

Application of Internal Market Orientation Activities and ISO 9001 Standard in Hotel Corporations as a Precondition of Successful Business Processes

Matina Gjurasic

Libertas University, Croatia *matina_durovic@yahoo.com*

Ivana Skarica

Teaching Institute of Public Health of Primorje-Gorski Kotar County, Croatia ivanaskarica969@gmail.com

Abstract. In a dynamic and turbulent business environment, companies struggle every day to obtain and maintain positions on the market and to achieve competitive advantage. Business process management improves competitiveness and the degree of the company's innovativeness, which in turn leads to faster and more flexible reactions of the company to the fluctuating market conditions. Quality is an important element of competitiveness in all business domains, of which there is evidence in the increasing implementation of the international standard for quality assurance ISO 9001. Modern hotel management business stands out from other related activities in the service sector. To provide high quality service, the hotel primarily must have skilled, motivated and satisfied staff. Managers are the ones who are responsible for achieving the internal quality of service, which results in the guest's satisfaction and the hotel's overall business success. The best possible way to motivate, direct, educate and achieve results would be through applying marketing activities, i.e. internal market orientation. A large number of organizations and scientists point out that the implementation of internal marketing. i.e. internal market orientation, is an efficient way to achieve and enhance employees' loyalty towards the company, as well as to achieve and enhance greater satisfaction of the clients, which is also the basic requirement of the ISO 9001 standard. Despite that, there is only a small number of authors who indicate the specific activities of internal marketing and its application in the business process management in hotel corporations. Most scientific papers relate internal marketing to human resources management and provide descriptions such as motivation, loyalty, authorization of employees and similar.

The purpose of this text is to explore and to define the relevant theoretical characteristics of the notion of quality, the concept of business process management as well as the concept of internal market and the activities of the hotel company's internal orientation. The purpose of the article is to also emphasize the importance of the application of internal market orientation and the international ISO standards with the purpose of achieving quality and increasing the efficiency of the hotel business processes. The first part of the text explains the concept of business process management and names the key business processes within a hotel company. The emphasis of the concept of internal marketing and its activities follows, in order to increase the efficiency of the business processes. With regards to internal market activities the following should be highlighted: recognizing the exchange of values and the segmentation of the internal market; strengthening the internal communication, manager's care and employee education and training, as well as establishing a balance of personal and professional life. The end of the text highlights the factors of achieving hotel company competitiveness, which are the quality and the application of the ISO 9001 standard. The data for this publication is gathered using the desk research method and utilizing the already existing literature and scientific text publications on the management of the internal marketing business processes, quality and the international ISO 9001 standard. The historical method is used to display the development and the explanation of the current stance on the terms in question and the descriptive method is used to represent the specifics of individual terms of the research performed so far. This text is a theoretical base for future empirical



research on the influence of the internal marketing activities and the international ISO 9001 standard application on the efficiency increase and the business process quality in hotel companies.

Keywords: business process management, internal market orientation, ISO 9001, hotel

1 Business process management

With the current conditions of global competitiveness, the companies are forced to grow, develop and to maintain their competitive advantage by constant innovation and delivery of values to the consumers, which are superior to those offered by their competitors, where the quality of service plays the key role. In order to achieve these goals, efficient and innovative business processes are necessary and these are accomplished by accepting the process approach as the key element of doing business. According to Harrington (1991.), Martin (1994.) and Davenport (1993.), a business process is a string of logically connected activities which use company's resources to satisfy the buyers' needs for products or services of specific quality and price within an acceptable time frame, while simultaneously accomplishing a specific value (Bosilj Vukšić and Kovačić 2009, 49). Khan (2003, 15) emphasizes that business processes are like the nervous system of a company and their management is of outmost importance. Business processes gather information on the status and the needs of the employees and the buyers of the company and process the information in the way that certain actions are taken in order to meet those needs.

In this context Bosilj Vukšić, Hernaus and Kovačić (2008, 44) emphasize that every business process has a purpose, a beginning and an end which consists of sequentially performable activities which are structured and require constant improvement. This kind of process asks for a process owner who identifies all the activities and process resources in order to understand the process functioning. The process owners play an important role because they possess business demands and available resources. Upon defining the activities, the process owners put chosen employees into teams and lead them in their task of focusing on consumers and constantly adding on to the present value. It is important to highlight that throughout the entire business process, process owners constantly monitor both the process and the results with the purpose of continuous quality improvement. The Gartner consulting house states that the benefits of business process management are threefold: it saves time, money and generates value. Furthermore, business process management is strategically expanding and is assuring competitive advantage. Finally, business process management simultaneously provides a company with a short term investment revenue and long term value on invested capital (Bosilj Vukšić, Hernaus and Kovačić 2008, 44).

