, S.D., 1991. Positivism and paradigm dominance in consumer research: towards critical pluralism and rapprochement. Journal of Consumer Research, 18 (July), 32-44.

<sup>145</sup> Bhaskar, R., (1989), "The Possibility of Naturalism", 2nd ed. Brighton: Harvester.

<sup>146</sup> Guba, E.G. and Lincoln, Y.S., (1994), "Competing paradigms in qualitative research", In: Denzin N.K. and Lincoln Y.S., eds. Handbook of qualitative research. London: Sage, 105-117.

Service Providing Organizations. This research work tries to find if internal marketing components are practiced, how it has improved the quality and performance of the employees and how it fulfills the demands of the external customers. This leads to an argument of the enlightenment in the subject, which is vital for critical realist research. The critical realist paradigm gives details of the social world by understanding the mechanisms through which an action leads to an outcome in a particular context **Robson**<sup>147</sup> (2002).

Critical realism allows the investigator to understand the social world from different perspectives and consequently to change the understanding of the situation under investigation (**Saunders et al**<sup>148</sup>, 2007; **Bryman**<sup>149</sup> 2008). In this study, the researcher will not only interview the management personals, but also employees of Management Education Service Providing Organizations. By examining the issues from different perspectives, the researcher will be able to critically uncover the reality of the social world and develop a better understanding of it. Consequently, a full picture of the reality of internal marketing implementation and its role in developing management education service providing organizations among employees will be gained.

It is argued that the critical realism paradigm can be associated with qualitative research methods such as interviews **Perry et al**<sup>150</sup> (1999). Qualitative techniques allow the researcher to discover in-depth and rich views about the phenomenon under investigation. Therefore, the researcher conducts a series of interviews and then analyzes the data. This will provide an understanding of how the terms “Quality of Service”, “Effects of Employees

---

<sup>147</sup> Robson, C.,( 2002), “Real world research: a resource for social scientist and practitioner-researchers”, 2nd ed. Oxford: Blackwell.

<sup>148</sup> Saunders, M.N.K., Lewis, L. and Thornhill, A.,(2007),”Research methods for business Students”, 4th ed. Harlow: Financial Times Prentice Hall.

<sup>149</sup> Bryman. A., (2008), “Social research methods”, Oxford: Oxford University Press.

<sup>150</sup> Perry, C., Riege, A. and Brown, L.,(1999),” Realism’s role among scientific paradigms in marketing research.”, Irish Marketing Review, Vol. 12 Issue No. 2, Pp. 16-23.



Satisfaction in Service”, “Branding Building” and “Internal Marketing” are understood and how “Internal Marketing” is practiced. Also, the researcher will find out whether internal marketing practices are used to encourage employees to behave in a way to improve the quality of external customer in the manner the world of Management Education Service Providing Organizations expect. Thus, the reality of how internal marketing is understood and its uses will be explored in this research.

#### **1.15.5. Research approach**

Deciding on the approach of research, whether to use a deductive or an inductive approach is related to the extent to which the researcher is well known about the theory from the beginning of the study **Saunders et al**<sup>151</sup> (2003).

#### **[a] Deductive vs Inductive Approach**

The deductive approach refers to “development of a conceptual and theoretical structure prior to its testing through empirical observation” **Gill and Johnson**<sup>152</sup> (2002). It is the leading research approach in the natural sciences, where laws present the basis of explanation, allows the anticipation of phenomena under investigation, predict their occurrence and then permit them to be controlled **Collis and Hussey**<sup>153</sup> (2003). Deductive research is a highly planned approach and associated with quantitative research methods **Saunders et al**<sup>154</sup> (2007). Therefore, “deductive research is referred to as moving from the general theoretical framework to the particular as particular instances are drawn from general

---

<sup>151</sup> Saunders, M.N.K., Lewis, L. and Thornhill, A.,(2007), "Research methods for business Students", 4th ed. Harlow: Financial Times Prentice Hall.

<sup>152</sup> Gill, J. and Johnson, P., (2002), "Research methods for managers", 3rd ed. London: Sage.

<sup>153</sup> Collis, J. and Hussey, R.,(2003), "Business Research: a practical guide to undergraduate and postgraduate students", 2nd ed. Basingstoke: Palgrave Macmillan.

<sup>154</sup> Saunders, M.N.K., Lewis, L. and Thornhill, A.,(2007), "Research methods for business Students", 4th ed. Harlow: Financial Times Prentice Hall.

inferences” **Hussey and Hussey**<sup>155</sup> (1997). In this sense research is not inductive because it started with general ideas derived from the theory, not from the observations on management education service providing organizations, then followed by an attempt to build something generic based on those observations. Rather, it uses the theory of internal marketing concepts and research conducted on internal marketing practices to develop a conceptual framework to be explored within the context of Management Education Services Providing Organizations. In addition to this, the literature review on internal marketing and Management Education Services Providing Organizations was used to decide on the research questions. Consequently, the research will be conducted to provide answers for these questions and to identify whether or not the general ideas, such as the linkage identified in the conceptual framework, are correct.

Whereas, the inductive approach is the reverse of the deductive approach as which involves “moving from the plane of observation of the empirical world to the construction of explanations and theories about what has been observed” **Gill and Johnson**<sup>156</sup> (2002). In other words, it is the approach in which the researcher attempts to collect data and develop theories as a result of the data analysis **Saunders et al**<sup>157</sup> (2003). Therefore, the inductive approach is referred as moving from the specific to the general as general inferences are drawn from particular instances (**Hussey and Hussey**<sup>158</sup>, 1997; **Saunders et al**<sup>159</sup> 2007) assumed that the inductive approach would allow the researcher to gain an understanding of

---

<sup>155</sup> Hussey, J. and Hussey, R.,(1997), "Business research: a practical guide for undergraduate and postgraduate students", Basingstoke: Macmillan Business.

<sup>156</sup> Gill, J. and Johnson, P., (2002),"Research methods for managers", 3rd ed. London: Sage.

