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# 2014

THE 5TH SNAPSHOT OF CONTENT BUSINESS IN TODAY'S ICT INDUSTRY 2014  
"APPLIED MANAGEMENT IN CREATIVE INDUSTRY ERA"

**Internal Customer Behavior Intention:  
Causality Service Quality, Satisfaction, and Internal Customer Behavior Intention  
In Educational Services in East Java  
(Overview the Service Marketing Triangle)**

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**Abstract**

This study aims to test the causality of internal service quality, internal customer satisfaction, internal customer behavior intention in the context of the internal customers of public service agencies in East Java by using SEM as a statistical test. This study was conducted in East Java with a sample size of 150 respondents. The sample is derived from the internal customers of the 3 best educational services provider in East Java of the 10 best universities in Indonesia in 2013.

Based on the results of research and discussion that has been done can be concluded as follows: The first hypothesis in this study stated that the Internal Service Quality Affects the Internal Customer Satisfaction in educational services in East Java, is accepted. The second hypothesis in this study stated that the Internal Customer Satisfaction Affects the Internal Customer Behavior Intention in educational services in East Java, is accepted. The third hypothesis in this study stated that the Internal Service Quality Affects the interest of Internal Customer Behavior through Internal Customer Satisfaction in educational services in East Java, is accepted.

Suggestions put forward in this study are: expected that further research will discuss about the internal marketing can consider variables - other variables outside of reviews these variables have been studied in order to more comprehensively obtain results. Organization of education service providers always concerned about the quality of internal services. Because based on the results of this study of internal service quality is a factor that has a significant positive effect on the interest of the internal customer behavior through internal customer satisfaction.

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**Keywords: Internal Service Quality, Internal Customer Satisfaction, Internal Customers Behavior Intention, Educational Services.**

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## **Introduction**

For service providers as well as the organization of public services, the target: customer satisfaction, employees who are loyal, and large profits can be achieved if organizations truly understand the relationship aspects of the service triangle (The Services Marketing triangle) and the profit chain - the service (Service-profit chain/SPC). Linkage aspects triangles services (The service marketing triangle) describes the internal service quality promote the establishment of employee satisfaction (as internal customers) and a growing sense of belonging (sense of ownership) among them. Internal service quality is reflected in the internal environment conducive (for example: through employee empowerment, delegation of authority, trust, effective communication, and so on) and full implementation of the human reward in the form of financial and non-financial (salary, bonuses, praise, opportunity to attend, additional training, etc.). Encourage the growth of employee satisfaction employee loyalty to the organization. Furthermore, employee loyalty leads to increased productivity. Employee productivity encourages the creation of an external service value, which then determines the external customer satisfaction.

Linkage aspects in profit chain - the service (Service-profit chain/SPC) by Heskett (1994) described as a model of causality based on the proposition that: (1) internal service quality trigger (2) satisfaction of employees who are able to give (3) services high value produce (4) customer satisfaction resulting in (5) customer loyalty, which in turn produces (6) profit and growth. In the proposition put forward by Heskett on SPC implies a role for human resources (HR) in services marketing (Mattsson, 1994). During this time, the customer is always categorized as a purchaser of goods / services of the company, when the buyer of goods/services of the company is just one of the customers of the organization as stated by Juran and Ishikawa.

According to Juran, customers in the public service are (Wijono, 2000:41): (1) internal customers, workers who all need each other, in an interdependent system of internal public service. And (2) external customers, the customer is really the object of the mission of public service organizations, the other parties with an interest in the organization. Service in public service is the service provided is of high contact service or services that have a high degree of contact between service providers and consumers as part of the system when the services are produced (Lupiyoadi, 2001:11; Sammut, 1997; Savitz et al. 2005). The success of public services depends on the role of human resources and even with the aid of which at a critical moment can think and make decisions is a human who has the ability. To be able to provide such public services, need serious efforts in addressing human resources is not only a question of salary, fringe benefits, and job title. Human factors need to be nurtured and enhanced, in line with the need to also develop the conditions of employment of the tool to the rule of mutual support for the creation of quality services, because the belief that quality services will arise that are the basis for further developments. Officers ability not only in terms of knowledge, but also attitudes and behavior. Because if not nurtured human resource

capacity/enhanced and developed a tool and not a rule, it will be very difficult for a human customer service. The concept of a clear change of regard people as a means of production to be human as a potential resource for development still needs to be definitely traced, then practiced real.

