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**AN INVESTIGATION OF THE EFFECT OF INTERNAL MARKETING ON THE  
STRATEGIC COMPETITIVE ADVANTAGE OF BANKING FIRMS IN KENYA**

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**Abstract**

***Purpose:*** The purpose of this study was to investigate the effect of internal marketing on the strategic competitive advantage of banking firms in Kenya.

***Methodology:*** The research design was a descriptive survey study in nature since it allows a methodical choice of samples and a rigorous analysis of data. The target population of this study was all the commercial banks in Kenya. Both qualitative and quantitative data was used to collect data using a questionnaire that consisted of both open ended close ended questions. Inferential statistics such as correlation were used. Data was analyzed using Statistical Package for Social Sciences (SPSS) and results were presented in frequency tables to show how the responses for the various questions posed to the respondents.

**Results:** Results indicated that majority of the respondents agreed that customer orientation had effect on the strategic competitive advantage. Correlation results indicated that the relationship between customer orientation and competitive advantage was positive. Results indicated that majority of the respondents agreed that employee empowerment had effect on the strategic competitive advantage. Correlation results indicated that the relationship between employee empowerment and strategic competitive advantage was positive and significant.

Results indicated that majority of the respondents agreed that employee satisfaction had effect on strategic competitive advantage. Correlation results indicated that the relationship between employee satisfaction and strategic competitive advantage was positive and significant. The study concludes that customer orientation practices were highly emphasized in the banks. It

**Unique contribution to theory, practice and policy:** Following study results, it is recommended that customer orientation practices be continued emphasized in the banks as it has an effect on the overall achievement of strategic competitive advantage. It is also recommended that employee empowerment be emphasized in the banks as it has an effect on the overall achievement of strategic competitive advantage. It is also recommended that the management to encourage autonomous action among staff and the management also to encourage the developing of a clear vision. It is recommended that employee satisfaction.

**Keywords:** *customer orientation, employee empowerment, employee satisfaction, strategic competitive*

## 1.0 INTRODUCTION

Internal marketing act as part of the marketing strategy with the employee's themselves being termed as internal customers (Roberts-Lombard, 2009). It is used as a philosophy for managing the firm's human resources based on a marketing perspective to build internal competencies for external success (George, 1990). It is a strategy that aims at the creation of high-performance work systems by managing the interdependent elements of the internal marketing concepts to achieve

greater firm's competencies (Ahmed and Rafiq, 2003). Rafiq and Ahmed (1998) expands the idea of internal marketing define it as “a planned effort using a marketing-like approach to overcome organizational resistance to change to align, motivate inter-functionally coordinate integrate employees towards the effective implementation of corporate functional strategies in order to deliver customer satisfaction through a process of creating motivated customer oriented employees” (p. 2).

Benefits of internal marketing include: encourage the internal market (employees) to perform better (Steyn et al., 2004); empower employees gives them accountability responsibility (Roberts-Lombard, 2009); creates common understanding of the business organization; encourages employees to offer superb service to clients by appreciating their valuable contribution to the success of the business (Ahmed and Rafiq, 2003); helps non-marketing staff to learn be able to perform their tasks in a marketing-like manner; improves customer retention individual employee development (Gounaris, 2008); integrates business culture, structure, human resources management, vision strategy with the employees' professional social needs (Gupta et al.,2005); creates good coordination cooperation among departments of the business, proper information flow within the organization, proper guidelines to employee (retraining if needs) periodic evaluation of employee performance (Pervaiz, 2005).

Nowadays the important deterministic role of organizations' internal customers (employees) in achieving organization goals have been cleared up more than before by addressing two ideas concepts of internal marketing organizational obligation (Roberts-Lombard, 2009). Related studies show that internal marketing activities have improved competitiveness in organization and promoted competencies through influence motivation- creating commitment in employees (Ahmed Rafiq, 2003; Gounaris, 2008; Gupta et al.,2005; Steyn et al., 2004)

Organizations across all industries recognize that services are becoming an important factor in all their business dealings to obtain a competitive advantage (Strydom, 2005). According to Palmer

(2005), every industry is a service industry and the only aspect that separates industries is the size of their service component. Innovative organizations offering unique services to customers are now succeeding in markets where established organizations have failed (Lovelock and Wirtz, 2004). Services marketing management is about servicing and caring about people (Kasper, van Helsdingen Gabbott, 2006). People encompass individuals, households, employees and organizations. In general, services deal with intangibles, in other words, things that cannot be hold, touched nor be seen before they are utilized (Grönroos, 2000). Services refer to deeds, processes and experiences (Kasper et al, 2006; Zeithaml, Bitner Gremler, 2006).

