Chapter - II

Review of Literature
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The privatisation of health care industry has led to the growth of quality health care services at a fraction of world costs, with comparable success rates and service levels, directly in proportion to the high-value system. The increasing competition in providing better services to the patients makes the health care providers to focus on quality performance. The views of patients as well as their understanding of quality perceptions of hospitals and other medical facilities constitute an important input into the system and they are the primary resource for health care delivery. A continuous quality improvement can be achieved if timely and understandable information about patients' expectations and perceptions are possible to obtain. Studies on health care services and patient related aspects such as patients' expectations, perceptions and their satisfaction have been undertaken by individual researchers and institutions both in India and abroad. A review of such studies relevant to the present study are presented in this chapter.

James H. McAlester et al. (1994)\(^1\) conducted a study on service quality in health care. The Study examined four models for measuring service quality and concluded that SERPERF methods were superior to SERVQUAL methods. The study found that the dental patients' assessments of overall service quality were strongly influenced by assessments of provider performance. The study also found that the magnitude of the relationships between satisfaction and service quality were equally strong when examined in either direction. Satisfaction affects assessments of service quality and assessments of service quality affect satisfaction. The study found a positive path relationship between overall service

quality and satisfaction but a negative path relationship between satisfaction and overall service quality. Sixty four percent of the patients strongly agreed that the service provided was of the highest quality. Over time, even though the quality of service performance remains constant, the level of satisfaction likely to decrease because service improvements are needed to continue to impress the patients. The study also found that both the overall service quality and the patient satisfaction significantly affect the purchase intentions. Service quality when considering both its direct and indirect relationship has a somewhat stronger effect on purchase intentions than does patient satisfaction. The study suggested that health care providers must give importance to both the overall service quality and patient satisfaction. A focus on patient satisfaction necessitates a continuing program of research with patients to monitor satisfaction. Continuous quality improvement will require attention to both technical improvements and periodic assessments of patients' perceptions of quality.

Sumathi Ratnam (1995)\(^2\) conducted a study on marketing of health care services with reference to private hospitals in Coimbatore city. The study showed that majority of the hospitals in the city were multi speciality hospitals and the capacity utilisation was between 50 to 100 percent. Majority of the hospitals cater their services to the chosen market with the help of private general practitioners and public. The study also showed that majority of the patients selected a hospital for getting treatment on the advice of friends, other patients and relatives. They felt that the services of all specialities and the follow up treatment in the hospitals were good. The General administration of the hospital was satisfactory and the general ambience of the hospitals was neat and clean. The study concluded that marketing strategy aimed at creating awareness among the public is a must for private hospitals to survive. A hospital to be successful should have under one

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roof best physicians and surgeons, personal care and nursing quality, hi-tech facility including laboratory and diagnostic services and accessibility to the hospital.

Laurette Dube' et.al(1996)\textsuperscript{3} conducted a field study of 211 adult patients in an acute care hospital to assess the emotional experience of hospitalisation and how it influences health-related outcomes such as patient satisfaction. The study revealed that patients' representations of their emotional experience of hospitalisation include positive and negative dimensions, with the latter being more silent differentiated on the basis of casual attributions and influenced by the patients' clinical conditions. Positive emotions emerged as the most powerful and the most consistent predictors of patient satisfaction. Negative emotions attributed to others- induced lower levels of satisfaction with medical and paramedical care whereas negative emotions attributed to the hospitalisation was associated with higher satisfaction with medical, paramedical and support services as well as with the hospital stay as a whole. The results also showed that both negative aspects of the emotional experience were strongly related to clinical determinants, underscoring the fact that patients' subjective perceptions of their clinical status may be more influential than professionals objective judgments in influencing emotions and satisfaction. The relationship between some negative emotions and satisfaction may be positive. The study showed that the more the respondents declared that they had been depressed, anxious etc the more satisfied they were not only with medical care in particular but also with paramedical and support services and with the hospital stay as a whole. The study suggested that health care providers can pick up cues on patients' emotional state, adapt their interventions accordingly and thereby increase satisfaction.