In the very beginning this term, both in science and practice, focused on the technical aspects, that is the business process design with the help of information technology (Reijers 2003, 18). It has only been in the last few years that the researchers have started to look at business process management as an integrated approach which is not solely technology-oriented. In regard to this, DeToro and McCabe (1997, 55-60), introduce the holistic view of business process management which differs from the traditional hierarchical and functional approach. The holistic approach includes organizational aspects of process management, which are oriented towards the idea of the processes as the key core with which business is conducted, accompanied by the corresponding technology and employee support.

1.1 The process approach – business process orientation

According to the business approach, or the horizontal view, business processes present the core of a specific company's operations. Garvin (1998.), cited in Bosilj Vukšić, Hernaus and Kovačić (2006, 7), explains the process approach as the connection between activities, making the managerial job more



rational and clear. Bosilj Vukšić, Hernaus and Kovačić (2008, 7) also state that M. E. Porter could be considered the actuator of shifting the focus to business processes. In the 1985 book *Competitive Advantage: Creating and Sustaining Superior Performance*, Porter laid out the concept of a company as a chain of values (Bosilj Vukšić, Hernaus and Kovačić 2008, 30). This chain entails multiple business processes, from new product development to ordering and selling the product to the buyer and the support upon closing the sale. According to Porter, the chain of values consists of primary and secondary activities. All secondary activities must be included in the unique value chain even though they are not generating direct value for the company, but remain necessary for its operations (Palačić 2009, 7).

Besides M.E. Porter, mentioned authors also presented a theoretical definition of business processes oriented organization (Bosilj Vukšić, Hernaus and Kovačić 2008, 22-23):

- W.E. Deming An organization that views a company as a collection of processes which need to be understood, stabilized and improved.
- T.H. Davenport An organization that emphasizes the horizontal view on conducting business, which intersects the organization with the product inputs at the beginning and the outputs and consumers at the end.
- P. Ducker An organization that is based on task-oriented teams which connects activities or processes going beyond the old traditional line and end with the consumer.
- M. Hammer An organization which focuses on a collection of inter-functional activities (processes) which use one or more inputs and create an output representing value for a consumer.
- E.H. Melan An organization which views its operations as a collection of interconnected work tasks with prescribed inputs and outputs.
- V. Grover and sur. An organization which is based on process oriented structure, measures, reward system and resource distribution.

Even though the aforementioned definitions differ amongst each other, what they have in common is the stance that a process-oriented company in the entirety of its functioning highlights the process as the opposition to the hierarchies with a special emphasis on outputs and consumer satisfaction. These types of companies assure better communication with the employees, encourage team work, and the information sharing and activity coordination occur on the horizontal level, which makes the process faster and more efficient. The employees are also more adaptable to change. They are no longer controlled, but guided and developed in order to assume greater responsibility and achieve common goals, as well as to increase efficiency for which they would be rewarded. During the process, the activities which fail to generate value are removed, and the primary driver and the measure of success rate is a satisfied consumer (Bosilj Vukšić, Hernaus and Kovačić 2008, 52).

In order to develop the aforementioned model of conducting business, a new way of thinking is necessary, which is called *business process orientation* (McCormack and Johnson 2001, 25). It is important to note that process orientation is not a synonym for organizational structure, but assumes the understanding of the course of conducting business and it is but a first step towards the process-oriented organizational structure. Transferring to process orientation further requires the change of managerial practice, because common management styles are not applicable to the business process-oriented companies. This is because the managers should not give orders to their employees and control them, but motivate them to work and cooperate. Every individual is valued based on his or her competencies, skills and knowledge, and is adequately rewarded according to the predetermined criteria, for successfully implementing a business process. This practice guarantees the employee will remain interested in the success of the entire business process (Bosilj Vukšić, Hernaus and Kovačić



2008, 46). By utilizing team reward system, the interests of individual team members are connected and aligned with the success of the entire organizational system (Galbraith, Lawler et al. 1993, 132).