Research on internal service quality to employee as internal customer satisfaction in public service has been done previously by Kee and McKee-Waddle (1999). These studies have proven that leadership behavior variables have a positive relationship with job satisfaction, productivity, and commitment to the organization. Davis (2002) examined the recruitment of employees about the program and its effect on employee satisfaction and employee retention by Davis called the R & R program. From the research results it is known that the R & R program is not enough to overcome the problem of employee turnover. Require employees working environment by Davis called to have fun on the job. If the atmosphere is not created by the organization in the work environment with high levels of stress, as in the public service, the employee satisfaction will be low and consequently employee retention will be low. Furthermore, this has resulted in employee turnover is high. A similar study conducted by Simoens et al., (2002). Simoens examines the effect of work stress on employee satisfaction and further influence on employee turnover. From the research, they note that the work environment influence on employee satisfaction. And the work environment as well as a source of employee satisfaction employee turnover. Gurley et al., (2003) investigated the effect of prize money and communication on employee satisfaction and employee retention. From these studies it is known that prize money and communication effect on employee satisfaction, which in turn affects employee retention. Aiken et al., (2002) examines the influence of organizational support to the front line workforce satisfaction, labor turnover front line, and the quality of front line workers in dealing with consumers. The research results proved that high organizational support to public service makes the front line workforce satisfaction, turnover labor front line low, and the quality of services provided front line workers to consumers high.

Based on this conceptual background, the purpose of this study set out to comprehensively explore the relationship between internal service quality, internal customer satisfaction, internal customer behavior and interests. This study cutting research model that has been done previously by Susanti (2009) with different objects.

### **Research Problem**

Based on the background of the problem that has been expressed, then the problem can be formulated as follows:

1. Does the internal service quality directly affect, positive, and significant impact on internal customer satisfaction in educational services in East Java?
2. Does the internal customer satisfaction directly influence, positive, and significant impact on the behavior of the internal customer interest in education services in East Java?
3. Does the internal service quality directly affect, positive, and significant interest in the internal customer behavior through internal customer satisfaction in the service of education services in East Java?

### **Research Purpose**

Based on the formulation of the problem, research objectives to be achieved in this study is to examine and analyze the causality between:

1. The quality of internal services to internal customer satisfaction in educational services in East Java.
2. Internal customer satisfaction internal customer behavior towards interest on educational services in East Java.
3. The quality of internal services to internal customers through behavioral interest in internal customer satisfaction in the service of education services in East Java.

### **Research Benefits**

Benefits provided by the results of this study are:

1. Prove and strengthen interdisciplinary Science in Human Resource Management and Marketing Management Science Management Science summarized in Services Marketing.
2. Provide insight to the actors in the education industry, especially the service industry on the importance of understanding the passage of Management Science Marketing Services in the industry.

### **Literature Review**

#### **Internal Marketing**

Internal marketing is a term for the relationship between all the public within the organization. In its most basic form, the concept of internal marketing as the satisfaction of all members in the organization. Thus, employee satisfaction is an indicator for the quality of human resource management staff. Through service-minded and patient-oriented, management can strengthen the relationship between customer loyalty with an internal marketing program. Berry in Ahmed & Rafiq (2002:4) defines: "Internal marketing as viewing employees as internal customers, viewing jobs as internal products that satisfy the needs and wants of internal customers while addressing reviews These the objectives of the organization". The definition explains that internal marketing view employees as internal customers, view work as internal products that satisfy the needs and wants of internal customers in order to achieve organizational goals.

Internal customers are employees who receive services from internal suppliers (employees or other departments) as inputs necessary for the performance of their jobs. (Lovelock & Wright, 2002:324). This explains the existence of quality in the service process. Jobs as internal products from each of the different sub-systems. Therefore, as stated by Keiningham and also by Hallowell et al., (1994) Internal service quality is a complex issue. This may explain why relatively little explored empirically (Keiningham et al., 2006:211, Hallowell et al., 2004; May, 1990; Williams, 2001; Rolfe, 1997).

