

Impact of Internal Marketing on Employee Performance of Star Class Hotels in Colombo District: Mediating Role of Employee Commitment

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In the organizations' perspective, employees are considered as internal customers of the organization. Hence, top managers need to pay more concentration regarding employee satisfaction, employee performance levels, and employee commitment since these are the crucial factors of a successful organization. Internal Marketing strategy is a motivational strategy used by the organizations to increase employee commitment and performance. This study discussed the impact of Internal Marketing and Employee Commitment on Employee Performance in star class hotels by proposing a single-mediator Structural Equation Model (SEM) which has still not been adequately researched in the Sri Lankan context. The researcher has distributed 150 self-administrated online survey questionnaires to operational level employees in star class hotels in the Colombo district. The findings were completely in line with the established objectives and hypothesis. Accordingly, Training, Supportive and Participative Leadership, Internal Communication and Reward Systems can be identified as crucial internal marketing dimensions that lead to a direct positive impact on Employee Commitment. Furthermore, Internal Marketing has positively affected Employee Performance. At the same time, Employee Commitment partially mediated the relationship between Internal marketing and Employee Performance. Accordingly, this study recommends the managers to maintain close relationships with the employees and let them feel that employees are one of the valuable resources of the organization. These findings form the basis for theories in internal marketing and employee commitment, as well as present managerial implications to enhance the employee' performance.

Keywords: Employee commitment; Employee performance; Internal marketing; Star class hotels.