

The Influence of Internal Marketing on Job Satisfaction with Employee Engagement as a Mediator (Survei of Bank Syariah Indonesia Employees in Ternate)

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Abstract

The abstract is written in English. It should contain the primary issues of study, the Understanding the elements influencing employee performance is critical since it can determine organizational success. In other words, whether or not employees perform well will significantly impact the organization's future production and profitability. This study aims to see how internal marketing affects Job satisfaction by using employee engagement as a moderating variable. Employees of Bank Syariah Indonesia in Ternate are the research subjects. This study is quantitative. Validity and reliability tests should be performed on the research instrument. Descriptive statistical analysis, SEM (Structural Equation Model), and PLS (Partial et al.) analysis were used to analyze the data. According to the study's findings, internal marketing has no positive or substantial effect on job satisfaction. Internal marketing has a significant and beneficial impact on employee engagement. Employee involvement has a significant and positive impact on job satisfaction. Employee engagement serves as a bridge between internal marketing and Job satisfaction.

Keywords : Internal Marketing, Job Satisfaction, Employee Engagement

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1. INTRODUCTION

The ever-changing customer demands on the global market create a state of constant instability due to the dynamic nature of the corporate environment, which necessitates the capacity to adapt to ongoing economic, political, and social variations (Moreira Mero et al., 2020a). In order to obtain a competitive advantage, the firm launched internal and external marketing tactics. Implementing internal marketing tactics to reward and empower employees to produce superior service quality and perceived customer satisfaction is one potential option that firms may consider to improve their competitive edge (de Bruin et al., 2021).

Several studies have found that internal marketing can be a viable method for increasing employee job satisfaction. Internal marketing originated as a technique to provide high-quality services (Berry LL, 1981) consistently. According to Chen et al. (2021), internal marketing consists of three interconnected progression stages: employee-focused, customer-focused, and company-focused. Internal marketing means viewing

employees as customers and using labor as an internal product to meet their needs, facilitating education and rewards. It motivates individuals to meet customers' needs outside the firm (Q. Chen et al., 2021).

Internal marketing aims to improve employee performance (Frye et al., 2020). Numerous studies undertaken in various contexts have produced empirical evidence to support the premise that internal marketing improves employee satisfaction (Jeong & Lam, 2016). A group of academics set out to create a model combining mediating variables to fill a study gap on the impact of internal marketing on job satisfaction. This is due to the frequent absence of a research paradigm directly affecting service research. In some cases, there may be a link between the two variables, which other factors, such as employee engagement, can modify. In a study conducted by Shahzad and Hummayoun (2013), the authors discovered a link between internal marketing and job satisfaction in Pakistan's banking business. The study also examined the role of intermediaries

Internal Marketing

Internal marketing refers to the efforts of a firm to attract, develop, motivate, and receive quality staff to please customers. Internal marketing is an organization's human resource management, where the employee is regarded as an internal client (Jeong & Lam, 2016). Internal marketing is an effective strategy for human resource management (Bennett & Barkensjo, 2005). Internal marketing is a strategy that involves staff development efforts to cater to employee demands (Narteh, 2012). Internal marketing is a method and mechanism for establishing organizational policies that treat employees as clients by caring for and assessing their needs. Internal marketing entails putting strategies in place to meet the needs of internal customers (Moreira Mero et al., 2020b).

Job Satisfaction

Job satisfaction is defined as an employee's positive attitude or pleasant emotional state in response to the duties and responsibilities they perform at their workplace. Improving the work environment is critical because it plays an essential part in establishing a positive attitude in the workplace (Cao et al., 2020). This viewpoint places a high value on employee well-being and is typically associated with a propensity to show more extraordinary dedication to the company (Eliyana et al., 2019). The concept of job satisfaction refers to the level of enjoyment employees feel about their jobs (Furnham et al., 2009). Job satisfaction relates to an individual's overall attitude and assessment of their work performance, which depends on appropriate incentives and successes. There is a hypothesized association between Job satisfaction and job performance (C. et al., 2006).

