Healthcare sector is likely to become the rapid growing sector in India in the coming future. Keeping in mind a large population of the nation, much more attention is given to health of the people. However, in comparison to healthcare services in the developed countries, in India still today the healthcare services are not up to the mark. Health services are highly significant growth in the US. During the last few decades of the 20th century, only 11 percentage of the Gross National Product are covered up 1980s. The growth of the healthcare industry has been phenomenal and has attracted a lot of attention.

In Gujarat also, healthcare services are growing. The last decade has witnessed the mushrooming of many corporate hospitals. Today, many people prefer private hospitals against government hospitals, because they feel that private hospitals are better managed and provide better quality of services. This leads us to look at the conditions of government hospitals. The question arises whether the well known government hospitals have enough required resources or not. The probable answer is that they have better management and administration of existing resources. It is true that the corporate hospital like Apollo is one of the pioneers in healthcare services in India. It understood that the importance of having a professional management and put the same at the top management level. On the other hand, government hospitals suffer due to the dominance of the bureaucracy in the system.

A Brief Survey of the Healthcare Industry:

Traditionally, in developed countries, customers paid the hospital or doctor for the service provided. This was known as ‘Fee-for service’. Under the new system, customers do not pay the hospital or doctor directly, rather they pay to a third party, who in turn pays the service provider. However, the system of a third party paying the medical bills of an individual is not altogether new. The practice started even before the beginning of the 20th century. Industries, such as railroad and lumber established the method of contracting
health services for their employees, because the individuals employed in these industries worked in isolated areas where healthcare services were otherwise not available. Several companies began to follow the contract medicine system and later even the government was forced to do the same for its employees and prisoners.

However, the organized medicine community was worried about the third party payment. It aimed at creating a specific environment in which the doctors could do their work without any interference freely and fairly. However, the contract system provided a great deal of control to the third party payers and this affected the profits of the organized medicine community.

In order to prevent the growth of the contract healthcare system, in the early 1900s, organized healthcare providers opposed the system. They argued that the lack of freedom on the part of medical practitioners due to the contract system prevented them from maintaining high scientific standards. Moreover, the contract system was threatening the existing relationship between physicians and their patients. They also told that the entry of a third party might cause the loss of trust in the physician-patient relationship. Therefore, these organizations lobbied the government to bar the involvement of intermediaries in the relationship between practitioners and patients. Those medical practitioners who were involved in or encouraged third party intervention were isolated from the local medical societies. The medical practitioners to prevent the intervention of the third party formed the association known as “Guild” out.

**The Period of Change:**

Usually, in a healthcare system, patients directly choose their physicians. Further, the patients along with their physicians are involved in taking healthcare decisions and the patients are willing to pay the medical expenses incurred because of the combined decisions. The system was prevalent for some decades in the early 20th century.

Nowadays the healthcare industry has proved to be a current trend in the medical field. It offers low costs, excellent facilities. Particularly, India plays the leading role in promoting healthcare services. In comparison to the US, in India the cost of the cases of major surgeries is only one-tenth to the cost of
cases in the US. Yet global standards are available in India. Ours are low cost as well as high quality services. For example, the cost of a heart surgery at Apollo is $2500 as compared to $30000 in the US. Similarly, bone marrow transplants cost $50000 in India as again $400000 in US. Apollo hospitals also give treatment to foreign patients coming from all over the world. Apollo hospitals have come out with an insurance scheme to meet the financial needs of patients.

**Emergence of Private Hospitals:**

In recent years, we come across the mushroom of private hospitals. Considering the size of the industry and its share in Gross National Product (GNP) of any nation, it is not surprising to see the emergence for-profit organization. Corporate ownership provides new source of funding to the profit motive hospitals, through the selling of equality shares.

Several criticisms are leveled at private hospitals. One criticism is that, for-profit hospitals need to change high prices to enable the organization to pay high dividends. They also confine their services to the areas where are profitable. Another criticism is that, because of the profit objective, for-profit hospitals are located in the urban and suburban areas rather than in the rural areas where people cannot afford expensive healthcare services. On the other hand, not-for-profit hospitals provide the full range of services, due to their social obligations though they may suffer losses in the process. Further, they are located at such places, which are accessible or reachable by the poor.

Both profit based and non profitable hospitals need to raise fund for replacement of existing equipments, purchase of new ones, surety continued access to capital, expansion the hospital unit, provision of improved facilities at a lower cost, research work, better quality services and so on.

**Distinctive character of Healthcare services:**

Management of healthcare is a challenging job as it is not the same as managing other services. Certain features of healthcare services make it distinct from other services. The people imparting health services are identified as raw materials. The doctor rather than the patient plays the role of the decision-maker regarding the services like the duration of hospitalization, the types of medical tests and so on. Even the role of the customers changes
in case of the third-party payment. Instead of the patient paying the charges, either the government or the insurance company plays the role of a payee. The number of professional employees is more than that of the non-professional employees in the healthcare industry. The motivating factors for the professional should be services and not salaries.