## **1.2 Research Problem**

The Kenyan commercial banking sector provides a crucial service to the Kenyan economy; it offers financial intermediation services. Without this crucial service, it may be very expensive or even downright impossible to borrow or to save money. It may also be impossible to carry out importing and exporting business if services such as trade financing were inexistent. However, the commercial banking sector is also faced by turbulent macro and competitive environment (Warucu, 2001). The banking customers are becoming more conscious of what they need in terms of service levels and which banks offers services in the most value added way possible. This requires commercial banks to adopt strategic responses in order to stay ahead of competition (Kiptugen, 2003). One of the critical strategic responses is internal marketing (Atella, 2010; Ouma Munyoki, 2010). The main issue is that banks investing in internal marketing may demonstrate a higher competitive advantage compared to banks that do not invest in internal marketing.

Studies on the effect of internal marketing on the strategic competitive advantage of banking firms seem to concentrate on the developed emerging countries therefore leaving a knowledge gap for developing economies such as Kenya (Roberts-Lombard, 2009; Ahmed Rafiq, 2003; Gounaris, 2008; Steyn et al., 2004)

Local studies are few. For instance, Atella (2010) conducted a survey for the responsibility of internal marketing activities in Kenyan commercial banking sector but failed to prove a link between internal marketing and competitive advantage. Ouma Munyoki (2010) conducted a study to establish the strategies used by commercial banks in Kenya in Managing Service Breakdown among SME Customers concluded that the main strategies used by banks to deal with services breakdown include; designing services to fit the needs of customers; ensuring that services are always of high quality without compromise; putting relevant systems in place; having competent employees in place; on time delivery of services ensuring that services are driven by customers to increase acceptance satisfaction. However, the study failed to link internal marketing strategies to competitive advantage of commercial banks.

There is a paucity/scarcity of studies on the marketing strategies techniques used by firms in Kenya and the researcher is not aware of any study that has been done on the effect of internal marketing on the strategic competitive advantage of banking firms in Kenya. This study therefore sought to bridge this knowledge gap by assessing the effect of internal marketing on the strategic competitive advantage of banking firms in Kenya.

### **1.3 Purpose of the Study**

The purpose of this study was to investigate the effect of internal marketing on the strategic competitive advantage of banking firms in Kenya.

### **1.4 Research Questions**

This study was guided by the following research questions formulated to aid in gathering the information regarding the research topic.

1.4.1: What is the effect of customer orientation on strategic competitive advantage of banks?

1.4.2: What is the effect of employee empowerment on strategic competitive advantage of banks?

1.4.3: What is the effect of employee satisfaction on strategic competitive advantage of banks?



## **2.0 LITERATURE REVIEW**

### **2.2 Customer Orientation and Strategic Competitive Advantage of Banks**

#### **2.2.1 Customer Orientation**

The increase of the number of banks has resulted in high competition among banks (Warucu, 2001; Atella, 2010; Ouma and Munyoki, 2010). As a result, banks managements have to market their banking services in different attractive ways to satisfy and fulfill customer needs and desires which are continuously changing (Kiptugen, 2003). Banks are exerting their best efforts for the purpose of achieving profits that help in covering their expenses, ensuring their survivals, maximizing their values (Kumar et al., 2011). Therefore, it is critical that managers identify understanding strategic orientations such as market orientation to enable a firm to achieve competitive advantage that leads to greater organizational performance.

This customer-centric global business environment forced all business organizations, especially banks, to adopt strategies that pay an increasing attention to the customers (Moreno *et al.*, 2005). The attention has also been given to the effect of customers' satisfaction on the business of a bank and its strategic position. Since the TQM strategy was built on the fact that it is a management philosophy that seeks to satisfy customers through continuous improvements (Kumar *et al.*, 2009), it is of a potential value for banks to increase their customers' satisfaction and loyalty (Al-Mansour, 2007). The turbulent marketplace and the changing customers' demands create many opportunities and challenges. These challenges, in turn, have been forcing banks, among other organizations, to be entrepreneurial in terms of exploring and exploiting the opportunities and being ready to tolerate high risks. Therefore, it has been suggested by Al-Swidi and Mahmood (2011) that banks should establish an organizational culture in which high quality and innovative products and services are the ultimate outcomes.