<sup>157</sup> Saunders, M.N.K., Lewis, L. and Thornhill, A.,(2007),"Research methods for business Students", 4th ed. Harlow: Financial Times Prentice Hall.

<sup>158</sup> Hussey, J. and Hussey, R.,(1997), "Business research: a practical guide for undergraduate and postgraduate students", Basingstoke: Macmillan Business.

<sup>159</sup> Saunders, M.N.K., Lewis, L. and Thornhill, A.,(2007),"Research methods for business Students", 4th ed. Harlow: Financial Times Prentice Hall.

the meaning of human beings attach to events and develop a close understanding of the research context which is more flexible nature which permit changes of research focus or direction as the research progresses.

In addition, inductive research is associated with qualitative research methods **Saunders et al**<sup>160</sup> (2007) in the sense that researchers using the inductive approach are more likely to use a variety of methods to collect qualitative data in order to establish different views of the phenomena under prescribed investigation **Easterby-Smith et al**<sup>161</sup> (2002). The research will adopt inductive approach too in the sense that how the specific findings of the present study fits into the existing stock of knowledge i.e. too what specific findings are similar to earlier findings and too what findings along with too what extent new information vis-à-vis knowledge is added. In other words the process of generalization will be adopted.

#### **[b] Qualitative Approach Vs Quantitative Approach**

This study lends itself to qualitative research methods. Qualitative research is a thorough understanding of the phenomenon under investigation **Patton**<sup>162</sup> (1980). This is because the qualitative research approach emphasizes on the subjective of human activity by focusing on the meaning, rather than the measurement of social phenomena **Hussey and Hussey**<sup>163</sup> (1997). This implies that the research methods worn in this research under the qualitative approach are “an array of interpretive techniques which seek to describe, translate and otherwise come to terms with the meaning not the frequency of certain more or less

---

<sup>160</sup> Saunders, M.N.K., Lewis, L. and Thornhill, A.,(2007), "Research methods for business Students", 4th ed. Harlow: Financial Times Prentice Hall.

<sup>161</sup> Easterby-Smith, M., Thorpe, R. and Lowe, A.,(2002), "Management research: an introduction", 2nd ed. London: Sage.

<sup>162</sup> Patton, M.Q., (1980), "Qualitative research methods", London: Sage.

<sup>163</sup> Hussey, J. and Hussey, R.,(1997), "Business research: a practical guide for undergraduate and postgraduate students", Basingstoke: Macmillan Business.

naturally occurring phenomena in the social world” **Van Maanen**<sup>164</sup> (1983). Accordingly, the qualitative research approach is appropriate as the researcher aims to discover meanings and interpretations that people attach to the terms internal marketing practices and the focus on developing external customer within Management Education Services Providing Organizations. In addition, the qualitative research approach is appropriate when the research focuses on an understanding of how, why and in what context certain phenomena occur and what impacts upon or influences such phenomena **Carson et al**<sup>165</sup> (2001). Therefore, the qualitative research approach is important in this research which provides the opportunity to answer research questions.

Quantitative research, as perceived in general, is the numerical representation and manipulation of observations for the purpose of describing and explaining the phenomena that those observations reflect. In addition to this, according to **Cohen**<sup>166</sup> (1980), quantitative research is defined as social research that employs empirical methods and empirical statements.. He states that an empirical statement is defined as a descriptive statement about what “is” the case in the “real world” rather than what “ought” to be the case. Typically, empirical statements are expressed in numerical terms; another factor in quantitative research is that empirical evaluations are applied. Empirical evaluations are defined as a form that seeks to determine the degree to which a specific program or policy empirically fulfills or does not fulfill a particular standard or norm.

Moreover, **Creswell**<sup>167</sup> (1994) has given a very concise definition of quantitative research as a type of research that is `explaining phenomena by collecting numerical data that

---

<sup>164</sup> Van Maanen, J., (1983), "Qualitative methodology", London: Sage.

<sup>165</sup> Carson, D., Gilmore, A., Perry, C. and Gronhaug, K.,( 2001), “Qualitative marketing research”, London: Sage.

<sup>166</sup> Cohen, L. and Manion, L., (1980), “Research Methods in Education”, London: Groom Helm Ltd., 1980.

<sup>167</sup> Creswell, J.W., Research Design: Qualitative & Quantitative Approaches, London: SAGE Publications, 1994.

are analyzed using mathematically based methods (in particular statistics).<sup>1</sup> Therefore, because quantitative research is essentially about collecting numerical data to explain a particular phenomenon, particular questions seem immediately suited to being answered using quantitative methods. In short, quantitative research generally focuses on measuring social reality. Quantitative research and/or questions are searching for quantities in something and to establish research numerically. Quantitative researchers view the world as reality that can be objectively determined so rigid guides in the process of data collection and analysis are very important. There are several types of quantitative research. For instance, it can be classified as 1) survey research, 2) correlation research, 3) experimental research and 4) causal-comparative research. Each type has its own typical characteristics.

Quantitative research methods are used in this research. The researcher used the theory to develop hypotheses and test them statistically either to accepted or reject the hypothesis to confirm the facts **Hussey and Hussey<sup>168</sup> (1997)**. The research questions raised in this research cannot be answered by using the qualitative method alone but can be answered with the help of quantitative research as which seeks an understanding of the phenomenon under investigation. Data collected for the study was quantified to prove hypotheses and generalize the facts hidden in the data. Furthermore, quantitative research methods have developed the capacity to generate specific novel insights and gain new and fresh slants on things about which little is known (**Eisenhardt<sup>169</sup>, 1989; Strauss and Corbin<sup>170</sup>, 1990**) i.e. management education providing services organizations. Hence, quantitative research would allow a contribution to the literature on internal marketing in management education providing

---

<sup>168</sup> Hussey, J. and Hussey, R.,(1997), "Business research: a practical guide for undergraduate and postgraduate students", Basingstoke: Macmillan Business.

<sup>169</sup> Eisenhardt. K.M., (1989), "Building theories from case study research", *Academy of Management Review*, Vol.14, Issue No 14, Pp 532-550.