#### **Internal Service Quality**

Internal service quality by Heskett et al., (1994) interpreted as a measure of perceived by employees towards work, colleagues, and company. Heskett explains that internal service

quality result in job satisfaction and ultimately results in customer satisfaction. Quality of service to internal customers which can be explained in a friendly working environment. If this is done as appropriate, this field will satisfy the employees who worked on and are able to cultivate customer loyalty (Keiningham et al., 2006:211). To build customer loyalty companies should focus on customer needs, both internal customers and external customers. This step is a process that occurs around the needs of customers, community, and resources that support the service process. Internal service quality is a complex issue. The complexity of service quality can be explained by the characteristics of internal marketing.

In his research, especially for the variables that affect the quality of internal service employee job satisfaction, Hallowell et al., (2004) combines the variables that have been proposed by Zeithaml, Berry, Heskett, Hart, Garvin, and Zemke he called The Eight Components of Internal Service Quality. These variables are: Tools, Policies and Procedures, Teamwork, management support, alignment of objectives, effectiveness of training, communication, and salary and awards. Variables 1-4 were used to measure internal service quality in this study.

### **Internal Customer Satisfaction**

According to Wexley & Yuki (2003:129) is identical to the internal customer satisfaction is employee satisfaction employees feel the way a job. There are hundreds of job characteristics to be considered a worker, but a group of job characteristics tend to be jointly evaluated in the same way. A group of these characteristics, which are generally found in the statistical analysis of some of the attitude questionnaire, including: salary / wages, working conditions, supervision, co-workers, job content, job security, and promotion opportunities. Robbins (1991:170-184) defines job satisfaction as an individual's general attitude toward his work. In giving the concept of job satisfaction measurement Robbins gives job satisfaction factors are: (1) the nature of the work, (2) supervision, (3) salary, (4) promotion opportunities, and (5) relationships with co-workers.

Byars (1998:302-304) defines job satisfaction is a general attitude of employees towards work. Based on these definitions then according to Byars, 5 major components of employee satisfaction are: (1) Attitude toward the work group, (2) General working conditions, (3) Attitude toward the company, (4) Monetary benefits, and (5) Attitude toward management. According to Byars, the other component is the opinion of the employee concerned: the work itself and life in general. Employee attitudes toward the job may be positive or negative. Public, age, level of aspiration, social status, and political and social activities can affect employee satisfaction.

Luthans (1998:144-147), defines employee satisfaction is the result of the employee's perception of how they work to give something that is deemed important. Luthans identifies six dimensions that influence employee job satisfaction, namely: (1) The work itself, (2) Pay, (3) Promotions (4) Supervision, (5) Work Group, and (6) Working conditions.

Kangas (1999) defines job satisfaction of employees in reaction to the employee feeling that his work was based on a comparison between the results obtained with the expected results. According to Kangas, the variables that influence job satisfaction labor front line are: the level of professionalism, organizational culture, supervision, autonomy, and routine work.

By studying variables to measure employee satisfaction theoretically expressed by the experts, then the variables used to measure internal customer satisfaction in this study is: Work itself, Pay, Physical Working Conditions, Teamwork, and Supervisor.

### **Internal Customer Behavior Intention**

The bargaining power of labor front line in the next decade is forecast to rise in line with rising demand and falling supply of labor front line, while the front line workforce that exists today is at a stage of maturity (McNeese-Smith, 2001). Therefore, a public service organization at the present time should really pay attention to what is by McNeese-Smith called with organizational commitment (OC), which is the power of the individual identifies with the organization's goals and values involved. Employees as well as with customers, have a behavior on satisfaction / dissatisfaction with the service organization, although in different ways. Employees who are not satisfied with the quality of internal services will show the range of behaviors, such as frequency and duration of absenteeism and high turnover rose (Bowen, 1982; Scott & Taylor, 1985; Sheridan, 1985). Attention to job satisfaction also bind directly to the emergence of concern in some countries about the quality of life. As has already been stated that job satisfaction is related to absenteeism and turnover, both of these are a waste for the organization. Thus, economic reasons are very practical for organizations to pay attention to job satisfaction, because its influence on organizational effectiveness. However, prior to some practical reasons used to prevent dissatisfaction caused by absenteeism and turnover, should be understood in advance about the factors that cause job satisfaction and prevent absenteeism and turnover.

