The relationship between internal market orientation, external market orientation, employee commitment and job satisfaction in Vietnamese joint-stock commercial banks

By

Nguyen Ngoc Que Tran

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STATEMENT OF AUTHENTICATION

The work presented in this thesis is, to the best of my knowledge and belief, original except as acknowledged in the text. I hereby declare that I have not submitted this material, either in full or part, for a degree at this or any other institution.

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Nguyen Ngoc Que Tran

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Abstract

This thesis examines the relationship between internal market orientations, external market orientations, employee commitment, and job satisfaction in Vietnamese joint-stock commercial banks.

This quantitative research examined six research questions:

- What is the relationship between internal market orientation and external market orientation?
- What is the relationship between internal market orientation and employee attitudes?
- What is the relationship between employee attitudes and external market orientation?
- What is the relationship between different employee attitudes?
- How are different employee attitudes related to external market orientation?
- Are there any differences in employee attitudes and external market orientation across the four banks?

The first phase of the research conducted three pilot tests to verify and confirm the clarity and consistency of the questionnaires. Following the pilot study, 29 managers and directors, and 256 staff from four leading joint-stock commercial banks were surveyed. The collected data were analyzed and hypotheses were tested using simple linear regression, multiple regression and one-way ANOVA.

The primary contribution to marketing theory arising from this study is the integration of job satisfaction, employee commitment, and external market orientation in a single research model. This approach enabled the study to provide insights into how employee commitment, job satisfaction, and external market orientation are related. It suggests that if banking employees are committed, they are likely to be more willing and more able to implement and/or adopt an external market orientation. From a managerial perspective, an external market oriented bank has to respond rapidly to the future needs and preferences of its customers. This could result in high levels of commitment to the service process and in doing so, provide Vietnamese joint-stock commercial banks with a competitive advantage. The finding is important for the banking service sector in general and the Vietnamese banking industry in particular.
CHAPTER ONE

Introduction

1.1 Introduction

This chapter establishes the scope of the thesis. It outlines the background to this research, presents the research problems, and identifies and formulates the research questions. The justification for the research is discussed, as is the methodology. Key terms are defined the organization of the thesis is presented.

1.2 Background to the research

The present era is characterized by growing competition, especially in Vietnam where joint-stock commercial banks are confronted with rigorous competition from both domestic banks and foreign banks. External market orientation can provide firms with competitive gains over their rivals (Kohli et al., 1993, Caruana, 1999, Morgan et al., 2009) and promote sustainable competitiveness (Lado et al., 1998). Employees, as human capital, are considered to be the source of sustainable competitive advantage in organizations (Kaplan and Norton, 2004). A major principle of competition is to pay more attention to employees and supply their needs and wants (Saeidipour et al., 2013). This important aspect of business is known as internal marketing and it can help organizations to promote employee commitment and job satisfaction (Hogg and Carter, 2000, Lings, 2004). As such, it is imperative to clearly understand the relationship between internal market orientation, external market orientation and positive employee behaviors, namely employee commitment and job satisfaction.

1.2.1 External market orientation

The term external market orientation was introduced into academic literature in the 1920’s (Strong Jr, 1925) and has received notable attention since the 1990’s. Academics and practitioners perceive external market orientation to be the implementation of the marketing concept (Kohli and Jaworski, 1990). The literature on external market orientation can be categorized into three major areas. First, a behavioral perspective, as suggested by Kohli and
Jaworski (1990), where external market orientation is concentrated on market intelligence generation, dissemination, and responsiveness to the information. Second, cultural perspectives that are concerned with external market orientation within an organization’s culture (Narver and Slater, 1990) and third, system-based perspectives that relate external market orientation to different organizational activities (Becker and Homburg, 1999) and see the management system as segmented into five subsidiaries: organization, information, planning, controlling, and human resource. The literature seems to disagree however on what role organizational commitment plays in the external market orientation of a firm. Some researchers suggest that it is an antecedent to employee commitment, such as Caruana et al. (1997) Jones et al. (2003), while Kohli and Jaworski (1990) and Sivaramakrishnan et al. (2008) suggest it is a consequence of employee commitment. Research on external market orientation is thus of continuing global interest, with literature emerging from Australia, America and Europe, as well as India, South East Asia and Scandinavia (Ashwin and Hirst, 2014, Godfrey and Edward, 2013).

1.2.2 Internal market orientation

The extant literature shows that internal market orientation, as an antecedent of external market orientations, played a significant role in its development (Gronroos, 1990). Since the 1970s, internal market orientation has been proposed as a solution to improve service quality (Berry et al., 1976). The literature reveals three main streams in conceptualizing internal market orientation (Gounaris, 2008, Gounaris, 2006). First, it was originally perceived as a behavioral instrument approach; as an internally directed marketing strategy focusing on job (internal) products to fulfill the first-line employees’ needs (internal customers) (Berry et al., 1976). Consequently, the company’s service objectives would be achieved. This is the most popular conceptualization of internal market orientation. A popular, alternative conception of internal market orientation is the mechanic approach, introduced by Gummesson (1987b). This supposes that internal market orientation reflects the effort to communicate interdependently towards all staff to gain increasing productivity and customer satisfaction. The third conceptualization of internal market orientation combines the preceding two and is labeled the holistic approach (Ahmed and Rafiq, 1993, Ahmed and Rafiq, 2003, Varey, 1995a, Varey and Lewis, 1999).
This study examines the relationship between internal market orientation and external market orientation through employee behaviors. For this reason, internal market orientation is defined as a set of employee-friendly managerial behaviors (Lings and Greenley, 2005) and the behavioral instrument approach (Berry et al., 1976) is employed in the current research. As such, the construct of internal market orientation is constituted by three dimensions: (a) generation of intelligence through data collection from the company’s internal market, (b) communication of internal market intelligence and its dissemination in the organization, (c) response to internal market intelligence by the company (Lings and Greenley, 2005).

There are two crucial features of internal market orientation. First, is its relationship to external market orientations. Scholars such as Awwad and Agti (2011), Kim (2015), Lings (2004) and Tansuhaj et al. (1988) link the internal and external functions of firms, generally in the context of the service sector in which internal market orientation developed (Gounaris et al., 2012). The second key feature of internal market orientation is its importance in promoting positive employee behavior, namely job satisfaction and employee commitment (Rafiq and Ahmed, 2000, Lings, 2004, Lings and Greenley, 2005).

1.2.3 Employee commitment and job satisfaction

Banks worldwide are looking for ways to identify and achieve competitive advantages (Kozarevic et al., 2014). This is even more important for banks operating in developing countries such as Vietnam, where the impacts of the global financial crisis and recession are considerably stronger. Human resources are recognized as the key element in creating competitive advantage in environmental changes (Hitt, 2006). Thus, the first principle of being competitive in the market is to ensure the supply of human resources and supply their needs and wants, especially through ensuring job satisfaction and employee commitment.

Locke (1969, p. 316) defines job satisfaction as “the pleasurable emotional state resulting from the appraisal of one's job as achieving or facilitating the achievement of one's job values”. Employee commitment, in turn, can be defined as “a psychological link between the employee and his or her organization that makes it less likely that the employee will voluntarily leave the organization” (Allen and Meyer, 1996, p. 252). As mentioned earlier, many scholars acknowledge the linkage between internal market orientation and job satisfaction and employee
commitment (Rafiq and Ahmed, 2000, Lings, 2004, Lings and Greenley, 2005). The literature also reveals a strong relationship between job satisfaction and employee’s commitment (Mowday et al., 1982, Jaramillo et al., 2005, Tella et al., 2007, Iqbal, 2012); this relationship is important because employees often prefer not to stay with the same organization for long (Iqbal, 2012).

1.3 Research problems and research questions

This research developed and tested a framework to investigate the relationship between internal market orientation, external market orientation, employee commitment and job satisfaction. This research was undertaken in four Vietnamese joint-stock commercial banks.

To assess the research problem, research questions were informed and developed through a review of literature on internal and external market orientations, employee commitment and job satisfaction. Six research questions were formulated from the literature review:

- What is the relationship between internal market orientation and external market orientation?
- What is the relationship between internal market orientation and employee attitudes?
- What is the relationship between employee attitudes and external market orientation?
- What is the relationship between different employee attitudes?
- How are different employee attitudes related to external market orientation?
- Are there any differences in employee attitudes and external market orientation across the four banks?

A preliminary framework, including hypotheses related to the six research questions, was developed.

1.4 Significance of the research

This study is significant as:

- The concept of external market orientation remains a global subject of active academic debate (Godfrey and Edward, 2013).
Vietnam’s political economy with its “socialist market oriented economy” makes it remarkable for the study.

The Vietnamese banking sector plays a vital role in the economic development and growth of the country.

Joint-stock commercial banks are targeted in this current study as they operate most actively in the Vietnamese banking sector.

Gaps in the practices of the Vietnamese banking industry may be illuminated and critically examined to provide insights into the sector.

For almost a quarter of a century, articles about external market orientation have been published in journals across different market sectors, from not-for-profit organizations to the banking industry, from the arts to mechanical tools. More importantly, external market orientation is of continuing interest in Australia, America, and Europe, as well as Indian South East Asia and Scandinavia (Lamberti and Noci, 2009, Sorjonen, 2011, Ashwin and Hirst, 2014).

Second, Vietnam’s political economy with its “socialist market oriented economy” makes it remarkable for the study. Indeed, by the early 1990s, Vietnam’s Doimoi policy brought Vietnam’s economy closer to the structure of other Asian developing countries (Cling et al., 2013). Vietnam, with other emerging Asian countries, shares international integration and trade liberalization. Along with China, Vietnam has a distinctive economic model called a “socialist market oriented economy” (Masina, 2006). Consequently, Vietnam is a “non-market economy” (The U.S.-Vietnam Trade Council, n.d.). This implies that Vietnam may provide less dynamic and competitive business environments than other developing countries could do. Consequently, it is significant for a research model based on Western theory to examine the unique context of Vietnamese joint-stock commercial banks.

Third, this study will concentrate on Vietnam’s banking sector due to its vital role in economic development and growth since the first reform in 1990. In 1992, domestic credit provided by the banking sector attributed for only 15.7% of gross domestic product (GDP). After 19 years, this ratio had increased dramatically, peaking at 135.8% of GDP in 2011 (Tran et al., 2015). Fourth, joint-stock commercial banks are the most active in the banking sector. Indeed, Tran et al (2015) note that in January 2015, the Vietnamese banking sector had five state-owned commercial
banks (SOCBs), 33 joint-stock commercial banks (JSCBs), five joint venture banks, and five wholly foreign-owned banks. SOCBs are 100% or majority-owned by the government whereas JSCBs have a more diversified shareholder structure which consists of public and private shareholders as well as other government affiliated organizations. SOCBs hold a significant stake in the industry with an estimate of 44.1% of total assets in the banking industry in Vietnam. JCSBs followed closely with 42.2% of the total assets in the banking system in the country. Nevertheless, charter capital for JSCBs is higher compared to SOCBs, with 43.8% of total charter capital in the industry compared to 30.8% of total charter capital for SOCBs. Although SOCBs have the leading market share, JSCBs operate more actively and gradually grab credit market from SOCBs. The market share of JSCBs has grow dramatically in recent years, reaching 37.1% for credit in January 2013 by successfully grabbing a market share from SOCBs (Tran et al., 2015). Furthermore, JSCBs are in direct contact with many Vietnamese citizens and this makes them a more relevant context to study the application of internal market orientation, external market orientation, and employee commitment and job satisfaction.

1.4.1 Practical research gap

Le (2014) claims that JSCBs face competitive threats from both SOCBs and FBs. By extension, the state-owned banks account for about 50% of the total Vietnam banking sector’s assets, together with 48% in deposit and 52% in credit market-share. These are advantages of SOCBs over JSCBs. Regarding FBs, advantages of this group are retail banking, banking technology, high quality service, and sophisticated products (Le, 2014). In addition, the Vietnamese banking system is influenced by financial globalization trends. This can result in entering into international trade and investment agreements, such as the US-Vietnam Bilateral Trade Agreement in 2001, its accession to the World Trade Organization (WTO) in 2007 and the ASEAN Economic Community in 2015 (Le, 2014). Such moves could lead to an increased presence of FBs in Vietnam and an equal treatment between FBs and domestic banks. Consequently, FBs increasingly boost competitive pressure and force domestic banks to improve their competitiveness.

Considering the competitive environment of the Vietnamese banking sector, JSCBs have no choice but to be market oriented. Indeed, external market orientation puts the customer at the
center of overall activities of the organization and is regarded as a pivotal factor in providing firms with competitive gains over their rivals (Kohli et al., 1993, Caruana, 1999, Morgan et al., 2009) and maintaining their sustainable competitiveness as well (Lado et al., 1998). Furthermore, the extant literature shows that internal market orientation, as an antecedent of external market orientation (Gronroos, 1990), plays a significant role in promoting positive employee behavior (Lings, 2004). Given the lack of studies in the area of external market orientation in Vietnam banks, this research is significant.

Furthermore, Vietnamese JSCBs compete against foreign banks in credit market share and in the labor market to recruit qualified employees and maintain them for a longer period. Caruana and Calleya (1998) suggest that a lack of employee commitment and job satisfaction can be harmful to an organization, resulting in poorer performance arising from inferior service offerings and higher costs. One way of achieving employee commitment and job satisfaction is the application of internal market orientation programs (Caruana and Calleya, 1998, Farzad et al., 2008).

The four banks that participated in the study are among the top 10 banks in Vietnam (Banking Industry Roundtable Discussion, 2012). They were Sai Gon Thuong Tin Commercial Joint-stock commercial bank (Sacombank), Asian Commercial bank (ACB), Vietnam Technological and Commercial Joint-stock commercial bank (Techcombank), and Bank for Investment and Development of Vietnam (BIDV).

**1.4.2 Theoretical research gap**

This study will contribute knowledge to three main areas:

*Research Gap 1:*

Research on internal market orientation is relatively new and remains very conceptual, especially studies undertaken between the 1980s and 1990s (Panigyrakis and Theodoridis, 2009, Rodrigues and Pinho, 2012). Internal market orientation has been long discussed as a mean of motivating employees to perform customer focused and market oriented behaviors (George, 1990, Gummesson, 1987a, Harari, 1991, Piercy and Morgan, 1991, Piercy, 1995, Mohr-Jackson, 1991). However, there are few empirical studies to support this assertion with some exceptions,
for example, Carlos and Rodrigues (2012) tested the relationship between internal market orientation, job satisfaction and employee commitment.

In addition, Ana Paula and José Carlos (2012) suggest the empowerment of employees is an important component of internal market orientation activities, and facilitates staff to work together more effectively with customers. It is anticipated that the greater the internal market orientation, the higher the external market orientation (Lings, 2004). From an empirical point of view, some research reports a positive relationship between internal and external market orientation (Conduit and Mavondo, 2001, Ana Paula and José Carlos, 2012, Awwad and Agti, 2011). However, no empirical evidence has been conducted to examine the relationship between all four factors of internal and external market orientation, job satisfaction and employee commitment. Thus, this empirical research directly contributes to this gap in the research.

Research Gap 2:

Both internal and external market orientation need to be examined in a different contexts. Awwad and Agti (2011) propose that future research should apply the study’s model in different cultural and social contexts to not only help to generalize the findings but also to determine how variation in cultural and social contexts can influence study results. Lings and Greeley (2005) suggest that the internal market orientation construct may vary across cultures as different cultures may lead to a different meaning of items and dimensions and further, that the way in which employers and employees interact, as well as their mutual expectations of such interactions, may be different in different social values. By the same reasoning, Kohli, Jaworski, and Kumar (1993) assert that scale items of external market orientation constructs should also be examined in different languages. Thus, this research contributes to these areas by examining internal and external market orientation in the Vietnamese banking industry.

Research Gap 3:

The extant literature indicates that more research studies are conducted in developed countries than in developing nations (Godfrey and Edward, 2013). This is despite the fact that previous researchers call for more research to be conducted in different national and organizational contexts (Kohli and Jaworski, 1990, Shoham et al., 2005, Godfrey and Edward, 2013) because
external market orientation is significantly impacted by the cultural and economic characteristics of the host country (Ellis, 2006). In particular, there is limited empirical evidence of its relationship on the banking industry in developing countries (Opoku and Essien, 2011). The limited research to date is from China (e.g. Bathgate et al., 2006, Qu and Ennew, 2003, Kaynaka and Karab, 2004, Zhou et al., 2004), India (Kaur et al., 2009, Megicks et al., 2005), Jordan (Opoku and Essien, 2011), and Iran (Awwad and Agti, 2011). According to Razghandi et al. (2012), who conducted a literature review on external market orientation related to Asian countries from 1995 to 2010, 19 articles (31%) were conducted in China, seven articles related to India (11%), followed by six articles on Hong Kong and Taiwan (10%). Furthermore, most of the research in developing countries attended to the organizational level (e.g. Zhou et al., 2004), the exception being the work of Opoku and Essien (2011) concerning the employee level.

**Research Gap 4:**

For the last few decades, the marketing literature has acknowledged the positive effects of market orientation on organizational performance (e.g. Narver and Slater, 1990, Kohli and Jaworski, 1990, Pitt et al., 1996, Rodrigues and Pinho, 2012), employee commitment, esprit de corps, and job satisfaction (e.g. Kohli and Jaworski, 1990, Narver and Slater, 1990, Ruekert, 1992, Siguaw et al., 1994, Selnes et al., 1996, Shoham et al., 2005, Rodrigues and Pinho, 2012). Godfrey and Edward (2013) suggest that the majority of the works in this area essentially focus on the effects of external market orientation on organizational performance while some studies investigate its relationship to employee performance. Additionally, the extant literature shows that mainstream research on external market orientation and its correlations on employees is mostly conducted in sales departments of manufacturing sectors. This is despite the fact that previous scholars in this area have called for more research into the consequences of external market orientation in different organizational contexts (Kohli and Jaworski, 1990, Shoham et al., 2005).
1.5 Methodology

The research used a quantitative method approach. The first research phase was a series of three pilot-tests to verify the clarity, comprehension, and consistency of the questionnaires that would be completed by Vietnamese bank staff and managers.

(1) Verifying the exact meaning of Vietnamese version questionnaires
The questionnaires were translated into Vietnamese and then translated back into English. A group of Vietnamese doctoral students, qualified in both Academic English and Vietnamese took part in face-to-face interviews.

(2) Validating the questionnaires
The same procedure was conducted consecutively with bank employees and bank managers. The questionnaires were delivered to the sample of 20 banking employees and five managers and directors of bank branches from four joint-stock commercial banks. Following the pilot study, a survey was employed to collect data from 29 managers and directors, and 256 staff from four leading joint-stock commercial banks. The data were analyzed and hypotheses were tested using simple linear regression, multiple regression and one-way ANOVA.

1.6 Scope of this study

This study investigated the relationship between internal market orientation, external market orientation, employee commitment and job satisfaction in four joint-stock commercial banks based in Vietnam. Joint-stock commercial banks were chosen as they are more active and market oriented compared to other kinds of domestic banks such as state-owned commercial banks. Data was collected from 256 employees and 29 managers and directors of banking branches.

1.7 Definitions used in this study

The following definitions apply to key terms used in the study.
External market orientation

External market orientation is “the organization-wide generation of market intelligence pertaining to current and future customer needs, dissemination of the intelligence across departments and organization-wide responsiveness to it” (Kohli and Jaworski, 1990, p. 6).

Internal market orientation

Internal market orientation is defined as “a set of managerial behaviors associated with implementing an internal marketing philosophy” (Lings et al., 2008, p. 1433).

Employee commitment

Employee commitment is defined generally as “a psychological link between the employee and his or her organization that makes it less likely that the employee will voluntarily leave the organization” (Allen and Meyer, 1996, p. 252).

Job satisfaction

Job satisfaction is defined as “the pleasurable emotional state resulting from the appraisal of one's job as achieving or facilitating the achievement of one's job values” (Locke, 1969, p.316).

1.8 Outline of this study

The thesis has five chapters. This chapter has provided an overview of the study. Chapter 2 reviews the related literature, develops research hypotheses and depicts the research model. Chapter 3 describes key aspects of the research methodology that was employed in this research. The test model and the results are presented in Chapter 4. Chapter 5 reports the findings and discusses implications arising from them for managerial and theoretical contributions. This last chapter also recommends areas for further research.
CHAPTER TWO

Literature Review

2.1 Introduction

The chapter discusses the wider literature review and the conceptual model. It reviews concepts of internal market orientation, external market orientation, employee commitment, and job satisfaction.

2.2 External market orientation

External market orientation has received notable attention since the 1990’s. Academics and practitioners perceive external market orientation to be the implementation of the marketing concept. Marketing literature reveals that scholars have attempted to operationalize marketing concepts in many ways. Two popular approaches are marketing mix and external market orientation.

2.2.1 Marketing mix and external market orientation

(1) Marketing mix

In marketing mix, the operationalization of marketing concepts mainly relates to the development and maintenance of an external orientation in organizations (Lings, 1999). It has limitations, as it is restricted to an external focus (Hooley et al., 1990).

(2) External market orientation

The term external market orientation is now significant in the business marketing literature. Since the beginning of the 1990’s it was proposed as a more appropriate operationalization of marketing concepts than marketing mix (e.g., Kohli and Jaworski, 1990, Narver and Slater, 1990, Jaworski and Kohli, 1993, Hooley et al., 1990, Dalgic, 1998). However, two conceptualizations have gained widely accepted support (Piercy et al., 2002); the behavioral-based view offered by Kohli and Jaworski (1990) and the culture-based stance developed by Narver and Slater (1990).
2.2.1.1 Definition and dimension of external market orientation

This study is interested in examining the relationship between internal market orientation and external market orientation through employee behaviors. As such, the external market orientation approach suggested by Kohli and Jaworski (1990) and pertaining to behavioral-based view is preferable to Narver and Slater’s (1990) counterpart. In addition, it is robustly supported by other researchers who also adopt the same conceptualization (Jaworski et al., 2000, Kaynak and Kara, 2004, Lings and Greenley, 2009, Lings and Greenley, 2010, Pitt et al., 1996, Martin et al., 1998, Opoku and Essien, 2011, Khansa et al., 2012).

Kohli and Jaworski (1990) define external market orientation as “the organization-wide generation of market intelligence pertaining to current and future customer needs, dissemination of the intelligence across departments and the organization-wide responsiveness to it” (Kohli and Jaworski, 1990, p. 6). In their behavioral conceptualization of external market orientation, Kohli and Jaworski (1990) identify three sub-dimensions that are:

1. Intelligence generation.
2. Intelligence dissemination.
3. Responsiveness to market intelligence.

Intelligence generation is the process of obtaining both current and future customer needs, and the analysis of exogenous factors that may impact on these needs (e.g., government regulation, competition, technology and other environmental causes). The intelligence is generated not just by customer surveys but also through various formal and informal means such as discussions with trade partners or consulting secondary data sources. Importantly, intelligence generation is the responsibility of a marketing department, individuals and departments throughout an organization.

Intelligence dissemination is the flow of market intelligence from the marketing department to other areas or in the converse direction depending on where it is generated. Both formal and informal intelligence dissemination are important tools for communicating customers’ need.

The last component, Responsiveness to market intelligence includes the reaction of all departments in response to the intelligence that is generated and disseminated (e.g., the design
and selection of products and services, the production, distribution and promotion of the products and services).

**2.2.3 External market orientation versus marketing orientation**

It is also important to note that an external market orientation is not a marketing orientation. Many scholars dispute conceptual and application variations between these two orientations (Mbah et al., 2007). The viewpoint widely recognized by the majority of authors is that the term external market orientation highlights the holistic, organization-wide nature of the concept and both the internal and external stakeholder relationships (Kohli and Jaworski, 1990, Narver and Slater, 1990, Harrison-Walker, 2001, Lafferty and Hult, 2001). A marketing orientation however is primarily based on particular activities of the functional role of marketing, as concerned with coordinating and managing the 4P’s (Gray et al., 1998).

**2.2.4 Market orientation or external market orientation**

Market orientation and external market orientation are used interchangeably in the works of Lings (1999) and Gounaris (2008) and external market orientation is measured by the same scale of market orientation developed by Kohli, Jaworski and Kumar (1993) (Lings and Greenley, 2009, Rodrigues and Pinho, 2012).

**2.3 Internal market orientation**

A review of the literature reveals there are three main streams in the conceptualization of internal marketing (Gounaris, 2008, Gounaris, 2006). It was originally introduced as a behavioral instrument approach, which is an internally directed marketing strategy focusing on jobs (internal products) to fulfill the first-line employees’ needs (internal customers) to achieve the company’s service objectives (Berry et al., 1976). Rafiq Mohammed and Ahmed (1993) identify some problems emerging from this early conceptualization. One is that internal market conditions do not resemble those of the external market. Another issue is the needs of employees were not relevant to those of the company’s customers. A third issue is the potential conflict between marketing and human resource departments when implementing internal marketing programs. In spite of these factors, this seems to be a most popular approach among academic researchers in the conceptualization of internal marketing.

An alternative popular conception of internal marketing is the mechanic approach, first introduced by Gummesson (1987b). This tendency supposes that internal marketing reflects the effort to communicate interdependently towards all staff to gain increasing productivity and customer satisfaction. Naudé, Desai and Murphy (2003), as well as Ballantyne (2003), echo this approach. While interesting, this conceptualization can cause highly standardized procedures of service delivery and a probable result of increased procedural standardization is decreased employee discretion (Sasser and Arbeith, 1976). This leads to customer satisfaction, particularly in service industries (Berry, 1981, Piercy, 1995, Schneider and Bowen, 1999).

A further conceptualization of internal marketing combines the preceding two and is labeled as the holistic approach (Ahmed and Rafiq, 1993, Ahmed and Rafiq, 2003, Varey, 1995a, Varey and Lewis, 1999). Under this approach, internal marketing effects both jobs and procedures to improve the company’s effectiveness with its customers through interdepartmental integration (George, 1990). However, the essential conception of internal marketing as suggested by these scholars is still a behavioral instrument approach (Gounaris, 2006, Gounaris, 2008).