<sup>170</sup> Strauss, A. L., & Corbin, J. M. (1990), "Basics of qualitative research: Grounded theory procedures and techniques",. Newbury Park, Calif: Sage Publications.

services organizations as studies in this area are limited. In other words, this research seeks to explore internal marketing practices within management education providing services organizations because it is needed to be explored, so simply, quantitative research methods and statistical analysis do fit with the problem of this research **Creswell**<sup>171</sup> (2007). The appropriateness of quantitative research supported by qualitative approach is able to identify the facts by comparing the data in most of the studies on internal marketing practices, as stated by **Quester and Kelly**<sup>172</sup> (1999). Thus, the adoption of qualitative methods and quantitative methods implies the researcher to use semi-structured interviews and data collection for the purpose of this investigation as explained below. The interview questions vis-à-vis items of the questionnaires were developed after undertaking an in-depth survey of literature relating to various dimension of internal marketing.

#### **1.15.6. Research Methods**

The present study is based on Exploratory Research method, Descriptive as well as Empirical Research Method.

##### **[a] Exploratory Research Method**

Exploratory research is research conducted for a problem that has not been clearly defined. It often occurs before we know enough to make conceptual distinctions or posit an explanatory relationship. Researchers use these techniques, which they refer to collectively as exploratory research, with a single broad purpose: clarify the research questions that guide the entire research.. Importantly, the entire notion of “exploratory” research suggests that it precedes a larger, more formal research. This is usually the case. The techniques classify as “exploratory” generally provide information and insight to researchers as they prepare for

---

<sup>171</sup> Creswell, J.W.,(1994), “Research Design: Qualitative & Quantitative Approaches”, London: SAGE Publications.

<sup>172</sup> Quester, Pascale G;Kelly, Amanda (1999). Internal Marketing Practices In The Australian Financial Sector: An Exploratory Study. Journal Of Applied Management Studies; Vol 8,Issue 2; Proquest Central.

larger research efforts such as surveys and experiments. Exploratory research can uncover possible avenues for reaching decision makers' and objectives exploratory research answers questions about actually administering a large and expensive research. Thus, exploratory research helps researchers address the right questions and avoid mistakes in the conduct of larger research **Kothari (2007)**<sup>173</sup>.

#### **[b] Descriptive Method**

Descriptive research does not fit neatly into the definition of either quantitative or qualitative research methodologies, but instead it can be utilize the elements of both, often within the same study. The descriptive research refers to the type of research questions, design and data analysis that will be applied to a given topic. Descriptive statistics tell what is, while inferential statistics try to determine cause and effects. The type of question asked by the researcher will ultimately determine the type of approach necessary to complete an accurate assessment of the topic at hand. Descriptive studies, primarily concerned with finding out what is, what might be applied to investigate **Kothari (2007)**<sup>174</sup>.

#### **[c] Empirical Research Method**

Empirical research studies the facts or events that can be directly, empirically, and repeatedly observed. It uses observation method by using our senses to recognize and record facts and draw inference derived from facts or other ideas. It constructs Non-observable inferred events that are rationale ideas constructed by the researcher. The constructs are then used as though they are facts. Empirical research relies on experiences or observation alone, often without due regard for system and theory. It is data based research, coming up with

---

<sup>173</sup> Kothari, C.R.,(2007), "Research Methodology Methods & Techniques", New Delhi: New Age International (P) Ltd, Publishers.

<sup>174</sup> Kothari, C.R.,(2007), "Research Methodology Methods & Techniques", New Delhi: New Age International (P) Ltd, Publishers.

conclusions which are cable of being verified by observation or experiments. Empirical research is appropriate when proof is sought that certain variable affect other variables in some way. Evidence gathered through experiments or empirical studies are considered to be most powerful tool for testing a given hypothesis **Kothari (2007)**<sup>175</sup>.

### **1.15.7. Sampling Design**

#### **[I].Population of Management Education Service Providing Organizations**

The total number of management Education Service Providing organizations is 19 in Assam as on 9<sup>th</sup> September 2012 as AICTE Report.

#### **[II]. Sample Selection**

**[a] Sampling at Institutional Level or Level 1 :** This study is done on the Internal Customers and External Customers of 10 Management Education Service Providing Organizations of Assam [ mentioned in column 2 of the table 1.2]. The basis for selection of 10 management institutes is as follows:

The study setting is in Top 10 Management Education Service Providing Organizations of Assam. These top institutes are selected based on the ratings assigned by the rating agencies. The Times Group TNS had conducted a Survey on B-schools for the year 2013. It was held from November 2012 till February 2013 and collected data from of Top MBA colleges in Assam. The results are mainly based on two concepts i.e. Perception Survey and the Fact based Survey. This group ranked the organizations based, Public speaking skills, Improved English writing skills, Time management and Very high level understanding of common business topics and prepared the list of management education organizations in Assam<sup>176</sup>.

---

<sup>175</sup> Kothari, C.R.,(2007), “Research Methodology Methods & Techniques”, New Delhi: New Age International (P) Ltd, Publishers.

<sup>176</sup> <http://blog.oureducation.in/list-of-top-mba-colleges-in-assam/>



**Table: 1.2**  
**Population of Sampled Institution selected at Level 1**

<b>SINo</b>	<b>Name of the Institutes</b>	<b>Management</b>	<b>Teachers</b>	<b>Students</b>
<b>1</b>	<b>Assam Institute of Management</b>	<b>4</b>	<b>14</b>	<b>135</b>
<b>2</b>	<b>Assam University</b>	<b>5</b>	<b>15</b>	<b>150</b>
<b>3</b>	<b>DonBosco Institute of Management</b>	<b>4</b>	<b>12</b>	<b>75</b>
<b>4</b>	<b>Dibrugrah University</b>	<b>2</b>	<b>14</b>	<b>200</b>
<b>5</b>	<b>Girijananda Chowdhury Institute of Management</b>	<b>10</b>	<b>9</b>	<b>65</b>
<b>6</b>	<b>Guwahati University</b>	<b>4</b>	<b>7</b>	<b>180</b>
<b>7</b>	<b>Assam Kaziranga University</b>	<b>5</b>	<b>13</b>	<b>82</b>
<b>8</b>	<b>North Eastern Regional Institute of Management</b>	<b>4</b>	<b>25</b>	<b>700</b>
<b>9</b>	<b>Royal School of Management</b>	<b>6</b>	<b>16</b>	<b>220</b>
<b>10</b>	<b>Tezpur University</b>	<b>5</b>	<b>13</b>	<b>150</b>
	<b>Total</b>	<b>49</b>	<b>125</b>	<b>1957</b>