Luthans (1998:144-147) in addition expressed on dimensions that affect employee job satisfaction also revealed the results of job satisfaction. According to Luthans, affect employee job satisfaction: Productivity, Turnover and Absenteeism. Meanwhile, according to Boswell (2004) job satisfaction of employees will have an impact on Behavior Intention in the form of the retention behavior of employees, turnover, and absenteeism. In the opinion of Voima (in Liljander, 2000) called employees loyal to the company if the employee has a desire to remain an employee of the company. According Voima, employee job satisfaction affects employee behavior intention, namely: (1) the level of attendance, (2) performance, (3) word of mouth, (4) turnover, and (5) loyalty.

According to Zeithaml et al., (1996) Customer behavior intention theoretically configured into 5 dimensions of behavior, namely: (1) loyalty to the company (loyalty), (2) the desire to replace/switch products (switches), (3) the willingness to pay the price of the product (pay more), (4) external response to problem-solving environment (external response), and (5) response to the resolution of problems of internal environment (internal response). In this study, to measure customer interest in the behavior of internal use 5 aspects are expressed by Zeithaml.

### **Effect of Internal Service Quality to Internal Customer Satisfaction**

Robbins (1991:170-184) describes the theoretical relationship of internal service quality and job satisfaction from the perspective of job satisfaction as the dependent variable (dependent variable) and the internal service quality as an independent variable (the

independent variable). Job satisfaction as the dependent variable is affected by them: (1) the work is mentally challenging, (2) fair wages, (3) supportive working conditions, and (4) co-worker support.

Zeithaml & Mery (2003) in the service marketing triangle explains that promote the establishment of internal service quality of employee satisfaction (as internal customers). Internal service quality is reflected in the internal environment conducive (for example: through employee empowerment, delegation of authority, trust, effective communication, and so on) and full implementation of the human reward in the form of financial and non-financial (eg, salary, bonuses, praise, opportunity to attend, additional training, etc.). While Heskett (1994) in the profit chain - the service (Service-profit chain/SPC) describes the internal service quality promote the establishment of employee satisfaction in the proposition is that the internal service quality trigger employee satisfaction. Of explanation Robbins, Zeithaml and Mery, and Heskett seems that theoretically there is a relationship between internal service quality and job satisfaction of employees in this case are the internal customers. The first hypothesis can be drawn are:

H1: Internal service quality affects customer satisfaction internal

### **Effect of Internal Customer Satisfaction to Internal Customer Behavior Intention**

Heskett (1994) in the profit chain - the service (Service profit - chain/SPC) describes the relationship of employee satisfaction with an interest in the behavior propositions lead to internal customer satisfaction internal customer loyalty. While Zeithaml & Mery (2003) in terms of three marketing services explained that encourage the growth of employee satisfaction employee loyalty to the organization. Some experts explain that other public service workforce satisfaction of front line had an impact on the retention of employees to the organization (Boswell, 2004; Gurley et al; 2003, Koys, 2001; Simoens et al; 2002, Davis, 2002; Newman, 2002).

More comprehensively Robbins (1991:170-184) describes the relationship between job satisfaction and Employee Behavior Intention from the standpoint of employee job satisfaction as independent variables (independent variables). As an independent variable, affecting employee job satisfaction: (1) productivity, (2) attendance, and (3) Turnover.

According to Gurley in the Staw (1991:107-120) the labor front line staff are essential components in the public service for consumers. Therefore, the issue of job satisfaction and labor turnover front line workers in the front line to the attention of the whole world because in many previous studies and literature show that low job satisfaction lead to high employee absenteeism and turnover. With the high absenteeism and turnover, this led to high costs, because the organization lost productivity and high cost of recruitment, placement, and training of employees.