It is clear that the extant work on internal marketing is significant, but very few organizations employ internal marketing in practice (Ahmed and Rafiq, 2003). Arguably, the lack of a single, unified concept of internal marketing is the one reason for its low application (Gounaris, 2008, Gounaris, 2006). Empirical research shows that another cause of its low uptake is the absence of a market orientation (Hooley et al., 2003, Gounaris et al., 2004). Companies are able to
systematize the practice of marketing and cooperation in their marketing programs toward creating value for customers by the application of a market orientation (Narver and Slater, 1990, Gounaris et al., 2004).

Berry (1987) asserts that external marketing has a counterpart application internally. Only the work of Lings (2004) indicates a cultural aspect of internal marketing. He reasons that an internal marketing orientation is an alternative term to differentiate another approach in terms of an internal customer. However, it is not examined empirically. Rather, in the empirical work of Lings and Greenley (2005), they consider internal marketing orientation as the operationalization of internal marketing. Recent research suggests that marketing orientation is a more relevant operationalization of marketing than marketing mix (Kohli and Jaworski, 1990); thus, Lings and Greenley (2005) suggest marketing orientation can be modified to a setting of employer-employee exchanges to operationalize internal marketing

Prior to the operationalization of internal marketing suggested by Lings and Greenley (2005), some scholars also attempted to operationalize it empirically. These scholars include Ahmed, Rafiq, and Saad (2003), Foreman and Money (1995), Lings and Greenley (2005), George and Prokopis (2009). Foreman and Money (1995) indicate that an internal marketing construct consists of three factors namely development, reward, and vision. Ahmed, Rafiq and Saad (2003) subsequently operationalized internal marketing via eleven elements of the internal marketing mix and Lings and Greenley (2005) examined and developed a multidimensional internal marketing orientation construct. George and Prokopis (2009) proposed that internal marketing orientation and internal customer orientation be merged into one operationalized construct.

Of all these works, the one suggested by Lings and Greenley (2005) is the most relevant to this research. Their operationalization of internal marketing by an internal marketing orientation is a pioneer of the tendency, which a stream of recent studies are based on; see Lings and Greenley (2009), Lings and Greenley (2010), Gounaris (2006), Lings, Beatson and Gudergan (2008), Gounaris (2008), Vicent, Miguel and Javier (2009), Panigyrakis and Theodoridis (2009), Kaur, Sharma and Seli (2009), Spiros, Aikaterini and Kalliopi (2010), Sanchez-Hernandez and Francisco (2011) and Awwad and Agti (2011). This research employs the term internal marketing orientation, considered as the operationalization of internal marketing (Lings and Greenley, 2005), due to its currency and popularity.
2.3.1 The nature of internal market orientation
Internal market orientation is defined as a set of managerial behaviors associated with implementing an internal marketing philosophy (Lings et al., 2008, p. 1433). Lings and Greenley (2005) presume that the primary idea of an internal marketing orientation is the concept of exchange between employees and the organization based on the equity theory (Adams, 1963) and psychological contract (Guest and Conway, 2002). Based on this viewpoint, internal marketing orientation crosses marketing and human resource management boundaries and targets to generate a balance between employees’ awareness of what they put into their jobs and their awareness of what they get out of these jobs. The role of managers in this process impact on employee behaviors in such ways that will influence customers’ awareness of the service they receive (Hartline and Ferrell, 1996). Managerial activities are operationalized here as an internal market orientation.

2.3.2 Dimensionality of internal market orientation
The construct of internal market orientation consists of five managerial behaviors; three involve the generation of information (through informal information generation, formal face-to-face information generation, or formal written information generation) about the wants and needs of employees; one other dimension is associated with information dissemination throughout company and the other relates to responsiveness to the wants and needs of employees (Lings and Greenley, 2005).

2.4 Employee commitment
In the early 1980s, employee commitment, one of the most important issues in internal marketing orientations, gained the increasing attention of researchers (Shekary et al., 2012). The definition of employee commitment developed through several stages with different perspectives. First, Meyer and Allen (1991) summarize three general themes: affective attachment to the organization, perceived costs, and obligation to remain with the organization. Second, numerous scholars describe commitment as an affective orientation toward the organization. Buchanan (1974), for example, defines commitment as “a partisan, affective attachment to the goals and values, and to the organization for its own sake, apart from its purely instrumental worth” (Buchanan, 1974, p. 753). Likewise, Porter and his colleagues (Mowday et al., 1979, Porter et al., 1974, Porter et al., 1976) depict commitment as “the strength of an individual’s identification
with and involvement in a particular organization” (Porter et al., 1974, p. 604). Other authors view commitment as the continuation of an action (e.g., remaining with an organization), resulting from a recognition of costs associated with its termination. Becker (1960), for example, describes commitment as a disposition to engage in “consistent lines of activity.” Finally, a less common, but equally viable approach has been observed, commitment as an obligation to remain with the organization. Wiener (1982, p. 421), for example, defines commitment as “the totality of internalized normative pressures to act in a way which meets organizational goals and interests,” and suggests that individuals exhibit these behaviors solely because “they believe it is the ‘right’ and moral thing to do.” Allen and Meyer (1996, p. 252) suggest a conceptualization of employee commitment that encompasses affective commitment, continuance commitment and normative commitment. They defined organizational commitment as “a psychological link between the employee and his or her organization that makes it less likely that the employee will voluntarily leave the organization.” This definition is the most popular in the relevant literature (Farzad et al., 2008) and is adopted in this study.

More specifically, affective commitment refers to employees’ emotional attachment to, identification with, and involvement in, the organization. Allen and Meyer (1990) believe that an employee feels actual dependence on an organization when aims and values of that organization appear to be similar to the individuals and they are persuaded that they could help the organization fulfill its purpose. Thus, employees with strong affective commitment remain with the organization, as they want to do so (Meyer and Allen, 1991, Meyer et al., 1993). Continuance commitment pertains to the willingness to stay in an organization for expenses of leaving and compensation of staying. This type of commitment is generated when an employee believes that their abilities do not qualify in the labor market. Such employees feel a kind of dependency on the extant organization. Employees with strong continuance commitment remain as they feel they have to (Meyer and Allen, 1991, Meyer et al., 1993). Ultimately, normative commitment reflects a commitment laid on a sense of obligation to the organization. Employees with strong normative commitment remain as they feel they ought to do (Allen and Meyer, 1996) (Meyer and Allen, 1991, Meyer et al., 1993).
2.5 Job satisfaction

The study of job satisfaction can be traced to Herzberg (1959), who theorized that job satisfaction is a function of motivators that contribute to job satisfaction and hygiene that can lead to job dissatisfaction. Locke (1969, p. 316) defines job satisfaction as “the pleasurable emotional state resulting from the appraisal of one's job as achieving or facilitating the achievement of one's job values.” Job satisfaction is operationalized by several facets, including satisfaction with the supervisor, work, pay, advancement opportunities, coworkers, and customers (Brown and Peterson, 1993).

2.6 Conceptual model

The role of internal market orientation in developing organizational competencies is identified as a vital area for increasing research (Ahmed and Rafiq, 2003). More specifically, one important consequence of internal market orientation is to raise employee commitment (Tansuhaj et al., 1991), job satisfaction (Lings, 2004) and external market orientation (Lings, 2004). This section will justify and develop research hypotheses, and finally, depict the research model.

2.6.1 Internal market orientation and external market orientation

Internal market orientation is taken as a management philosophy, as a framework for employees’ management toward market orientation practices, and as one of the main antecedents of market orientation (Gronroos, 1990, Lings, 2004, Piercy and Morgan, 1990). In fact, the communication and response capabilities implied by the internal marketing orientation construct represent the facilitation of information transfer between front line employees (who are also important sources of market research information) and managers (Ballantyne, 2003). As a result, internal market orientation is expected to have a positive impact on the information generation dimension of external market orientation; thereby market information that is to be communicated to managers becomes more utilized. In addition, the adoption of an internal market orientation within the organization results in employees being better informed and motivated to carry out strategic responses of the firm to its market (Ahmed and Rafiq, 1993, Wasmer and Bruner, 1991). Researchers also view external market orientation and internal market orientation as two inter-related concepts, likely falling under the marketing philosophy umbrella (Gounaris et al., 2010).
Literature empirically supports the positive link between internal and external marketing orientations. Awwad and Agti (2011) reveal that an internal marketing orientation strongly and positively influences external market orientation. Lings and Greenley (2009) point out that an internal market orientation has a significant positive impact on external market orientation in United Kingdom retail banks. Similarly, Abzari, Ghorbani, and Madani (2011) found a positive relationship between internal and external marketing orientations in the context of Pakistan commercial banks and Kyriazopoulos et al., (2007) explored an internal marketing orientation from employees of bank branches and found positive effects of an internal marketing orientation on external marketing orientations. Khansa et al. (2012) report similar findings and point out that an internal marketing orientation plays a significant role in the development of the external market orientation of employees and competitors. Thus there seems to be very strong evidence to support the role of an internal marketing orientation in enhancing the level of external marketing orientation in organizations. Both need to be examined in different cultural and social contexts however (Awwad and Agti, 2011, Lings and Greenley, 2005, Jaworski and Kohli, 1993). Hence, this research examines them in relation to Vietnam’s banking industry.

Based on all the above, the following hypothesis is developed:

H1: Internal market orientation is positively related to external market orientation.

2.6.2 Internal market orientation and employee commitment

An internal market orientation indicates the application of marketing concepts to an organization’s internal management (Longbottom et al., 2006). The relationship between internal market orientation and employee commitment is supported by both theoretical and empirical research. The major impact of an internal marketing orientation is to stimulate employees to feel that management cares about them and their needs are met (Tansuhaj et al., 1991). Tansuhaj et al. also assert that the successful utilization of the concept is translated into positive employee attitudes towards their work, including employee commitment. Lack of commitment from employees can be harmful to an organization, resulting in poorer performances arising from lesser service offerings and higher costs.

Hogg (1996) suggests that an internal marketing orientation could be the answer to raising employee commitment, thereby succeeding where traditional internal communications programs
In addition, Lings (2004) argues that an internal marketing orientation has a direct positive impact on internal aspects of organizational performance, including employee commitment. Further empirical works report a positive correlation between an internal marketing orientation and employee commitment (Abzari et al., 2011, Caruana and Calleya, 1998, Awwad and Agti, 2011). The critical question remains however, do all three dimensions of employee commitment, namely affective commitment, continuance commitment, and normative commitment relate positively to an internal marketing orientation?

The empirical research reveals three viewpoints with three distinguishable measurements. First Abzari, Ghorbani, and Madani (2011) employ the 24 measurements reported by Allen and Meyer (1990) to examine the relationship between an internal marketing orientation and the three components of employee commitment. They, however, use only 10 items having a reliability of 0.89. Abzari, Ghorbani, and Madani (2011) reported positive impacts of internal marketing orientations on practices across all three components of employee commitment for the hotel industry in Iran.

Caruana, and Calleya (1998) suggest a different finding from the work of Abzari, Ghorbani, and Madani (2011); that an internal marketing orientation only had a significant effect on the affective dimension of employees’ commitment. The reason for this variance may be due to the measurement employed in their research. Caruana and Calleya (1998) also apply the assessment suggested by Allen and Meyer (1990) with all 24 items.

Awwad and Agti (2011) applied the measure suggested by Mowday, et al. (1979) and found that an internal market orientation positively impacted affective commitment. It is notable that the assessment of Mowday, et al. (1979) measured the affective commitment dimension with a scale of 15 items, rather than the affective commitment scale of Allen and Meyer (1990). Furthermore, the affective commitment scale suggested by Allen and Meyer (1990) is more advantageous than Mowday, et al’s. (1979) as its items assess only affective commitment towards the organization and not employees’ behavior or behavioral intention (e.g. intention to leave the organization).

The available research employs different measures. Thus, their findings are in need of reexamining by the original measurements reported by Allen and Meyer (1990). In doing so, this study will examine the correlation between internal marketing orientation and three components
of employee commitment. Indeed, the affective commitment dimension included in the conceptual model of the study is supporting overwhelmingly in empirical works. In fact, if bank staff have affective commitment and low emotional commitment they could leave the bank but may choose to remain because of a high continuance commitment. Thus, to examine this issue continuance is included in this study. The last dimension, normative commitment in terms of organizational loyalty is also included in this study. Although it is less common compared to the two other dimensions (Allen and Meyer, 1990) it is necessary to reexamine this commitment in an Asian cultural context of the Vietnamese banking industry where loyalty is high valued and evaluated.

Based all the above, the following hypothesis is proposed:

H2: Internal market orientation is positively related with employee commitment.

2.6.3 Internal market orientation and job satisfaction

Most researchers suggest the positive impact of internal market orientation on job satisfaction (Berry and Parasuraman, 1991, Lings, 2004, Tansuhaj et al., 2008, Piercy, 1995). Berry and Parasuraman (1991) argue that an internal market orientation is aimed at satisfying internal employees’ needs through job satisfaction. In the same line as Berry and Parasuraman (1991), Lings (2004) claims that internal market orientation has a direct positive impact on internal aspects of organizational performance including job satisfaction. This point of view is echoed in the study of Tansuhaj et al. (2008). They propose the implementation of an internal market orientation in organizations enhance positive employee attitudes toward their work, including organizational commitment, job involvement, work motivation and job satisfaction. From the extant literature reviewed, most scholars tend to propose theoretically that an internal market orientation has an important role in promoting job satisfaction, rather than providing empirical evidence of the positive relationship between them.

Gounaris (2008) surveyed contact personnel from 20 different five-star hotels in Greece and concluded that the company’s degree of internal market orientation adoption positively related to employees’ job satisfaction, after controlling for empowerment, participation in decision-making, and mode of communication. According to the suggestion of Gounaris (2008), one the
important limitations of his study was the focus on contact personnel whereas the notion of internal market orientation pertains to back-office employees also. In line with Gounaris (2008), Carlos and Rodrigues (2012) confirm a positive relationship between internal market orientation and job satisfaction. However, the sample size of their study was small (86). Thus, it is necessary to reexamine the correlation between internal market orientation and job satisfaction. Based all the above, the following hypothesis is developed.

H3: Internal market orientation is positively related with job satisfaction.

2.6.4 Employee commitment and external market orientation

Concerning the relationship between employee commitment and external market orientation, two questions arise. First, what is the causal relationship between employee commitment and external market orientation?; and second, do all three dimensions of employee commitment positively relate to external market orientation or only some of them? This section will discuss these two issues.

First, most scholars concede the positive link between employee commitment and external market orientation (e.g., Caruana et al., 1997, Jones et al., 2003, Kohli and Jaworski, 1990, Lings, 2004, Awwad and Agti, 2011). The existing literature seems to disagree however on if employee commitment leads to external market orientation or if external market orientation leads to employee commitment (Lings and Greenley, 2010). Some scholars suppose that external market orientation is an antecedent to employee commitment (Caruana et al., 1997, Jones et al., 2003, Kohli and Jaworski, 1990). Nonetheless, Lings (2004), Sivaramakrishnan, Zhang, Delbaere, and Bruning (2008) and Awwad and Agti (2011) suggest that external market orientation is a consequence of employee commitment. In fact, Lings (2004) supposes that in line with job satisfaction and employee retention, employee commitment has a directed effect on external market orientation. Committed employees appear to be more willing and more able to adopt an external market orientation culture than less committed employees (Sivaramakrishnan et al., 2008). Awwad and Agti (2011) also argue that an external market orientation cannot be demonstrated without firm commitment, not only by top management but by all employees in the organization. The causal relation of this relationship seems to be a ‘chicken-and-egg’ problem (Sivaramakrishnan et al., 2008). However, Sivaramakrishnan et al. (2008) suggest these two
constructs are definitely positively correlated. Accordingly, the present study attempts to explore the relationship between external market orientation and employee commitment. The causal relationship between these will be investigated adopting a longitudinal design (see Section 5.5).

Finally, the literature also raises the question if all of three dimensions of employee commitment relate to an external marketing orientation. Two approaches with two measurements suggested by Allen and Meyer (1990) and Mowday, et al. (1979) are found in the literature. As mentioned earlier, Allen and Meyer (1990) measure employee commitment using a multidimensional construct, namely affective commitment, continuance commitment, and normative commitment. Meanwhile, Mowday, et al. (1979) assess employee commitment by a single dimensional construct and affective commitment.

Abzari, et al. (2011) and Caruana (1997) adapt the measurement of Allen and Meyer (1990). Their different adaption appear to be the reason why the findings of the two works are distinct. Abzari, et al (2011) found that an external marketing orientation impacted positively on organizational commitment including all three dimensions. Caruana (1997) conversely suggest that an external marketing orientation only significantly effects the affective component of employee’s commitment. Another group of scholars (Siguaw et al., 1994, Awwad and Agti, 2011), employing the assessment of Mowday, et al. (1979), confirm that an external marketing orientation positively influences employees affective commitment. It is clear that there is not consensus on the issue or on which dimension of employee commitment relates positively to an external marketing orientation. Thus, this study will employ the assessment reported originally by Allen and Meyer (1990) to examine the effect of employee commitment on the three dimensions to external marketing orientation.

Based on all the above, and to examine the relationship between employee commitment and an external marketing orientation the following hypothesis is proposed:

H4: Employee commitment is positively related with external market orientation.

**2.6.5 Job satisfaction and external market orientation**

The extant literature suggests that the relationship between job satisfaction and external market orientation remains unclear. Gronroos (1983) suggests that one of the consequences of market
orientation will be that employees are motivated to be more market oriented. This assertion is echoed by several empirical works such as Jaworski and Kohli (1993), Siguaw et al. (1994), Piercy et al. (2002) and Jones et al. (2003). On the other hand, Hoffman and Ingram (1991) suggest that job satisfaction guides employees towards customer-oriented behavioral outcomes so that employees are motivated to practice an external marketing orientation strategy. Martin et al. (1998) also agree that effective market-oriented activities require job satisfaction. In line with Berry and Parasuraman (1991) and Gummesson (1987a), Lings (2004) argues that job satisfaction impacts directly on market orientation. Despite of the seemingly causal relationship between job satisfaction and an external marketing orientation, the marketing literature suggests that these two constructs are positively correlated.

Although the strength of the correlation between market orientation and performance are effected significantly by contextual factors, the link itself universally exists across various contexts (Kimura, 2012). Consequently, the same association between external market orientation and its outcome, namely job satisfaction in the Vietnam context, could be assumed in the Western context. Examining the causal relationship is not the target of this study; thus, the current work explores the correlation between job satisfaction and an external marketing orientation in the Vietnam banking industry, the context of a distinctive non-market economy sample.

To explore the relationship between job satisfaction and an external marketing orientation, hypothesis 5 is developed:

H5: Job satisfaction is positively related to external market orientation.

2.6.6 Job satisfaction and employee commitment

A number of previous researchers report mixed findings on the relationship between job satisfaction and employee commitment. For instance, Curry et al. (1986) found no significant relationship between the two. Other scholars, however, found that job satisfaction was a significant predictor of employee commitment, for instance, Bateman and Strasser (1984), Farkas and Tetrick (1989), Williams and Hazer (1986) Powpaka (2006), Tsai (2011), Yücel (2012) Carlos and Rodrigues (2012), and Ruizalba et al. (2014). Research findings indicate that satisfied employees tend to be committed to organizations. Based on the literature, the following hypothesis 6 is developed:
H6: Job satisfaction is positively related to employee commitment.

2.6.7 Employee commitment and job satisfaction and external market orientation

The positive relationship between employees’ attitudes and external market orientation is widely supported (see for example Gronroos, 1981, Gummesson, 1987b, Jaworski and Kohli, 1993, Berry and Parasuraman, 1991, Piercy, 1995, Lings, 2004). In this study, employee commitment and job satisfaction are considered as employee attitudinal responses. Specifically, Gronroos (1981) suggests that employees are motivated to be more market oriented. This assertion is also echoed by Piercy (1995), Gummesson (1987b), Berry and Parasuraman (1991) and Lings (2004). Several authors call for more studies to explore the relationship between employee attitudinal responses and an external market orientation (Kohli and Jaworski, 1990, Castro et al., 2005).

Among the few studies undertaken in this field, the studies conducted by Caruana et al. (1997) and Rodrigues and Pinho (2012) found a positive and separate relationship between employee commitment and external marketing orientation; and job satisfaction and external marketing orientation. The paucity of research in the field of public sector organizations is more evident. In the current research therefore, market orientation is viewed as having a direct effect on employees’ job-related attitudes, particularly on job satisfaction, and organizational commitment in the public sector realm. Thus, the following research hypothesis is proposed.

H7: Employee commitment and job satisfaction are positively related to external market orientation.

2.6.8 Differences in employee attitudes and external market orientation across the four banks

The four banks from which this study collected data are all in the top 10 banks in Vietnam (Banking Industry Roundtable Discussion, 2012). They are Sai Gon Thuong Tin Commercial Joint-stock commercial bank (Sacombank), Asian Commercial bank (ACB), Vietnam Technological and Commercial Joint-stock commercial bank (Techcombank), and Bank for Investment and Development of Vietnam (BIDV). There is, however, a noticeable difference between BIDV and the three other banks (Section 4.3.1). Thus, there is a need to conduct a study examining the following hypotheses:
H8: There is significant difference in job satisfaction between four banks.

H9: There is significant difference in employee commitment between four banks.

H10: There is significant difference in external market orientation between four banks.

2.7 Conclusion

This chapter reviewed relevant literature on internal market orientation, external market orientation, job satisfaction and employee commitment. It concluded with ten research hypotheses to be tested empirically, as follows:

H1: Internal market orientation is positively related to external market orientation.

H2: Internal market orientation is positively related with employee commitment.

H3: Internal market orientation is positively related with job satisfaction.

H4: Employee commitment is positively related with external market orientation.

H5: Job satisfaction is positively related to external market orientation.

H6: Job satisfaction is positively related to employee commitment.

H7: Employee commitment and job satisfaction are positively related to external market orientation.

H8: There is significant difference in job satisfaction between four banks.

H9: There is significant difference in employee commitment between four banks.

H10: There is significant difference in external market orientation between four banks.

The next chapter outlines the methodology used in the thesis.
CHAPTER THREE

Methodology

3.1 Introduction

This chapter explains key aspects of the research methodology employed in this study. The chapter begins with a justification of the positivism paradigm and quantitative method. It then details the quantitative research design including the procedures of the data analysis and ethical considerations. The chapter then ends with concluding comments.

3.2 Research paradigm

Paradigm is defined as “the entire constellation of beliefs, values, techniques, and so on shared by members of a given (scientific) community” (Kuhn, 2012). In simple terms, a paradigm reflects a basic set of philosophical beliefs about the nature of reality, the problems that can occur and the types of solutions that can arise from research (Veal, 2005, p. 25). There are primarily two kinds of research paradigms, namely positivism and interpretivism (Neuman, 2011). They are distinguished by two pivotal philosophical assumptions including ontology and epistemology.

3.2.1 Ontology and epistemology

- Ontology

Ontology is concerned with “what is”. In social research, ontology refers to the way the social world is seen or perceived and what can be assumed about the nature and reality of the social phenomenon (Matthews and Ross, 2010). The realists and nominalists are two central classes in ontology. Realists assume that the world is there regardless of whether humans are conscious of it (Hallebone, 2009). As the “real world” exists independently of observation, human knowledge could be produced by carefully observing it (Neuman, 2011). The nominalists believe the world ‘out there’ can be experienced indirectly by human beings. The real world is perceived through a lens of inner subjectivity, such as personal biography and cultural worldview; thus, knowledge about the world can not be produced by observing as all observations are effected strongly by subjective-cultural factors. The observed people are also influenced by their own interpretation
and subjective view of and at the specific time/place. Researchers can never dismiss thoroughly an objective factor; consequently, any form of objective knowledge is entirely unreasonable (Neuman, 2011). Given this, this thesis adopts a realistic ontology.

- **Epistemology**

  “Epistemological notion includes what we need to do to produce knowledge and what scientific knowledge looks like once we have produced it” (Neuman, 2011). As such, epistemology involves the theory of knowledge (Crotty, 1998) and how we know things (Matthews and Ross, 2010).

3.2.1.1 **Positivist paradigm vs. Interpretivist paradigm**

The combination of a type of ontology with a type of epistemology delineates if it is a positivist or interpretivist paradigm.

- **Positivism paradigm**

  Neuman (2011) states that:

  "Positivist social science is an organized method for combining deductive logic with precise empirical observations of individual behavior in order to discover and confirm a set of probabilistic causal laws that can be used to predict general patterns of human activity”.

  Positivists adopt a realist ontology (also called *essentialist, objectivist, or empirical realist*). They assume that reality exists and has a natural order. Without this assumption, there are no causal laws and predictions. Social reality is assumed to be stable. As a result, the laws we discover today can be utilized in the future. In addition, what we can see and touch (i.e. empirical reality) is not excessively complicated and what we observe reflects the deeper essence of things, people, and relations in the world (Neuman, 2011).

  As positivism is grounded on a realist ontology, the epistemological position admitted by positivists is that knowledge can be produced by observing and recording instead of subjective understandings (Matthews and Ross, 2010). Furthermore, positivist researchers use an instrumental knowledge that is considered to be a tool that people can use to control their environment.

- **Interpretivism paradigm**

  Neuman (2011) argues that:
“*The interpretive approach is the systematic analysis of social meaning action through the direct detailed observation of people in natural settings in order to arrive at understandings and interpretations of how people create and maintain their social worlds*.”

In other words, an interpretive paradigm relates to how people interact and get along with each other. Interpretivism replaced positivism after a long debate within the social sciences with regards to the usefulness of a natural science approach to the study of the social world (Matthews and Ross, 2010). Regardless of the positivist notion that reality is subjective, “out there” waiting to be discovered, interpretivist researchers approve nominalist ontology. Social reality exists objectively as people experience it and assign meaning to it. People construct reality out of their interactions and beliefs. Positivist language is made as pure, logical, and precise as possible in order to precisely reflect reality. By contrast, interpretivist language reflects the worldview that depends on how we see and experience the world.