1.2 The business processes of a hotel company

Business processes, being one of the important elements of hotel management, entail the organization of the human and physical resources within a company, as well as the job and task distribution within a department or between different departments (Burton, Obel and Desanctis 2011, 203). In order to form an organization structure, every company forms its own horizontal structure which is aligned with its business processes. H. Mintzberg (1979.) cited in Bosilj Vukšić, Hernaus and Kovačić (2008, 66), suggests a model of process organizational structure with the following elements:

- The operative section: consisting of mid-level executive employees at the lowest level of hierarchy
- The mid section: consisting of mid-level managers whose task is to strategically connect the operative section
- The techno structure (centers of excellence): these are experts with a great deal of authority due to their high professional level or the level of knowledge, even though they remain outside of the formal management structure.
- The headquarters section (supporting business functions): with the task of helping the line manager by providing primarily administrative support.

A hotel company has its own horizontal structure which is aligned with the business processes needing to be continuously maintained and controlled. The first step, however, is to determine the key business processes which create value within a company, which are, in the context of a hotel company, the offer of high quality service and a satisfied guest. These types of business processes need to be constantly monitored and improved. In order to assure the most efficient way of determining potential improvements, it is necessary to measure the success of business processes before and after the improvement. Otherwise, any form of comparison of the changes in circumstance will not be possible. Apart from the key business processes there are also managerial or management processes and the supporting business processes (Ould 1995, 2-3). Business processes with the purpose of directing and managing the company are integrated in the managerial or management business processes. They are most often conducted by managers of the highest level in order to set organizational goals and develop and implement a strategy with the purpose of reaching goals and managing the business conducting success. The supporting business processes are aimed at generating satisfaction of the internal users – the employees of the hotel. It is important to note that these processes have an indirect influence via their employees on generating added value for the guest. All of the aforementioned business processes occur simultaneously with the hotel company's process structure framework. This string of activities mutually connected in a chain, begins at a hotel company by determining the needs a guest might have during his or her trip until they return home, with the goal of having all of his or her needs met (Cerović 2003, 415).

2 Internal marketing

The basic idea and the concept of internal marketing is derived from various activities within a company which have as their main goal getting to know their products, i.e. services, and developing orientation towards the buyer, with all of the employees of a certain company. Both in the service and the manufacturing activities, the role and the relationship between the employees within a company are of vital importance because it is their work and behavior that influence both the service and the overall quality of a specific product or a service (Paliaga, Strunje et al. 2010, 216).



2.1 The concept of internal marketing

The concept of internal marketing emerged during the 1970s, as the solution for those companies which wanted to offer a more competitive service to their users. Berry (1981, 27) states that internal marketing represents the application of marketing skills, tools, methods and techniques within a company, in order to achieve the synergic functioning of all the employees in line with the basic goals, mission and strategy of the company. An employee is the internal client of the company. By applying internal marketing, the employees are analyzed, segmented and motivated to do their job (Grönroos 1990, 71). It is a process by which the company is continuously developing its employees and their understanding of the organization, and the vision and the values it represents (Paliaga, Strunje et al. 2010, 211). Piercy and Morgan (1991, 86) suggest applying the marketing principles as well as the 4Ps (Price, Product, Place, Promotion) to the internal market. Rafig and Ahmed (1993, 215), however, disagree with the definition of the product (which within the internal marketing framework represents the job of the employee) claiming that an external buyer can choose the product he or she is buying, while the employee has to accept a job delegated to him or the one closest to his professional profile. They further disagree with the relationship towards the internal buyer, better say, they disagree with equalizing the employee's role with that of the buyer (who is like "the king" and is always right). On the other hands, they do agree with the basic stance that a disgruntled employee cannot meet the buyer's needs. For this reason, Foreman and Money (1995, 758) believe it is absolutely essential to integrate the management activities of the HR department into the internal marketing process. The important difference between the HR management and the internal marketing is the communication (Collins and Payne 1991, 48). While the HR management is focused on processes and programs through witch goals should be reached, internal marketing is focused on the way in which one transfers messages and information on the activities and the programs which are designed within HR management.