### 2.2.2 Measuring Market Orientation Aspects

Sorensen and Slater (2008) noted that efforts at measuring market orientation aspects have not taken into consideration the validity and reliability of the statement. They therefore conducted test on a battery of statements and arrived at a set of questions that can effectively measure the three aspects of market orientation namely; customer orientation and competitor orientation and organization wide responsiveness). First, a definition of the three aspects was necessary and was given below; Intelligence generation in this model, for the case to be considered, means the generation of customer needs before design of services. The effectiveness of the intelligence generation is affected by who collects the intelligence, how the intelligence is gathered, how often it is collected and the mechanism for revision as well as validation (Jaworski and Kohli, 1993

#### Operationalization of Market Orientation

The operationalization of the concept of market orientation was given in Table 1

**Table 1: Operationalization of Variable Based on Dimension and Indicator**

No	Variable	Dimension	Indicator
1.	(Intelligent Generation, $X_1$ )	<ol style="list-style-type: none"> <li>1. <b>Research</b></li> <li>2. Customer demand</li> <li>3. survey</li> <li>4. Change evaluation</li> </ol>	<ol style="list-style-type: none"> <li>1. Market research</li> <li>1. Customer demand change product</li> <li>1. quality survey</li> <li>1. Technology Rule Change</li> <li>2. Change examination</li> </ol>
2.	(Intelligent Dissemination, $X_2$ )	<ol style="list-style-type: none"> <li>1. <b>Planning</b></li> <li>2. Action</li> <li>3. Data Competition</li> </ol>	<ol style="list-style-type: none"> <li>1. Staff meeting</li> <li>1. Important incident</li> <li>1. Service satisfaction Data</li> <li>2. Competition Action</li> </ol>



3.	(Responsiveness, $X_3$ )	<b>1. Customer Need Response</b> <b>2.</b> Product Service Inspection <b>3.</b> Change <b>4.</b> Customer problem <b>5.</b> Time	1. Concern toward customer's want 1. Product development endeavour 1. Change in bank environment 2. Product importance service Complain response 1. Timeliness
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Source: Modified Markor (Kohli and Jaworski, 1990)

### 2.2.3 Validated Constructs for Measuring Market Orientation

In order to measure market orientation, the two most widely used scales are MARKOR and MKTOR. The mktor scale is a 15-item, 7-point Likert-type scale, with all points specified. In this measure, market orientation is conceptualised as a one dimensional construct, with three components, namely: customer orientation, competitor orientation, interfunctional coordination. The simple average of the scores of the three components is the market orientation score. On the other hand, the markor scale is a 20-item, 5-point Likert scale, with only the ends of the scale specified. Here market orientation is again composed of three components as well, namely: intelligence generation, intelligence dissemination, and responsiveness (Sorensen and Slater, 2008).

### 2.2.4 Effect of Market Orientation on Performance

Various formats of market orientation have been discussed and researched in latest marketing literature with various stresses. There is a commitment amongst researchers about a positive correlation between market orientation and service quality, sales increase, production success, income increase, labor performance, business objective achievement, group collaboration, employee organizational commitment and marketing innovation (Ruekert, 1992; Jaworski and Kohli, 1990, Atuahene-Ginla, 1996).

Kohli and Jaworski (1990) said that market orientation should be fulfilled in the organization with the objective to place marketing experience effectively. Businessmen and academicians describe

market orientation as a development of market intelligence pertaining current and future consumer needs and knowledge dissemination to other departments by considering its response level.

### **2.3 Employee Empowerment and Strategic Competitive Advantage of Banks**

Employee's empowerment facilitates the creation of an integrated quality environment, where superior products and services become practical (Titko and Lace, 2012). In order to increase effectiveness in the banking industry, management must become active in empowering their employees (Ladhari et al, 2011). This is done by sharing information, creating autonomy, and establishing self-directed teams.

Empowerment has become an important theme within general management over the course of recent years (Al-Swidi and Mahmood, 2011). There is general encouragement to give employees sufficient latitude in their work-definition and authority to be able to apply the full breadth of ability to the overall aims of the company. Recently, the usefulness of empowerment has started to become recognized in the different environment of Project Management (Williams, 1997). Rutland discusses its importance both between companies, leading towards an increase in structures such as partnering (which implies a level of trust between the companies), and, more relevantly to this paper, for individuals within a firm: he discusses the importance of employee motivation as a differentiating factor between companies (Rutland, 1994

#### **2.3.1 Linking Empowerment to Performance**

Research has suggested that climate perceptions are associated with a variety of important outcomes at the individual, group, and organizational levels. These include leader behavior (Rousseau, 1988; Rentsch, 1990), turnover intentions (Rousseau, 1988; Rentsch, 1990), job satisfaction (Mathieu, Hoffman, and Farr, 1993; James and Tetrick, 1986; James and Jones, 1980), individual job performance (Brown and Leigh, 1996; Pritchard and Karasick, 1973), and organizational performance (Lawler et al., 1974; Patterson et al., 2004).

