

ABSTRACT

This study aims to determine the effect of application of internal marketing on organizational performance using the mediating role of organizational competencies. This study empirically evaluates the internal marketing as a framework for implementing marketing strategies. Internal marketing variables that are used in this study are strategic rewards, senior leadership, internal communication and training and development as an independent variable. Dependent variable in this research is the organizational performance with the organizational competencies organization involves as intervening variable that mediates internal marketing to organizational performance.

Primary data were collected, using questionnaires of 56 respondents who are active members who worked on PBOX HIV / AIDS in Indonesia AIESEC. Two regression models were used to analyze the data. The results of the first model regression analysis, showed that all variables of internal marketing (strategic rewards, senior leadership, internal communication and training and development) significantly affect the competence of the organization. The second model of regression analysis, showed that organizational competences significantly affect organizational performance.

From the analysis showed that all of the fourth variables of internal marketing influence variable organizational performance with the mediation of variable organizational competences, variable training and development is factor that has the strongest influence. It can be concluded that more consistent and better training and development program, then the strategy internal marketing can performed well and be successful.

Keywords : Internal Marketing, Organizational Performance, Organizational Competences, Strategic Rewards, Senior Leadership, Internal Communication, and Training and Development