Table 3.1: Comparing and Contrast ing Positivist and Interpretive approaches (Source adapted from Hallebone and Priest (2009), Neuman (2011), and Sarantakos (2013))

<table>
<thead>
<tr>
<th>About</th>
<th>Positivist paradigm</th>
<th>Interpretive paradigm</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ontological status of social reality</strong></td>
<td>Realist Reality is fragment able</td>
<td>Constructionist, Subjectivist Reality is holistic</td>
</tr>
<tr>
<td><strong>Epistemology</strong></td>
<td>Researcher seeks objectivity Objectivity is truth</td>
<td>Researcher accepts subjectivity Pure objectivity is a myth</td>
</tr>
<tr>
<td><strong>Role of researcher</strong></td>
<td>Seeking truth Independent, distanced</td>
<td>Seeking authentication Involved, engaged</td>
</tr>
<tr>
<td><strong>Logic and Approach to inquiry</strong></td>
<td>Deductive Outcome oriented Nomothetic (create general findings)</td>
<td>Inductive Process oriented Idiographic (describe specific cases)</td>
</tr>
<tr>
<td><strong>Purpose of research</strong></td>
<td>To explain social life To predict progress of events To discover the law of social life</td>
<td>To interpret social life To understand social life To discover meanings</td>
</tr>
</tbody>
</table>

The positive realist ontology holds that genders and race are real. Conversely, interpretivist researchers see the world as having multiple genders and races depending on the culture of the researchers.
“Knowledge is seen to be derived from everyday concepts and meanings - the social researcher enters the social world in order to grasp the socially constructed meanings and then reconstructs them in social language. At one level these latter accounts are regarded as redescriptions of every account; at another level they are developed into theories”. (Blaikie 1993)

To put it another way, positivism employs knowledge as a type of instrument while interpretivism focuses on how people manage their practical tasks in every life. Rather than treating people as an external subject, this notion spotlights that researchers and people being studied should work together to create mutual understandings (Newman 2011).

3.2.2 Strengths, weaknesses, bias of positivist and interpretive paradigms

Based on the philosophy of science and logic of inquiry, some strengths and weaknesses of positivism are as follows (Sarantakos, 2013, Hallebone, 2009, Neuman, 2011):

**Strengths**

- Quantitative approach states a very specific research problem and identifies clear variables and relationships among them; it arrives at objective conclusions as well as generalizations.

- It achieves high levels of reliability of gathered data due to controlled observations, laboratory experiments, mass surveys, or other forms of research manipulations. This eliminates the subjectivity of judgment.

**Weaknesses**

- This approach may reflect the bias of the researchers when they analyze and interpret data. For example, they may inadvertently influence the behavior of research participants in a way that favors certain anticipated results. Similarly, the researcher attempts to change the original hypotheses to fit the actual data.

- As compared with interpretivism, it has a lower ability to control the environment where the respondents provide the answers to the questions in the survey.

The characteristics of an interpretivist paradigm include the following strengths and weaknesses:
Strengths

- It understands subjects holistically rather than limits the number of aspects. Qualitative research often takes place in natural settings so that the researcher is highly involved in the actual experience of participants and uncovers a level of detail of the studied subjects. This also enables the ability to interact with the research subjects in their language and on their own terms (Kirk, 1986). As a consequence, validity is viewed as a strength of an interpretive approach (Creswell, 2014).

- The varieties of qualitative methods available provide flexible ways to perform data collection, analysis, and interpretation. The adopted methods are emergent rather than tightly pre-determined. This enables researchers to change and refine their approach if they need to best fit the central interest (Creswell, 2014).

Weaknesses

- Interpretivism may produce different conclusions based on the same information depending on the personal characteristics or experiences of the researcher. It also requires a high level of experience of the researcher to obtain the targeted information from the respondents (Creswell, 2014).

- Bias can cause a lack of consistency and reliability when researchers employ different probing techniques and the respondents can choose to tell some particular stories and ignore others (Kirk, 1986).

This thesis adopts a positivist paradigm.

3.2.3 Justification of positivism paradigm and quantitative method

As mentioned earlier, both positivism and interpretivism paradigms have strengths and weaknesses; thus, the conflict of which paradigm is the best choice is as old as the paradigms themselves. The answer is that there is no “better” or “right” paradigm. Both ways are good and right depending on the circumstances because they are used for a different purpose to answer different questions (Sarantakos, 2013).

The purpose of the current research is to examine the linkage between internal market orientations, external market orientations, employee commitment, and job satisfaction in
Vietnam’s banking industry. By doing so, the relationship between these constructs can be discovered and generalized. This is why this research used a positivism paradigm. As positivism is grounded on a realist ontology, the causal law, as discovered in this study, might be employed in the same context in the future. In regard to the epistemological position, the knowledge about the relationship between internal market orientations, external market orientations, employee commitment, and job satisfaction in Vietnam’s banking industry could be produced by objectively collecting data.

Guba and Lincoln (2005) equate the positivist paradigm with a quantitative methodology therefore a quantitative methodology is adopted in the current research. Furthermore, one of the primary methods of quantitative research is self-administered surveys and this method was utilized to collect data for this study.

3.3 Research design

Sekaran (2013) points out that a research design involves the purpose of the study (exploratory, descriptive, hypothesis testing), the kind of investigation, the extent of researcher interference with the study, the time horizon, sampling design, unit analysis, questionnaire development, data collection procedures and the survey instrument. These are detailed in the following section.

3.3.1 Purpose of the study

The purpose of the study may be grouped in three divisions: exploratory, descriptive and hypotheses testing (Sekaran, 2013). A hypothesis testing was undertaken in this study. Its target was to examine the hypotheses developed from the literature review.

3.3.2 Kind of investigation

Sekaran (2013) identifies two kinds of investigation: causal studies and correlational studies.

A correlational study was utilized in this study to answer the research questions:

What is the relationship between internal market orientation and external market orientation?

What is the relationship between internal market orientation and employee attitudes?
What is the relationship between employee attitudes and external market orientation?

What is the relationship between different employee attitudes?

How are different employee attitudes related to external market orientation?

Are there any differences in employee attitudes and external market orientation across the four banks?

3.3.3 Extent of researcher interference with the study

As Sekaran (2013) suggests, since the kind of investigation of this study is correlation it was conducted in the natural environment of four Vietnamese joint-stock commercial banks with minimum interference by the researcher with the normal flow of work.

3.3.4 The time horizon of the study

In the social sciences, there are broadly two types of studies: “on the one hand, one may follow the same individuals in time (longitudinal studies); on the other, one may collect data at a particular point of time (cross-sectional studies)” (Wunsch et al., 2010; p. 7). The research focus in this study is to examine the correlation between the constructs internal market orientation, employee commitment and external market orientation rather than the causal relationship between them. Consequently, a cross-sectional study was employed instead of a longitudinal study. According to some scholars such as Katz (2001), longitudinal studies establish causal relations, as recommended in the further research section of the thesis (see Section 5.5).

3.3.5 The sampling design

The sampling design processes primarily includes defining the target population, determining a sampling technique and the sample size and validating the sample (Malhotra et al., 2012).

3.3.5.1 Target population

“The target population is defined in terms of elements, sampling units, extent and time” (Malhotra et al., 2012). Given this, the target population was defined as follows:

- Elements: banking managers or directors of bank branches who manage at least 10 employees, male or female, in a joint-stock commercial bank.
• Sampling units: individual participants or banks depending on questionnaires collected.
• Extent: Ho Chi Minh city-Vietnam.
• Time: 2013

3.3.5.2 Sampling technique, the sample size and validating the sample

Four leading joint-stock commercial banks were chosen from the top ten banks in Vietnam as identified in the Banking List Report Q3, 2012 (Business Monitor International 2012). Participants were selected randomly from the list provided by the Human Resource department of four banks that included 35 banking managers and 550 banking employees who met the target population criteria. Two samples of managers and employees were screened to eliminate inappropriate elements. By so doing, the participants satisfied the criteria for the target population (Malhotra et al., 2012).

The self-administered questionnaires were delivered by hand consecutively to 35 managers and 550 employees; responses were received from 29 banking managers and 352 banking employees. Rather than relying on a key informant, questionnaires were administered to multiple respondents within each firm. Gray, Matear, Boshoff and Matheson (1998) recommend that it is preferable to use multiple informants to achieve a more accurate view of an organization’s overall level of market orientation. They argue that samples consisting of only marketing or sales managers might yield too optimistic a picture about the levels of market orientation in the organization. In refining the MARKOR scale, Kohli, Jaworski, and Kumar (1993) also employed a multi-informant sample.

3.3.6 Unit analysis

The unit of analysis refers to “the level of aggregation of the data collected during the subsequent data analysis stage” (Sekaran, 2013; p. 132).

Two different units including employees and organization were utilized in the current study.

3.3.7 Questionnaire development

Data was collected with the structured questionnaire adopted from the previous researchers (Jaworski and Kohli, 1993, Lings and Greenley, 2005, Allen and Meyer, 1990, Hartline and Ferrell, 1996). The questions were fixed-response, alternative questions and took the form of a
booklet rather than a number of sheets of paper stapled together. It is easier for the participants to handle and looks more professional (Malhotra et al., 2012).

All the scale items in the study were based on a five-point Likert-type scale (1 = strongly agree; 5 = strongly disagree). An interval scale is more powerful than a nominal scale, as it allows the researcher to make stronger comparisons and conclusions (Iacobucci and Churchill, 2010). In particular, with 52 questionnaires in sample 2 (collecting data from bank staffs) using a 5-point scale, it was quite simple for the interviewer to read out the complete list of scale descriptors and the results might be conceivably better than upper limit of scales (Dawes, 2008). The detailed assessment of each variable is described below.

- **External market orientation**

External market orientation is measured with original 32 items developed by Jaworski and Kohli (1993) and two widely used measurements based on Narver and Slater (1990) and Jaworski and Kohli (1990) and then Jaworski and Kohli (1993). The respondents were asked to indicate how much they agreed or disagreed with each of the 32 items using the scale (Appendix 1).


- **Internal market orientation**

The measurement of internal market orientation was carried out using 16 items suggested by Lings and Greenley (2005). These items cover five behavioral components of internal market orientation: informal information generation, formal face-to-face information generation, formal written information generation, information dissemination and responsiveness.

Internal market orientation is measured by the measurement developed by Foreman and Money (1995), Conduit and Mavondo (2001) and Ling and Greenley (2005). The measurement proposed by Ling and Greenley (2005) and informed by the measurement suggested by Jaworski and Kohli (1993), is applied in the current study. It is more relevant if the
measurement of Ling and Greenley (2005) is used rather than the others. The respondents are asked to indicate their degree of compliance with the items proposed (Appendix 1).

- **Employee commitment**

Employee commitment was measured by 24 item scales developed by Allen and Meyer (1990). Two most widely used measures of employee commitment in the literature are Organizational Commitment Questionnaire (OCQ) developed by Porter and his colleagues (Mowday et al., 1979) and Allen and Meyer (1990) and updated by Meyer, et al. (1993). The measurement developed by Allen and Meyer (1990) is adopted in the research. Although the version Meyer, et al. (1993) is more updated, the previous one has been more widely adopted such as Caruana and Calleya (1998), Abzari, Ghorbani and Madani (2011) and Lee, et al. (2011). Participants were asked to express the extent of agreement on the questionnaires (Appendix 1).

- **Job satisfaction**

The study measured job satisfaction using eight items developed by Hartline (1996). Job satisfaction was assessed by a common measurement scale, the job descriptive index (JDI) (Smith, Kendall and Hullin, as cited in Brown and Peterson, 1993) and INDSALES (Churchill et al., 1974). The JDI was employed to measure satisfaction on five aspects of the subjects' jobs: supervision, co-workers, work, pay, and promotion. In addition, the unweighted sum of the five scales was used as a measure of overall satisfaction (Smith, Kendall and Hullin as cited in Porter et al., 1974).

The INDSALES (Churchill et al., 1974) assesses job satisfaction against eight aspects of job satisfaction: the job itself, fellow workers, supervision, sales training and home office support, top management and the company, pay and company benefits, promotion and advancement, and customers. The measurement developed by Hartline (1996) is based on INDSALES (Churchill et al., 1974). Hartline’s (1996) model is applied in the research as the two studies of Gounaris (Gounaris, 2006, Gounaris, 2008) relating to internal market orientation and job satisfaction also use this measurement. The measurement asks employees to indicate how satisfied they are with each facet (Appendix 1). The following table summarizes the measurements used in previous research studies.
<table>
<thead>
<tr>
<th>Construct</th>
<th>Author/year</th>
<th>Context</th>
<th>Sample size</th>
<th>Scale</th>
<th>Number of items</th>
<th>Cronbach α</th>
</tr>
</thead>
<tbody>
<tr>
<td>IMO</td>
<td>(Lings and Greenley, 2005)</td>
<td>UK retail super market</td>
<td>n = 3,500 retail managers</td>
<td>7-point Likert scale (Lings and Greenley, 2005)</td>
<td>16 items</td>
<td>0.794</td>
</tr>
<tr>
<td>IMO</td>
<td>(Lings and Greenley, 2010)</td>
<td>UK retail super market</td>
<td>n = 3,500 retail managers</td>
<td>7-point Likert scale (Lings and Greenley, 2005)</td>
<td>16 items</td>
<td>0.74-0.85</td>
</tr>
<tr>
<td>IMO</td>
<td>(Tortosa et al., 2009)</td>
<td>Local credit institution, cities of Castellon and Benicasim (Spain), Sample 1: 29 cashiers Sample 2: 160 customers</td>
<td>n = 3,500 retail managers</td>
<td>7-point Likert scale (Lings and Greenley, 2005)</td>
<td>16 items</td>
<td>α &gt; 0.7</td>
</tr>
<tr>
<td>IMO</td>
<td>(Rodrigues and Pinho, 2012)</td>
<td>Portuguese local public sector</td>
<td>354 executive board members</td>
<td>5-point Likert scale</td>
<td>16 items</td>
<td>0.77-0.83</td>
</tr>
<tr>
<td>IMO</td>
<td>(Ana Paula and José Carlos, 2012)</td>
<td>Ghana banking industry</td>
<td>400 employees</td>
<td>5-point Likert scale</td>
<td>32 items</td>
<td>0.71</td>
</tr>
<tr>
<td>Construct</td>
<td>Author/year</td>
<td>Context</td>
<td>Sample size</td>
<td>Scale</td>
<td>Number of items</td>
<td>Cronbach α</td>
</tr>
<tr>
<td>---------------------------------</td>
<td>------------------------------------</td>
<td>-----------------------</td>
<td>-------------------------------------</td>
<td>------------------------------------</td>
<td>-----------------</td>
<td>------------</td>
</tr>
<tr>
<td>EMO (Kohli et al., 1993)</td>
<td>(Lings &amp; Greenley, 2009)</td>
<td>UK retail super market</td>
<td>n = 3,500 retail managers</td>
<td>7-point Likert scale (Lings and Greenley, 2005)</td>
<td>20 items</td>
<td>0.757</td>
</tr>
<tr>
<td>EMO (Kohli et al., 1993)</td>
<td>(Lings and Greenley, 2010)</td>
<td>UK retail super market</td>
<td>n = 3,500 retail managers</td>
<td>7-point Likert scale (Lings and Greenley, 2005)</td>
<td>20 items</td>
<td>0.74-0.85</td>
</tr>
<tr>
<td>EMO (Kohli et al., 1993)</td>
<td>(Awwad and Agti, 2011)</td>
<td>Jordanian commercial banks</td>
<td>365 employees</td>
<td>5-point Likert scale</td>
<td>20 items</td>
<td>0.84</td>
</tr>
<tr>
<td>EMO (Kohli et al., 1993)</td>
<td>(Abzari et al., 2011)</td>
<td>Hotel industry in Iran</td>
<td>121 managers</td>
<td>5-point Likert scale</td>
<td>8 items</td>
<td>0.842</td>
</tr>
<tr>
<td>Employee Commitment (Allen and Meyer, 1990)</td>
<td>(Caruana and Calleya, 1998)</td>
<td>Retail bank, Malta</td>
<td>267 managers</td>
<td>7-point Likert scale</td>
<td>24 items</td>
<td>0.69-0.89</td>
</tr>
<tr>
<td>Employee Commitment (Allen and Meyer, 1990)</td>
<td>(Abzari et al., 2011)</td>
<td>Hotel industry in Iran</td>
<td>121 managers</td>
<td>5-point Likert scale</td>
<td>10 items</td>
<td>0.791-0.892</td>
</tr>
<tr>
<td>Job satisfaction (Hartline and Ferrell, 1996)</td>
<td>(Gounaris, 2006, Gounaris, 2008)</td>
<td>Star hotel at Greek tourist locations</td>
<td>583 front-line personnel employed in various positions (e.g. reception, restaurant, and bars)</td>
<td>7-point Likert scale</td>
<td>8 items</td>
<td></td>
</tr>
</tbody>
</table>

Table 3.2 (continued): Summary measurements from previous researches
3.3.8 Pilot testing

To eliminate potential problems, such as participants not being able to understand the questionnaires without assistance, pilot testing should be carried out (Malhotra et al., 2012). There were three pilot-tests conducted in an effort to verify the exact meaning of questionnaires after translating them from English to Vietnamese and to confirm clarity, comprehension and consistency in the questionnaires. The result of these pilot-tests helped in redesigning the questionnaires. The procedure of the three pilot-tests were as follows.

1) Verifying the exact meaning of the Vietnamese version questionnaires

The questionnaires were translated into Vietnamese and then were translated back into English. A group of 3-4 DBA Vietnamese students qualified in both Academic English and Vietnamese took part in face-to-face interviews. They were left alone to survey in English and Vietnamese then asked to compare and contrast between the two. The subsequent interview was conducted to collect their comments. The pre-test respondents were asked about the precise meaning and the clarity of the Vietnamese questionnaires compared to the English version, particularly the reverse coding items, which were more difficult to translate into Vietnamese. Based on their critiques, numerous questions were reworded in a way that was more understandable in the Vietnamese language.

2) Validating the questionnaires

The same procedures were conducted consecutively with a banking employee and a banking manager as there were some confused results in the first pilot study. Questionnaires were delivered to the sample of 20 banking employees and five managers or directors of bank branches from four joint-stock commercial banks. A pre-test of five to 20 representative respondents is sufficient to validate the questionnaires (Burns and Bush, 2014). The participants for the pilot-tests and actual survey were drawn from the same population. They were also required to complete the survey questionnaires at their office, in office hours. The survey questionnaires in the pre-test were similar to those in the actual survey, as suggested by Malhotra et al. (2012).

The respondents were then interviewed about their experiences in terms of question content, timing, wording, question difficulty, relevance to their bank, form and layout and
instructions. In particular, the employee participants were asked about their understandings of the reversed coding items. The managers and directors were interviewed further to check the elimination of two items based on the result pilot study from employees. Based on the responses, several questions were reworded and a few attitudinal statements were made more applicable to the Vietnamese banking customs, language and culture. In particularly, item 15 in the employee questionnaire was deleted, as it was similar to item 14 in the same group of questionnaires after translating it into Vietnamese (Table 3.3). Likewise, item 30 (“We often talk with or survey those who can influence our end users’ purchases e.g., retailers, distributors”) was eliminated because this practice was not conducted in a Vietnam banking habitat. These results were supported by the outcomes of the pilot study from the manager participant group. Tables 3.3 and 3.4 respectively present the eliminated items and the Questionnaires redesigned based on the outcome of the pilot-tests.

Table 3.3: Items eliminated due to similarity in Vietnamese language

<table>
<thead>
<tr>
<th>Item Number</th>
<th>Statement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Item 14</td>
<td>I feel that I have too few options to consider leaving this bank.</td>
</tr>
<tr>
<td>Item 15</td>
<td>One of the few serious consequences of leaving this bank would be the scarcity of available alternatives.</td>
</tr>
</tbody>
</table>

Table 3.4: Questionnaires redesigned based on the outcome of the pilot-tests

<table>
<thead>
<tr>
<th>Item Number</th>
<th>Items in Pilot Study</th>
<th>Revised Items for Main Study</th>
<th>Specific Change(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Item 15</td>
<td>One of the few serious consequences of leaving this bank would be the scarcity of available alternatives.</td>
<td>Replaced with item 16</td>
<td>Deletion of this item</td>
</tr>
<tr>
<td>Item 24</td>
<td>I do not think that wanting to be a company man or company woman is sensible anymore</td>
<td>I do not think that wanting to be a banking man or banking woman is sensible anymore</td>
<td>Simplify wording to be more suitable with banking industry</td>
</tr>
<tr>
<td>Item 25</td>
<td>In this business unit, we meet with customers at least once a year to find out what products or services they will need in the future.</td>
<td>In this bank, we meet with customers at least once a year to find out what products or services they will need in the future.</td>
<td>Simplify wording to be more suitable with banking industry</td>
</tr>
<tr>
<td>Item Number</td>
<td>Items in Pilot Study</td>
<td>Revised Items for Main Study</td>
<td>Specific Change(s)</td>
</tr>
<tr>
<td>-------------</td>
<td>----------------------------------------------------------</td>
<td>------------------------------------------------------------------</td>
<td>---------------------------------------------</td>
</tr>
<tr>
<td>Item 26</td>
<td>Individuals from our manufacturing department interact directly with customers to learn how to serve them better.</td>
<td>Front offices from our department interact directly with customers to learn how to serve them better.</td>
<td>Simplify wording and deletion of a term</td>
</tr>
<tr>
<td>Item 27</td>
<td>In this business unit, we do a lot of in-house market research.</td>
<td>In this bank, we do a lot of in-house market research (not asking for the research company).</td>
<td>More explanation and clarity</td>
</tr>
<tr>
<td>Item 30</td>
<td>We often talk with or survey those who can influence our end users' purchases (e.g., retailers, distributors).</td>
<td></td>
<td>Deletion of this item</td>
</tr>
<tr>
<td>Item 32</td>
<td>In our bank, intelligence on our competitors is generated independently by several departments.</td>
<td>In our business unit, intelligence on our competitors is generated independently by several departments.</td>
<td>Simplify wording to be more suitable with banking industry</td>
</tr>
<tr>
<td>Item 35</td>
<td>A lot of informal “hall talk” in this business unit concerns our competitors’ tactic or strategies</td>
<td>A lot of informal “hall talk” in this bank concerns our competitors’ tactic or strategies</td>
<td>Simplify wording to be more suitable with banking industry</td>
</tr>
<tr>
<td>Item 37</td>
<td>Marketing personnel in our business unit spend time discussing customers’ future needs with other functional departments</td>
<td>Marketing personnel in our bank spend time discussing customers’ future needs with other functional departments</td>
<td>Simplify wording to be more suitable with banking industry</td>
</tr>
<tr>
<td>Item 38</td>
<td>Our business unit periodically circulates documents (e.g., reports, newsletters) that provide information on our customers.</td>
<td>Our bank periodically circulates documents (e.g., reports, newsletters) that provide information on our customers.</td>
<td>Simplify wording to be more suitable with banking industry</td>
</tr>
<tr>
<td>Item 39</td>
<td>When something important</td>
<td>When something important</td>
<td>Simplify wording to be more suitable with banking industry</td>
</tr>
</tbody>
</table>
happens to a major customer of market, the whole business unit knows about it within a short period.

**Item 40**

| Data on customer satisfaction are disseminated at all levels in this business unit on a regular basis. |
| Data on customer satisfaction are disseminated at all levels in this bank on a regular basis. | Simplify wording to be more suitable with banking industry |

**Item 41**

| There is minimal communication between marketing and manufacturing departments concerning market development. |
| There is minimal communication between marketing and other departments concerning market development. | Simplify wording to be more suitable with banking industry |

**Item 44**

| Principles of market segmentation drive new product development efforts in this business unit. |
| Principles of market segmentation drive new product development efforts in this bank. | Simplify wording to be more suitable with banking industry |

**Item 49**

| The products lines we sell depend more on internal politics than real market needs. |
| The services we sell depend more on internal politics than real market needs. | Simplify wording to be more suitable with banking industry |

**Item 51**

| The activities of the different department in this business unit are well coordinated. |
| The activities of the different department in this bank are well coordinated. | Simplify wording to be more suitable with banking industry |

**Item Number** | **Items in Pilot Study** | **Revised Items for Main Study** | **Specific Change(s)** |
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Item 52</td>
<td>Customer complaint falls on deaf ears in this business unit.</td>
<td>Customer complaint falls on deaf ears in this bank.</td>
<td>Simplify wording to be more suitable with banking industry</td>
</tr>
</tbody>
</table>

The instruction for the items from 1 to 8 regarding to Job satisfaction scale

| The measurement asks employees to indicate how satisfied they are with each facet (Hartline and Ferrell, 1996) |
| Please indicate to what extent are you satisfied or dissatisfied with the following facets of your job (1 = extremely dissatisfied; 5 = extremely satisfied) | Wording to be more clearly and relevant to the structured questionnaires type which applied in this research |

Table 3.4 (continued): Questionnaires redesigned based on the outcome of the pilot-tests
3.3.8 Data collection procedure

Initially, the researcher contacted the top 10 joint-stock commercial banks. The contact was through personalized letter, email and face-to-face meetings, requesting their participation in the research. Four banks, namely Sai Gon Thuong Tin Commercial Joint-stock commercial bank (Sacombank), Asian Commercial bank (ACB), Vietnam Technological and Commercial Joint-stock commercial bank (Techcombank) and Bank for Investment and Development of Vietnam (BIDV), situated in Ho Chi Minh City, agreed to take part in the research. This agreement was decided based on the questionnaire and how much the researcher was concerned with the bank’s policies and customaries.

After verification through the pilot studies, the questionnaires were self-administrated. They included a heading and an introductory statement that explained the purpose of the survey and indicated that these questionnaires were mainly intended for academic research only and all research participants were assured of confidentiality. “Self-report bias is particularly likely in organizational behavior research because employees often believe there is at least a remote possibility that their employer could gain access to their responses” (Donaldson and Grant-Vallone, 2002; p. 247). The current research, as a kind of organizational, self-reporting behavior research was conscious to eliminating this risk. Other actions to help increase the response rate were taken such as an email to advise potential participants about the survey, calls for volunteers and conducting the research during working hours.

Data was collected over three months from two samples, managers and employees (from January to March 2013), to examine the relationship between the constructs in the present study by means of survey method.

Sample 1

In the first sample, 35 managers and directors of bank branches from four leading joint-stock commercial banks received self-administered questionnaires relating to internal organization orientation; 29 surveys were returned, accounting for 82%. Each returned questionnaire was reviewed for completion rates and all 29 questionnaires were usable. The support from the leader of four joint-stock commercial banks and the experience and education levels of managers and bank branch directors could account for the considerably high response rate (See Table 4.2).
In the second sample, 550 staff from Sacombank, ACB, Techcombank and BIDV were chosen randomly from the list of personnel offered by the Human Resource department to complete questionnaires (Appendix 1). Through a marketing research agency, the self-administered questionnaires were distributed to the 550 employees by hand. In total, 352 responses were returned with a response rate of 63.27%. After the checking process, the sample was reduced to 256, or 72.72% of the original 550 bank employee questionnaires. Again, the response and completion rates were noticeably high, arguably because of the support from the Managers of all four banks, conducting the survey in working hours and the higher degree of education in the employee sample.