**Organizational Framework in Healthcare Services:**

The organizational framework consists of the three following aspects:

[1] **Board of trustees:**

Board of trustees functions as the governing body of the hospital. All the board members make policy level decision unanimously. The leading persons of the society and the eminent businesspersons are the trustees of the board and they have least interest in personal monetary gain. The board holds certain aims and objectives of the institute.

[2] **Medical staff:**

Medical staff is made of doctors, nurses, pharmacists, technicians, radiologists and the subordinate staff. This staff directly deals with the patients and its dealing is of prime importance in the development of the hospital. The medical staff includes both trained as well as the untrained employees and they provide medical and paramedical services.

[3] **Administrative staff:**

Unlike the medical staff, the administrative staff deals with patients indirectly. The supervisor, the coordinator, the section wise heads, assistances, officers, office bearers, accountants, office superintendents fall under the administrative staff. The administrative staff strives for the smooth running of the hospital. The member of the staff should have also well wish for the patients. This staff performs all the financial, marketing, and other office work.

**Factors Influencing Healthcare Services:**

There are four categories of forces affecting healthcare services mentioned below:

[1] **Market factor:**

In reference to healthcare services, patients and beneficiaries determine the market factor. For example, in Gujarat, number less people take advantage of healthcare services including medical insurance. The service providers have become conscious about the quality and safety standards of the services.
[2] **Financial factor:**
Primarily, finance is must to begin and to run the hospital. Provision of fund not only helps to make the health services competent but it also influences them. The hospital can have all the modern technologies and the latest infrastructural facilities through sound financial management that could attract efficient employees.

[3] **Regulatory factor:**
Regulatory bodies of government hold over the hospitals. These bodies can impose restrictions on the hospitals as and when needed. They curtail or regulate the actions of the hospitals. From time to time regulatory bodies give guidelines to the hospitals, inspect the hospitals and thereby keep watch on them. Thus, the regulatory force is one of the significant factors that influence healthcare services.

[4] **Competition factor:**
Modern age is the age of competition. Competition factor has entered in every field of life. The healthcare industry is no exception to it. To keep pace with changing time, the hospital needs to welcome innovation and use modern technology. Hospitals have to struggle for their existence in today’s competitive world. Competition may be of two kinds, pricing and servicing competitions. Service competition is much more important than pricing competition.

**Management in health-care services:**
In comparison to developed nations, India, though one of the most privatized markets in the world, has a very low public support for healthcare. Perhaps the Indian patient cannot afford services highly charged. Unlike the advanced foreign countries, in India the source of finance for healthcare is none else but the patient himself. Government, insurance agencies pay less than the patient pays for the required services.

As mentioned above, the major portion of the healthcare charge is born by the patient. However, in the case of public finance, state governments in India contribute a major chunk of it, that is, around 80% while the Union government and local bodies contribute the rest of the sum. Out-of-pocket payment or self-pay occupies a large proportion of private financing in healthcare. The out-of-pocket payment is primarily from savings, sale of
assets or loans, which iterates the need for increasing contribution by insurance companies.

The Indian government, however, has introduced various social security schemes like the National Social Assistance Program, Krishi Shramik, Samajik Sanstha Yojana, National Maternity benefit scheme, health and group insurance, Janashree Bima Yojana, and State government welfare funds. In the 1980s, for the first time India introduced a medical claim scheme. It is an individual hospitalization policy. Though the scheme is growing, its coverage is still insignificant, covering just over 1% of the population. However, many analysts hold the view that healthcare insurance has the bright future for development.

**Staffing in Healthcare Services:**

Healthcare is a labor-oriented sector. In Gujarat, it offers opportunities to job seekers and thereby it contributes to job market. There has been a significant change in the structure and delivery of health care services, because of the advances in technology and emphasis on cost effectiveness. Healthcare organizations go on introducing more and more nursing facilities. The recruitment department in healthcare services includes unskilled workers, highly specialized paraprofessionals and professionals. Traditionally, women have formed the core of the nursing and paraprofessional workforce. In the context of the demand and supply of professionals, there is an increasing supply of professionals in the developing nations, which is contrary to the scenario in the developed nations. With an increasing population, most developed nations have decreasing number of professionals of the industry. According to the needs of the people for healthcare services, the service providers decide to use health workers. To meet the demands of the patients, the providers take into consideration three aspects of demands. They are technological advances and increased emphasis on improving the quality of health care services by the government and industry, shift from inpatient and increase in population.

Healthcare service required a particular professional staff. Therefore, it is difficult to predict the type of professionals required. However, people expect hospitals, which need to provide all kinds of health care services. To meet the expectations of the people, hospitals need to staff their organizations
effectively. As the industry requires highly specialized staff, hospitals should not only confine their staffing policy to numbers but also include the right combinations of skills.

