

## Examining the Relationship between Internal Service Quality and Customer Service Quality in Academic Institutions in Gaza Strip

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Received on (14-10-2014) Accepted on (25-11-2014)

### Abstract

This research focuses on studying the link between internal service quality (ISQ) and customer service quality (SQ) and the effects of demographics (gender, age, education, affiliation, and position) on that link. Extant research shows that the relationship between ISQ and SQ is complex, mixed, and not straightforward and few empirical research efforts have focused on testing this relationship. Data were collected from a sample of 543 employees working in six Academic Palestinian organizations in Gaza Strip (three universities and three university colleges). The results supported the availability of direct and positive relationships between three dimensions of ISQ (tangibles, assurance, and responsiveness) and SQ. The relationships between the other two dimensions (reliability and empathy) of ISQ and SQ were not supported. The findings also showed that there is a difference between respondents regarding ISQ and SQ due to age, affiliation, and position while there is no difference due to gender. They also show that there is a difference between respondents regarding ISQ and its dimensions due to education. This study suggested the importance of studying more variables that may mediate or moderate the relationship between ISQ and SQ.

**Keyword:** Internal Service Quality, Customer Service Quality.

### العلاقة بين جودة الخدمات الداخلية وجودة خدمة العملاء في المؤسسات الأكاديمية في قطاع غزة

#### ملخص

تهدف هذه الدراسة البحثية إلى دراسة العلاقة بين جودة الخدمات الداخلية ممثلة بأبعادها الخمسة (الجوانب المادية والملموسة، الاعتمادية، الضمان والتوكيد، الاستجابة، التعاطف) التي يتلقاها الموظفين من زملائهم في العمل وجودة الخدمات الخارجية التي يقدمونها للمستهلكين وأثر بعض المتغيرات الأخرى (النوع الاجتماعي، العمر، المستوى التعليمي، المؤسسة التي ينتمون إليها، الموقع الوظيفي) على تلك العلاقة. تتبع أهمية الدراسة من كون تلك العلاقة معقدة وذات أشكال متعددة وتم التركيز عليها بشكل غير كافي خلال الأبحاث السابقة كما تؤكد الدراسات المتوفرة ذات العلاقة. تتكون عينة الدراسة من 543 من الموظفين الإداريين والأكاديميين ذوي الأعباء الوظيفية الإدارية في ستة من مؤسسات التعليم العالي الفلسطينية في قطاع غزة (ثلاث جامعات وثلاث كليات مجتمع). أظهرت النتائج وجود علاقة مباشرة وإيجابية بين ثلاثة من أبعاد متغير جودة الخدمات الداخلية (الجوانب المادية والملموسة، الضمان والتوكيد، الاستجابة) والخدمات الخارجية المقدمة للمستهلكين؛ بينما لا يوجد علاقة بين البعدين الآخرين لمتغير جودة الخدمات الداخلية (الاعتمادية، التعاطف) مع جودة الخدمات الخارجية. كما أظهرت الدراسة وجود فروقات جوهرية بين المستطلعين فيما يتعلق بجودة الخدمات الداخلية التي يتلقونها وجودة الخدمات الخارجية التي يقدمونها للمستهلكين معزوة للعمر والمؤسسة التي ينتمون إليها والموقع الوظيفي بينما لا توجد فروقات جوهرية معزوة للنوع الاجتماعي. بناء على نتائج الدراسة، يمكن أن تركز الأبحاث المستقبلية على دراسة المتغيرات التي تلعب دورا وسيطا في العلاقة بين جودة الخدمات الداخلية التي يتلقاها العاملون في المؤسسة وجودة الخدمات الخارجية التي يقدمونها للمستهلكين.

**كلمات مفتاحية:** جودة الخدمات الداخلية، جودة الخدمات الخارجية.

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## **Introduction:**

Service quality (SQ) is a complex topic and its measurement is very challenging due to its dependency on intangible factors (Fitzsimmons & Fitzsimmons 2011) which are out of the full managerial control of service organizations and depend on subjective assessment of customer perceptions (Zeithaml et al. 2009). The complexity of services stems from their characteristics that affect levels of perceived SQ, delivery system, service operations, customer satisfaction and expectations, and employee behavior. Due to such complexities, employees are required to show empathy and maintain their positive psychological states with suitable levels of behavior to satisfy the needs of customers through providing superior services. This complexity requires organizations to focus on satisfying customer needs through satisfying the needs of their employees. It is required that organizations take care of their employees through providing them with supporting internal services, suitable working environment, and balanced work/people focus.