3.3.9 The Survey Instrument

“The method of collecting information by asking a set of pre-formulated questions in a predetermined sequence in a structured questionnaire to a sample of individuals drawn so as to be representative of a defined population is known as survey research” (Sreejesh et al., 2014; p. 58). The survey approach was employed in this study because it is relatively easy to administer, cost effective and capable of collecting data from a large number of respondents (Sekaran, 2013). Survey methods are also commonly used in Vietnam.

The survey instrument-questionnaires for the manager sample and employee sample were developed from previous research and then refined through pilot studies. For the manager sample, the survey asked about Internal market orientation. For the employee sample, the survey contained three sections including external market orientation, employee commitment and job satisfaction.

3.4 Data analysis

Data were collected to determine if internal market orientation, employee commitment and job satisfaction positively influenced external market orientation, as evidenced in the literature. For this reason, the reliability was examined initially by calculating Cronbach’s alpha (Churchill, 1979). An exploratory factor analysis (EFA) was employed for evaluating construct validity and refining measures (Conway and Huffcutt, 2003). Finally, simple linear regression, multiple
regression and one-way ANOVA were conducted to determine if there was any support for the research hypotheses as presented in the previous chapter.

3.5 Ethical consideration

Sekaran (2013; p. 17) defines ethics in business research as “a code of conduct or expected societal norm of behavior while conducting research”. Researchers have ethical responsibilities in three areas: sponsors of research, the researchers undertaking the research and research participants. This study was conducted with the approval of the University of Western Sydney’s Human Research Ethics Committee. This ethics approval process ensures the confidentiality and anonymity of participants throughout the research process and safe and secure storage of collected data. This approval process means that only those capable of making informed, legal consent participated in this research that was undertaken to complete the doctorate and not for any other purpose. As part of this approval process, no payment or benefit was received by the researcher.

3.6 Conclusion

This chapter described the research paradigm and methodology and detailed the research design, data collection and analysis processes and the ethical considerations. The survey results and associated analysis procedures are discussed in the following chapter.
CHAPTER FOUR

Testing the model and results

4.1 Introduction

This chapter presents the results of the analysis testing of the proposed hypotheses. It begins with the preparation of data (Section 4.2). This is followed by descriptive statistics (Section 4.3), normality of data (Section 4.4) and assessment of measurement scales (Section 4.5). An assessment of the theoretical model is discussed in Section 4.6 before the conclusion in Section 4.7.

4.2 Data preparation

In general, the raw data must pass through preliminary preparation techniques after it is obtained from questionnaires, and before it is analyzed. The process of data preparation differs in detail from scholar to scholar, as suggested by Sekaran and Bougie (2013), Cooper and Schindler (2014), Aaker, Kumar, Leone, and Day (2013) and Hair, Celsi, Ortinau, and Bush (2013). However, all include three key techniques: data coding and entry, data editing, and data transformation. The data preparation step prepares the data for analysis (Sekaran and Bougie, 2013) by ensuring its accuracy, completeness and validity (Cooper and Schindler, 2014, Hair et al., 2007). The quality of subsequent analysis will depend on how well the data is prepared (Aaker et al., 2013) thus, it is worthwhile getting the data ready for analysis.

4.2.1 Coding

The first step in performing data analysis is to code. Coding involves assigning numbers or symbols to respondents’ answers to group the response into a limited number of categories (Cooper and Schindler, 2014). In this thesis, the responses of the banking employees to the 62 survey questions representing measurement items were coded by using numerical values from 1 to 62. Coding was performed to assign variable names to each measurement statement in questionnaires.
4.2.2 Data entry

After the responses had been coded, they were entered into SPSS 22 (Statistical Package for the Social Sciences); a quantitative statistical package that is used to aid data analysis. These entries were double checked for entry errors by another person to ensure that the data entry was accurate (Cooper and Schindler, 2014).

4.2.3 Data editing

The data entry process was followed by data editing. Data editing is undertaken to check the consistency of data and to deal with any missing responses (Sekaran and Bougie, 2013).

4.2.3.1 Consistency check

To check for consistency, the data was checked for out-of-range data, logically inconsistent responses and extreme values (Malhotra, 2010). “Out-of-range data are inadmissible and must be corrected” (Malhotra, 2010, p. 597). After examination, no out-of-range data was identified due to the advantage of the structured-question format employed in the current research. The respondents were asked to make only one choice from the five-point Likert scale variables to indicate a degree of agreement or disagreement. Such closed-response questions take less time and have less potential for errors than an equivalent open-ended question (Aaker et al., 2013). For this purpose, responses cannot be logically inconsistent. In this work, extreme values data reflecting strong agreement of the respondents were not examined as they were not a cause of concern with the data.

4.2.3.2 Missing data

Missing data is defined as “a situation in which respondents do not provide an answer to a question” (Joseph F. Hair et al., 2013, p. 253). The validity of research findings can be impacted by missing data thus it must be identified (Hair et al., 2007). With self-administered surveys, as used in this research, missing data is frequently a problem (Joseph F. Hair et al., 2013). The cause may be simply a respondent not seeing a question, being in a hurry to complete the survey or not understanding the question (Joseph F. Hair et al., 2013). A series of methods was employed when conducting the survey to help eliminate this. A pilot study for the employees and focus group for managers in sample one were administered as a pre-test to ensure respondents’ understandings of the questions. Furthermore, the survey was conducted in working hours with
the permission of managers. This largely contributed to decreasing errors. Consequently, the most frequently missing data proportions identified by SPSS 22 in this research are 0.4% and 0.8%. The continuance commitment construct takes account of the maximum number of missing data, 6.3%. This percentage is considered low and as such, it could generally be ignored (Hair et al., 2006).

To deal with the missing data, the SPSS version 22 program allows two options, caseswise deletion and pairwise deletion. Field (2000, p. 452) defines excluding caseswise as “in which case any subject with missing data for any variable is excluded” and excluding cases pairwise as “in which case a subject’s data are excluded only from calculations for which a datum is missing” (Field, 2000, p. 452).

The sample size of this research is large, 256; missing responses are few and consequently pairwise deletion would be an appropriate procedure to process missing data according to the recommendation of Malhotra (2010).

### 4.2.4 Data transformation

“Data transformation, a variation of data coding, is the process of changing the original numerical representation of a quantitative value to another value” (Sekaran and Bougie, 2013, p. 310). To be easily analyzed and compared with other items, reverse coding, one kind of data transformation, was applied in this thesis. Eighteen reverse coded items were re-coded; four items for “affective commitment”, two items for “continuance commitment”, three items for “normative commitment”, two items for “intelligence generation”, one item for intelligence dissemination, four items for “response design” and two items for response implementation.

### 4.3 Descriptive statistics

Descriptive statistics are those that “explain characteristics of the data or describe a large amount of data in an abbreviated fashion; they measure central tendency, variance, and the shape of distribution” (Lussier, 2011, p. 241). Descriptive statistics are simple but powerful (Zikmund and Babin, 2010). By summarizing information in a large set of data, descriptive statistics can provide accurate, simple and meaningful figures (Aaker et al., 2013). It is useful to clean data, to get a “feel” for data sets, extend your knowledge of it and most importantly, to examine if the
data is appropriate to the analysis tasks (Lee and Lings, 2008b). The particular descriptive statistic is relevant with each level of measurement (Zikmund and Babin, 2010). Demographic information about the respondents, for example, is nominal-level data. As a result, measure of position (percentage) with the mode is the most fitting and the mean and median are meaningless (Lussier, 2011, p. 261).

4.3.1 Overview of four banks

This study collected data from four Vietnamese banks, BIDV, Sacombank, ACB and Techcombank. According to the Vietnam Banking Technology Report (Banking Industry Roundtable Discussion, 2012), all four banks were ranked in the top 10 banks in Vietnam by total assets. Although they are all in the top 10 banks, there is a noticeable difference between BIDV and the three other banks. Even among three banks, Sacombank, ACB and Techcombank differ from each other in their ownership structure.

Sacombank, ACB and Techcombank were established as commercial banks while BIDV was a state owned bank. It transformed into a joint-stock commercial bank on 18 July 2011. The government still controls BIDV with an overwhelming presence of ownership at 95.76% (BIDV, 2012). In comparison, the three other banks are retail banks dealing more with individual and small business. As a wholesale bank, BIDV focuses on large institutions.

The ownership structure also differs; ACB and Techcombank are the only two Vietnamese banks having foreign shareholders with the maximum ownership, 29.94% and 20% respectively. Sacombank is owned by 61.99% of domestic shareholders.

4.3.2 Employee sample

As shown in the Table 4.1, 63.6% of employee respondents were females and 36.4% were males. While there are no official statistics, these figures reflect the real situation in Vietnam that Vietnamese parents usually encourage their daughters to choose the banking industry as their major in a bachelor degree. This is because they suppose the banking sector, as it provides a good salary and a safe work environment, would be suitable for women rather than other industries. This also partly explains the figures regarding the young age of staff and high bachelor degree in the employee sample. Furthermore, Vietnamese banks tend to recruit females
staff for particular positions as they suppose females have a stronger eye for detail in comparison to males. According to age, a majority of the staff respondents (85.5%) fell in the age group 22 to 35 years. Overwhelming employee respondents have a bachelor degree (82.8%) this being the educational prerequisite to work in the Vietnamese banking sector and 75.8% of employees serve in their banks from one to five years.

Table 4.1: Employee Respondent profile

<table>
<thead>
<tr>
<th>Variables</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
</tr>
<tr>
<td>Males</td>
<td>35.2</td>
</tr>
<tr>
<td>Females</td>
<td>61.3</td>
</tr>
<tr>
<td>Age</td>
<td></td>
</tr>
<tr>
<td>&lt; 22 years</td>
<td>0.4</td>
</tr>
<tr>
<td>22-35 years</td>
<td>85.5</td>
</tr>
<tr>
<td>36-40 years</td>
<td>7.8</td>
</tr>
<tr>
<td>41-45 years</td>
<td>2.7</td>
</tr>
<tr>
<td>&gt; 50 years</td>
<td>0.4</td>
</tr>
<tr>
<td>Education</td>
<td></td>
</tr>
<tr>
<td>College degree</td>
<td>6.6</td>
</tr>
<tr>
<td>Bachelor degree</td>
<td>82.8</td>
</tr>
<tr>
<td>Master degree</td>
<td>6.6</td>
</tr>
<tr>
<td>Tenure</td>
<td></td>
</tr>
<tr>
<td>1-5 years</td>
<td>75.8</td>
</tr>
<tr>
<td>Over 6 years</td>
<td>21.1</td>
</tr>
</tbody>
</table>

### 4.3.3 Manager sample

As shown in Table 4.2, the numbers of male and female managers were equal (48.3%). Most manager respondents were 22 to 35 years old (58.6%) and had a bachelor degree (72.4%). There were slightly more managers working in their banks from over six years (55.2%) than ones serving from one to five years (41.4%)

Noticeable differences between employees and managers in both samples were in gender and education. There were more female employees than female managers, 61.3% in comparison to 48.3% and more employees holding a bachelor degree, 82.8%, than managers at 72.4%, was
revealed in both two samples. On the other hand, there were more managers with a master degree, 24.1%, than employees, 6.6% (see Table 4.1 and 4.2).

Table 4.2: Manager Respondent profile

<table>
<thead>
<tr>
<th>Variables</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
</tr>
<tr>
<td>Males</td>
<td>35.2</td>
</tr>
<tr>
<td>Females</td>
<td>61.3</td>
</tr>
<tr>
<td>Age</td>
<td></td>
</tr>
<tr>
<td>&lt; 22 years</td>
<td>0.4</td>
</tr>
<tr>
<td>22-35 years</td>
<td>85.5</td>
</tr>
<tr>
<td>36-40 years</td>
<td>7.8</td>
</tr>
<tr>
<td>41-45 years</td>
<td>2.7</td>
</tr>
<tr>
<td>&gt; 50 years</td>
<td>0.4</td>
</tr>
<tr>
<td>Education</td>
<td></td>
</tr>
<tr>
<td>College degree</td>
<td>6.6</td>
</tr>
<tr>
<td>Bachelor degree</td>
<td>82.8</td>
</tr>
<tr>
<td>Master degree</td>
<td>6.6</td>
</tr>
<tr>
<td>Tenure</td>
<td></td>
</tr>
<tr>
<td>1-5 years</td>
<td>75.8</td>
</tr>
<tr>
<td>Over 6 years</td>
<td>21.1</td>
</tr>
</tbody>
</table>

4.3.4 Descriptive analysis

In this study, a five-point Likert scale was used to indicate the level of responses to all items (1 = strongly disagree to 5 = strongly agree). The mean values of all variables were further categorized into three levels of low, moderate and high levels of responses. Mean values of less than 2.00 were categorized as “low”; mean values between 2.00 and less than 3.50 were categorized as “moderate”; mean values of 3.5 or higher were categorized as “high” level of responses.

The means and standard deviations for job satisfaction, employee commitment, external market orientation and internal market orientation of each of bank are presented in Table 4.3. IMO 1, IMO 2, IMO 3, IMO 4 respectively stand for internal market orientation of Sai Gon Thuong Tin
Table 4.3: Mean and standard deviations of employee commitment, job satisfaction and external market orientation

<table>
<thead>
<tr>
<th>Variables</th>
<th>Mean</th>
<th>Standard deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job satisfaction</td>
<td>3.346</td>
<td>0.565</td>
</tr>
<tr>
<td>Employee commitment</td>
<td>3.161</td>
<td>0.491</td>
</tr>
<tr>
<td>External market orientation</td>
<td>2.996</td>
<td>0.565</td>
</tr>
<tr>
<td>IMO 1</td>
<td>2.577</td>
<td>0.456</td>
</tr>
<tr>
<td>IMO 2</td>
<td>2.577</td>
<td>0.453</td>
</tr>
<tr>
<td>IMO 3</td>
<td>2.577</td>
<td>0.442</td>
</tr>
<tr>
<td>IMO 4</td>
<td>2.577</td>
<td>0.422</td>
</tr>
</tbody>
</table>

Table 4.3 indicates that the banking employees in four joint-stock commercial banks tend to be satisfied with their jobs as the mean of 3.161 shows. However, a few of them are not satisfied as the standard deviation of 0.565 indicates. Because the group is not large, one can deduce from these statistics that banking employees tend to have positive attitudes toward their jobs. However, their response variation may refer to personal differences.

It is also indicated in Table 4.3 that most employees are moderately committed to their employing banks as the mean of 3.161 shows. The variation among employees’ responses, as indicated by the standard deviation of 0.491 is small, less than 1 (Amin and Bashir, 2011). This also indicates that some employees are not committed to their banks. This variation may relate to personal factors.

Likewise, the results in Table 4.3 show the level of implementation of external market orientation is moderate since its mean was mostly equal to 3 and its standard deviation of 0.565 was lower than 1 (Amin and Bashir, 2011). The response variation of banking employees may relate to personal differences.
Table 4.3 indicates that despite having different backgrounds, no difference could be detected in the level of implementation of internal market orientation of the four joint-stock commercial banks (Sacombank, ACB, Techcombank and BIDV). Accordingly, the following hypotheses relating to internal market orientation could not be supported.

H1: Internal market orientation is positively related to external market orientation.

H2: Internal market orientation is positively related with employee commitment.

H3: Internal market orientation is positively related with job satisfaction.

To conclude, there is no need to examine the hypotheses in terms of internal market orientation as no statically significant difference was found in the mean of any of the four joint-stock commercial banks.

4.4 Normality of data

Normal distribution data is an underlying assumption of many statistical procedures such as linear regression analysis, as applied in the current research (Razali and Wah, 2011). It is assumed that the data are from a normally distributed population (Field, 2013). In other words, as only a sample of the population, not an entire population was collected, there is a need to estimate how well a particular sample represents the population (Lee and Lings, 2008a). If the sample data are normally distributed, it could be assumed that they came from a normally distributed population.

If the assumption of normality is violated, the interpretation, conclusion and all resulting statistical tests are invalid and unreliable (Hair, 2010, Razali and Wah, 2011). Consequently, it is important to verify for this assumption before proceeding with any statistical procedure (Razali and Wah, 2011). The simplest way to check is a visual check of the histogram that compares the observed data values with a distribution approximating the normal distribution (Hair, 2010). It is, however, subjective and inadequate to provide convincing evidence (Razali and Wah, 2011, Field, 2013). There is then a need for an objective test to examine if the distribution is normal or not. Hair (2010) suggests the simple tests based on skewness and kurtosis values. These tests deal with only one aspect of non-normality distribution, deviations from normality (Field, 2013).
The two most common statistical programs, Shapiro-Wilk and Kolmogorov-Smirnov test, are other ways to test the normality of the data. They compare the scores in the sample to a normally distributed set of scores with the same mean and standard deviation. However, they have limitations. In large samples, the Shapiro-Wilk and Kolmogorov-Smirnov test can be significant even when the scores are only slightly different from a normal distribution; thus, they should always be employed together with a histogram and the values of skew and kurtosis (Field, 2013). The normal distribution of data in this research is examined using the histogram, skewness and kurtosis, as advocated in the Shapiro-Wilk and Kolmogorov-Smirnov tests.

4.4.1 Histogram

Normal distribution is distinguished by the bell-shaped curve (Field, 2013). For the employee and manager sample, the histograms of the variables indicate that the distribution is non-normality.

4.4.2 Kolmogorov-Smirnov test and Shapiro-Wilk test

Regarding the employee sample, the significance of the most variables in Kolmogorov-Smirnov test and the Shapiro-Wilk test are less than 0.05, except for the case of job satisfaction with p = 0.115 > 0.05 in the Shapiro-Wilk test. Accordingly, the distribution of variables is significantly different from a normal distribution.

4.4.3 Skewness and Kurtosis

As regards the employee sample, the skewness and kurtosis values of variables fluctuate from -0.392 to 4.697. Kline (2011) recommends that values > 3 for skewness are extremely skewed; that an absolute value of kurtosis > 10 suggests a problem and an absolute value of kurtosis > 20 indicates a more serious problem. As such, the data in the current study are sufficiently normal in distribution since the value of skewness is no more than three and the value of kurtosis is no more than eight so that analyses can be preferred.

4.5 Assessment of measurement scales

Based on Churchill (1979), reliability was examined by calculating Cronbach’s alpha, the elimination of items, and subsequent calculation of alpha until a satisfactory coefficient was
achieved. Factor analysis was then used to verify empirically the number of dimensions conceptualized.

4.5.1 Reliability

Lussier (2011; p. 201) defines reliability as “the consistency and precision of a measurement instrument”. It refers to the accuracy of measurement, even how many times the measures are repeatable over time, under different conditions and whatever concept is being measured (Lussier, 2011, Sekaran and Bougie, 2013). Techniques to examine the reliability of scale include test-retest, alternative-forms and internal consistency (Malhotra et al., 2012). Due to several potential problems associated with test-retest reliability, such as the time interval between testing, it was not possible to undertake repeated measurement and assess the altering in characteristic of the initial measurement (Malhotra et al., 2012, Joseph F. Hair et al., 2013). This technique is best employed cooperatively with alternative-forms of reliability (Malhotra et al., 2012). Nevertheless, there are two potential drawbacks with this approach (Malhotra et al., 2012, Joseph F. Hair et al., 2013). First, it is time consuming and expensive in constructing an equivalent form of the scale (Malhotra et al., 2012). Second, it is difficult to create two equivalent forms of the scale (Joseph F. Hair et al., 2013).

Previous approaches to reliability assessment include a number of potential problems. Consequently, internal consistency reliability is often used to examine the reliability of scale by marketing scholars (Joseph F. Hair et al., 2013). “Internal consistency is the degree to which the individual questions of a construct are correlated” (Joseph F. Hair et al., 2013; p. 166). To assess internal consistency, the simplest technique is split-half reliability (Malhotra et al., 2012). The scale items can be divided into halves based on odd and even numbered items or randomly. The way to split the scale items could influence the result. The drawback also originates in the same way. The alpha or Cronbach’s coefficient alpha (hereinafter referred to Cronbach’s alpha), which is the most widely approach to overcome this problem, is used for multipoint-scaled items (Malhotra et al., 2012, Sekaran and Bougie, 2013). This research utilized multipoint-scaled items, therefore, Cronbach’s alpha was determined to be the most appropriate reliability measure.
Cronbach’s alpha measures the correlation of multi item variables with one measure at one time to clarify if they are measuring the same thing (Lussier, 2011). That is, the alpha reliability test delivers one test with multiple questions measuring the same variable to numerous participants at the same time. Cronbach’s coefficient alpha ranges from 0 to 1. In most cases, when Cronbach’s alpha is higher than 0.7, the measurement tool is viewed as having high consistency (Joseph F. Hair et al., 2013). However, Nunnally (1994) suggests a threshold as low as 0.60 is also accepted for a new scale. Although the measurement applied in the current study replicates the scale of previous research, this research was the first time it was employed, in Vietnam. It could be viewed as a new scale consequently the cut-off point of 0.60 was used as the minimum for determining internal consistency of scale in this study. Items with a low correlation would be changed or dropped from the test to raise reliability (Lussier, 2011).

The Cronbach’s alpha statistics for the three major constructs and their components were calculated using the scale reliability function in SPSS version 22, as presented in Table 4.5 below.

### Table 4.4: Summary the removed items

<table>
<thead>
<tr>
<th>Construct</th>
<th>Removed items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affective commitment</td>
<td>AC2, AC4-Rec</td>
</tr>
<tr>
<td>Continuance commitment</td>
<td>CC1, CC4-Rec</td>
</tr>
<tr>
<td>Normative commitment</td>
<td>NC1, NC8-Rec</td>
</tr>
</tbody>
</table>

Overall the reliability of constructs falls within the acceptable range (Cronbach’s alpha > 0.7) after eliminating items with low correlations (Table 4.4), except for the case of two subscales of employee commitment. The two subscales of employee commitment included affective commitment and continuance commitment; these did not score well with Cronbach’s alpha value, with recorded values of 0.672 and 0.655 respectively, particularly in comparison to Cronbach’s alpha value of 0.87 and 0.75 recorded in the original study of Allen and Meyer (1990). Nor do they compare well with the Cronbach’s alpha reported in the research of Abzari, Ghorbani and Madani (Abzari et al., 2011) and Caruana and Calleja (1998) which are all greater
than 0.7 (Table 4.5). These values all exceed the recommended minima suggested by Nunnally however (1994).

Table 4.5: Cronbach’s Alpha computed for current study

<table>
<thead>
<tr>
<th>Construct</th>
<th>Sub construct</th>
<th>Current research</th>
<th>Cronbach’s alpha &amp; number of items in previous study</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee commitment (Allen and Meyer, 1990)</td>
<td>Affective commitment</td>
<td>6 (2 items removed)</td>
<td>0.672</td>
</tr>
<tr>
<td></td>
<td>Continuance commitment</td>
<td>5 (2 items removed)</td>
<td>0.655</td>
</tr>
<tr>
<td></td>
<td>Normative commitment</td>
<td>6 (2 items removed)</td>
<td>0.700</td>
</tr>
<tr>
<td>External market orientation (Kohli et al., 1993)</td>
<td>Intelligence generation</td>
<td>9</td>
<td>0.786</td>
</tr>
<tr>
<td></td>
<td>Intelligence dissemination</td>
<td>8</td>
<td>0.744</td>
</tr>
<tr>
<td></td>
<td>Response design</td>
<td>7</td>
<td>0.775</td>
</tr>
<tr>
<td></td>
<td>Response implementation</td>
<td>7</td>
<td>0.804</td>
</tr>
<tr>
<td>Job satisfaction (Hartline and)</td>
<td>8</td>
<td>0.853</td>
<td>1. Hartline and Ferrell (1996): 8 items, Cronbach’s alpha is 0.82.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2. Gill, Flaschner, Shah and Bhutani (2010): 5 items, Cronbach ‘s alpha is 0.82.</td>
</tr>
</tbody>
</table>
With respect to external market orientation construct, the Cronbach’s alpha values of this study ranged from 0.744 to 0.804. These values were similar to those found by Kohli et al (1993) and Lings and Greenley (2010) and were better than the Cronbach’s alpha values in the study of Aggarwal and Singh (2004) which range from 0.6552 to 0.7261 (Table 4.5).

As for reliability of job satisfaction construct, Cronbach’s alpha value was 0.853. It scored as well as Cronbach’s alpha value recorded of 0.82, 0.82 and 0.88 respectively as reported by Hartline and Ferrell (1996), Gill, Flaschner, Shah and Bhutani (2010) and Karatepe, Uludag, Menevis, Hadzimehmedagic, and Baddar (2006).

To conclude, the measurement tools employed in the current study were considered as having good reliability.

### 4.5.2 Validity

“Validity is the extent to which a measurement instrument measures what it intends to measure” (Lussier, 2011; p. 201). In general, validation of scale examines if a scale measures what it is supposed to measure (Joseph F. Hair et al., 2013). To evaluate the “goodness” of measurement, the reliability, is necessary but not sufficient. Although the measurement could be reliable due to its consistency, it could be invalid because it does not access exactly the variable it is supposed to (Sekaran and Bougie, 2013). Thus, it is necessary to ensure the validity of measurement. Validity can be measured several ways such as through content validity, criterion validity and construct validity (Sreejesh et al., 2014).

Content validity “refers to the adequacy in the selection of relevant variables for measurement” (Sreejesh et al., 2014; p. 116). That is to say, the measure may be said to possess content validity if the researchers develop items that can capture all aspects of the variable being measured (Nunnally, 1994). Following the recommendation of Iacobucci and Churchill (2010), all items employed in job satisfaction, employee commitment and external market orientation scales in this study were edited by three pilot studies to improve their content validity. Furthermore, the job satisfaction, employee commitment and external market orientation scales applied in this

<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>8 items, Cronbach’s alpha is 0.88</td>
</tr>
</tbody>
</table>
study were adapted from previous works (e.g. Hartline and Ferrell, 1996, Kohli et al., 1993, Allen and Meyer, 1990) where the validity had already been examined. Given the extent of the efforts made, it is suggested that content validity was not problematic in this study.