## **2.4 Employee Satisfaction Strategic Competitive Advantage of Banks**

Human resource management (HRM) is considered a critical organizational resource that helps an organization sustain its effectiveness (Lawler, 2005). It is one important area that influences a number of employees' attitudes and behavior such as intent to leave, levels of job satisfaction, and organizational commitment (Lee and Heard, 2000). Pfeffer (1998) suggested that soft or high commitment human resource management practices are those that generate trust in employees these practices include giving employees empowerment involvement in decision making; extensive communication about functioning performance of the employees service; designing training for skills personal development of employees; selective hiring; team-working where idea are pooled creative solutions

### **2.4.1 Linking Employee Satisfaction to Performance**

In a unique study conducted by Harter et al. (2002), the authors conducted a meta analysis of studies previously conducted by The Gallup Organization. The study examined aggregated employee job satisfaction sentiments and employee engagement, with the latter variable referring to individual's involvement with as well as enthusiasm for work. Based on 7,939 business units in 36 organizations, the researchers found positive and substantive correlations between employee satisfaction-engagement and the business unit outcomes of productivity, profit, employee turnover, employee accidents, and customer satisfaction

## **3.0 RESEARCH METHODOLOGY**

The research design was a descriptive survey study in nature since it allows a methodical choice of samples and a rigorous analysis of data. The target population of this study was all the commercial banks in Kenya. Both qualitative and quantitative data was used to collect data using a questionnaire that consisted of both open ended close ended questions. Inferential statistics such as correlation were used. Data was analyzed using Statistical Package for Social Sciences (SPSS) and results were presented in frequency tables to show how the responses for the various questions posed to the respondents.

## 4.0 RESULTS AND DISCUSSIONS

### 4.1 .1 Ccompetitive Advantage and Market Share

The respondents were asked if the bank enjoys the competitive advantage of large market share. A majority (46.7%) agreed while another 16.7% strongly agreed bringing to a total of (63.4%) of those who agreed. Eighteen point three percent were neutral, 6.7% strongly disagreed and 11.7% disagreed. The results are presented in Table 2

**Table 2: Competitive Advantage and Market Share**

	Frequency	Percent
Strongly disagree	4	6.7%
Disagree	7	11.7%
Neither agree not disagree	11	18.3%
Agree	28	46.7%
Strongly agree	10	16.7%
Total	60	100%

### 4.1.2 Competitive Advantage and Profitability

The respondents were asked if the bank enjoys the competitive advantage of huge profitability. A majority (71.7%) agreed while none strongly agreed bringing to a total of (71.7%) of those who agreed. Ten percent were neutral and 8.3% disagreed and none strongly disagreed. The results are presented in Table 3.

**Table 3: Competitive Advantage and Profitability**

	Frequency	Percent
Strongly disagree	2	3.3%
Disagree	8	13.3%
Neither agree not disagree	7	11.7%

Agree	43	71.7%
Strongly agree	0	0.0%
Total	60	100%

#### 4.2.3 Competitive Advantage and Customer Loyalty

The respondents were asked if the bank enjoys the competitive advantage of enhanced and stronger customer loyalty. A majority (60%) agreed while 21.7% strongly agreed bringing to a total of (81.7%) of those who agreed. Ten percent were neutral and 8.3% disagreed and none strongly disagreed. The results are presented in Table 4

**Table 4: Competitive Advantage and Customer Loyalty**

	Frequency	Percent
Strongly disagree	0	0.0%
Disagree	5	8.3%
Neither agree not disagree	6	10.0%
Agree	36	60.0%
Strongly agree	13	21.7%
Total	60	100%

#### 4.2.4 Competitive Advantage and Returns on Investments

The respondents were asked if the bank enjoys the competitive advantage of huge returns on investments. A majority (43.3%) agreed while 31.7% strongly agreed bringing to a total of (75%) of those who agreed. Eleven point seven percent was neutral and 8.3% disagreed and 5% strongly disagreed. The results are presented in Table 5.

