

# The Influence of Internal Service Quality on Employees' Satisfaction and Loyalty

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## Abstract

The purpose of the study is to explore the effect of internal service quality (ISQ) on employees' satisfaction and loyalty in the higher education setting. To test research hypotheses, the study employed a quantitative survey of 356 administrative staff from public and private universities in Thailand. Structural equation modeling was utilized for data analysis. Results indicated that internal service quality embracing individual ISQ, departmental ISQ, and organizational ISQ significantly influenced employees' satisfaction. Staff satisfaction had a positive impact on loyalty. The current study has extended the understanding of the service-profit chain to the higher education context. For managerial implications, it is imperative for universities to encourage adequate internal quality services among staff, departments, and organizations to enhance their employees' satisfaction and loyalty.

**Keywords:** employee satisfaction, employee loyalty, higher education, internal service quality