Criterion-related validity is related to an independent measure of an outcome (Nunnally, 1994). In other words, it reflects the employment of a criterion or well-established measurement to create a new measurement scale (Zikmund and Babin, 2010). This study used the established measurements of job satisfaction, employee commitment and external market orientation from previous research such as Hartline and Ferrell (1996), Allen and Meyer (1990) and Kohli et al. (1993). As validity was examined in these previous research projects, there was no need to re-test it in this thesis.

Construct validity “refers to the degree to which a measurement instrument represents and logically connects through the underlying theory” (Sreejesh et al., 2014; p. 117). There are two methods for analysis construct validity—convergent validity and discriminant validity. Convergent validity is another way of expressing internal consistency that “represents the extent to which each indicator of a concept converges on some common meaning” (Zikmund and Babin, 2013; p. 334). Discriminant validity “represents how unique or distinct is a measure” (Zikmund and Babin, 2013). This means the measurement of the construct possesses convergent and discriminant validity if an item would be related to other items that measure the same construct (convergent validity); however, the item should not correlate too highly with a measure of a different construct (discriminant validity) (Zikmund and Babin, 2013). Factor analysis was employed to gauge both convergent and discriminant validity in this study.

4.5.3 Exploratory factor analysis

Factor analysis, which is also called exploratory factor analysis (EFA), is defined as “a general name denoting a class of procedures primarily used for data reduction and summarization” (Malhotra et al., 2012; p. 774). Conway and Huffcutt (2003) similarly state that EFA can be useful for evaluating construct validity, refining measures and in some cases, testing hypotheses. After removing six items that were low in Cronbach’s alpha value from the original scales (Table 4.3), all retained items of employee commitment, job satisfaction and external market orientation were subjected to EFA using SPSS version 22.
4.5.3.1 EFA decision

(1) What factor extraction model to use

There is a widely variety of factor extraction techniques available. The two basic approaches include principal component analysis (PCA) and common factor analysis (CFA). PCA is recommended when considering the total variance in the data while CFA considers only the common variance (Malhotra et al., 2012). PCA was utilized in this thesis as the purpose of PCA supports evaluating the construct validity and PCA is more widely used than CFA (Conway and Huffcutt, 2003).

(2) Factor score

Factor loading, one of key statistics associated with EFA, refers to “the correlation between each of the original variables and the newly developed factors” (Malhotra et al., 2012; p. 507). Favorcor loading is obtained for each measurement item to assess discriminant validity. It is generally accepted that scores for loading of more than 0.30 are the minimum requirement and scores for loading that are greater than 0.50 are significant (Hair, 2010).

(3) Number of factors to retain

As per the suggestion of Field (2013) and Kaise (1956) “eigenvalues greater than one” rule and ‘sree plot’ was utilized.

(4) The method of factor rotation

Two basic types of analytical rotation are orthogonal rotations, forcing uncorrelated factors and oblique rotations, allowing correlated factors (Field, 2013). Data in this study was with humans, hence, the factors might be correlated. This being the case, direct oblimin of oblique rotations should be employed rather than orthogonal rotations, and the direct oblimin rotations has been used in this thesis.

4.5.3.2 Assessing the suitability of data for EFA

Prior to performing PCA the suitability of data for EFA was assessed by sample size, sample to variable ratio, factorability of correlation matrix, Kaiser-Meyer-Olkin (KMO) measuring of sampling adequacy and Bartlett’s test of sphericity.
(1) Sample size, sample to variable ratio

Regarding sample size, there is a varied rule of thumb relating to sufficient sample size in EFA, as revealed in the literature. The lack of agreement is noted by Hogarty, Hines, Kromrey, Ferron and Mumford (2005). Common guides include Tabachnick’s rule of thumb that suggests having at least 300 cases for EFA (Tabachnick and Fidell, 2007). Hair (2010) supposes that sample sizes should be 100 or greater. Comrey and Lee (Comrey and Lee, 1992) indicate that 50 is very poor, 100 is poor, 200 is fair, 300 is good, 500 is very good and 1,000 is excellent.

Another set of recommendations for standardizing the sample size of data is the sample to variable ratio, often denoted as N:p ratio where N refers to the number of participants and p refers to the number of variables. Literature in factor analysis indicates that the sample to variable ratio ranges from 3:1, 6:1, 15:1, or 20.1 (Williams et al., 2012). Hogarty et al. (2005, p. 222) note that “our results show that there was not a minimum level of N:p ration to achieve a good factor recovery across conditions examined”. As mentioned on Table 4.6, N:p ratio of the current finding is high and ranges from 29:1 to 35:1. Based on the above rules of thumb, the sample size of employees in this study, which ranges from 237-252 would be classified as between fair and good.

Table 4.6: The sample size of employee sample

<table>
<thead>
<tr>
<th>Construct</th>
<th>Number of participants (N)</th>
<th>Number of variables (p)</th>
<th>N:p</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affective commitment (AC)</td>
<td>243</td>
<td>8</td>
<td>30:1</td>
</tr>
<tr>
<td>Continuance commitment (CC)</td>
<td>240</td>
<td>7</td>
<td>34:1</td>
</tr>
<tr>
<td>Normative commitment (NC)</td>
<td>252</td>
<td>8</td>
<td>32:1</td>
</tr>
<tr>
<td>Intelligence generation (IG)</td>
<td>252</td>
<td>9</td>
<td>31:1</td>
</tr>
<tr>
<td>Intelligence dissemination (ID)</td>
<td>237</td>
<td>8</td>
<td>29:1</td>
</tr>
<tr>
<td>Response Design (RD)</td>
<td>251</td>
<td>7</td>
<td>35:1</td>
</tr>
<tr>
<td>Response Implementation (RI)</td>
<td>251</td>
<td>7</td>
<td>35:1</td>
</tr>
<tr>
<td>Job satisfaction (JS)</td>
<td>242</td>
<td>8</td>
<td>30:1</td>
</tr>
</tbody>
</table>
(2) Kaiser-Meyer-Olkin and Bartlett’s test of sphericity

The KMO values were found to be 0.782, 0.0802 and 0.0802 respectively in job satisfaction, employee commitment and external marketing orientation construct. They all exceed the recommended value of 0.6 (Kaiser, 1970, Kaiser, 1974) and reached Bartlett’s Sphericity (Bartlett, 1954) of statistical significance (sig. 0.05). The results of these tests suggest that the data of the employee sample in this study are suitable for factor analysis.

4.5.3.3 Result analysis of EFA

(1) Employee commitment

The scale employee commitment used by Allen and Meyer (1990) proposed three components to employee commitment; affective commitment, continuance commitment and normative commitment. The scree plot performed as part of the factor analysis revealed four factors which were confirmed when reviewing the pattern matrix detailed in Table 4.6 and the presence of four components with eigen values exceeding 1, explaining totally 52.034% of the variance (Table 4.7).

PCA suggested that all 17 items forming the employee commitment scale had significant factor loading (0.305-0.808). This confirmed the convergent validity of the items within an employee commitment construct. As mentioned in 4.3.1, three sub-constructs of employee commitment also had good reliability after removing six items. The confirmation of both reliability and convergent validity supports the use of this construct when exploring answers to the research questions.

PCA analysis results suggest the suitability of the model with four components rather than three components, as suggested by Allen and Meyer (1990). Thus, discriminant validity was not found for employee commitment and the research model was extended with the addition of components (Appendix 5).

Table 4.7: Four components with eigen value and % of variance after extraction

<table>
<thead>
<tr>
<th>Component</th>
<th>Eigen value</th>
<th>% of variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Satisfied with this bank</td>
<td>3.889</td>
<td>22.875</td>
</tr>
<tr>
<td>2. Not satisfied this bank</td>
<td>2.214</td>
<td>13.022</td>
</tr>
</tbody>
</table>
(2) External market orientation
The scale EMO proposed by Kohli et al (1993) had four components including intelligence generation, intelligence dissemination, response design and response implementation. Meanwhile, the sree plot performed as part of the factor analysis revealed six factors which were confirmed when reviewing the pattern matrix detailed in Table 4.8, and the presence of four components with eigen values exceeding 1, explaining totally 57.214% of the variance (Table 4.8). Discriminant validity therefore was not found for external marketing orientation.

Twelve items were excluded because of low factor loading (< 0.3), namely, IG9, IG7, ID2, ID3, ID4, ID5, ID6, RI1, RI5, RI6, RI7, and RD4. The factor loading of the rest of the external marketing orientation items were from 0.306 to 0.82; hence, convergent validity was established (Appendix 5). Moreover, the reliability coefficient for four sub-constructs of external marketing orientation was high, as mentioned in Section 4.5.1. This therefore supports utilizing external marketing orientation in this study.

Table 4.8: Six components with eigen value and % of variance after extraction

<table>
<thead>
<tr>
<th>Component</th>
<th>Eigen value</th>
<th>% of variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Caution</td>
<td>9.369</td>
<td>30.224</td>
</tr>
<tr>
<td>2. Information collection</td>
<td>2.926</td>
<td>9.438</td>
</tr>
<tr>
<td>3. Respond time</td>
<td>1.849</td>
<td>5.963</td>
</tr>
<tr>
<td>4. Cooperation</td>
<td>1.391</td>
<td>4.486</td>
</tr>
<tr>
<td>5. Customer intention</td>
<td>1.177</td>
<td>3.798</td>
</tr>
<tr>
<td>6. Caution</td>
<td>1.024</td>
<td>3.305</td>
</tr>
</tbody>
</table>

(3) Job satisfaction
Hartline and Ferrell (1996) propose only one component related to job satisfaction. This however, was not supported by sree plot performed as part of the factor analysis that revealed two factors; the pattern matrix result and the two component with eigen values exceeding 1,
explaining totally 64.128% of the variance (Table 4.10). Accordingly, discriminant validity was not found for job satisfaction.

Each item extracted from this scale was greater than the cut-off factor loading (0.451-0.927). This confirmed the convergent validity of the items within this construct. Further, the overall reliability coefficient for job satisfaction was high (0.853) and supports the use of this construct in the current research.

Table 4.9: Factor loading of the items in job satisfaction construct

<table>
<thead>
<tr>
<th>Items</th>
<th>Component</th>
<th>1</th>
<th>2</th>
</tr>
</thead>
<tbody>
<tr>
<td>JS5: You are satisfied with the support provided by your bank.</td>
<td>Satisfaction with bank’s policies and customers</td>
<td>0.866</td>
<td></td>
</tr>
<tr>
<td>JS7: You satisfy with your opportunities for advancement with this bank.</td>
<td></td>
<td>0.849</td>
<td></td>
</tr>
<tr>
<td>JS6: You are satisfied with your salary or wages.</td>
<td></td>
<td>0.831</td>
<td></td>
</tr>
<tr>
<td>JS4: You are satisfied with your bank's policies.</td>
<td></td>
<td>0.758</td>
<td></td>
</tr>
<tr>
<td>JS8: You are satisfied with your bank's customers.</td>
<td></td>
<td>0.451</td>
<td></td>
</tr>
<tr>
<td>JS2: You are satisfied with your fellow staffs.</td>
<td></td>
<td></td>
<td>0.927</td>
</tr>
<tr>
<td>JS3: You are satisfied with your supervisor(s)</td>
<td></td>
<td></td>
<td>0.836</td>
</tr>
<tr>
<td>JS1: You are satisfied with your overall job.</td>
<td></td>
<td></td>
<td>0.683</td>
</tr>
</tbody>
</table>

Table 4.10: Two components with eigen value and % of variance after extraction

<table>
<thead>
<tr>
<th>Component</th>
<th>Eigen value</th>
<th>% of variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Satisfaction with bank’s policies and customers</td>
<td>3.983</td>
<td>49.786</td>
</tr>
<tr>
<td>2. Satisfaction with colleagues and job</td>
<td>1.147</td>
<td>14.342</td>
</tr>
</tbody>
</table>

The results of Cronbach’s alpha and EFA tests in this section indicated that six items were eliminated due to low Cronbach alpha (AC2, AC4, CC1-Rec, CC4-Rec, NC1, and NC8-Rec) and
12 items were excluded because of low factor loading to improve R-square (IG7, IG9, ID2, ID3, ID4, ID5, ID6, RI1, RI5, RI6, RI7, and RD4).

4.6 Assessment of theoretical model

This section briefly reviews the research hypotheses and then analyses the data for each of the groups of hypotheses.

4.6.1 Research hypotheses

After eliminating hypotheses relating to internal market orientation as no statically significant differences were found in internal market orientation, seven research hypotheses remain.

H4: Employee commitment is positively related with external market orientation.

H5: Job satisfaction is positively related to external market orientation.

H6: Job satisfaction is positively related to employee commitment.

H7: Employee commitment and job satisfaction are positively related to external market orientation.

H8: There is significant difference in job satisfaction between four banks.

H9: There is significant difference in employee commitment between four banks.

H10: There is significant difference in external market orientation between four banks.

Simple linear regression, multiple regression and one-way ANOVA were conducted to determine if these research hypotheses could be validated.

4.6.2 A simple linear regression analysis

Aaker et al. (2013) recommend that three bivariate regression analyses be used to evaluate the correlation between employee commitment and external market orientation, job satisfaction and external market orientation and the job satisfaction and employee commitment. SPSS version 22 was used and the exclude cases pairwise option was selected.
Following the recommendation of Field (2013), the basic assumptions, namely, linearity, homoscedascity, independence, outlier and normality were checked in the first stage of the process of regression analysis (Field, 2013). This was followed by a simple linear regression analysis employed for each of the hypotheses.

### 4.6.2.1 Assessment of assumption

(1) **Linearity**
One way to determine linear relationship is to run the scatter plot in SPSS; if the relationship approximates a straight line, the assumption of linearity is met (Field, 2013). For each linear regression reported in this section the scatter plot was operated and in every case the requirement of linearity was met.

(2) **Independence errors**
The Durbin Watson test was conducted to assess the independence for each linear regression. If the Durbin-Watson statistics range from 0-4 then the errors in the research model are not related in each other (Field, 2013). The Durbin Watson statistics in this study fluctuated from 1.553 to 1.749 so it would be accepted that there was independence of errors.

(3) **Outliers**
Casewise diagnostics were used to detect outliers (Field, 2013). If 95% of cases have standardized residual within about ±2, this indicates the model is a good representation of actual data (Field, 2013). All cases in the current study had a standardized residual less than +3 or -3. Outliers were not an issue in this study.

(4) **Homoscedascity**
Homoscedascity was checked by observing the scatter diagram and if the “regression standardized residuals” scores (y-axis) approximately spread across the “regression standardized predicted value” (x-axis), and the variance of the errors was constant across observations, there was homoscedascity (Field, 2013). The scatter diagram of each linear regression reported in this research indicated that homoscedascity was met.

(5) **Normality distributed errors**
The histogram was employed to examine the normal distributed errors. If the histogram is distinguished by the bell-shaped curve, the standardized residuals are normally distributed (Field, 2013). The bell shaped curve was found in the histograms regression standardized residual in this study thus, the residuals were normally distributed. This result was confirmed by the normal P-P plot when the points were close enough to the diagonal line, as suggested by Field (2013).

In every case of each regression analysis reported the requirement of linearity, homoscedascity, independence, outlier and normality were met. Accordingly, the finding results of a regression model would be generalizable outside of the sample (Field, 2013).

4.6.2.2 The results of simple linear regression

Once the assumptions of simple linear regression were confirmed, the next step was to examine the inter-linkage between employee commitment and external market orientation; job satisfaction and external market orientation and job satisfaction and employee commitment by running the linear regression. Table 4.11 shows the results of the regression analysis.

Table 4.11: Result of linear regression analysis

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Model link</th>
<th>R squared</th>
<th>Std.Beta Coeff.</th>
<th>Sig.</th>
<th>F</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>EC ↔ EMO</td>
<td>0.05</td>
<td>0.224</td>
<td>0.001</td>
<td>11.784</td>
</tr>
<tr>
<td>2</td>
<td>JS ↔ EMO</td>
<td>0.003</td>
<td>0.059</td>
<td>0.371</td>
<td>0.805</td>
</tr>
<tr>
<td>3</td>
<td>JS ↔ EC</td>
<td>0.198</td>
<td>0.445</td>
<td>0.000</td>
<td>54.248</td>
</tr>
</tbody>
</table>

(1) Inter-linkage between employee commitment and external market orientation

A positive and significant effect of employee commitment on external market orientation was found (beta coefficient 0.224 > 0, p < 0.01). This supported H4. This regression model significantly improves the ability to predict external market orientation, F (1,223) = 11.784 > 1, p < 0.01. 5% of the variance in external market orientation could be explained by employee commitment (R squared = 0.05).

(2) Inter-linkage between job satisfaction and external market orientation
As indicated in Table 4.11, beta coefficient $0.133 > 0$, job satisfaction displayed a positive linkage with external market orientation. However, job satisfaction could not statically significantly predict external market orientation, $F (1,231) = 0.805 > 1$, $p = 0.371 > 0.1$. This result does not support H5. In other words, there was a correlation relationship from Anova but not a significant linear relationship. Only $0.3\%$ of the variance in external market orientation could be explained by job satisfaction ($R^2 = 0.003$).

(3) Inter-linkage between job satisfaction and employee commitment

Hypothesis 6 could be supported as the linear regression analysis displayed a positive and very highly significant beta coefficient (beta coefficient $0.445 > 0$, $p < 0.001$). Job satisfaction could statistically very highly significantly predict employee commitment, $F (1,220) = 54.248 > 1$, $p < 0.001$. Job satisfaction explained $19.8\%$ the variation in employee commitment ($R^2 = 0.198$).

Table 4.12: Research question, hypotheses and the conclusion drawn for three hypotheses

<table>
<thead>
<tr>
<th>Research</th>
<th>Research hypotheses</th>
<th>Decision regarding hypotheses</th>
</tr>
</thead>
<tbody>
<tr>
<td>What is relationship between employee commitment and external market orientation?</td>
<td>Employee commitment is positively associated with external market orientation.</td>
<td>Supported</td>
</tr>
<tr>
<td>What is relationship between job satisfaction and external market orientation?</td>
<td>Job satisfaction is positively associated with external market orientation.</td>
<td>Rejected</td>
</tr>
<tr>
<td>What is relationship between employee commitment and job satisfaction?</td>
<td>Employee commitment is positively associated with job satisfaction.</td>
<td>Supported</td>
</tr>
</tbody>
</table>

4.6.3 Multiple regression analysis

After examining whether there was a relationship between employee commitment and external market orientation, job satisfaction and external market orientation and job satisfaction and employee commitment, along with how strong these relationship were, a multiple regression analysis was undertaken using SPSS version 22 to assess the inter-linkage between one dependent variable and several independent variables (Malhotra et al., 2012). In this study, the
two independent variables employee commitment and job satisfaction were regressed individually with external market orientation to determine their relative impacts on the dependent variable. Excluding cases pairwise, Mahalanobis, Cook and Leverage’s values distance were selected. Following the guidelines established by Aaker et al. (2013), forced entry, in which all predictors are forced into the model simultaneously, was employed since predictors in this study were chosen based on past research projects. The basic assumptions such as independence of errors, linearity, homoscedasticity of residuals, normality and outliers, as well as nonexistence of multi-collinearity, were examined in the first stage of the analysis (Aaker et al., 2013).

As suggested by Field (2013), scatter plot and partial regression plot were run to determine if independent variables collectively (job satisfaction and employee commitment) were linearly related to dependent variable - external market orientation; the Durbin Watson test, case-wise diagnostics, the scatter diagram, the histogram, as well as normal probability plot (P-P) respectively were conducted to detect independence of errors, outliers, homoscedasticity of residuals and normal distributed errors. In every case of each multiple regression analysis, the requirement of linearity, independence, outlier homoscedascity, and normality (4.4) were met. Particularly, multi-co linearity, which is a significant assumption of multiple regression, occurred in two or more independent variables that were highly correlated with each other. It was detected by the variance inflation factor (VIF) and the tolerance statistic which is reciprocal of VIF in SPSS (Field, 2013). The minimum value for tolerance (> 0.1) and the maximum value for VIF (< 10) indicate that there is no cause for concern over multi-co linearity (Table 4.13). Accordingly, all basic assumptions of multiple regression were met. Table 4.13 shows the results of multiple regression analysis between external market orientation and employee commitment and job satisfaction.

Table 4.13: The result of multiple regression analysis between EMO and EC and JS

<table>
<thead>
<tr>
<th>Independent variables</th>
<th>Unstandardized coefficient B</th>
<th>Standardized coefficient Beta</th>
<th>t (219)</th>
<th>Sig.</th>
<th>Part (Correlation)</th>
<th>(Part)^2 in (%)</th>
<th>Tolerance</th>
<th>VIF</th>
</tr>
</thead>
<tbody>
<tr>
<td>EC</td>
<td>-0.064</td>
<td>-0.051</td>
<td>-0.691</td>
<td>0.49</td>
<td>-0.045</td>
<td>0.2</td>
<td>0.802</td>
<td>1.247</td>
</tr>
<tr>
<td>JS</td>
<td>0.355</td>
<td>0.247</td>
<td>3.358</td>
<td>0.001</td>
<td>0.221</td>
<td>4.88</td>
<td>0.802</td>
<td>1.247</td>
</tr>
</tbody>
</table>

R = 0.229; R^2 = 0.052; Adjusted R^2 = .044; F = 6.038; Sig. = .003
Reference to Table 4.13, the independent variables (employee commitment and job satisfaction) statistically significantly predict the dependent variables (external marketing orientation), F ratio value = 6.038 > 1, p = 0.003 < 0.05. Consequently, Hypothesis 7 is supported.

Employee commitment displayed a negative linkage with external market orientation (under standardized coefficient B = -0.064 < 0; p value = 0.49 > 0.1); meanwhile, job satisfaction had a positive and highly significant influence on external market orientation (under standardized coefficient B = 0.0355 > 0; p value = 0.001 < 0.01).

Employee commitment is not significant predictor of external market orientation (t (219) = -0.691, p value = 0.49 > 0.1; however, job satisfaction is a highly significant predictor of external market orientation (t (219) = 3.358; p value = 0.001 < .01). From the magnitude of t statistics, it is notable that job satisfaction has more impact than employee commitment in the multiple regression analysis.

The R² value 0.052 suggested that 5.2% of the variance in the dependent variable (external market orientation) could be explained by this model (Field, 2013).

The percentage of actual unique contribution of each independent variable could be found from the “part value square” shown in Table 4.12. The unique contribution of the independent variables such as employee commitment and job satisfaction were found to be 0.2% and 4.88% respectively. Employee commitment and job satisfaction had very little effect in uniquely explaining the variance in external market orientation.

4.6.4 One-way Anova

The data was collected from four banks in Vietnam with somewhat different backgrounds. Consequently, an important extension of the above analysis would be explored if there are any significant differences among job satisfaction, employee commitment and external market orientation from each of the four banks’ perspectives. To achieve this target, following the suggestion of Hair et. al (2013), one-way Anova was conducted using SPSS version 22.
Three underlying assumptions that must be met to use one-way Anova include independence of observations, normality and homogeneity of variance (Weinberg, 2008). Tests related to these assumptions were conducted as the first step to ensure the validity of the results. First, independence of observations means that there is no relationship between the observations in each bank and between the banks themselves. Convenience sampling procedure in which the volunteer participants were chosen due to their convenient accessibility allows participants to complete the self-ministered survey independently. Second, following the result of skewness and kurtosis, as discussed earlier, the dependent variables including job satisfaction, employee commitment and external market orientation met the requirements of normality. Finally, following the suggestion of Field (2013), Lavene’s test was employed to test whether the variances of the four banks were significantly different for job satisfaction, employee commitment and external market orientation dependent variables. Table 4.14 shows that only the job satisfaction variable met the assumption of homogeneity as its value of Sig. in Lavene’s test was more than 0.05. In contrast, for employee commitment and external market orientation, the variances were unequal (Sig.0.05). Sample sizes in the case of employee commitment and external market orientation were not large and unequal (see Table 4.15 and 4.17). Under such circumstances, Field (2013) recommends that Lavene’s test values be reported as evidence to assess the accuracy of the one-way Anova result. In this sense, Weinberg (2008) suggests that “when sample size are unequal and small and when populations have heterogeneous variances, the Type I error rate associated with the F-test is actually greater than what is reported” (Weinberg, 2008; p. 322).

Table 4.14: Levene’s test-test of Homogeneity of variances

<table>
<thead>
<tr>
<th>Variable</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>EC</td>
<td>0.004</td>
</tr>
<tr>
<td>JS</td>
<td>0.1456</td>
</tr>
<tr>
<td>EMO</td>
<td>0.006</td>
</tr>
</tbody>
</table>

Overall, most of the assumptions were met, one-way Anova was conducted afterwards and the results are shown in the following Tables 4.15, 4.16 and 4.17.
The results presented in Table 4.15, 4.16 and 4.17 illustrate there are no significant differences among the four banks regarding their degree of employee commitment, job satisfaction and external market orientation (p > 0.1).
4.7 Conclusion

This chapter has detailed the data preparation and descriptive statistics. It has provided a review of the normality, reliability and validity of the sample and identified the empirical results from simple linear regression, multiple regression and one-way ANOVA. The results of these procedures support three of remaining hypotheses namely:

H4: Employee commitment is positively related with external market orientation.

H6: Job satisfaction is positively related to employee commitment.

H7: Employee commitment and job satisfaction are positively related to external market orientation.

The following chapter discusses the findings, presents implications arising from them and identifies the limitations of this research. In concluding, it makes recommendations for further research.
CHAPTER FIVE

Conclusion, Implications and Research Contributions

5.1 Introduction

This chapter reports the research findings and discusses implications arising from them. The findings are evaluated to highlight the similarities and differences between this study and previous research. The research issues are discussed and the theoretical contribution of the research identified. In concluding, the chapter discusses the limitations of the project and makes recommendations for further research.

The following research issues could not be evaluated due to little differences in internal market orientation being observed between four joint-stock commercial banks:

- Research issue 1: What is the relationship between internal market orientation and external market orientation?
- Research issue 2: What is the relationship between internal market orientation and employee attitudes?

5.2 Discussions and Managerial Contributions

The following section outlines contributions of the present research by comparing results of the study and discussing the managerial contribution of the findings.

