INTERNAL MARKETING AS A STRATEGY TO ACHIEVE SUSTAINABLE COMPETITIVE ADVANTAGE: A CASE OF THE CONSTRUCTION INDUSTRY IN GAUTENG, SOUTH AFRICA.

By: Wedzerai Andrew Gwinji

STUDENT NUMBER: 920856

A Masters dissertation submitted in fulfilment of the requirements for the degree of the Master of Commerce (Marketing) in the School of Economic and Business Science at the University of the Witwatersrand

Supervisor: Dr Norman Chiliya

July 2018

DEDICATION:

I dedicate this dissertation to my daughter, *Tanashe Ropafadzo.* This is for you daddy's little princess.

ACKNOWLEDGEMENTS:

DECLARATION:

I, Wedzerai Andrew Gwinji declare that this dissertation is a true presentation of my original research work as a student for the Master of Commerce at the University of the Witwatersrand. To the best of my knowledge, where contributions of others are involved, every effort is made to acknowledge and indicate this, with due reference to the literature used in the research. This dissertation has not been previously submitted in full or partial fulfilment of the requirements for an equivalent or higher qualification at any other recognised education institution.

Wedzerai Andrew Gwinji

Signed on the 06 July 2018

Abstract

Construction companies are aware of the importance of involving marketing in their management functions to adapt themselves not only to the continuous changes in the industry, but also to satisfy their clients' demands, while being competitive and improving their business strategy. The construction industry is faced with increase in competition, globalisation and changing clients' demands. This high level of competition, expectations and environmental impact has resulted in most companies finding more appropriate marketing approaches to satisfy their clients' demands. Operating successfully in this environment requires having the right type of personnel in the right atmosphere and mind to create a sustainable competitive advantage. Therefore the current study is one of the few studies to investigate internal marketing as a strategy to achieve sustainable competitive advantage in construction industry in South Africa. In particular, this study sought to examine the effects of internal marketing dimensions internal communication, employee empowerment, inter-functional coordination, employee training and development and organisation commitment against sustainable competitive advantage.In total five hypotheses were postulated and in order to empirically test these hypotheses a data set of 260 collected from construction managers was used for the purpose. A structural equation modelling approach using AMOS 24 statistical software was used to empirically test the proposed five hypotheses using the collected data set.

The analytical results implied that three of the proposed hypotheses were supported and two were not supported. Specifically, it appears that internal marketing has a positive impact on sustainable competitive advantages. Based on the current study findings, both academic and practical managerial contributions are made. On the academic front, new literature on a rarely researched subject of internal marketing as a strategy to achieve sustainable competitive advantage - in an often most neglected research context – construction industry context is generated. On the managerial front, recommendations on the possible strategies that can be adopted by marketing managers in the construction industry are provided based on the research findings. Finally, future research avenues are also proposed

Keywords: Internal Marketing, Sustainable Competitive Advantage

Table of Contents

List of Figures

List of Tables

List of Acronyms

AVE - Average Value Extracted

CA - Competitive Advantage

CFA - Confirmatory factor analysis

CFI - Composite Fit Index

CIDB - Construction Industry Development Board

CR - Composite Reliability

IM - Internal Marketing

NFI - Normed Fit Index

PM - Path modelling

RBV - Resource-Based View Theory

RMSEA - Random Measure of Standard Error Approximation

SCA - Sustainable competitive advantage

SEM - Structural Equation Modelling

SPSS - Statistical Package for the Social Science

TLI - Tucker-Lewis Index

VRIN - Valuable, Rare, Inimitable, and Non-substitutable

VRIO - Vale, Rarity, Inimitability /non-substitutability and Organisation

CHAPTER 1: INTRODUCTION AND BACKGROUND TO THE STUDY

1.0 Introduction

Construction companies are aware of the importance of involving marketing in their management functions to adapt themselves not only to the continuous changes in the industry, but also to satisfy their clients' demands, while being competitive and improving their business strategy (Piqueras, Armiñana and Guzman,2011). The construction industry everywhere faces problems and challenges due to the increasing competition and globalization, and changing clients demands (Ofori, 2000). The high level competition, expectations and environmental impact make the construction organisations to think more of the appropriate marketing approaches that can deliver satisfactions to clients because operating successfully (Ezekiel, 2014). As the environment require one having the right type of personnel in the right atmosphere and mind to create a sustainable competitive advantage (Ezekiel, 2014).

However, construction companies are aware of the importance of involving marketing in their management functions as a way to adapt themselves not only to the continuous changes in the industry, but also to satisfy their clients' demands, while being competitive and improving their business strategy (Pellicer, Yepes and Ortega,2011). Matching the growing complexity of the business environment requires the construction companies to provide improved service quality and greater responsiveness to client demands (Ghoniem and El-Tabie, 2014). Therefore, construction companies must emphasize the centrality of clients by putting them first and anticipate future needs. Most organisations are so busy focusing on and communicating with clients, that they forget what the organisation's most important asset is, its people (Zubair, Kabeer, Karim, and Siddiqui 2012). Zubair, Kabeer, Karim, and Siddiqui (2012) suggested that organisations need to change their thinking regarding their employees and assume them as important and integral part of their organisations.

Internal marketing is a major activity in the development of a client-oriented organisation. However, despite the critical role of internal marketing as a link between an organisation's external marketing objectives and its internal capabilities, very few organisations use internal marketing in practice (Gounares, 2006). Internal marketing is based on the satisfaction of employees that eventually leads to the attraction retention of the best employees that help a company achieve a sustainable competitive advantage in a highly competitive globalized environment (Luigi, Oana, Mihai and Simona 2013).

Ahmed and Rafiq (2003), Bernstein (2005) and Kale (2010) have identified the importance of internal marketing as a recipe for business success. Berry and Parasuraman, (1991) view on internal marketing pertains to treating employees as customers by suggesting that it is a philosophy as well as an approach towards conducting work. Implementation of internal marketing programs gained momentum, especially in the context of emphasizing on sustainability and companies' needed internal support for pursuing competitive advantages (Luigi et al, 2013). Therefore, this study sought to investigate internal marketing as a strategy used to achieve sustainable competitive advantages within the construction industry in South Africa.

1.2 Research Gaps

There appears to be a void in the academic body of knowledge regarding the Internal marketing in the construction industry: An industry that has been neglected in marketing in South Africa. Most academic studies on internal marketing as a strategy to achieve sustainable competitive advantage have mostly been conducted in European countries (Ezekiel, 2014; Alhakimi and Alhariry 2014; Caldwell, Licona, and Floyd, 2015; Azzam 2016), however a lack of knowledge exists on this topic in South Africa. Therefore, there is a need to construct a model that will suit the South African construction industry internal marketing and also highlight elements of internal marketing that will help achieve sustainable competitive advantage

In addition, previous studies on internal marketing undertaken in South Africa, Lubbe (2013) focused on the elements of internal marketing as predictors of employee satisfaction within the transport and distribution sector in South Africa, while Lombard (2010) investigated the mutually beneficial nature of establishing long term relationships with employees as internal customers of the tourism industry in the South African context. De Jager and Swanepoel (2008) also investigated the levels of satisfaction in respect of pre-identified internal marketing related variables in a large provincial hospital in South Africa. However, these studies in South Africa did not explore the variables under consideration which include internal communication, employee empowerment, employee training and development, interfunctional coordination and organisational commitment.

1.3 Problem Statement

Conditions in South Africa's construction industry remain difficult and less prosperous compared to a few years back (South Africa Industry Insight Report, 2011). Although several companies have reported improved margins, it is mainly as a result of forced restructuring in

order to improve internal efficiencies (South Africa Industry Insight Report, 2011). Though the need for internal marketing is understood, the reality demonstrates that nothing much has been done properly internal marketing in the construction industry. This study investigated internal marketing as a strategy to achieve sustainable competitive advantage in the construction industry. This was done through analysing internal marketing dimensions of internal communication, empowerment, inter-functional coordination, and employee training and development and organisation commitment.

Although previous researchers (Caldwell, Licona, and Floyd, 2015; Azzam 2016) have presented the issues and the importance of internal marketing as a strategy to achieve sustainable competitive advantage the elements under consideration that is internal communication, employee empowerment, employee training and development, interfunctional coordination and organisational commitment have not been explored in the South African context. By knowing which variables are important or influence sustainable competitive advantage, organisations in the construction industry will be able to shift focus to these. Therefore, below, the study will focus on certain pertinent problems as identified by the researcher.

1.4 Purpose of the study

The aim of the study was to investigate internal marketing as a strategy to achieve sustainable competitive advantage in the construction industry.

1.5 Research objectives

1.5.1 Theoretical Objectives

The following theoretical objectives were developed:
- To review literature on internal marketing
- To review literature on internal communication, employee empowerment, inter-functional coordination, employee training and development and organisation commitment.
- To review literature on sustainable competitive advantage.

1.5.2 Empirical Objectives

Given the purpose of the study, the empirical objectives underlying the study were to investigate the relationship between:

- internal communication and sustainable competitive advantage;
- employee empowerment and sustainable competitive advantage;
- inter-functional coordination and sustainable competitive advantage;
- employee training and development and sustainable competitive advantage; and
- Organisational commitment and sustainable competitive advantage.

1.6 Research Questions

To address the identified research gap and satisfy the study objectives, this thesis was guided by the following research questions:

- To what extent does internal communication influence sustainable competitive advantages?
- How does employee empowerment influence sustainable competitive advantage?
- To what extent does inter-functional coordination influence sustainable competitive advantage?
- To what extent does employee training and development influence sustainable competitive advantage?
- How does organisational commitment influence sustainable competitive advantage?

1.7 Significance of the Study

Firstly, from an academic perspective, the study contributes to the body of existing knowledge in marketing management, with a specific interest in the internal marketing strategies in the construction industry for enhancing sustainable competitive advantage. It is hoped that this study will provide a basis for further academic research into the effective and balanced use of these strategies used to achieve growth. The results of this study will provide insights for construction organisations wanting to introduce internal marketing programmes into their organisation, thus allowing managers to focus on identified internal marketing elements. This contribution adds to the literature in terms of identifying internal marketing elements that organisation will focus to achieve sustainable competitive advantage. While previous studies on internal marketing as a strategy to achieve, sustainable competitive advantage have merely

explored this phenomenon in a global context, (Alhakimi and Alhariry 2014; Caldwell, Licona, and Floyd, 2015; Azzam 2016), this study investigated internal marketing within the construction sector in a South African context. By exploring the importance of internal marketing variables, this study will add to contextual knowledge on internal marketing in the construction industry in South Africa. At a personal level, it will assist the researcher to attain a higher qualification in marketing management and will broaden the researcher's knowledge and understanding of internal marketing and sustainable competitive advantage.

1.8 Limitations

Although this research study is set to provide a contribution to both theoretical development and providing empirical evidence on the research constructs, there were limitations in terms of the population sampled. The study only focused on senior and middle managers based in Gauteng. Other limitations were financial and time constraints, which led to the use of only construction companies in Gauteng as the sample frame. However, future research would have more informed results if conducted at a larger scale.

1.9 Definition of Terms

The following definitions are provided to clarify this study's use of key terms**.**

i)   Internal marketing is a planned effort to overcome organisational resistance to change and to align, motivate and integrate employees towards the effective implementation of corporate and functional strategies (Ali, 2010)

ii)   Sustainable competitive advantage comes from operational effectiveness or strategic positioning. Thus, a company must do what other companies are doing but better, in a sense of cost structure, or the company must deliver unique value by doing things differently than its competitors (Alhakimi and Alhariry 2014).

1.10 Assumptions

There are various assumptions that were made in this study that may have an impact on the outcome of the study. These assumptions were that;

- the respondents were managers, had sufficient knowledge of their internal marketing process and were able to share information freely.
- all respondents are be honest, cooperative and provide reliable responses.

1.11 Conceptual Model

Drawing from the literature review, in particular the theoretical and empirical literature mentioned, a research model was conceptualized. Hypothesised relationships between research constructs are stated thereafter. In the conceptualized research model, internal communication, employee empowerment, inter-functional coordination, employee training and development and organisational commitment are the predictor variables, while sustainable competitive advantage (SCA) sole outcome variable. The model for the study was adapted and modified from the conceptual model of the effect of Internal Marketing Adoption on the Performance by Ghoniem & El-Tabie (2014),

FIGURE 1 CONCEPTUAL MODEL
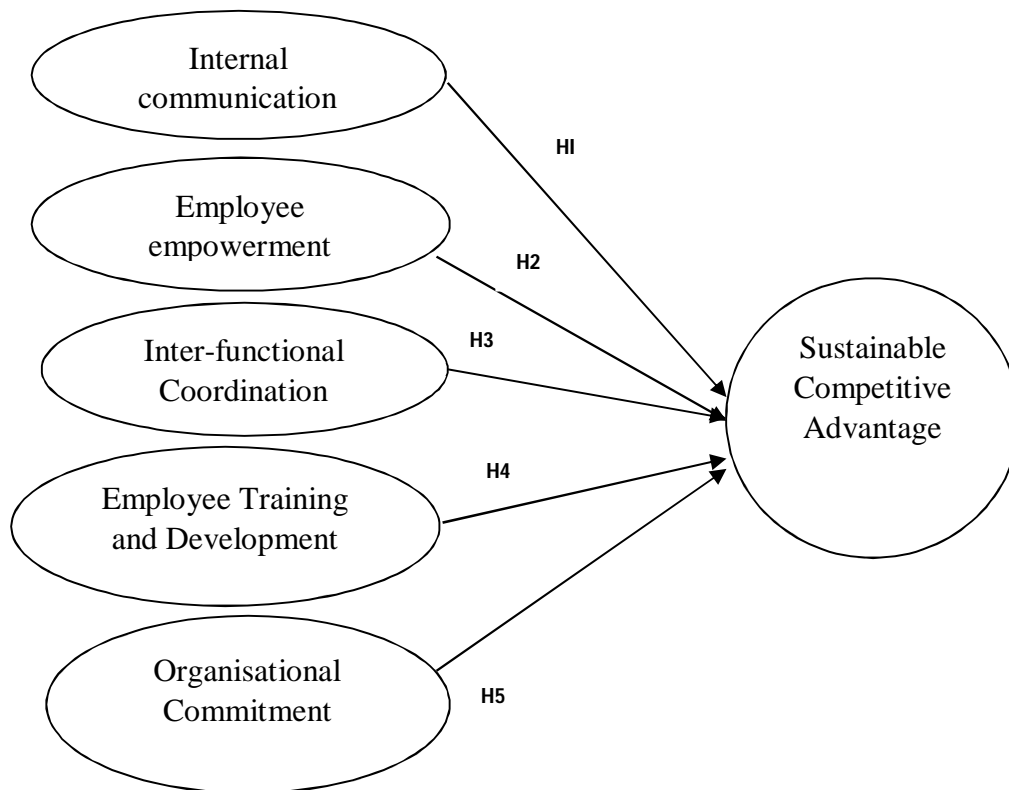
Source: Own

Hypotheses statement

Based on the above conceptual model the following hypotheses are stated

H1: There is a relationship between internal communication and sustainable competitive advantage

H2: There is a relationship between employee empowerment and sustainable competitive advantage

H3: There is a relationship between inter-functional coordination and sustainable competitive advantage

H4: There is a relationship between employee training and development and sustainable competitive advantage

H5: There is a relationship between organisation commitment and sustainable competitive advantage

1.12 The Research Flow of the Study

A scientific research approach was adopted for this study. This comprised of a well thought out logical, organised and robust sequence of identifying problems, collecting data, analysing the data, and drawing valid conclusions. Figure 2 below is a diagrammatic representation of the research flow of the study.

FIGURE 2 RESEARCH FLOW

Providing an overview of the study

A review of relevant literature

Model conceptualization and Hypotheses development

The adoption of relevant methodology and design

An analysis of data, interpretation and discussion of results

Reaching conclusions and providing recommendations
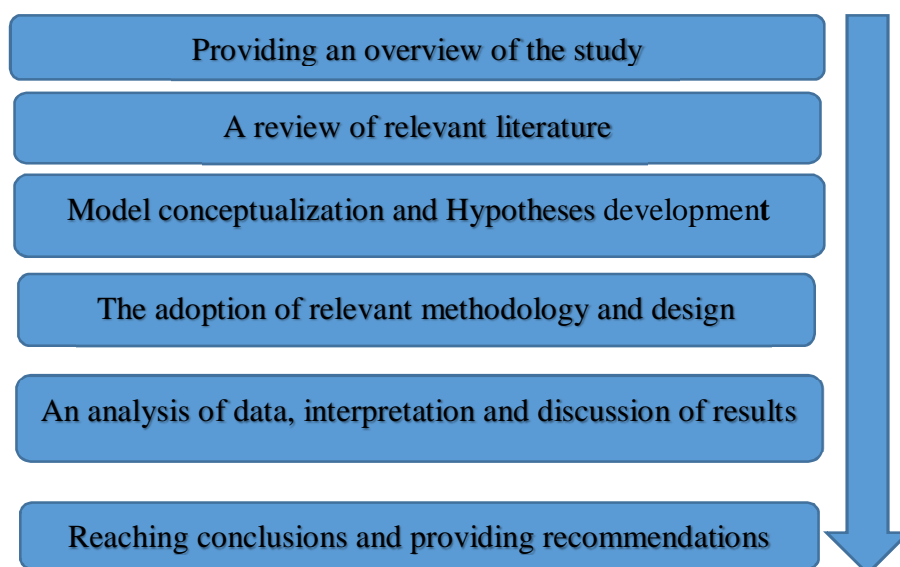
Source: Own

1.13 Structure of Dissertation

➢ **An overview of the study in Chapter 1** covers the overview of the entire study, which includes the introduction, the purpose of the study, problem statement, research objectives and research questions, justification of the study, scope of the study as well as the limitations of the study and definition of key concepts.

➢ **Literature review in Chapter 2** reviews both theories and empirical studies related to the essence of the research study. On the theoretical aspect of this study, models such as Berry's model of internal marketing, the Gronroos model of internal marketing and the Resource based View (RBV) are discussed. On the empirical aspect of this research, empirical studies regarding research constructs, such as internal communication, empowerment, inter-functional coordination, employee training and development and organisation commitment are discussed.

➢ **Conceptual model and hypotheses development in Chapter 3**, contains the conceptual model and hypotheses, based on the research constructs grounded in theory, a conceptual model is built and research hypotheses developed.

➢ **Research methodology, data analysis and results in Chapter 4** contains the research method and design of the research study used. It explains how the study is prepared based on the positivist perspective of acquiring knowledge and outlines the research and sample designs for construction managers, as well as the questionnaire design. Details statistical techniques used to check for the measurement reliability, validity and the research model.

➢ **Analysis and Interpretation of Findings Chapter 5.** This chapter presents the empirical findings of the research, and discusses the findings in relation to the theoretical perspective.

➢ **Conclusions, implications and overall research contributions Chapter 6:** provides the discussion of the results in relation to previous findings and elaborates the conclusion of the study with the implications of the research and suggestions for future research

1.14 Summary

The scene for the study has been set in this chapter, the problem statement was also described, indicating the research gap that forms part of the motive for conducting the current study. The basics of this chapter were also given light. These include the research purpose, research objectives and research questions. The scope and the perceived contribution of the study to the body of knowledge has also been discussed. Therefore, this research will focus on exploring the understanding and use of internal marketing within construction industry in the South Africa and its role in creating a sustainable competitive advantage. In other words, this research attempts to gain an understanding of the nature of internal marketing within construction industry to address the gap in the research.The next chapter provides a theoretical analysis of internal marketing models and reviews the literature relevant to the study

CHAPTER 2: LITERATURE REVIEW

2.1. Introduction

The literature review encompasses the theoretical framework used in the research and the empirical review showing the relations between the constructs. The main aim of the literature review was to discuss key issues that relate to the current literature relevant to theoretical grounding and empirical literature of this dissertation. The theoretical framework outlines three underlying theories that form the basis of theoretical arguments in the research, which are namely Gronroos (1981) model of internal marketing, Berry's (1981) model of Internal Marketing and the Resource-Based View Theory grounded in the earlier work of Penrose (1959) and subsequently developed by several researchers (Wernerfelt, 1984; Barney, 1991; Mahoney and Pandian, 1992). The empirical review focuses on each of the five constructs that are the centre of this research which are internal communication, employee empowerment, employee training and development, interfunctional coordination and organisational commitment.

2.2. Theoretical Grounding

For the purpose of this study, the following theories are explained below;

2.2.1 Models of Internal Marketing

The Internal Marketing (IM) concept came into existence nearly two decades ago in the academic arena. Since then, different authors viewed IM from different perspective and proposed it as a comprehensive tool to achieve client satisfaction. The basic idea was to formulate a marketing program inside the organisational boundary that compliment external marketing and enhances the chance of success (Sarwari et al, 2008). Importance of internal marketing is widely recognised by academics in the literature and there are only a few models for the implementation of internal marketing in practice (Rafiq and Ahmed, 2002.). This is because of the confusion over the definition of internal marketing and the elements that can be grouped under the umbrella of internal marketing (Papasolomou, 2006). Therefore, two different models will be presented in this section to show how internal marketing can be a strategy used to achieve sustainable competitive advantage. These were developed independently by two different authors. First model presented in this section was developed by Berry (1981) on the concept of treating employees as clients and the second model is based

on client's mindedness and interactive marketing by Gronroos (1985). The aim of these models is to provide different views on the concept of internal marketing so that practitioners may form an outlook on how they can use these models of internal marketing and what can be achieved to create sustainable competitive advantages.