On the other hand, internal service quality (ISQ) hasn't received enough attention from researchers (Hallowell et al. 1996; Jun & Cai 2010). Moreover, Brandon-Jones and Silvestro (2010) argued that the limited number of research discussing ISQ relative to customer service is due to the marketing background of service researchers and the multidisciplinary nature of internal service. Most studies in extant literature have highlighted the importance of ISQ on both employee attitudes and behaviors and on customer SQ which eventually influence customer attitudes and behaviors (Dhurup 2012; Dhurup & Mohamane 2007; Heskett et al. 1994; Heskett & Sasser 2010; Johnston 2008). Despite its importance, little research has examined the relationship between ISQ and both SQ and customer satisfaction (Bouranta et al. 2009). On the other hand, Farner et al. (2001) argued that ISQ has mixed and complex relationships with SQ. Thus, this research aims mainly at examining the relationship between ISQ and SQ as well as the effect of demographics on this relationship.

## **Literature Review:**

### **Service Quality**

Extant research has described the nature, characteristics, and behavior of services as well as their role and implications to organizations, employees, customers, and other stakeholders. In spite of research efforts, there is no common agreement between researchers about the definition of services. Zeithaml et al. (2009) argued that various definitions are available. Services are defined as acts, processes, intangible performances or as value-creation economic activities which adds value to customers and organizations (Gilmore 2003; Lovelock & Wright 2002). A service is also defined as a process which consists of a series of more or less intangible activities intended to solve customer problems (Grönroos 2007) in which customers play a focal role as co-producers (Fitzsimmons & Fitzsimmons 2011). Services can also be explained in light of four major characteristics: intangibility, inseparability, perishability, and heterogeneity. **Intangibility** is a key and focal determinant of services and affects several aspects such as service management and quality (Zeithaml et al. 2009). Intangibility is reflected in customer descriptions of services as feelings, performances, or experiences which lead to difficult and subjective customer evaluations (Grönroos 2007) and hence, the burden is on the shoulders of employees to assess levels of quality and levels of customer satisfaction as well as to fix problems and provide suitable solutions (Bowen & Ford 2002). Consequently, it is important to

understand with equal importance both how service is delivered and what is being delivered (Schneider & Bowen 2010). On the other hand, Intangibility raises two severe problems for both suppliers and customers. For suppliers, intangibility makes it difficult to protect and patent service innovations because services are ideas and concepts (Zeithaml et al. 2009). For customers, they rely on firms' reputation when ordering the service because they can't feel, see, or test service performances in advanced (Fitzsimmons & Fitzsimmons 2011). **Inseparability** refers to the simultaneous production and consumption of services. It imposes other effects on the delivery and management of services such as consumer participation (Zeithaml et al. 2009), difficulty in doing quality control before delivery (Grönroos 2007), varying demands and difficulty of using traditional manufacturing strategies such as inventory management (Fitzsimmons & Fitzsimmons 2011; Zeithaml et al. 2009), extra efforts from employees and entails mutual impacts between different customers (Gilmore 2003; Zeithaml et al. 2009). **Perishability** is a result of intangibility which prevents services from being stored, inventoried, reserved for future use (Gilmore 2003), resold, or returned (Zeithaml et al. 2009). It is understood and explained in light of the simultaneous production and consumptions of services through interactions between the consumer and the service provider's production resources such as employees (Grönroos 2007). Consequently, management can't act against the fluctuations in service demands and the consumer habits in using services in specific periods and in fixed quantities (Fitzsimmons & Fitzsimmons 2011). Both intangibility of services and customer participation in service delivery lead to service variations and difficulties in both service standardization and quality control (Fitzsimmons & Fitzsimmons 2011). **Heterogeneity** stems from the dependability of service delivery on employee behavior which is not reliable and constant when compared to machines (Fitzsimmons & Fitzsimmons 2011; Gilmore 2003). It also depends on the behavior of customers (i.e. demands, expectations, and experiences) and on their interactions with employees (Zeithaml et al. 2009).

### **Internal Service Quality:**

The early writings and seminal works highlighted the importance of ISQ for achieving customer satisfaction, SQ, and organizational performance. Thus, Customer Satisfaction and the provision of superior services for external customers depend mainly and in its major part on satisfying the needs of employees (Gremler et al. 1994; Hallowell et al. 1996; Marshall et al. 1998; Reynoso & Moores 1995; Zeithaml et al. 1988) and on internal services they get from their coworkers (Mcdermott & Emerson 1991). Recently, researchers refocused their attention to the role of internal services and internal relationships. For instance, Johnston (2008) argued that the quality of external service depends on the quality of internal service. Similarly, Dhurup (2012) argued that the internal relationships between employees and their coworkers embodied important TQM concepts and affects their relationships with customers and organizational performance.

