
ACHIEVING EMPLOYEE SATISFACTION BY PURSUING SUSTAINABLE PRACTICES

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Abstract:

Internal marketing is based on the satisfaction of employees that eventually leads to the retention and attraction of the best employees that help a company succeed in a highly competitive globalized environment. In the context of internal marketing, sustainability would translate into a triple advantage of employee satisfaction, long-term sustainable profit and a durable planet with less pollution. For a more complete vision of the practice of internal marketing in ten global companies, we researched the satisfaction of employees from two perspectives: current satisfaction at work and motivation to work for the current company over the next three years, as evidence of the present satisfaction of personnel.

Key words: *internal marketing, employee satisfaction, sustainability, green marketing*

1. Introduction

The internal marketing concept argues that the organization's employees are the first market of any company (Berry, 1981; George and Gronroos 1989; George 1990), the rationale being that employees are internal customers and jobs are internal products. Moreover, internal marketing has been described as a philosophy for managing the organization's human resources based on a marketing perspective (George and Gronroos, 1989).

Although internal marketing was first proposed as a way to deliver high levels of quality in service industries (Berry, 1981; Grönroos, 1981), nowadays it is considered a paradigm of organizational change, management and implementation strategies (Ahmed and Rafiq, 2002).

Indeed, some organizations worldwide have started viewing internal marketing as a strategic weapon to help achieve high-quality service delivery and thereby achieve greater customer satisfaction (George, 1990).

Implementation of internal marketing programs has gained momentum recently, especially in the context of emphasizing on sustainability and companies' needed internal support for pursuing such green practices.

Marketing corporate social responsibility goals internally makes external efforts much more likely to succeed (Grayson and Sanchez-Hernandez, 2010). In addition, involving stakeholders in corporate strategies is considered a good policy which provides companies with competitive advantages (Walsh, 2005). In this sense, employee integration in CR, as relevant internal stakeholders, should be evaluated as a strategic capability for the organization (Sharma and Vredenburg, 1998). In fact, Sharp and Zaidman (2010) have observed a tendency for more and more participation by employees in CR activities as a part of their obligations as employees. Therefore, companies that want a suitable strategy for implementing the idea and the challenges of CR could develop and put into practice an internal marketing plan to help engage employees in CR (Grayson and Sanchez-Hernandez, 2010)

From a practical and theoretical perspective, there are altruistic and strategic perspectives concerning the application of green marketing in both the internal and the external environment of an organization. Recently, Fernandez-Kranz and Santaló (2010) demonstrated empirically that corporations in highly competitive industries have better ratings when they apply green techniques and socially responsible policies, regardless of any altruistic motivation a company's management might have.

2. Using Green Internal Marketing Practices for Achieving Employee Satisfaction

Internal marketing is based on the satisfaction of employees as a premise to achieve the retention and attraction of top talent that will lead to corporate success. In the context of sustainability, the most important aspect is the employee engagement. Kahn (1990) proposed that employee engagement is associated with three psychological conditions: meaningfulness, safety and availability. People are more willing to expend additional effort if they feel they will be protected and rewarded in a way that matters to them.

By providing opportunities for engagement and involvement, employees will be more connected with their work and will feel that their actions make a difference in improving the environment and other social issues.

Sustainability is linked to the concept of three pillars - People, Profit, Planet. In the context of internal marketing, this would translate into a triple advantage of

employee satisfaction, long-term sustainable profit and a durable planet with less pollution.

Studies show that employee satisfaction is not necessarily or only related to the compensation system. An increase in salary or other benefits may improve the level of satisfaction of employees but only on a short term. However, employee engagement and involvement in sustainable and social responsibility programs can have positive long-term repercussions, both on a personal, and a professional level for employees.

Internal and external programs with environmental and social goals tend to lead to a greater commitment from staff, motivating employees in terms of work productivity, because their work performance (or outside the company if they pursue voluntary programs) leads to a lower level of planet pollution and has a positive impact on a community. Thus, employees feel a higher level of engagement and satisfaction in a company that creates the prerequisites to pursue sustainable practices.

Employee satisfaction can be enhanced when the focus is on value co-creation of social and sustainable practices (Bhattacharya, Sen, Korschun, 2007). Creating a work environment where employees have decision-making power and accountability represents a critical aspect in the satisfaction of employees, in general, and for practicing sustainability internally, in particular.

