CHAPTER 1

INTRODUCTION

1.1 INTRODUCTION

Health is wealth. Health care is not only essential for public welfare but it is an indicator of a nation’s growth. The healthcare industry gives products and services to treat patients and offers preventive and rehabilitative care. The Indian government spends the highest on health care for the people because it is the primary duty of the government to keep its citizens healthy. There are private players who have made a significant investment by setting up top class hospitals in selected cities. All the latest medical technology has found its way to India.

Exhibits the current and projected size of Indian health care industry which portrays compound annual growth rate from 2010-2020 is shown in Figure 1.1. Health care in India has emerged to become the most promising sector in recent times.

The health care industry has been fueled to a great extent by the development of maturing populace, rising economy, expanding salary levels and changing nature of infection, particularly towards a way of life sickness. This will be a central point driving up social insurance spending in the nation.

Even though there are many hospitals, the patients today are facing a lot of problems. To overcome these problems the hospital service quality
and patients fulfillment have to be increased. Studies stretch the significance of patients' perspectives as a crucial instrument for checking and enhancing service quality. Numerous hospitals are embracing a patient-focused mind Hendricks et al. (2002). Therefore, the large numbers of studies exploring patient fulfillment utilize an extensive variety of estimations relying upon patient’s fulfillment definition Parasuraman et al. (1990).

![Health Care Industry Annual Growth](image)

(Source: Frost & Sullivan, LSI Financial Services, Deloitte, TechSci Research, Note: F= Forecast)

**Figure 1.1 Current and projected size of Health Care Industry (USD Billion)**

The nature of service and promotion to give comfort to the patient are critical components of service influencing the level of fulfillment among patients which influences understanding trends. The significance of this study lies on the fact that the managing nature of the service in hospital facilities; moreover the study depicts distinguished distinction between the measurements of service quality. The major issues in the health Care industry have been distinguished as: Population Growth: Primary force of development of the health care sector. With the population right now at 1.1 billion and expanding at the rate of 2% p.a., as it assessed by 2050 the
populace will reach 1.6 billion. This monstrous populace is expected some extent to diminish the newborn, child mortality is a general increment in future, more prominent fortune among individuals and better cleanliness. Along with these lines a developing elderly populace will soon put a tremendous weight on India's human services framework. Expanding Middle Class: Parallel to India's flourishing economy, its rapid urbanization leads to the growth of expanding middle class. Uncontrolled urbanization leads to various health issues and this result in spending more on healthcare. Rise of Disease: Basically there are two types of diseases, namely communicable and other chronic degenerative diseases. Many of the communicable diseases like polio, hepatitis, tuberculosis, pneumonia have been brought under control by the government initiatives. Some of them have comeback with more virulent forms and are very difficult to treat because, they become resistant to drugs. The present lifestyle has lead to various other diseases like diabetes, malignancy, obesity and hypertension. More alarming is the situation, because these diseases are growing faster than infectious diseases. Technology: Medical technology both in diagnostic and curative fields has been growing tremendously. No nation can lag behind in giving its citizens the latest medical techniques and tools. Medical Tourism: With forte and super claim to fame clinics outfitted with the most recent hardware and the best surgical strategies at generally economical charges on the ascent has made India a center point for individuals from the west to get treatment brought forth an idea called medical tourism.

1.1.1 Health Care in the Globe

In recent years, around the globe, there has been an increasing interest in health care services because of the changes in the people’s standard of living. This leads to a greater demand for better health care services to improve the lifestyle of the people Muslim Amin and Siti Zahora
Nasharuddin. There is a revolutionary change in the health care sector. It is evident from the World Bank report that the life expectancy of the people has been greatly extended when compared to the earlier days World Bank data from 2010. This is possible only because of the exponential, scientific and technological development, especially in the health care sector.

Basically every nation on the planet has some type of social insurance framework that plans to give in any event fundamental social insurance services to the general population. In numerous nations the presence of such a service is seen to be a foundation of a enlightened country and for the advancement of a yearning one. Medicinal services frameworks themselves differ fundamentally from one nation to another and can have territorial variety inside of a single state (e.g. inside of the UK there are contrasts between Britain, Wales, Scotland and Northern Ireland). While the nature and setup of these human services frameworks has been reported in various sources Lee & Goodman (2002) further investigation of their propriety in cutting edge times is constrained. Social insurance frameworks around the globe face a scope of difficulties, one of the current termed monetary and money related gravity. In numerous nations the medical services operation framework is an essential political issue and any change to medicinal services procurement to meet rising difficulties is regularly wildly opposed and hence can demonstrate hard to execute. Social environmental and personal factors affecting the health of individuals are given in Figure 1.2.

Of late, social researchers and social disease transmission specialists have turned their consideration regarding a developing scope of social and social variables as precursors of good. These variables incorporate SES, race/ethnicity, sexual orientation and sex parts, movement status and cultural assimilation, destitution and hardship, informal organizations and social backing, and the psychosocial workplace, notwithstanding total
qualities of the social situations, for example, the dissemination of pay, social union, social capital, and aggregate viability.