5.2.1 Research issue 1 and research issue 2

Three hypotheses H1, H2, and H3 were proposed in order to answer the first and the second research issue.

H1: Internal market orientation is positively related to external market orientation.

H2: Internal market orientation is positively related with employee commitment.

H3: Internal marketing orientation is positively related with job satisfaction.
Table 5.1: Summary of research findings and conclusions in relation to the remaining research issues

<table>
<thead>
<tr>
<th>Research Issues and Hypotheses</th>
<th>Findings and Conclusions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Research issue 3: What is the relationship between employee attitudes and external market orientation?</strong></td>
<td><strong>H4:</strong> Employee commitment is positively related with external market orientation. Hypothesis was accepted. A positive and significant effect of EC on EMO was found ($R^2 = 0.05; p &lt; 0.01$).</td>
</tr>
<tr>
<td><strong>H5:</strong> Job satisfaction is positively related to external market orientation.</td>
<td>Hypothesis was rejected. Job satisfaction has no significant positive effect on EMO ($R^2 = 0.003, p &gt; 0.05$).</td>
</tr>
<tr>
<td><strong>Research issue 4: What is the relationship between different employee attitudes?</strong></td>
<td><strong>H6:</strong> Job satisfaction is positively related to employee commitment. Hypothesis was accepted. A positive and very highly significant effect of JS on EC was found ($R^2 = 0.198, p &lt; 0.001$).</td>
</tr>
<tr>
<td><strong>Research issue 5: How are different employee attitudes related to external market orientation?</strong></td>
<td><strong>H7:</strong> Employee commitment and job satisfaction are positively related to external market orientation. Hypothesis was accepted. Independent variables statistically significantly predict the dependent variables, $R = 0.229, p &lt; 0.05$).</td>
</tr>
<tr>
<td><strong>Research issue 6: Are there any differences in employee attitudes and external market orientation across the four banks?</strong></td>
<td><strong>H8:</strong> There is a significant difference in job satisfaction between four banks. Hypothesis was not accepted. There is no significant difference in job satisfaction between four banks ($p &gt; 0.05$).</td>
</tr>
<tr>
<td><strong>H9:</strong> There is a significant difference in employee commitment between four banks.</td>
<td>Hypothesis was not accepted. There is no significant difference in employee commitment between four banks ($p &gt; 0.05$).</td>
</tr>
<tr>
<td><strong>H10:</strong> There is a significant difference in external market orientation between four banks.</td>
<td>Hypothesis was not accepted. There is no significant difference in external market orientation between four banks ($p &gt; 0.05$).</td>
</tr>
</tbody>
</table>
As no statically significant differences were found in internal market orientation these hypotheses could not be supported. This finding may be explained by the fact that a small sample size of banking managers might have prevented finding differences in the extent of internal market orientation amongst the four Vietnamese Joint-stock commercial banks. This indicates the potential for further research with a bigger sample size of bank managers to be included. This being the case, internal market orientation, as the important component of the current research model - especially in motivating and training employees to think and behave in a consumer perspective - could examine their roles in practice.

5.2.2 Research issue 3

Hypothesis 4 and Hypothesis 5 were suggested to answer the Research Issue 3.

5.2.3.1 Hypothesis 4: Employee commitment is positively related with external market orientation.

Hypothesis 4 stated that employee commitment is positively associated with external market orientation. According to the simple linear regression analysis, there is a very significant and positive relationship between employee commitment and external market orientation \((p < 0.01)\). Thus, Hypothesis 4 is supported by the data.

In other words, increasing employee commitment towards market-oriented activities will increase the generation of, dissemination of, response to, and market intelligence among Vietnamese joint-stock commercial banks. This finding is consistent with the theoretical proposal of Kohli and Jaworski (1990) and Lings (2004). More specifically, Lings (2004) suggests that internal aspects of organizational performance (employee satisfaction, employee retention and employee commitment) have a direct effect on external market orientation.

This result also provides empirical evidence to support the association between external market orientation and employee commitment; this is significant and positive in a developing country like Vietnam. It further supports the empirical research of Awwad and Agti (2011) and Vazifehdoost et al. (2012), conducted respectively in Jordan and Iran, which also are developing countries like Vietnam.
In contrast to this finding, Godfrey and Edward (2013) claim that the strength of the association between external market orientation and employee commitment is stronger in developed countries than in less developed countries. They observe that strong positive associations are generally reported from studies conducted in more developed countries such as America (Kohli et al., 1993), Australia (Caruana et al., 1997) and New Zealand (Rod and J. Ashill, 2010) while positive but weak associations are found in studies from less developed countries including Spain (Castro et al., 2005), Thailand (Powpaka, 2006) and Ghana (Mohammed Abdulai, 2010).

Godfrey and Edward (2013) however, report a positive and strong association between employee commitment and external market orientation in their study of Botswanan retail firms, also in the context of a developing country. Notably, their findings argue against their claim and no explanation is proposed for this contradiction. Furthermore, the results of Awwad and Agti (2011), Vazifehdoost et al. (2012) and this current study also oppose Godfrey and Edward’s (2013) assertion.

The extant literature indicates that Godfrey and Edward (2013) overlook the factor of firm size. Their view is supported by research conducted in developing countries with small and medium scale enterprises (SMEs) rather than with large-scale organizations. Indeed, the positive but weak associations reported in studies from SMEs in developing countries, including medium-sized banks in Thailand (Powpaka, 2006) and SEMs in Ghana (Mohammed Abdulai, 2010). In contrast, the large-scale enterprises have better technological, human and financial resources to pursue an external market orientation (Liu, 1995) thus, it is likely to set a similar context to developed countries with a highly dynamic and competitive business environment despite the fact that they could be located in developing countries. In fact, the positive and strong association between employee commitment and external market orientation are reported in research on large-scale enterprises in Jordan (Awwad and Agti, 2011), Iran (Vazifehdoost et al., 2012) and Vietnam (this current study) - all developing countries. For instance, Vazifehdoost et al. (2012) collect data from branches of Parsian, a major private bank of Iran ranked 1,000 in the world bank listing in 2014 by the Financial Times (2014); the subject of this current study is four joint-stock commercial banks having the minimum core of capital with 6.82 billion USD in the top 10 leading banks in Vietnam (2012).
However, both the research location and firm size would not contribute to the mixed findings from the research by Godfrey and Edward (2013) and Castro et al. (2005). Godfrey and Edward (2013) found a positive and strong association between employee commitment and external market orientation in Botswanan retail businesses, which are relatively small in size for a developing country. Castro et al. (2005) report a positive but weak association between employee commitment and external market orientation in their study of a Spanish financial institution, which is a large-scale enterprise located in a developed country. The fact that employees respond differently to market-oriented culture change (Harris and Ogbonna, 2000) may explain the results of such studies. In summary, it seems findings about the strength association between employee commitment and external market orientation produce mixed results. There are potential cross-national studies that specify other factors apart from study location and firm size could impact the strength of the association between employee commitment and external market orientation.

The present study confirms committed employees are likely to improve the extent of external market orientation in their bank. There are other factors involved with promoting external market orientation in Vietnamese joint-stock commercial banks ($R^2 = 0.05$). Thus, future research is desirable to investigate what these other factors could be. The reasons behind low value of $R^2$ will be analyzed later. In fact, despite the weakness of $R^2$, subject to further research and recognizing the limitations of this study, the positive and significant relationship between employee commitment and external market orientation is notable. From a managerial perspective this result suggests that if banking employees are committed, they are likely to be more willing and more able to implement and/or adopt an external market orientation than less committed employees (Sivaramakrishnan et al., 2008). On an operational level, an external market oriented bank can respond rapidly to the future needs and preferences of its customers. This could lead to a high level of customer commitment to the service process (Castro et al., 2005). As a service business, if Vietnamese joint-stock commercial banks become more market oriented and thereby obtain higher levels of customer satisfaction and loyalty, they may achieve a sustainable competitive advantage in the market. This finding is helpful to Vietnamese joint-stock commercial banks as they are under stress after the global financial crisis in 2008. In addition, it may help combat the wave of financial liberalization that is challenging the competitiveness of Vietnamese commercial banks through being in competition with foreigners banks (Le, 2014).
brief, higher employee commitment and adopting an external market orientation could be a wise economic decision for Vietnamese joint-stock commercial banks in terms of reducing costs associated with losing both employees and customers and enhancing competitive advantage in the market.

The results also provide further empirical evidence that the external market orientation concept is a worthwhile business philosophy to implement, even in a developing nation context. It contributes to marketing literature in responding to questions regarding the universal application of the external market orientation construct by marketing scholars (Pelham and Wilson, 1995).

5.2.3.2 Hypothesis 5: Job satisfaction is positively related to external market orientation. Hypothesis 5 states that job satisfaction is positively related to external market orientation. This is supported by a simple linear regression analysis. In other words, increased job satisfaction will increase external market oriented activities among Vietnamese joint-stock commercial banks. However, this relationship is not statistically significant (p > 0.05). It seems to say that people who may be satisfied with their jobs may not necessarily have an external market orientation. Alternatively, people who have greater levels of external market orientation may not be satisfied with their jobs. The reasoning behind this finding will be analyzed in Section 5.2.7. This finding is contrary to the empirical findings in both developed countries such as USA (Ruekert, 1992, Siguaw et al., 1994) and Japan (Kimura, 2012) and in developing countries such as Iran (Saeidipour et al., 2013) and India (Siddiqi, 2013). These countries report a significant and positive relationship between job satisfaction and external market orientation. An explanation for the disagreement with previous studies will be presented in the upcoming analysis.

The findings of this study indicate that increasing employees’ job satisfaction may not be an effective way to improve the level of external market orientation amongst employees of joint-stock commercial banks in Vietnam. If the objective of bank managers is to improve external market orientation in joint-stock commercial banks, other human resource management practices such as performance-based reward systems (Schneider and Bowen, 2010) and internal marketing (Cahill, 1996) may be needed.
5.2.3 Research issue 4

Research issue 4 includes a single hypothesis. Hypothesis 6 states that job satisfaction is positively related to employee commitment. The simple linear regression analysis found a highly significant and positive (p < 0.001) relationship between job satisfaction and employee commitment. Hence, Hypothesis 6 is supported by the data. This would seem to imply that if the level of job satisfaction changed, then employee commitment would change accordingly. This finding is in line with findings of previous studies in both Western developed countries such as Spain (Ruizalba et al., 2014), America (Carlos and Rodrigues, 2012, Rod and J. Ashill, 2010) and also in non-Western developing countries such as India (Tiwari and Singh, 2014), Pakistan (Ahmad et al., 2014, Iqbal, 2012, Malik et al., 2010), Saudi Arabia (Ahmad and Al-Borie, 2012) and Oman (Azeem, 2010).

In addition, this study indicates the strength of correlation is relatively moderate with R² of 0.198. That is job satisfaction could explain 19.8% of the variation in employee commitment. The correlation shows a high level of employee commitment is not just due to a high job satisfaction level but also to other strong variables. Thus, future research is desirable in to investigate what these other factors could be. Although the value of R² is not high, it could be taken into account in managerial implications. From managerial perspective, this finding could be a great help in designing policies for improving employee commitment. Banking managers should strive to ensure positive working environments and should design jobs in such ways that employees are satisfied and thereby result in motivating employee commitment.

Managers of joint-stock commercial banks should consider factors such as job satisfaction in policymaking as a tool for promoting competitive advantage. This finding is pivotal for a service sector in general and the banking industry in particular as retaining qualified employees is also a tangible competitive advantage for growth in the banking sector. It is especially critical in the case of Vietnam where Vietnamese joint-stock commercial banks need to compete against foreign banks. In addition, banks could eliminate the cost of training because the cost of hiring and training new employees could be reduced if banking staff stayed for a longer period of time.
5.2.4 Research issue 5

Research issue 5 consisted of a single hypothesis, Hypothesis 7, which proposed that employee commitment and job satisfaction would have a positive relationship with external market orientation. As can be seen in Table 5.1, this hypothesis was supported by the finding of a positive and significant relationship between job satisfaction and employee commitment and external market orientation (F ratio value = 6.038 > 1, p = 0.003 < 0.05). In other words, the finding indicates that banking employees who experience great job satisfaction and are committed to their work could improve the degree of external market orientation in their joint-stock commercial bank. This finding is in line with the research of Siguaw et al. (1994; p. 112), who suggest that “if the firm is perceived as having a high market orientation, the sales force practices a greater customer orientation, has reduced role stress (conflict and ambiguity), and expresses greater job satisfaction and organizational commitment”.

It is noted that the strength of this correlation is weak (R² = 0.052). This finding should prompt further research to investigate other factors involved with promoting external market orientation in Vietnamese joint-stock commercial banks. Despite this, the positive and significant relationship between job satisfaction, employee commitment and external market orientation is quite notable for managers. From a practical perspective, this result indicates that if banking employees are committed and satisfied with their jobs, they are likely to be more willing and more able to implement and/or adopt an external market orientation than less committed and less satisfied employees in the current jobs. It is worth noting, job satisfaction has more impact than employee commitment in improving employee commitment and external market orientation levels in Vietnamese joint-stock commercial banks according to the standard multiple regression analysis (Section 4.6.3). Thus, banking managers should give more attention to job satisfaction than employee commitment if they wish to enhance the level of external market orientation in their banks. By doing so, Vietnam joint-stock commercial banks could achieve a competitive advantage against their competitors. In fact, if a Vietnam joint-stock commercial bank has a more market oriented approach it will perform better than companies that are less market oriented. They focus on adapting their services to the needs and expectations of their customers instead of those who are service oriented and focus on developing a service that is then marketed
and hopefully sold (Grönroos, 2006). This results in a strong competitive advantage, decreased costs and increased profits (Dauda and Akingbade, 2010).

This result also provides additional empirical evidence to confirm the general applicability of MARKOR scale even in a non-Western country context such as Vietnam.

5.2.5 Research issue 6

Research issue 6 includes three hypotheses:

- H8: There is a significant difference in job satisfaction between four banks.
- H9: There is a significant difference in employee commitment between four banks.
- H10: There is a significant difference in external market orientation between four banks.

As can be seen in Table 5.1, these three hypotheses were not accepted. In fact, the ANOVA results indicate the absence of significant differences among the four banks regarding their degree of employee’s commitment, job satisfaction and external market orientation (p > 0.05).

5.2.6 Other findings

Descriptive analysis indicates that there is a positive tendency towards job satisfaction, employee commitment and external market orientation since the means of all variables were higher than three and their standard deviations were lower than one (Section 4.3.4). More specifically, most staff within the four banks generally tended to be satisfied with their jobs and to be committed to their employing banks. This indicates the work nature and environment in joint-stock banks in Vietnam are seen as satisfactory by many employees. These results are in line with the findings of Ahmed and Uddin (2012) who suggest that the job satisfaction of officers of Janata Bank Limited (JBL)-Bangladesh is at the satisfactory level and the results of Albdour and Altarawneh (2014) who state that frontline employees of banks in Jordan have a moderate commitment within the banking sector. This might be explained by the fact that Bangladesh and Jordan along with Vietnam, all are developing countries (United Nation, 2012), where work environments are not an important consideration for employees.

In addition, the descriptive analysis in this study shows that the implementation of external market orientation within Vietnam joint-stock commercial banks is at a moderate level. This
level of external marketing orientation is even stronger than evident in Godfrey and Edward (2013) who report that retail businesses in Botswana are not highly market oriented. Conversely, Bouranta et al (2005) find that external market orientation is employed at a high level in Greek banks. A possible explanation is that Greece is a European country with a developed economy (United Nation, 2012), with a more highly dynamic and competitive business environment and a higher level of external marketing orientation than in developing countries such as Botswana and Vietnam (Kohli and Jaworski, 1990, Jaworski and Kohli, 1993). In brief, although Vietnam has a distinctive economic model called “socialist market oriented economy” including distinguished characteristics from other developing countries, the work environment in Vietnam joint-stock banks could make employees satisfied with their jobs and committed to their banks.

5.2.7 Reasons behind unexpected finding results

The unexpected results of this study are:

- The absence of a positive relationship between job satisfaction and external market orientation revealed by a simple linear regression analysis.
- The low value of $R^2$ found in the correlation between employee commitment and external market orientation, job satisfaction and employee commitment and external market orientation.

Contrary to the empirical findings in developed countries such as America (Ruekert, 1992, Siguaw et al., 1994), and Japan (Kimura, 2012) and even in other developing countries such as Iran (Saeidipour et al., 2013) and India (Siddiqi, 2013), the findings of this study indicate that increasing the job satisfaction of employees may not be an effective way to improve the level of external market orientation amongst employees of joint-stock commercial banks in Vietnam. This finding may be explained by the fact that employees respond differently to market-oriented culture change (Harris and Ogbonna, 2000). External market orientation may have its great effect in nations with highly dynamic and competitive business environments (Kohli and Jaworski, 1990, Jaworski and Kohli, 1993) hence, the statistically significant and positive relationship between job satisfaction and external market orientation reported in research from developed countries. Furthermore, Vietnam is acknowledged not only as a developing country but also as a socialist market oriented economy (2006). For this reason, the finding of this study regarding the
relationship between job satisfaction and external market orientation is contrary to research conducted in other developing countries, in particular Iran (Saeidipour et al., 2013) and India (Siddiqi, 2013). Indeed, by the early 1990s, Vietnam’s Doimoi policy brought the Vietnamese economy closer to the structure of other Asian developing countries (Cling et al., 2013).

Vietnam shares many characteristics with other Asian emerging countries, namely international integration and trade liberalization however, Vietnam still maintains a socialist transition. Along with China, Vietnam has a distinctive “socialist market oriented economy” (Masina, 2006). Consequently, Vietnam accesses WTO as a “non-market economy” (The U.S.-Vietnam Trade Council, n.d.). This implies that Vietnam may provide less dynamic and competitive business environments than other developing countries do. Thus, in Vietnamese joint-stock commercial banks, an external market orientation may not have a great effect in such a business environment. This may contribute to the absence of a positive relationship between job satisfaction and external market orientation.

The fact that Vietnam joint-stock commercial banks allow limited employee involvement in their market-oriented activities may explain the absence of a positive job satisfaction to external market orientation relationship, even though the four banks in the current study are in the top 10 leading joint-stock commercial banks in Vietnam. These banks have recently been reconstructed, equitized and changed from state-owned banks into joint-stock commercial banks. The Asian Commercial Bank (ACB) was equitized in 2006 and the Bank for Investment and Development Vietnam (BIDV), the last bank among the four banks to be equitized, was in 2011. This indicates that the four joint-stock commercial banks in this study have not changed their organizational culture from a bureaucratic culture characterized by regulations and formal structures to a competitive culture characterized by an emphasis on competitive advantage and market superiority. The moderate level external market orientation of these banks found in this study implies that the limited involvement of banking employees is due to the limited abilities of joint-stock commercial bank managers to motivate employees to become slightly involved in cross-functional teams (typically lower-level managers) or are uncertain about how involved they want employees to become. The inability to motivate employee involvement in market-oriented activities may be because the Vietnam joint-stock commercial bank managers are relatively bureaucratic. This significance is characterized by skills required to operate as a state-owned
bank for the past decades. This aligns with the findings of Deshpande and Farley (2000) from their research in China that has a similar economic model to Vietnam. In summary, because of limited employee involvement in market-oriented activities, job satisfaction could not motivate banking employee towards external market orientation strategy of Vietnam joint-stock commercial banks.

A second factor, the low R² function in the employee commitment to external market orientation (R² = 0.05) and the role job satisfaction and employee commitment function in the job satisfaction – employee commitment and the external market orientation relationship (R² = 0.05) suggest that they may not be important factors in promoting the external market orientation level in Vietnamese joint-stock commercial banks. Limited employees involvement in market-oriented activities may also contribute to the low R². As mentioned earlier, banking managers may have limited capacities to motivate employees to become more involved in the process of satisfying customer needs or they simply may not think about involving employees in the marketing process and see no reasons for employee involvement (Martin et al., 1998). Consequently, banking employees who are both committed to their banks and satisfied with their job are unable to enhance the extent of external market orientation although they are likely to be more willing and more able to implement and/or adopt an external market orientation.

5.3 Managerial implications

The findings of this study provide Vietnam joint-stock commercial managers with insights into how employee commitment, job satisfaction and external market orientation are related. The first finding shows that despite the weakness of R², the positive and significant relationship between employee commitment and external market orientation is rather strong. This suggests that if banking employees are committed they are likely to be more willing and more able to implement and/or adopt an external market orientation than less committed employees. From a managerial perspective, an external market oriented bank can respond more rapidly to the future needs and preferences of its customers. This could result in high levels of customer commitment to the service process and provide the bank with a competitive advantage against their competitors.

In fact, if Vietnamese joint-stock commercial banks become more market oriented they will perform better than companies that are less market oriented. A focus on adapting their services to
the needs and expectations of their customers instead of those who are service oriented and to
develop a service that is then marketed and sold could be a beneficial economical decision for
Vietnam joint-stock commercial banks in terms of reducing costs associated with losing both
employees and customers and enhancing competitive advantage in the market.

The second finding suggests that job satisfaction of employees may not be an effective way to
improve the degree of external market orientation amongst employees of joint-stock commercial
banks. Banking mangers should consider other human resource management practices such as
performance-based reward systems (Schneider and Bowen, 2010) and internal marketing (Cahill,
1996) rather than job satisfaction to improve external market orientation in joint-stock
commercial banks.

The third finding indicates a notable, positive and significant relationship between job
satisfaction, employee commitment and external market orientation for managers regardless of
the low value of R-square. From a practical perspective, this result suggests that if banking
employees are both committed to their bank and satisfied with their job they are likely to be
more willing and more able to implement and/or adopt an external market orientation than less
committed and less satisfied employees in their current jobs. It is worth noting that job
satisfaction has more impact than employee commitment in improving external market
orientation levels in Vietnam joint-stock commercial banks according to the standard multiple
regression analysis. Thus, banking managers should give more attention to job satisfaction than
employee commitment to enhance the degree of external market orientation in their banks.
Consequently, Vietnam joint-stock commercial banks may become more market oriented and
achieve a sustainable competitive advantage in the competition with foreign banks.

The fourth finding suggests that job satisfaction is positively related to employee commitment.
Banking managers should endeavor to ensure a positive working environment and design jobs in
such ways that employees are satisfied with their jobs; this will promote employee commitment.
This is critical for Vietnam joint-stock commercial banks as they need to be competitive against
the foreign banks in retaining qualified employees - a tangible competitive advantage for the
growth in banking sector. More importantly, retaining staff would reduce the cost of employee
development because the cost of hiring and training new employees would be reduced if bankers
stayed for longer periods of employment.
The fifth finding reports that the low $R^2$ of employee commitment function in the employee commitment to external market orientation relationship ($R^2 = 0.05$) and the role of job satisfaction and employee commitment functions in the job satisfaction, employee commitment to external market orientation relationship ($R^2 = 0.05$). It recommends that job satisfaction, employee commitment and external market orientation may not be critical factors in promoting job satisfaction, employee commitment to external market orientation levels in Vietnamese joint-stock commercial banks. Limited employee involvement in market-oriented activities may also contribute to those low $R^2$. Bureaucratic culture may be an explanation for the failure of managers to stimulate employee involvement. From a practical perspective, managers should establish a new culture that could replace the bureaucratic one to encourage employee involvement and empowerment, communication from the top down about the importance of employees' involvement, and demonstrate a willingness to share market-related information throughout the organization (Kohli and Jaworski, 1990, Slater and Narver, 1995).

5.4 Theoretical contribution

The purpose of this study was to investigate the relationship between internal market orientation, employee commitment, job satisfaction, and external market orientation. Data were collected from four Vietnamese joint-stock commercial banks using a validated scale instrument drawn from relevant literature. The study makes some important theoretical contributions.

First, while previous studies examine the relationship between two factors of job satisfaction, employee commitment and external market orientation (Powpaka, 2006, Mohammed Abdulai, 2010, Kimura, 2012, Siddiqi, 2013, Ahmad et al., 2014), whereas this empirical study integrated these constructs (Siguaw et al., 1994). The present study thus provides empirical evidence to support the distinct findings of Siguaw et al. (1994).

Second, the current work uses the banking system in Vietnam as a sample. This study is the first empirical research on external market orientation using a distinctive non-market economy sample like Vietnam. Most other empirical research has been conducted in developed countries such as America (Kohli et al., 1993), Australia (Caruana et al., 1997) and New Zealand (Rod and J. Ashill, 2010), with a few empirical studies researching developing countries for instance Thailand (Powpaka, 2006) and Ghana (Mohammed Abdulai, 2010).
Third, the results provide further empirical evidence to the notion that the external market orientation concept is a worthwhile business philosophy to implement, even in a developing nation context. Thus the study contributes to marketing literature in responding to questions regarding the universal application of the external market orientation construct by marketing scholars (Pelham and Wilson, 1995).

Fourth, this study answers the question “Does the scale used to measure market orientation (MARKOR as suggested by Kohli and Jaworski (1990) or MKTOR recommended by Narver and Slater (1990)) cause deviation in the results?” as raised by Awwad and Agti (2011; p. 324) and Vazifehdoost et al (2012; p. 9). The results of this study, which employed MARKOR, are similar to those of Sivaramakrishnan et al. (2008), who also use the MKTOR scale. That is to say, the relationship between employee commitment and external market orientation is positive regardless of the type of scale used to measure external market orientation. The results provide additional empirical evidence to confirm the general applicability of the MARKOR scale even in a non-Western country context such as Vietnam (Kohli et al., 1993). This scale was found to be reliable and valid, thus could be reliably used for future research in non-Western countries.

Finally, the result provides further ideas regarding to “socialist market oriented economy”. Along with China, Vietnam has a distinctive “socialist market oriented economy” (Masina, 2006). Consequently, Vietnam accesses WTO as a “non-market economy” (The U.S.-Vietnam Trade Council, n.d.). This implies that Vietnam may provide less dynamic and competitive business environments than other developing countries do. Thus, in Vietnamese joint-stock commercial banks, an external market orientation may not have a great effect in such a business environment. This may contribute to the absence of a positive relationship between job satisfaction and external market orientation.

5.5 Limitations and further research recommendations

Like other empirical studies, this study had limitations. First, due to the similarity of the extent of internal market orientation among the four Vietnamese joint-stock commercial banks, hypotheses in terms of internal market orientation variable were not examined. The small sample
size of 29 banking managers might be the cause of this similarity. Thus, future research should examine the relationship relating to internal market orientation with a bigger sample size.