Sources: Survey

**[b] Sampling at Respondent Level 2**

The population of the management, teachers and Students of the sampled organizations are mentioned in Table 1.2 under column 3, 4 and 5. The sampling data collected from the sampled organization is as follows:

**Table: 1.3**  
**Respondents Sample Selected from sampled MESP Organizations**

<b>SI No</b>	<b>Name of the Institutes</b>	<b>Management</b>	<b>Teachers</b>	<b>Students</b>	<b>Pilot Study Conducted</b>	<b>Final Survey Done Duration</b>	<b>Data Updated</b>
<b>1</b>	<b>Assam Institute of Management &amp; Technology</b>	<b>2</b>	<b>10</b>	<b>56</b>	<b>9<sup>th</sup> Sept 2012</b>	<b>July 2014- Dec2015</b>	<b>January 2016</b>
<b>2</b>	<b>Assam University</b>	<b>2</b>	<b>5</b>	<b>40</b>	<b>9<sup>th</sup> Sept 2012</b>	<b>July 2014- Dec2015</b>	<b>January 2016</b>
<b>3</b>	<b>Don Bosco Institute of Management</b>	<b>2</b>	<b>10</b>	<b>40</b>	<b>9<sup>th</sup> Sept 2012</b>	<b>July 2014- Dec2015</b>	<b>January 2016</b>

4	Dibrugrah University	2	11	50	9 <sup>th</sup> Sept 2012	July 2014- Dec2015	January 2016
5	Girijananda Chowdhury Institute of Management	2	9	38	9 <sup>th</sup> Sept 2012	July 2014- Dec2015	January 2016
6	Guwahati University	2	5	63	9 <sup>th</sup> Sept2012	July 2014- Dec2015	January 2016
7	Assam Kaziranga University	2	12	53	9 <sup>th</sup> Sept 2012	July 2014- Dec2015	January 2016
8	North Eastern Regional Institute of Management	2	18	70	9 <sup>th</sup> Sept 2012	July 2014- Dec2015	January 2016
9	Royal School of Management	2	10	60	9 <sup>th</sup> Sept2012	July 2014- Dec2015	January 2016
10	Tezpur University	2	10	40	9 <sup>th</sup> Sept 2012	July 2014- Dec2015	January 2016
	<b>Total</b>	<b>20</b>	<b>100</b>	<b>510</b>			

Source: Survey as on the date of data collection

[a] The number of Management Staff in the sampled MESP organization is 45; and out of these, a sample of 20 selected as sample at level 2. The detailed institute wise break up is mentioned in Table 1.3 under column 3. Here Subjective sampling was applied.

[b] The number of Internal Customers in the sampled MESP organization is 125; and out of these 125, a sample of 100 selected as sample at level 2. The detailed institute wise break up is mentioned in Table 1.3 under column 4. Here random sampling, based on the availability was followed.

[c] The number of External Customers in the sampled MESP organization is 1957; and out of these a sample of 510 is selected as sample at level 2. The detailed institute wise break up is mentioned in Table 1.3 under column 4. Here random sampling based on the availability was followed. Thus multi level, purposive, random sampling methods were followed.

### **[III] Profile of the Samples at Level 1**

#### **[a]. Assam Institute of Management**

The Assam Institute of Management was established in the year 1988. It is an autonomous institute of Government of Assam. This Institute has been functioning under the Directorate of Technical Education of Government of Assam. It offers PGDM course. There are around 150 students under take this program each year and 14 faculty members are serving in the Department. It is approved by AICTE<sup>177</sup>.

#### **[b]. Assam University**

Assam University is a teaching-cum-affiliating Central University. The university has sixteen schools which offer Social Sciences, Humanities, Languages, Life Sciences, Physical Sciences, Environmental Sciences, Information Sciences, Technology and Management Studies. There are 35 departments under these sixteen schools. Assam University is an institutional signatory to the Global Universities Network for Innovation (GUNI), Barcelona and United Nations Global Compact (UNGC) for its commitment to educational social responsibilities. The Department of Management was established in the year 1997 which offers, BBA, MBA, Ph.D in Management. There are around 150 students under take this program each year and 15 faculty members are serving in the Department. It is approved by AICTE<sup>178</sup>.

#### **[c]. Don Bosco Institute of Management**

Don Bosco Institute of Management (DBIM) is the Department of Management of the School of Commerce and Management of Assam Don Bosco University. Don Bosco Institute of Management is a project of the Salesians of Don Bosco, who are pioneers in Education, Cultural Heritage and Human Resources Development in North East India. This institute was

---

<sup>177</sup> HandBook on Management Education 2012, Association of Indian Universities, New Delhi.

<sup>178</sup> HandBook on Management Education 2012, Association of Indian Universities, New Delhi.

established in the year 2008, under Assam Don Bosco University. It is approved by AICTE. This institute offers MBA program. The annual intake of this program is 60 students per year. Currently, there are around 150 students under take this program each year and 15 faculty members are serving in the Department. It is approved by AICTE<sup>179</sup>.