Employees called loyal to the company if the employee has a desire to remain an employee of the company (Voima in Liljander, 2000). According Voima, employee job satisfaction affects employee behavior intention, namely: (1) the level of attendance, (2) performance, (3) word of mouth, (4) turnover, and (5) loyalty. Of explanation Robbins, Zeithaml and Mery, Heskett, Gurley, and Voima appears that theoretically there is a relationship between job satisfaction of employees with employee behavior intention

(behavioral interests of employees as the company's internal subscriber). The second hypothesis that can be set are:

H2: Internal customer satisfaction influence the internal customer behavior intention.

H3: Internal service quality affect the internal customer behavior intention through internal customer satisfaction.

### **Previous Studies**

Aiken et al., (2002) examines the influence of organizational support to the front line workforce satisfaction, labor turnover front line, and the quality of front line workers in dealing with consumers. The research results proved that high organizational support to public service makes the front line workforce satisfaction, turnover labor front line low, and the quality of services provided front line workers to consumers high.

Research on employee as internal customer satisfaction in public service has been done previously by McNeese-Smith (1996) and Kee & McKee-Waddle (1999). These studies have proven that leadership behavior variables have a positive relationship with job satisfaction, productivity, and commitment to the organization.

Davis (2002) examined the recruitment of employees about the program and its effect on employee satisfaction and employee retention by Davis called the R & R program. From the research results it is known that the R & R program is not enough to overcome the problem of employee turnover. Require employees working environment by Davis called to have fun on the job. If the atmosphere is not created by the organization in the work environment with high levels of stress, as in the public service, the employee satisfaction will be low and consequently employee retention will be low. Furthermore, this has resulted in employee turnover is high.

A similar study conducted by Simoens et al., (2002). The difference is Simoens examines the effect of work stress on employee satisfaction and further influence on employee turnover. From the research, they note that the work environment influence on employee satisfaction. And the work environment as well as a source of employee satisfaction employee turnover.

Gurley et al., (2003) investigated the effect of prize money and communication on employee satisfaction and employee retention. From these studies it is known that prize money and communication effect on employee satisfaction, which in turn affects employee retention.

### **Research Methods**

This research is a quantitative study which aims to explain the causality of the variables studied. The design of this research is to use the hypothesis. And the nature of the research was an explanation (explanatory research), the research that explains the causal relationship between the variables studied through hypothesis testing.

The data required in this study is primary data collected using questionnaires media. The unit of analysis in this study is the front line workers are registered as permanent employees of offender education services 3 universities in East Java, which entered into the top 10 best universities in Indonesia in 2013, namely: Petra Christian University - Surabaya, Airlangga University - Surabaya, and Brawijaya University - Malang. Time dimension is a cross section of research, ie research in a particular time by using many respondents.

Babbie (1986:142) describes the population as aggregation of elements to be studied and that have certain characteristics. The population in this study is the front line workers registered as permanent employees of offender education services 3 universities in East Java, which entered into the top 10 best universities in Indonesia in 2013, namely: Petra Christian University - Surabaya, Airlangga University - Surabaya, and Brawijaya University - Malang. Front line chosen because it is one of the existing installations in educational services where there is a very high contact between service providers and service recipients.

The sample is a specific part of the population studied (Babbie, 1986:176). The sample in this study is the front line workers are registered as permanent employees of offender services in East Java university education that goes into the top 10 best universities in Indonesia in 2013, namely (www.tahupedia.com): Petra Christian University - Surabaya, Airlangga University - Surabaya, and Brawijaya University - Malang, has worked in the public service in question 1-5 years, and served on the front line service units. Ways sampling conducted by purposive random sampling method.

The sample size used in this study was determined by using a small sample size requirements for data processing by using SEM (Structural Equation Modeling) is equal to 100-150 (Hair et al, 1998:605). By using these terms, the number of samples in this study was determined to be 150 by using proportional sampling size (large samples at each university is determined in proportion to each of 50 samples).