**Table 5: Competitive Advantage and Returns on Investments**

	Frequency	Percent
Strongly disagree	3	5.0%

Disagree	5	8.3%
Neither agree not disagree	7	11.7%
Agree	26	43.3%
Strongly agree	19	31.7%
Total	60	100%

#### 4.2.5 Competitive Advantage and Technological Capability

The respondents were asked if the bank enjoys the competitive advantage of strong technological capability. A majority (41.7%) agreed while 25% strongly agreed bringing to a total of (66.7%) of those who agreed. Sixteen point seven percent were neutral, 10% disagreed and 6.7% strongly disagreed. The results are presented in Table 6.

**Table 6: Competitive Advantage and Technological Capability**

	Frequency	Percent
Strongly disagree	4	6.7%
Disagree	6	10.0%
Neither agree not disagree	10	16.7%
Agree	25	41.7%
Strongly agree	15	25.0%
Total	60	100%

#### 4.2.6 Customer Orientation and Strategic Competitive Advantage

Correlation results in Table 7 indicates that the relationship between customer orientation competitive advantage is positive significant ( $r=0.996$ ,  $p$  value  $< 0.01$ ). The findings imply that customer orientation has significant effect on strategic competitive advantage. **Table 7: Correlation**



		Customer Orientation	Competitive Advantage
Customer Orientation	Pearson Correlation	1	.996**
	Sig. (2-tailed)		.000
	N	60	60
Competitive Advantage	Pearson Correlation	.996**	1
	Sig. (2-tailed)	.000	
	N	60	60

\*\* . Correlation is significant at the 0.01 level (2-tailed).

#### 4.2.7 Employee Empowerment

Correlation results in Table 4.49 indicates that the relationship between employee empowerment and competitive advantage is positive and significant ( $r=0.971$ ,  $p$  value  $< 0.01$ ). The findings imply that employee empowerment has significant effect on strategic competitive advantage. **Table 8: Correlation**

		Employee Empowerment	Competitive Advantage
Employee Empowerment	Pearson Correlation	1	.971**
	Sig. (2-tailed)		.000
	N	60	60
Competitive_Advantage	Pearson Correlation	.971**	1
	Sig. (2-tailed)	.000	
	N	60	60

\*\* . Correlation is significant at the 0.01 level (2-tailed).

#### 4.2.8 The Relationship between Employee Satisfaction and Competitive Advantage

Correlation results in Table 4.59 indicates that the relationship between employee empowerment and competitive advantage is positive significant ( $r=0.969$ ,  $p$  value  $< 0.01$ ). The findings imply that employee satisfaction has significant effect on strategic competitive advantage. **Table 9 : Correlation**

		Employee Satisfaction	Competitive Advantage
Employee Satisfaction	Pearson Correlation	1	.969**
	Sig. (2-tailed)		.000
	N	60	60
Competitive Advantage	Pearson Correlation	.969**	1
	Sig. (2-tailed)	.000	
	N	60	60

\*\* . Correlation is significant at the 0.01 level (2-tailed).

#### 5.0 DISCUSSION, CONCLUSIONS AND RECOMMENDATIONS

Results indicated that majority of the respondents agreed with the statements that they constantly monitor their level of commitment to serving customers' needs, they measure customer satisfaction systematically, their top managers from every function regularly visit current prospective customers, they give close attention to after sale service, they freely communicate information about their successful unsuccessful customers' experiences across all business functions, All of their business functions (e.g. marketing/sales, operations, R and D finance/accounting) are integrated in serving the needs of their target markets, All managers understand how everyone in our business can contribute to creating customer value, business objectives are driven primarily by customer satisfaction, strategy for competitive advantage is based on the understanding of customer needs, business strategies are driven by our beliefs about how they can create greater

value for our customers, they diagnose competitors' goals, they track the performance of key competitors, they identify the areas where the key competitors have succeeded or failed, they attempt to identify competitors' assumptions about themselves their industry, Top management regularly discusses competitors' strengths weaknesses, salespeople regularly share information within our business concerning competitors' activities, All of our managers understand how every business function can contribute to information on competitive activities, they target customers where they have an opportunity for competitive advantage, they rapidly respond to competitive actions that threaten them, they look for market opportunities that do not threaten competitors. This implied that customer orientation practices were emphasized in the banks. The relationship between customer orientation and strategic competitive advantage is positive and significant ( $r=0.996$ ,  $p$  value  $<0.01$ ). The findings imply that customer orientation has significant effect on strategic competitive advantage.