Employee Engagement

Employee engagement can be defined as a relationship that occurs emotionally and is owned by employees towards their work, influencing a person to give more effort (Widjaja et al., 2015). Employee engagement is characterized by the vigor (enthusiasm), dedication (dedication), and absorption (understanding) of employees (Schaufeli & Bakker, 2004). Employee engagement is essential for companies to pay attention to because it is an indicator of the success of an organization. Employees will feel positive emotions such as joy, interest, and enthusiasm, which will trigger work motivation to produce good work. Employee engagement shows employees' emotional commitment, and when employees feel happy and satisfied about their

work, they will have a high commitment to the company (Pongton & Suntrayuth, 2019).

Research Hypothesis

H1: Internal marketing positively and significantly affects job satisfaction for Bank Syariah Indonesia Ternate employees.

The organization must consider internal marketing because it has an impact on it. Job satisfaction considerably and favorably influences task performance, lowering counterproductive work behavior (Nemteanu & Dabija, 2021a). According to research (Arkan & Ztürk, 2022), internal marketing has a good impact on courier service employees' job satisfaction, whereas weariness has a negative impact. The manager's function is essential for meeting the demands of employees and ensuring employee job satisfaction.

H2: Internal marketing significant effect on employee engagement to employees of Bank Syariah Indonesia Ternate

Employee Job satisfaction influences employee engagement positively. Employees will have a high commitment to the company and a willingness to be active in accomplishing company goals if they are satisfied with their employment (Yuspahrudin, Eliyana, et al., 2020). Strategy internal marketing increases employee motivation in employee job satisfaction and, thus, employee engagement (Chandra et al., n.d.).

H3: Employee engagement positively and significantly affects job satisfaction for Bank Syariah Indonesia Ternate employees.

Full employee involvement in work so that employees can perform well and participate actively in their work or duties. This is, of course, very important because employees can feel satisfaction at work if they are involved in work or the results of their work are appreciated (Kaawoan et al., 2022). The higher work involvement of employees in the company will improve the quality of good work to lead to job satisfaction (Yuspahrudin et al., 2020).

H4: Employee engagement mediates relationships between internal marketing and job satisfaction for Bank Syariah Indonesia Ternate employees.

In order to recruit personnel in the face of competition, businesses must implement a good internal marketing plan. Companies must also consider employee satisfaction. Increasing employee work involvement will likely boost job satisfaction (Dewi, 2019a).

Internal marketing and Job satisfaction: Internal marketing has a beneficial impact on normative organizational commitment, and Job satisfaction has a favorable impact on organizational personnel. (Goddess, 2019)

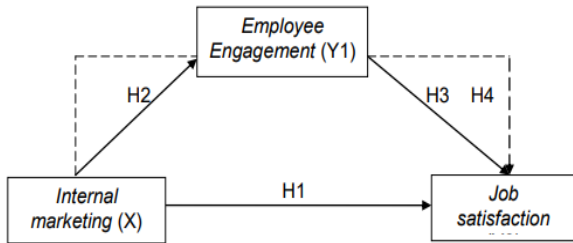


Figure 1. Framework of Mind

2. METHOD

The study used a quantitative research methodology. The approach used in this study can be characterized as quantitative due to the use of numerical data for research goals and statistical analytic tools. Quantitative research is a methodology that employs numerical data, such as scores or statistical analyses, to answer specific research queries or hypotheses and make predictions about one variable's impact on other variables. The study sample included 60 people, primarily employees of Bank Syariah Indonesia in Ternate. The current study collects data using a questionnaire. A 5-point Likert scale was used as the measurement scale in this research.