Berry's model of internal marketing

FIGURE 3 BERRY'S MODEL
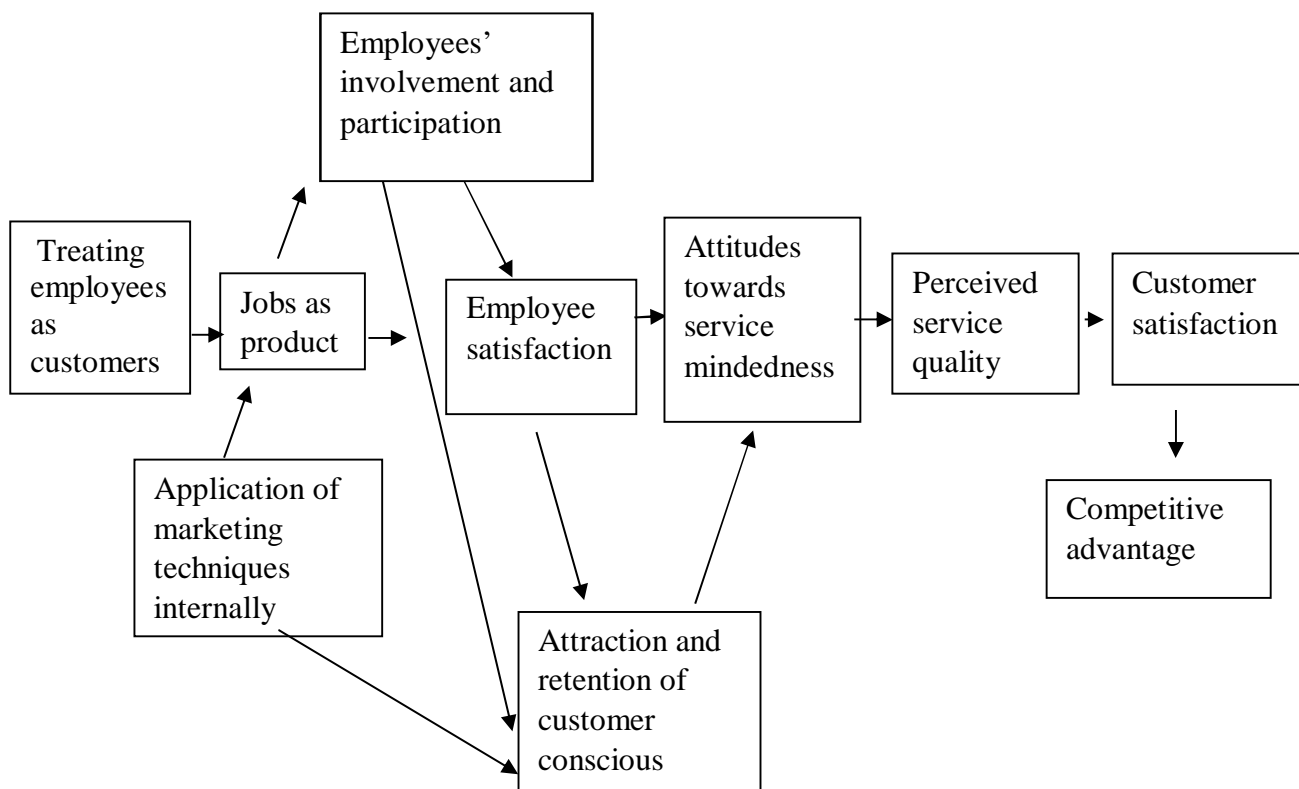
Source: Ahmed and Rafiq (2002)

The main concept in Berry's (1981) model is treating employees as clients along with viewing and treating jobs in the same way as any other product of the company. Alluding to the fact that employees' needs and wants are taken into full consideration by organisations and efforts are made to make their services attractive to their internal clients. This will lead to changes in attitudes of managers by having full employee satisfaction thus creating a competitive advantage for the organisation. In this model, it is also explained that by viewing the job as products, it will also lead to the involvement and the participation of employees' and employee satisfaction Berry's (1981). Applications of marketing techniques internally also view the job

14

as product and attract and retain employees (Berry, 1981). This will lead to the employees having service minded attitudes, giving their best in terms of innovation and perceived quality of service (Javadein, et al, 2011). This increasing the competitive advantages through client satisfaction in the market place.

Figure 3 above shows the external marketing model presented by Berry (1981). Berry (1981) argues that treating the employees as internal customers and the jobs as products presented to such employees and using marketing techniques inside the organisation will bring about the employee's satisfaction (internal marketing). The employee satisfaction will cause services rendered to customers to be of better quality and thus, bring about the creation of a sustainable competitive advantage inside an organisation (Berry, 1981). As a result, construction organisations will be able to create competitive advantage out of their human capital, which is valuable, rare and incapable of imitation by competitors. However, there is a sufficient condition for creating a sustainable competitive advantage and that is when the employees of an organisation are well motivated, main proper, sustainable relations with customers and most importantly are service and customer-oriented (Javadein et al, 2011).

2.2.2 Gronroos model of IM (1985)

Figure 4. Gronroos (1985) Internal Marketing Model
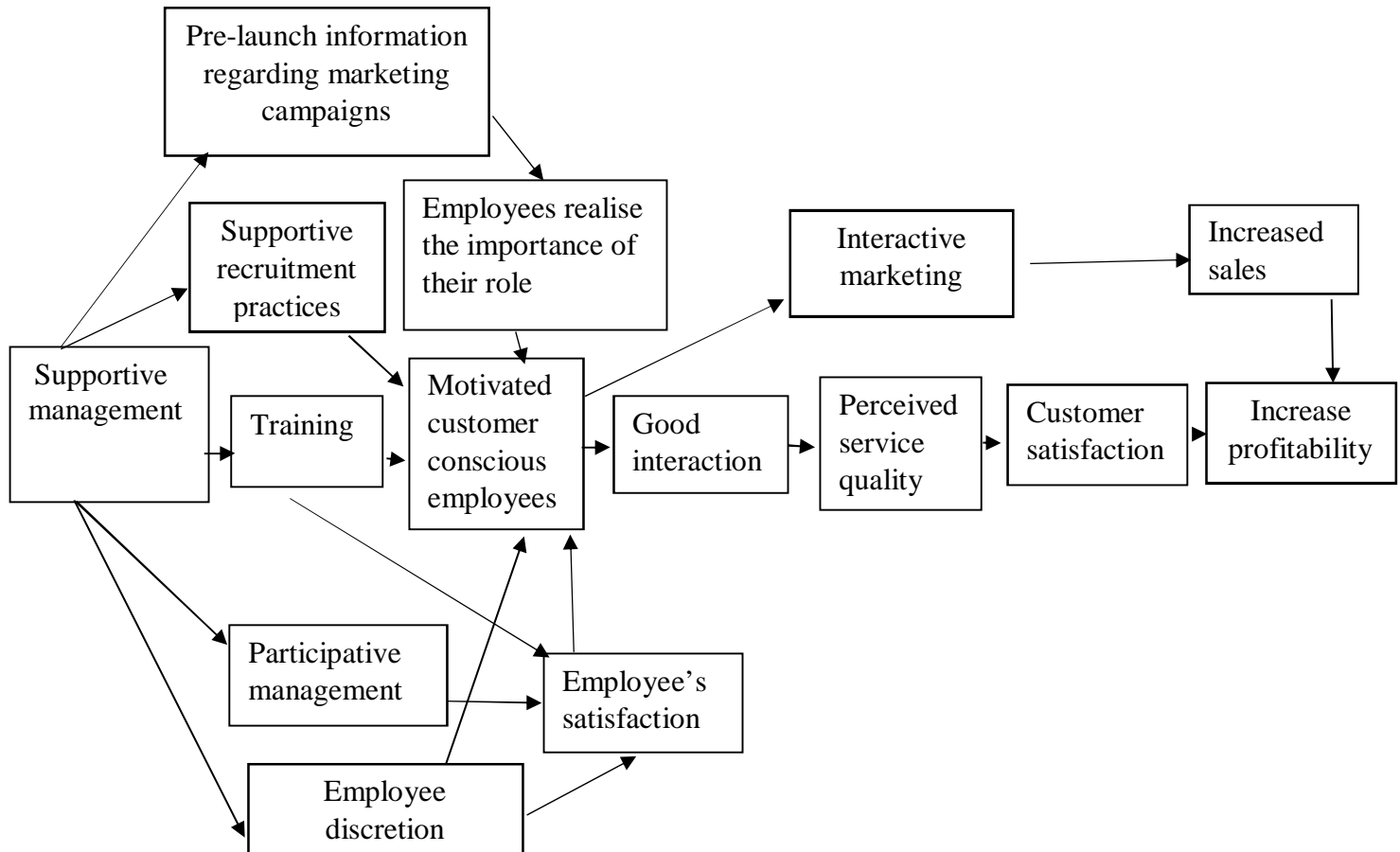
Source: Ahmed and Rafiq (2002)

Gronroos (1985) cited in Ahmed and Rafiq (2002) model sheds light on how internal marketing can be used to develop client orientation among employees. This model is based on the concept that employees need to be client conscious and sales minded so that they can take advantage of interactive marketing opportunities (Ahmed and Rafiq, 2002). This will automatically lead to better service quality and higher sales, and thus creating a sustainable competitive advantage for the organisation. Gronroos (1985) also strongly stresses that before launching any campaign or bringing any required changes in marketing strategies to the external market, employees must be well informed. The fundamental idea behind this concept is that it gives a clear indication of the employees' importance and it shows the value of their role in decision making, service production and delivery process. In the end, Gronroos (1985) claims that all the above will be successful only with the support of senior management. However, this model seems to complicate the way internal marketing can be used to increase profitability and the inclusion

of aspects such as good interaction and interactive marketing may make it a difficult model to test. The researcher argues that it would have been more logical to suggest a direct link between internal marketing and organisation's sustainable competitive advantage. Although, the fundamental aims of both the above-mentioned models are the same, the methodological approach applied by both of above writers are quite different.

2.3 Sustainable competitive advantage

In the recent years, the theory of sustainable competitive advantage (SCA) has emerged as one of the most promising theoretical frameworks in the management literature especially in the field of strategic management. Many scholars have focused on the broad range of issues pertaining to the SCA (Porter, 2011; Kumar et al, 2011; Javadein et al, 2011; Heracleous et al, 2014; Ezekiel, 2014; Alhakimi and Alhariry 2014; Caldwell et al 2015; Bharadwaj et al., 2015; Lekovic et al, 2016), and some scholars have applied the SCA concept in their research (De Lemos et al, 2003; McWilliams and Siegel, 2011 and Azzam 2016).

Liu (2013) noted that sustainable competitive advantage in the knowledge-based global economy refers to business plans or strategies embarked upon, by an organisation to excel in efficiency, quality output, market shares and customer retention. Porter (1985) defined SCA as "a competitive advantage that is not easily replicable or eliminable that is the origin of an organisation's sustained superior performance. When Porter (1985) first formal introduced the term competitive advantage, he described Competitive Advantage as follows.

> 'Competitive advantage is at the heart of an organisation's performance in competitive markets. After several decades of vigorous expansion and prosperity, however, many organisations lost sight of competitive advantages in their scramble for growth and pursuit of diversification. Today the importance of competitive advantage could hardly be greater. Organisations throughout the world face slower growth as well as domestic and global competitors are no longer acting as if the expanding pie were big enough for all.'

Porter (1985) further stated that competitive advantage grows fundamentally out of the value a organisation can create its clients that exceeds the organisations cost of creating. However, Porter (1985) again suggested three of generic strategy, differentiation, cost leadership and focus, which may lead to superior financial performance. In today's world, thoroughly competitive, the traditional sources of competitive advantage such as technology, economic

scale have declined under the influence of such factors as globalization and environmental changes. Nowadays, a skilful, motivated and flexible workforce will bear the load of creation of a sustainable competitive advantage.

SCA is different from a Competitive Advantage (CA), because it provides a long-term advantage that is not easily replicated. Therefore, a sustainable competitive advantage is one that can and must be maintained for a significant amount of time even in the presence of competition (Porter, 1985). Sustainable competitive advantage will allow the maintenance and improvement of the company's competitive position in the market. It enables business to survive against its competition over a long period of time

Competitive advantage is a common theme in marketing and strategic management literature (Wu, 2010). However, despite its prominence in both academic and practitioner fields for the past few year, the concept of competitive advantage continues to be vague (Klein, 2002). The issue of ambiguity in the notion of competitive advantage can be attributed to three major factors. Firstly, competitive advantage has its origin in unclear definitions (Rumelt 2003), secondly, different research streams on competitive advantage (the activity –position view, the Resource-Based View Theory (RBV) and the rational view) exhibits differences in their assumption, analysis and implications. Thirdly, even scholars of the same research streams on competitive advantage have changed their explanatory logics over time (Stoelhorst & Bridoux 2007). Similar to a variety of notions of competitive advantage, researchers examine competitive advantage from different perspectives such as the activity –position view, the RBV and the rational view. However, in this research the researcher will examine the Resource-Based View Theory (RBV).

2.3.1 Resource-Based View Theory
The Resource-Based View (RBV) of the organisation provides an important framework for explaining and predicting the basis of an organisation's competitive advantage and performance (Barney et al. 2011). The RBV of the organisation has been established as one of the main approaches to strategy formulation for the development of sustainable competitive advantage (Progoulaki. and Theotokas, 2010). The origins of the RBV goes back to Penrose (1959), who suggested that the resources possessed, deployed and used by an organisation are more important than industry structure. Wernerfelt (1984) later put much emphasis by viewing RBV in the organisation as a bundle of assets or resources which are tied semi-permanently to

the organisation. An organisation has achieved a sustained competitive advantage (SCA) "when it is creating more economic value than the marginal organisation in its industry and when other organisations are unable to duplicate the benefits of this strategy" (Barney and Clark 2007).

The resource-based view (RBV) has become one of the most influential and cited theories in the history of management theorizing (Almarri, and Gardiner, 2014). It aspires to explain the internal sources of an organisation's SCA. (Kraaijenbrink et al, 2010.) Its central proposition is that if an organisation is to achieve a state of SCA it must acquire and control valuable, rare, inimitable, and non-substitutable (VRIN) resources and capabilities, plus have the organisation in place that can absorb and apply them (Barney, 1991a, 1994, 2002). Barney (1991) also argues that the resources of an organisation are its primary source of sustainable competitive advantage. Barney (1991) further argues that an organisation has a SCA if it generate its strategic resources are valuable, rare, imperfectly imitable, and non-substitutable (the VRIN). Barney (2001b) reformulates VRIN as VRIO thus vale, rarity, inimitability /non-substitutability and organisation by emphasing the crucial role or organising in the generation of Competitive Advantage (Daellenbach and Rouse, 2007).

Barney and Hesterly (2012), maintained that an organisation will obtain sustainable competitive advantages over her competitors, by implementing strategies that exploit their internal strengths, only if they can response to environmental opportunities and at the same time neutralizing external threats and avoiding internal weaknesses. They maintained that, an organisation can only acquire a sustainable competitive advantage when such organisation possesses a particular valuable resource only if it can improve its efficiency and effectiveness in ways that competing organisations cannot.

The resource-based view (RBV) as a basis for the competitive advantage of an organisation lies primarily in the application of a bundle of valuable tangible or intangible resources at the organisation's disposal (Kozlenkova et al, 2014). To transform a short-run competitive advantage into a sustained competitive advantage requires that these resources are heterogeneous in nature and not perfectly mobile (Peteraf and Barney 2003). This study applies the resource-based theory and analyses its effect on internal marketing as a strategy to achieve sustainable competitive advantage. The resource based view theory (Wernerfelt, 2004 and Barney, 2003) focuses on internal strengths and weakness in organisational resources, showing how processes are managed and how the resources are allocated and deployed, all to assist in

the implementation of the strategies. Theoretically, the central premise of resource-based view theory addresses the fundamental question of why organisations are different and how organisations achieve and sustain competitive advantage by deploying their resources (Barney, 2003).

Barney (2003) confirms that to successfully implement internal marketing as a strategy to achieve sustainable competitive advantage, resources should be strategic. The resource based view includes internal marketing elements such as structure, communication within a team of players trying to coordinate information dispersed among them and commitment of the key players in an organisation management to fully ensure proper internal marketing implementation (Barney, 2003). The resource-based view aims to give a picture of an organisational resource before and during decision-making processes and business strategies in an organisation. It also aims to describe potential need for changes in systems and structures of the organisation to be able to implement internal marketing strategy. Brahma and Chakraborty (2011) in their study concluded that the main contribution of RBV to the practicing managers is that it reminds them that sustainable competitive advantage does not necessarily become the outcome of operating in a high opportunity and low threat environment, but also depends on the existence and exploitation of the organisation's resources and capabilities that are valuable, rare and costly to imitate. Thus, RBV can be used by the managers to assess an organisation's strengths and weaknesses in crafting strategies.

However, Barney's (1991) RBV model, has attracted scholars' attention but it is not above criticism. Critics view RBV logic as paradoxical, contradictory, ambiguous and incompatible for managerial practice (Brahma, and Chakraborty 2011). Priemand Butler (2001a) have made four concerns over RBV:

(1) The theory is tautological;

(2) Underdeveloped role of product market;

(3) Many different resource configurations can generate same value for organisations and therefore, would not be the source of competitive advantage;

(4) Limited managerial prescription.

The underlying fundamental statement that 'valuable and rare organisational resources can be source of competitive advantage' is accused of being tautological because competitive advantage is defined in terms of value and rarity. This statement is true and cannot be subjected to empirical testing (Brahma, and Chakraborty 2011). Preim and Butler (2001b) comment 'if

valuable resources are defined as those increasing efficiency and/or effectives, and competitive advantage is defined as achieving increase in efficiency and/or effectives, a tautology exists'. They further assert that resource characteristics and outcomes must be conceptualised independently to produce a synthetic statement. Regarding the underdeveloped product-market, the critics argue that in RBV, the determination of the 'value' of resource is exogenous. So, its implicit homogeneous and immobile product-market assumption may not reflect the reality (Brahma, and Chakraborty 2011). One of the key areas in criticism is considered achieving competitive advantage in static environment. RBV does not explain how and why organisations can build competitive advantage in rapidly changing environments (Cavusgil, Seggie and Talay, 2007)

2.4 Empirical Review

A major challenge with current internal marketing literature is the lack of agreement on its dimensions (Ahmed et al. 2003). Despite this challenge, several studies suggest some dimensions. Berry and Parasuraman (2004) identified attracting, developing, motivating, and retaining qualified employees as relevant internal marketing dimensions. Ahmed et al. (2003) also suggested strategic rewards, internal communications, training and development, inter-functional co-ordination, incentive systems and empowerment while Chang and Chang (2007) proposed training, administrative support, internal communication and human resource management as internal marketing dimensions. Service training programmes and performance initiatives were also identified as internal marketing dimensions (Tsai and Tang, 2008). Ghoneim, and El-Tabie, (2014) also suggested inter-functional coordination, customer orientation, marketing-like approach, empowerment, management commitment to service quality, employee motivation, employee training and development, vision awareness, strategic reward, senior leadership and internal communication while Martey, (2014) proposed retention policy, training, motivation, empowerment and communication.

Reading from the extant literature, this study operationalised the constructs of internal marketing as; internal communication, employee empowerment, inter-functional coordination, employee training and development and organisational commitment. These constructs are discussed below.

2.4.1 Internal communication

Communication within the organisation has become an essential prerequisite for the well – functioning of internal activities in the organisation and job satisfaction (Tourani & Rsat, 2012). Ahmed and Rafiq (2003) posit that communication should be featured at all levels of the organisational hierarchy so that the behaviour of all employees can be influenced.

Roberts–Lombard (2010) in his studies suggested that organisations, as part of their priorities should improve communication with employees through different means such as internal newsletter and team work discussion sessions. The power of an effective internal communication should not be undermined because it serves as a vital tool as far as internal marketing practices are concern (Dwairi, Bhuian and Jurkus, 2007)

Successful companies attach great importance to human resource management and internal communications, as they are aware of the value of those activities and of strategic advantage they can bring to the organisation. They should also realize that it is necessary to leave internal marketing philosophy, if they stream to offer quality products and services to both markets, internal and external. (Sincic and Vokic, 2012)

Communication has been explained as an information exchange between a resource and a receiver where information flows from the resource and the receiver through linked communication channels (Steingrimsdottir, 2011). Effective communication is linked to better knowledge sharing, which in turn is a critical component of success and even more competitive advantage (Kalla, 2005). From this perspective, internal communications can be defined as the interplay between individuals and groups at various levels and in different areas of specialisation, with the intention of designing (and redesigning) an organisation and to coordinate day to day activities for both strategic and operational planning processes. This is done with a strategic focus on building favourable relationships between management and employees in that organisation (Aldehayyat, 2011).

In addition, there are many studies which have described internal communications as a main tool to achieve job satisfaction, motivation, job performance and innovation, all of which have a positive result on sustainable competitive advantage (Bartoo and Sias, 2004; Rosenfeld et al., 2004; Karami, 2007). Well-informed employees contribute positively to a company's external public relations efforts by acting as an organisation's best ambassadors of the loudest critics depending on whether and how they receive information (White et al., 2010). For that reason, effective internal communication results in better corporate credibility and a better corporate reputation since employees are viewed as particularly credible sources by external stakeholders

(Dawkins, 2004). This in turn creates an entry barrier in industry in favour of the business with the best reputation.

Internal communication is an important element of internal marketing. Papasolomou (2002) defined internal communication as "a management process through which an organisation enters into a dialogue with its various internal audiences". Cahill (1995) confined internal marketing to a communication process aimed at developing a customer-oriented culture within the organisation.

According to Quirkie (2008), internal communication is the main process happening within company, which enables creating value for the customer. In the domination of information era, principal organisation resources are knowledge and relations between employees. Managing a modern enterprise consists of collecting accurate information and processing them with usage of personnel intellect and creativity, in a way that creates a value for the client.

Dunmore (2002) states that internal communication supports the 'living' of organisation's strategy, values and personality and have a significant role to play in building competitive advantage. For that reason, it cannot be identified only with information flow – leadership, culture and behaviour should be taken into consideration as well.

2.4.2 Employee empowerment

In view of rapidly changing business environment all-over the world, companies must devote greater effort to enhance their capabilities and it must not be forgotten that the success and competing power of the organisation depend on committed, highly motivated, satisfied and innovative human resources (Elnaga and Imran,2014).While discussion of employee empowerment has been prevalent in the popular literature for many years, however, this concept needs to be an ongoing study by researchers due to rapidly changing business environment (Behzad et al., 2012). Employees' empowerment is a process of giving authority to the employees to make necessary important decisions on their own about their day to day activities (Hass, 2010). Griffith, et al. (2008) define employees' empowerment as organisational efforts that increase individuals' perceptions of power, control, and ability to influence the larger system of which they are a part.

Employee's empowerment facilitates the creation of an integrated quality environment, where superior services become practical (Titko and Lace, 2012). To increase effectiveness in the construction 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.(Onyango and Katuse, 2016) In industrial and organisational psychology, empowerment is the enhancement of the autonomy of employees in their work or increased involvement that results in increased decision making more generally within the wider agenda and interests of the organisation (Wall et al, 2004). Empowerment is the belief that an employee can make decisions and take action (Onyango and Katuse, 2016). For both individuals and teams, empowerment drives both employee behaviours and attitudes. Empowered employees are more satisfied and committed at work and are less likely to experience stress and to think about leaving the organisation (Seibert, Wang, Courtright & Stephen, 2011).