Extant research has highlighted the multidisciplinary nature of ISQ (Hallowell et al. 1996) and its meaning as a key tenet under which employees regard their coworkers in all organizational levels as important customers (Heskett et al. 1994; Johnston 2008; Marshall et al. 1998). ISQ is defined as the quality of services provided by specific departments and their employees to other departments and employees (Farner et al. 2001; Kang et al. 2002) and is reflected in employees' attitudes toward other employees as well as to the way they serve each other (Heskett et al. 1994). Thus, ISQ implies that every employee is a customer

and has a customer to serve (Johnston 2008) and that any department and its affiliated employees are customers to other departments and (Jun & Cai 2010).

In spite of the importance and feasibility of ISQ, there is little attention to its effect on attitudinal and behavioral outcomes relative to customer SQ. Extant research has focused on providing suitable frameworks for assessing and developing ISQ rather than on studying its effects and theoretical connections (Stanley & Wisner 1998, 2001, 2002). Empirically, the examination and testing of ISQ has been found in different fields. Examples of such applications can be found in purchasing (Jun & Cai 2010; Marshall et al. 1998; Stanley & Wisner 1998, 2001, 2002), hospitality and restaurants (Back et al. 2011; Bouranta et al. 2009; Wang 2011, 2012; Zailani et al. 2006), banking and finance (Bellou & Andronikidis 2008), education (Kang et al. 2002; Ramseook-Munhurrun et al. 2010a), call centers (Ramseook-Munhurrun et al. 2009; Ramseook Munhurrun et al. 2010b), health (Bruhn 2003), insurance (Hallowell et al. 1996), aviation (Frost & Kumar 2000), grocery wholesaler (Farner et al. 2001), shopping centers (Yee et al. 2008), and R&D (Dhurup 2012). On the other hand, not all dimensions of ISQ are strong predictors of attitudinal and behavioral outcomes. For instance, Kang et al. (2002) collected their data from 120 administrative staff at a Korean university and suggested that reliability and responsiveness are very critical to the provision of both internal and external SQ and influence overall SQ perceptions. Consequently, they suggested that organizations need to focus on the most effective dimensions to ensure high levels of ISQ and organizational effectiveness.

### **The Relationship between ISQ and SQ:**

Although most of the research outcomes reflecting the relationship between ISQ and SQ are based on the practical implementation of service profit chain framework (Heskett et al. 1994; Heskett & Sasser 2010) it can be explained theoretically by using social exchange theory (Gouldner 1960). Social exchanges entail unspecified and broad obligations on the part of employees and the organization (Blau 1964). Based on that, Tsui et al. (1997) argued that in social exchange relationships, the organization offers long term monetary award, extended consideration of employee wellbeing, and career investments. They suggested that, in order to reciprocate, employees work on their assigned jobs, do other unspecified tasks which fall outside their prior agreements and expertise, assist their coworkers, and show willingness to consider organizational interest as important as their core job duties. In other words, employees reciprocate to the organization through engaging themselves in several internal service encounters as a natural part of their jobs and responsibilities (Kang et al. 2002) with the final endeavor of achieving customer SQ (Jun & Cai 2010). On the other hand, several theoretical assertions posit that employees have expectations about internal services they are supposed to receive and examine the quality of these services based on their expectations (Bruhn 2003). Effective internal relationships are the building blocks of a facilitative environment in which every employee or department is a customer of other employees and departments (Dhurup 2012; Heskett et al. 1994; Johnston 2008; Jun & Cai 2010; Kang et al. 2002; Marshall et al. 1998). Consequently, employees who receive ISQ through the interaction with coworkers (Hallowell et al. 1996; Kang et al. 2002) and experience a nurturing internal environment (Dhurup 2012; Reynoso & Moores 1995) are most likely to reciprocate to the organization and coworkers by providing external customers with excellent SQ.