An increasing awareness among people on all aspects of health will increase the demand for health care services and consequently the need for office and administrative staff. Along with the growth of healthcare services, the staffing exercise will assume greater significance in the future.

It is true that machines and modern technology have replaced work force in hospitals. In the hospital industry, the growth of employment is very slow. This is due to the persistent efforts of hospitals to control costs and the better utilization of outpatient clinics. Many of the hospitals are passive in health services delivery by relying less on inpatient care and ensuring more outpatient care. Technological developments will reduce the employment opportunities in certain areas of health services. The demand for laboratory technologists has reduced due to the sure of robotics in blood analysis. Therefore, in such a dynamic industry, staffing is a challenging and complex task.

**Management Control in Healthcare Services:**

It is difficult to apply control in non-profitable hospitals, because they do not have a profit motive. When a public organization has no profit objective, it is difficult to measure its performance.

Although, the measurement of the output of non-profitable hospitals is possible in financial terms, we cannot evaluate their performance based on their income statements. The other difficulty with regard to control is that services cannot be stored like manufactured goods. If the occupancy rate is less on a day, there will be minimal utilization of the services of the staff present in the hospital on that particular day. Unutilized services cannot be stored for the subsequent day. Therefore, the organization will suffer a financial loss.

In spite of numberless difficulties, hospitals must adopt management control methods prevalent in the healthcare industry. These methods should be in harmony with the objectives of the organization and their fulfillment through performance.
Quality Assurance in Healthcare Services:

In all sectors, quality assurance has become essential. It is one of the control components. Quality plays a vital role in the service industry in general, and in healthcare services, it is particular. For example, in the case of manufacturing industries, consumers can explore the quality of a product and if the product falls short of their expectations, they can switch to alternative products. However, in the field of healthcare services, this is not possible because majority of the consumers are not in a position to assess the quality of service from a clinical point of view. In addition to this, lack of quality will have far-reaching consequence as the patient’s well being is involved. Therefore, it is the responsibility of the government and providers of health care services to ensure quality service. However, as discussed earlier, it is difficult to measure the quality of health care services. Let us try to define the term ‘quality healthcare’ before trying to measure it. We can define quality health care service as the optimal available benefits of hospitalization for minimal expenditure without aggravating the existing injury or causing new injuries to patients. We should take into consideration three aspects while measuring health care services.

(1) Process:
The process focuses the mode of treatment, estimates the condition of the patients through proper diagnosis, minute study of patient’s case including the file of prior tests, the use of equipments and medicines to cure the ailment of the patient etc. Besides, process also includes steps of treatment.

(2) Structure:
Structure refers to the place of treatment. Apparently, in the healthcare industry hospital is the place where patients get services. Both the hospital premise and the building of the hospital should be spacious and they should have natural surrounding. The building should have different words and many rooms. All this adds to the hygienic environment of the hospital. The patient gets surety of services and experiences a sense of safety in the custody of the caretakers.

(3) Outcome:
Very few hospitals pay attention to their outcome. Follow up work of outcome certainly improve the quality of the services. Outcome means the end-results
of the treatment. The results may be positive or negative. Rethinking and
deep thinking are necessary in case of negative outcomes. In other words,
evaluation of outcome will help the development of the hospital as well as
improvement in quality of services. However, majority of hospitals avoid
scrutinizing results for their services because multi-stimuli affect the outcomes
of healthcare services.

Need For Regulatory Mechanism:
The form of healthcare services is not quite clear. There are no specific rules
and regulations regarding services. There is no authority or body to regulate
healthcare services in Gujarat. Therefore, Gujarat healthcare industry badly
needs regulatory mechanism to give consistent and qualitative healthcare
services. Apart from many internal factors like efficiency of workforce and
infrastructure, there are many external forces, which influence the
performance of a healthcare organization. One of the principle forces in the
external environment is regulation. Apart from the government or government
agencies, there are many private agencies, which set standards for
membership and accreditation for hospitals. In Gujarat, with regard to quality
assurance, there is a need for a strong body, to regulate patient-centric and
patient-friendly service delivery mechanisms. Such bodies are essential to
protect the rights and privileges of people. At present, there is no effective
regulatory mechanism in the state and the existing legislative or regulatory
framework falls short of the required standards. This has resulted in lack of
consistency and uniformity in the quality of service. A good regulatory
mechanism will not only tie all healthcare services together in one form but it
will also remove disparity among existing services.

Marketing of Services for Hospitals
Healthcare is the fundamental need of medical science. Hospitals are
supposed to play an important role by providing healthcare facilities to
customers. Our medical service system consists of government, private,
missionary, hospitals and indigenous system of medicine. Many private
hospitals are too costly, often beyond the reach of the poor. Even those who
can afford are not happy with the quality of medical service provided by such
hospitals. Those who contribute to the running of the hospitals do not consider
that the consumer is a king perhaps because they have failed to satisfy the consumer.