The fundamental aim of the employee's empowerment is to develop them and improve organisational performance (Ladhari et al, 2011). It also helps employees to achieve their goals by authorising employees to participate in the decision-making process (Seibert et al., 2004; Hua and Nigel, 2010; Alagbari, 2002; Mohammad et al., 2011). From an employee's viewpoint, feelings of empowerment should have a positive impact on attitudinal responses and satisfaction from the job (Norbani et al. 2007).

The empowerment of employees starts from the top management and cascades down to low level management and continues with the understanding of vision, mission and values of the organisation and the applications which enables the employees to feel themselves responsible, free and competent for the organisation, but consist of taking risks, development and change (Tutar et al, 2011). Empowerment does not mean that the management has no role to play or no responsibility (Thamizhmanii and Hasan, 2010). In fact, the management has more responsibilities. They have to monitor the skills continuously required for carrying out the ever-changing complexity of jobs of the teams. (Thamizhmanii, and Hasan, 2010)

2.4.3 Employee Training and Development

Training and development are indispensable strategic tools for effective individual and organisation performance, thus organisations are spending money on it with confidence that it will earn them a competitive advantage in the world of business (Falola, et al, 2014). Organisational psychology holds that successful organisations do not owe their success solely to market realities and sustainable competitive advantages (Jahan, 2015).

Jahan (2015) further alluded successful companies are those that consider their human capital as their most important asset .According to Jahan (2015) training and development refers to the practice of providing training, workshops, coaching, mentoring, or other learning opportunities to employees to inspire, challenge, and motivate them to perform the functions of their position to the best of their ability and within standards set by local,

state, tribal, federal and licensing organisation guidelines. Training and development activities provide all involved system with the tools they need to develop professionally, increase their knowledge, effectively work with family, and build their capacity to perform the tasks associated with their positions within the system of care (Jahan, 2015).

Training is an activity that is designed to provide learners with the knowledge and skills needed for their present jobs, whereas development is the learning that goes beyond today's job and has more long-term focus (Mondy, 2008). Development is an attempt to improve current and future management performance by imparting knowledge, changing attitudes or increasing skills (Dessler, 2003). Mondy (2008) sums up how training and development influences competitive advantage by arguing that developing human capital through continuing training may increase the productive output from each employee either through improvement in skill level. Due to the importance of gaining competitive advantage through people and development, many researches and studies have been conducted over the past thirty years Armstrong (2006) asserted that the objective of training and development is to develop the skills and competences of employees to improve their performance, to help people grow within the organisation for the organisation to achieve sustainable competitive advantages.

Companies should invest in people as much as in machines, especially providing skill training to enhance the abilities of service providers to meet clients' expectations of high service quality (Merkac Skok, 2008).This is because a well-trained staff can enhance clients' service experience and contribute significantly to achieve sustainable competitive advantage.

However, for any organisation to achieve its stated goals and objective in this competitive world, adequate and relevance training and development of staff cannot be over emphasized. Organisation are expected to identify training need of its employees and design training programmes that will help to optimally utilize their workforce towards actualization of organisation objective (Kennedy et al, 2013). Therefore, training and development are crucial for enhancing the sustainable competitive advantage.

There are so many benefits associated with training and development. Cole (2001) summarises these benefits as below:

1) High morale – employees who receive training have increased confidence and motivations;

2) Lower cost of production – training eliminates risks because trained personnel are able to make better and economic use of material and equipment thereby reducing and avoiding waste;

3) Lower turnover – training brings a sense of security at the workplace which in turn reduces labour turnover and absenteeism is avoided;

4) Change management – training helps to manage change by increasing the understanding and involvement of employees in the change process and provides the skills and abilities needed to adjust to new situations;

5) Provide recognition, enhanced responsibility and the possibility of increased pay and promotion;

6) Help to improve the availability and quality of staff.

To achieve sustainable competitive advantages', training and development are considered necessary required skills for employees by management (Chen et al., 2004). Training modifies employee's behaviour through learning, which occurs because of education, instruction, development and planned experience. In result, it improves employee's performance and reduces anxiety or frustration, brought on employees by work demands (Karthikeyan et al., 2010).

2.4.4 Inter-functional coordination

Inter-functional coordination is the coordination of all departments and functional areas in the business in utilising clients and other market information to create superior value for clients (Awwad and Agti, 2011). Zhou et al., (2009) describe it as the coordination of organisation resources and customer related activities throughout the whole organisation.

Inter-functional coordination can be seen as the harmonisation of all internal functions and processes in a company, consisting of two parts namely corporate culture and information coordination. Inter-functional coordination refers to the degree of cooperation between the different functions/departments within the organisation (Bartosek and Tomaskova, E, 2013).

Inter-functional coordination refers to demonstrating willingness by members of different functional areas of an organisation to communicate, think, and work together to achieve their objectives, effectiveness, competitive advantage, and performance (Woodside, 2005).

It represents the integration of all functions in an organisation to satisfy and serve client's needs, wants, and demand (Zhao and Cavusgil, 2006). With better inter-functional coordination, organisations likely incorporate it to enhance their sustainable competitive advantage. Achieving effective inter-functional coordination requires an alignment of the functional areas' incentives and the creation of inter-functional dependency.

Companies with higher inter-functional coordination tend to help them achieve a sustainable competitive advantage in the markets. According to the adaptation of inter-functional coordination, it clearly demonstrates a positive effect of an organisation's client trust and performance (Zhao and Cavusgil, 2006). In the context of construction organisations, more

inter-functional coordination will also promote higher benefits and sustainable competitive advantage.

Wilkinson, (2013) stated that to achieve an acceptable degree of interaction and collaboration among the specialised functions of the organisation there are six proposed basic coordinating functions that must be taken into consideration, and these are as follows:

1. Mutual adjustment: the process of informal communication in which people interact with one another to coordinate.

2. Direct supervision: one person coordinates by giving orders to others.

3. Standardisation of work processes: direct specification of the content of the work, and the procedures to be followed to tightly control different people.

4. Standardisation of outputs: specification of what is to be done (i.e., the results of the coordination) so that interfaces between jobs are predetermined.

5. Standardisation of skills: loose coordination of people through education on a common body of knowledge and a set of skills that are subsequently applied to work.

6. Standardisation of norms: coordination of people through a common set of beliefs.

2.4.5 Organisational Commitment

Organisational commitment refers to an attitude in the form of an attachment that exists between the individual and the organisation and it is reflected in the relative strength of an employee's psychological identification and involvement with the organisation (Jaramillo et al, 2005). It is an employee's intention to continue working in the organisation. Organisational commitment has an important place in the study of internal marketing as a strategy to achieve sustainable competitive advantage. This is in part due to the vast number of works that have found relationships between organisational commitment and behaviours in the workplace (Ogunnaike, 2011). Furthermore, Jafari et al. (2013) stated that the reasons for studying organisational commitment are related to performance effectiveness.

Organisational commitment is defined as "an attachment to the organisation, characterised by an intention to remain in it, an identification with the values and goals of the organisation and a willingness to exert extra effort on its behalf" (Manetje, 2009). Individuals consider the extent to which their own values and goals relate to that of the organisation as part of organisational commitment, therefore it is the linkage between the individual employee and the organisation (Porter et al 1974; Manetje, 2009). Many definitions have been provided for organisational commitment by different researchers, according to Ahmed (2012) organisational commitment

is defined as "the strength of an individual's identification and involvement with a particular organisation" . From the various definitions found in the literature, organisational commitment can be interpreted as an individual's link to an organisation (Suma & Lesha, 2013) and the belief in its goals and making the effort to reach those goals by remaining part of that organisation (Zaitouni et al., 2011).

Also, Moon and Choi (2014) defined organisational commitment as a psychological bond to the organisation that influences individuals to act in ways that are consistent with the interests of the organisation. It presents a strong belief in, and acceptance of, the organisation's goals and values; a willingness to exert considerable effort on behalf of the organisation; and a strong desire to maintain membership in the organisation (Paulin et al, 2006). Organisational commitment from this point of view is characterised by employee's acceptance of organisational goals and their willingness to exert effort on behalf of the organisation (Chong et al 2016). Miller (2003) also states that organisational commitment is "a state in which an employee identifies with a particular organisation and its goals, and wishes to maintain membership in the organisation". Organisational commitment is therefore, the degree in which an employee is willing to maintain membership due to interest and association with the organisation's goals and values.

Chow (1994) as cited by Putter (2014) defined organisational commitment as the degree to which employees identify with their organisation and the managerial goals, and show a willingness to invest effort, participate in decision making and internalise organisational values. According to Meyer and Herscovitch (2001) organisational commitment can be conceived as a binding force that is experienced as a mind-set or as a psychological state that leads an individual towards a course of action. On one hand, Mguqulwa (2009) stated that employees are regarded as committed to an organisation if they willingly continue their association with the organisation and devote considerable effort to achieving organisational goals. For the purposes of this study, organisational commitment is defined as a psychological bond individuals have toward their organisation, characterised by a strong identification with the organisation and desire to contribute towards attainment of organisational goals.

Organisational commitment is defined as the relative strength of a person's identification with and involvement in an organisation (Jaramillo et al, 2005). This definition is consistent with Allen and Meyer cited in Huang and Lee (2012) concept of affective organisational commitment, which refers to the strength of an employee's emotional attachment to an organisation. Gehlawat (2013) also states that organisational commitment is "a state in which

an employee identifies with a particular organisation and its goals, and wishes to maintain membership in the organisation".

However, Meyer and Allen (1990) cited in Huang and Lee (2012) have identified three types of organisational commitment, which are as follows:

Affective commitment

Affectionate commitment refers to the emotional attachment or sense of identification with the occupation (Allen and Meyer, 1996; Oha and Park, 2011). Affective commitment is defined as the identification with and emotional attachment employees have with organisations and which occurs because employees want to stay in their organisations (Cho and Huang, 2012). Organisations can build affective commitment by providing open communication, access to information and allowing employees to participate in decision making (Suma and Lesha, 2013). Riveros and Tsai (2011) mentioned that experiences that contribute to a person feeling comfortable and competent in their job are considered antecedents of affective commitment. Organisational members who are committed to an organisation on an affective basis, continue working for the organisation because they want to (Meyer & Allen, 1991; Manetje, 2009). Members who are committed on an affective level stay with the organisation because they view their personal employment relationship as congruent to the goals and values of the organisation (Beck & Wilson, 2000).

Continuance commitment

The more resources employees accumulate over time and could risk losing by leaving the organisation, the greater the commitment one will have to the organisation (Ling and Wang, 2012). Continuous commitment explains the employee likelihood of leaving or remaining in their occupation (Allen & Meyer, 1996; Shanker, 2013), given another opportunity in a different occupation. When deciding whether to continue or leave their occupation, employees usually weigh the costs and benefits that may be associated with either (Bagraim, 2003). These may be financial and other costs and benefits, including feeling negative feelings of guilt (Cho & Huang, 2012). Anari (2012) defines continuance commitment as the extents to which employees feel commitment to their organisation when they consider the cost of leaving the organisation and usually when individuals feel a need to stay in an organisation.

Organisational members develop commitment to an organisation because of the positive extrinsic rewards obtained through the effort-bargain without identifying with the organisation's goals and values (Manetje, 2009). Therefore, to retain employees who are

continuance committed, the construction companies need to give more attention and recognition to those elements that boost the employee's morale to be affectively committed. Studies showed that two factors comprise what is known as continuance commitment, these factors are the number of investments made by an individual and the lack of alternative employment opportunities (Riveros and Tsai, 2011; Cho and Huang, 2012)

Normative commitment

Normative commitment is explained by an employees' sense of duty or obligation to the occupation (Meyer and Parfyonova, 2010), irrespective of whether they are happy or unhappy in the organisation. Normative commitment is experienced when an individual feel that they have to work for an organisation for ethical reasons and the idea of leaving the organisation is out of the question (Sayğan, 2011). Researchers such as Zaitouni (2011), Cho and Huang (2012), and Saxon (2012) have all provided a similar definition of normative commitment where it is defined as a feeling of moral obligation to remain within an organisation. Riveros and Tsai (2011) mentioned that normative commitment is influenced by the socialization process that takes place prior and after the entering of an organisation. In addition, further study conducted by Meyer et al. (2006) posited two dimensions relating to normative commitment; which are indebted obligation which refers to the meeting of expectations set by others, and moral imperative which reflects meeting valued outcomes (Jaros, 2007).The normative committed employee considers it morally right to stay in the organisation, regardless of how much status enhancement or satisfaction the organisation gives him or her over the years.

2.5 Summary of Chapter 2

Chapter 2 was divided into two main sections. The first section discussed the theoretical grounding of the study that comprised of two theories of internal marketing and one theory of competitive advantages; Berry's model of internal marketing, Gronroos model of internal marketing and the Resource-Based View (RBV) Theory. The second section explored the study's empirical literature review of the research constructs in detail. The research constructs internal communication, employee empowerment, training and development, inter-functional coordination and organisational commitment. The relationships and links among all the above-mentioned constructs were also explored in detail.

CHAPTER 3: CONCEPTUAL MODEL AND HYPOTHESES DEVELOPMENT

3.1 Introduction

This chapter is dedicated to explaining the research framework that forms the basis of the relationships between the variables in this study, namely the conceptual model and development of the hypotheses for the research. It contains sections outlining the relevance of the conceptual model and hypotheses, the justification of the hypotheses development as well as the hypotheses development.

3.1.1 Conceptual Model

The conceptual model is a diagram that visually explains a particular concept by illustrating the relationships between latent variables of the concept (Creswell, 2013). The diagrammatic representation of the variables and their relationships with one another is based on theoretical and empirical literature reviews that explain how the variables interact in a particular environment (Myers et al., 2010). Figure 5 below shows the conceptual model used for this research, which maps out the five constructs as variables hypothetically relating to one another (Creswell, 2013). The conceptual model also facilitated the achievement of the empirical objectives and in this case, illustrated the conceptual research model that proposed the relationships between the construct variables.

The model for the study was adapted and modified from the conceptual model of the effect of Internal Marketing Adoption on the Performance by Ghoniem & El-Tabie (2014), and illustrates internal marketing elements of internal communication, employee empowerment, inter-functional coordination, employee training and development and organisational commitment as independent variables and sustainable competitive advantage (SCA) is the dependent variable. It is from these assumptions that the hypotheses which are to be tested in the research can be stated.

FIGURE 5 RESEARCH CONCEPTUAL MODEL
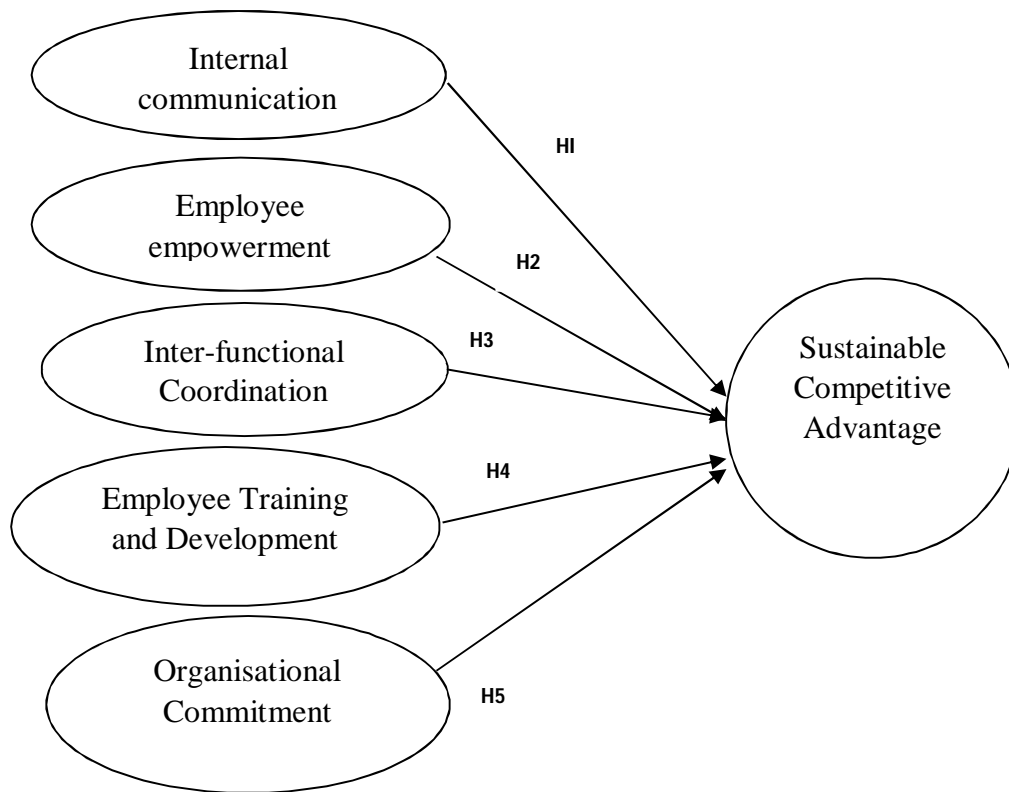
Source: Own

3.2 Hypotheses Development

Based on the above conceptual model, the following hypotheses are stated below.

3.2.1 Internal communication and sustainable competitive advantage

Communication within the organisation has become an essential prerequisite for the well – functioning of internal activities in the organisation (Tourani and Rsat, 2012). Ahmed and Rafiq (2002) postulated that, communication should be featured at all levels of the organisational hierarchy so that the behaviour of all employees can be influenced. Organisations, as part of their priorities should improve communication with employees through different means such as internal newsletter and team work discussion sessions (Roberts–Lombard, 2010). The power of an effective internal communication should not be undermined because it serves as a vital tool to achieve sustainable competitive advantage. Kalla

(2005) points out that the knowledge sharing function on internal communication helps to maintain a competitive edge. Internal communication is the key process by which employees are empowered to expand their role. In that way they become "proactive individuals, highly involved and committed as independent contributors with initiative and a well-developed sense of responsibility" (Intermezzi, 2012).

Dwairi et al (2007) suggested that management should align support systems that employees can communicate their needs and frustrations as this will lead to sustainable competitive advantage. Internal communication has thus acquired added significance as organisation strive to communicate client's needs, organisational values and other key information to staff at every level and to encourage two-way dialogue with management. (Asif and Sargeant 2000; Ragusa, 2011). Martin and To (2013) ascertain the importance of internal communication to measure the internal marketing, which includes the management style in providing information to its employees facing any difficulties in performing tasks and knowledge on whom to report to. Akroush et.al. (2013) have confirmed the relationship between internal communication effects on internal service quality. Their result showed that internal communication plays an essential role on creating sustainable competitive advantage that might raise levels of performance.

As a result, based on the above discussions, it can be hypothesised that:

H1: There is a relationship between internal communication and sustainable competitive advantage

3.2.2 Employee empowerment and sustainable competitive advantage

Empowerment as an internal marketing dimension means authorising and enabling employees to act, behave, think and make decisions to get the job done (Kaner,2014). Kahreh et al. (2011) describe empowerment as a concept that links individual strengths and competencies, natural helping systems and proactive behaviour to social policy and social change. An empowered and committed workforce is generally claimed to be essential for the effective functioning of modern organisations (Kahreh, 2011).From a service perspective, empowerment gives employees the authority to make decisions about client service (Kaner,2014). In industrial and organisational psychology and management, empowerment is the enhancement of the autonomy of employees in their work or increased involvement that results in increased decision, making more generally within the wider agenda and interests of the organisation (Wall et al, 2004).The employee empowerment concept actually certifies the employees with necessary power to employ plan and judgment in their work, participate in their work related decision-making, and authorizes them to respond quickly to the needs and

concerns of the clients (Durai 2010). Katzenbach and Smith (2015) confirmed that employee empowerment have been proposed and found to facilitate a worker's commitment to the organisation therefore creating a sustainable competitive advantage for the organisation.

It is from these assumptions that the hypotheses to be tested in the study can be stated:

H2: There is a relationship between employee empowerment and sustainable competitive advantage

3.2.3 Inter-functional Coordination and sustainable competitive advantage

Inter-functional coordination is engaged in pulling together internal resources and match with the strategy and the problem at hand to respond to the current, future and latent needs of clients Mbonoka (2015). Inter-functional coordination focuses on the coordinated utilization of personnel and other resources throughout the organisation so as to create value for the target clients (Marjanova et al, 2015). Inter-functional coordination refers to demonstrating willingness by managers of different functional areas of an organisation to communicate, think, and work together to achieve their objectives, effectiveness, competitive advantage, and performance,(Mbonoka,2015).Inter-functional coordination plays an important role in engaging and supporting organisations' innovativeness and business performance (Alipour et al 2013.)Thus, organisations with higher inter-functional coordination tend to help them gain sustainable competitive advantage and their success in the markets (Grootveld, 2016). Grootveld (2016) further stated that in the context of construction industry, more inter-functional coordination will also promote higher benefits and competitive advantage. Thus, inter-functional coordination is likely to have an explicitly important effect on sustainable competitive advantage. With better inter functional coordination; organisations likely incorporate it to enhance their advantages and competitiveness (Alipour, 2013). Furthermore, Alhakimi and Baharun, (2009) alluded that organisations that seek effective inter-functional coordination do so from the understanding that synergy among company members is required and value for clients is created. This view had earlier been suggested by Mata et al., (2011) who asserted that every department and or any other organisational unit must be well-defined and understood and that all employees must recognize their role in helping the organisation achieve and sustain competitive advantage Therefore, based on the above discussion the following hypotheses is established:

H3: There is a relationship between inter-functional coordination and sustainable competitive advantage

3.2.4 Employee training and development and sustainable competitive advantage

According to Al-Hawary et al. (2013), training is defined as the acquisition of skills and attitudes required to perform specific tasks. Employees should be trained and developed in such way that they get to understand the organisation's objectives so that they can handle the tasks delegated to them quite perfectly (Al-Hawary et al. 2013). Training and development increase or develop the managerial skills

Training is a systematic development of the knowledge, skills and attitudes required by employees to perform adequately on a given task or job (Saleem et al. 2011).Well trained and highly developed employees are considered as corner stone for such success (Abdulraheem 2016). Workplace training programs are usually considered to be an important element of the competitive organisation's corporate strategy, (Saleem et al. 2011). It presents a key avenue to expand the knowledge base of all employees and provides both the company and the individual employees with benefits that make the cost and time a valuable investment (Divya and Gomathi, 2015). Birdi et al (2008) concluded that, training and development are indispensable strategic tools for effective individual and organisation performance, thus, organisation are spending money on it with confidence that it will earn them a competitive advantage in the world of business. However, for any organisation to achieve its stated goals and objective in this competitive world, adequate and relevance training and development of staff cannot be over emphasised. Organisation are expected to identify training need of its employees and design training programs that will eventually help to optimally utilize their workforce towards actualization of organisation objective (Kennedy et al 2014).