The need for internal satisfaction of employees, as well as for the recruitment and retention of capable people, encourages organizations to treat employees as customers (Berry, 1981). Thus, it is estimated that the internal customer satisfaction and loyalty contribute to satisfying the external customers, leading ultimately to a company's profit maximization (Dumitrescu and Apostu, 2009.). There is a link between quality, productivity, employee satisfaction, and customer satisfaction.

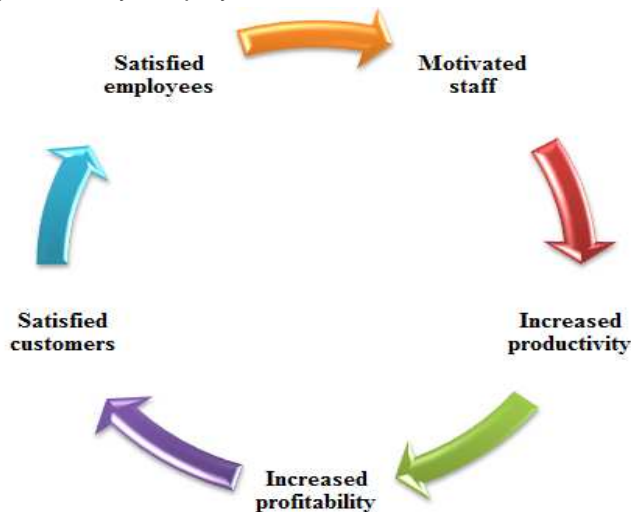


Figure 1. The vicious circle of internal marketing
Source: Adapted from Ahmed and Rafiq, 2002, p. 110

The internal marketing logic, presented in the Figure 1, refers to the fact that when the needs of internal customers are met, the organization is in a better position to deliver the quality required to meet the needs of external clients. When this logic is applied to internal marketing in a company barriers between departments are not as visible and may lead to prosecution sustainable practices.

To create the prerequisites for internal customer satisfaction, one should consider the elements that create employee dissatisfaction, namely role ambiguity, role conflict and role stress (Ahmed and Rafiq, 2002) in the working environment of an organization:

- *Role ambiguity* is experienced by employees when they do not have the necessary information to perform their duties. Especially in the sustainability approach, this ambiguity should be avoided by delimiting the identity of tasks and setting goals and objectives for each task so that employees can perform green programs successfully and transparently.

- *Role conflict* is determined mainly by the lack of feedback and credit recognition of the employees, but can be mitigated as follows:

- Feedback from colleagues and management, integrated within a specific task: When employees believe or know that their views are taken into consideration and can lead to the influence of certain decisions or green programs, their commitment to the company becomes more profound and they feel encouraged to continue and have an ongoing positive dialogue.
- Credit recognition is a well-known form of employees' satisfaction and loyalty and its absence may lead to a higher defect rate.

- *Role stress* at work is mainly determined by bureaucracy, employee relations with colleagues and management, lack of respect, financial aspects related to the job, and job security.

Employee satisfaction can be increased by treating jobs as products, namely by establishing and building jobs with features that current or prospective employees can relate to and value. In this context, sustainability can provide a level of motivation and commitment from staff that would ultimately lead to satisfaction and loyalty to the organization.

3. Research on Employee Satisfaction in Ten Global Corporations in Their Pursuit of Sustainability

Internal marketing is based on the satisfaction of employees that eventually leads to the retention and attraction of the best personnel that help a company succeed in a highly competitive globalized environment.

The main purpose of this exploratory research is to comprehend employee satisfaction in ten multinational corporations. In order to fulfill the research purpose, the following objectives and hypotheses were established:

Objective 1: Determining the perception of employees regarding the corporate social responsibilities within the companies they currently work for.

Hypothesis 1: Most of the respondents consider the reputation of the company as a main driver of their companies' sustainability agenda.

Objective 2: Determining the present level of employee satisfaction with their job.

Hypothesis 2: More than 70% of the employees have an above average level of workplace satisfaction.

Objective 3: Determining the possibility to continue working in the same company, in the next three years.

Hypothesis 3: Approximately half of the respondents would consider working for the same company in the next three years.

Measurement and research instrument

The measurement items for this study consisted of multiple choice questions. A web-based consumer survey was used for the data collection. The data collection was achieved by using the professional social networking site LinkedIn. A brief description of the survey and a URL address was posted as messages for employees (and personal connections) of ten multinational companies, namely Facebook, Google, Procter & Gamble, Unilever, General Electric, Amazon.com, Best Buy, The Coca – Cola Corporation, Microsoft, and Starbucks.