Figure 1.2  Social, Environmental and Personal Factors Affecting the Health of Individuals

Thorough reviews of ebb and flow regions of exploration in the social determinants of good can be found in existing course books (Marmot & Wilkinson et al. 2006 and Berkman & Kawachi 2000). This section concentrates on showing the key exploration discoveries for a couple chose social variables such as psychosocial workplace, and interpersonal organizations/social backing. Variables are highlighted in light of their strong relationship with good status and achieved from great motivations to trust.

The United States spends more on human services than any other nation in the planet, at an expected 17.7 percent of Gross Domestic Product (GDP) in 2013. U.S. human services spending is surpassing income as a rate of GDP and is anticipated to develop by a normal of 4.9 percent a year in 2014 and 17.9 percent of GDP by 2018. Both U.S. medicinal services financing and protection scope are experiencing critical change through the 2010 Moderate Care Act, which has extended Medical aid furthermore,
presented compulsory medical coverage with an end goal to build scope from around 85 percent of the populace to around 95 percent by 2019, and to moderate the ascend in medicinal services.

Like other created nations, human service Australia keeps on expanding, driven by a developing furthermore, maturing populace, progresses in medicinal innovation furthermore, medicines, and shoppers' expanding attention to good related issues. 2013 spending was an expected 11.4 percent of GDP, or $172 billion, with 66% of the aggregate from open sources. Human services spending are anticipated to increment in 2014-2018 to $186.3 billion, yet fall marginally to 11.1 percent of GDP.

Australians have one of the most elevated futures in the world — a kid conceived somewhere around 2010 and 2012 can anticipate to live to 79.9 years and a young lady to 84.3 years. What's more, Australia's populace development in late decades has been more grounded among more established age gatherings contrasted and more youthful gatherings: In 2013, individuals matured 65 and over included 14 percent of the populace contrasted and nine percent in 1973, while individuals matured under 25 contained 33% (32 percent) of the populace contrasted and half (45 percent) 40 years earlier. The nation's maturing populace brings orderly good issues that drive up consideration request also; cost and coronary illness was the main fundamental reason for death for both male and females.

In 2011 Australia, representing 15% of all passing. Seventy five percent of passing’s individuals matured and over; only five percent were passing’s of individuals under the age of 55 Cerebrovascular illness (e.g., stroke) is the second most basic fundamental reason for death in Australia, representing eight percent of all passing’s in 2011. Stroke passing’s increment significantly with age, with 82 percent of passing’s happening in individuals matured 75 or over in 2011. Dementia (counting Alzheimer infection) and
lung malignancy were the third and fourth most normal basic reasons for death Australia has a national social insurance financing framework, known as Medicare. Commitments are made through expenses and a toll taking into account assessable wage. Medicare gives free healing facility consideration (counting prescriptions) at open doctor's facilities (on the other hand 75% of the Medicare Schedule expense for services and methodology in the event that you are a private patient in an open or private doctor's facility) and finances spending on non-healing facility services.

There are various ways to deal with financing human services however the World Health Organization (WHO) proposes that there are by and large five essential techniques: General tariff, social medical coverage, intentional or private medical coverage, out-of-pocket installments, and through gifts to charities. Human services frameworks once in a while depend on only one subsidizing system also, as a rule have a mix of systems. Liberalization, Privatization and Globalization (LPG) has gotten exceptional changes the monetary, exchange and mechanical situation. India is quickly moving from a secured economy to an open business sector economy and getting to be coordinated with the world economy.

LPG upset has uncovered different associations including the service segment to the difficulties of rivalry, service quality, cost, and the focused environment. Some of those not able to adapt to the progressions may need to confront the outcomes of survival of the fittest. The Indian economy is the second quickest developing economy on the planet with the development rate of the GDP of 8.20 percent in the final quarter of 2010. The economy of India is the twelfth biggest on the planet (GDP of US$1.09 trillion in 2007).
India positions fifteenth in the service yield and it gives livelihood to around 23 percent of the aggregate workers in the country. Service Sector of Indian Economy added to around 57.2 percent of India's GDP amid 2009-10. It is by and large acknowledged that the service economy incorporates the "delicate parts" of the economy, comprising of nine industry super areas – training and good services, money related exercises, government, data, relaxation and friendliness, expert and business services, transportation and utilities, wholesale and retail exchange, and different services. The service division contributed the most to the Indian GDP (around 57.2 percent in 2009-10). The service segment contributed just 15 percent to the India's GDP in 1950. The commitment expanded from 43.69 percent in 1990-1991 to around 51.16 percent in 1998-1999. The service's commitment part has expanded quickly as Information and correspondence Technology Enabled Services (ITES) from India and won the certainty of numerous worldwide partnerships, needing to bring down their operational expenses through a procedure outsourcing. India has a substantial pool of very talented and taught specialists accessible at a moderately lower expense.