Human and material resources need to be utilized to give satisfaction to the customers and to promote patient care. Today the hospital is a place for diagnosis and treatment of human ills and restoration of health and well-being of patients. The foremost function of a hospital is to give proper care to the sick and injured without having social, economic and racial discrimination.

In past, hospitals were meant for the poor and the weak members of the society and these institutes were looked upon as charitable institutions. Thus, the foremost function of these hospitals was to take care of the sick and the poor. In addition, some of them are set up in conducting and promoting medical education and research.

A superb combination of right person in a right way with technical and administrative excellence will help a lot to provide services to the patients. The management of a hospital is an activity to secure better outcome by making optimum utilization of inputs possible. Here the marketing management of a hospital becomes significant as it simplifies the task of having a suitable blending of patient care, medical education, research, excellence and sophisticated appliances, which need huge financial involvement. This has paved avenues for the participation of private sector. Currently both the sectors are found engaged in expanding the best possible medical aids. The application of marketing principles in the hospitals may deliver services to the society as well as may ensure their financial viability.

**Types of Hospitals**

Hospitals could be classified under different categories. Keeping in mind the size, the monetary gain, aims and objectives, they are divided as follow:

1. **Based on Profit Motive**: Based on profit motive hospitals are of two types; for profit and non-profit.

   **For Profit**: Organization which includes various private hospitals, Private nursing homes like Apollo, Baroda heart institute, etc. profit oriented organizations are operated by market environment and have to survive in the face of competition. Their performance has to be equal if not better than the performance of their competitors.
Non-Profit: A non-profit hospital includes government hospitals, semi-government hospital voluntary agencies and charitable hospitals. Non-Profit organizations do not follow the dictates of market demands but what they consider is best.

2. Based on objective:
Some hospitals are set up with the motto of imparting medical education and research facilities whereas in some hospitals, the main attention is on health care. Based on objective hospitals are of three types:

Teaching-cum research hospitals: This type of hospitals is found engaged in advancing knowledge, promoting the research activities and training the medicos. Their primary objective is teaching and research; and health care is secondary objective, for example, All-India Medical Institute, New Delhi.

General hospitals: The main objective of the general hospitals is to provide medical care, for example, different referral hospitals and district and sub-divisional hospitals. These hospitals are sometimes attached to medical, which thus, offer teaching and research facilities.

Special Hospitals: These hospitals concentrate on particular organ of the body or a particular disease. The main objective of this special hospital is to provide specialized medical services.

3. Based on medicine: Based on medicine hospitals are of four types. These are given bellow:

[1] Allopathic Hospitals: allopathic believes in cause, which is material in nature and gives treatment accordingly. Different modes of application are available and they may produce harmful impact if used for long period.

[2] Ayurvedic Hospitals: Ayurved based on old Indian science of therapy has concept of VAAT, PITT, and COUGH. It is purely based on herbal concept. Ayurved recommends a good amount of abstinence called pareji.

[3] Homeopathic Hospitals: Homeopathy is a science having its own method of preparation of drug, method of case receiving. It is quite harmless and it causes effective treatment. It offers sweet pills so easily administered to the patients of all age group.

[4] Other Hospitals: same treatment centers can be identified as hospitals. Yoga centers, Acupuncture centers, Acupressure centers fall under the
category of Other Hospitals. These hospitals adopt different therapeutic methods of treatment.

4. Based on Ownership: Based on ownership Hospitals are of four types:

[1] **Government Hospitals**: The government owns such hospitals and runs them. Moreover, government takes all the financial responsibilities on its soldiers for such Hospitals. The general hospitals also offer teaching and research facilities but these objectives are secondary. The main objective by the general hospitals is to provide medical care.

[2] **Semi-Government Hospitals**: Normally, Semi-government hospitals are conducted by private trusts, associations registered as per rules and the management of the trust runs such hospitals. However, such hospitals receive grants from the government to meet the expenditures of the hospitals and to pay the salary of the staff including the doctors, nurses, and subordinate employees.

[3] **Voluntary agencies, charitable Hospitals**: Sometimes NGOs take the responsibility of running the hospitals. Donors or stakeholders become the members of the management of the hospitals and they give financial contributions to the hospitals. Especially, such hospitals take care of the poor patients who cannot pay high charges for the treatment. Charitable hospitals very often give treatment free of charges to the poor. In other words, charity is the motto of such hospitals.

[4] **Private Hospitals**: Generally, the owners of the private hospitals tend to be doctors themselves. They run their own clinics, maternity home, and dispensaries functioning as private hospitals. Such hospitals do not rely on the government for financial aid.

The government Hospitals are owned, managed and controlled by the government where as the semi-government Hospitals are found acting as the autonomous body. The voluntary agencies hospitals are owned by the voluntary organizations where as the private hospitals are owned by the private parties. Even corporate sector has entered into this business.