Conceptual framework in this study has three (3) types of research variables or variable construct (construct variable), namely: (1) dependent variable (dependent variable), (2) the independent variable (the independent variable), and (3) between the variables (intervening variable). Classification variables in this study are presented in the following table:

**Table 1. Classification Variables**

<b>VARIABLE</b>	<b>REMARK</b>
Internal Service Quality	Exogenous Variable
Internal Customer Satisfaction	Intervening Variable
Internal Customer Behavior Intention	Endogenous Variable

Source: Data processed

The operational definition of variables used in this study can be described as follows:

1. Internal service quality

An excellent service provided by public service management to front line workers. For this purpose, construct or variable formation of internal service quality were identified through 4 conception or measurable variables: Tools, Policies and procedures, Teamwork, Management Support.

2. Internal customer satisfaction

A generalization of the attitudes of internal customers (employees) to work based on aspects of the work are manifold. These aspects in general include: salary/wages, working conditions, supervision, co-workers, job content, job security, and promotion opportunities. From the theoretical review, then for purposes of this study constructs or variables identified notching internal customer satisfaction through 5

conception or measurable variables, namely: Work itself, Pay, Physical working condition, Teamwork, Supervisor.

### 3. Interests internal customer behavior

An internal customer behavior on satisfaction/dissatisfaction with the internal services in a way that is different for each individual. In this study, using the Behaviour Intention variables that have been expressed by Zeithaml et al., (1996), the variables that are used to measure interest in the behavior of internal customers are: Loyalty, Switch, Pay more.

Sources of data in this study is primary data which is all the data collected during the study directly. Primary data collected includes data on: the internal service quality, internal customer satisfaction, internal customer behavior and interests. The data obtained from the selected respondents. Hypothesis testing is performed using Structural Equation Modeling (SEM) with the LISREL program.

## Results and Discussion

### Descriptive Statistics Internal Service Quality

**Table 2. Descriptive Statistics Internal Service Quality**

NO	MEASUREMENT	MEAN	STANDARD DEVIATION	REMARK
1	Equipment	3.37	.968	Netral
2	Policies and Procedures	3.30	.961	Netral
3	Teamwork	3.39	1.027	Netral
4	Support Management	3.31	.953	Netral
Total		3.34	.977	Netral

Source: Data processed.

Based on Table 2 it can be seen that the Internal Service Quality is measured by using 4 indicators. The total value of the average on Internal Service Quality of 3.34 and a total standard deviation of 0.977. It proves that the respondents' answers to the Internal Service Quality is neutral.

### Descriptive Statistics Internal Customer Satisfaction

**Table 3. Descriptive Statistics Internal Customer Satisfaction**

NO	MEASUREMENT	MEAN	STANDARD DEVIATION	REMARK
1	Work itself	3.86	.859	Agree
2	Pay	3.51	.897	Agree
3	Physical working condition	3.95	.923	Agree
4	Teamwork	3.86	.946	Agree

5	Supervisor	3.72	.822	Agree
Total		3.78	.889	Agree

Source: Data processed.

Based on Table 3 it can be seen that the Internal Customer Satisfaction is measured using five indicators. The total value of the average on Internal Customer Satisfaction at 3.78 and the total standard deviation of 0.889. It is proved that the answers of the respondents to the Internal Customer Satisfaction is Agree.

### Descriptive Statistics Internal Customer Behavior Intention

**Table 4. Descriptive Statistics Internal Customer Behavior Intention**

NO	MEASUREMENT	MEAN	STANDARD DEVIATION	REMARK
1	<i>Loyalty</i>	3.52	.850	Agree
2	<i>Switch</i>	4.00	.842	Agree
3	<i>Paymore</i>	3.53	.856	Agree
Total		3.68	.849	Agree

Source: Data processed.

Based on Table 4 it can be seen that the Internal Customer Behavior Intention was measured using 3 indicators. The total value of the average interest of 3.68 Internal Customer Behavior Intention and the total standard deviation of 0.894. It is proved that the respondents' answers to the Internal Customer Behavior Intention is Agree.