3. RESULT AND DISCUSSIONS

Data Analysis and Result

Respondent gender characteristics are divided into two categories: men and women. The data acquired from the questionnaire responses of 60 respondents is displayed in Table 1 below:

Table 1. Characteristics of Respondents Based on Gender

Information	Amount	Presentase%
Man	32	53%
Woman	28	47 %

The amount of respondents differentiated based on gender is shown in the table, where respondents with male gender numbered 32 respondents or equal to 53%, and respondents with female gender numbered 28 respondents or equal to 47%.

Table 2. Characteristics of Respondents by Age

Information	Amount	Presentase %
under 20 years	58	19,3 %
21- 25 Years	193	64, 3 %
26 – 30 Years	35	11, 7 %
31 -35 Years	6	2%
36– 40 Years	3	1 %
41 – 50 Years	1	0,3 %
Over 50 Years	4	1.3%
Total	300	100 %

The size of the respondents differentiated by age is shown in Table 2. The majority of respondents in this study were aged between 31-35 years, totaling 17 people or equivalent to 28%, while in other age groups, namely respondents aged 21-25 years, totaling nine people or equivalent to 15%, respondents aged 26-30 years totaling 11 people or equivalent to 18%, respondents aged 36-40 years totaling 15 persons or equivalent to 25%, respondents aged 41-50 years totaling seven people or equal to 8%.

Characteristics of respondents based on length of time worked consisted of four categories, namely, < 5 years, > 5 years, 5-10 years, and > ten years. Based on the results of the questionnaire from 60 respondents, the data obtained is as shown in the table 3.

Table 3. Characteristics of Respondents Based on Years of Service

Length of work	Amount	Presentase %
<5 Years	21	35
5- 10 Years	32	53
>10 Years	7	12
Total		100%

The number of respondents differentiated based on length of work is shown in Table 3. Respondents with length of work < 5 years numbered one person, respondents with length of work > 5 years numbered 20 people, respondents with length of work 5-10 years numbered 32 people, and respondents with working hours > 10 years amount to 10 people.

Convergent Validity Test

The measurement model shows how the variable manifests as the latent variable to be measured. Convergent validity was measured using the parameter outer loading and AVE (Average Variance Extracted). From the results of convergent validity analysis, if the variable manifests a known value <0.70, it must be dropped from the model. This is because it needs to meet the requirements of the convergent validity test. as presented in the table 4.

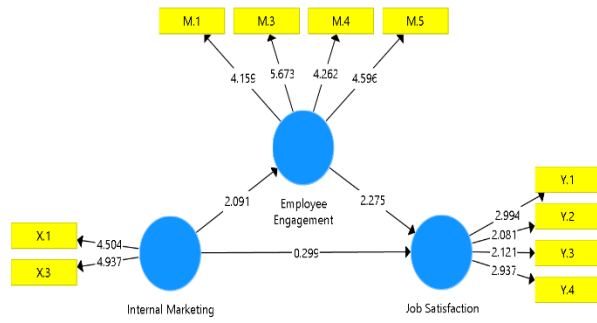


Table 4. Initial Outer Loading

	Employee Engagement	Internal Marketing	Job Satisfaction
M.1	0.760		
M.2	0.550		
M.3	0.850		
M.4	0.721		
M.5	0.703		
X.1		0.797	
X.2		0.500	
X.3		0.729	
X.4		0.596	
X.5		0.674	
Y.1			0.765
Y.2			0.790
Y.3			0.793
Y.4			0.770
Y.5			0.455

Table 5. Final Outer Loading

	Employee Engagement	Internal Marketing	Job Satisfaction
M.1	0.736		
M.3	0.837		
M.4	0.750		
M.5	0.754		
X.1		0.849	
X.3		0.857	
Y.1			0.784
Y.2			0.782
Y.3			0.779
Y.4			0.764

Discriminant Validity

Discriminant validity is observed by assessing value loading, which quantifies the strength of the connection between constructs and their respective indicators, as well as the indicators of other constructs. The default value employed is 0.7; however, it can be determined by comparing the Average Variance Extracted (AVE) value with the correlations of other constructs inside the model. Assuming that the average variance extracted (AVE) within the construct surpasses the correlation coefficient between said construct and the other constructs within the model. In that case, it is said to have value discriminant validity good.