5. Based on size: Based on size hospitals are of three types.

**District Hospitals:**
District hospitals cover up the patient coming from all over the district. The government owns them and government employees run these hospitals.
Administration and financial management of these hospitals are the responsibilities of the government itself. These hospitals have different wards like General Ward, Maternity Ward, Baby Ward, Burning Ward, and ICU. The district hospitals generally have two hundred beds, which can be increased to three hundred depending on population of the district.

Sub divisional Hospitals:

Sub divisional hospitals are known as community health centers. They are located at Taluka level. These hospitals work on a small scale and they give treatment for general ailments. The Sub divisional hospitals have fifty to hundred beds.

Primary health centers:

Primary health centers are found in villages and small towns. The general practitioner holding MBBS degree runs them. These centers do not admit the patients in the hospitals and they merely give treatment for general diseases. The primary health centers generally have six beds that can be raised to ten beds.

Special features of Hospital Services:

Some of the main features of hospital services are given below:

If hospitals have provision for separate wards and if heterogeneous staff provides services, the patients experience inconveniences. In such case, professional qualities of doctors should be given prime importance and the subordinate staff services come next to it.

Professionals often tend to give inadequate weight to financial imprecations of their decisions. The professional medical education does not include management education but puts less stress on the professional discipline.

Government hospitals are least concerned to market forces in order to serve a captive population. Profit oriented private hospitals and market forces govern nursing homes.

Hospital services usually cannot be carried to the place of the patient. Patient has to be brought to the hospital place for treatment. Hospital can provide ambulance facility for that purpose if the condition of the patient is critical if a hospital service has limited geographical coverage.

Hospital services cannot be grasped easily. Service inputs comprise in physical facilities like medical equipments, medicine etc. and some other
services include the skills of the doctors, medical attendants and laboratory staff that could be experienced rather than seen. Hospital services cannot be stored. They are perishable. It is not easy to measure quantity of services produced. One of the important indicators of the economic development of the country is the health status of citizens of country. The developed countries should have excellent medical and health related programs. The rate of life expectancy in these countries is high and at the same time, the rate of infant mortality is very low. Besides, they have more number of doctors at individual level.

**Health Status-Indian Scenario**

Some of factors responsible for poor national health status are explained as under:

I. **Illiteracy:**

Developed and industrialized countries like Japan, Canada, USA, and Germany have high literacy rates. Our problem of illiteracy is linked with high population growth, lack of awareness. The female population needs special attention, as percentage of the illiteracy is high in their case. Government of India is making concrete efforts to remove illiteracy.

II. **Poverty:**

India’s per capita income is among the lowest in the world. As far as malnutrition condition is concerned, more than 30% people of gross national population have been victimized and it leads to poor health.

III. **Increased Population Growth:**

Population growth causes insufficient medical and health care services. Check on population affirms health for all. Concrete steps will definitely curtail population growth. Some sort of awareness should be created among people regarding the increase of population.

**Health Service: An Indian Perspective**

Only a few Indians go for periodic or preventive check ups. Generally, they go to doctor when they have problems. Because of the low income, the consumer expenditure on health in India is too low. There is lack of awareness for deadly diseases like AIDS, Cancer.
Health Service in Gujarat

During the last ten years, Indians have started spending more on the healthcare than what they spent before. Most users of healthcare paid from their own pocket and preferred private services to government ones. Rise in literacy rate, higher levels of income and an increased awareness through penetration of media, resulted in greater attention being paid to health. The healthcare industry is expected to grow at the rate of 13% over the next five years. The privatization of the insurance sector has provided the healthcare industry with an increased opportunity to grow. Data suggest that Medical claim covers only 0.2% of the total population while in developed nations like the US about 75% of the total population is covered by insurance schemes.

The healthcare scenario in Gujarat is changing rapidly and many significant changes are likely to occur in the nature of provision of healthcare and the role of each player in the industry. We shall analyze the existing structure of the healthcare industry in Gujarat, and its likely evolution. We shall also look at the possibility of new forms of healthcare provisions emerging for existing healthcare providers will face.

Health services available in Gujarat are classified as:

1. Government owned health services:
   Government hospitals offer health services to the patients and the low-income class people are beneficiaries of these services. The poor people cannot afford to pay high medical charging and so, they take advantage of the health services of government hospitals. Government owned health services are readily available.

2. Privately owned health services:
   Several privately owned hospitals have come up during the last few decades, which are targeting the middle and high-income group people. Health care is fast coming up as an industry in the private sector with better and advanced technologies. Nowadays, corporate hospitals have emerged as a part of private sector. Corporate hospitals have become very popular among people because they provide satisfactory services.
The Salient Features of Healthcare Services in Gujarat

(1) Limited caretakers of health:
At present, very few people or institutes offer health insurance and health services in Gujarat. The patients are supposed to pay fees for the services they get from hospitals or doctors.