### Results

The multivariate normality test results are as follows:

#### Multivariate Normality

Value	Skewness		Kurtosis		Skewness and Kurtosis		Chi-Square	P-Value
	Z-Score	P-Value	Value	Z-Score	P-Value			
4,806	1,928	0,059	4,796	1,950	0,051	5,913	0,059	

Based on multivariate normality, it appears that the p-value for Skewness, Kurtosis, and Skewness and Kurtosis each have greater than 0.05. It is proved that each variable is normally distributed. So that the analysis can be continued.

**Table 5. Validity Test**

Measurement	Standardized Loading	Cut Off	Remark
ISQ1	0.86	> 0.7	Valid
ISQ 2	0.89	> 0.7	Valid
ISQ 3	0.79	> 0.7	Valid
ISQ 4	0.89	> 0.7	Valid
ICS1	0.82	> 0.7	Valid
ICS 2	0.74	> 0.7	Valid
ICS 3	0.73	> 0.7	Valid
ICS 4	0.82	> 0.7	Valid
ICS 5	0.77	> 0.7	Valid
ICBI1	0.82	> 0.7	Valid
ICBI 2	0.71	> 0.7	Valid
ICBI 3	0.80	> 0.7	Valid

Source: Data processed.

Based on Table 5 it can be seen that the value of the standardized factor loading of each indicator in the study have a value greater than 0.5. Thus test the validity of the SEM based on p-value and the value of the standardized loading factor can be said that each of the indicators in this study is valid. Therefore, the reliability test is then performed.

**Table 6. Reliability Test**

Variable	CR	Cut off	VE	Cut off	Remarks
Internal Service Quality	0.90	$\geq 0.7$	0.67	$\geq 0.5$	Reliable
Internal Customer Satisfaction	0.87	$\geq 0.7$	0.61	$\geq 0.5$	Reliable
Internal Customer Behavior Intention	0.80	$\geq 0.7$	0.62	$\geq 0.5$	Reliable

Source: Data processed.

Table 6 shows that all the variables of the study meet the standard value of Construct Reliability (CR) > 0.7 and Variance Extracted (VE) > 0.5. Thus the analysis can proceed.

Structural Equations based on the results of the analysis are as follows:

$$\text{ICS} = 0.22 * \text{ISQ}$$

$$\text{ICBI} = 0.38 * \text{ICS} + 0.22 * \text{ISQ}$$

Based on these structural equations, can be explained as follows:

1. Internal Service Quality a positive effect on the Internal Customer Satisfaction with a coefficient of 0.22. This means that if the Internal Service Quality up one unit then the Internal Customer satisfaction increased by multiples of 0.22.
2. Internal Customer Satisfaction a positive effect on the Internal Customer Behavior Intention with a coefficient of 0.38. This means that if the Internal Customer Satisfaction up one unit then the Internal Customer Behavior Intention increased by multiples of 0.38.
3. Internal Service Quality a positive effect on the Internal Customer Behavior Intention with a coefficient of 0.22. This means that if the Internal Service Quality up one unit then the Internal Customer Behavior Intention increased by multiples of 0.22.

**Table 7. Goodness of Fit Index**

Goodness of Fit Indeks	loading	Cut off Value	Remarks
RMSEA	0.038	$\leq 0.08$	Smaller (Significant)
Prob	0.0084	$< 0.05$	Smaller (Significant)
GFI	0.92	$> 0.90$	Good Fit
AGFI	0.89	$> 0.90$	Good Fit
NFI	0.96	$> 0.90$	Good Fit
NNFI	0.98	$> 0.90$	Good Fit
CFI	0.98	$> 0.90$	Good Fit
IFI	0.98	$> 0.90$	Good Fit
PNFI	0.80	0.6 – 1 (close to 1)	Good Fit

Source: Data processed.

Based on Table 7, it appears that the entire value of the goodness of fit according to cutt of value. Thus it can be said that the empirical data used are in accordance with the conceptual framework.

**Table 8. Hypothesis Test**

Hypothesis	Causality	loading	t-value	Cut off	Remarks
H1	ISQ $\rightarrow$ ICS	0.22	3.27	1.96	Significant
H2	ICS $\rightarrow$ ICBI	0.29	8.10	1.96	Significant
H3	ISQ $\rightarrow$ ICS $\rightarrow$ ICBI	0.45	6.15	1.96	Significant

Source: Data processed.