Empirically, few research efforts have focused on testing the relationships between ISQ and both SQ and customer satisfaction (Bouranta et al. 2009). Therefore,

*H1: There is a positive relationship between ISQ and SQ.*

*H1a: There is a positive relationship between Reliability dimension of ISQ and SQ.*

*H1b: There is a positive relationship between Responsiveness dimension of ISQ and SQ.*

*H1c: There is a positive relationship between Assurance dimension of ISQ and SQ.*

*H1d: There is a positive relationship between Empathy dimension of ISQ and SQ.*

*H1e: There is a positive relationship between Tangibles dimension of ISQ and SQ.*

*H2: There are significant differences among respondents' assessments of ISQ and SQ due to (gender, age, education, affiliation, and position).*

*H2a: There are significant differences among respondents' assessments of ISQ and SQ due to (gender).*

*H2b: There are significant differences among respondents' assessments of ISQ and SQ due to (age).*

*H2c: There are significant differences among respondents' assessments of ISQ and SQ due to (education).*

*H2d: There are significant differences among respondents' assessments of ISQ and SQ due to (affiliation).*

*H2e: There are significant differences among respondents' assessments of ISQ and SQ due to (position).*

### **Measurement of SQ and ISQ:**

The measurement of SQ is very challenging due to its many psychological features and the intangibility of services and thus it is assessed by customers based on several factors and dimensions (Fitzsimmons & Fitzsimmons 2011). Often, it is defined as a multidimensional construct which is very difficult to elaborate with a definite measure (Brady & Cronin Jr 2001; Cronin Jr & Taylor 1992; Parasuraman et al. 1985). In addition, there is no agreement among researchers about the number of quality dimensions and research in different areas reveal different number of factors (Zeithaml et al. 2009). Parasuraman et al. (1985, 1988) initiated SERVQUAL as a tool to organize and measure SQ. Initially, SERVQUAL contained ten dimensions and then reduced by the same authors to five dimensions: reliability, responsiveness, assurance, empathy, and tangibles (Grönroos 2007). The five dimensions were found to be relevant to many service sectors and relevant for assessing internal services as well (Parasuraman et al. 1988). Sometimes not all the five dimensions are relevant to be used and/or need to be modified depending on the case under consideration (Zeithaml et al. 2009). SERVQUAL has 22 attributes distributed to the five dimensions and respondents are normally asked to rate the service based on these attributes. For example, Grönroos (2007) suggested that SERVQUAL should be carefully implemented and the dimensions and attributes should be reassessed before being used taking into consideration type of service, markets, and cultural differences. He also argued that the implementation of SERVQUAL has raised some controversy which applies to both the representation of the five dimensions and the application of the 22 attributes as representations of all aspects of a considered service.

The debate about the measurement of customer SQ has been reflected on the measurement of ISQ. For instance, Brandon-Jones and Silvestro (2010) argued that the measurement of ISQ is based on two main approaches: adaptation of SERVQUAL (Frost & Kumar 2000; Gremler et al. 1994; Kang et al. 2002; Paraskevas 2001) or development of new perception-only measurement instruments from scratch (Bruhn 2003; Hallowell et al. 1996; Mcdermott & Emerson 1991). In line with the first approach is Gremler et al. (1994)

who attributed the problems faced by internal customers to those faced by external customers. As a result, they recommend the use of external quality measures for examining ISQ. Most of the researchers who employ SERVQUAL follow the assertions of Zeithaml et al. (1990) and his colleagues that SERVQUAL can be modified and adapted for measuring ISQ within organizations.

Moreover, the employment of SERVQUAL is not straightforward and has several forms. Majority of research has employed the same methodology either by applying some substantial rewording or by adding/deleting some of the original dimensions of SERVQUAL (Kang et al. 2002; Paraskevas 2001). Generally, Brandon-Jones and Silvestro (2010) argued that the employment of SERVQUAL methodology takes one of three aspects. It can be employed with limited amount of modification (Dhurup 2012; Frost & Kumar 2000; Kang et al. 2002), by removing/adding dimensions (Bouranta et al. 2009; Jun & Cai 2010; Lings & Brooks 1998; Paraskevas 2001; Ramseook-Munhurrun et al. 2009), or by employing substantial changes to SERVQUAL (Reynoso & Moores 1995; Stanley & Wisner 2001).

### **RESEARCH METHODOLOGY:**

This research follows the deductive approach in which hypothesized relationships between variables are built upon a strong theoretical basis and are tested through statistical means (Hinkin 1998; Saunders et al. 2009). It follows a descriptive analytical methodology.