Along these lines, excellent services from India keep on winning piece of the pie over the globe from organizations needing to outsource their non-center business forms. There is a developing interest too for business arrangements, budgetary services and innovative information procedures conveyed remotely from South Asian nations for which important aptitude is regularly hard to come by in Western countries. This interest itself goads the development of numerous new types of ITES. The service segment represents more than 70 percent of employment and it is on the ascent and anticipated that would reach 85 percent soon. Quality service and quality change is compulsory for the service's accomplishment segment and for our economy.
1.3 HEALTH CARE IN INDIA

Indian economy, the service sector is the tertiary sector, which consists of many industries. The healthcare industry in India is considered as one of the largest sector in terms of both revenue and workforce employment. The primary competitive advantage of the Indian healthcare industry lies in its large pool of well-trained medical professionals and India's significant cost advantage compared to other countries in Asia as well as Western countries. The cost of surgery in India is one-tenth of that in the US or Western Europe. World Bank data from 2010. The tremendous growth of the health care industry is due to its coverage, range of services offered and increasing expenditure made by public as well private players. Besides these, reasons like a large and growing population, a booming economy, rapid urbanization, increasing diseases and also increased awareness among the people contribute towards the phenomenal growth of the Indian health care industry. Sectors available in the Health Care system is shown in Figure 1.3.

![Figure 1.3 Health Care Systems in India](image)

India is a rural agrarian economy. Approximately three quarters of the total population where 1.2 billion people are living in Indian villages. India, being a developing nation, witnesses the rise in the average income of the people, quick urbanization, and burgeoning of middle class and increased
awareness about 360 degree development across the globe and especially the healthcare facilities. Thus the people are fascinated to use new-fangled products and services. The purchasing power of the Indians is increasing due to the growth of two career families.

As indicated by evaluations, the general Indian medicinal services showcase today USD 65 billion, whose the doctor's facility supplies and the social insurance hardware portion is accepted to be just around USD 4.5 to 5 million. Social insurance conveyance - healing facilities, nursing homes and diagnostics focuses, and pharmaceuticals, constitutes 65 for each penny of the general business sector. The Indian social insurance industry is required to reach USD 160 billion by 2017 and USD 280 billion by 2020. This colossal development is for its scope, services offered and expanding use made by private players. Other than these, there are huge developments of populace, a blasting economy, quick urbanization, and expanding maladies furthermore expanded mindfulness among the general population likewise contributes towards the sensational development of the Indian human services industry.

The significant constituents of the Indian human services industry provides doctor's facilities, restorative gadgets, clinical trials, outsourcing, telemedicine, therapeutic tourism, health care coverage and medical gear. The Indian human services conveyance framework comprises of two noteworthy parts - open and private. People, in general, the framework of Government medicinal service incorporates constrained auxiliary and tertiary consideration foundations in key urban communities and spotlights on giving fundamental human services offices as essential social insurance focuses (PHCs) in provincial territories. The private segment gives the lion's share of auxiliary, tertiary and quaternary consideration establishments with a noteworthy fixation in metros, level I and level II urban communities. Despite the fact both open and private players are using the medical service transcendental
ruled by private players having around 70% of the aggregate business sector conveyance in India. Individuals are accepted to develop from creatures. By and large individuals are experiencing numerous transmittable and non-transferable sicknesses. Numerous endeavors were taken in long time past days to cure the ailment. In antiquated societies, religion and drug were connected. As right on time 4000 BC religions recognized their gods with recuperating.

Establishments made particularly to elevate the iniquity in India. The Vaisyas' leaders, dealer families in northern India built up their houses in urban area for apportioning philanthropy and prescription. People similar to vagrants, unhealthy, widowers, childless men, disabled, are furnished with each sort of assistance. Specialists for the most part analyze their illnesses and get treated. They get the nourishment and solutions which their cases require, and are made to feel quiet; and when they are better, they go away by themselves. Diseases were additionally very much treated utilizing Ayurveda, Siddha, Unani, Rasashastra, and so forth. Techniques for determination included enchanted and balanced methodologies.

Signs assumed an imperative part in distinguishing and curing the evil. The flight of winged creatures, the haunts of nature, and numerous different perceptions were deciphered by the Indian doctor as pieces of information to the ailment's seriousness. By and by, the patient was given escalated investigation, particularly his sputum, pee, stool, and vomits. In this manner diabetes was distinguished by the sweet taste of a persistent pee. The beat, characterized into an intricate framework, was likewise an imperative indicative and prognostic device. Bit by bit doctor's facility in its advanced structure developed because of advanced and innovative improvement in the nineteenth century.
In the current world, there is a staggering change in the way of life of the general population, which prompt changes in the general population's sustenance propensities as well. Therefore, a number of exercises like lodgings and fast food eateries prosper. Despite the fact that numerous endeavors are being taken by the service for treating the disease, still it is seen numerous mortality cases. As per the World Health Statistics 2015, the future during childbirth for both genders has been expanded from 58 in 1990 to 66 in 2013 and in the same way the future at age 60 years for both genders demonstrates an increment of 15 in 1990 to 17 in 2013. The fourth Millennium Development Goal is diminish the newborn child death rate likelihood of biting the dust by age 1 according to 1000 live births. India has tried every one of their endeavors in accomplishing this objective and it has accomplished to some degree. The report demonstrates that the death rate has diminished to a degree from 88.4 in 1990 to 41.4 in 2013 if there should arise an occurrence of both genders.