According to Burm (2007), the organisations are acknowledging the training and development of employees as a source of competitive advantage and they are aware that human resources are the most important asset for an organisation. Employees with knowledge, necessary skills and competencies enable the organisation to win the war of competition and gain a sustainable competitive advantage in the marketplace.

Therefore, the following hypotheses is established:

H4: There is a relationship between employee training and development and sustainable competitive advantage

3.2.5 Organisational commitment and sustainable competitive advantage

Organisational commitment is the employee's psychological attachment to the organisation as it reflects one's load and expectation contingent upon organisational priorities and goals (Johnson et al., 2010). Organisational commitment is defined as the extent to which an individual identifies and is involved with its organisation (Greenberg and Baron, 2008). Therefore, organisational commitment is related to the attitude that employees exhibit toward their organisation. Porter et al (1974) cited in Chuang, and Chen, (2015) maintained that organisational commitment represents the relative strength that an individual exerts to identify with and commit to its specific organisation. Organisational commitment indicates the degree to which individuals are emotionally attached to the organisation and identify with organisational goals (Mete at al, 2016). Lack of commitment would be very dangerous for organisation it causes to poor performance and thus undesirable services and organisation's expenses increase (Alhakimi and Alhariry, 2014).Organisational commitment involves the relative strength of an individual's identification with, and involvement in a particular organisation. Here the employee is seen to be emotionally attached, identifies with the organisation, and is therefore committed to pursue its goals (Olorunleke and Akinyele, 2013) In general, it could be stated that higher commitment employee has more desirable job performance, better ethical and less willingness to leave their job therefore creating a sustainable competitive advantage for the organisation. Therefore, the following Hypotheses is established:

H5: *There is a relationship between organisation commitment and sustainable competitive advantage*

TABLE 1: SUMMARY OF HYPOTHESES

	SUMMARY OF HYPOTHESES	
H/No.	**Hypotheses Statement**	**Hypothesized Relationship**
H1	There is a relationship between internal communication and sustainable competitive advantage	IC ›› SCA (+)
H2	There is a relationship between employee empowerment and sustainable competitive advantage	EE ››SCA (+)
H3	There is a relationship between inter-functional coordination and sustainable competitive advantage	IFC ›› SCA (+)
H4	There is a relationship between employee training and development and sustainable competitive advantage	ETD ›› SCA (+)
H5	There is a relationship organisation commitment and sustainable competitive advantage	OC ›› SCA (+)

Key:

IC   =   Internal Communication

EE   =   Employee Empowerment

IFC   =   Inter-functional coordination

ETD   =   Employee training and development

OC   =   Organisational commitment

SCA   =   Sustainable competitive advantage

3.3. Summary of Chapter 3

Chapter 3 provided the conceptualised model for the research study that constituted this research study. Further to that, the research hypotheses for the research study were developed. The aim of this chapter was to illustrate the framework forming the basis of this study, as well as to formulate the proposed hypotheses, while supporting them with existing literature. The chapter comprised of two sections. In the first section, the research model was depicted and the hypotheses relationships indicated. In the second section, the hypotheses relationships were developed and further substantiated. In the next chapter, Research Methodology will be carried to further elaborate the research. So, that best possible philosophy and methodology can be adopted. In addition, empirical data can be collected and investigated in order, to answer research questions.

CHAPTER 4. RESEARCH METHODOLOGY

FIGURE 6 DIAGRAMMATIC REPRESENTATION OF CHAPTER 4

Introduction

Research philosophy: Positivist paradigm

Quantitative approach

Research instrument (Questionnaire design)

Data collection technique

Data analysis techniques
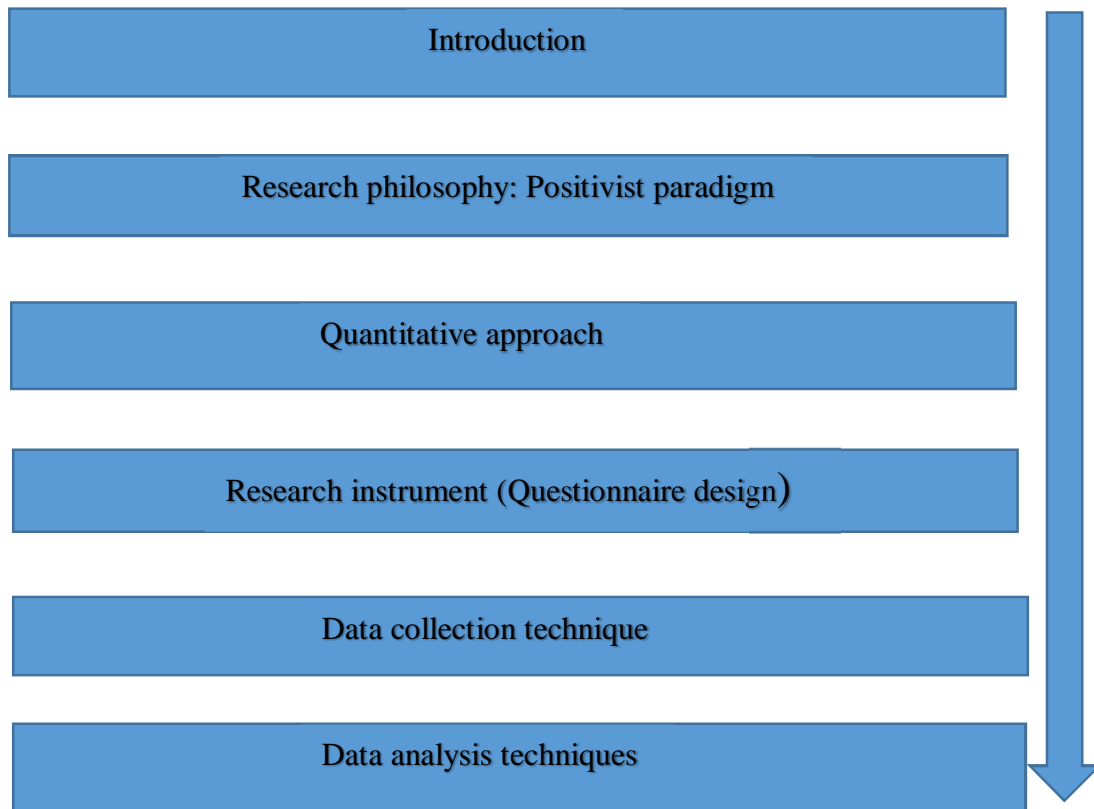
4.1 Introduction

Chapter two and three have presented a comprehensive literature review, and in this chapter a suitable method is presented to carry out the proper research.

This chapter presents the suitable research philosophy and methodology adopted in this research. Its main aim is to provide empirical data to investigate the research problems and answer the research questions.

Research methodology denotes the techniques used to acquire and analyse data to generate new knowledge (Petty et al, 2012). Research methodologies have an influence on the validity and overview of a study, and play a crucial part in knowledge development (Yang, Wang and Su, 2006). A methodology maps out procedures for gathering information that will be used to answer questions and solve problems (Malhotra and Birks, 2007).The overall approach covers the theoretical foundation through to the collection and analysis of the data.Saunders et al., (2000) describe the research process as layers of an onion which need to be peeled so that research philosophy, approach, strategy, time restrictions and the data collection methods can be found.

Figure 7 below provides a summary of the important issues that need to be taken into consideration and reviewed before undertaking any research. The different layers of the onion serve as a basis from which to consider the following; the philosophical orientation of the researcher, the research approach adopted, appropriate research strategies, the research time lines that are under review and the data collection techniques employed by the researcher.

FIGURE 7 THE RESEARCH PROCESS 'ONION'
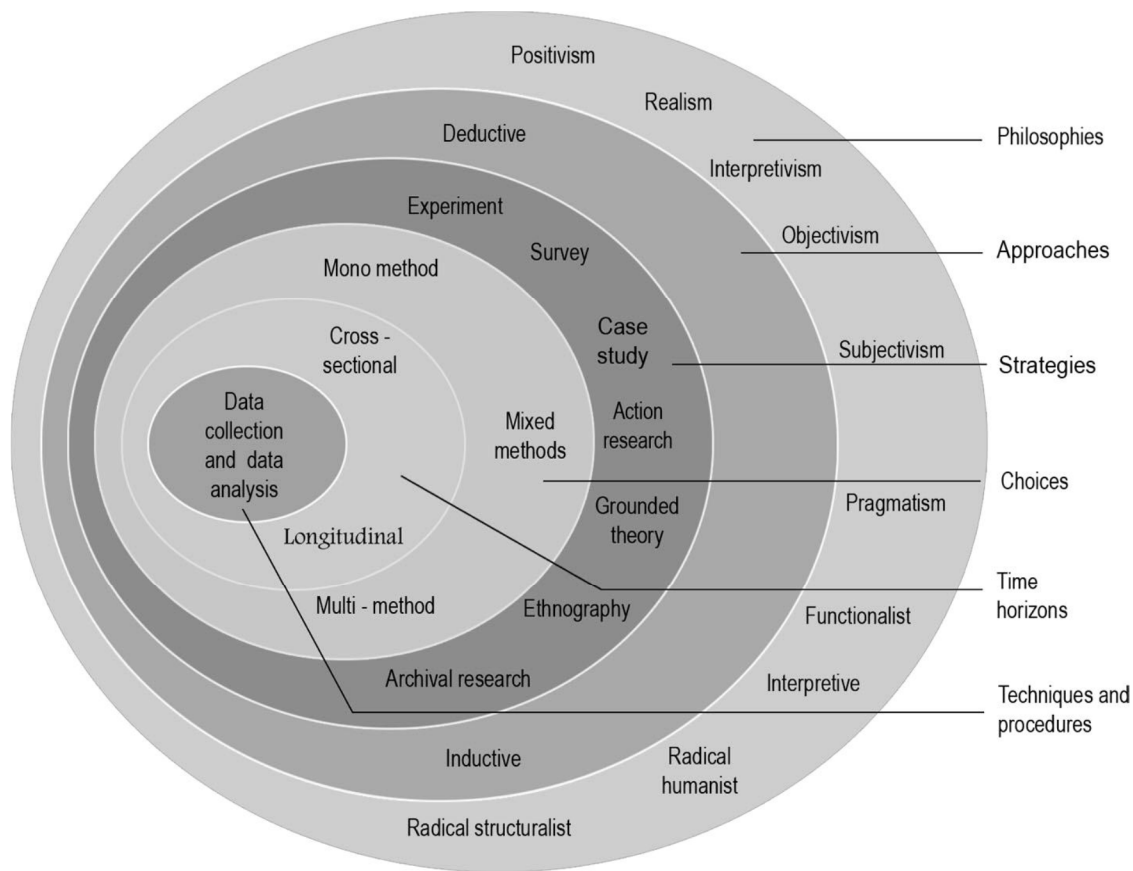
Source: Saunders et al., (2012)

4.1.2 Research Philosophy or Paradigm

The term paradigm refers to the progress of scientific practices based on people's philosophies and assumptions about the world and the nature of knowledge (Saunders et al., 2012). According to them the term paradigm is used very loosely and with different meaning in academic research and every person takes its different meaning. The concept of the paradigm is fundamental to the research process in all areas of study (Mangan et al, 2004). Collins (2010) states that research philosophy refers to the advance and nature of knowledge. Research philosophy is divided into four groups, namely: positivism, post positivism, critical theory and constructivism (Guba & Lincoln, 1994). However, these four research philosophies can also be classified into three schools of thought which are ontology, epistemology, and methodology (Guba & Lincoln, 1994). Positivism and post-positivism are generally regarded as deductive or quantitative research methods that are conducted by means of hypotheses testing (Creswell, 2009). Post-positivism also in some case include qualitative research methodologies (Hussey & Hussey, 1997). This study employed an objective ontology, which is consistent with a

positivist paradigm and a quantitative methodology. Under the positivist paradigm or way of thinking, research is scientifically conducted based on the principle that reality can be studied from an objective point of view, rather than being studied by interfering with the aspect of reality being studied (Hirschman, 1986). However, it is worth noting that in practice, it may be hard for a researcher to follow a pure account of objectivist paradigm (Antes, 2008).

Rational for Choosing the Research Philosophy

This research bends more in the direction of positivistic philosophy because of the following reasons:

a. The need to satisfy the research topic and its objectives. This research seeks to explain the casual relationship between variables (internal communication, employee empowerment, inter-functional coordination, employee training and development and organisational commitment

b. This research needs to evaluate the variables of internal marketing (IM) that influence sustainable competitive advantage within the context of construction companies in Gauteng South Africa, which means it tries to find and analyse through measurement and judgement.

c. Hypotheses testing, numbers of hypotheses are proposed and need to be tested, for this reason; statistical tests have been applied that utilise quantitative data. The statistical analysis package (SPSS) is used to analyse the collected data.

d. Resource limitation, the positivistic approach is cost effective, speed in data (time saving) and ease of analyses (Saunders et al., 2012).

From the above mentioned reasons, it is summarised and conducted that this research tends in the direction of a positivist philosophy

4.1.3 Quantitative Research

Quantitative research approach was used in this study. Quantitative research is one of the most widely used approaches of gathering data that is specific to a given research. Quantitative is a primarily a cause-comparative research which is used by most researcher to assess how two or more variables influence each other or on an outcome (Creswell, 2013). In line with the positivist perspective, quantitative methods are more objective than qualitative methods that seek to explain phenomena subjectively (Muijs, 2011).Quantitative research can be statistically analysed, to explain social phenomena and to test for causal relationships between construct. Therefore, quantitative research methods use statistics to explain the results and uses induction

by developing hypotheses (Gilbert, 2001).Quantitative research attempts to measure something as it uses numerical representation and manipulation of observations for the purpose of describing and explaining the phenomena that those observations reflect (Cooper & Schindler, 2011). Since the intention of the research was to determine relationships between internal marketing elements to achieve sustainable competitive advantage, empirical models were used to analyse the data. For this purpose, and to maintain objectivity (Creswell, 2013), this research was based on a quantitative study of the relations between the internal marketing elements and sustainable competitive advantages.

Rationale for Quantitative Research

Despite the fact that quantitative research method has its own drawbacks, it was chosen based on its strengths, closer link to the study aims and was regarded the best alternative in solving the research problem. The research study intends to examine the relationship between internal marketing variables and sustainable competitive advantage as the outcome variable. The use of a quantitative research method is acknowledged to be one of the most commonly used in business and social sciences research methodology.

Quantitative research clearly illustrates the structure of the object under study, spells out its manifest behaviour (Aluko, 2006). Therefore, quantitative methods are ideal in measuring overt behaviour, and they effectively measure descriptive aspects. Moreover, they allow for effective comparison and replication, as well as objective assessment of reliability and validity while at the same time providing statistical evidence. Saunders et al, (2012) stated that in quantitative research, its designs rely heavily on numbers when reporting results, sampling and provisions of estimated instruments, reliability and validity. The design involves obtaining data from a large group of respondents and uses descriptive statistics to quantify data and generalise the results from the sample to the population of interest. This research method is used to describe variables, to examine relationships among variables and to determine cause-and-effect interactions between variables (Burns & Grove 2005).

TABLE 2: SUMMARY OF ADVANTAGES AND DISADVANTAGES OF QUANTITATIVE RESEARCH METHODS

Advantages	Disadvantages
• Ability to accommodate large sample sizes; increases generalisability of results • Ability to distinguish small differences • Ease of administering and recording questions and answers • Capabilities of using advanced statistical analysis • Abilities of tapping into factors and relationships not directly measurable	• Difficulty of developing accurate survey instruments • Limits to the in-depth detail of data structures • Lack of control over timeliness, and potentially low response rates • Difficulties in determining whether respondents are responding truthfully • Misinterpretations of data results and inappropriate use of data analysis procedures

Source: Hair et al (2003)

4.2 Research Design

This section on research design will focus on sampling design, questionnaire design and data collection technique

4.2.1 Sampling Design

Galpin & Krommenhoek (2012) defined sampling design as the basis for selection of the survey sample that represents the population of interest. The sampling design section will consist of target population, sampling frame, sample size and sampling method. A sampling design should be easy to implement, efficient and have large entropy to be generally applicable (Myers et al., 2010).

4.2.2   Target Population

When defining a target population, a researcher should indicate clearly the characteristics of the target population that apply directly to the study. The identification of the study population is necessary for the formulation and running of any test (Klein & Meyskens, 2001).

The target population for this study was drawn from registered construction companies in Grade 9 listed under the Construction Industry Development Board (CIDB) in Gauteng, South Africa. Grade 9 listed companies where selected since they are the largest in size and income and are the most regulated and most sustainable construction companies in South Africa. Gauteng Province was selected based on the level of business confidence recorded during the financial year 2014 /2015 (CIDB Quarterly Review, 2015), where the province appeared the most prosperous, also having a high concentration of construction works.

4.2.3   Sample frame

In statistical terms, a sampling frame refers to a source material or a device from which a sample is drawn (Chinomona, 2012). A research problem and objectives or questions are used to determine the sampling frame that is they specify as to who should be sampled or what to sample. It is used to determine the elements of the population by means of explicit or implicit listing (Fricker, 2011).

When deciding on the sampling frame, the researcher deliberated on and answered the following questions, as put forward by Hair et al. (2003):

a) Is there a complete list of well-defined target population elements?

b) How easy or difficult is it to determine the necessary sampling frame of potential respondents?

The sample frame comprises of the members of the population that will form the basis of the research (Krommenhoek & Galpin, 2013). The sampling frame used for this study was constructed from a CIDB database of 2500 construction managers in Gauteng, this being less costly than custom-made lists, and the register was current. For the purpose of the research, the sample frame comprised of directors, operational managers, marketing managers, client service manager, business development managers, contract managers and human resource managers working for various construction companies in Gauteng. This was because managers were viewed as key decision makers. These individuals where selected with the expectation that they will give different views and knowledge of the importance internal marketing with the organisation.

4.2.4 Sample size

After selecting the target population, the sampling frame was a representative subset of this population (Creswell, 2013). Sample size determination is crucial to any empirical research, as too small sample size undermines the power of the statistical tests of significance while a larger one has less chance of producing results that are uncharacteristic of the population (Cooper & Schindler, 2011). The sample size was determined using a few factors, such as size of the population of interest, time and costs. The sample size influenced the accuracy of estimation but in general however a large sample size can help minimize sampling errors and improve generalizability of research findings (Yang et al., 2006). The most critical issues that influence the sample size decision are time, and cost (Bryman & Bell, 2003). The Raosoft calculator for sample size was used to calculate the size of the sample (Raosoft Incorporated, 2004). The calculation took into account the population of approximately 2500 managers registered with the CIBD, 5% margin of error, 95% confidence interval and recommended 50% distribution, and returned a minimum sample size of 260 respondents.

4.2.5 Sampling method

A sampling method is a tool that is used in research to select respondents from the general population (Ghauri & Gronhaug, 2005). Correct sampling methods are essential for reducing sample selection bias. A sampling method must be easy to implement, efficient and effective to be generally applicable (Grafstrom, 2010).

There are two approaches to sampling methods, probability and non-probability sampling (Malhotra 2010). Probability sampling is based on the premise that each member of the population has an equal opportunity to be selected such that sample elements are selected by chance and the chance is known for each element that is selected (Zikmund et al, 2013). In non-probability sampling, sample element selection relies on the discretion of the researcher and, furthermore, the degree of sampling error cannot be determined (Tustin et al., 2010). Non-probability sampling methods can be further classified into three groups' namely judgmental, quota and convenience sampling methods (Zikmund et al. 2013). On the other hand, probability-sampling methods are grouped into the following types: simple random sampling, systematic sampling, stratified sampling, cluster sampling and multi stage sampling (Tustin et al. 2010).

4.2.6   Justification for the Use of Sampling

At this instant, it may be necessary to justify why a sample was taken, that is, why not study every member of the population. It is almost impossible to gather data from every person in a population. Moreover, it is typically infeasible to conduct a complete census of everyone for the reason that there are budget and time constraints (Schreuder et al, 2004). This may be due to the fact that not all members of a population may be accessible and there is a high probability of surveying one individual more than once. As a result, a sample of the population is often utilised to make extrapolations about the entire population (Schreuder et al., 2004). Therefore, the main aim of sampling is to make inferences about the population under study. However, this can be done if accumulated data is representative of the whole population of interest

The sampling method most appropriate for this research study was probability sampling, as it provides every unit within the population an equal chance to be sampled (Daniel, 2011). Probability sampling guaranteed every manager an equal chance of being selected for the sample (Zikmund, et al. 2010), so the resulting sample was a valid representation of the companies' population registered with CIDB in the province. For this research, any company that was listed in the CIBD directory was simply randomly selected from the lists and invited to participate in the research, until the required number of respondents was reached.

4.3 The Measurement Instrument

The instrument was designed through a process of drawing from literature, in relation to the constructs being tested. Existing scales were adapted from the purpose of this study. From here, email surveys were distributed to the participants. Furthermore, the instrument was piloted amongst a small group of sample respondents, to test for precision, and to gain further insight into any bias derived from interpretation of the survey instrument's data.

4.3.1 Questionnaire Design

To achieve the research objectives, a questionnaire was designed to collect the required data for testing the research hypotheses. The questionnaire target the management of the construction company to measure the degree of the internal marketing adoption and measure if it is a strategy to achieve sustainable competitive advantage. Data was collected through a self-administered questionnaire which was distributed through an email. A self-administered questionnaire is a form containing a set of questions, usually presented to the respondents by

an interviewer or a person in an official capacity that explains the purpose but does not actually complete the questionnaire (Cooper & Schindler, 2011). This technique reduces interviewer bias and also saves money and time.