In the 1990s literature, the works of Kohli and Jaworski (1990, 3) as well as Narver and Slater (1990, 28) call the application of the marketing conception in conducting business, the market orientation. Kohli and Jaworski (1990, 6) define the internal market orientation as the application of a marketing conception within a company with its employees. These authors, however, think differently of the market orientation. Kohli and Jaworski (1990, 6) define the market orientation in terms of organizational behavior, i.e. the activities related to conducting business according to the principles of the marketing concept, while Narver and Slater (1990, 27) look at it in terms of organizational culture. Kohli and Jaworski (1993, 61) highlight three groups of activities which comprise the market orientation: generating the monitoring and the understanding of the market, exchanging information between departments and meeting the needs and the wishes of the employees who will then transfer their satisfaction to the guest. An important role in internal market orientation application is played the company leaders who have to be included in the process and encourage the employees to offer high quality service (Mishra and Sinha 2014, 677).

2.2 The activities of the internal marketing

A large number of organizations and scientists point to internal marketing as an efficient way of achieving an increase in the loyalty of employees to the company, as well as an increase in client satisfaction (Berry and Parasuraman 1992, 24; Kotler 1998, 78). Despite this, the number of authors who mention specific activities of the internal marketing is low. Internal marketing comes down to developing activities which are similar to the activities of external marketing and its goal is to motivate the people who are included in the work of the organization and to direct them in the way they are always market-oriented. Internal marketing applied within the domain of HR management, looks at the employees of the organization as a market which needs to be analyzed, segmented and offered an appealing product, one which does consist solely of a satisfying workplace and salary, but



also entails an expectation of a higher work affect and an integration with the goals of the organization (Grönroos 1984, 31). The internal exchange between companies and its employees must function efficiently before the company can become successful in achieving the external market goals. The behavior and the attitudes of the employees affect the quality of the service provided to the guest; therefore it is important for the company to firstly satisfy the needs of the employees who will then offer high quality service to the guest. Internal marketing has different degrees of application; it utilizes the measures such as strengthening internal communication; selection, education and development of the employees; motivation, rewarding and keeping the employees as well as employee assessment (Akroush, Abu-ElSamen et al. 2013, 314) and with these measures they accomplish results on the internal and the external market such as satisfaction and dedication of the employees, satisfaction of the consumers and the profitability and business success (Tsai and Tang 2008, 1120).

The application of the internal marketing such as: recognizing the value exchange and segmenting of the internal market; strengthening the internal communication, the leader's care, education and training of the employees, achieving balance of the personal and the professional life is the prerequisite for the hotel managers at their hotel companies (Ruizalba et al. 2014,13). The recognition of the value exchange and the segmentation of the internal market are of great importance within a company. The relationship between employees in a hotel company and the values exchange, i.e. the psychological aspects, are of key importance when it comes to achieving results which are measured by the intensity of motivation, satisfaction, professionalism, etc. Furthermore, the internal market segmentation must be carried out since people differ amongst each other and the management has to find an acceptable way for every employee if they want the best possible degree of efficiency from the person. In this respect, Jobber (1995, 73) suggests categorizing them into sympathizers – the employees who support change, neutral employees who do not have an attitude in regard to changes within the company, and the anti-change employees. In order to achieve connection and the functioning of the company as a whole, formal and informal communication amongst employees is important (Tsai and Tang 2008, 1122). The communication within the company entails the flow or the exchange of information in order to raise awareness and sensibility of the employees to act according to demands which the company sets out for them. The instruments of communication with the employees can also be internal newspaper, message boards, brochures, education, and meetings. The employees can also communicate with the managers via polls, suggestions, meetings and dealing with the complaints of Došen and Prebežac 2000, 51). The basic task of every manager is to analyze the employees (the surroundings, recognize the trends and adjust conducting the business in accordance with the aforementioned. With their experience and knowledge they can help the employee and show him or her how to complete their work tasks in the most efficient and successful way. It is important for the managers to possess several characteristics including staying calm in crisis situations, the willingness to talk and help the employees, good inter-human relationships with the authority in respect to their position. As for the employees, it is important for them to be able to follow directions of their superiors and to be aware of the goals they must and wish accomplish. Conversation and mutual assistance, as well as advising, should remove any possible problem and obstacle between the manager and the employee. Monitoring in most large business projects is absolutely necessary, since it prevents the employees to become too relaxed, and provides the information on which specific phase of work the employee is in and whether he or she is abiding by the time guidelines set in the previous phase. In a good environment an employee will not experience the pressure from his or her superiors because of the pressing debts, but will understand his or her superior's good intentions of helping him in managing the task. Managers should also dedicate more time to employees who display unsatisfactory results and should constantly monitor their progress, behavior, skills and interactions with other team members. The grade the manger gives to the employee should not be a surprise for them, because this would imply the lack of good communication between the manager and the employee (Zeithaml and Bitner 1994, 41). One of the important elements in job satisfaction is achieving the balance between private and professional obligations. Examples of such activities whose importance has been