### **Survey Instrument Development:**

To achieve the objectives of the study, the researcher constructed a questionnaire in a cross-sectional survey (single time measurement) design. The measures represented in the questionnaire were judged from a panel of experts selected from Academic Palestinian Institutions. The aim of this step is to modify the measures based on the nature of the service providers taking into consideration the translation effect (from English to Arabic) and implications of cultural issues. Cultural biases and language translations cause problems and errors in scale translations (Carrillat et al. 2007). The questionnaire was also piloted through distributing it to 35 employees from the population to strengthen reliability and validity, make some modifications, and estimate the required time to fill the questionnaire. Table (1) shows reliability and number of items in each latent construct. All variables show adequate reliability values ( $>0.70$ ) ranging from 0.844 for the tangible dimension of ISQ to 0.938 for SQ.

<b>Table 1 Reliability Analysis</b>		
<b>Construct</b>	<b># items</b>	<b>Cronbach's Alpha</b>
Tangible Dimension of ISQ	4	0.844
Reliability Dimension of ISQ	5	0.901
Responsiveness Dimension of ISQ	4	0.919
Assurance Dimension of ISQ	4	0.913
Empathy Dimension of ISQ	5	0.884
ISQ	5	0.922
SQ	11	0.938

**Population and Sample:**

The target population consists of all administrative staff, office staff, academicians with admin positions, professional, and technical staff at the Palestinian academic institutions in Gaza Strip. The population contains 1649 employees (1374 males, 275 females) working in six academic institutions (more than 100 employees each): three universities and three university colleges. The population contains three public and three governmental academic institutions (Pmoeh 2011). The researcher distributed 660 copies of the questionnaire to a conveniently selected sample from the population. In order to assure the representation of all targeted academic institutions, the ratio for every institution was calculated based on its actual number of employees. The collected questionnaires were 534 with nearly 80.91% of total response rate.

**Measures:**

Although, there was no general agreement on how to measure ISQ most of the research uses customized versions of SERVQUAL/ SERVPERF (Kang et al. 2002). It has been suggested that the convention is to adopt a suitable instrument and modify it to suit the purpose of the study as was done by (Cronin et al. 2000; Dabholkar et al. 2000; Olorunniwo et al. 2006). Thus, for the purpose of this study, the researcher used a modified (reworded) version of SERVPERF which was developed and tested in a study with similar population namely university employees who work in administrative positions (Kang et al. 2002). It has the same five dimensions and 22 items as those originally developed and modified in (Parasuraman et al. 1985, 1988). Sample items in ISQB are "I can trust my coworkers", "work environment being comfortable and attractive", "willing to accommodate" (Kang et al. 2002). In a similar vein, SQ was measured by rewording the original SERVQUAL/SERVPERF to suit the purpose of reflecting employee assessment of the quality of services they provide to external customers. This study followed the same practice as in (Malhotra & Mukherjee 2004) and adopted items from SERVQUAL. The instrument included items such as: "I perform the service right the first time" and "I treat all customers courteously". All items were measured using seven-point Likert scales anchored by 1 = strongly disagree and 7 = strongly agree.

**ANALYSES AND RESULTS:****Respondents Profile:**

Less than one third (21.5%) of respondents are females and the age of (45.7%) of them is from 25 to 35 years old as presented in table (2). More than half of respondents (51.7%) have a bachelor degree while (5.2%) of them have a PhD or higher degree. More than (75%) of respondents are affiliated to the three universities while less than (25%) are affiliated to university colleges. Around (10%) of respondents are academics with administrative responsibilities and (17.4%) are managers. The rest are executives at different administrative levels.

**Table 2** Respondents Profile

<b>Gender</b>								
Mean	Median	S.D.	male	female				
1.21	1	.41	419 (78.5%)	114 (21.5%)				
<b>Age</b>								
Mean	Median	S.D.	less than 25 years	from 25 to less than 35 years	from 35 to less than 45 years	45 years and above		
2.53	2	.90	52 (9.7%)	244 (45.7%)	138 (25.8%)	98 (18.4%)		
<b>Education Level</b>								
Mean	Median	S.D.	PhD or higher	Master	Bachelor	Diploma	Secondary Education	
2.97	3	0.87	28 (5.2%)	103 (19.3%)	276 (51.7%)	106 (19.9%)	20 (3.7%)	
<b>Affiliation</b>								
Mean	Median	S.D.	Islamic University - Gaza	Al Azhar University - Gaza	Al Aqsa University - Gaza	Univ. College of Applied Sciences Palestine Technology College of Science & Technology	Secretary	
2.43	2	1.62	247 (46.3%)	47 (8.8%)	121 (22.7%)	45 (8.4%)	33 (6.2%)	41 (7.7%)
<b>Position</b>								
Mean	Median	S.D.	Academic with admin. Tasks	Manager	Admin. Staff - general	Admin. Assistant	Secretary	
3.14	3	1.32	53 (9.9%)	93 (17.4%)	246 (46.1%)	31 (5.8%)	79 (14.8%)	

**Correlation Analyses:**

As presented in table (3), all variables are correlated at  $\alpha < 0.05$  with different values ranging from (0.396) between ISQ and its tangible dimension to (0.912) between the responsiveness dimension of ISQ and SQ.