(2) Demand and supply gap:
The level of healthcare provision in Gujarat is inferior to the level of healthcare provision in developed countries. The number of doctors and hospital beds are very less than per million people requirement. Undoubtedly, Gujarati are badly in need of more number of beds for healthcare services. Moreover, the proposed supply of beds is not sufficient to meet the demands of the patients. Thus, there is a very large demand-supply gap.

(3) Absence of networking:
In the developed countries, a few large networks own several healthcare providers. In India and Gujarat, healthcare providers stand on their own feet without the backing of any network. They function as independent entities and there is limited networking among doctors or hospitals. One reason for this limited networking among doctors or hospitals could be that the demand for healthcare is much more than supply. Therefore, the service providers should affirm high capacity utilization.

(4) Influence of private hospitals:
Government spending on healthcare is far below to the recommendation of World Health Organization. It is a general belief that private hospitals provide better healthcare services than government hospitals. This belief has led many people to seek healthcare in private hospitals. In the last decade, not only the upper class of the society but also the major part of the middle class turned to private hospitals. As a result, many private hospitals entered into the healthcare industry that would help to add to existing capacity.

(5) Poor hospital administration:
Although several private hospitals were established in the late 1990s, their performance does not earn much profit. Poor administration was the reason behind this. The hospital administrators pay attention to trivial issues only and they overlook more pressing issues. Poor project planning and operations overview led to project overruns, poor project design and mismanagement.
Many hospitals did not have a profit orientation and no administrative measures were taken to ensure the same.

(6) Emerging healthcare models in Gujarat:
The hub and spoke model in healthcare industry refers to the concept of the wheel with its center connected to different iron rods. This concept offers a system in which hub is the focal point and spokes are the related parts of the hub. Obviously, the related parts would be benefited by the center. Analysts feel that the hub and spoke model will find a place in Gujarat in the near future. At present, small towns have limited health services. The presence of ‘spokes’ will improve accessibility standards of healthcare in small towns. The ‘spokes’ will serve as reference points for ‘hubs,’ which will be located in select metros. Patients will receive immediate sophisticated healthcare at the hubs. Healthcare service providers will benefit from higher utilization of technology and lower investment on beds. Healthcare service providers offering specialized services, which will prefer a ‘hub and spoke’, network rather than a specialty hospital. These players will invest only in ‘hubs’ and form relationship with existing players who will be ‘spokes’. This will enable the service providers to target a larger customer base, and make it easier for them to break-even. The hub and spoke model will definitely establish a sort of linkage between the central health institute and other small institutes situated in villages and towns.

In near future, Gujarat will have diagnostic centers functioning parallel to the hub and spoke networks. Similarly, retain pharmacies will also emerge as a part of healthcare services. Both the healthcare centers mentioned above will provide health services to the patients and at the same time they will work as spokes connected to the hub. In the process of forming a large chain or a complex network of healthcare services, the service providers will have to decide their place, importance and requirements to function properly.

Hospital Services
In the modern world of competition, marketing is must to strengthen the position of hospital. The world famous hospital is a multi-disciplinary super specialty medical centre of international standards. Most hospitals today are well equipped with the most advanced diagnostic and treatment facilities. They strive to give total healthcare preventive and curative services. Most
hospitals in Gujarat have grown to a truly world class stature over the years. Some hospitals have even obtained ISO 9001 certification, for example, Rajasthan hospitals, Ahmedabad. ISO 9001-2000 certificate is meant for quality assurance and for smoothening the function of the hospital staff too. It frees the senior management from observing and monitoring task of routine basis.

**Marketing Mix**

Marketing mix is made of total seven components and it helps the marketing of healthcare services. These components together form out a complex whole and they are fully exploited to promote healthcare services. They are as follow:

1. **Product**

   The product is the central component of any marketing mix. In healthcare industry, of course, services are considered the product. The product component of the marketing mix deals with a variety of issues relating to development, presentation and management of the product that is to be offered to market place. It covers issues such as service package, core services and peripherals, managing service offering and developing service. Hospitals today offer the following services:

   (1) **Emergency services:** Majority of hospitals provide unique and advanced emergency services. The hospitals have well equipped ambulances. There is hi-tech telecommunication available to a patient in an emergency at any given time. Emergency services include a 24 hrs casualty department, which attends to the accident or emergency cases. These services are offered urgently to manage road traffic accidents, cardiac emergencies, stroke, and industrial accidents.

   (2) **Ambulance services:** Hi-tech ambulance linked by telecommunications is fully equipped with doctors that are available to render medical attention and assistance in case of emergency at the patient’s doorstep. The ambulance staff responds a single phone call immediately. Some corporate hospitals have the provision for the air ambulance that helps to offer prompt services to the needy.

   (3) **Diagnostic services:** Modern Hospitals are multi-specialty and multi-disciplinary, that scans any kind of ailment. They offer a wide range of
facilities for example, Orthopedic, Oncology, Neurology, Plastic surgery. These services not only identify the disease proper but also help to know the nature of the disease and its root causes. These services prevent doctors as well as patients from going wayward.