Based on Table 8 the results of hypothesis testing can be described as follows:

1. Internal Service Quality positive and significant impact on the Internal Customer Satisfaction.

2. Internal Customer Satisfaction positive and significant impact on the Internal Customer Behavior Intention.
3. Internal Service Quality positive and significant impact on the Internal Customer Behavior Intention through Internal Customer Satisfaction.

## **Discussion**

### **1. Internal service quality affects internal customer satisfaction on education services in East Java**

Descriptive statistics of Internal Service Quality and Internal Customer Satisfaction indicate the total value - average of 0.34 and 0.78 with a standard deviation value of 0.977 and 0.889. It is proved that the answers of the respondents to the Internal Service Quality is neutral. While the respondents' answers to the Internal Customer Satisfaction is indicates that the respondents agreed with the statements with respect to the variables proposed in this study.

Hypothesis test the effect of the Internal Service Quality on Internal Customer Satisfaction indicates that the estimated value of 0.22 and t-value has a value of 3.27 (t-table 1.96). This means that the effect is weak, positive, and significant. In other words, any changes made to the Internal Service Quality will bring a direct and significant effect on the change in the Internal Customer Satisfaction. The results of this study prove that the first hypothesis in this study received. The results of this study also support the results of research conducted by previous researchers.

### **2. Internal customer satisfaction affects internal customer behavior intention on education services in East Java**

Descriptive statistics of Internal Customer Satisfaction and Internal Customer Behavior Intention shows the total value - average of 3.78 and 3.68 with a standard deviation value of 0.889 and 0.849. It is proved that the answers of the respondents to the Internal Service Quality and Internal Customer Behavior Intention is indicates that the respondents agreed with the statements with respect to the variables proposed in this study.

Hypothesis test the effect of Internal Customer Satisfaction to Internal Customer Behavior Intention indicates that the estimated value of 0.29 and t-value has a value of 8.10 (t-table 1.96). This means that the effect is weak, positive, and significant. In other words, any changes made to the Internal Customer Satisfaction will bring a direct and significant influence on changes Internal Customer Behavior Intention. The results of this study prove that the second hypothesis in this study received. The results of this study also support the results of research conducted by previous researchers.

### **3. Internal service quality affects the internal customer behavior intention through internal customer satisfaction on education services in East Java**

Hypothesis test the effect of the Internal Service Quality on Internal Customer Behavior Intention through Internal Customer Satisfaction indicates that the estimated value of 0.45 and t-value has a value of 6.15 (t-table 1.96). This means that the effect is quite strong, positive, and significant. In other words, any changes made to the Internal Service Quality will bring a direct

and significant influence on changes Internal Customer Behavior Intention through Internal Customer Satisfaction. The results of this study prove that the third hypothesis in this study received. The results of this study also support the results of research conducted by previous researchers.

## Conclusion

Based on the results of research and discussion that has been done can be concluded as follows:

1. The first hypothesis in this study states that the Internal Service Quality affects the Internal Customer Satisfaction on education services in East Java, is accepted. It is proved that the quality of educational services to the organization's internal customers able to provide a positive and significant influence on internal customer satisfaction.
2. The second hypothesis in this study stated that the Internal Customer Satisfaction affects the Internal Customer Behavior Intention on educational services in East Java, is accepted. It is proved that the internal customer satisfaction able to provide a positive and significant effect on the internal customer behavior intention.
3. The third hypothesis in this study states that the Internal Service Quality affects the Internal Customer Behavior Intention through Internal Customer Satisfaction on education services in East Java, is accepted. It is proved that the internal service quality able to provide a positive and significant effect on the internal customer behavior intention through internal customer satisfaction.

## Suggestion

1. It is expected that further research will discuss the Marketing Management Service may consider the variables - other variables outside of these variables have been studied in order to obtain more comprehensive results.
2. It is expected for the organization of education service providers always concerned about the quality of internal services. Because based on the results of this study of internal service quality is a factor that has a significant positive effect on the interest of the internal customer behavior through internal customer satisfaction.

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