**Table 3** Pearson Correlations between Independent and Dependent Variables

	1	2	3	4	5	6	7
Tangible/ISQ	<b>1</b>						
Reliability/ISQ	.641**	<b>1</b>					
Responsiveness/ISQ	.637**	.804**	<b>1</b>				
Assurance/ISQ	.574**	.753**	.773**	<b>1</b>			
Empathy/ISQ	.562**	.745**	.750**	.778**	<b>1</b>		
ISQ	.396**	.443**	.494**	.503**	.453**	<b>1</b>	
SQ	.778**	.902**	.912**	.893**	.877**	.526**	<b>1</b>

\*\*Correlation is significant at the 0.01 level (2-tailed)

### Regression Analyses:

Linear regression-stepwise was applied on the relationship between the five dimensions of ISQ (tangible, reliability, responsiveness, assurance, empathy) and SQ as presented in table (4). The regression model shows an r-square value of (0.286) which means that only 28.6% of variance in the dependent variable (SQ) is explained through the five dimensions of ISQ. Two dimensions (reliability, empathy) of ISQ were excluded from the model since they didn't show significance relationships at  $\alpha=0.05$  with the dependent variable (SQ). The model shows that there exists a significance relationship between three dimensions (assurance, responsiveness, tangible) of ISQ and the dependent variable (SQ). It is concluded that hypothesis H1 is partially supported; hypotheses (H1b, H1c, H1e) are supported while H1a and H1d are not supported. The standardized coefficients in table (4) show also that (assurance/ISQ) has the highest value (0.283) and hence the strongest effect on SQ.

**Table 4** Regression Analysis

Model Summary						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
3	.535	.286	.282	.14201		
ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
3	Regression	4.285	3	1.428	70.816	.000 <sup>d</sup>
	Residual	10.689	530	.020		
	Total	14.973	533			
Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
3	(Constant)	.066	.015		4.358	.000
	Assurance/ISQ	.230	.048	.283	4.828	.000
	Responsiveness/ISQ	.172	.051	.212	3.398	.001
	Tangible/ISQ	.089	.044	.098	2.038	.042

**Analysis of Variance:**

The significance levels of the t-test for all variables in table (5) are not significant at  $\alpha=0.05$  which shows that there is no difference between respondents regarding ISQ and SQ due to gender. Thus, H2a was rejected. The significance levels of the f-test for all variables in table (6) are significant at  $\alpha=0.05$  which shows that there is a difference between respondents regarding ISQ and SQ due to age. Thus, H2b was supported. The significance levels of the f-test for all variables in table (7) are significant at  $\alpha=0.05$  except for the significance level of SQ which shows that there is a difference between respondents regarding ISQ and its dimensions due to education. Thus, H2c was partially supported.

Variable	Means		t	sig
	Male	Female		
Tangible/ISQ	.3975	.4171	-.922	.179
Reliability/ISQ	.4025	.4042	-.083	.467
Responsiveness/ISQ	.3755	.3694	.282	.389
Assurance/ISQ	.3149	.3154	-.022	.491
Empathy/ISQ	.4223	.4469	-1.26	.103
ISQ	.3826	.3906	-.450	.326
SQ	.2406	.2294	.631	.264

Variable	Means				F	sig
	less than 25 years	from 25 to less than 35 years	from 35 to less than 45 years	45 years and above		
Tangible/ISQ	.4643	.4315	.3741	.3366	9.511	.000
Reliability/ISQ	.4598	.4180	.3827	.3701	3.754	.011
Responsiveness/ISQ	.4452	.3984	.3484	.3207	6.304	.000
Assurance/ISQ	.3698	.3324	.2823	.2953	3.289	.020
Empathy/ISQ	.4644	.4520	.4059	.3827	4.836	.002
ISQ	.4407	.4065	.3587	.3411	6.719	.000
SQ	.3029	.2560	.2189	.1940	6.579	.000