The online survey provided 52 usable responses. Considering the fact that we approached 170 personal network of professional connections, we achieved a valid response rate of 30.58%. Regarding the employees' profiles, most of the respondents were males (57.7%). Most of the employees who responded to this survey are currently working in United States of America (69.2%). Also, most of the responses came from Facebook (19.2) and Google(15.4%) employees. More information regarding the respondents' profiles can be observed in Table1.

Table 1. Respondents' profiles

Company	Sex	Country	Age	Percentage
Amazon.com	Male	USA	25 - 29 years old	5.8%
			20 - 24 years old	1.9%
			30 - 34 years old	1.9%
			35 - 39 years old	1.9%
Best Buy	Female	USA	35 - 39 years old	3.8%
The Coca – Cola Corporation	Female	United Kingdom	20 - 24 years old	1.9%
		Romania	20 - 24 years old	1.9%
Facebook	Male	Ireland	35 - 39 years old	3.8%
		United Kingdom	35 - 39 years old	3.8%
		USA	25 - 29 years old	5.8%
	30 - 34 years old		1.9%	
	Female	USA	35 - 39 years old	3.8%
Google	Male	USA	25 - 29 years old	3.8%

			30 - 34 years old	3.8%
	Female	United Kingdom	25 - 29 years old	3.8%
		USA	30 - 34 years old	3.8%
General Electric	Male	USA	20 - 24 years old	3.8%
			35 - 39 years old	3.8%
Microsoft	Male	USA	25 - 29 years old	1.9%
			35 - 39 years old	3.8%
	Female	USA	25 - 29 years old	1.9%
			35 - 39 years old	3.8%
Procter & Gamble	Male	China	25 - 29 years old	3.8%
	Female	Argentina	25 - 29 years old	1.9%
		Brazil	30 - 34 years old	1.9%
Starbucks	Male	SUA	40 - 44 years old	3.8%
	Female	SUA	30 - 34 years old	5.8%
		SUA	35 - 39 years old	1.9%
Unilever	Female	Brazil	25 - 29 years old	3.8%
			30 - 34 years old	1.9%
		France	30 - 34 years old	1.9%

Results

The study started by examining the perception of the employees in terms of what they consider drives the sustainability and corporate social responsibility agenda in the companies the presently work for.

This measurement was achieved through a multiple choice question for which the following responses were registered: Reputation or brand – 44, Ethical considerations – 40, Employee motivation – 34, Innovation and learning – 20, Risk management or risk reduction – 22, Access to capital or increased shareholder value – 16, Cost savings – 24, Improved relationships with suppliers – 16, Market position improvement – 22, Better relationships with governments – 18.

In Figure 2, it can be observed how employees from the ten global companies perceive the importance the corporations they work for prioritize sustainability. For instance, employees from Microsoft perceive that innovation and learning drives the pursuit of sustainable practices.

Facebook employees consider that the improvement of their market positioning is a key driver of such an agenda; however, they seem to consider that their motivation matters in the establishment of such green practices with internal and external effects, more so that what other respondents consider on this particular driver.

Considering the conglomerate extension of General Electric, the employees from this company who participated in this study perceive sustainability, for the most part (by comparing their responses for the other drivers examined), as a way of improving the relationships with their suppliers.

For a more complete vision of internal marketing within the global companies examined in this research, we studied the satisfaction of employees from two perspectives: current satisfaction at work and motivation to work for the current

company over the next three years, as evidence of the present satisfaction of employees.