A questionnaire was ideal as a measuring instrument as it simple to administer and reduces the variability in the results that may be caused by differences in other types of interviews (Malhotra & Birks 2010). A structured questionnaire further facilitates coding, analysis and interpretation of data. The questionnaire consisted of 42 statements, divided into three sections A, B and C. Section A asked the respondent about his or her biographical information, such as gender and occupational profile. Section (B) measuring the internal marketing dimensions. For each dimension, each items was measured on a five-point Likert scale, with format from "strongly disagree" (1) to "strongly agree" (5). Section (C) of the questionnaire test the sustainable competitive advantage SCA. The researcher created a 5 Point-Likert scale questionnaire that essentially tests the perceptions of managers. Research scales where developed mainly based on previous work. Since the items were adapted from numerous sources with relatively similar scale measures, and for fulfilment of research criteria (Johnson & Christensen, 2008). The instrument was then assessed for reliability during the analysis phase of the research. Proper modifications were made for them to fit the current research context and purpose.

Independent variable

An independent variable refers to a variable that is used to describe a given response variable, and usually used in conjunction with other variables. It is typically denoted by the letter χ, and such variables may often affect the relationships among other independent variables and/or the dependent variable (Kleinbaum et al, 2014). The variables used are as follows;

a) **Internal communication**

Internal communication was measured using Ahmed et al., (2003), 5-item Likert scale.

The dimensions were adapted to suit the context of the study, and the items were changed to a 5-point Likert scale. Participants were asked to rate their level of agreement on a 5-point Likert scale (1 – strongly disagree; 2 – disagree; 3 – neutral; 4– agree; 5 – strongly agree). The following items were used to measure internal communication.

TABLE 3: INTERNAL COMMUNICATION SCALE

Our organisation has placed considerable emphasis on communicating with employee
Our construction company encourages diversity of opinions.
Employees are usually informed about major changes in policy that affect their jobs before they take place.
Internal communication has made our company to cooperate with stakeholders in new and innovative ways
Poor information flow and coordination between employees and management
In our organisation, we have long standing relationships with employees
Employees are not afraid to speak up during meetings with their supervisors and managers

b) Employee Empowerment

Employee Empowerment was measured using Ahmed et al., (2003) and Che Ha et al., (2007). 5-item Likert scale. The dimensions were adapted to suit the context of the study. Participants were asked to rate their level of agreement on a 5-point Likert scale (1 – strongly disagree; 2 – disagree; 3 – neutral; 4– agree; 5 – strongly agree). The following items were used to measure employee empowerment.

TABLE 4: EMPLOYEE EMPOWERMENT SCALE

Empowerment is part of our company policy
In this company, laws and regulations allow employees empowerment.
Employee empowerment is part of training and development activities
Empowerment is an integral part of motivation and promotion.
Employees in this company seek and accept empowerment and its challenges.

c) Inter-functional coordination

Inter-functional coordination was measured using Narver and Slater (1990) and Ahmed et al., (2003), 5-item Likert scale. The dimensions were adapted to suit the context of the study, and the items were changed to a 5-point Likert scale. Participants were asked to rate their level of agreement on a 5-point Likert scale (1 – strongly disagree; 2 – disagree; 3 – neutral; 4– agree; 5 – strongly agree). The following items were used to measure Inter-functional coordination.

TABLE 5:INTER-FUNCTIONAL COORDINATION SCALE

The various departments in our company share a great deal of information with each other
Our company's strategy emphasizes co-ordination of the various departments
Resources are frequently shared by different departments
Tightly coordinating the activities of all departments adds client value
Integrate performances to find the highest position among all competitors

d) Employee Training and Development

Employee Training and Development was measured using Narver and Slater (1990) and Ahmed et al., (2003), 7-item Likert scale. The dimensions were adapted to suit the context of the study, and the items were changed to a 5-point Likert scale. Participants were asked to rate their level of agreement on a 5-point Likert scale (1 – strongly disagree; 2 – disagree; 3 – neutral; 4– agree; 5 – strongly agree). The following items were used to measure employee training and development.

TABLE 6: EMPLOYEE TRAINING AND DEVELOPMENT SCALE

Our organisation views the development of knowledge and skills in employees as a competitive advantage
Shortage of experienced and competent labour force
We set aside adequate resources to train our employees
Knowledge and employee skills development constitute a continuous process in our organisation
Training and Development policy is strictly adhered to
Management views the development of knowledge and skills of employees as an investment rather than a cost
Training needs are identified through a formal process
Training and Development enhances teamwork
Training needs identified are realistic based on organisational needs

e) Organisational Commitment

Organisational Commitment was measured using Seliman (2000) and Che Ha et al., (2007), 7-item Likert scale. The dimensions were adapted to suit the context of the study, and the items were changed to a 5-point Likert scale. Participants were asked to rate their level of agreement on a 5-point Likert scale (1 – strongly disagree; 2 – disagree; 3 – neutral; 4– agree; 5 – strongly agree). The following items were used to measure organisational commitment.

TABLE 7: ORGANISATIONAL COMMITMENT SCALE

The organisation sticks to its mission vision and values all the time.
My organisation shows respect for a diverse range of opinions, ideas and people (allows employee participation in decision making)
There are clear organisational commitment to service quality
Ensure continuous efforts in enhancing the quality of construction work
Always source for new ideas to enhance quality of construction work
Strong willingness to change current work procedures to conform to the requirements of quality system.

Dependent (Outcome) Variable

The variable under investigation is described as the dependent or outcome variable and is depicted by the letter γ. This variable is described in terms of other variables, namely the independent or predictor variables (Kleinbaum et al., 2014). For the purpose of the present study, sustainable competitive advantages acts as the dependent variable. The following are dependent variables;

a) Sustainable Competitive Advantage

Sustainable competitive advantage was measured using King and Zenithal (2001), 7-item Likert scale. The dimensions were adapted to suit the context of the study, and the items were changed to a 5-point Likert scale. Participants were asked to rate their level of agreement on a 5-point Likert scale (1 – strongly disagree; 2 – disagree; 3 – neutral; 4– agree; 5 – strongly agree). The following items were used to measure sustainable competitive advantage

TABLE 8: SUSTAINABLE COMPETITIVE ADVANTAGE SCALE

Skill and knowledge development of employees happens as an ongoing process in our organisation
Our organisation has innovation and creativity in the contexts of prediction, standardization and reaching competitive advantage
The company performs well because of its ethical values
Failure to involve employees in decision making affects implementation of internal marketing
To maintain a high standard of service delivery, construction organisations should attract, keep and motivate quality staff.
My company encourages work teams to identify opportunities for improvement

4.4 Data Collection

4.4.1 Data Collection Techniques

The technique for collecting data included contacting managers via telephone and electronically emailing a Kwiksurvey link for them to participate in the research. The email contact for this study was drawn from registered construction companies listed under the Construction Industry Development Board (CIDB) database. It is very easy and convenient for respondents to complete surveys online. Participants can fill out questionnaires when they choose to and start and stop a survey at their leisure. This gives control over completing the survey to the individual, which can increase engagement and response rates (Denscombe, 2014)

Data was collected through a structured self-administered questionnaire. As this was a self-administered questionnaire, the respondents complete the questionnaires themselves and it was critical that respondents knew the directive upon receipt and completion. Advantages and disadvantages of utilising a self- administered questionnaire according to Bryman, (2012) include the following;

TABLE 9: ADVANTAGES AND DISADVANTAGES OF UTILISING A SELF- ADMINISTERED

QUESTIONNAIRE

Advantages	Disadvantages
a) Cheap to administer	a) Respondents cannot be prompted if they are unclear
b) Quicker to administer	b) Researcher cannot probe respondents to clarify or elaborate an answer
c) No interviewer variability	c) The response rate can be low.
d) Respondents can complete the questionnaire at their own time	

Summary of Data Research Methodology

The diagram below summarises the data research methodology used in the research.

FIGURE 8 SUMMARY OF DATA RESEARCH METHODOLOGY
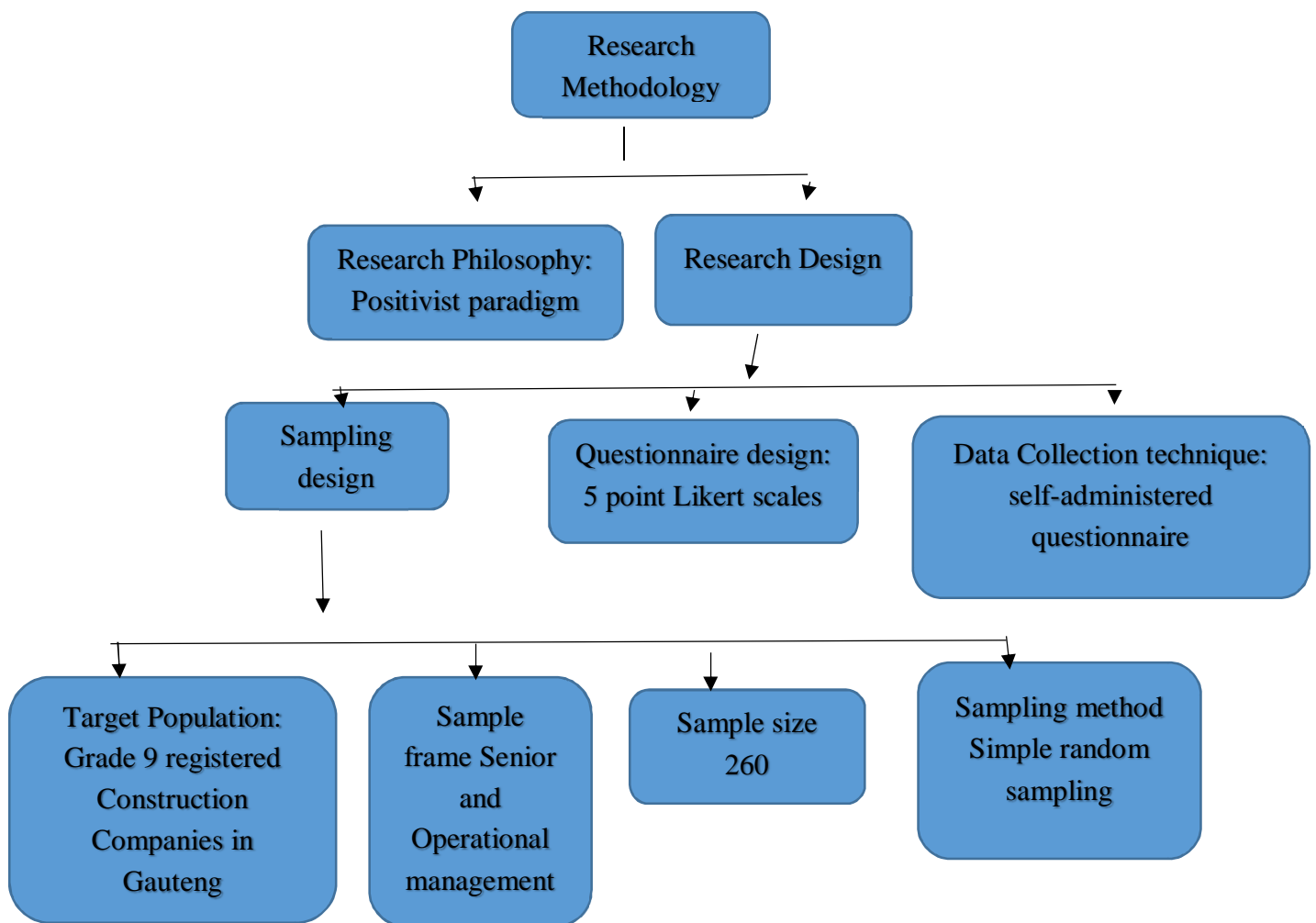
4.5 Data Analysis Techniques

This section clearly explains the process that was followed to analyse the data after it was collected. The data analyses procedure was a step by step process and was conducted as explained in the section below. Trochim (2000) pointed out that most social research involves the data analysis that occurs in three main stages, which are usually carried out in the following order:

1. Cleaning and sorting out the data for analysis (data preparation)

2. Describing the data (descriptive statistics)

3. Testing hypotheses and models (inferential statistics)

4. Structural Equation Modelling:

4.1 Confirmatory factor analysis (CFA)

4.2 Path modelling (PM)

It is important to explain the data analysis procedures in order to understand the theoretical and empirical underpinnings of the procedures that effectively play a role in responding to the empirical objectives of the research. Once data has been collected on the coded questionnaires, the methodology requires it to be analysed so that inferences can be made pertaining to the study (Krommenhoek & Galpin, 2013).

4.5.1   Data coding and cleaning

Firstly, the collected data was coded in an Excel spread sheet, before analysis. To gain comprehension of the attributes of each variable, descriptive statistics analysis were utilised and indicated by the mean and standard deviation of each factor. Sorting or coding involves the allocation of numbers to every answer within the self-administered questionnaire. This includes verifying that information from each questionnaire has been captured correctly, missing data is filled in appropriately, and spoilt questionnaires are excluded at an early stage in the analysis process (Krommenhoek & Galpin, 2013). Once cleaned, the spreadsheet file is imported into the statistical analysis programme Statistical Package for Social Sciences (SPSS) for statistical analysis. The first task is to compute a reliability test to verify the overall internal consistency of the scales used in the research instrument (Muijs, 2011) before descriptive statistics or SEM procedures are conducted. To ensure that the research instrument is logical and valid, SPSS is used to run a test of internal consistency using the Cronbach's alpha coefficient (Krommenhoek & Galpin, 2013)

4.5.2 Descriptive Statistics

Descriptive statistics deals with measure of different aspects of a population (Trochim, 2000). Descriptive statistics is defined as a quantitative check that describes the main structures of an assemblage of data. It is concerned with the summary of the data obtained for a group of individual units of analysis (Welman & Kruger, 2001). Descriptive statistics analysis was adopted to obtain a comprehension of the facets for every variable that was revealed by the mean and standard deviation of each factor. A descriptive focus involves the creation of a summary picture of a sample or population in terms of key variables being researched (Gray, 2009). This may involve the presentation of data in a graphical form. In the current study descriptive statistics explored the demographic characteristics of the research data. The total number of participants were mentioned, distribution of gender and educational level of the respondents.

4.6. Measurement Model

The following section provides an overview of testing the measurement instrument for reliability and validity.

4.6.1 Reliability Tests

Cronbach Alpha Coefficient

Cronbach's coefficient alpha is the most widely used estimator of the reliability of tests and scales (Peterson & Kim 2013).The Cronbach Alpha Coefficient is used to test the reliability of the measurement instrument. Reliability of the instrument refers to the extent to which the scale produces consistent results when being re-used (Hair et al., 2009).

The scale for Cronbach's alpha ranges from 0 to 1, with coefficients closer to 1 indicating greater extent of internal consistency (Gliem & Gliem, 2003). Coefficients of 0.6 and greater are considered to be acceptable for confirming overall internal consistency (Krommenhoek and Galpin, 2013).Techniques that are used to test the reliability are retesting, and the equivalent form (Hair et al., 2009). The equivalent form is used for this study to test scale reliability, and refers to creation of two similar, yet different, scale measurements for a given construct. There might be a slight difference in wording of the scales when it is given to the same sample of respondents.

Composite Reliability

Internal reliability of each construct was also evaluated using the Composite Reliability (CR) index test. For the Composite Reliability to be accepted, the index should be greater than 0.7 (Hair et al., 2009). It is calculated by using the formula below:

CRη = (Σγyi) 2 / [(Σγyi) 2 + Σεi],

Where **(Σλyi) 2** represents the square of the summation of the factor loadings generated by the CFA model, and **(Σεi)** represents the summation of error variances. Like the Cronbach's alpha, CR ranges from 0 to 1, with coefficients closer to 1 indicating more internal consistency.

Average Value Extracted (AVE)

The average variance extracted proved that the overall amount of variance in the indicators were accounted for by the latent construct. It is ideal for the Average Variance Extracted (AVE) to be greater than 0.4 (Fraering & Minor, 2006) for the construct to be considered reliable. To calculate the Average Variance Extracted (AVE), the standardised factor loading values in the CFA results are used. The formula below is used to calculate the Average Variance Extracted (AVE):

Vη=Σλyi2/ (Σλyi2+Σεi)

Where **Σλyi2** represents the summation of the squared of factor loadings, and **Σεi** represents the summation of error variances. AVE ranges from 0 to 1, with values closer to 1 indicating greater variance being attributable to the construct. It is recommended for the AVE to be equal to or greater than 0.5 (Fornell & Larcker, 1981), as this suggests that the variance attributable to the construct is greater than the variance due to measurement error. However, AVE values above 0.4 are considered to be marginally acceptable.

4.6.2 Validity Tests

Convergent Validity

Convergent validity measures the degree to which a construct comes together in its indicators by explaining the items' variance (Sarstedt, Ringle, Smith, Reams & Hair, 2014). Convergent validity describes the extent to which the each item in a construct variable correlates to the construct variable to affirm that it is measuring the same variable as other items in that variable (Campell & Fiske, 1959). Convergent validity was assessed by checking if individual item

loadings for each corresponding research construct were greater than 0.5 as recommended by (Schwab, 2006).

Convergent validity indicates high correspondence between scores from two or more different measures of the same construct (Schwab, 2006). In other words, it explains the correlation between scales in the same direction, with other measures of the same construct, and thus gives an indication of the validity of the construct (Schwab, 2006).

Discriminant Validity

Discriminant Validity refers to the degree to which a measure is distinct from other measures, that is, it shows heterogeneity between different constructs (Malhotra, 2006). Discriminant validity is based on the notion that, because each construct is measuring one variable, the items should therefore be more highly correlated with each other than with items from other constructs (Lucas et al, 1996). Discriminant validity occurs when the scores from measures of different constructs do not converge (Schwab, 2006). It therefore provides clarity on whether the measurement scores of a construct are unique (Schwab, 2006). It shows the heterogeneity between different constructs (Malhotra, 2006). An inter-construct correlation matrix is used to evaluate the presence of discriminant validity. To achieve high discriminant validity, values of less than 0.8 are sought (O'Rourke & Hatcher, 2013). This means the constructs are distinct.

4.7 Confirmatory Factor Analysis

Confirmatory factor analysis (CFA) is an analytical tool that deals specifically with measurement models; that is, the relationships between observed measures or indicators (e.g., test items, test scores, behavioural observation ratings) and latent variables or factors (Brown, 2014). CFA allows the researcher to test the Hypotheses that a relationship between observed variables and their underlying latent constructs exists (Suhr, 2006).To ensure validity, a confirmatory factor analysis was performed on each of the scales. The researcher uses knowledge of the theory, empirical research, or both, postulates the relationship pattern a priori and then tests the Hypotheses statistically (Suhr, 2006). The reason why CFA was used for the purpose of this study is twofold, firstly, to ensure that the relationships between the observed variables and the latent variables met the unidimensionality assumption, and secondly, to check the standardised factor loadings. The standardised factor loading values should be more than 0.6 in order to show strong association.

A Confirmatory Factor Analysis was performed in this study to obtain the standard regression weights. Model fit indicators such as Chi-Square value/Degrees Of Freedom, Normed Fit Index

(NFI), Tucker-Lewis Index (TLI), Composite Fit Index (CFI) and the Random Measure of Standard Error Approximation (RMSEA) was used to assess the model fit.

4.8   Model Fit

Chi-square, as a statistic for goodness of fit, measures the extent to which observations are not due to chance, but rather fits the postulated model (Krommenhoek & Galpin, 2013). It is denoted by $\chi2 / df,$ (chi-square over degrees of freedom) and is measured in terms of positive numbers. The Chi-Square value is the traditional measure for evaluating overall model fit and as it assesses the magnitude of discrepancy between the sample and fitted covariance matrices. A good model fit would provide an insignificant result at a 0.05 threshold (Burton et al., 2003**).**

4.9 Path modelling

Once the model fit has been assessed, this study will proceed to perform Path Modelling using AMOS 24.0 software package. Path Modelling describes the relationships between observed or measured variables and theoretical constructs (Roche, Duffield & White, 2011) and tests the structural paths of the conceptualized research model.

Structural Equation Modelling (SEM) has become a favoured technique for researchers across disciplines (Byrne, 2012). SEM is a multivariate statistical framework that is used for modelling complex relationships between directly and indirectly observed variables (Stein, Morris & Nock, 2012).Hair *et al.,* (2006) and Yang et al., (2006) suggested that GFI, CFI and NFI are best if they are above 0.90 and are marginally acceptable if they are above 0.80. The recommended RMSEA is a value below 0.08, and the ratio of chi-square to degree of freedom should be below 5 (Hair *et al.,* 2006; Yang et al., 2006). Structural Equation Modelling was conducted and this process comprises of multiple regression analysis and path analysis and it models the relationship among the latent variables (Hair et al., 2008).

The main goals of SEM are to recognise the patterns of correlations among a set of variables, and to explain their variances with the specified model (Kline, 1998). Several aspects set it apart from older generations of multivariate procedures (Byrne, 2012). Firstly, it takes a confirmatory approach to the data analysis, rather than an exploratory approach. Secondly, in contrast to most other multivariate procedures that are incapable of assessing or correcting for measurement error, SEM provides explicit estimates of possible error variance parameters. Thirdly, SEM procedures can incorporate both unobserved and observed variables. Finally, there are no widely and easily applied alternative methods for modelling multivariate relations.

Given such desirable characteristics, SEM has become a popular methodology for non-experimental research (Byrne, 2012).

4.10 Ethical Considerations

Ethical considerations are essential in research as there is always the potential for participants' rights to be violated, intentionally or unintentionally. This study was approved by the University of the Witwatersrand's Human Research Ethics Committee (non-medical) with the clearance certificate protocol number H16/11/12. (See Appendix section, as Annexure 3). According to Zikmund and Babin (2013), ethics refer to a concern with the developments of moral standards by which situations can be judged and it applies to all situations in which there can be actual or potential harm of any kind to an individual or group. This is the case because human element was involved in the research study, and therefore measures had to be put in place to ensure the protection of peoples' privacy as well as the reputation of the University of the Witwatersrand. Ethics committee made the decision to grant ethical clearance for the research and, if any fabrication, falsifying or misrepresenting of research data occurred, the committee had full authority to take appropriate action. No participant was forced to take part in the research study, and no incentives were used to lure participants into taking part. Participants were free to pull out of the study at any given point. All the procedures as far as ethical conduct throughout the research were adhered to. Information which was collected as data was kept confidential, and none was used for any other purposes other than those of the research study.