<b>Table 7 Analysis of Variance (Education)</b>							
<b>Variable</b>	<b>Means</b>					<b>F</b>	<b>sig</b>
	PhD or higher	Master	Bachelor	Diploma	Secondary Education		
Tangible/ISQ	.3522	.4279	.4312	.3387	.2962	7.862	.000
Reliability/ISQ	.4176	.4270	.4180	.3621	.2996	3.828	.004
Responsiveness/ISQ	.3552	.4354	.3881	.3087	.2763	6.761	.000
Assurance/ISQ	.3070	.3627	.3235	.2786	.1926	4.198	.002
Empathy/ISQ	.3930	.4603	.4415	.3897	.3405	3.788	.005
ISQ	.3650	.4227	.4005	.3356	.2811	6.389	.000
SQ	.2121	.2658	.2441	.2169	.1952	1.716	.145

The levels of the f-test for all variables in table (8) are significant at  $\alpha=0.05$  which shows that there is a difference between respondents regarding ISQ and SQ due to affiliation. Thus, H2d was supported.

<b>Table 8 Analysis of Variance (Affiliation)</b>								
<b>Variable</b>	<b>Means</b>						<b>F</b>	<b>sig</b>
	Islamic University - Gaza	Al Azhar University - Gaza	Al Aqsa University - Gaza	Univ. College of Applied Sciences	Palestine Technology College	College of Science & Technology		
Tangible/ISQ	.3383	.4247	.5202	.3252	.4268	.4778	22.65	.000
Reliability/ISQ	.3675	.4074	.4663	.3841	.4307	.4289	5.16	.000
Responsiveness/ISQ	.3342	.3750	.4387	.3519	.4062	.4311	5.33	.000
Assurance/ISQ	.2728	.3221	.3827	.2999	.3591	.3524	5.53	.000
Empathy/ISQ	.3994	.4175	.4773	.4018	.4521	.4761	3.92	.002
ISQ	.3424	.3893	.4570	.3526	.4150	.4333	9.41	.000
SQ	.2197	.2424	.2863	.2247	.2623	.2079	3.12	.009

The significance levels of the f-test for all variables in table (9) are significant at  $\alpha=0.05$  which shows that there is a difference between respondents regarding ISQ and SQ due to position. Thus, H2e was supported.

Variable	Means					F	sig
	Academic with admin. Tasks	Manager	Admin. Staff - general	Admin. Assistant	Secretary		
Tangible/ISQ	.4275	.3712	.4236	.3071	.3643	4.252	.001
Reliability/ISQ	.4240	.3814	.4154	.3086	.3997	2.477	.031
Responsiveness/ISQ	.3905	.3503	.3967	.2756	.3383	3.220	.007
Assurance/ISQ	.3495	.2949	.3363	.2095	.2838	3.069	.010
Empathy/ISQ	.4380	.4006	.4489	.3456	.4106	2.515	.029
ISQ	.4059	.3597	.4042	.2893	.3593	3.860	.002
SQ	.2545	.2147	.2573	.1876	.1926	3.770	.002

## DISCUSSION:

The findings in this research show that there is a direct positive relationship between three dimensions (tangibles, assurance, and responsiveness) of ISQ and SQ which supports partially H2. Thus, employees who get suitable and relevant services from their organization in terms of appealing equipment and logistics and good-looking physical environment (tangibles) will feel better toward their organization and hence provide better services to external customers. This finding is consistent with Hallowell et al. (1996) who argued that internal service quality, provided by the organization to their employees, is necessary for orienting customer service toward satisfying the needs of external customers.

The findings also shows that employees who get assured services (assurance) from their coworkers in terms of politeness, trustworthiness, relevant and timely knowledge, and peaceful treatment and cooperation will respond through good responses to external customers. Thus, when employees get internal service quality in terms of adequate resources, quick responses to required information, few errors, adequate staff members who have the willingness to fix problems and make things right (Mcdermott & Emerson 1991) they reciprocate through providing adequate levels of external service quality.

Additionally, the findings show that through clear and accurate communication, quick and efficient responses, and showing the willingness to help (responsiveness); employees get from coworkers; help them in providing relevant customer services. This finding is in line with Ramseook-Munhurrun et al. (2010a) who found that responsiveness affects service quality and overall satisfaction of customers in secondary schools.

On the other hand, the findings show mixed results regarding the effect of demographics on responses regarding ISQ and SQ. The findings show that there is a difference between respondents regarding ISQ and SQ due to age, affiliation, and position while there is no difference due to gender. They also show that there is a difference between respondents regarding ISQ and its dimensions due to education.