**[d]. Dibrugarh University**

Dibrugarh University is a university in the Indian state of Assam. It was set up in 1965 under the provisions of the Dibrugarh University Act, 1965, enacted by the Assam Legislative Assembly. It is a teaching-cum-affiliating university. It is accredited by the National Assessment and Accreditation Council, with a B grade in 2002 and re-accredited in 2009. Dibrugarh University is a member of the Association of Indian Universities (AIU) and the Association of Commonwealth Universities. The Centre for Management Studies (CMSDU) is established in the year 2003, offers BBA, MBA, PGDTM and Ph.D. program. Currently, there are around 200 students under take this program each year and 14 faculty members are serving in the Department. It is also approved by AICTE.

**[e]. Girijananda Chowdhury Institute of Management and Technology**

Girijananda Chowdhury Institute of Management and Technology (GIMT) is established in the year 2006 which is affiliated to Gauhati University and also Assam Science and Technology University. This institute offers MBA Program run by Shrimanta Shankar Academy (SSA) Society. Currently, there are around 75 students under take this program each year and 9 faculty members are serving in the Department. It is also approved by AICTE<sup>180</sup>.

**[f]. Gauhati University**

The Gauhati University is the first, oldest and renowned University in the entire North East India. It is a teaching-cum-affiliating university. The university was established by an act

---

<sup>179</sup> HandBook on Management Education 2012, Association of Indian Universities, New Delhi.

<sup>180</sup> HandBook on Management Education 2012, Association of Indian Universities, New Delhi.

of the State Legislature: the Gauhati University Act 1947 (Assam Act, XVI of 1947) of the government of Assam in 1948. There are several colleges, institutes etc. that are affiliated to this university. At present there are approximately 326 Colleges/Institutes which come under this university, which are mostly located in the districts of lower Assam. Department of Management was established in the year 1978. It offers MBA, PGDM and Ph.D programs. Currently, there are around 180 students under take this program each year and 7 faculty members are serving in the Department. It is also approved by AICTE<sup>181</sup>.

**[g]. Assam Kaziranga University:**

The Assam Kaziranga University (known as Kaziranga University) is a Private university established through the Assam Kaziranga University Act, 2012 created under Assam Private Universities Act 2007 in the State of Assam, India in the year 2012. This university provides courses in Engineering, Management, Computing Sciences and Basic sciences. It has KU School of Business which offers MBA and BBA programs. Currently, there are around 80 students under take this program each year and 13 faculty members are serving in the Department. It is also approved by AICTE<sup>182</sup>.

**[h]. North Eastern Regional Institute of Management**

NERIM, North Eastern Regional Institute of Management is a Post Graduate College established in the year 1992 by NERIM Educational Society. It is affiliated to Dibrugarh University and approved by AICTE. It offers MBA, BBA, B.Com BA LLB programs. Currently, there are around 700 students enrolled under this program and 25 faculty members are serving in the Department<sup>183</sup>.

---

<sup>181</sup> HandBook on Management Education 2012, Association of Indian Universities, New Delhi.

<sup>182</sup> HandBook on Management Education 2012, Association of Indian Universities, New Delhi.

<sup>183</sup> HandBook on Management Education 2012, Association of Indian Universities, New Delhi.

**[i]. Royal School of Management and Technology**

Royal School of Management and Technology is established in the year 2012 which is affiliated to Assam Science & Technology University, run by Royal Groups of Society. Royal School of Business offers MBA, BBA programs. Currently, there are around 220 students enrolled under this program and 16 faculty members are serving in the Department<sup>184</sup>.

**[j]. Tezpur University**

Tezpur University is a teaching-cum-affiliating Central University. The Department of Management was established in the year 1995 which offers, BBA, MBA, PGDTM, Ph.D in Management. There are around 150 students under take this program each year and 13 faculty members are serving in the Department. It accreted by NACCA and approved by AICTE.

**[IV] Profile of samples at level 2**

[a] This research has taken 10 Management Education Service Providing Organizations of Assam. Of which 3 of them are state owned, 2 of them are central owned and rest of them are private owned.

**Table 1.4**  
**Nature of Management Education Service Providing Organizations**

		Frequency	Percent
Valid	State	3	30.0
	Central	2	20.0
	Private	5	50.0
	Total	10	100.0

**Source: based on Survey data**

**[b]. Nature of UGC affiliation of MESPO**

This research has taken 10 Management Education Service Providing Organizations of Assam. Of which 3 of them are affiliated to universities, 2 of them are established under UGC 2(f) and rests of them are established under 12B act of UGC.

---

<sup>184</sup> HandBook on Management Education 2012, Association of Indian Universities, New Delhi.

**Table 1.5**  
**Nature of UGC affiliation of MESPO**

		Frequency	Percent	Cumulative Percent
Valid	No	3	30.0	30.0
	2(f)	4	40.0	70.0
	12B	3	30.0	100.0
	Total	10	100.0	

**Source: based on Survey data**

**[c]. Nature accreditation of MESPO**

This research has taken 10 Management Education Service Providing Organizations of Assam. Of which 3 of them are accredited by NACCA. Of which one got A++ and another 2 got A+ and rest of them are not accredited. All the 10 organizations are approved by AICTE

**Table 1.6**  
**Nature accreditation of MESPO**

		Frequency	Percent	Cumulative Percent
Valid	0	7	70.0	70.0
	A++	1	10.0	80.0
	A+	2	20.0	100.0
	Total	10	100.0	

**Source: based on Survey data**

**[d]. Profile of the Samples of Respondent of Internal Customers (Teachers)**

This research has collected data from the faculty members of 10 Management Education Service Providing Organizations of Assam. Of which 66 of them are males and 34 of them are females which is presented in the following table.

**Table 1.7**  
**Gender of Internal Customers of MESPO**

		Frequency	Percent	Cumulative Percent
Valid	Male	66	66.0	66.0
	Female	34	34.0	100.0
	Total	100	100.0	

**Source: based on Survey data**

**[e]. Designation of Internal Customers of MESPO**

This research has collected data from the faculty members of 10 Management Education Service Providing Organizations of Assam. The designation of the internal Customers as follows:

**Table 1.8  
Designation of Internal Customers of MESPO**

		Frequency	Percent	Cumulative Percent
Valid	Lecturer	10	10.0	10.0
	Sr. Lecture	1	1.0	11.0
	Asst. Professor	70	70.0	81.0
	Associate Professor	7	7.0	88.0
	Professor	10	10.0	98.0
	Others	2	2.0	100.0
	Total	100	100.0	

**Source: based on Survey data**

The above table very clearly shows that majority of the internal customers are serving as an assistant professors and very few professors are serving in the organizations.