Second, the values of $R^2$ of the role of employee commitment function in employee commitment to external market orientation relationship ($R^2 = 0.05$), the employee commitment and job satisfaction function in the employee commitment, job satisfaction to external market orientation relationship ($R^2 = 0.05$) are low. This suggests that employee commitment per se, and both employee commitment and job satisfaction, may not be important factors in predicting external market orientation in Vietnamese joint-stock commercial banks. There are potential studies to investigate other factors correlating to external market orientation. Other human resources management practices such as performance-based reward systems (Schneider and Bowen, 2010) and other related organizational cultures and practices e.g. learning orientation (Sinkula, 1994, Slater and Narver, 1995), entrepreneurship (Miller, 1983) internal market orientation (Cahill, 1996) and demographic variables (Al-Aameri, 2000) should be incorporated in future studies. Similarly, the value of $R^2$ of the job satisfaction function ($R^2 = 0.2$) in the job satisfaction to employee commitment relationship is not significantly great. Thus, future research should be conducted to reveal what other factors could promote employee commitment in Vietnamese joint-stock commercial banks.

Third, the finding regarding the strength of the association between employee commitment and external market orientation produced a mixed result. As mentioned previously, Godfrey and Edward (2013) found a positive and strong association between employee commitment and external market orientation in Botswanan retail businesses, which are relatively small in size in a developing country. Castro et al. (2005) report a positive but weak association between employee commitment and external market orientation in their study of a Spanish financial institution, which is large-scale enterprise located in a developed country. Hence, there is the potential for cross-nation studies to identify other factors, apart from study location and firm size, that could impact the strength of the association between employee commitment and external market orientation.

Fourth, this study was based on a single service industry, the joint-stock commercial banking sector with its own distinctive characteristics. Though this approach allowed a deeper understanding of the sector, the findings cannot be generalized to other industries or regions.
Future studies should examine this study’s model on a larger population of other types of banks, other services, manufacturing industries and in particular, other non-market economies besides Vietnam such as China, Kazakhstan, Albania, Armenia, Georgia, Kyrgyzstan, Moldova, and Mongolia (The U.S.-Vietnam Trade Council, n.d.)

Fifth, the use of a single informant self-administered survey design that relied on a banking employee could be viewed as a limitation. In organizational behavior research, research participants tend to over-report what makes them good (Donaldson and Grant-Vallone, 2002). Employees often assume there is at least a remote possibility that their employers could go through their response. An attempt to exclude self-report bias by indicating on the questionnaire that these questionnaires were mainly intended for academic research only aimed to assure participants of their confidentiality. Regardless of these precautions, the limitation produced by using self-reported data is recognized.

Sixth, in this research only employee commitment and external market orientation dimensions were employed to examine the hypotheses. It would be useful for future studies to examine sub-dimensions of the employee commitment and external market orientation relationship.

Seventh, the convenience sampling used by this study negatively affects the generalizability of the empirical results since it is unsure if the sample is representative of population or not (Iacobucci and Churchill, 2010). Future studies should adopt more solid sampling techniques in order to reinforce generalizability of future results.

Further, this study used the external market orientation scale of Jaworski and Kohli (1993). Another popular scale by (Narver and Slater, 1990) was not included in this study. Future research should therefore incorporate this scale to see whether the results converge.

Finally, a cross-sectional study was used to examine the correlation between the variables, internal market orientation, employee commitment, job satisfaction and external market orientation at one point in time rather than examining the causal relationship among these variables. The causal relationship between internal market orientation, employee commitment, job satisfaction and external market orientation, however, is raised as a question in the extant literature, specifically, whether external market orientation is a consequence or antecedent to internal market orientation, employee commitment, job satisfaction and external market
orientation (Awwad and Agti, 2011). To investigate causality, independent variables should be measured before dependent variables. Hence, future research adopting a longitudinal design is desirable to further investigate this question.
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**APPENDIX 1**

**Survey scale**

<table>
<thead>
<tr>
<th>Question number</th>
<th>Coding</th>
<th>Measurement statement</th>
<th>Construct</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>AC1</td>
<td>I would be very happy to spend the rest of my career with this bank.</td>
<td>Employee commitment</td>
</tr>
<tr>
<td>2</td>
<td>AC2</td>
<td>I enjoy discussing my bank with people outside of it.</td>
<td>Employee commitment</td>
</tr>
<tr>
<td>3</td>
<td>AC3</td>
<td>I really feel this bank's problems are my own.</td>
<td>Employee commitment</td>
</tr>
<tr>
<td>4</td>
<td>AC4</td>
<td>I think that I could easily become as attached to another bank as I am to this one (R).</td>
<td>Employee commitment</td>
</tr>
<tr>
<td>5</td>
<td>AC4-Rec</td>
<td>AC4-Rec</td>
<td>Employee commitment</td>
</tr>
<tr>
<td>6</td>
<td>AC5</td>
<td>I do not feel like &quot;part of the family&quot; at my bank (R).</td>
<td>Employee commitment</td>
</tr>
<tr>
<td>7</td>
<td>AC5-Rec</td>
<td>AC5-Rec</td>
<td>Employee commitment</td>
</tr>
<tr>
<td>8</td>
<td>AC6</td>
<td>I do not feel &quot;emotionally attached&quot; to this bank (R).</td>
<td>Employee commitment</td>
</tr>
<tr>
<td>9</td>
<td>AC6-Rec</td>
<td>AC6-Rec</td>
<td>Employee commitment</td>
</tr>
<tr>
<td>10</td>
<td>AC7</td>
<td>This bank has a great deal of personal meaning for me.</td>
<td>Employee commitment</td>
</tr>
<tr>
<td>11</td>
<td>AC8</td>
<td>I do not feel a strong sense of &quot;belonging&quot; to my bank (R).</td>
<td>Employee commitment</td>
</tr>
<tr>
<td>12</td>
<td>AC8-Rec</td>
<td>AC8-Rec</td>
<td>Employee commitment</td>
</tr>
<tr>
<td>13</td>
<td>CC1</td>
<td>I am not afraid of what might happen if I quit my job without having another one lined up (R).</td>
<td>Employee commitment</td>
</tr>
<tr>
<td>Question number</td>
<td>Coding</td>
<td>Measurement statement</td>
<td>Construct</td>
</tr>
<tr>
<td>-----------------</td>
<td>--------</td>
<td>------------------------</td>
<td>-----------</td>
</tr>
<tr>
<td>14</td>
<td>CC1-Rec</td>
<td>CC1-Rec</td>
<td>Employee commitment</td>
</tr>
<tr>
<td>15</td>
<td>CC2</td>
<td>It would be very hard for me to leave my bank right now, even if I wanted to.</td>
<td>Employee commitment</td>
</tr>
<tr>
<td>16</td>
<td>CC3</td>
<td>Too much of my life would be disrupted if I decided to leave my bank now.</td>
<td>Employee commitment</td>
</tr>
<tr>
<td>17</td>
<td>CC4</td>
<td>It wouldn't be too costly for me to leave my bank now (R).</td>
<td>Employee commitment</td>
</tr>
<tr>
<td>18</td>
<td>CC4-Rec</td>
<td>CC4-Rec</td>
<td>Employee commitment</td>
</tr>
<tr>
<td>19</td>
<td>CC5</td>
<td>Right now, staying with my bank is a matter of necessity as much as desire.</td>
<td>Employee commitment</td>
</tr>
<tr>
<td>20</td>
<td>CC6</td>
<td>I feel that I have too few options to consider leaving this bank.</td>
<td>Employee commitment</td>
</tr>
<tr>
<td>21</td>
<td>CC7</td>
<td>One of the major reasons I continue to work for this bank is that leaving would require considerable personal sacrifice - another bank may not match the overall benefit I have.</td>
<td>Employee commitment</td>
</tr>
<tr>
<td>22</td>
<td>NC1</td>
<td>I think that people these days move from bank to bank too often.</td>
<td>Employee commitment</td>
</tr>
<tr>
<td>23</td>
<td>NC2</td>
<td>I do not believe that a person must always be loyal to his or her bank (R).</td>
<td>Employee commitment</td>
</tr>
<tr>
<td>24</td>
<td>NC2-Rec</td>
<td>NC2-Rec</td>
<td>Employee commitment</td>
</tr>
<tr>
<td>25</td>
<td>NC3</td>
<td>Jumping from bank to bank does not seem at all unethical to me (R).</td>
<td>Employee commitment</td>
</tr>
<tr>
<td>26</td>
<td>NC3-Rec</td>
<td>NC3-Rec</td>
<td>Employee commitment</td>
</tr>
<tr>
<td>27</td>
<td>NC4</td>
<td>One of the major reasons I continue to work for this bank is that I believe that loyalty is important and therefore feel a sense of moral obligation to remain.</td>
<td>Employee commitment</td>
</tr>
<tr>
<td>28</td>
<td>NC5</td>
<td>If I got another offer for a better job elsewhere I would not feel it was right to leave my bank.</td>
<td>Employee commitment</td>
</tr>
<tr>
<td>29</td>
<td>NC6</td>
<td>I was taught to believe in the value of remaining loyal to one organization.</td>
<td>Employee commitment</td>
</tr>
<tr>
<td>Question number</td>
<td>Coding</td>
<td>Measurement statement</td>
<td>Construct</td>
</tr>
<tr>
<td>-----------------</td>
<td>----------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>----------------------------------</td>
</tr>
<tr>
<td>30</td>
<td>NC7</td>
<td>Things were better in the days when people stayed with one bank for most of their careers.</td>
<td>Employee commitment</td>
</tr>
<tr>
<td>31</td>
<td>NC8</td>
<td>I do not think that wanting to be a &quot;banking man&quot; or &quot;banking woman&quot; is sensible anymore (R).</td>
<td>Employee commitment</td>
</tr>
<tr>
<td>32</td>
<td>NC8-Rec</td>
<td>NC8-Rec</td>
<td>Employee commitment</td>
</tr>
<tr>
<td>33</td>
<td>IG1</td>
<td>In this bank, we meet with customers at least once a year to find out what products or services they will need in the future</td>
<td>External market orientation</td>
</tr>
<tr>
<td>34</td>
<td>IG2</td>
<td>Front offices interact directly with customers to learn how to serve them better</td>
<td>External market orientation</td>
</tr>
<tr>
<td>35</td>
<td>IG3</td>
<td>In this bank, we do a lot of in-house market research. (not asking for the research company)</td>
<td>External market orientation</td>
</tr>
<tr>
<td>36</td>
<td>IG4</td>
<td>We are slow to detect changes in our customers' product preferences (R).</td>
<td>External market orientation</td>
</tr>
<tr>
<td>37</td>
<td>IG4-Rec</td>
<td>IG4-Rec</td>
<td>External market orientation</td>
</tr>
<tr>
<td>38</td>
<td>IG5</td>
<td>We poll customers at least once a year to assess the quality of our products and services.</td>
<td>External market orientation</td>
</tr>
<tr>
<td>39</td>
<td>IG6</td>
<td>We collect industry information through informal means (e.g., lunch with industry friends, talks with trade partners).</td>
<td>External market orientation</td>
</tr>
<tr>
<td>40</td>
<td>IG7</td>
<td>In our bank, intelligence on our competitors is generated independently by several departments.</td>
<td>External market orientation</td>
</tr>
<tr>
<td>41</td>
<td>IG8</td>
<td>We are slow to detect fundamental shifts in our industry (e.g., competition, technology, regulation) (R).</td>
<td>External market orientation</td>
</tr>
<tr>
<td>42</td>
<td>IG8-Rec</td>
<td>IG8-Rec</td>
<td>External market orientation</td>
</tr>
<tr>
<td>43</td>
<td>IG9</td>
<td>We periodically review the likely effect of changes in our business environment (e.g., regulation) on customers.</td>
<td>External market orientation</td>
</tr>
<tr>
<td>Question number</td>
<td>Coding</td>
<td>Measurement statement</td>
<td>Construct</td>
</tr>
<tr>
<td>-----------------</td>
<td>--------</td>
<td>---------------------------------------------------------------------------------------</td>
<td>----------------------------------</td>
</tr>
<tr>
<td>44</td>
<td>ID1</td>
<td>A lot of informal &quot;hall talk&quot; in this bank concerns our competitors' tactic or strategies.</td>
<td>External market orientation</td>
</tr>
<tr>
<td>45</td>
<td>ID2</td>
<td>We have interdepartmental meetings at least once a quarter to discuss market trends and developments.</td>
<td>External market orientation</td>
</tr>
<tr>
<td>46</td>
<td>ID3</td>
<td>Marketing personnel in our bank spend time discussing customers' future needs with other functional departments.</td>
<td>External market orientation</td>
</tr>
<tr>
<td>47</td>
<td>ID4</td>
<td>Our bank periodically circulates documents (e.g., reports, newsletters) that provide information on our customers.</td>
<td>External market orientation</td>
</tr>
<tr>
<td>48</td>
<td>ID5</td>
<td>When something important happens to a major customer of market, the whole bank knows about it within a short period.</td>
<td>External market orientation</td>
</tr>
<tr>
<td>49</td>
<td>ID6</td>
<td>Data on customer satisfaction are disseminated at all levels in this bank on a regular basis.</td>
<td>External market orientation</td>
</tr>
<tr>
<td>50</td>
<td>ID7</td>
<td>There is minimal communication between marketing and other departments concerning market developments</td>
<td>External market orientation</td>
</tr>
<tr>
<td>51</td>
<td>ID8</td>
<td>When one department finds out something important about competitors, it is slow to alert other department.</td>
<td>External market orientation</td>
</tr>
<tr>
<td>52</td>
<td>ID8-Rec</td>
<td>ID8-Rec</td>
<td>External market orientation</td>
</tr>
<tr>
<td>53</td>
<td>RD1</td>
<td>It takes us forever to decide how to respond to our competitors' price changes (R).</td>
<td>External market orientation</td>
</tr>
<tr>
<td>54</td>
<td>RD1-Rec</td>
<td>RD1-Rec</td>
<td>External market orientation</td>
</tr>
<tr>
<td>55</td>
<td>RD2</td>
<td>Principles of market segmentation drive new product development efforts in this bank.</td>
<td>External market orientation</td>
</tr>
<tr>
<td>56</td>
<td>RD3</td>
<td>For one reason or another we tend to ignore changes in the customers' product or service needs. (R).</td>
<td>External market orientation</td>
</tr>
<tr>
<td>57</td>
<td>RD3-Rec</td>
<td>RD3-Rec</td>
<td>External market orientation</td>
</tr>
<tr>
<td>Question number</td>
<td>Coding</td>
<td>Measurement statement</td>
<td>Construct</td>
</tr>
<tr>
<td>-----------------</td>
<td>--------</td>
<td>-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>--------------------------------</td>
</tr>
<tr>
<td>58</td>
<td>RD4</td>
<td>We periodically review our service development efforts to ensure that they are in line with what customers want.</td>
<td>External market orientation</td>
</tr>
<tr>
<td>59</td>
<td>RD5</td>
<td>Our business plans are driven more by technological advances than by market research. (R).</td>
<td>External market orientation</td>
</tr>
<tr>
<td>60</td>
<td>RD5-Rec</td>
<td>RD5-Rec</td>
<td>External market orientation</td>
</tr>
<tr>
<td>61</td>
<td>RD6</td>
<td>Several departments get together periodically to plan a response to changes taking place in our business environment.</td>
<td>External market orientation</td>
</tr>
<tr>
<td>62</td>
<td>RD7</td>
<td>The services we sell depend more on internal politics than real market needs (R).</td>
<td>External market orientation</td>
</tr>
<tr>
<td>63</td>
<td>RD7-Rec</td>
<td>RD7-Rec</td>
<td>External market orientation</td>
</tr>
<tr>
<td>64</td>
<td>RI1</td>
<td>If a major competitor were to launch an intensive campaign targeted at our customers, we would implement a response immediately.</td>
<td>External market orientation</td>
</tr>
<tr>
<td>65</td>
<td>RI2</td>
<td>The activities of the different department in this bank are well coordinated.</td>
<td>External market orientation</td>
</tr>
<tr>
<td>66</td>
<td>RI3</td>
<td>Customer complaint falls on deaf ears in this bank (R).</td>
<td>External market orientation</td>
</tr>
<tr>
<td>67</td>
<td>RI3-Rec</td>
<td>RI3-Rec</td>
<td>External market orientation</td>
</tr>
<tr>
<td>68</td>
<td>RI4</td>
<td>Even if we came up with a great marketing plan, we probably would not be able to implement it in a timely fashion (R).</td>
<td>External market orientation</td>
</tr>
<tr>
<td>69</td>
<td>RI4-Rec</td>
<td>RI4-Rec</td>
<td>External market orientation</td>
</tr>
<tr>
<td>70</td>
<td>RI5</td>
<td>We are quick to respond to significant changes in our competitors’ pricing structures.</td>
<td>External market orientation</td>
</tr>
<tr>
<td>Question number</td>
<td>Coding</td>
<td>Measurement statement</td>
<td>Construct</td>
</tr>
<tr>
<td>-----------------</td>
<td>--------</td>
<td>------------------------</td>
<td>-----------</td>
</tr>
<tr>
<td>71</td>
<td>RI6</td>
<td>When we find out that customers are unhappy with the quality of our service, we take corrective action immediately.</td>
<td>External market orientation</td>
</tr>
<tr>
<td>72</td>
<td>RI7</td>
<td>When we find that customers would like us to modify a service, the departments involved make concerted efforts to do so.</td>
<td>External market orientation</td>
</tr>
<tr>
<td>73</td>
<td>JS1</td>
<td>You are satisfied with your overall job.</td>
<td>Job satisfaction</td>
</tr>
<tr>
<td>74</td>
<td>JS2</td>
<td>You are satisfied with your fellow staffs.</td>
<td>Job satisfaction</td>
</tr>
<tr>
<td>75</td>
<td>JS3</td>
<td>You are satisfied with your supervisor(s)</td>
<td>Job satisfaction</td>
</tr>
<tr>
<td>76</td>
<td>JS4</td>
<td>You are satisfied with your bank's policies.</td>
<td>Job satisfaction</td>
</tr>
<tr>
<td>77</td>
<td>JS5</td>
<td>You are satisfied with the support provided by your bank.</td>
<td>Job satisfaction</td>
</tr>
<tr>
<td>78</td>
<td>JS6</td>
<td>You are satisfied with your salary or wages.</td>
<td>Job satisfaction</td>
</tr>
<tr>
<td>79</td>
<td>JS7</td>
<td>You satisfy with your opportunities for advancement with this bank.</td>
<td>Job satisfaction</td>
</tr>
<tr>
<td>80</td>
<td>JS8</td>
<td>You are satisfied with your bank's customers.</td>
<td>Job satisfaction</td>
</tr>
</tbody>
</table>
APPENDIX 2

Reversed Coded Statement

Employee commitment

1.1 Affective commitment

I think that I could easily become as attached to another bank as I am to this one (R).
I do not feel like “part of the family” at my bank (R).
I do not feel “emotionally attached” to this bank (R).
I do not feel a strong sense of “belonging” to my bank (R).
I think that I could easily become as attached to another bank as I am to this one (R).

1.2 Continuance commitment

I am not afraid of what might happen if I quit my job without having another one lined up (R).
It wouldn’t be too costly for me to leave my bank now (R).

1.3 Normative commitment

I do not believe that a person must always be loyal to his or her bank (R).
Jumping from bank to bank does not seem at all unethical to me (R).
I do not think that wanting to be a “banking man” or “banking woman” is sensible anymore (R).
2. External market orientation

2.1 Intelligence generation

<table>
<thead>
<tr>
<th>Statement</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>We are slow to detect changes in our customers’ product preferences (R).</td>
<td></td>
</tr>
<tr>
<td>We are slow to detect fundamental shifts in our industry (e.g., competition, technology, regulation) (R).</td>
<td></td>
</tr>
</tbody>
</table>

2.2 Intelligence dissemination

<table>
<thead>
<tr>
<th>Statement</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. When one department finds out something important about competitors, it is slow to alert other department (R).</td>
<td></td>
</tr>
</tbody>
</table>

Response Design

<table>
<thead>
<tr>
<th>Statement</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>It takes us forever to decide how to respond to our competitors’ price changes (R).</td>
<td></td>
</tr>
<tr>
<td>For one reason or another we tend to ignore changes in the customers’ product or service needs. (R).</td>
<td></td>
</tr>
<tr>
<td>Our business plans are driven more by technological advances than by market research. (R).</td>
<td></td>
</tr>
<tr>
<td>The services we sell depend more on internal politics than real market needs (R).</td>
<td></td>
</tr>
</tbody>
</table>

Response Implementation

<table>
<thead>
<tr>
<th>Statement</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer complaint falls on deaf ears in this bank (R).</td>
<td></td>
</tr>
<tr>
<td>Even if we came up with a great marketing plan, we probably would not be able to implement it in a timely fashion (R).</td>
<td></td>
</tr>
</tbody>
</table>
APPENDIX 3

QUESTIONNAIRE
Banking employee

Nguyen Ngoc Que Tran
DBA student – University of Western Sydney
Dear Respondent

Thank you for participating in this research survey. It will take around 15 minutes to complete this questionnaire.

The purpose of this research is to explore the opinion of banking employees relating to employee commitment, external market orientation and job satisfaction.

It will be greatly appreciated if you could provide responses to the given statements. While there are no ‘right’ or ‘wrong’ answers, your responses are important to this research and should reflect your own personal opinion. All information will be kept confidential. We appreciate your cooperation in this regard.

Please contact the undersigned for any further information regarding this study.

Thank you.

Ms. Nguyen Ngoc Que Tran

DBA student

University of Western Sydney

0909305248

The name of the deliverer questionnaires:---------------------------------------------

Date: --------------------------------------

Bank:---------------------------------------------
Given below are a range of statements. On a scale of 1 to 5, these numbers represent the extent of your agreement or disagreement to the following statement. Please answer these statements by circling only one number of every line.

<table>
<thead>
<tr>
<th>Strongly disagree</th>
<th>disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>

Kính gửi anh/chị,


Xin vui lòng liên hệ số điện thoại dưới đây nếu có bất kỳ thắc mắc liên quan đến điều tra nghiên cứu này.

Xin cảm ơn.

Ms. Nguyen Ngoc Que Tran

DBA student

University of Western Sydney

0909305248

Người phát bản câu hỏi:---------------------

Ngày: ---------------

Ngân hàng:---------------------

Dưới đây là những phát biểu. Mục độ đánh giá từ 1-5, mỗi số sẽ đại diện cho mức độ đồng ý hay không đồng ý của anh/chị với những phát biểu dưới đây. Xin vui lòng trả lời bằng cách khoanh tròn một số duy nhất.
<table>
<thead>
<tr>
<th>Rất không đồng ý</th>
<th>Không đồng ý</th>
<th>Trung lập</th>
<th>Đồng ý</th>
<th>Rất đồng ý</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>

1. I would be very happy to spend the rest of my career with this bank.
   Tôi sẵn lòng tiếp tục phát triển sự nghiệp của mình ở ngân hàng này.

2. I enjoy discussing my bank with people outside of it.
   Tôi thích bàn luận về ngân hàng của mình người ngoài ngân hàng này.

3. I really feel this bank’s problems are my own.
   Tôi thật sự xem các vấn đề của ngân hàng này là các vấn đề của tôi.

4. I think that I could easily become as attached to another bank as I am to this one.
   Tôi nghĩ rằng tôi có thể dễ dàng gắn bó với ngân hàng khác giống như với ngân hàng hiện tại.

5. I do not feel like “part of the family” at my bank.
   Tôi không cảm thấy mình là một thành viên của ngân hàng này.

6. I do not feel “emotionally attached” to this bank.
   Tôi không cảm thấy “gắn bó với mặt tình cảm” với ngân hàng này.

7. This bank has a great deal of personal meaning for me.
   Ngân hàng này có ý rất lớn đối với cá nhân tôi.

8. I do not feel a strong sense of “belonging” to my bank.
   Tôi không cảm thấy “thuộc về” ngân hàng này một cách mạnh mẽ.
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<tbody>
<tr>
<td>9.</td>
<td>I am not afraid of what might happen if I quit my job without having another one lined up.</td>
<td>1 2 3 4 5</td>
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<tr>
<td></td>
<td>Tôi không ngại chuyện gì sẽ xảy ra nếu tôi nghỉ việc mà chưa có việc làm khác.</td>
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<td>10.</td>
<td>It would be very hard for me to leave my bank right now, even if I wanted to.</td>
<td>1 2 3 4 5</td>
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<td></td>
<td>Thất khó để tôi nghỉ việc lúc này, ngay cả khi tôi muốn.</td>
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<td>11.</td>
<td>Too much of my life would be disrupted if I decided to leave my bank now.</td>
<td>1 2 3 4 5</td>
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<td></td>
<td>Cuộc sống của tôi sẽ bị xáo trộn nếu tôi nghỉ việc lúc này.</td>
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<td>12.</td>
<td>It wouldn’t be too costly for me to leave my bank now.</td>
<td>1 2 3 4 5</td>
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<tr>
<td></td>
<td>Sẽ không quá tốn kém nếu tôi nghỉ việc lúc này.</td>
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<td>13.</td>
<td>Right now, staying with my bank is a matter of necessity as much as desire.</td>
<td>1 2 3 4 5</td>
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<td></td>
<td>Hiện tại, việc tiếp tục làm việc ở ngân hàng này là cần thiết và là mong muốn của chính bạn thân tôi.</td>
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<td>14.</td>
<td>I feel that I have too few options to consider leaving this bank.</td>
<td>1 2 3 4 5</td>
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<td></td>
<td>Tôi cảm thấy có rất ít sự lựa chọn khi cân nhắc việc rời khỏi ngân hàng này.</td>
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<td>15.</td>
<td>One of the major reasons I continue to work for this bank is that leaving would require considerable personal sacrifice – another bank may not match the overall benefit I have.</td>
<td>1 2 3 4 5</td>
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<td>Một trong những lý do chính mà tôi tiếp tục làm việc cho ngân hàng này là tôi sẽ phải hy sinh đáng kể nếu nghỉ việc - tôi không thể có tất cả các quyền lợi như hiện nay nếu làm việc cho ngân hàng khác.</td>
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<td>16.</td>
<td>I think that people these days move from bank to bank too often.</td>
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<td></td>
<td>Tôi nghĩ rằng hiện nay nhân viên ngân hàng thường xuyên chuyển từ ngân hàng này sang ngân hàng khác.</td>
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<td>17.</td>
<td>I do not believe that a person must always be loyal to his or her bank.</td>
<td>1 2 3 4 5</td>
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<td></td>
<td>Tôi không tin là một người phải luôn trung thành với ngân hàng của mình.</td>
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18. Jumping from bank to bank does not seem at all unethical to me.
Đôi với tôi nhảy việc từ ngân hàng này sang ngân hàng khác không có vẻ gì trái đạo đức.