This is clear that still India needs to truly attempt to decrease the mortality cases. This is obvious from the World Bank information that about 400 million Indians live on not exactly USD 1.25 every day. 44% of all kids are malnourished in India, according to India initially – World Bank. To tackle such issues, endeavors like opening up of new doctor's facilities with current, upgraded innovation and solution, modernization of the current healing centers, innovative work exercises are to be taken and completed to cure such sickness.

Hence the requirement for Health Care Industry to develop gets to be vital and imperative so as to expand the general population's future in India.
1.4 COMPONENTS OF INDIAN HEALTHCARE INDUSTRY

The significant constituents of the Indian medicinal services industry are hospitals, clinical trials, outsourcing, telemedicine, therapeutic tourism, health care coverage and medical equipment. The Indian medicinal services conveyance framework comprises of two noteworthy segments - open and private. The general population, that is, Government health care services framework incorporates restricted optional and tertiary consideration foundations in key urban communities and spotlights on giving fundamental human services offices as essential Primary Healthcare Centers (PHCs) in provincial regions.

1.4.1 Accreditations in Healthcare Industry

Health care accreditation has been characterized as a self-evaluation and outer companion appraisal procedure utilized by medicinal services associations to precisely survey their level of execution in connection to set up gauges and to actualize approaches to consistently improve. Basically, accreditation is not just about standard-setting: there are scientific, advising and self-change measurements to the procedure. There are parallel issues around proof based pharmaceutical, quality confirmation and therapeutic morals is a key part of the accreditation process. Clinic accreditation along with these lines the segment in the support of patient security.

Extensively talking, there exist two sorts of healing center accreditation: 1) Hospital and human services accreditation which happens inside of national fringes. 2) International human services accreditation. The Joint Commission is a private division United States-based non-benefit association. It is the best known for countless social insurance accreditation bunches in the USA.
1.4.1.1 History of the joint commission

The Joint Commission's predecessor association was an outgrowth of the endeavors of Ernest Codman, was a U.S. Doctor to advance healing center change in view of results service in patient consideration. Codman's endeavors prompted the establishing of the American College of Surgeons and its Hospital Standardization Program. In 1951, another element, the Joint Commission on Accreditation of Hospitals was made by converging of the Hospital Standardization Program with comparable ones keep running by the American College of Physicians, the American Hospital Association, the American Medical Association, and the Canadian Medical Association. From 1981 onwards the organization was re-marked as the Joint Commission on Accreditation of Healthcare Organizations (JCAHO, declared "jay-co") 73. It is currently all the more normally known as The Joint Commission.

1.4.1.2 International healthcare accreditation

With the appearance of restorative tourism, worldwide human services accreditation of healing facilities situated in numerous nations around the globe has progressively developed in significance. There are other accreditation associations situated in nations other than the USA which satisfy a comparable globally orientated part to JCI. These include: The Canadian Council on Health Services Accreditation or CCHSA, Trent Accreditation Scheme (Trent Accreditation Scheme or TAS - United Kingdom), Australian Council on Healthcare Standards or ACH and international Organization for Standards (ISO) – Switzerland.

1.4.1.3 Quality Council of India (QCI)

QCI appeared in the year of 1997. It is a self-overseeing body by the Government of India mutually with the Indian business to build up and
work accreditation structure in the region of similarity appraisal covering bodies offering affirmation, investigation, testing, enlistment administrations etc. The orders incorporate; Environment, Food Safety, Health, Information Security, Occupational Health and Safety, Quality Management.

1.4.1.4 QCI - vision

To be among the world's driving national pinnacle quality help, accreditation and observation associations, to persistently enhance the atmosphere, frameworks, procedures and abilities for aggregate quality.

1.4.1.5 QCI- mission

To assist India, with accomplishing and manage quality and unwavering quality in every aspect of life, work, environment, item and administrations at individual, authoritative, group and societal levels.

1.4.1.6 QCI-structure

QCI is administered by a Council of 31 individuals with equivalent representations of government, industry and patients. Administrator of QCI is delegated by the Prime Minister’s office on suggestion of the legislature and industry.

Chamber is the pinnacle body which is in charge of confining the line of activity, general strategy, development and checking of different components of QCI incorporating the accreditation sheets with target to guarantee straightforward and sound accreditation framework. The Council through a Governing Body screens the advancement of exercises and request systems set by the individual sheets. Quality Council of India with a perspective to accomplish worldwide acknowledgment and acknowledgment of different parts including the accreditation frameworks.
1.5  HOSPITAL QUALITY MEASURING PARAMETERS

Service and service quality dimensions are used to measure the quality of hospital.

1.5.1  Service

As a matter of fact, the qualification in the middle of products and service is not generally consummately clear. Regardless of the confusion, the associated definition ought to give a sound beginning stage in adding to a comprehension of the contrasts in the middle of product and services. In common, products can be characterized as items, gadgets, or things, while services can be characterized as deeds, endeavors, or performance. Service has been characterized as "a social demonstration that happens specifically between the purchaser and delegates of the service partnership". A service may be as simple as taking care of a complaint or as astounding as a home loan. Numerous associations or pure service business, their items are intangible Cases would incorporate training, managing an account, protect, safeguard, city services, welfare services, legitimate services, security services, etc. The organizations have now exchanged their aggressive center to the procurement of unmatched and supreme patient services.