**[f]. Educational Qualification of Internal Customers**

This research has collected data from the faculty members of 10 Management Education Service Providing Organizations of Assam. The Educational Qualification of the internal Customers as follows:

**Table 1.9  
Educational Qualification of Internal Customers of MESPO**

		Frequency	Percent	Cumulative Percent
Valid	PG	41	41.0	41.0
	PG, NET	31	31.0	72.0
	PG, PhD	23	23.0	95.0
	PG, PhD, NET	1	1.0	96.0
	PG, PhD, NET, Exp	3	3.0	99.0
	Others	1	1.0	100.0
	Total	100	100.0	

**Source: based on Survey data**



The above table very clearly shows that majority of the internal customers are having minimum qualification and very few are having adequate qualification serving in the organizations. There are very few having adequate qualification with experience.

**[g]. Remuneration of Internal Customers**

This research has collected data from the faculty members of 10 Management Education Service Providing Organizations of Assam. The remuneration of the internal Customers as follows:

**Table 1.10  
Remuneration of Internal Customers of MESPO**

		Frequency	Percent	Cumulative Percent
Valid	by 6th Pay commission of UGC	61	61.0	61.0
	Consolidated	19	19.0	80.0
	Neither Consolidated nor 6th Pay	20	20.0	100.0
	Total	100	100.0	

**Source: based on Survey data**

The above table very clearly indicates that majority of the internal customers are paid UGC 6<sup>th</sup> Pay and very few are getting consolidated pay in the organizations.

**[h]. Experience of Internal Customers**

This research has collected data from the faculty members of 10 Management Education Service Providing Organizations of Assam. The experience of the internal Customers as follows:

**Table 1.11  
Experience of Internal Customers of MESPO**

		Frequency	Percent	Cumulative Percent
Valid	0-5 years	40	40.0	40.0
	6-10 years	25	25.0	65.0
	above 10 years	35	35.0	100.0
	Total	100	100.0	

**Source: based on Survey data**

The above table very clearly shows that majority of the internal customers are having good experience and very few are less than five years of experience. This is presented in the following bar diagram.

**[i]. Profile of the Samples of Respondent of External Customers (Students)**

This research has collected data from the external customers i.e. students of 10 Management Education Service Providing Organizations of Assam. Of which 262 of them are males and 248 of them are females, total of 510 students have participated in the contribution of data which is presented in the following table.

**Table 1.12  
Gender of External Customers of MESPO**

		Frequency	Percent	Cumulative Percent
Valid	Male	262	51.4	51.4
	Female	248	48.6	100.0
	Total	510	100.0	

**Source: based on Survey data**

**1.15.8. Data Collection Design for the Study**

The strategy used was to collect sufficient and in-depth information about internal marketing practices and the effects of internal marketing practices in Management Education Service Providing Organizations. This in turn made it possible to achieve answers to the research objectives presented in the thesis (**Chapters**). Pilot study was conducted to structure the questionnaires. This study adopted a structured interview strategy conducted through questionnaires of primary data and consequently, three sets of questionnaires, for three targeted population i.e. Management of the Management Education Services Providing Organizations, Internal Customers of the Management Education Services Providing Organizations and External Students of the Management Education Services Providing Organizations were conducted.

Thus, A structured interview through questionnaires is suitable to achieve the aim of this research since it allows the researcher to develop an understanding of the interviewees “*world so that the researcher can influence it, either independently or collaboratively*’ **Easterby-Smith<sup>185</sup> et al (2002)** through interaction with the interviewees during the interviews. This research used structured interview through questionnaires in order to explore the meaning of the terms internal marketing practices and quality of service to reveal the aims of internal marketing practices and how and why internal marketing is used within Management Education Services Providing Organization. Thus, structured interview through questionnaires allow the researcher not only to reveal and understand ‘**what**’ and ‘**how**’ but also to put more emphasis on exploring ‘**why**’ **Saunders et al<sup>186</sup>(2003)**.

Qualitative research of structured interview through questionnaires has its benefits as it allows the researcher to ask follow-up questions in order to get extra information, which is accurate in a questionnaire **Hussey and Hussey<sup>187</sup> (1997)**. There is more specific probe in the topics that can be introduced only after the main issues have been raised if the interviewees have not discussed them already in the context of the main subject area **Patton<sup>188</sup> (2002)**. Follow up questions are useful because they can increase the richness and depth of the interviewees responses **Patton<sup>189</sup> (2002)**.

---

<sup>185</sup> Easterby-Smith, M., Thorpe, R. and Lowe, A.,(2002), "Management research: an introduction", 2nd ed. London: Sage.

<sup>186</sup> Saunders, M.N.K., Lewis, L. and Thornhill, A.,(2007),"Research methods for business Students", 4th ed. Harlow: Financial Times Prentice Hall.

<sup>187</sup> Hussey, J. and Hussey, R.,(1997), "Business research: a practical guide for undergraduate and postgraduate students", Basingstoke: Macmillan Business.

<sup>188</sup> Patton, M. Q. (2002),“ Qualitative Research and Evaluation Methods (3rd ed.). Thousand Oaks, CA: Sage.

<sup>189</sup> Patton, M. Q. (2002),”Qualitative Research and Evaluation Methods (3rd ed.). *Thousand Oaks, CA: Sage.*

Also, it allows a variation in the order and logic of the questions from one interview to another (**Easterby-Smith et al<sup>190</sup> 2002; Jankowicz<sup>191</sup> 2005**). Therefore, the questions raised and the issues discussed and explored by using structured interview through questionnaires can differ from one interview to another **Hussey and Hussey<sup>192</sup> (1997)** because the researcher has to direct the interview based on the issues raised by the interviewees. In other words, questions will not be asked in the same order as they are in the interview protocol, instead questioning will be based on the interviewees' responses, as suggested by **Carson et al<sup>193</sup> (2001)** so as to allow them to expand, elaborate and digress **Alam<sup>194</sup> (2005)**. Consequently, the interviewees will be able to cover in their own words critical and important issues **Kvale<sup>195</sup> (1983)**. This in turn may allow an understanding of the reality of internal marketing practices and quality of service phenomena in management education services providing organization.