recognized by companies are: flexible work time, a kindergarten within the company and similar activities (Thompson and Prottas 2005, 109). From all of the above we can deduce that with the application of the internal marketing activities one can enhance employee satisfaction that will then provide high quality service to the guests, and with this the increase of business process efficiency within a hotel company will be achieved.

2.3 Internal marketing in the function of increasing the efficiency of business processes in a hotel company

Internal marketing is relevant important for all companies, but is of key importance when it comes to activities regarding people, such as service industry. It could be said that the starting point of internal marketing is in the service industry because this is where the interactive process highlighting all of the employees' characteristics and with this the characteristics of an entire company, is the strongest. Ozretić Došen and Prebežac (2004, 29) state that internal marketing in service industry companies presents a marketing concept of conducting business entailing many very different activities within a company, whose goal is to develop the orientation towards the service and the user with all of these employees. They further state that in service industry the employees are of key importance because their work presents an integral, inseparable part of the service. This is exactly why the internal marketing experts highlight the employee and his or her needs in order to achieve the ultimate success. Internal quality is the basis of improving the modern way of conducting business (Marshall, Baker and Finn 1998, 77). Many authors (Jaworsky and Kohli 1993, 57) who studied the consequences of internal marketing and its influence on individual elements, agree that it offers a positive influence on business results of the company in regard to development of abilities both the basic ones that encourage creating competitive advantage (Narver and Slater 1990, 24) as well as those related to organizational studying (Morgan, Katsikeas and Appiah – Adu 1998, 363) and to the consumers' and employees' reactions (Jaworsky and Kohli 1993, 61).

Employees, in companies in which internal marketing activities are applied and which possess market orientation, feel devotion to the company and all its values and they wish to positively contribute, through their work, to its success (Peccei and Rosenthal 2000, 574). Ruizalba et al. (2014, 16) have proven within the research on internal market orientation in hotel industry, that achieving the balance of business and family life as an aspect of internal market orientation is connected in a positive manner with the feeling of the employee's dedication to the company. From the aforementioned research one can conclude that internal marketing promotes positive behavior with the employee, which can result in the increase of business processes in hotel industry.

3 Quality – a factor of competitiveness of the hotel company

A hotel company is a complex organizational system which performs the catering and hotel activity in shifting internal and external conditions of the tourism market in order to gain profit and accomplish business goals (Cerović 2003, 105). It is because of the increase of competitiveness of the hotel sector, why special attention should be devoted to the factors that could influence the increase of its competitiveness, where the quality stands out.

3.1 Quality and competitiveness

Quality presents the level of satisfying and exceeding the needs and demands of the consumers, i.e. the compliance with their ever-growing demands and expectations. The quality is best illustrated with the slogan ,,we grant your wishes in advance" (Avelini Holjevac 2002, 43). The idea that quality is not defined by the manufacturer but by the buyer, originated in Japanese companies. Up until then, the American management was of completely different convictions. They thought that the quality of a



product is measured by how much money was spent to manufacture it. It was not until the 70s that the American companies became aware of the aforementioned fact when hit by the Japanese competition started to drastically lose their market share.

Because of these facts, during the 1980s, quality became a global topic in the context of sustainable competitive advantage. Until then the emphasis was on productivity which was the main indicator of the business success in a specific company.

Another definition which stands out is the one by famous quality guru - Joseph M. Juran, who defines quality as suitability for usage (Juran and Gryna 1999, 3). Quality also entails a company's strategy, the way in which active human participation is encouraged based on inclusion of responsibilities of each individual (Skoko 2000, 9) because every individual should be incorporated in quality in order to achieve success.

Quality is much more than stated above, but one can correctly conclude that all of the definitions about quality contain buyer/guest satisfaction as their basis, as it has always been and as it remains ("buyer/guest is a king").