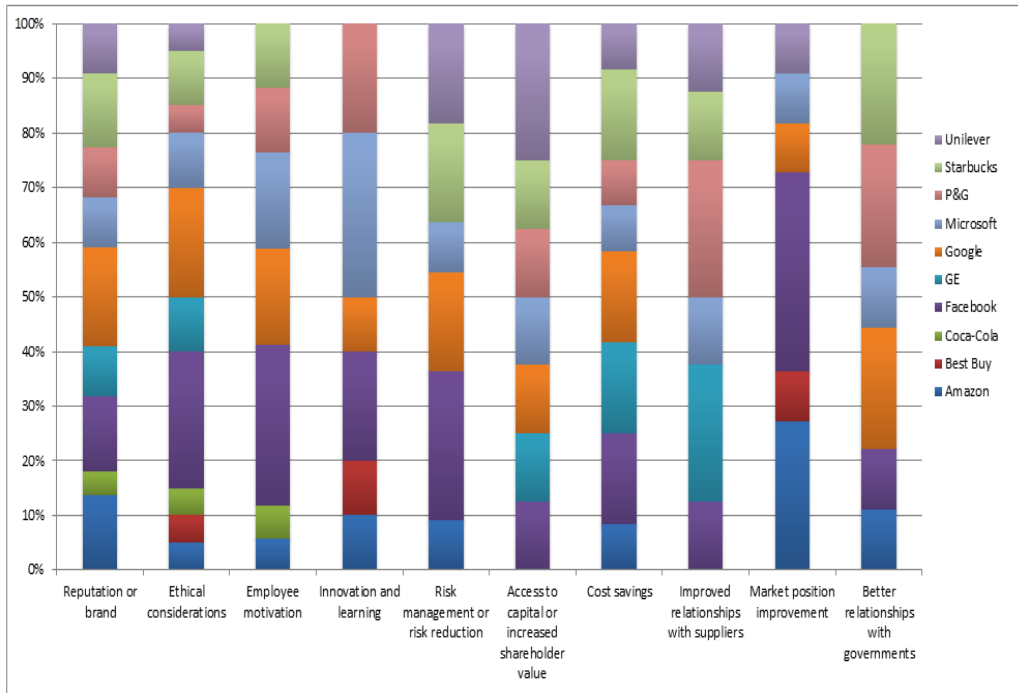


Figure 2. Employees' perception regarding the drivers of their companies' sustainability agenda

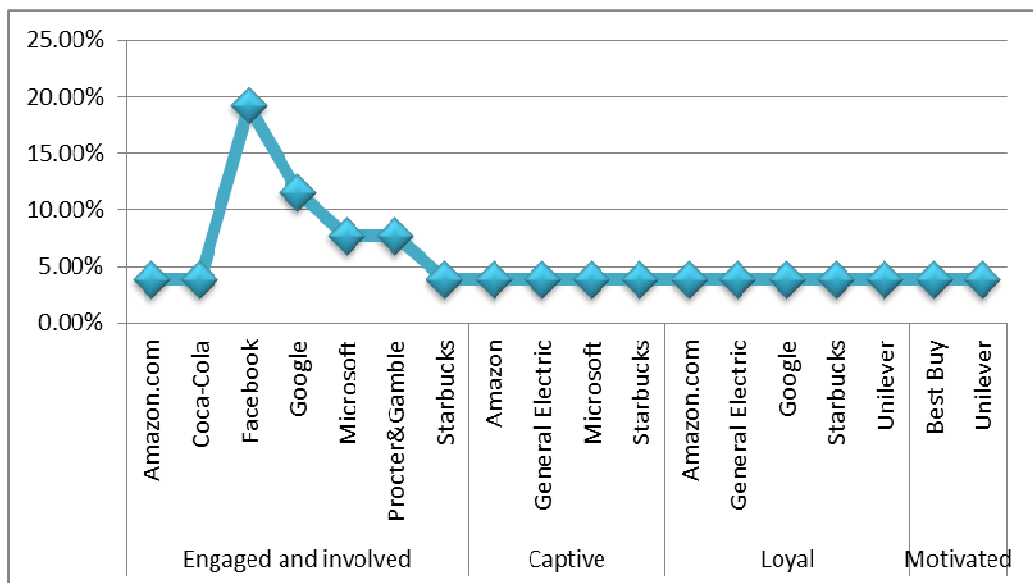


Figure 3. Present level of employee satisfaction

Figure 3 displays the motivational states of the employees that participated in this research, namely we have established four states: employees that are engaged, captive, loyal, and motivated at work.

Thus, *employees that are engaged and involved* have the highest level of motivation at work, which translates into a higher level of satisfaction. Employee engagement is a holistic variable that depends on various positive aspects related to motivation, satisfaction, work interactions, and, in this case, a sustainable corporate culture that these employees display. Engagement is the most important aspect, especially if the organization seeks to pursue sustainable practices.

People who currently work at Amazon.com, Coca-Cola, Procter & Gamble, Microsoft, Starbucks, Google, and especially Facebook have a higher level of satisfaction at work, thanks to their commitment and engagement displayed. In this category, the companies are well known for what they offer their employees in terms of an open work environment, which has positive repercussions on the perception of employees.

Captive employees from Amazon.com, General Electric, Microsoft, and Starbucks are not motivated at their workplace, and as a result, they do not feel satisfaction. Rather, they seek the stable situation, in terms of financial means, provided by their job, but their level of engagement is low.