1.5.1.1  Service quality

"Service Quality," an idea portrayed as subtle and dynamic by analysts in Parasuraman et al. (1985). From the tolerant point of view, Service quality incorporates impression of medicinal consideration additionally such apparently bind worries as physical offices, connections with both therapeutic and paramedical staff. Service quality has been characterized by different scientists in assorted ways. For instance, (Cronin et al. 1994) it characterizes Service quality as the shopper's general impression of the relative
mediocrity/prevalence of the association and its services. While different specialists in (Al Qatari & Haran 1999), perspective Service quality as a type of demeanor speaking to a long-run general assessment. (Parasuraman et al. 1985), states Service quality as 'distinctions' component in the middle of desire and execution along the quality measurements'. This has given off an impression of being predictable that Service quality is a relativistic and psychological inconsistency between experience-based standards and exhibitions concerning service advantages. Measuring service quality model is given in Figure 1.4.

![Measuring service quality: SERVQUAL Model](image)

**Figure 1.4 Service Quality**

Business sector strengths, for example, restorative tourism, protection and corporate segment have quickened the interest for quality in human services. Therefore, there is a developing interest from buyers for better social insurance as the absence of value certification instruments restricts their entrance to proper wellbeing services - Girdhar J Gyani, CEO National Accreditation Board for Hospitals and Healthcare suppliers, India”70. Precise endeavors to enhance quality based discoveries about the conveyance procedure have been amazingly uncommon. In the studies which centered its consideration on service quality, uncovered deficiency in social insurance services and service frameworks in less created nations.
“Quality” as a term means an excellent product or services that render or excel our expectation. These expectations are based on the intended use and the selling price. Products are determined by its quality. Hence, based on observation, it is considered elusive. Quality can be quantified as

\[ Q = \frac{P}{E} \]

Where \( Q \) = Quality, \( P \) = Performance and \( E \) = Expectations.

Quality has become the essential parameter to be evaluated for a product or service which is to be purchased or consumed. The same way, patients are comparing and evaluating the service quality of both private and public hospitals. Due to the technological advancements and continuous efforts towards the research and development in the field of medicine, many private players readily provide excellent health care services. Hence there exists hyper competition among the private health care service providers. Quality has become the major concern for both the patients and the researchers in the hospital industry. Quality is the differentiator which differentiates a service provider from others. It provides a competitive edge over the other providers. Though hospitals provide similar services with varying degrees of quality, it has become one of the differentiating factors which establish a distinctive advantage. In the modern world, quality has become the deciding factor about the patients’ hospital choice. Patients’ satisfaction and retention are the results of good quality health care services. Thus the satisfied patients would show their loyalty; in turn, it results in good behavioral intention.

There are two parts of quality in health insurance products - technical quality (result quality) and functional quality (procedure quality). Technical quality publicity on the exactness of medical investigations and techniques, though the functional quality advert to the route in which medical
services products are conveyed to patients. Patients don't generally have the required learning for assessing the technical nature of the products; consequently, their assessment of value is constructed just in light of the restorative consideration process. By giving the required healthcare processes to the patients up to or more their needs and desires, medical services, products, suppliers survive and succeed in the hyper aggressive business sector. Quality is an intricate wonder in the radiance of observations by people with alternate points of view on items and products. These recognitions have been developed through the past experience of people and utilization in different connections.

1.5.1.2 Importance of service quality

Due to increasing complexity, specialization and the competitive nature of business, the market for business services has boomed. Consequently, business services like research, industrial relation, accountancy, taxation, legal services, healthcare and many others are in great demand. In view of the changing needs of patients, changing the universe, changing life mode and technological modernization, the market has become patient service oriented. Therefore, in service delivery and service management the service quality has become an essential need in this competitive environment.

The establishment of genuine confidence lies in consumer loyalty, for which benefit quality is key information. Profoundly fulfilled or even delighted patients will probably get to be faithful witnesses of a firm, solidify their purchasing with one supplier, and spread positive informal. Disappointment, interestingly, pushes patients away and is a key variable in exchanging conduct.
The fulfillment loyalty relationship can be partitioned into three main zones: Defection, indifference, and affection. The zone of betrayal happens at low fulfillment levels. Patients will switch unless exchanging expenses are high or there are no reasonable or advantageous choices. To a great degree dissatisfied patients give an abundance of negative oral exchange for the suppliers. The zone of lack of interest is found at moderate fulfillment levels. Here, patients are willing to switch in the event that they locate a superior option. At last, the zone of affection is situated at high fulfillment levels, where patients may have such high attitudinal faithfulness that they don't search for option service suppliers. Patients who recognize the firm out in the open and suggest others to the firm are depicted as "messengers." Thus Patient Satisfaction and Service Quality are requirements of loyalty. The SERVQUAL model used to quantify service quality in the healthcare arena. This theme gives the applied system, taking into account writing audit furthermore clarifies the key variables, components and connections among models. In this part the analyst talked about the idea of the service and measurements of value and service quality, disappointment holes in service quality, significance of service quality, measuring service quality by SERVQUAL model, restrictions of SERVQUAL model, Standardizing health care quality through healing facility accreditations – World and Indian situations with a specific end goal to give an unique thought regarding the investigation zone.