Reliability Test

Cronbach's alpha and composite reliability were used in this study to examine the measurement's reliability. Cronbach's alpha is a statistical metric representing the minimal value of construct reliability, whereas composite reliability represents the actual value of construct reliability. In this study, composite reliability is used to analyze the dependability of the measurements. A typical rule of thumb in academic research is that the value of alpha or composite reliability should be greater than 0.7, as presented in the table 6.

Table 6. Reliability Tes

	Cronbach's Alpha	Composite Reliability
Employee Engagement	0.773	0.853
Internal Marketing	0.773	0.842
Job Satisfaction	0.796	0.859

Hypothesis Testing

Table 7. Path Coefficients

	Original Sample (O)	Sample Average (M)	Standard Deviation (STDEV)	T Statistik (O/STDEV)	P Values	Hypothesis accept
Internal Marketing -> Job Satisfaction	0.042	0.042	0.140	0.299	0.065	H1 rejected
Internal Marketing -> Employee Engagement	0.308	0.312	0.147	2.091	0.037	H2 accepted
Employee Engagement -> Job Satisfaction	0.413	0.449	0.181	2.275	0.023	H3 accepted
Internal Marketing -> Employee Engagement -> Job Satisfaction	0.127	0.141	0.089	1.425	0.155	H4 rejected

Discussion

Based on the results of the hypothesis testing, Figure 1 and Table 4 show the estimated values of the associations between research variables. The letter H1 stands for the first hypothesis, which is under investigation. The study's findings do not support the concept that internal marketing positively and significantly impacts job satisfaction. The conclusions mentioned above are based on a study by Nemteanu and Dabija (2021b). According to the study's findings, internal marketing had no statistically significant impact on employee job satisfaction—the conclusions of this study conflict with the findings of Diakos et al. (2022). Employee Job satisfaction is predicted to rise due to the deployment of internal marketing methods. According to research, internal marketing initiatives significantly and positively impact employee Job satisfaction.

According to the second hypothesis, internal marketing positively and significantly impacts the level of employee involvement that is acceptable within a firm. The outcomes of this study, as corroborated by Evelyn and Dharmayanti's (n.d.) research, show that internal marketing significantly

influences creating engagement between firms and their employees. Rnjar et al. (2020) discovered a significant relationship between internal marketing and employee engagement.

The third hypothesis is accepted based on discovering a positive and significant association between employee engagement and job satisfaction. According to the findings of this study, employee engagement and job satisfaction have a positive and statistically significant relationship with employee performance, as established by Diana et al. (2022). According to Azmy (2021), evidence shows that employee involvement influences job satisfaction. Individuals who build an emotional commitment to their work are more likely to be agile and responsive and more inclined to take the lead in developing business innovation. The presence of job satisfaction is required for the maintenance of performance stability.

The rejection of the fourth hypothesis implies that there is no evidence to support the idea that employee involvement is a mediator between internal marketing and Job satisfaction. Tahir Shahzad (2013) did not conduct this study. Employee engagement mediates the relationship between internal marketing and job statistics. Marjono et al. (2019) discovered that employee involvement has no mediation influence on the relationship between internal marketing and Job satisfaction.

4. CONCLUSION

This study's findings indicate that internal marketing has no discernible positive or statistically significant impact on Job satisfaction. The organization's deployment of internal marketing techniques had no meaningful influence on job satisfaction. Internal marketing has a statistically significant positive impact on employee engagement. Employee involvement has a good and significant impact on job satisfaction. Employee involvement mediates the association between internal marketing and job contentment. This research can help Bank Syariah Indonesia understand the importance of internal marketing, Job satisfaction, and employee engagement, all of which contribute to improved employee performance

Suggestion

Future researchers are expected to study more sources or references related to the object under

study so that the research results are more complete by expanding the research object and adding other variables

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