In a hotel company the key to achieving the competitive advantage is the quality of service (Skoko 2000, 17). Service is an activity or a benefit one party can offer to another one. According to Kotler and Amstrong (1991, 19) it is usually impalpable and does not result in ownership of anything. The quality of the service depends on the quality of the service provider and the quality of the way in which it is offered. High quality service is achieved through employee training and motivation. Highly motivated, educated, professionally trained and devoted employees create and maintain the quality of service with both, their superiors and their colleagues, as well as their guests (Clark, Hartline and Jones 2009, 217). Without the active participation of all of the employees and the managerial support on all levels for offering a high quality product and service, there is no success within the company. Pleasant work atmosphere, the possibility of perfecting and progress, the relationship of the managers towards the staff and permanent employment are the remaining factors which motivate an employee to work, direct him or her and determine the intensity and duration (Oakland 2011, 521). The leaders' care, internal communication between the employees, training and steering the employees towards providing a high quality service for the internal guests (colleagues), as well as for the external guests are all integral to maintain and improving the internal quality of the service.

3.2 Quality management in a hotel company

It is a well known fact that quality is one of the main preconditions for success in all areas of business. Because of its nature as a service industry; hotel companies with an everyday mission to deliver the highest quality of service to their guests, should be especially dedicated to quality, or better said, to implementation of quality management system in their business. In recognition of this fact, continuous efforts are being made all over the world to improve the quality of the service sector.

One of the most popular quality management systems in the world is ISO 9001 standard. The ISO 9001 certificate proves that the company in possession of it respects all the international and national quality standards. Correctly completed and implemented quality management system brings certain internal and external advantages to the company. However, it is necessary to emp

(2013, 2), the research carried all over the world show positive influence of ISO 9001 on business performances. Ingram and Daskalakis (1999.) and Costa (2004.) state that quality has become a key factor in the hotel business practice due to increased competitiveness. Nield and Kozak (1999.) come to the conclusion that the implementation of ISO 9001 brings numerous advantages in terms of operations, i.e. improves systems operations and



reduced costs, marketing and increased consumer satisfaction, increased competitiveness, higher nation-wide recognition, human resource management, increased employee satisfaction and decreas 2013, 2). Most studies "suggest that ISO certification should help a company improve operations, strengthen marketing and boost staff morale". Clever et al. (2009.) assure that quality certification in hotel is an important strategic option because it may facilitate the development of key factors and may have an impact on the firm's performance (Vasconcelos-Vasquez et al. 2011, 545).

Quality management systems – Requirements, better known as the ISO 9001 standard, specifies requirements for a quality management system where an organization needs to demonstrate its ability to consistently provide a product that meets customer and applicable regulatory requirements and aims to enhance customer satisfaction through the effective application of the system, including processes for continual improvement of the system and the assurance of conformity to customer and applicable regulatory requirements (Vrtodušić Hrgović and Puklavec 2013, 2). Established business management system according to these standard principles is the basis for continuous improvement. According to Beech and Chadwick (2006, 232), examples of hotels and other tourism-related organizations that have developed quality management system based on ISO 9001 requirements and which have obtained the ISO 9001 certificate, clearly indicate that this is a worthwhile activity that produces a range of direct and indirect benefits for an organization, particularly if the ISO 9001 system embraces all aspects of the firm's activity.

4 Conclusion

In a hotel company, the quality of the products and services depends on the knowledge, skills, experience, appearance, behavior and other characteristics of the employees of that company. Educated, professionally trained, highly motivated and devoted employees create and maintain a quality which effects the guests' satisfaction and the success of the hotel. In order to achieve a high level of products and services, it is necessary to have content employees because they are the only ones who can create good relationships with the guests and offer a higher level of service. The relationship towards the guests depends on how the employees feel in their work place. The aforementioned research shows that the success of the internal quality of service depends on the successful application of internal marketing within the company and its activities, as well as the application of the quality system principles. This is the best way to offer quality to the employer, which will then be passed on to the guest. The work of a satisfied employee raises the level of productivity of a hotel company which contributes to the competitiveness of the company. The employees should constantly be encouraged to produce high quality work. This is possible only if the set goals are clearly communicated to them, if the business processes and their roles in those processes are defined, and feedback about the results (how well or badly something is done) is assured. By doing this, continuous learning of the employees and the improvement of the process are assured. Participation of employees entails their involvement, but also the responsibility for finding the possibility of continuous improvement on both the individual and team basis. When an employee is authorized to start taking responsibility for specific jobs, make decisions and improve business processes, it makes them feel more included and they wish to achieve better work results. From the aforementioned, one can conclude in this text that the application of the activities of the internal marketing and the international ISO 9001 standard which offer their employees the understanding of the concept of quality, has an influence on the increase of efficiency and quality of the business processes within a hotel company.