#### **1.15.9. Primary Data collection**

Primary data has been collected by the researcher by adopting personal interview method using Questionnaire, observation method. Secondary data from literature review.

#### **1.15.10. Questionnaire Design**

Variables that is considered are 'Internal Customers' 'participation in management decision making' , 'satisfaction to the Internal Customers', 'satisfaction of the external

---

<sup>190</sup> Easterby-Smith, M., Thorpe, R. and Lowe, A.,(2002), "Management research: an introduction", 2nd ed. London: Sage.

<sup>191</sup> Jankowicz, A.D. (2005), "Business Research Projects" (4th edn). London: Thomson Learning.

<sup>192</sup> Hussey, J. and Hussey, R.,(1997), "Business research: a practical guide for undergraduate and postgraduate students", Basingstoke: Macmillan Business.

<sup>193</sup> David Carson, Audrey Gilmore, Chad Perry, Kjell Gronhaug, (2011), "Qualitative Marketing Research", Sage Publication, New Delhi.

<sup>194</sup> Alam, I.,(2005), "Fieldwork and data collection in qualitative marketing research: 'Qualitative Market Research'", An International Journal, Vol. 8 Issue No: 1,Pp. 97-112.

<sup>195</sup> Kvale, S.,(1983) "The qualitative research interview: a phenomenological and hermeneutical mode of understanding", Journal of Phenomenological Psychology, Vol 14, Pp. 171-96.

customers’ , ‘The improvement of quality of Internal Customers’ , ‘improvement on the quality external customers, ‘Improvement in the performance of the external customers’ , The internal marketing Practices’ , ‘the organization’s performance’, the Internal Customers’ performance , the external customers performance’ ‘Internal Brand Building’, ‘External Brand Building’ . 5 point scaling techniques as well as 2 point scaling techniques was applied and appropriate items for developing the scale in respect of the above variables were ascertained from the survey of literature. The questionnaires were pilot tested before it was formally applied for data collection. In all three sets of Questionnaire were designed, the first for interviewing the Management of Management Education Services Providing Organizations (**Annexure1**) and the second for interviewing the Internal Customers i.e. employees of Management Education Services Providing Organizations (**Annexure 2**) and third for External Customers i.e. students of Management Education Services Providing Organizations (**Annexure 3**). The interview questions vis-à-vis items of the questionnaires were developed after undertaking an in-depth survey of literature relating to various dimension of internal marketing. Each set of questionnaires consists of 20 questions in 2 domains for management, 87 questions in 13 domains for employees i.e. internal customers and 65 questions in 6 domains for students i.e. external customers, respectively were collected from the selected 10 Management Education Services Providing Organizations of Assam.

To be more precise, for the purpose of the present study, Management implied a body constituted by the organizations which function for the welfare of the management department of the organization. Data were collected from those people who take part in the management of the organization. It included staff, teacher, professor who take part in the management of the organization. Teachers, for the purpose of the study, meant enrolled Teachers i.e. Internal Customers are those employees who teach in the management department of the organization.

Data were collected from Assistant Professor, Associate Professor and Professor. Students here implied Students i.e. External Customers those who were on the register of students of Management Education Service Providing organizations. Data were collected only from them.

**Period of Data Collection:** Data were collected from July 2014- 2015 December which were once again updated on January 2016. Data collected from sample were currently associated with the management department of the organization and students were pursuing their studies.

#### **1.15.11. Data Analysis Design**

The data were analyzed with the help of SPSS software and the results are expressed in the form of table, diagram and graphical representation to make the study more clear. The statistical measures/tests that were used are:

##### **[a]. Reliability Test of Cronbach's Alpha**

Cronbach alpha is a useful and flexible tool that can be used to investigate the reliability of test results. Cronbach alpha estimate (often symbolized by the lower case Greek letter  $\alpha$ ) interpreted just like other internal consistency estimates. It estimates the proportion of variance in the test scores that can be attributed to true score variance. Cronbach alpha is used to estimate the proportion of variance that is systematic or consistent in a set of test scores. It can range from 00.0 (if no variance is consistent) to 1.00 (if all variance is consistent) with all values between 00.0 and 1.00 also being possible.

Cronbach alpha provides an estimate of the internal consistency of the test, thus (a) alpha does not indicate the stability or consistency of the test over time, which would be better estimated using the test-retest reliability strategy, and (b) alpha does not indicate the stability or consistency of the test across test forms, which would be better estimated using the equivalent forms reliability strategy. Cronbach alpha is appropriately applied to norm-referenced tests and norm-referenced decisions.

All other factors held constant, tests that have normally distributed scores are more likely to have high Cronbach alpha reliability estimates than tests with positively or negatively skewed distributions, and so alpha must be interpreted in light of the particular distribution involved. All other factors held constant, Cronbach alpha will be higher for longer tests than for shorter tests (as shown and explained in **Brown et al<sup>196</sup> 1998 & Brown et al<sup>197</sup> 2002**), and so alpha must be interpreted in light of the particular test length involved.

The standard error of measurement (or SEM) is an additional reliability statistic calculated from the reliability estimate (as explained in **Brown, 1999b<sup>198</sup>**) that may prove more useful than the reliability estimate itself when one are making actual decisions with test scores. The SEM's usefulness arises from the fact that it provides an estimate of how much variability in actual test score points the investigator can expect around a particular cut-point due to unreliable variance (**Brown 1996<sup>199</sup> or Brown 1999a<sup>200</sup>**).

