

CHAPTER 6

CONCLUSION AND IMPLICATION

The final part of this chapter will present implications to practitioners, theory and for future research within the research area based on the findings and conclusions.

6.1 Conclusion

RQ1: How does leader's role in organization's implementation of internal marketing?

From the in-depth interview conducted with five leader and informal interview with researcher's mentor. It is clear that leader role have a enormous effect on the planning and implementation of internal marketing strategy. As the essence of internal marketing is building from the inside, not only the marketer and frontline employee who responsible in the implementation but also the leader have to be aware of this issue before the company could established themselves in the external market.

Openess and communication among leader, senior management, middle management and other employee also play strong role. Even a security officer, which by level of importance usually be ruled out, through this internal marketing implementation becoming the target of the company. Every level have to involve and realize the importance of internal marketing implementation, also be educated of the outcome of this strategy. No matter the middle management push the customer contact employee to perform better, the implementation would be more successful unless from top management and leader also walk the talk.

The factor empathy and consideration, value and information sharing, point out the gap between leader to their subordinates. Therefore, organization need to make and action to minimized this gap in order to deliver and serve their internal customer better. In other words, it is how the company create a culture to align their vission, mission and value in order to get the better return to the stakeholders through their own internal market, their employee.

Overall the study, every company have different ways of the implementation, among those company, the government-owned printing company comes as the most dissimilar. Two out of six factor being examined were not utilized and not significant in the company, those two factors are benchmarking, and job quality and rewarding.

The other finding from this study is that performance rewarding, atmosphere, and bechmarking are still becoming dilema for some company as the apple-to-apple company are hard to find, also the culture in each company are different and the non-monetary aspects are harder to be measure.

RQ2: How does employee's perspective of organization's implementation of internal marketing?

From the questionnaire conducted, overall the data shows that Danareksa has 3,16 which represent tend to agree. It implies that the company already implement the internal marketing program. The empirical study here shows that the factor analysis for two indicator E3 and P4 were not appropriate. The Indicator describe about personal attention to subordinate family and giving the feeling to subordinates to work the best for their direct supervisor. As it is also mention by the CEO of property company, that Indonesia people are catagorized as faint-hearted when it come to speak their mind. This can be seen as the reason, factor analysis of indicator E3 and P4 were not appropriate.

Here researcher would like to add that the two indicator might give Danareksa a new point of view in the internalization of the company' internal marketing program. These two factor might boost the sense of belonging among the employee in order to perform their job better. It is not only in the technical input but also from the non-technical such as relationship and oneness.

Over all the result of the measurement on the employee perspective shows that PT Danareksa (persero) have implement internal marketing although the outcome

only fall on the range of tend to agree. Here researcher would like to point out that not all of the employee are well-informed and realized about PT Danareksa (persero) strategy.

The gap of leader and employee for factor examined in the study appear in three factors; empathy and consideration; value and information sharing; and promotional. Here are the gap and its prescriptions to close the gap according to Lovelock and Wirtz (2007):

- Factor Empathy and Considerations

The culture built in the company run around circle of working performance and work related area only, while conversely employee felt that the company did not considered much in subordinates family life examine in the deleted indicator, E3. This can be categorized in Gap 3 delivery gap, few options can be used to minimized the gap:

- Improve recruitment; select employees for the abilities and skill to perform the job.
- Train employee on technical and soft skills.
- Clarify employee roles and ensure they understand how the job contributes to customer satisfaction, teach them about customer expectations, perceptions, and problems.
- Build cross-functional service teams that offer customer-centric service delivery and problem resolution.
- Empower managers and employees in the field by pushing decision-making power down the organization.
- Measure performance, feedback, and reward for team performance as well as individual employee attaining quality goal.
- Select the most appropriate technology and equipment to enhance performance
- Ensure employee working on internal

- Factor Value and Information Sharing

The gap here refers to the Gap 4, Internal Communication Gap, seen as the gap of indicator V1. To minimized the gap and achieve a better performance, here are few options of those steps:

- Seek input from front-line employees and operations personnel when new communications programs are being developed.
- Let service providers preview advertisements and other communications before customers are exposed to them
- Get sales staff to involve operations staff in face-to-face meetings with customers
- Develop internal educational and motivational advertising campaigns to strengthen understanding and integration among marketing, operations, and human resource functions and to standardized service delivery across different locations.
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- Factor Promotional

The gap here in the indicator P3 examined about the supports employees in their informal organization (such as society clubs) in an attempt to raise all employee's commitment to company. This refer to the gap analysis of Gap 2, Standard Gap and Gap 4, Internal Communication Gap:

- Use rigorous, systematic and customer-centric process for designing and redesigning customer service processes.
- Standardized repetitive work tasks to ensure consistency and reliability by substituting hard technology for human contact and improving work methods
- Establish for each step in service delivery a set of clear service quality goals that are challenging, realistic, and explicitly designed to meet customer's expectation.
- Ensure that employee understand and accept the goals, standards and priorities.

6.2 Implication

As the size sample of the quantitative data is small, researcher would like to suggest to chose a bigger sample for further examination or measurement of this implementation. This also can be done across all subsidiaries of PT Danareksa (persero) outside Jakarta. To examine the impact of this implementation from the external sides, further research may want to target the internal and external customers of PT Danareksa (persero) simultaneously.

It is suggested, however, that employees need to be segmented along motivational lines rather than departmental or other lines traditionally used in HRM. It is suggested, therefore, that internal marketing cannot and should not be the sole responsibility of any department (Marketing, Personnel or any other). Furthermore, because of the very nature of internal marketing function of motivating all employees towards the effective and integrated implementation of corporate and functional goals, for such a programmed needs to come from strategic management (Rafiq & Ahmed, 1993).

For the capital market industry, it is important to “wake-up” and start to look from the inside. As it is already said that the essence of this internal marketing strategy is to bring the inside to serve the external customers. Here company can minimize and overcome the gap in the delivery of service. Communication as many of the leaders highlighted is also a big homework for Indonesian company, which means a change management that involve the company culture.

Communication as the heart of internal marketing where every level employee are able to absorb the internal communication given by marketing department through human resource department (American Marketing Association, 1995). Internal communications is traditionally viewed as the sole province of the human resources department, but it's essential to recognize the importance of marketing to internal customers. With the same message, companies are able to deliver same content to different level employee. Aligning operations to deliver brand promise, by using the brand to communicate organization's strategies and goals, organization can create a more effective, efficient and unified organization.

Internal branding ensures employees to live and breathe the brand so they would deliver brand promise to the external customer.

Through better communication, government executives and human capital professionals engage employees to improve organizational performance. According to Trahant (2008), given the continuing focus in government on improving employee productivity and accelerating federal agency transformation, findings from Watson Wyatt's 2007/2008 Communication ROI study offer some tantalizing clues as to how government executives and human capital (HC) professionals can foster stronger employee engagement and drive improved organizational performance. Although the findings from *Secrets of Top Performers: How Companies with Highly Effective Communication Differentiate Themselves* are based on private-sector research, they hold tremendous relevance for government agencies that want to improve employee alignment and enhance operating effectiveness (Trahan, 2008).

- Keep the customer front and center in all employee communication programs.
- Design communication programs that engage employees in “running the business.”
- Work to continuously enhance the communication effectiveness of managers.
- Leverage the talents of internal communicators to manage change effectively.
- Measure the impact of employee communication on key business metrics.
- Maximize the employee experience “brand.”