References

- Akroush, M., Abu-ElSamen, A.A., Samawi, G.A. and A.L. Odetallah. 2013. 'Internal marketing and service quality in restaurants.' *Marketing Intelligence & Planning* 31(4): 304-336.
- Avelini-Holjevac, I. 2002. *Upravljanje kvalitetom u turizmu i hotelskoj industriji*. Opatija: Fakultet za ki i hotelski me ilište u Rijeci.
- Barjaktarovic, D. 2013. *Upravljanje kvalitetom u hotelijerstvu*. Beograd: Univerzitet, Singidunim Beograd.
- Beech, J.G., and S. Chadwick. 2006. *The Business of Tourism Management*, Harlow: Pearson Education Limited.
- Berry, L. 1981. 'The employee as customer.' Journal of Retail Banking, 3: 25-28.
- Berry, L., and A. Parasuraman. 1992. *Marketing services: competing through quality*. New York: The Free Press.
- Bosilj Vukšić, V., and A. Kovačić. 2004. *Upravljanje poslovnim procesima*. Zagreb: Sinergijanakladništvo d.o.o.
- Bosilj Vukšić, V., et al. 2006. 'Menadžment poslovnih procesa i znanja u hrvatskim poduzećima.' Ekonomski fakultet, Sveučilište u Zagrebu Working Paper Series 6(5): 1-20.
- Bosilj Vukšić, V., Hernaus, T., and A. Kovačić. 2008. *Upravljanje poslovnim procesima organizacijski i informacijski pristup*. Zagreb: Školska knjiga.
- Burton, RM., Obel, B., and G. Desanctis. 2011. *Organizational Design: A Step-by-Step Approach*. New York: Cambridge University Press.
- Clark, R.A., Hartline, M.D., and K.C. Jones. 2009. 'The effects of leadership style on hotel employees' commitment on service quality.' *Cornell Hospitality Quarterly* 50 (2): 209–231. , Z. 2003. *Hotelski menadžment*. Opatija: ki i hotelski menadžment, ilište u Rijeci.
- Collins, B., and A. Payne. 1991. 'Internal Marketing: A new perspective for HRM.' *European Management Journal* 9(3): 261-270.
- DeToro, I., and T. McCabe. 1997. 'How to stay flexible and elude fads.' *Quality Progress* 30(3): 55-60.
 - , M. 2013. 'ISO managing system standards implementation and practice Croatian hotels' managers point of view.' *Business and Management Review* 2(12): 1-6.
 - , M., and S. . . 2011. 'The influence of international standard ISO 9001 implementation on the human resource management in hotels.' *Annals & Proceedings of the 22nd International DAAAM symposium 22*(1): 265-266.
- Foreman, S. K., and A.H. Money. 1995. 'Internal Marketing: Concepts, Measurement and Application.' *Journal of Marketing Management* 11: 755-768.
- Galbraith, J.R., Lawler III, E.E., et al. 1993. *Organizing for the Future*. San Francisco: Jossey-Bass Publishers.
- Grönroos, C. 1984. 'A service Quality Model and Its Marketing Implications.' *European Journal of Marketing* 18(4): 36-44.
- Grönroos, C. 1990. Service management and marketing: managing the moment of truth in service. Massachussets: Lexington Books.
- Jaworsky, B. J., and A. Kohli. 1993. 'Market Orientation: Antecedents and Consequences.' *Journal of Marketing*, 57: 53-70.
- Jobber, D. 1995. *Principles and Practice of Marketing*. Berkshire: McGraw-Hill.
- Juran, J. M., and F. M. Gryna. 1999. *Planiranje i analiza kvalitete*. Zagreb: Mate.
- Khan, R. 2003. Business Process Management: a practical guide. Tampa: Meghan-Kiffer Press.
- Kohli, A., and B. J. Jaworsky. 1990. 'Market Orientation: The Construct, Research Propositions, and Managerial Implications,' *Journal of Marketing* 54: 1-8.
- Kotler, P., and K.L. Keller. 2008. *Upravljanje marketingom*. 12th ed. Zagreb: MATE.
- Krüger, V. 2001. 'Mainschools of TQM: "the big five".' The TQM Magazine 13(3): 146-155.