4.11 Summary of Chapter 4

This chapter presented the methodology used to collect the data. Firstly, an explanation of the philosophical approach used for the research study was discussed. This was followed by discussion of the theory underlying the research design, as well as the methodology adopted for this research study. A comprehensive justification and rationale for the chosen method was discussed. This was followed by the sampling design, and the measurement instrument development that provided an overview of the scales that were adapted for the purpose of the present study. Lastly, the approach used for analysis of the data was presented, followed by description of the ethical considerations. The next chapter presents the data analysis, and discussion of results.

CHAPTER 5: PRESENTATION AND DISCUSSION OF RESULTS

5.1 Introduction

This chapter will present and discuss the findings that were obtained through empirical investigation. In this chapter there will be presentations of statistical analysis of data that was collected through the data collection tool (research questionnaire). To analyse the data SPSS 24 and AMOS 24 were used. In this chapter descriptive statistics are discussed, the reliability of all the constructs in the model used to develop the questionnaire is also discussed. Structural Equation Modelling was conducted where Confirmatory Factor Analysis and Path Modelling were conducted. Confirmatory Factor Analysis (CFA) was conducted to check for Model Fit, Reliability and Validity of the scales used in the research questionnaire. To check validity of the scales shared variance was compared to Average Variance Extracted (AVE). Path Modelling (PM) was conducted to check for model fit and to test the Hypotheses of the study. Chapter 5 begins with exploring the data screening process, followed by the presentation of data analysis procedures employed by the current study. Thereafter, the sample description is provided. Following sample description, a test of measures and accuracy analysis statistics is provided. This section of the chapter mainly tests reliability and validity using different methods to ascertain accuracy. For measuring reliability, the Cronbach's Alpha, the Composite Reliability Index (CR) and the Average Variance Extracted (AVE) are used, while on measuring validity, Factor Analysis is used to check convergent validity and correlation matrix and chi-square. CFA difference are also used to check for evidence of discriminant validity.

This section is followed by a presentation of the research models fit. Numerous indicators such as the Chi-Square Value, Normed Fit Index (NFI), Comparative Fit Index (CFI) and Root Mean Square Error of Approximation (RMSEA) were used to ascertain if the research model fit the data. In conclusion, a summary of chapter 5 is provided.

5.2 Data Screening

After data collection, the researcher implemented the data screening process proposed by Malhotra (2006) to ensure data were cleaned before conducting further statistical analysis. Screening the data is the initial step towards obtaining some insights into the characteristics of the data. It is crucial to ensure the accuracy of data entries and assessment of outliers before proceeding to analyse summary statistics for the survey responses. The major analytical tasks in the data screening process include questionnaire checking, editing, coding, and tabulation. Using SPSS, each data field was tested for mean and standard deviation to detect any

typographical errors and possible outliers. Data were cleaned after errors in data entry were rectified.

5.3 Data analytical Procedures

To analyse the empirical data, several statistical methods were employed. Firstly, Coefficient Alpha and adjusted item-to-total correlations were used in assessing the internal consistency of each construct. Data were analysed using SPSS 24. For the assessment of final measures, confirmatory factor analysis was performed using the AMOS 24. Statistical procedures used to validate measures involved of assessment of items and scale reliability, uni-dimensionality, and convergent and discriminant validity. Details of Structural Equation Modeling were analysed with its interpretation of results was also be discussed.

Figure 9 demonstrates the procedures of statistical analysis as well as the key tasks that will be undertaken in the chapter.

FIGURE 9 STATISTICAL ANALYSIS PROCEDURES
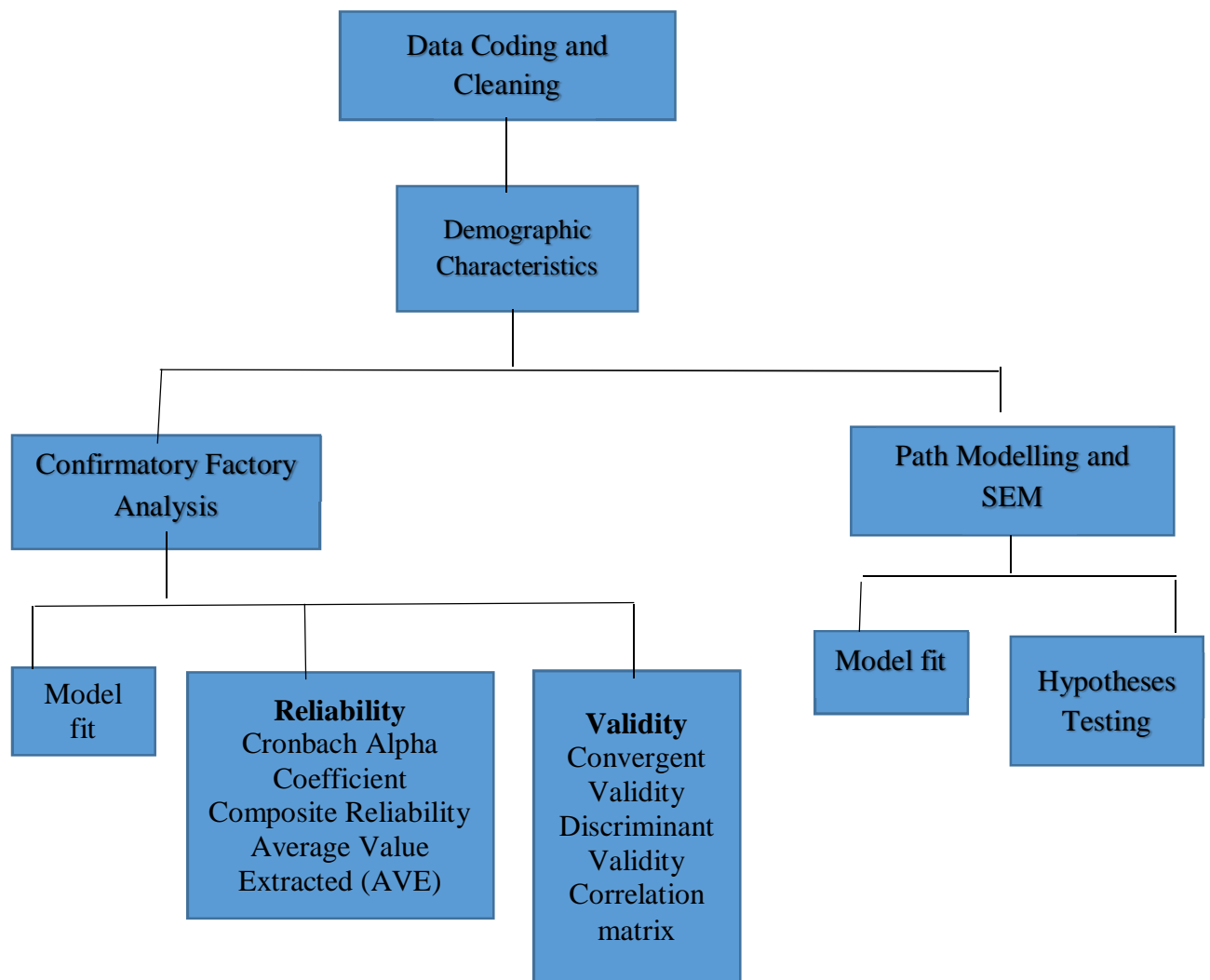
Source: Compiled by Researcher (2017)

5.4 Descriptive Statistics:

The following section will not only discuss the descriptive statistics of the demographics of the target market but it will also provide a general overview of the results of the questionnaire at large. The primary purpose of descriptive statistics is to offer abridged characteristic information about the sample and form the basis of quantitative data analysis (Burns & Bush, 2006). When the researcher commences drawing inferences from the information analysed, the descriptive statistics reduce the risk of basing all decisions on probability indicator (Kumar, 2005), and also help the researcher understand emerging characteristics of the sample (Mukher & Albon, 2010). A descriptive focus involves the creation of a summary picture of a sample or population in terms of key variables being researched (Gray, 2009). The descriptive statistics

could take the form of pie charts, or tables that show the basic data of the main components of the study for example demographic or biographical data. The purpose of descriptive statistics is to search for patterns, to put together and present a set of data describing the characteristics of the sample so as to make comparisons (Trochim, 2000; Gerber-Nel, Nel, Kotze, 2005).

5.4.1 Respondent profile

The statistics below were run on SPSS in order to establish the respondent profile and to do comparisons on the respondents. The research is based on 260 respondents, and the detail outlined below;

TABLE 10: SAMPLE DEMOGRAPHIC PROFILE

Table 10: Gender of Respondents			
Gender	male	female	Total
Count	182	78	260
Percent	70%	30%	100%
Cumulative Percent	70%	100%	

The study contains responses from across the construction industry, however we can see that it is skewed towards the male population at 70% male and 30% female from a total of 260 research questionnaires captured as seen in Table 10. The majority of the respondents were male and spread among directors, senior manager and operational manager job titles. Location of construction companies in the GP may also give an idea of the skewed population as married females with children would want to work closer to home.

TABLE 11: COMPANIES OPERATING TIME

Table 11: Companies Duration Time in the Construction Industry				
Time	< 5 years	5-10 years	>10 years	Total
Count	1	12	247	260
Percentage %	0%	5%	95%	100%
Cumulative Percentage %	0%	5%	100%	

Table 11 above shows a much skewed population of greater than 10 years in the Construction Industry at a 95% portion, this will give a greater sense of value to the answers in the questionnaire as participants would have greater experience and be able to answer questions

with a greater knowledge based. This is not a negative but seen as a positive attribute to this study and almost 95% of the companies had been in operation for ten years or more.

TABLE 12: NUMBER OF YEARS EMPLOYED

Table 12: Number of Years employed with Company				
Time	< 5 years	5-10 years	>10 years	Total
Count	26	189	45	260
Percent	10%	73%	17%	100%
Cumulative Percent	0%	83%	100%	

A good distribution of years employed gives the research a meaningful insight as people employed over 10 years would be assumed to be in higher positions, these individuals will have a greater knowledge and experience based to add to the questionnaire but may also include employees with grudges toward the company. The 73% base of 5-10 years is good as these employees are looking to get ahead and stay in the company, their answers would be ones that they are hoping will bring about change.

TABLE 13: LEVEL OF EDUCATION

Table 13: Level of Education per Respondent					
Education Level	Matric	College Diploma	Degree	Master or above	Total
Count	5	46	136	73	260
Percent	2%	18%	52%	28%	100%
Cumulative Percent	2%	20%	72%	100%	

This study has a bias to Degree students who are working 5-10 years for a company, and Masters or above working above 10 years for a company. This is not seen as skewed but seen as a normal, there are employees with matric working for 5-10 years and with a college diploma in the 5-10 year category which won't skew the data.

5.5 Inferential statistics

After demographic data analysis of the data collected, the reliability and validity of the measuring scales needed to be assessed to ensure valid data analyses. This was principally important for this study as a few of the scales had been modified to adapt to the particular research context. Creswell (2013) proposed three requirements of measurement. First, the

measurement must be an operationally definable process meaning that the measurement process must be defined by stipulating a set of realizable experimental conditions and a sequence of operations to be conducted under these conditions which will yield the measurement. Second, the outcome of the measurement process must be reproducible (reliability). Third, the measurement should be valid or accurate (validity). The total error of a measurement entails of systematic errors, which involve with validity test, and random errors, which are measured by reliability test (Kumar, 2005). The next subsection presents reliability tests, followed by a discussion of validity issues before the actual accuracy analysis for the study is presented.

5.5.1 Construct reliability

As previously outlined, the central tenant of reliability is determining the consistency of the data. That is, attaining similar finding over many applications of the same study. Internal reliability of each construct was measured using the standardized Cronbach's coefficient alpha. The Cronbach Alpha Coefficient is one the most internal consistency approaches (Dunn, Baguley & Brunsden, 2013). According to Chinomona et al (2014) a higher level of Cronbach's Alpha indicates a higher reliability of the measurement scale. If the value is low, either there are too few items or there is little commonality among the items (Chinomona et al, 2014). Although the lowest threshold level for Cronbach's Alpha has been highlighted as being 0.6 (Hair et al., 2008), It is accepted that a high Cronbach's coefficient alpha signifies reliability of a measurement scale. Generally, a Cronbach's Alpha value that meets or exceeds 0.7 is regarded as adequate. The table below illustrates how the variables in the study fall within an acceptable range above the minimum of 0.7 with Inter-functional coordination scoring the lowest value of 0.858 and Organisational commitment with the highest value of 0.889.

TABLE 14: CRONBACH'S ALPHA RESULTS

Cronbach's Alpha Results			
Variable	Cronbach's Alpha	CR Based on Standardized Items	N of Items
Internal Communication	0.887	0.889	7
Employee Empowerment	0.880	0.881	5
Inter-functional coordination	0.858	0.858	5
Employee Training	0.884	0.886	8

| Organisational commitment | 0.889 | 0.889 | 6 |
| Sustainable competitive advantage | 0.881 | 0.883 | 6 |

5.5.1 Composite Reliability (CR)

In order to assess internal reliability, a CR test had to be conducted. The following formula should be applied when examining Composite Reliability:

CRη= (Σλyi) 2/ [(Σλyi) 2+ (Σεi)]

Composite Reliability = (square of the summation of the factor loadings)/ {(square of the summation of the factor loadings) + (summation of error variances)}.

The Composite Reliability testing will include testing for latent variables. The CR minimum value of 0.5 has been adjusted to the value of 0.7 by Nunnally (1978) and is also recommended by Hair et al., (2008). The given table 15 below indicates that these values are above the 0.6 threshold and as such confirms that there was internal consistency and reliability for all constructs (Chinomona, 2011).

TABLE 15 : COMPOSITE RELIABILITY RESULTS

Composite Reliability Results		
Variable	Composite Reliability	N of Items
Internal Communication	0.882	7
Employee Empowerment	0.891	5
Inter-functional coordination	0.807	5
Employee Training	0.860	8
Organisational commitment	0.858	6
Sustainable competitive advantage	0.840	6

5.5.2 Average Value Extracted (AVE)

The average variance extracted estimate reflects the overall amount of variance in the indicators accounted for by the latent construct (Lei & Wu, 2007). In order to be considered valid, Riel and Pura (2005) state that the AVE should be greater than 0.5.

The formula below was applied when examining Average Variance Extracted (AVE):

Vη = Σλyi2/ (Σλyi2+Σεi)

AVE = {(summation of the squared of factor loadings)/ {(summation of the squared of factor loadings) + (summation of error variances)}

Therefore judging from the results exhibited in the below table, it can be concluded that latent constructs are represented well by their measuring instruments except for employee training and sustainable competitive advantage.

TABLE 16: AVERAGE VARIANCE EXTRACTED RESULTS

Average Variance Extracted Results		
Variable	Average Variance Extracted	N of Items
Internal Communication	0.519	7
Employee Empowerment	0.621	5
Inter-functional coordination	0.501	5
Employee Training	0.441	8
Organisational commitment	0.504	6
Sustainable competitive advantage	0.469	6

Furthermore an assessment of factor loadings were carried out where some items were the worst factor loadings were removed when running the calculations to obtain a better fit: ET 1, ET 2, IC 5, SCA 1 and IFC 4. This is illustrated in Table 17 below

Table x: Factor loadings						
	Factor					
Name	**1**	**2**	**3**	**4**	**5**	**6**
OC 4	0.907					
OC 6	0.769					
OC 3	0.627					
OC 5	0.627					
OC 2	0.611					
OC 1	0.502					
EE 3		0.845				
EE 2		0.837				
EE 1		0.746				
EE 4		0.738				
EE 5		0.568				
ET 6			0.770			
ET 8			0.745			
ET 7			0.724			
ET 5			0.606			
ET 4			0.563			
ET 3			0.424			
ET 1			0.385			
ET 2			0.360			
IC 2				0.859		
IC 3				0.843		
IC 1				0.783		
IC 4				0.729		
IC 6				0.649		
IC 7				0.548		
IC 5				0.499		
SCA 4					0.779	
SCA 6					0.740	
SCA 5					0.703	
SCA 3					0.668	
SCA 2					0.507	
SCA 1					0.467	
IFC 3						0.717
IFC 2						0.682
IFC 1						0.626
IFC 5						0.570
IFC 4						0.475

5.6 Validity Tests

5.6.1 Construct Validity

As previously mentioned, validity refers to the degree to which a test or instrument measures the attributes that it is supposed to measure (Galpin & Krommenhoek, 2012). In this section of the chapter the researcher is concerned with testing the construct validity. One of the methods used to check on the discriminant validity of the research constructs was the evaluation of whether the correlations among latent constructs were less than 1.0. As indicated in Cronbach's Alpha Table 14 above , the inter-correlation values for all paired latent variables are less than 1.0, therefore, indicating the existence of discriminant validity (Chinomona et al ,2014).A correlation value between constructs of less than 0.7 is recommended in the empirical literature to confirm the existence of discriminant validity (Galpin & Krommenhoek, 2012). The inter construct correlation coefficients for this study were all below 1 which confirms the existence of discriminant validity.

TABLE 18: INTER-CONSTRUCT CORRELATION MATRIX

Inter-Construct Correlation Matrix						
Co-Matrix	IC	EE	IFC	ET	OC	SCA
IC	1					
EE	0.3606	1				
IFC	0.36415	0.28911	1			
ET	0.41946	0.28585	0.56515	1		
OC	0.37806	0.23566	0.43034	0.46229	1	
SCA	0.44043	0.30131	0.44370	0.39882	0.55040	1

5.7 Model Fit Assessments

This assessment is carried out in order to determine how well the given data is represented by the model. According to Schumacker & Lomax (2004) CFA and SEM fit indices have no sole statistical test of significance that identifies a correct model given the sample data, especially alternative models can exist that yield exactly the same data to model fit. It is recommended that various model fit criteria be used in combination to assess model fit as global fit measures (Hair et al., 1992). This chapter uses four model fit criteria to test the overall fit of the model.

5.7.1 Confirmatory Factor Analysis (CFA) Model

Below is an illustration of the Confirmatory Factor Analysis Model (CFA). The research model was run and had the following results.

FIGURE 10 CONFIRMATORY FACTOR ANALYSIS (CFA) MODEL
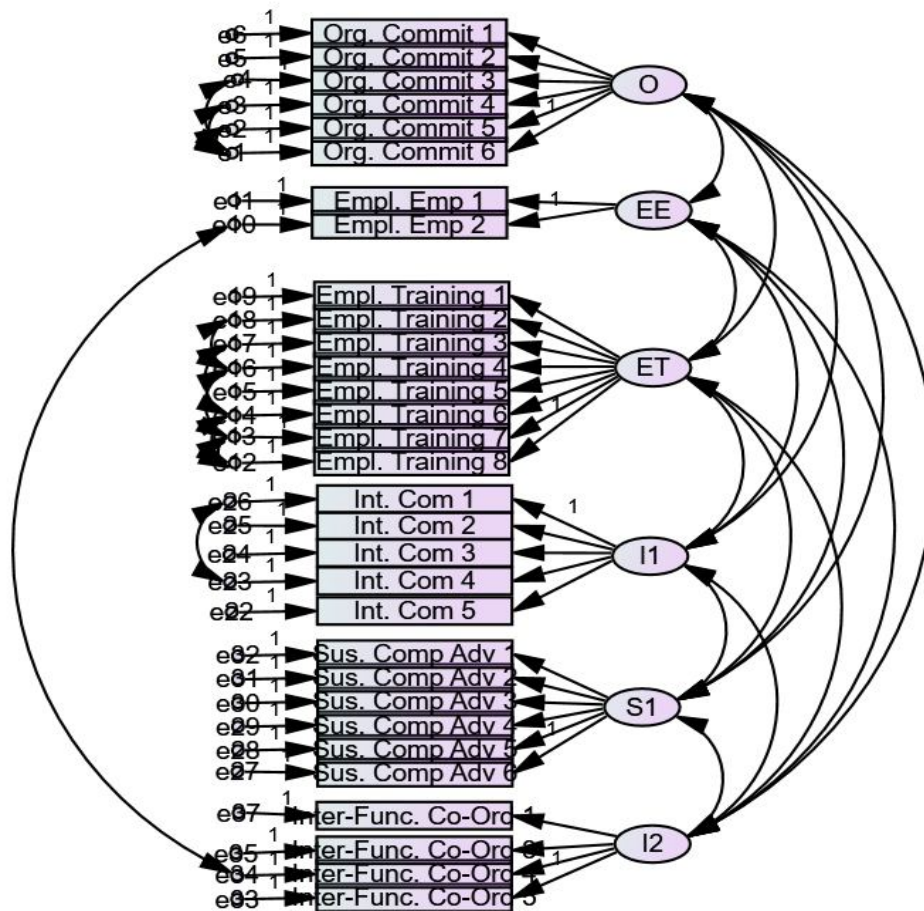
Labels	
O	Org. Commit
EE	Empl. Emp
ET	Empl. Training
I1	Int. Com
S1	Sus. Comp Adv
I2	Inter-Func. Co-Ord

5.7.2 Model Fit Assessment

Model fit assessment is conducted for the purpose of determining how well the model is represented by the sampled data. Model Fit indices are observed for this assessment. The Table below indicates the results pertaining to the assessment. They are discussed hereafter.

Table 19 below provides a comprehensive itemization of the Model Fit Results:

TABLE 19: MODEL FIT RESULTS

Model Fit Results					
Default Model Fit	Implied chi-square	NFI	CFI	TLI	RMSEA
Values	700.232	0.9141030	0.9677755	0.95324	0.045850187
DF/Measure	459	>.90	>.90	>.90	<.06 or <.08

Chi-squared Test

Examining the general fit of the model is done by utilising the Chi-squared (Chen, et al. 2010). According to Chinomona (2011) an indication for a satisfactory model fit is indicted by a chi-square value where the over degree of freedom of the value must be below 3. The chi-square test (Snedecor and Cochran, 1989) is used to test if a sample of data came from a population with a specific distribution. Given that the study's chi-square value (700.232) exhibited above is way above the recommended threshold 3, this therefore implies that there is no acceptable fit.