Loyal employees of companies like Amazon.com, General Electric, Google, Starbucks, and Unilever are people who are satisfied with their job, but have a lower level of satisfaction than the category of staff who are involved. To improve staff satisfaction and increase loyalty, this category of employees should be driven and impelled by various internal marketing programs, whether general or sustainable.

The last category includes *motivated employees* from Best Buy and Unilever. These people are motivated to change certain aspects in a positive way, and their satisfaction depends on the degree to which these changes may or may not be implemented (either because of management resistance or lack of resources allocated to such changes). Employees in this category want to be involved, therefore, their satisfaction may be enhanced by programs of social value co-creation through sustainable practices.

Moreover, we studied the employees' motivation to continue working for the company in the next three years. This variable examines the long-term vision of employees in accordance with their current workplace satisfaction (Figure 4).

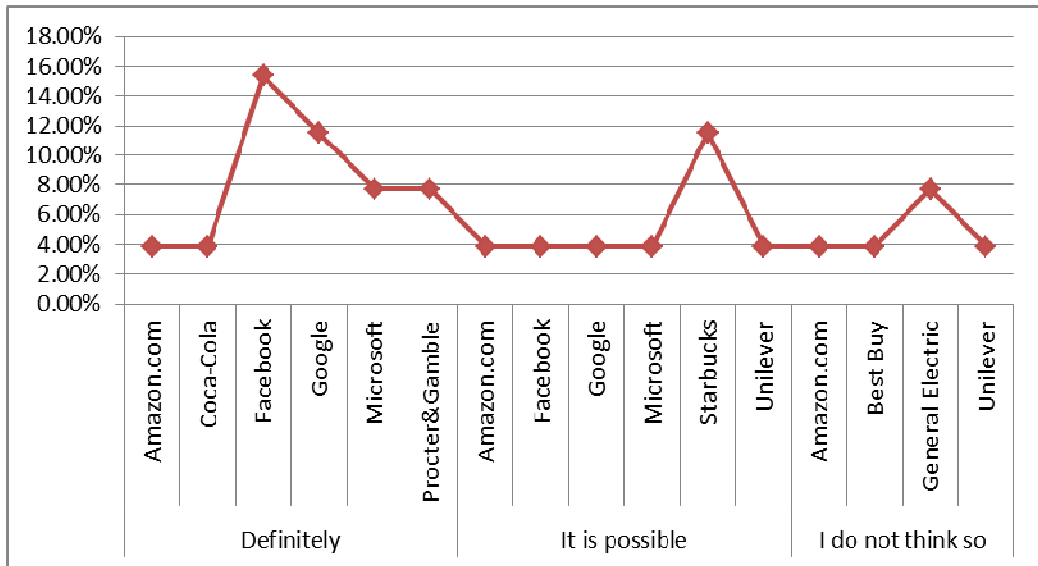


Figure 4. Possibility to continue working in the same company, in the next three years

50% of respondents said they definitely want to stay with the company they are currently working for, namely Amazon.com, Coca-Cola, Facebook, Google, Microsoft, and Procter & Gamble. Therefore, half of the employees examined in this research have a high level of present satisfaction at their workplace, and, as a result, they are motivated to continue at their current job in the next three years. Satisfaction is particularly high since this category includes people from USA who are known for their behavior of changing workplaces at rates that are much higher than in other countries.

30% of respondents indicate an average level of current satisfaction with possible repercussions on their motivation to continue working for their present company, namely Amazon.com, Facebook, Google, Microsoft, Starbucks, and Unilever.

Employees from Best Buy, Amazon.com, General Electric, and Unilever are not too optimistic about continuing their contract with these companies. Thus, these workers have a low level of current satisfaction.

Therefore, although satisfaction rates are above average, creating a work environment where employees have decision-making power and accountability can be a crucial aspect in increasing the satisfaction of employees in general, and their satisfaction and engagement in green internal marketing programs, in particular. Thus, sustainability can provide higher levels of motivation and commitment from staff that would ultimately lead to satisfaction and loyalty towards the organization they work for.

4. Conclusions

Internal marketing can be considered a technique for managing employees in the achievement of corporate sustainable goals.

Employee satisfaction can be increased by using marketing tactics for the internal customers and discovering ways in which they can feel engaged in their workplace and how they co-create sustainable value. In this context, sustainability can provide a level of motivation and commitment from staff that would ultimately lead to satisfaction and loyalty to the organization.

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