In service businesses, it is insufficient if the item meets the practical prerequisites of the patient, however the representative conduct should likewise live up to patients’ desires and must be of an elevated requirement. Despite the fact that the relative significance of specialized and useful service quality relies on upon the association's way between representative, patient and innovation, both parts of Service Quality are essential to the patients.
1.5.1.3 Dimensions of service quality

A dimension used for evaluating service quality is identified and diagrammatically represent in Figure 1.5 Parasuraman et al. (1988). Dimensions are: Tangibility: Appearance of physical facilities, equipment, personnel and communication materials. Reliability: Ability to perform promised service dependably and accurately. Responsiveness: Willingness to help patients to provide prompt services. Assurance: knowledge and courtesy of employees and their ability to convey trust and confidence and Empathy: Individualized attention the facility provides to its patients. Parasuraman et al. (1985) proposed that service quality is a function of the differences between expectation and performance along the quality dimensions. They developed a service quality model based on gap.

![Figure 1.5 Dimensions of Service Quality](image_url)
1.5.1.4  Measuring service quality

The present study is an effort to review service models in the light of the changed business situation and dissect the models for the suitability /requirement for adjustment in the present setting. The models are exhibited utilizing a standard structure, i.e. covering brief exchange and the significant perceptions on the models. The following area covers the assessment of these models for above parameters. The brief exchanges on the models are as under:

Technical and functional quality model is available in Gronroos (1984): A firm with a specific end goal to contend effectively must have a comprehension of buyer impression of the quality and the way benefit quality is affected. Attribute service quality model is described Haywood-Farmer (1988): This model expresses that a service association has "top notch" on the off chance that it meets patient inclinations and desires reliably. As per this, the detachment of characteristics into different gatherings is the initial move towards the advancement of a service quality model. When all is said in done, services have three essential qualities: physical offices and procedures; individuals' conduct; and expert judgment. GAP model is developed Parasuraman et al. (1985): The author suggested that service quality is a distinctions' element in the middle of desire and execution along the quality measurements. They added to a service quality model taking into account crevice investigation. Internet banking model is in Anne J.Broderick & Vachirapornpuk (2002): The creators have added to an inward service quality model in view of the idea of Whole model Parasuraman et al. (1985). The model assessed the measurements, and their connections, that focus service quality among inside patients and inside suppliers inside of an expansive service association. IT-based model Zhu et al., (2002): This model highlights the significance of data innovation - based service alternatives. Service suppliers are utilizing IT to lessen expenses and make quality included
services for their patients. It proposes a service quality model those connections patient seen IT-based service choices to customary service measurements. All the above models are not easy to evaluate perceived and expected service quality. Hence SERVQUAL tool is better to make this analysis.

1.5.1.5 SERVQUAL gaps model analysis

PZB Model given in Parasuraman et al. (1988), portrays the growth of services in the last decades, many researchers have documented the need to extend measures of service quality. The most regularly used measures are the SERVQUAL based on broad research on genetic determinants of perceived service quality in Parasuraman et al. (1990). Their model request that the consumer assess service quality practice as the outcome of the gap between expected and perceived quality (Service quality = Perception – Expectation). The model emphasizes on the key requirements for a service provider delivering the expected service quality.

Knowledge Gap is the Difference between what service providers believe patients is expecting and patients’ actual requirements and expectations. Standard Gap is the divergence between management’s approach of patient expectations and the quality values established for service delivery. Delivery Gap is the variation between particular delivery standards and the service provider’s actual performance on these standards. Internal communications Gap is the difference between what the company’s advertising and sales personnel thinks are the product’s countenance, performance, and service quality altitude and what the company is actually able to deliver. Service gap is the difference between what patients expect to receive and their perceptions of the service that is actually delivered. Perceptions Gap is the difference between what is, in fact, delivered and what patients perceived they received (because they are not capable to evaluate
service quality correctly. Interpretation Gap is the difference between what a service provider’s statement efforts actually promise and what a patient thinks was promised by these communications. Gap model of service quality is represented in Figure 1.6.

Using SERVQUAL, service quality is determined by the overall gap between what was expected and what was delivered. This means

- Service quality is relative not absolute.
- Different patients may recognize the level of service quality in a different way.
- Quality is resolute by the patient who has “all the votes”, not by the service provider.
- Service quality can be accomplished by either gathering or exceeding expectations.
- Or by changing expectations.

![Gap Model of Service Quality](image-url)

**Figure 1.6 Gap Model of Service Quality**
1.5.2 Services in Hospitals

There are two particular constituents of service quality, the technical and the functional. In the healthcare field, technical quality on the technical exactness of the restorative determination and systems, while functional quality is the way in which the health insurance was given. Be that as it may, in the setting of healthcare insurance, the technical quality was hard to assess for buyers, and this brought about most patients assessing social insurance in light of the useful perspectives alone. Parasuraman et al. (1988), characterized service quality as the distinction between patient desires and patient observations. At the point when desires are more prominent than recognitions a service quality gap exists.

Patient fulfillment ought to be translated precisely, because of the absence of hypothetical establishments on which the idea of fulfillment and estimation are based. Patients are a dynamic purchaser of health insurance benefits as opposed to only inactive beneficiaries. The legitimacy and unwavering quality of numerous studies on human service buyer fulfillment have been addressed.