(4) Pharmacy services: Most of hospitals also have a medical stores opened 24 hrs. It caters the needs not only the inpatients and out patients, but also patients from other hospitals that require emergency drugs. All sorts of routine drugs as well as drugs required for surgery are available from pharmacy centers.

2. Price
Price bears prime importance in the marketing mix. Costumers should accept the implemented charges that should be coordinated with other element of the marketing mix. Price charged by a hospital usually depends on treatment prescribed by the respective consultants and the facilities offered to the patients.

It is very hard to determine the price of the particular service rendered. Pricing strategy adopted does not depend on the price offered by competitors. All the service related factors include government control are taken into consideration while determining prices.

At the time of admitting the patient, an initial deposit is collected from him. The amount depends on the physical facilities as well as services provided to the patient. They include category of room and the treatment/surgical procedure. Obviously, the charges for the deluxe room would be higher than that of the general room. An ideal hospital does not believe in profit maximization, it aims at providing quality service for its customers at a reasonable price.

3. Promotion
Promotion covers up all the strategies that attract the patients to the hospital and thereby help the development of the hospital. In other words, promotion is a kind of propaganda for marketing the services of the hospital. Promotion function of any service organization involves the transmission of message to past and present customers. Customers need to be made aware of the existence of the service provided. Promotion includes advertising, sales promotions, personal selling and publicity.
Hospitals do not insist on aggressive promotion but they expect only a word of appreciation. To increase the number of the patients, a hospital may continuously introduce different health services like the acupressure clinic, master health programs and diabetes health checkups apart from annual health check ups provided to different companies. Hospitals conduct camps in rural areas to give medical check ups at a reasonable price so that the rural people approach the hospital again in the future. They also sponsor frequent visits to the spastic society and home for the old, etc. Hospitals generally advertise in health and fitness magazines. Hospitals may arrange campaigns and rallies to celebrate the world health day. They may organize pulse polio vaccination camp, blood donation camp, freedom from addiction camp, AIDS awareness camp and so on.

4. Place

Place refers to the meeting point between the service provider and the customer who gets the benefit of the service. This element in the marketing mix leads to the identification of a suitable location. The hospital premise should be spacious, easily reachable, surrounded by natural elements. The means of transportation like bus, train, and airplane should be available to reach the place of hospital. It should be at the center of the city rather than in the countryside very far from the city. The two main issues considered regarding the decision of a place are accessibility and availability of the service to customers. Accessibility refers to the ease and convenience with which the patients can purchase, use or receive. Availability refers to whom a service is obtainable, for example, Apollo hospital of Ahmedabad coordinates four districts at once. A hospital must be ideally located and must be easily accessible to all.

Factors influencing the place decision are as follows:

(1) Market size and structure by geographical regions
(2) Number and types of competitors in the region
(3) Location of potentially attractive consumer segments
(4) Local infrastructure
(5) Good road access facilities and public transportation network
5. People
We can trace out the factor of people through the services performed by individuals. People are an important part of the marketing mix. Service personnel play an important role in an organization that provides services. The personnel department of the healthcare industry is nevertheless important because its behavior and attitude affect the customer’s overall perception of the service. Customers are source of influencing other customers through interaction about and appreciation of services, which they obtain.

It is desirable that the hospital should have trained staff so that it could provide qualitative care with human touch. At the same time, the staff should be well equipped with ultra modern technology. As the first and foremost objective of any hospital is to provide quality service to the patients, it could be achieved by motivating employees to be efficient, dedicated and loyal to the organization, providing regular on-job training of employees to ensure continuous improvement in health care, utilizing services of professionally competent medical consultants, use of latest technology.

Healthcare organization need not connect high salaries to motivation. There are many other ways to motivate the employees, for example, they can give concession to employee’s kith and kin. There should be regular liaison with them all times. Hospitals should know what the employee wants. The hospital staff should participate in the activities of the hospital.

Unlike the treatment of the hotel to the gay customers, the treatment of the hospital staff include the depressed, agitated lot. The patients expect warmth of feelings from the doctors and nurses. The behavior of the service providers should be sympathetic, friendly and humane.

6. Process
Process is made of activities dealing with the input. Process converts input and adds value to it. Moreover, process also creates input. Really speaking, the term ‘process’ belong to the filed of production but now it has entered the realm of healthcare industry. Nowadays, process has become one of the important components of healthcare services and much more attention is paid to it. Process could be shown effectively and accurately through the blue
prints. In other words, the blue print of a process is a systematic planning presented with standards for implementation.

The process in any healthcare unit is classified under four categories. They are as follows:

I. The Joining Phase
It includes the arrival and the registration of the patient. The arrival of the patient may be voluntary or referential. The arrival may be a casual one or the patient may be compelled to visit the hospital. The patient gets his case registered in the out door patient department and pays the charges. If the patient is to be hospitalized, he is to deposit the fix amount at the in- patient billing counter. Afterwards, the file of his case is maintained. The patient’s file also consists of the patient’s medical history that would be useful the concerned doctor.