19. One of the major reasons I continue to work for this bank is that I believe that loyalty is important and therefore feel a sense of moral obligation to remain.
Một trong những lý do chính khiến tôi tiếp tục làm việc ở ngân hàng này là tôi tin rằng lòng trung thành là quan trọng vì vậy tôi cảm thấy có trách nhiệm đạo đức để phải tiếp tục ở lại.

20. If I got another offer for a better job elsewhere I would not feel it was right to leave my bank. Nếu một ngân hàng khác mời tôi một công việc tốt hơn, tôi không cảm thấy nghi ngờ việc ở ngân hàng là đúng.

21. I was taught to believe in the value of remaining loyal to one organization.
Tôi được đào tạo để tin vào giá trị của việc duy trì trung thành đối với tổ chức.

22. Things were better in the days when people stayed with one bank for most of their careers.
Mọi thứ tốt đẹp hơn vào thời người ta chỉ làm việc cho một ngân hàng trong phần lớn sự nghiệp của họ.

23. I do not think that wanting to be a “company man” or “company woman” is sensible anymore.
Tôi không nghĩ rằng mong muốn trở thành “nhan vien trung thành” là mong muốn quan trọng nữa.

24. In this bank, we meet with customers at least once a year to find out what products or services they will need in the future.
Ở ngân hàng này, chúng tôi gặp khách hàng ít nhất một năm một lần để tìm ra sản phẩm hay dịch vụ họ sẽ cần trong tương lai.

25. Front offices interact directly with customers to learn how to serve them better.
Các nhân viên có làm việc với khách hàng sẽ trao đổi trực tiếp với khách hàng để tìm cách phục vụ họ tốt hơn.
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<td>26. In this bank, we do a lot of in-house market research (not asking for the research company)</td>
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<td>Ở ngân hàng này, chúng tôi tự thực hiện rất nhiều nghiên cứu thị trường (không nhờ công ty nghiên cứu thị trường bên ngoài)</td>
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<td>27. We are slow to detect changes in our customers’ product preferences.</td>
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<td>Chúng tôi chậm trong việc phát hiện ra những thay đổi về sở thích sản phẩm của khách hàng.</td>
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<td>28. We poll customers at least once a year to assess the quality of our products and services.</td>
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<td>Chúng tôi thăm dò ý kiến khách hàng ít nhất một lần trong năm để đánh giá chất lượng sản phẩm và dịch vụ của chúng tôi.</td>
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<td>29. We collect industry information through informal means (e.g., lunch with industry friends, talks with trade partners).</td>
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<td>Chúng tôi thu thập thông tin về ngành ngân hàng thông qua những kênh không chính thống (ví dụ: ăn trưa với các đồng nghiệp trong ngành, nói chuyện với các đối tác).</td>
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<td>30. In our bank, intelligence on our competitors is generated independently by several departments.</td>
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<td>Ở ngân hàng của chúng tôi, thông tin về các đối thủ cạnh tranh được các phòng ban khác nhau thu thập độc lập.</td>
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<td>31. We are slow to detect fundamental shifts in our industry (e.g., competition, technology, regulation).</td>
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<td>Chúng tôi chậm phát hiện ra những thay đổi chủ yếu trong ngành (ví dụ: đối thủ, công nghệ, luật lệ).</td>
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<td>32. We periodically review the likely effect of changes in our business environment (e.g., regulation) on customers.</td>
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<td>Chúng tôi xem xét các tác động có thể có đến khách hàng của chúng tôi theo định kỳ để xem thay đổi của các yếu tố bên ngoài (ví dụ: luật lệ).</td>
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<td>33. A lot of informal “hall talk” in this bank concerns our competitors’ tactic or strategies.</td>
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<td>Nhiều cuộc nói “chuyên phiem” ở ngân hàng này liên quan đến chiến thuật và chiến lược của các đối thủ cạnh tranh.</td>
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<td>34. We have interdepartmental meetings at least once a quarter to discuss market trends and developments.</td>
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<td>Chúng tôi có các cuộc họp liên bộ ít nhất một lần mỗi quý để thảo luận về xu hướng thị trường và sự phát triển.</td>
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<td><strong>35.</strong> Marketing personnel in our bank spend time discussing customers’ future needs with other functional departments.</td>
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<td>Nhân viên phòng Marketing trong ngân hàng chúng tôi dành thời gian thảo luận về nhu cầu của khách hàng trong tương lai với các phòng ban khác.</td>
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<td><strong>36.</strong> Our bank periodically circulates documents (e.g., reports, newsletters) that provide information on our customers.</td>
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<td>Ngân hàng chúng tôi định kỳ phân phát các tài liệu cung cấp thông tin về khách hàng (ví dụ: báo cáo, bản tin).</td>
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<td><strong>37.</strong> When something important happens to a major customer of market, the whole bank knows about it within a short period.</td>
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<tr>
<td>Khi có điều gì quan trọng xảy ra cho một khách hàng lớn trong ngành, toàn bộ ngân hàng chúng tôi sẽ biết ngay trong thời gian ngắn.</td>
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<td><strong>38.</strong> Data on customer satisfaction are disseminated at all levels in this bank on a regular basis.</td>
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<tr>
<td>Dữ liệu về sự hài lòng của khách hàng được phổ biến định kỳ cho toàn thể nhân viên trong ngân hàng chúng tôi.</td>
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<td><strong>39.</strong> There is minimal communication between marketing and other departments concerning market developments.</td>
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<tr>
<td>Có rất ít trao đổi về sự phát triển thị trường giữa phòng Marketing và các phòng ban khác.</td>
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<tr>
<td><strong>40.</strong> When one department finds out something important about competitors, it is slow to alert other department.</td>
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<td>Khi một phòng ban phát hiện ra điều gì quan trọng về các đối thủ cạnh tranh, họ cần báo một cách chậm trễ với các phòng ban khác.</td>
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<tr>
<td><strong>41.</strong> It takes us forever to decide how to respond to our competitors’ price changes.</td>
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<td>Chúng tôi mất rất nhiều thời gian để quyết định sẽ ứng phó như thế nào khi đối thủ cạnh tranh thay đổi giá.</td>
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<td><strong>42.</strong> Principles of market segmentation drive new product</td>
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development efforts in this bank.

Bạn cũng đang phân khúc thị trường chi phối hoạt động phát triển sản phẩm mới ở ngân hàng này.

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<td>43.</td>
<td>For one reason or another we tend to ignore changes in the customers’ product or service needs.</td>
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<td>Vì lý do này hay lý do khác, chúng tôi có xu hướng bỏ qua những nhu cầu về sản phẩm hay dịch vụ của khách hàng.</td>
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<td>44.</td>
<td>We periodically review our service development efforts to ensure that they are in line with what customers want.</td>
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<td>Chúng tôi thường xem xét lại hoạt động phát triển dịch vụ của mình để đảm bảo chúng thích hợp với mong muốn của khách hàng.</td>
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<td>45.</td>
<td>Our business plans are driven more by technological advances than by market research.</td>
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<td>Các kế hoạch kinh doanh của chúng tôi bị chi phối bởi nhiều bởi các tiến bộ kỹ thuật hơn là bởi kết quả nghiên cứu thị trường.</td>
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<td>46.</td>
<td>Several departments get together periodically to plan a response to changes taking place in our business environment.</td>
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<td>Nhiều phòng ban họp định kỳ để lên kế hoạch ứng phó với những thay đổi của môi trường kinh doanh.</td>
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<td>47.</td>
<td>The services we sell depend more on internal politics than real market needs.</td>
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<td>Những dịch vụ mà chúng tôi bán phụ thuộc nhiều vào chính sách nội bộ hơn là nhu cầu của thị trường.</td>
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<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>48.</td>
<td>If a major competitor were to launch an intensive campaign targeted at our customers, we would implement a response immediately.</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Nếu đối thủ cạnh tranh tung ra một chiến dịch lớn nhằm vào khách hàng của chúng tôi, chúng tôi sẽ tiến hành đáp trả ngay lập tức.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
49. The activities of the different department in this bank are well coordinated.  
Ở ngân hàng này, hoạt động của các phòng ban phối hợp chặt chẽ với nhau.

50. Customer complaint falls on deaf ears in this bank.  
Ở ngân hàng này, phản nàn của khách hàng không được quan tâm.

51. Even if we came up with a great marketing plan, we probably would not be able to implement it in a timely fashion.  
Ngay cả khi chúng tôi có được một kế hoạch marketing xuất sắc, chúng tôi cũng không thể thực hiện nó một cách nhanh chóng.

52. We are quick to respond to significant changes in our competitors’ pricing structures.  
Chúng tôi ứng phó nhanh chóng với những thay đổi lớn về cấu trúc giá của đối thủ cạnh tranh.

53. When we find out that customers are unhappy with the quality of our service, we take corrective action immediately.  
Khi chúng tôi nhận ra rằng khách hàng không hài lòng với chất lượng dịch vụ của chúng tôi, chúng tôi sửa đổi ngay lập tức.

54. When we find that customers would like us to modify a service, the departments involved make concerted efforts to do so.  
Khi chúng tôi nhận ra rằng khách hàng muốn chúng tôi chỉnh sửa một dịch vụ, các bộ phận có liên quan sẽ cùng nhau cố gắng thực hiện.

Please indicate to what extent are you satisfied or dissatisfied with the following facets of your job (1 = extremely dissatisfied; 5 = extremely satisfied)

<table>
<thead>
<tr>
<th>Extremely dissatisfied</th>
<th>dissatisfied</th>
<th>Neutral</th>
<th>Satisfied</th>
<th>Extremely satisfied</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

142
1. Your overall job. & 1 2 3 4 5 \\
2. Your fellow staffs. & 1 2 3 4 5 \\
3. Your supervisor(s) & 1 2 3 4 5 \\
4. Your bank’s policies. & 1 2 3 4 5 \\
5. The support provided by your bank. & 1 2 3 4 5 \\
6. Your salary or wages. & 1 2 3 4 5 \\
7. Your opportunities for advancement with this bank. & 1 2 3 4 5 \\
8. Your bank’s customers. & 1 2 3 4 5 \\

Xin vui lòng chỉ ra mức độ hài lòng hay không hài lòng của anh/chị với những khía cạnh của công việc được liệt kê dưới đây bằng cách khoanh tròn 1 số duy nhất ở cột bên phải.

<table>
<thead>
<tr>
<th>Rất không đồng ý</th>
<th>Không đồng ý</th>
<th>Trung lập</th>
<th>Đồng ý</th>
<th>Rất đồng ý</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>

1. Công việc nói chung. & 2 2 3 4 5 \\
2. Đóng nghiệp. & 2 2 3 4 5 \\
3. Người quản lý. & 1 2 3 4 5 \\
4. Những chính sách của ngân hàng (đối với công việc). & 2 2 3 4 5 \\
5. Sự hỗ trợ của ngân hàng (đối với công việc). & 2 2 3 4 5 \\
6. Lương hay thu nhập. & 2 2 3 4 5 \\
7. Cơ hội thăng tiến ở ngân hàng này. & 2 2 3 4 5 \\
8. Khách hàng của ngân hàng này. & 1 2 3 4 5 \\

**Demographic question**

1. Gender: ☐ male ☐ female
2. Position: ..........................................................................................................................

3. Department: ....................................................................................................................

4. Age:
   - □ < 22
   - □ 22 - 35
   - □ 36 - 40
   - □ 41 – 45
   - □ 46 - 50
   - □ > 50

5. Education level: □ College degree □ Bachelor degree □ Master degree

6. How long respondent has been with this bank:
   - □ 1-5
   - □ 6-10

7. Years of experience in the banking industry
   - □ 1-5
   - □ 6-10

Câu hỏi nhân khẩu học

Xin vui lòng trả lời những câu hỏi dưới đây:

1. Giới tính của bạn là gì? Giới tính: □ nam □ nữ
2. Vị trí của anh/chị tại ngân hàng: ……………………………………………………………………………………………

3. Các anh/chị trực thuộc phòng/ban nào?
…………………………………………………………………………………………

4. Trình độ học vấn:

□ Cao đẳng     □ Đại học     □ Cao học

5. Các anh/chị bao nhiêu tuổi:

□ < 22
□ 22 - 35
□ 36 - 40
□ 41 – 45
□ 46 - 50
□ > 50

6. Các anh/chị đã làm việc tại ngân hàng bao lâu?

□ 1-5
□ 6-10

7. Các anh/chị đã làm bao nhiêu năm trong lĩnh vực ngân hàng?

□ 1-5
□ 6-10

Thank you for your cooperation!

Xin cảm ơn sự tham gia của các anh/chị!
QUESTIONNAIRE
Banking manager

Nguyen Ngoc Que Tran
DBA student – University of Western Sydney
Dear Respondent,

Thank you for participating in this research survey. It will take 5 to 10 minutes to complete this questionnaire.

The purpose of this research is to explore the opinion of banking managers relating to Internal Marketing

It will be greatly appreciated if you could provide responses to the given statements. While there are no ‘right’ or ‘wrong’ answers, your responses are important to this research and should reflect your own personal opinion. All information will be kept confidential. We appreciate your cooperation in this regard.

Please contact the undersigned for any further information regarding this study.

Thank you.

Ms. Nguyen Ngoc Que Tran

DBA student

University of Western Sydney

0909305248
Given below are a range of statements. On a scale of 1 to 5, these numbers represent the extent of your agreement or disagreement to the following statement. Please answer these statements by circling only one number of every line.

<table>
<thead>
<tr>
<th>Strongly disagree</th>
<th>disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>

Kính gửi anh/chị,


Xin vui lòng liên hệ số điện thoại dưới đây nếu có bất kỳ thắc mắc liên quan đến cuộc điều tra nghiên cứu này.

Xin cảm ơn.

Ms. Nguyen Ngoc Que Tran

DBA student

University of Western Sydney

0909305248

Ngày:

Ngân hàng:

148
Đưới đây là những phát biểu. Mức độ đánh giá từ 1-5, mỗi số sẽ đại diện cho mức độ đồng ý hay không đồng ý của anh/ chị với những phát biểu dưới đây. Xin vui lòng trả lời bằng cách **khoanh tròn một số duy nhất.**

<table>
<thead>
<tr>
<th>Phát biểu</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Khi ở nơi làm việc, tôi cố gắng tìm hiểu xem nhân viên mong muốn gì từ ngân hàng.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>2. Khi ở nơi làm việc, nếu tôi nhận thấy một trong những nhân viên của tôi có biểu hiện khác với bình thường, tôi sẽ cố gắng tìm hiểu nguyên nhân của sự thay đổi này.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>3. Khi ở nơi làm việc, tôi cố gắng tìm hiểu cảm xúc thật sự về công việc của nhân viên.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>4. Khi ở nơi làm việc, tôi thường xuyên trò chuyện với nhân viên để tìm hiểu về công việc của họ.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>5. Ở ngân hàng này, chúng tôi thường xuyên có những buổi thảo luận với các nhân viên về những gì họ mong muốn.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>

149
7. In this bank, management interacts directly with our employees to find out how to make them more satisfied.

8. In this bank, we do a lot of internal market research.

9. In this bank, we survey our employees at least once a year to assess the quality of employment.

10. In this bank, we often talk with our survey people to identify influences on our employees’ behavior (e.g. unions, colleagues, customers).

11. In this bank, I regularly meet with all my staff to report about issues relating to the whole organization.

12. In this bank, I regularly report back to my staff about issues that affect their working environment.

- a year to find out what expectations they have of their jobs for the future.
- O ngân hàng này, các cấp quản lý thường gặp nhân viên ít nhất một năm một lần để tìm hiểu nguyện vọng về tương lai công việc của họ.

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td>In this bank, management interacts directly with our employees to find out how to make them more satisfied.</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>In this bank, we do a lot of internal market research.</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>In this bank, we survey our employees at least once a year to assess the quality of employment.</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>In this bank, we often talk with our survey people to identify influences on our employees’ behavior (e.g. unions, colleagues, customers).</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>In this bank, I regularly meet with all my staff to report about issues relating to the whole organization.</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>In this bank, I regularly report back to my staff about issues that affect their working environment.</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
13. In this bank, we have regular staff meetings with employees all levels attending.
   Ở ngân hàng này, chúng tôi thường xuyên có những cuộc họp với toàn thể nhân viên.

14. In this bank, when we find out that employees are unhappy with our supervision or management, we take corrective action.
   Ở ngân hàng này, khi chúng tôi nhận thấy nhân viên không hài lòng với sự giám sát hay quản lý của chúng tôi, chúng tôi sẽ sửa doi.

15. In this bank, when we find that employees would like us to modify their conditions of employment, the departments make concerted efforts to do so.
   Ở ngân hàng này, khi chúng tôi nhận thấy nhân viên muốn thay đổi điều kiện tuyển dụng, các phòng ban sẽ cùng nỗ lực thực hiện sự thay đổi này.

16. In this bank, we make changes to what we do (such as hours of work, providing training, individualized rewards system) when employee feedback indicates that they are dissatisfied with the status quo.
   Ở ngân hàng này, chúng tôi thay đổi những điều chúng tôi đang làm (ví dụ: thời gian làm việc, đào tạo, lương, thưởng) khi sự phản hồi của nhân viên chỉ ra rằng họ không hài lòng với tình trạng hiện tại.

Demographic questions

1. Gender: □ male □ female

2. Position:

3. Department:

4. Education level: □ College degree □ Bachelor degree □ Master degree □ PHD degree
5. Age:
   - 22 - 35
   - 26 - 40
   - 41 - 45
   - 46 - 55
   - >55

6. How long respondent has been with this bank:
   - 1 - 5
   - 6 - 10

7. Years of experience in the banking industry
   - 1-5
   - 6 - 10

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Câu hỏi nhận khẩu học: Xin vui lòng trả lời những câu hỏi dưới đây:


9. Vị trí của anh/chị tại ngân hàng?: ........................................................................................................

10. Các anh/chị trực thuộc phòng/ban nào?: ...................................................................................................

11. Trình độ học vấn: □ Cao đẳng □ Đại học □ Cao học

12. Các anh/chị bao nhiêu tuổi:
   - 22 - 35
   - 36 - 40
   - 41 – 45
13. Các anh/chị đã làm việc tại ngân hàng này bao lâu?

☐ 1-5
☐ 6-10

14. Các anh/chị đã làm bao nhiêu năm trong lĩnh vực ngân hàng?

☐ 1-5
☐ 6-10

Thank you for your cooperation!
Xin cảm ơn sự tham gia của các anh/chị!
# APPENDIX 5

## Items after Removing Items Due To Both Low Cronbach Alpha & Low Factor Loading

<table>
<thead>
<tr>
<th>Construct</th>
<th>Original items</th>
<th>Removed items due to low Cronbach alpha</th>
<th>Items after removing items due to low Cronbach alpha</th>
<th>Removed items due to low factor loading</th>
<th>Items after removing items due to both low Cronbach alpha &amp; low factor loading</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Employee commitment</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Affective commitment</td>
<td>AC1: I would be very happy to spend the rest of my career with this bank.</td>
<td>AC2, AC4-Rec</td>
<td>AC1, AC3, AC5-Rec, AC6-Rec, AC7, AC8-Rec</td>
<td>AC1, AC3, AC5-Rec, AC6-Rec, AC7, AC8-Rec</td>
<td>AC1, AC3, AC5-Rec, AC6-Rec, AC7, AC8-Rec</td>
</tr>
<tr>
<td></td>
<td>AC2: I enjoy discussing my bank with people outside of it.</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>AC3: I really feel this bank's problems are my own.</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>AC5-Rec</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>AC5-Rec</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>AC6-Rec</td>
<td></td>
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<tr>
<td></td>
<td>AC7: This bank has a great deal of personal meaning for me.</td>
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<td></td>
<td></td>
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<tr>
<td></td>
<td>AC8-Rec</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td><strong>Continuance commitment</strong></td>
<td></td>
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<td></td>
</tr>
<tr>
<td></td>
<td>CC1-Rec</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>CC2: It would be very hard for me to leave my bank right now, even if I</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>wanted to.</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>CC3: Too much of my life would be disrupted if I decided to leave my bank</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>now.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
CC4-Rec
CC5: Right now, staying with my bank is a matter of necessity as much as desire.
CC6: I feel that I have too few options to consider leaving this bank.
CC7: One of the major reasons I continue to work for this bank is that leaving would require considerable personal sacrifice - another bank may not match the overall benefit I have.

**Normative commitment**

| NC1: I think that people these days move from bank to bank too often. | NC1, NC8-Rec, NC3-Rec, NC4, NC5, NC6, NC7 |
| NC2-Rec | NC2-Rec, NC3-Rec, NC4, NC5, NC6, NC7 |
| NC3-Rec | NC2 Rec, NC3-Rec, NC4, NC5, NC6, NC7 |
| NC4: One of the major reasons I continue to work for this bank is that I believe that loyalty is important and therefore feel a sense of moral obligation to remain. | NC2-Rec, NC3-Rec, NC4, NC5, NC6, NC7 |
| NC5: If I got another offer for a better job elsewhere I would not feel it was right to leave my bank. | NC2-Rec, NC3-Rec, NC4, NC5, NC6, NC7 |
| NC6: I was taught to believe in the value of remaining loyal to one organization. | NC2-Rec, NC3-Rec, NC4, NC5, NC6, NC7 |
| NC7: Things were better in the days when people stayed with one bank for most of their careers. | NC2-Rec, NC3-Rec, NC4, NC5, NC6, NC7 |

**External market orientation**

**Intelligence generation**

<p>| IG1: In this bank, we meet with customers at least once a year to find out what products or services they will need in the future | IG7, IG9 |
| IG2: Front offices interact directly with customers to learn how to serve | IG1, IG2, IG3, IG4-Rec, IG5, IG6, IG8-Rec |</p>
<table>
<thead>
<tr>
<th>Intelligence dissemination</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ID1</strong>: A lot of informal &quot;hall talk&quot; in this bank concerns our competitors' tactic or strategies.</td>
</tr>
<tr>
<td><strong>ID2</strong>: We have interdepartmental meetings at least once a quarter to discuss market trends and developments.</td>
</tr>
<tr>
<td><strong>ID3</strong>: Marketing personnel in our bank spend time discussing customers' future needs with other functional departments.</td>
</tr>
<tr>
<td><strong>ID4</strong>: Our bank periodically circulates documents (e.g., reports, newsletters) that provide information on our customers.</td>
</tr>
<tr>
<td><strong>ID5</strong>: When something important happens to a major customer of market,</td>
</tr>
</tbody>
</table>

**IG3**: In this bank, we do a lot of in-house market research. (not asking for the research company)  

**IG4**: We are slow to detect changes in our customers' product preferences (R).  

**IG4-Rec**  

**IG5**: We poll customers at least once a year to assess the quality of our products and services.  

**IG6**: We collect industry information through informal means (e.g., lunch with industry friends, talks with trade partners).  

**IG7**: In our bank, intelligence on our competitors is generated independently by several departments.  

**IG8**: We are slow to detect fundamental shifts in our industry (e.g., competition, technology, regulation) (R).  

**IG8-Rec**  

**IG9**: We periodically review the likely effect of changes in our business environment (e.g., regulation) on customers.
the whole bank knows about it within a short period.
ID6: Data on customer satisfaction are disseminated at all levels in this bank on a regular basis.
ID7: There is minimal communication between marketing and other departments concerning market developments
ID8: When one department finds out something important about competitors, it is slow to alert other department.
ID8-Rec

<table>
<thead>
<tr>
<th><strong>Response design</strong></th>
<th>RD1: It takes us forever to decide how to respond to our competitors' price changes (R).</th>
<th>RD3-Rec</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>RD2: Principles of market segmentation drive new product development efforts in this bank.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>RD3: For one reason or another we tend to ignore changes in the customers' product or service needs. (R).</td>
<td></td>
</tr>
<tr>
<td></td>
<td>RD3-Rec</td>
<td></td>
</tr>
<tr>
<td></td>
<td>RD4: We periodically review our service development efforts to ensure that they are in line with what customers want.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>RD5: Our business plans are driven more by technological advances than by market research. (R).</td>
<td></td>
</tr>
<tr>
<td></td>
<td>RD5-Rec</td>
<td></td>
</tr>
<tr>
<td></td>
<td>RD6: Several departments get together periodically to plan a response to changes taking place in our business environment.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>RD7: The services we sell depend more on internal politics than real market needs (R).</td>
<td></td>
</tr>
<tr>
<td></td>
<td>RD7-Rec</td>
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RD4
RD1-Rec, RD2, RD3-Rec, RD5-Rec, RD6, RD7-Rec
| **Response Implementation** | RI1: If a major competitor were to launch an intensive campaign targeted at our customers, we would implement a response immediately.  
RI2: The activities of the different department in this bank are well coordinated.  
RI3: Customer complaint falls on deaf ears in this bank (R).  
RI3-Rec  
RI4: Even if we came up with a great marketing plan, we probably would not be able to implement it in a timely fashion (R).  
RI4-Rec  
RI5: We are quick to respond to significant changes in our competitors' pricing structures.  
RI6: When we find out that customers are unhappy with the quality of our service, we take corrective action immediately.  
RI7: When we find that customers would like us to modify a service, the departments involved make concerted efforts to do so. | RI1, RI5, RI6, RI7 | RI1, RI5, RI6, RI7 | RI2, RI3-Rec, RI4-Rec. |
| **Job satisfaction** | JS1: You are satisfied with your overall job.  
JS2: You are satisfied with your fellow staffs.  
JS3: You are satisfied with your supervisor(s)  
JS4: You are satisfied with your bank's policies.  
JS5: You are satisfied with the support provided by your bank.  
JS6: You are satisfied with your salary or wages.  
JS7: You satisfy with your opportunities for advancement with this bank.  
JS8: You are satisfied with your bank's customers. | | | |