- Marshall, G.W., Baker, J., and D.W. Finn. 1998. 'Exploring internal customer service quality.' *Journal of Business & Industrial Marketing* 13(4/5): 381-392.
- McCormack, K., and C. W. Johnson. 2001. *Business Process Orientation Gaining the E-Business Competitive Advantage*. Florida: St. Lucie Press.
- Mishra, T., and S. Sinha. 2014. 'Employee motivation as a tool to implement internal marketing.' *International Journal of Commerce, Business and Management* 3(5): 672-680.
- Morgan, R.E., Katsikeas, C.S., and K. Appiah-Adu. 1998. 'Market Orientation and Organizational Learning Capabilities.' *Journal of Marketing Management* 14(4//5): 353-381.
- Narver, J. C., and S. F. Slater. 1990. 'The Effect of a Market Orientation on Business Profitability.' *Journal of Marketing* 54(4): 20-36.
- Oakland, J. 2011. 'Leadership and policy deployment: the backbone of TQM.' *Total Quality Management & Business Excellence* 22(5): 517–534.
- Ould, M.A. 1995. Business Process Modeling and analysis for re-engineering and improvement. New York: John Wiley & Sons.
 - Došen, Đ., and D. Prebežac. 2000. 'zrakoplovnih kompanija.' *Acta Turistica* 12(1): 18-36.

; primjer

- Palačić, D. 2009. 'Učinkovito upravljanje poslovnim procesima sigurnosti u krizama.' *Zagreb: 2. Međunarodna konferencija Korporativna sigurnost.*
- Paliaga, M., Strunje, Ž, and H. Pezo. 2010. 'Primjena internog marketinga u Hrvatske.' *Ekonomska misao i praksa* 19(2): 211-223.
- Peccei, R., and P. Rosenthal. 2000. 'Front-line Responses to Customer Orientation Programmes:a Theoretical and Empirical Analysis.' *The International Journal of Human Resource Management* 11(3): 562-590.
- Piercy, N., and N. Morgan. 1991. 'Internal marketing the missing half of the marketing programme.' *Long Range Planning* 24(2): 82-93.
- Rafiq, M., and P. Ahmed. 1993. 'The scope of internal marketing: defining the boundary between marketing and human resource management.' *Journal of Marketing Management* 9(3): 219-232.
- Reijers, H. A. 2003. Design and Control of Workflow Process: Business Process Management for Service Industry. Berlin Heidelberg: Springer-Verlag.
- Ruizalba, J.L., Bermundez-Gonzalez, G., Rodriguez Molina, M.A., and M.J. Blanca. 2014. 'Internal market orientation: An empirical research in hotel sector.' *International Journal of Hospitality Management* 38: 11-19.
- Skoko, H. 2000. Upravljanje kvalitetom. Zagreb: Sinergija.
- Thompson, C.A., and D. Prottas. 2005. 'Relationships among organizational family support, job autonomy, perceived control, and employee well-being.' *Journal of Occupational Health Psychology* 11 (1): 100–118.
- Tsai, Y., and T.W.Tang. 2008. 'How to improve service quality: internal marketing as a determining factor.' *Total Quality Management* 19(11): 1117-1126.
- Uravić, L., and V. Sugar. 2009. 'Tourist destination standards, stars and quality: from myths and delusions to the reality.' *Ekonomska istraživanja* 3: 111-126.
- Vasconcelos-Vasquez, K., Balbastre-Benavent, F., and A.M. Redondo-Cano. 2011. 'Is certification for sustainable topurism complementary to ISO 9000 certification? The case of the Parque del Lago Hotel in Costa Rica.' *Revista de Turismo y Patrimonio Cultural* 9 (4): 543-557.
- Vrtodušić Hrgović, A.M. 2012. 'Implementation of quality management systems in large and mediumsized Croatian hotel enterprises.' 2nd Advances in Hospitality and Tourism Marketing & Management Conference.
- Vrtodušić Hrgović, A.M., and M. Puklavec. 2013. 'Integrirani sistemi upravljanja v hrvaških hotelih. Turizem, izobraževanje in management.' Portorož.
- Zeithaml, V., and M. Bitner. 1996. Services Marketing. New York: McGraw-Hill.