NFI + NNFI (TLI): Normed fit index and non-normed fit index

The normed fit index (NFI) analyses the discrepancy between the chi-squared value of the hypothesized model and the chi-squared value of the null model (Roche et al., 2011). However, NFI tends to be negatively biased. The non-normed fit index (NNFI; also known as the Tucker-Lewis index, as it was built on an index formed by Tucker and Lewis (1973) resolves some of the issues of sample size.. A NFI value above 0.9 indicates good fit as postulated by Bentler, et al. (1980). The NFI value in this study of 0.91 therefore a good fit as indicated in the table above.

CFI: Comparative fit index

The comparative fit index (CFI) analyses the model fit by examining the discrepancy between the data and the hypothesized model, while adjusting for the issues of sample size inherent in

the chi-squared test of model fit and the normed fit index (Galpin & Krommenhoek, 2012). CFI values range from 0 to 1, with larger values indicating better fit. Previously, a CFI value of 0.90 or larger was considered to indicate acceptable model fit (Chinomona et al, 2014). Given this study value is of 0.96 means the model is a good fit.

RMSEA: Root mean square error of approximation

The root mean square error of approximation (RMSEA) avoids issues of sample size by analysing the discrepancy between the hypothesized model, with optimally chosen parameter estimates, and the population covariance matrix. The RMSEA ranges from 0 to 1, with smaller values indicating better model fit. A value of .06 or less is indicative of acceptable model fit. With the value of 0.458 it is safe to proceed with this model. This result therefore confirms that there is an acceptable fit.

5.8 Structural Equation Modelling

Structure Equation Modelling (SEM), is an effective statistical research method for testing causal relationships between constructs with multiple measurement items (Sarstedt et al., 2012). Chinomona et al. (2014) stated that the goal of SEM analysis is to determine the degree to which the theoretical model is supported by sample data. The SEM process comprises of multiple regression analysis and path analysis and it models the relationship among the latent variables (Chinomona et al, 2014). Figure 11 below is an illustration of the path model. Generally a path diagram is comprised of three parts: regression coefficient of independent variables on dependent variables, measurement errors related to observables variables and residual error of predictive value of latent values (Chinomona et al, 2014). With SEM the structure of relations can be modelled pictorially enabling a clearer conceptualization of the theory under study. The hypothesized research model can be tested statistically in a simultaneous analysis of the entire system of variables to determine the degree to which it fits with the data (Chinomona et al, 2014). In this chapter the AMOS 24 software program is used as a tool to analyse SEM. AMOSS 24 is a software program that allows researchers to analyse SEM in graphical format, rather than complex command functions. In this section SEM model fit, Hypotheses testing results and finally discussion of results will be presented.
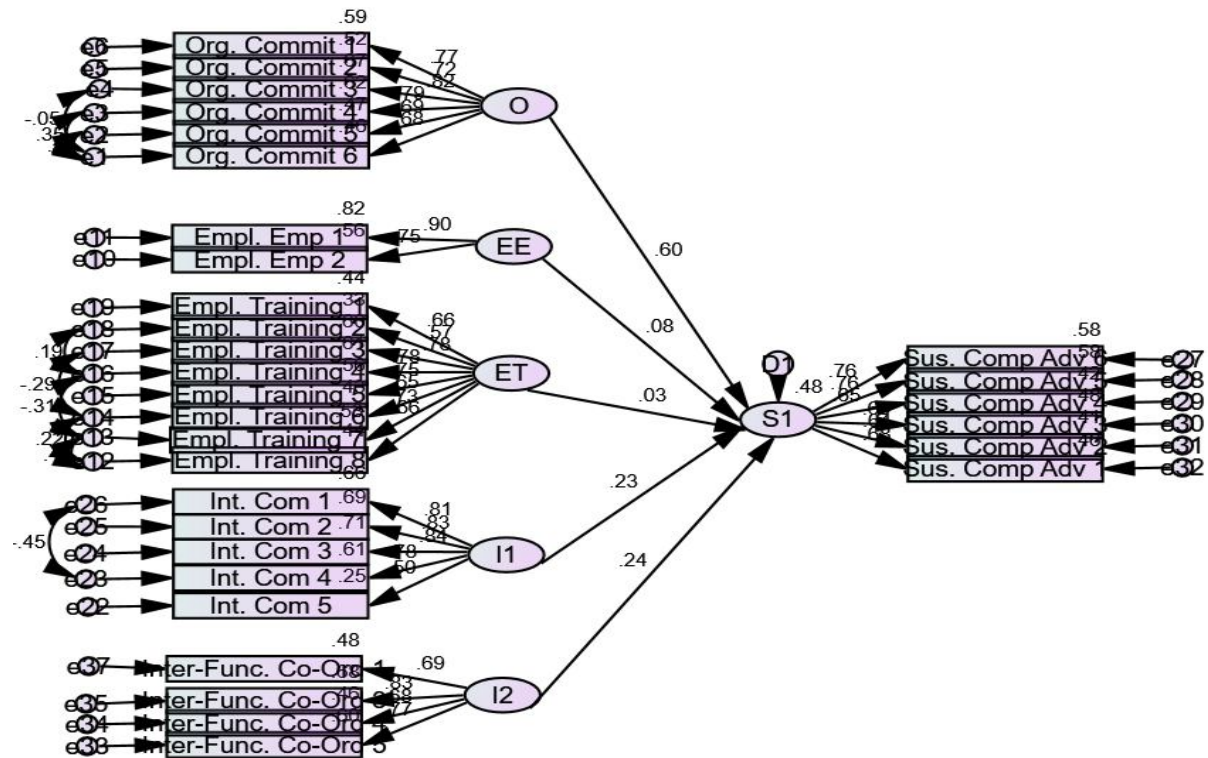
Labels	
O	**Org. Commit**
EE	**Empl. Emp**
ET	**Empl. Training**
I1	**Int. Com**
S1	**Sus. Comp Adv**
I2	**Inter-Func. Co-Ord**

5.9 Hypotheses Testing Results

The study's hypotheses were tested in order to evaluate these relationships between latent variables. Below is a table indicating results elicited following the hypotheses test. They are discussed here after.

TABLE 20: HYPOTHESES RESULTS

Hypotheses Results					
Proposed Relationship Hypotheses	Hypotheses #	Estimate	P-Value	Outcome	Reject/Supported
Internal Communication > Sustainable Competitive Advantage	H1	0.233	<0.05	Significant	Supported
Employee Empowerment > Sustainable Competitive Advantage	H2	0.079	0.191	Insignificant	Reject
Inter-functional Coordination > Sustainable Competitive Advantage	H3	0.239	<0.05	Significant	Supported
Employee Training and Development > Sustainable Competitive Advantage	H4	0.027	0.636	Insignificant	Reject
Organisational Commitment > Sustainable Competitive Advantage	H5	0.600	<0.05	Significant	Supported

5.9.1 Discussion of Hypotheses Testing Results

H1: There is a relationship between internal communication and sustainable competitive advantage

From the findings, it is clear that the first hypotheses (H1) is supported. This indicates that a positive relationship exists between these two variables. There is a positive influence by internal communication, with a positive standardized estimate of 0.233. In comparison with the other variables this is the third strongest influence. The findings were that this notion was both significant and supported at a 0.05 confidence level.

H2: There is a relationship between employee empowerment and sustainable competitive advantage

It was found that Hypotheses 2 is not supported, thus indicating that employee empowerment has an insignificant impact on sustainable competitive advantage. Employee empowerment with a weak positive standardized estimate of 0.079. This idea was rejected at a 0.05 confidence level

H3: There is a relationship between inter-functional coordination and sustainable competitive advantage

Hypotheses 3 (H3) reflects a positive relationship and therefore the hypotheses is supported. In other words, a positive inter-functional coordination if improved, sustainable competitive advantage is improved. In comparison with the other variables this is the second strongest influence with a positive standardized estimate of 0.239. The findings were that this notion was both significant and supported at a 0.05 confidence level.

H4: There is a relationship between employee training and development and sustainable competitive advantage

Similar to the hypotheses 2, hypotheses 4 is not supported, indicating an insignificant relationship with sustainable competitive advantage. There is a weak positive influence by employee training and development with a positive standardized estimate of 0.027. This idea was rejected at a 0.05 confidence level.

H5: There is a relationship between organisational commitment and sustainable competitive advantage

The fifth hypotheses was also found to be significant. The proposed hypotheses was therefore supported, and this indicates that organisational commitment influences sustainable competitive advantage. With a positive standardized estimate of 0.60, organisational commitment in comparison with the other variables has the strongest influence. The findings were that this notion was both significant and supported at a 0.05 confidence level.

5.10 Chapter Summary

This chapter provided a detailed report of the findings of the study, using the guidelines set out in Chapter Four. A discussion of the descriptive statistics, assessments of the reliability, validity, model fit as well as the testing of the hypotheses were also presented.

CHAPTER 6: CONCLUSIONS, IMPILICATIONS AND FUTURE RESEARCH

FIGURE 12: DIAGRAMMATIC REPRESENTATION OF CHAPTER 6

```
┌─────────────────────────────────────────────┐
│                Introduction                  │
└─────────────────────────────────────────────┘
                      │
                      ▼
┌─────────────────────────────────────────────┐
│                Implications                  │
└─────────────────────────────────────────────┘
                      │
                      ▼
┌─────────────────────────────────────────────┐
│   Future Research and Limitations of the study │
└─────────────────────────────────────────────┘
                      │
                      ▼
┌─────────────────────────────────────────────┐
│          Overall Research Contribution       │
└─────────────────────────────────────────────┘
                      │
                      ▼
┌─────────────────────────────────────────────┐
│             Summary of Chapter 6             │
└─────────────────────────────────────────────┘
```
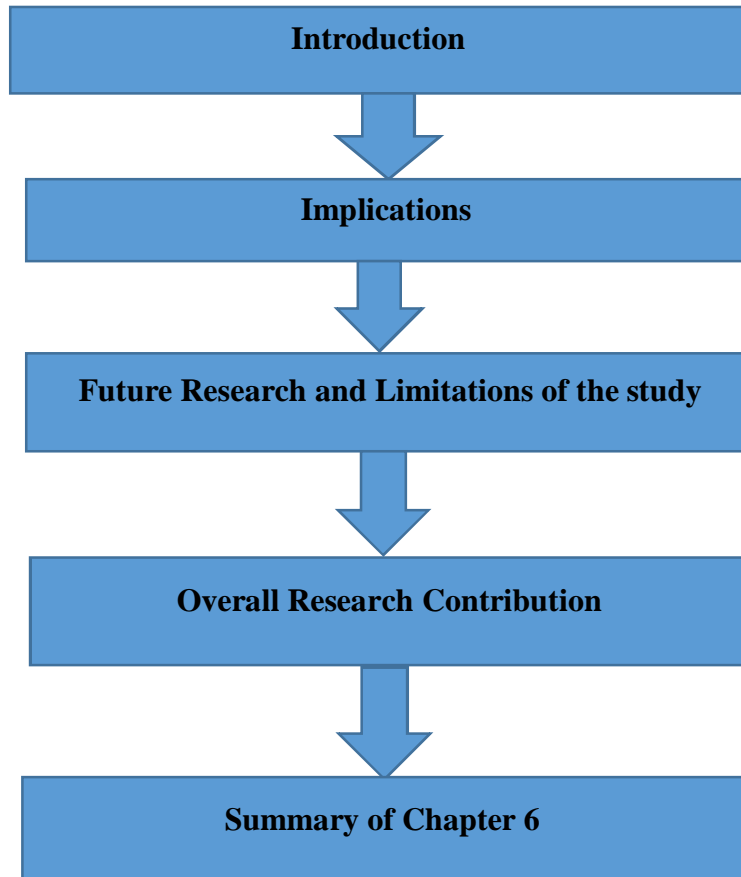
6.1. Introduction

This chapter explores the findings of the study, limitations, implications and possible future research. Chapter 6 also provides a comprehensive conclusion of the entire study. It outlines limitations of the study, recommendations for construction managers and academics, as well as suggestions for further research that are motivated by this study. The aim of this study was to examine the influence of internal marketing as strategy to achieve sustainable competitive advantage in the construction industry.Structural equation modelling (SEM) was applied to assess the proposed research model and hypotheses. The empirical results did not support all the postulated research hypotheses in a significant way. The analytical results implied that three of the proposed hypotheses were supported and two were not supported.

6.2 Managerial Implications

The following subsection will provide insights of managerial implication per hypotheses finding.

a) **Hypotheses One : There is a relationship between internal communication and sustainable competitive advantage**

From the findings, it is clear that the first hypotheses (H1) is supported. This indicates that a positive relationship exists between these two variables. In comparison with the other variables this is the third strongest influence. It should also be noted that for sustainable competitive advantage to be achieved or sustained, construction companies need to focus on understanding the internal clients' needs and circumstances, and also develop meaningful relationships with them. Construction companies need to create a culture of open communication between the employees and the business. This study will help inform internal communication strategy formulation as well therefore creating a sustainable competitive advantage. Construction industry managers must develop and manage an effective internal communication system aimed at creating awareness, and enhancing understanding among staff regarding internal marketing. They should convert internal marketing as a strategy into their core operations and systems to meet employees' demands and the company's goals.

b) **Hypotheses Two : There is a relationship between employee empowerment and sustainable competitive advantage**

Employee empowerment is not getting much attention from both the individuals and organisations at present. This study revealed that employee empowerment has no significant and no positive impact on sustainable competitive advantage in the construction sector. The growing need of coping with the diverse challenges admits organisations to realize the essence of empowering employees and its effect on sustainable competitive advantage. However construction managers need to empower employees to go out of their way to satisfy their fellow employees and subsequently, their external clients. Construction companies need to make employees aware of the concept of empowerment and generate their interest and willingness to accept empowerment through participation in various awareness development programmes.

c) Hypotheses Three : There is a relationship between inter-functional coordination and sustainable competitive advantage

Interfunctional coordination is of primary importance to an organisation developing a sustainable competitive advantage. In other words, a positive inter-functional coordination if improved, sustainable competitive advantage is improved. In comparison with the other variables this is the second strongest influence. The findings of the study have attested that, in order to achieve inter-functional coordination, the construction companies need coherent and consistent management of internal systems. Internal systems include relationships between and within departments. The inter-functional coordination enables construction companies to ensure that the whole company works towards the achievement of the set objectives and if this is achieved and all the departments being responsive to one another's needs and requests, managers will be in a position to understand how employees can contribute to the value of clients. Thereby business functions are integrated in serving the needs of target markets

d) Hypotheses Four : There is a relationship between employee training and development and sustainable competitive advantage

In the modern and complex business environment, employee training and development is one of the reliable source of competitive advantage to compete with the changing and competitive business world. But there is not enough significant influence on sustainable competitive advantage as indicated by the findings. It is clear that practitioners will benefit from the implications of this study, and invest in areas like training and development. The researcher will contend that while employee training and development is salient, it plays a peripheral role in the construction industry in achieving sustainable competitive advantage. However, the results of the findings indicated that training and development has an insignificant impact on

sustainable competitive advantage, which implies that effort must be made to ensure that employees' skills and knowledge are fully underutilized through adequate and timely training design and implementation. Management should endeavour to create enabling training and development environment policies that will give every employee opportunity to attend training. Management should also take into consideration the training and development need of each employee and act as appropriate.

e) **Hypotheses Five : There is a relationship between organisational commitment and sustainable competitive advantage**

The findings with regard to organisational commitment having a positive relationship with sustainable competitive advantage were both supported and significant. These findings suggest that organisational commitment serves as a pivotal internal marking dimension in achieving sustainable competitive advantage. However, the improvement of internal marketing takes more than just organisational commitment .The research findings can serve as a reference to the management of construction industry in choice of using organisational commitment as the strategy for sustainable competitive advantage improvement. In context with the increasing competitiveness of today's business environment, managers and academicians would benefit by more clearly understanding the keys to creating sustainable competitive advantage by internal marketing.

6.3 Recommendations for future research and Limitations

The findings contribute to the general body of knowledge and provide a basis for further development of theory and research particularly the internal marketing and organisation sustainable competitive advantage relationship. For advancing the field theoretically, this work is one of the first known studies to investigate internal marketing as a strategy to achieve sustainable competitive advantage of construction organisations in South Africa.

It is also noted that this study was conducted in Gauteng (one of nine South African provinces.) The study used key informants from construction companies which put constraints on the generalizability of the results to other sectors organisations, like motor and food industry, and other country contexts. The narrow and specific focus of this study means the results are limited to construction companies only which may not translate to other industry and national contexts. There is therefore need for replicating the current study in other contexts and operating environments. It would be valuable if future studies were conducted nationally or even in the greater Southern Africa region. Future research is needed to collect data from a larger

population and/or a comparative population in order to increase the level of reliable results. The research was restricted to managers of companies that opted to participate, and excluded those that declined. This therefore limited the sample to agreeable construction companies whose management teams may have different characteristics from those that decided not to respond.

6.4 Overall Research Contribution

The current study suggests that internal marketing programs have an impact on enhancing sustainable competitive advantage in the construction industry in South Africa. Following study results, it is recommended that internal marketing practices be continued emphasised in the construction as it has an effect on the overall achievement of sustainable competitive advantage. In context with the very difficult economic times and the increasing competitiveness of today's business environment, today's leaders and scholars would benefit by more clearly understanding the keys to creating long-term wealth and sustainable competitive advantage by internal marketing. In addition, the results also fill the gap on the scant literature of internal marketing in construction industry activities in South Africa as well as the use of construction managers' views to effectively evaluate internal marketing activities of companies. Therefore it is empirical for managers in the construction industry to be open-minded about internal marketing and apply it in a more focused manner for the company to achieve sustainable competitive advantages.

6.5 Summary of Chapter 6

This chapter was intended to make inferences from findings extracted through data analysis and to make recommendations. As outlined before, the chapter is structured in five main headings. Firstly, a recap of the findings was provided. This was followed by a highlight of implications these findings have on the current study and the construction industry in South Africa. Thereafter, the chapter provides discussion on the limitations that were encountered proceeded by suggestions for future studies. The chapter ended by providing final contribution of the research study. As such, recommendations were then given accordingly.

References

Abdulraheem Sal, M.R., 2016. The Impact of Training and Development on Employees Performance and Productivity.

Ahmed, P.K. and Rafiq, M., 2003. Internal marketing issues and challenges. *European Journal of marketing*, *37*(9), pp.1177-1186.

Akroush, M.N., Abu-ElSamen, A.A., Samawi, G.A. and Odetallah, A.L., 2013. Internal marketing and service quality in restaurants. *Marketing Intelligence & Planning*, *31*(4), pp.304-336.

Aldehayyat, J.S., 2011. Organisational characteristics and the practice of strategic planning in Jordanian hotels. International Journal of Hospitality Management, 30(1), pp.192-199.

Al-Hawary, S.I., Al-Qudah, A.K., Abutayeh, P.M., Abutayeh, M.S. and Al-Zyadat, D.Y., 2013. The impact of internal marketing on employee's job satisfaction of commercial banks in Jordan. *Interdisciplinary Journal of Contemporary Research in Business*, *4*(9), pp.811-826.

Ali, N., 2010. Internal marketing: an exploratory study of the implementation of internal marketing in small insurance brokers in the UK (Doctoral dissertation, Bournemouth University).

Alipour, H., Alizadeh, A. and Hasanzadeh, M., 2013. Market orientation and business performance among SMEs based in Ardabil industrial city-Iran. *Kuwait Chapter of Arabian Journal of Business and Management Review*, *2*(7), pp.38-47.*analysis and other multivariate models*, 5th edition. Boston: Engage Learning.

Almarri, K. and Gardiner, P., 2014. Application of resource-based view to project management research: supporters and opponents. *Procedia-Social and Behavioral Sciences*, *119*, pp.437-445

Barney, J., and Clark, D. 2007. Resource-based theory: Creating and sustaining competitive advantage. New York: Oxford University Press.

Barney, J., and Hesterly, W. 2012. Strategic management and competitive advantage: Concepts and cases (4th Ed.). New Jersey: Pearson.

Barney, J.B., Ketchen Jr, D.J. and Wright, M., 2011. The future of resource-based theory: revitalization or decline? Journal of management, 37(5), pp.1299-1315.

Bartošek, V. and Tomaskova, E., 2013. Interfunctional Coordination from Company Functions Point of View. Acta academica karviniensia, 13(3), pp.5-18.

Bharadwaj, S.G., Varadarajan, P.R. and Fahy, J., 2015. Sustainable competitive advantage in service industries: a conceptual model and research propositions. In Proceedings of the 1992 Academy of Marketing Science (AMS) annual conference, Springer International Publishing (pp. 441-443)

Birdi, K., Clegg, C., Patterson, M., Robinson, A., Stride, C.B., Wall, T.D. and Wood, S.J., 2008. The impact of human resource and operational management practices on company productivity: A longitudinal study. *Personnel Psychology*, *61*(3), pp.467-501.

Boussalem, A.B., 2014. Impact of Employees 'empowerment On Organisational Loyalty–Case Study On Algerian Communications Company. *Nigerian Chapter of Arabian Journal of Business and Management Review*, *2*(7), pp.143-153.

Brahma, S.S. and Chakraborty, H., 2011. From industry to organisation resources: Resource-based view of competitive advantage. IUP Journal of Business Strategy, 8(2), p.7.

Brown, T.A., 2014. *Confirmatory factor analysis for applied research*. Guilford Publications.

Bruin, J. 2006. Newtest: command to compute new test. UCLA:

Byrne, B.M., 2012. *A primer of LISREL: Basic applications and programming for confirmatory factor analytic models*. Springer Science & Business Media.

Caldwell, C., Licona, B., & Floyd, L. A., 2015. Internal Marketing to Achieve Competitive Advantage. International Business and Management, 10(1), 1-8.

Campbell, D.T. and Fiske, D.W., 1959. Convergent and discriminant validation by the multitrait-multimethod matrix. *Psychological bulletin*, *56*(2), p.81.

Chinomona, R., 2011. Non-mediated channel powers and relationship quality: *A case of SMEs in Zimbabwe channels of distribution,* Taiwan: National Central University.

Chinomona, R., Masinge, G. and Sandada, M., 2014. The influence of e-service quality on customer perceived value, customer satisfaction and loyalty in South Africa. *Mediterranean Journal of Social Sciences*, *5*(9), p.331.

Chong, V.K., Chong, V.K., Law, M.B. and Law, M.B., 2016. The effect of a budget-based incentive compensation scheme on job performance: The mediating role of trust-in-supervisor and organisational commitment. Journal of Accounting & Organisational Change, 12(4), pp.590-613.