1.5.2.1 Service quality in hospitals

Quality of hospital services becomes the utmost concern for the patients. Patients want to avail good quality services from the hospital service providers. In order to provide good quality service, thereby satisfying and retaining the patients, hospitals are striving to measure and maintain service quality. Quality is the differentiator which differentiates a service provider from others. Though hospitals provide similar services with varying degrees of quality, it has become one of the differentiating factors which establish a distinctive advantage. In the modern world, quality has become the deciding factor about the patients’ hospital choice. Patients’ satisfaction and retention
are the results of good quality health care services. Thus the satisfied patients would show their loyalty; in turn, it results in good behavioral intention.

1.5.2.2 Extent of hospital services

Of late, it has become mandatory for the hospital service providers to evaluate the quality of their services. The patients would be satisfied when their expectations are met. Otherwise, they derive dissatisfaction. Once the service delivery process gets completed, the service providers must monitor how well the patients' expectations and the way they are met.

Parasuraman et al. (1985) added to an instrument known as "SERVQUAL" for assessing patients' potential and their demeanor of the nature of services gave. This model speaks to that "quality is equivalent to execution less desires". They clear service quality as a worldwide judgment, or methodology, uniting with the service's power and clarified as it includes assessments of the result (i.e., what the patient really gets from service) and procedure of service act (i.e., the way in which service is conveyed).

The service quality utilizing a multi-thing scale called SERVQUAL; it incorporates the five service measurements of tangibles, reliability, responsiveness, assurance, and empathy in Parasuraman et al. (1988). They declare that the SERVQUAL things speak to center assessment criteria that rise above particular organizations and commercial ventures, giving a fundamental skeleton basic service quality that can be supplemented with connection particular things when needed. The service quality model "SERVQUAL" positions as the most essential of the models. It depends on the supposition that service quality is an element of contrasts between patients' desires and recognitions along five quality measurements.
1.6 PATIENT SATISFACTION

Consumer loyalty suggests to a meeting of the patients’ desires of items and services by contrasting and the apparent execution. In the event that the apparent execution equivalents to the patients desires of services, then they are fulfilled. In the event that it doesn't, they are disappointed. Hye-Sook Ham et al. (2015), recommended that the idea of patient fulfillment with health care foundations in advanced clinics, mirrors an integrative procedure that incorporates the concerned medicinal services faculty as well as enhanced accommodation, for example, easy to use reservation framework and open to holding up zones.

1.7 IMPORTANCE OF THE STUDY

Availability of health care is very important for the all people rich or poor, urban or rural, young or old. Not only that, health care must be affordable. To satisfy both of these requirements it is necessary to offer adequate health care services in all areas to cover a wide range of diseases and and also have sufficient doctors including specialists to offer the medical services to the patients. It is relevant to find out the best exiting hospital serving the purpose and find out the gap exiting in requirement and offer. In India different styles of medicines like Allopathy, Homeopathy, Siddha, Unani and Yoga. While each the system has its own merits and demerits, people generally prefer Allopathy for all major ailments whereas the resort to locate system for the minor ones. In Tamil Nadu there are Allopathic hospitals as well as siddha, Homeopathy, and etc clinics are lesser extent. Healthcare system in India has traditionally been taken care by the government.
Under the ambitious plan of health for all, Government has set up medical centers all over the country. There are some hospitals attached with medical colleges which offer treatment to maximum number of person. There are district level hospitals to take care of many types of ailments except very serious issues. There are also hospitals in headquarters of every taluk. However India namely rural and government has put up primary health centers in bigger villages and also micro health centers in every small village. This is one side of the coin. On the other side we have seen tremendous growth of private sector hospitals which includes multi specialty, corporate hospitals in cities offering world class treatment. Since people find these more affordable than similar hospitals in abroad patients from many third world countries come to India for planned treatment. Nursing homes and polyclinics have also sprung up in almost in all the towns. The scenario in Tamilnadu is comparatively good because of government and private hospitals .people’s general perception are expensive and government hospitals are not functioning it has to be remoderates

An adequate medical facility has been given for the people. Hence it if necessary to analyze effectively the public and private has been offering health care services. This will enable realiasation of gap between health care required and offered and at the same time devising measures to reduce this gap and augment better health care facilities for all the people. Government Teaching Hospital (GTH), District Headquarters Hospital (DHH), Taluk Hospital (TH), Non Taluk Hospital (NTH), Primary Health Center (PHC) and other public hospitals are in Tamilnadu are listed out in Table 1.1 (www. TNHealth.org). Two fifty private hospitals are in Tamilnadu. More than fifty private hospital are in the selected district.
This study focuses on the allopathic hospitals in southern part of Tamilnadu more specifically the districts in Dindigul, Madurai, Theni and Tirunelveli. Further this study concentrates on evaluating patients expected and perceived quality of hospital services in these areas.