In general, the findings in this research are consistent with internal service quality literature which has portrayed organizations as chains of interconnected units or networks in which people and departments are customers and suppliers for other people and departments (Farner et al. 2001; Gilmore 2003; Jun & Cai 2010; Marshall et al. 1998). Thus, Employees engage themselves in several internal service encounters as a natural part of their jobs and

responsibilities (Kang et al. 2002) with the final endeavor of achieving customer service quality (Jun & Cai 2010). The findings are also in line with several theoretical assertions which posit that employees have expectations about services they are supposed to receive and examine the quality of these services based on their expectations (Bruhn 2003). In conclusion, it shows that servicing internal customers and nurturing internal relationships are effective tools for satisfying external customers through excellent performance in service provision (Dhurup 2012; Reynoso & Moores 1995). Empirically, these findings are consistent with Lings and Brooks (1998) who found that the increase in internal service quality leads to increase in external services. They are also consistent with Stanley and Wisner (2001, 2002) who found that the quality of services provided by the supplies department (purchasers) to internal customers influences positively external service quality. The findings are also consistent with Bouranta et al. (2009) who found that internal service quality affects positively and significantly external service quality in restaurants. On the other hand, these findings are not consistent with Farner et al. (2001) who found significant and mixed relationships between internal and external service quality.

### **Conclusion:**

The relationship between internal service quality and service quality was supported theoretically and empirically. Employees who get internal service quality from their organization and their coworkers in terms of monetary benefits, effective communication, cooperation, career development, coaching, training, courtesy and empathy in treatment, reliable services, quick responses, and required resources are likely to reciprocate to coworkers and to the organization through providing service quality to external customers. Their responses will fuel the effectiveness of internal service encounters and strengthen the relationship and degree of cooperation with coworkers which support the internal consistency and fabric within the whole organization. The outcome of such exchanges is excellent service quality provided to external customers.

### **Recommendations & Managerial Implications:**

This study proposes and suggests several interventions relevant to the findings. Extant research reveals that internal service quality can be maintained and improved to desired levels through several interventions rooted in organizational practices. Management needs to restructure the jobs and to give people more autonomy, let them participate in decision making, provide them with the required training, facilitate their access to resources and information. These activities are supposed to increase the level of control employees have over their jobs, facilitate and increase their knowledge about the organizational vision, goals, strategies, and targeted outcomes which will help them in investing their time, psychic and physical energy in nurturing their job. Organizations can also increase the levels of internal service quality through facilitating the internal communication, exchange of feedback and information, and the cooperation between employees from different departments and through emphasizing teamwork and similar practices. In team work, employees help each other in mitigating stress and high work demands through providing their colleagues with social and emotional support (Dean & Rainnie 2009).

In sum, the findings of this research suggest a set of managerial interventions which may affect positively the levels of both ISQ and SQ. This research suggests that the most effective intervention strategies should promote interpersonal communication, cooperation,

interaction between all employees at different levels. All of these desired interventions can be employed by using a set of techniques and tools among them are: organizing knowledge dissemination workshops, designing and implementing customized training courses, employing knowledge-enriched information technology systems, providing career development incentives, and communicated policies, rules, and strategies.

### **Future Research:**

Based on its findings, this study suggests several avenues for future research. It shows that ISQ explain 28.6% of the variance in SQ which highlights the importance of examining other attitudinal, behavioral, and psychological experiences of employees within service organizations that may mediate or moderate in the relationship between ISQ and SQ. This recognition of such social and psychological experiences serves in developing and maintaining the competitiveness of service organizations through improving service delivery and customer service quality (Chebat & Kollias 2000; Schneider & Bowen 2010). A good starting point is examining the effects of variables such as person-job (P-J) fit, person-organization (P-O) fit, person-technology fit, training effectiveness, organizational policies, and role clarity. These suggestions are based on the relevancy of these variables to service context and service profit chain framework. These variables were among the variables which were identified as main contributors to the service performance gap (Gap3) in the Gap model (Parasuraman et al. 1985, 1988). Gap3 or the service delivery gap has been partly attributed to weak internal service quality, lacking of internal marketing, wrong employee perceptions, poor selection, inadequate training, and ineffective teamwork (Fitzsimmons & Fitzsimmons 2011; Grönroos 2007; Zeithaml et al. 2009). Future research may also focus on studying the effects of other demographics on this relationship.

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