Chuang, H.M., Liu, M.J. and Chen, Y.S., 2015. The effects of human resource capability and internal customer satisfaction on organisational effectiveness. *International Journal of Distributed Sensor Networks*, *11*(7), p.835194.

Creswell, J. 2013. Research Design: Qualitative, Quantitative & Mixed Methods Approaches. *London: Sage Publications*

De Lemos, T., Almeida, L., Betts, M. and Eaton, D., 2003. An examination on the sustainable competitive advantage of private finance initiative projects. Construction Innovation, 3(4), pp.249-259.

Denscombe, M., 2014. *The good research guide: for small-scale social research projects.* McGraw-Hill Education (UK).

Divya, S.K. and Gomathi, S., 2015. Effective Work Place Training: A Jump Starter to Organisational Competitive Advantage through Employee Development. *Mediterranean Journal of Social Sciences*, *6*(3), p.49.

Dunmore, M., 2005. *Inside-out marketing*. Kogan Page Publishers.

Dunn, T.J., Baguley, T. and Brunsden, V., 2014. From alpha to omega: A practical solution to the pervasive problem of internal consistency estimation. *British Journal of Psychology*, *105*(3), pp.399-412.

Dwairi, M., Bhuian, S.N. and Jurkus, A., 2007. Revisiting the pioneering market orientation model in an emerging economy. *European Journal of Marketing*, *41*(7/8), pp.713-721.

Elnaga, A.A. and Imran, A., 2014. The impact of employee empowerment on job satisfaction theoretical study. *American Journal of Research Communication*, *2*(1), pp.13-26

Falola, H.O., Osibanjo, A.O. and Ojo, S.I., 2014. Effectiveness of Training and Development on Employees' performance And Organisation Competitiveness in the Nigerian Banking Industry. Bulletin of the Transilvania University of Brasov. Economic Sciences. Series V, 7(1), p.161.

Fornell, C.R. and Larcker, D.F (1981). Evaluating structural equation models with unobservable variables and measurement error. *Journal of Marketing Research*, *18*(1), 39–50.

Fraering, M., and Minor, M. S. (2006). Sense of Community: An Exploratory Study of US Consumers of Financial Services, *International Journal of Bank Marketing 24*(5), 284-306.

Gehlawat, M., 2013. Organisational commitment in relation to job satisfaction and work motivation of secondary school teachers working in different types of schools.

Ghauri, P.N. and Grønhaug, K., 2005. *Research methods in business studies: A practical guide*. Pearson Education.

Gliem, J.A. and Gliem, R.R., 2003. Calculating, interpreting, and reporting Cronbach's alpha reliability coefficient for Likert-type scales. Midwest Research-to-Practice Conference in Adult, Continuing, and Community Education.

Greenberg, J. and Baron, R.A., 2008. Behavior in organisations.

Griffith, M., Organisational empowerment in community mobilization to address youth violence, American Journal of Preventive Medicine, 34, 2008, 589-598.

Grootveld, A.W., 2016. *Interfunctional Coordination: Development of the Customer-linking Capability in a Case Study at an Engineering Organization* (Master's thesis, University of Twente)

Hair, J.F., Anderson, R.E, Tatham, R.L. and Black, W.C., 2006. *Multivariate data analysis*, 6th edition, London: Prentice-Hall. Yang et al., (2006)

Hair, J.F., Black, W.C., Babin, B.J., Anderson, R.E. and Tatham, R.L., 2009. *Análise multivariada de dados*. Bookman Editora.

Heracleous, L. and Wirtz, J., 2014. Singapore Airlines: Achieving sustainable advantage through mastering paradox. The Journal of Applied Behavioral Science, 50(2), pp.150-170.

Huang, M.H. and Lee, Y., 2012. The Influences of Employees 'service Quality And Organisational Commitment On Financial Performance As Exemplified By Taiwan-Listed International Tourist Hotels.

Invernizzi, E., Biraghi, S. and Romenti, S., 2012. Entrepreneurial communication and the strategic role of internal communication. *Sinergie Italian Journal of Management*, (87), pp.149-170

Jafari, V., Moradi, M.A. and Ahanchi, M., 2013. An examination of the relationship between empowerment and organisational commitment (Case study Kurdistan province electric staff). Interdisciplinary Journal of Contemporary Research in Business, 4(12), p.860.

Jahan, S., 2015. *Employee Training and Development System of Banking Sector of Bangladesh: An Empirical Study on Eastern Bank Ltd*.

Javadein, S.S., Rayej, H., Estiri, M. and Ghorbani, H., 2011. The role of internal marketing in creation of sustainable competitive advantages. *Trends in Applied Sciences Research*, *6*(4), p.364.

Joao, T.F., 2010. The relationship between perceived career mobility, career mobility preference, job satisfaction and organisational commitment (Doctoral dissertation).

Johnson, R.E. and Yang, L.Q., 2010. Commitment and motivation at work: The relevance of employee identity and regulatory focus. *Academy of Management Review*, *35*(2), pp.226-245.

Kahreh, M.S., Ahmadi, H. and Hashemi, A., 2011. Achieving competitive advantage through empowering employees: An empirical study. *Far East Journal of Psychology and Business*, *3*(2), pp.26-37.

Kalla, H. K. (2005). Integrated Internal Communications: A Multidisciplinary Perspective. Corporate Communications: An International Journal, 10, 4, 302-314

Katzenbach, J.R. and Smith, D.K., 2015. *The wisdom of teams: Creating the high-performance organization*. Harvard Business Review Press

Kennedy, P.E., Chyung, S.Y., Winiecki, D.J. and Brinkerhoff, R.O., 2014. Training professionals' usage and understanding of Kirkpatrick's Level 3 and Level 4 evaluations. International Journal of Training and Development, 18(1), pp.1-21.

Kline, R.B., 1998. Software review: Software programs for structural equation modeling: Amos, EQS, and LISREL. *Journal of psychoeducational assessment*, *16*(4), pp.343-364
.
Koo Moon, H. and Kwon Choi, B., 2014. How an organisation's ethical climate contributes to customer satisfaction and financial performance: Perceived organisational innovation perspective. European Journal of Innovation Management, 17(1), pp.85-106.

Kozlenkova, I.V., Samaha, S.A. and Palmatier, R.W., 2014. Resource-based theory in marketing. Journal of the Academy of Marketing Science, 42(1), pp.1-21.

Kraaijenbrink, J., Spender, J.C. and Groen, A.J., 2010. The resource-based view: a review and assessment of its critiques. *Journal of management*, *36*(1), pp.349-372.

Krommenhoek, R. E. & Galpin, J. S. eds., 2013. *Statistical research design analysis.* Johannesburg: University of the Witwatersrand.

Kruger, S.J. and Welman, J.C., 2001. Research methodology for the business and administrative sciences. *Cape Town: Oxford University Press South Africa.*

Kumar, V., Jones, E., Venkatesan, R. and Leone, R.P., 2011. Is market orientation a source of sustainable competitive advantage or simply the cost of competing? Journal of marketing, 75(1), pp.16-30.

Lei, P.W. and Wu, Q., 2007. Introduction to structural equation modeling: Issues and practical considerations. *Educational Measurement: issues and practice*, *26*(3), pp.33-43.

Lucas, R.E., Diener, E. and Suh, E., 1996. Discriminant validity of well-being measures. *Journal of personality and social psychology*, *71*(3), p.616.

Mahmood, A., 2013. Evaluation of the Degree to which Employee Satisfaction is related to Internal Marketing within Pakistani Universities (Doctoral dissertation, University of Salford). Malhotra, N.K. (1996), Marketing research: An applied orientation, 2nd edition. New Jersey:

Manetje, O.M., 2009. The impact of organisational culture on organisational commitment (Doctoral dissertation).

Marjanova Jovanov, T., Sofijanova, E., Davcev, L. and Temjanovski, R., 2015. Inter-functional coordination and entrepreneurial organisations' financial performance: a developing economy. *Economic development and entrepreneurship in transition economies: Assessment of the last 25 years, going beyond the transition*, *4*(4), pp.844-854.

Martey, E.M., 2014. The Impact of Internal Marketing on Employee Performance in the Insurance Industry of Ghana. International Journal of Research, 1(7), pp.1175-1189.

Mbonoka, E.M., 2015. *Marketing orientation and business performance of mobile phone companies in Kenya* (Doctoral dissertation).

McArdle, J.J., 1996. Current directions in structural factor analysis. *Current Directions in Psychological Science*, 5(1), pp.11-18.

McWilliams, A. and Siegel, D.S., 2011. Creating and capturing value: Strategic corporate social responsibility, resource-based theory, and sustainable competitive advantage. Journal of Management, 37(5), pp.1480-1495.

Mete, E.S., Sokmen, A. and Biyik, Y., 2016. The relationship between organizational commitment, organizational identification, person-organization fit and job satisfaction: a research on IT employees. *International Review of Management and Business Research*, 5(3), p.870

Mguqulwa, N., 2009. The relationship between organisational commitment and work performance in an agricultural company (Doctoral dissertation).

Morar, A., Venter, M. and Chuchu, T., 2015. To Vote or Not To Vote: Marketing Factors Influencing the Voting Intention of University Students in Johannesburg. *Journal of Economics and Behavioral Studies*, 7(6), p.81.

Muijs, D., 2011. *Doing quantitative research in education with SPSS*. 2nd ed. Los Angeles: Sage Publications.

Ogunnaike, O.O., 2011. Assessing the Effect of Organisational Commitment on Service Quality; a Study of Customer-Contact Employee. Global Journal of Management and Business Research, 11(1), p.33.

Olorunleke, K. and Akinyele, S.T., 2013. An empirical analysis of internal marketing on organisational commitment: a study of banks in Lagos–Nigeria.

Onyango, L.A. and Katuse, P., 2016. Creating Sustainable Competitive Advantage in Banking through Technology, Customer Relationship Management and Internal Marketing: A Case Study of Co-Operative Bank of Kenya (Co-Op Bank) Ltd. *International Journal of Technology and Systems*, *1*(1), pp.101-123.

O'Rourke, N. and Hatcher, L., 2013. *A step-by-step approach to using SAS for factor analysis and structural equation modeling*. Sas Institute.

Peterson, R.A. and Kim, Y., 2013. On the relationship between coefficient alpha and composite reliability.

Petty, N.J., Thomson, O.P. and Stew, G., 2012. Ready for a paradigm shift? Part 1: Introducing the philosophy of qualitative research. *Manual therapy*, *17*(4), pp.267-274.

Porter, M.E., 2011. Competitive advantage of nations: creating and sustaining superior performance. Simon and Schuster.

Progoulaki, M. and Theotokas, I., 2010. Human resource management and competitive advantage: An application of resource-based view in the shipping industry. Marine Policy, 34(3), pp.575-582.

Putter, J.M., 2014. Organisational commitment and emotional intelligence in higher education (Doctoral dissertation, North-West University).

Quirke, M.B., 2012. *Making the connections: using internal communication to turn strategy into action*. Gower Publishing, Ltd...

Rafiq, M. and Ahmed, P.K., 2000. Advances in the internal marketing concept: definition, synthesis and extension. Journal of services marketing, 14(6), pp.449-462.

Ragusa, A., 2011. Internal communication management. Bookboon.

Raosoft Incorporated, 2004. *Sample size calculator.* [Online] Available at: http://www.raosoft.com/samplesize.html [Accessed 2 June 2017].

Roche, M., Duffield, C. & White, E. (2011). Factors In The Practice Environment Of Nurses Working In Impatient Mental Health: A Partial Least Squares Path Modeling Approach. *International Journal of Nursing Studies*

Rogier van der Werf (2014) https://www.effectory.com/thought-leadership/blog/3-key-types-of-organisational-committment/ [Accessed 24/05/2017]

Saleem, A., Qayyum, A., Tahir, A.M. and Khan, I., 2015. Achieving Sustainable Competitive Advantage in Higher Education through Strategic Leadership. Asian Journal of Multidisciplinary Studies, 3(9).

Saleem, Q., Shahid, M. and Naseem, A., 2011. Degree of influence of training and development on employee's behaviour. *International Journal of Computing and Business Research*, *2*(3), pp.2229-6166.

Sarstedt, M., Ringle, C., Smith, D., Reams, R & Hair, J., 2014. Partial Least Squares Structural Equation Modeling: A Useful Tool for Family Business Researchers. *Journal of Family Business Strategy*

Sarwari, S., Minar, T.A. and Salam, M., 2008. Internal Marketing: A Strategic Tool to Achieve Inter-functional Co-ordination in the Context of a Manufacturer of Industrial Equipment.

Saunders, M., Lewis, P. and Thornhill, A.2012. *Research methods for business students*, *6*.

Schumacker, R.E. and Lomax, R.G., 2004. *A beginner's guide to structural equation modeling*. Psychology Press.

Schwab, D.P. (2006). *Research methods for organisational studies*. 2nd edition. New Simon and Schuster.

Stein, C.M., Morris, N.J. and Nock, N.L., 2012. Structural equation modeling. *Statistical Human Genetics: Methods and Protocols*, pp.495-512.

Steingrímsdóttir, H., 2011. The Relationship between Internal Communication and Job Satisfaction. *A Case Study. Copenhagen Business School*, *1900*, p.20.

Suhr, D.D., 2006. *Exploratory or confirmatory factor analysis?* (pp. 1-17). Cary: SAS Institute.

Thabane, L., Ma, J., Chu, R., Cheng, J., Ismaila, A., Rios, L.P., Robson, R., Thabane, M., Giangregorio, L. and Goldsmith, C.H., 2010. A tutorial on pilot studies: the what, why and how. *BMC medical research methodology*, *10*(1), p.1.

Thamizhmanii, S. and Hasan, S., 2010. A review on an employee empowerment in TQM practice. *Journal of Achievements in Materials and Manufacturing Engineering*, *39*(2), pp.204-210.

Trochim, W., 2000. The Research Methods Knowledge Base, 2nd edition. Atomic Dog: OH, Cincinnati Publishing

Wang, H.L., 2014. Theories for competitive advantage.

Wilkinson, T.J., 2013. *Strategic Management in the 21st Century [3 Volumes]*. ABC-CLIO.

Wu, M., 2010. The search for sustainable competitive advantage: A stakeholder management perspective. Unpublished PhD dissertation, Massey University, Auckland, New Zealand.

Yang, Z., Wang, X. & Su, C., 2006. A Review of Research Methodologies in International Business. *International Business Review* York: Psychology Press

Zikmund, W.G., Babin, B.J., Carr, J.C. and Griffin, M., 2013. *Business research methods*. Cengage Learning.

Appendix A: Participant Information Sheet

Date

My name is Wedzerai Andrew Gwinji, I am a student at University of Witwatersrand, School of Economics and Business Sciences studying to attain a Master of Commerce Marketing Research degree carrying out a research on **Internal marketing as a strategy to achieve sustainable competitive advantage. A case of the Construction Industry in Gauteng, South Africa.**

You are kindly asked to complete the following questionnaire which should not take more than 20minutes. The importance of completing the questionnaire cannot be over emphasised. The research findings will benefit both management and employees in continuous improvement of internal marketing and its impact on sustainable competitive advantage.

I promise to observe all research ethics particularly the area of confidentiality and anonymity and that the research findings will be used solely for educational purposes. This research will be written into a Masters Dissertation and will be available through the University's website. Should you require a summary of the research, the researcher can make this available to you Should you have any further questions or queries you are welcome to contact the researcher or the Supervisor, Dr Norman Chiliya at any time at the contact details provided below
I wish to thank you in advance

Wedzerai Andrew Gwinji (920856)
+27 73 039 8487
Email: 920856@students.wits.ac.za
Dr. Norman Chiliya
Email: norman.chiliya@wits.ac.za
Tel: 011 717 8063

Appendix B: Research questionnaire

A Survey on Internal marketing as a strategy to achieve sustainable competitive advantage. A case of construction industry in Gauteng, South Africa

Instruction

This survey is used to find out the influence of internal marketing elements of internal communication, empowerment, inter-functional coordination, and employee training and development and organisation commitment to understand their relationship with sustainable competitive advantage

This questionnaire has three (3) sections (Sections A – C). Please complete all eight sections.

SECTION A: Background Information

i. Your gender: male □ female □

ii. How long has your business been operating in the construction industry?
Years ☐

iii. For how many years have you been with the company?
□ < 5 years   □ 5 – 10 years   □ > 10 years

iv. Indicate by ticking your position in your company from the following
□ Manager   □ Supervisor
□ Other (Specify)………………………

v. Education:
□ Matric   □ College Diploma   □ Degree   □ Masters or above

SECTION B:

Please indicate how much you agree or disagree with each of the following statements regarding internal marketing dimensions by circling the number that best represents your opinion. 1 indicates strongly disagree (SDA), 2 indicates disagree (DA), 3 indicates neutral (N), 4 indicates agree (A) and 5 indicates strongly agree (SA).

	Internal communication	SDA	DA	N	A	SA
IC 1	Our organisation has placed considerable emphasis on communicating with employee	1	2	3	4	5
IC 2	Our construction company encourages diversity of opinions.					
IC 3	Employees are usually informed about major changes in policy that affect their jobs before they take place.	1	2	3	4	5
IC 4	internal communication has made our company to cooperate with stakeholders in new and innovative ways	1	2	3	4	5
IC 5	Poor information flow and coordination between employees and management	1	2	3	4	5
IC 6	In our organisation, we have long standing relationships with employees	1	2	3	4	4
IC 7	Employees are not afraid to speak up during meetings with their supervisors and managers					

	Employee Empowerment	SDA	DA	N	A	SA
EE 1	Empowerment is part of our company policy	1	2	3	4	5
EE 2	In this company, laws and regulations allow employees empowerment.	1	2	3	4	5
EE 3	Employee empowerment is part of training and development activities	1	2	3	4	5
EE 4	Empowerment is an integral part of motivation and promotion.	1	2	3	4	5

EE 5	Employees in this company seek and accept empowerment and its challenges.	1	2	3	4	5

	Inter-functional Coordination	SDA	DA	N	A	SA
IFC 1	The various departments in our company share a great deal of information with each other	1	2	3	4	5
IFC 2	Our company's strategy emphasizes co-ordination of the various departments	1	2	3	4	5
IFC 4	Resources are frequently shared by different departments	1	2	3	4	5
IFC 4	Tightly coordinating the activities of all departments adds client value	1	2	3	4	5
IFC 5	Integrate performances to find the highest position among all competitors	1	2	3	4	5

	Employee training and development	SDA	DA	N	A	SA
ETD 1	Our organisation views the development of knowledge and skills in employees as a competitive advantage	1	2	3	4	5
ETD 2	Shortage of experienced and competent labour force	1	2	3	4	5
ETD 3	We set aside adequate resources to train our employees	1	2	3	4	5
ETD 4	Knowledge and employee skills development constitute a continuous process in our organisation	1	2	3	4	5
ETD 5	Training &Development policy is strictly adhered to	1	2	3	4	5
ETD 6	Management views the development of knowledge and skills of employees as an investment rather than a cost	1	2	3	4	5
ETD7	Training needs are identified through a formal process	1	2	3	4	5

		SDA	DA	N	A	SA
ETD8	Training &Development enhances teamwork	1	2	3	4	5
ETD9	Training needs identified are realistic based on organisational needs	1	2	3	4	6

	Organisational commitment	SDA	DA	N	A	SA
OC 1	The organisation sticks to its mission vision and values all the time.	1	2	3	4	5
OC 2	My organisation shows respect for a diverse range of opinions, ideas and people (allows employee participation in decision making)	1	2	3	4	5
OC3	There are clear organisational commitment to service quality	1	2	3	4	5
OC 4	Ensure continuous efforts in enhancing the quality of construction work	1	2	3	4	5
OC 5	Always source for new ideas to enhance quality of construction work	1	2	3	4	5
OC 6	Strong willingness to change current work procedures to conform to the requirements of quality system.	1	2	3	4	5

SECTION C: Sustainable Competitive Advantage

Please indicate how much you agree or disagree with each of the following statements regarding sustainable competitive advantage in your organisation by circling the number that best represents your opinion. 1 indicates strongly disagree (SDA), 2 indicates disagree (DA), 3 indicates neutral (N), 4 indicates agree (A) and 5 indicates strongly agree (SA).

		SDA	DA	N	A	SA
SCA 1	Skill and knowledge development of employees happens as an ongoing process in our organisation	1	2	3	4	5

SCA 2	Our organisation has innovation and creativity in the contexts of prediction, standardization and reaching competitive advantage	1	2	3	4	5
SCA 4	The company performs well because of its ethical values	1	2	3	4	5
SCA 4	Failure to involve employees in decision making affects implementation of internal marketing	1	2	3	4	5
SCA 5	To maintain a high standard of service delivery, construction organisations should attract, keep and motivate quality staff.	1	2	3	4	5
SCA 6	My company encourages work teams to identify opportunities for improvement	1	2	3	4	5

The End and Thank you very much for the time taken to answer this questionnaire

Appendix C: Ethics Letter

Research Office

HUMAN RESEARCH ETHICS COMMITTEE (NON-MEDICAL)
R14/49   Gwinji

CLEARANCE CERTIFICATE   **PROTOCOL NUMBER: H16/11/12**

PROJECT TITLE	Internal marketing as a strategic tool to achieve sustainable competitive advantage: A case of construction industry in Gauteng, South Africa
INVESTIGATOR(S)	Mr W Gwinji
SCHOOL/DEPARTMENT	Economics and Business Science/
DATE CONSIDERED	18 November 2016
DECISION OF THE COMMITTEE	Approved
EXPIRY DATE	27 November 2019
DATE 28 November 2016	**CHAIRPERSON** (Professor J Knight)

cc: Supervisor : Mr N Chilliya

DECLARATION OF INVESTIGATOR(S)

To be completed in duplicate and **ONE COPY** returned to the Secretary at Room 10004, 10th Floor, Senate House, University. Unreported changes to the application may invalidate the clearance given by the HREC (Non-Medical)

I/We fully understand the conditions under which I am/we are authorized to carry out the abovementioned research and I/we guarantee to ensure compliance with these conditions. Should any departure to be contemplated from the research procedure as approved I/we undertake to resubmit the protocol to the Committee. **I agree to completion of a yearly progress report.**

_____   _____/_____/_____
Signature   **Date**

PLEASE QUOTE THE PROTOCOL NUMBER ON ALL ENQUIRIES