#### **[b]. One sample Kolmogorov-Smirnov Test**

A test for goodness of fit usually involves examining a random sample from some unknown distribution in order to test the null hypothesis that the unknown distribution function is in fact a known, specified function. We usually use Kolmogorov-Smirnov test to check the normality assumption in Analysis of Variance. A random sample is drawn from some population and is compared with to see if it is reasonable to say that estimated

---

<sup>196</sup> Brown EN, Frank LM, Tang D, Quirk MC, and Wilson MA (1998), "A statistical paradigm for neural spike train decoding applied to position prediction from ensemble firing patterns of rat hippocampal place cells. *J Neurosci* Vol 18, Pp 7411–7425,

<sup>197</sup> Brown EN, Barbieri R, Ventura V, Kass RE, and Frank LM.(2002), "Thetime-rescaling theorem and its application to neural spike data analysis", *Neural Comput* Vol 14, Pp 325–346.

<sup>198</sup> Brown, J. D. (1999b), "Statistics Corner. Questions and answers about language testing statistics: The standard error of vs. standard error of measurement. Shiken: JALT Testing & Evaluation SIG Newsletter, Vol 3, Issue No 1, Pp 15-19. Retrieved December 20, 2012 from the World Wide Web:[http://jalt.org/test/bro\\_4.htm](http://jalt.org/test/bro_4.htm).

<sup>199</sup> Brown, J. D. (1996), "Testing in language programs", Upper Saddle River, NJ: Prentice Hall.

<sup>200</sup> Brown, J. D. (trans. by M. Wada). (1999a). *Gengo tesuto no kisochishiki*. [Basic knowledge of language testing]. Tokyo: Taishukan Shoten.

distribution is the true distribution function of the random sample. One logical way of comparing the random sample is done by means of the empirical distribution function.

### [c] Pearson Correlation

Pearson coefficient of correlation measures the strength of the linear relationship between two variables. This is also known as a simple correlation coefficient which is denoted by “r” value range from -1, through 0, to +1. If the “r” value is -1 then it indicates that there is a perfect negative relationship between two variables. If the value is +1 it indicates that there is a perfect positive relationship between two variables. If the value is 0 it indicate that there is no relationship between two variables. The correlation coefficient “r” can be calculated in by using the following formula:

$$r_{xy} = r_{yx} \frac{\sum(X_i - \bar{X})(Y_i - \bar{Y})}{\sqrt{\sum(X_i - \bar{X})^2 \sum(Y_i - \bar{Y})^2}}$$

Where  $r_{xy} = r_{yx}$  is the correlation coefficient for the variable X and Y

Where;  $\bar{X}$  = the mean of X,  $\bar{Y}$  = the mean of Y,  $X_i$  = the value of variable X, and

$Y_i$  = the value of variable Y

### [d]. Spearman's rho

Pearson coefficient of correlation is not appropriate for variables other than interval – scaled variables. But rank correlation coefficient can be used which is also known as Speramsn’s rank correlation coefficient. The rank correlation coefficient describes the linear relationship between two ordinal –scaled variables. The rank correlation coefficient is denoted by ‘ $r_s$ ’ which range from 0 to +1. The following formula is used to calculated rank correlation.

$$r_s = 1 - \frac{6 \sum_{i=1}^N D^2}{N(N^2 - 1)}$$



Where,  $N$  = Total Number of Variables,  $D$  = Difference of the rank of two variables.

### **[e] Meaning of Asymp. Sig**

Significance testing refers to the use of statistical techniques to determine whether the sample drawn from a population is actually from the population or it is due to the chance factor. Usually, statistical significance is determined by the set alpha level, which is conventionally set at .05. Inferential statistics provide the test statistics and significance level of the analysis conducted, and if the associated p value (or significance) value falls below the determined alpha level, then the analysis can be said to be statistically significant. Significance is then used to determine whether the relationship exists or not. For example, if the correlation coefficient is significant at the .05 level, then it can be said that we can reject the null hypothesis and accept the alternative hypothesis that a relationship exists between the dependent and independent variable(s).

### **1.16. Reporting Design**

Following were the Chapterisation scheme organized for the present study:

**Chapter – 1** under the title Introduction includes Theoretical Background, Description of the Problem, Purpose of the study, Statement of the Research Objectives, literature review of the study which identified background of the variables taken for the study, Research design and methodology which includes objectives & hypothesis considered for the study.

**Chapter – 2** under the title Participation in Management includes analysis of Participation in Management in the context of Internal Marketing in general and relationship between the ‘Internal Customers’ ‘participation in management decision making’ in one hand and ‘satisfaction to the Internal Customers’, and ‘satisfaction of the External Customers’ on the other i.e objective No. 1 and Hypotheses No. 1 in particular.

**Chapter – 3** under the title Quality of Services includes analysis of improvement of Quality of Services in the context of Internal Marketing in general and to ascertain relationship between ‘The improvement of quality of Internal Customers’ in one hand and ‘improvement on the quality of External Customers, ‘Relationship with External Customers’ and ‘Improvement in the Performance of the External Customers’ on the other hand i.e. objective No. 2 and Hypotheses No. 2 in particular.

**Chapter –4** under the title Internal Marketing and Performance includes analysis of Internal Marketing and Performance in the context of Internal Marketing Practices of Management Education Service Providing Organization in general and to ascertain the degree and direction of association between ‘the Internal Marketing Practices’ in one hand and ‘the Organization’s Performance’, ‘the Internal Customers’ Performance’ and ‘the External Customers Performance’ on the other hand i.e. objective No. 3 and Hypotheses No. 3 in particular.

**Chapter –5** under the title Internal Marketing and Brand Building dealt with role of Internal Marketing in Brand Building in general and to ascertain relationship between ‘the Internal Marketing Practices’ in one hand and both ‘Internal Brand Building’, ‘External Brand Building’ on the other hand i.e. objective No. 3 and Hypotheses No. 3 in particular.

**Chapter – 6** under the title Conclusion, includes general Discussion incorporating the implications of the present study and Suggestions for further improvements, identifying the scope for further Research, limitations of the study.