II. The intensive consumption phase
The consultant diagnoses the disease of the patient by letting him undergo various tests. Based on the diagnosis, the doctor would give further treatment to the patient. Therefore, true diagnosis is the axis of the treatment of the patient. The mode and means of treatment depend upon the diagnosis. The doctor prescribes proper medicine to the patient in the beginning of the treatment phase. According to the prescription, the nurse administers the medicine. In surgical case, the doctors are equipped with proper surgical tools for the operation of the patient.

III. The detachment phase
After the completion of treatment phase, the detachment phase begins. The doctor advises the patient to leave the hospital for home. The patient pays all the bills at the billing counter and then the doctor gives the discharge certificate to the patient.

IV. Feedback
At this stage, the patient is requested to fill an evaluation form, which helps the hospital authorities to know the level of satisfaction experienced by the patient. Patient’s suggestions are always valued and considered and are very useful for improving the services of the hospitals. Feedback keeps the hospital authority alert and it leads the hospital to rectify its errors and to remove its demerits. Feedback helps the future development of the hospital.
7. Physical Evidence

The term ‘physical evidence’ refers to the environment in a hospital where physical facilities are readily available to the patients along with healthcare services. The interaction also takes place between the hospital staff and the patients. Thus, physical evidence makes a huge impact on the patients. Physical evidence provides with means of evaluating the services. Corporate hospitals essentially include physical evidence. In other words, physical evidence is an inevitable part of corporate hospitals.

Modern hospitals need to create a sense of good ambience. Right from the reception one finds very cordial and comforting staff. Physical evidence covers up the garden in the hospital premise, the building of the hospital with spacious rooms, full ventilation, sanitation facility, cleanliness, interior decoration, instillation of ultra modern technological equipments and so on. Besides, the dealing of the staff with the patient should be a sympathetic one. The staff follows a dress code to show professionalism and to maintain discipline. The hospitals are in need of trained staff full of understanding, warmth of feelings. Only such staff could cure the depressed patients. Hospital should be well organized and divided into different departments. All the doctors should have well-equipped cabins. The entire hospital needs to be centrally air–conditioned with good lighting. Air conditioning will help to have good ventilation.

The housekeeping department of the hospital maintains the environment of the hospital through cleanliness of the building. The hospital should be enlightened fully through proper power supply. A hospital has to keep in mind both the types of physical evidence. They are essential and peripheral evidences.

Marketing of Healthcare Services

In Gujarat, the demand for health care services is much more. However, the market of health care services in Gujarat is not as it should be. There is a lack of awareness among those, who provide with health care services to the people. The increase in competition among the private sector hospitals has created the need for marketing health care with focus on creating advantages about importance of health and hazards of ignoring it. The marketing of health care services is classified under two categories. They are as follows:
Social Marketing
It covers up area of family planning, child immunization and health and family welfare aids. Government and some NGOs mostly carry it on. Mass communication media like TV, print media, cinema, direct mail and personal communications are used in promoting these services. Government hospitals promote social marketing concept.

Commercial Marketing
Some hospitals and nursing homes enter into agreements with corporate sector for the treatment of its employees. Competition has forced the private hospitals to take up advertising in the print media, encouraging people to have preventive health care by having regular checkups. Insurance companies like GIC, Oriental Insurance, and LIC have promoted several schemes such as medical insurance policies during the last ten years.

Marketing Healthcare: Some Issues
(1) To make people aware of preventive as well as periodic checkup
(2) The implementation of Consumer Protection Act may cause increase in cost and increase the demand for specialists.
(3) Corporate hospitals will create a sense rivalry among hospitals.
(4) Promoting women’s education to remove gender bias
(5) To provide primary health care facilities and to make them affordable

Promotion
The promotion of hospitals has to be delimited because of the professional ethics of doctors. The promotional goals of hospital marketing include arranging personal and formal meetings to discuss the service, informing and educating the public about the various services available from hospitals, persuading new consumers to use the services of the hospital, and informing the consumers how to obtain the services easily and conveniently.
One of the latest promotional programs of Apollo Hospitals has been cardiac screening service program in which the emphasis is on preventive medicine and the services are offered at 50% of the usual cost. In terms of promotion, it is extremely important that government hospitals promote some of the sophisticated services, which they are offering, so that more people will have a chance to use them.
Service

Government hospitals in the country offers some most sophisticated services due to promotion activities, people do not avail these facilities since they are not aware of them. These public institutions should work along with private hospitals towards attaining the goal of ‘Health for all’.

There is no doubt that the element of service is important to hospitals of every kind, whether they are charity, government or private. Even a man who has difficulty in arranging for his daily meals is willing to take a loan and use the services of private hospitals because he perceives that that private hospitals provided better care. The service aspect of the health services must be given due consideration in the promotion programs to earn the trust of the patients.