Results indicated that majority of the respondents agreed with the statements that the management encourage sharing potentially sensitive information on costs with other employees, the management encourage sharing potentially sensitive information on productivity with other employees, the management encourage sharing potentially sensitive information on quality with other employees, the management encourage sharing potentially sensitive information on financial performance with other employees, the management encourages autonomous action among staff, the management encourages the developed of a clear vision, the management encourages the developed clarity regarding goals, the management encourages the developed of clear work procedures, the management encourages the developed of clarity in all areas of responsibility, Our organization teams are the locus of decision-making authority performance accountability in organizations teams are also supported through individual group training selection decisions. The findings imply that employee empowerment practices were emphasized in the banks. The relationship between employee empowerment and strategic competitive advantage is positive and significant ( $r=0.971$ ,  $p$  value  $<0.01$ ). The findings imply that employee empowerment has significant effect on strategic competitive advantage

The study attempted to determine the effects of employee satisfaction on strategic competitive advantage of banks. Results indicated that majority of the respondents agreed with the statements that employees' are satisfied on recruitment selection systems, compensation package, job security, career growth, training development, management style, job design responsibilities, reward motivation employees' are satisfied on working environment. The findings imply that employee were satisfied with the strategic competitive advantage. The relationship between employee satisfaction and strategic competitive advantage is positive and significant ( $r=0.969$ ,  $p$  value  $<0.01$ ). The findings imply that employee satisfaction has significant effect on strategic competitive advantage.

#### **5.4.1 Customer Orientation Strategic Competitive Advantage**

One of the objectives of the study was to determine the effects of customer orientation on strategic competitive advantage of banks. Following the study results, it was possible to conclude that customer orientation practices were highly emphasized in the banks. It was also possible to conclude that customer orientation and competitive advantage had a positive significant relationship. The findings imply that those who rated customer orientation highly were also more likely to rate highly the effect on strategic competitive advantage.

#### **5.4.2 Employee Empowerment and Strategic Competitive Advantage**

The other objective of the study was to determine the effects of employee empowerment on strategic competitive advantage of banks. Following the study results, it was possible to conclude that employee empowerment was highly emphasized in the banks. It was also possible to conclude that employee empowerment and competitive advantage had a positive and significant relationship. The findings imply that those who rated employee empowerment highly were also more likely to rate highly the effect on strategic competitive advantage.

### **5.4.3 Employee Satisfaction and Strategic Competitive Advantage**

The other objective of the study was to determine the effects of effects of employee satisfaction on strategic competitive advantage of banks. Following the study results, it was possible to conclude that employee were highly satisfied with the banks practices. It was also possible to conclude that employee satisfaction and competitive advantage had a positive and significant relationship. The findings imply that those who rated employee satisfaction highly were also more likely to rate highly the effect on strategic competitive advantage.

## **5.5 Recommendations**

### **5.5.1 Recommendations for Improvement**

#### **5.5.1.1 Customer Orientation and Strategic Competitive Advantage**

Following study results, it is recommended that customer orientation practices be continued emphasized in the banks as it has an effect on the overall achievement of strategic competitive advantage. Therefore the organization is urged to constantly monitor their level of commitment to serving customers' needs, to measure customer satisfaction systematically the top managers from every function to regularly visit current and prospective customers we give close attention to after sale service.

#### **5.5.1.2 Employee Empowerment and Strategic Competitive Advantage**

Following study results, it is recommended that employee empowerment be emphasized in the banks as it has an effect on the overall achievement of strategic competitive advantage. Therefore the management is urged to encourage sharing of potentially sensitive information on costs, quality, and productivity on financial performance with other employees. It is also recommended that the management to encourage autonomous action among staff and the management also to encourage the developing of a clear vision.

The study also recommends that the management encourages the developed clarity regarding goals, clear work procedures and clarity in all areas of responsibility

### **5.5.1.3 Employee Satisfaction and Strategic Competitive Advantage**

Following study results, it is recommended that employee satisfaction practices be emphasized in the bank as it has an effect on the overall achievement of strategic competitive advantage.

Therefore the organization is urged to ensure that employees' are satisfied on recruitment and selection systems, compensation package, job security.

### **5.5.2 Recommendations for Further Studies**

The study recommends that further investigation be done on the effect of internal marketing on the strategic competitive advantage for private organizations and public organizations.



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