### 1.7.1 Identification of Research Problem

The ground water is highly polluted by the tanneries and textiles industries especially in select southern districts of Tamilnadu. There are many diseases spread out in these areas. So, there is an increasing need for better hospital services. Though many hospitals are in existence, the quality of services provided is not up to the expectations of the patients. This research systematically analyzes the service quality of private and public hospitals. Measurement of Service Quality of hospitals becomes very essential for patients’ satisfaction and retention. There is no exclusive study which covers the profile of the patients, their level of expectations and perceptions on the service quality of hospitals and their behavioral intentions. Hence the present study has made an attempt to fill up the research gap with proposed research model.
There are various problems faced by the public due to the environment and thus many diseases spread in various areas so Healthcare Sector is much important to resolve these problems. The ground water is highly polluted by the tanneries and textile industries, especially in select southern districts of Tamilnadu. There are many diseases spread out in these areas. So, there is an increasing need for better hospital services. Though many hospitals are in existence, the quality of services provided is not up to the expectations of the patients. This research systematically analyzes the service quality of private and public hospitals. Measurement of Service Quality of hospitals becomes very essential for patients’ satisfaction and retention. There is no exclusive study, which covers the profile of the patients, their level of expectations and perceptions on the service quality of hospitals and their behavioral intentions. Hence the present study has made an attempt to fill up the research gap with the proposed research model.

The Quality is significantly harder to assess in the health care segment because of the novel character of the provided service. Service in the Healthcare sector is given by experts and every now and again, no substantial yield is delivered. In addition, it is portrayed by high inclusion in the conveyance process and low ability of the buyers/patients, and by the unsafe way of the service. Then again, patients are very remarkable as patients they are stressed over the treatment's result, the procedure of being dealt with, the seriousness of the fundamental circumstance and are likewise on edge about those left back home. These attributes make the conceptualization and measuring of service quality in human services settings more imperative and more intricate. Hospitals to keep up and enhance the nature of the service gave ought not to concentrate just on clinical and monetary criteria. Patients’ desires and impression of consideration overviews is along these lines a critical device that directors and administrators could use to assess and
ceaselessly screen quality with the focus of following the weaker parts of the health care sector.

This works tackle the challenging problem by developing framework to meet the patient expectations of products and services by comparing with the alleged performance. If the perceived performance equals to the patient expectations of services, then they are satisfied. To find out the demographic factors with regard to service quality of hospitals and the most influencing service quality factors for each of the public and private hospitals and in determining the factors in relation to patients’ satisfaction in private and public hospitals and in developing a structural equation model to measure patients’ expected and perceived service quality. The opinion study was confined only to select hospitals in south Tamil Nadu. Thus the findings of the study may not be fully applicable to all the private and public hospitals in Tamil Nadu. The focus of the study is hospital industry. Hence generalization of the results and findings cannot be done for all the service industries.

1.7.2 Research Gap

This research is an attempt to address a number of gaps in the previous literature studies. The above said review of previous studies discussed the service quality in hospitals and its impact on patients’ satisfaction. There is no exclusive study, which covers the profile of the patients and their level of expectations and perceptions on the service quality of hospitals in selected southern Districts. Hence the present study has made an attempt to fill up the research gap with the proposed research model.

Systematically analyzes the service quality of private and public hospital, by fulfilling consumer’s expectations is carried out. Besides, this research will discuss consumer’s expectation from the health service sectors
of Tamilnadu. The researcher will produce purposeful layouts for appropriate growth in the global competitive marketing environment.

1.7.3 Objective of the Study

Given the above challenges and the gap, behind the SERVQUAL to achieve the fact based and single version of the truth, the present study projected a new research plan. The researcher has reported the expectations and perceptions of the patients towards hospital services in the selected area of study. The gaps between expectations and perceptions are found out and suggested strategies to overcome the gaps. This research also ensures patients’ satisfaction and positive behavioral intention. A major strength of survey research is its wide scope and ability to collect detailed information from a sample of large populations.

The following are the special objectives developed for the present study and it will be elaborately discussed in the following chapters.

1. To find out the demographic factors with regard to service quality of hospitals.

2. To determine the service quality factors differentiating public and private hospitals.

3. To identify the most influencing service quality factors for each of the public and private hospitals.

4. To determine the factors in relation to patient’s satisfaction in private and public hospitals.

5. To develop a structural equation model to measure patients’ expected and perceived service quality.
1.8 SCOPE OF THE STUDY

The main focus of the study is to identify the effect of the service quality dimensions of hospitals on patients’ satisfaction and their behavioral intentions in the study area.

1.8.1 Significance of the Study

The study focused on the determinants of service quality in the hospital industry. The research can be carried out in the same industry globally by taking other dimensions of service quality into consideration, which will facilitate to enhance the quality of service, patient satisfaction and in turn positive behavioral intention.

1.8.2 Limitations

The opinion study is confined only to select hospitals in south Tamilnadu. Thus the findings of the study may not be fully applicable to all the private and public hospitals in Tamil Nadu. The focus of the study is hospital industry. Hence generalization of the results and findings cannot be done for all the service industries.

1.9 CHAPTERIZATION OF THE THESIS

The present study has been organized into the following chapters.

Chapter - 1 Introduction to the study and Conceptual Framework
Chapter – 2 Review of Literature
Chapter –3 Research Methodology
Chapter – 4 Data Analysis and Interpretation
Chapter – 5 Findings and conclusion
Appendix