Manjul Menon (1996)\textsuperscript{4} in his study investigated that the patient satisfaction is the effect of perceived quality of hospital care services and hospital organisational factors. Four Corporate hospitals located in and around a metropolitan city comprised the sample. The study found that the leadership styles to be similarly democratic across the group of corporate hospitals. Age and size of hospital did not have demonstrated effects on organisational dimensions. Organisational dimensions were influential precursors of perceived service quality. The study found that satisfaction was not closely related to dimensions of quality, which appeared to confirm it as a transaction - specific concept. It was related more to non-technical than to technical aspects. Patients' perceptions of perceived quality were linked to employees perceptions of organisational and job related practices and procedures. The gap between these perceptions appeared to confirm the gap that was found to exist between patients' experience and provider perception of patients' experience.

Georgette M.Zifko-Beliga and Robert F.Krampf (1997)\textsuperscript{5} conducted a study to evaluate patients' perception towards quality care in hospitals. The study identified more than 500 criteria to evaluate the quality of care received and 14 dimensions of quality. These dimensions were developed around three components structure, process and outcome which are quite different from SERVQUAL instrument of measuring service quality. Each of the 14 dimensions in the study revealed very interesting and valuable understanding as to how patients viewed the hospital, their physicians, nurses, support staff as well as the outcome of their care and the hospital setting itself. The study also found that the five dimensions – professional expertise, validation of patient beliefs, interactive communication, image and antithetical performance reflecting patients evaluation


of care they received from physicians explained about 68 percent of the variance. Nursing performance resulted in three clearly identified dimensions – interactive caring, professional efficiency and individualised reliability explained about 83 percent of the variance. Support staff performance contained in two dimensions – perspicacity and skills accounted for 89 percent variance. The dimensions of outcome-the physical cure and emotional cure explained about 93 percent of the variance. Structure related questions revealed two distinct dimensions- amenities and billing procedure that explained about 60 percent of the variance.

Subrahmanyam (1997)6 in his micro-level study of Government community hospital in Kavali town, Nellore district stated that the right to health at grass root level was still violated. He also stated that the people at villages and small towns received inadequate health care services due to rampant corruption, profit motive of doctors rather than service motive, inadequate infrastructural facilities, unhygienic environment and authorities subservient to the ruling political bosses. Awareness of the public along with committed progressive political leadership was suggested by the study to overcome this situation.

Sharon L. Oswald et.al.(1998)7 stated in their study that perception of service quality ultimately affects patient satisfaction. It is extremely difficult for patients to evaluate health care quality. The study covered two groups: those who had been hospital patients with in the last three years (users) and these who were visitors (observers). The results showed that facilities related and human-factor related considerations helped to shape the quality assessments of both groups with observers giving higher value to the hospitals with which they were familiar on the dimensions of facilities – related quality and users expressing a less critical view of the human-factor related dimensions. The study also stated that available


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options for obtaining care expand perceptions of patient groups will become increasingly important in developing competitive strategies.

Suresh Balakrishnan and Anjana Iyer (1998)\(^8\) conducted a study to assess difficulties encountered by the poor while making use of hospitals, perceived quality of specific components of service and their ratings of different areas of action for improving services. Three Government hospitals and three private hospitals located in different parts of Bangalore city were purposively selected for the study. The study found that the cost of treatment in the public hospitals was free or subsidised but the poor had to pay speed money and still they got poor quality of services. Long duration of waiting time, non availability of injections and medicines, lack of hygiene, poor response of the nursing and other medical staff, poor handling of patient complaints were the various problems associated with the quality of public health care. The study also revealed that expectations of the patients and their demanding capacity were very low in public hospitals since they did not pay for it. The quality of services in private hospitals were rated highly positive. Patients complaints were often related to maintenance which were addressed immediately by the senior officials and the redressal mechanisms were working effectively to the satisfaction of the patients. The study suggested that there was an urgent need to create mechanisms for improving quality in public hospitals and to create confidence in the minds of poor patients.

Sodani and Gupta (1998)\(^9\) studied the health care expenditure at household level for both rural and urban segments of the tribal area of Rajasthan. The study revealed a high dependence (50%) on the traditional practitioners in the rural areas. There was a substantial rural-urban differentials in the average expenditure per illness episode. Rural people spent on an average of Rs. 931.70


per illness episode for treatment which was one and half times more than urban people considering both acute and chronic illness together. The study also revealed that rural people have significantly higher burden of almost all components of indirect expenses for treatment. The health expenditure both direct and indirect, borne by the households were too high and gets concerned about the fact that the people in tribal area have no other way but to approach poor equipped and low quality public/private facility when they are confronted with the serious illness. An effort should be made to improve the quality of services in both public and private sectors. Focusing on quality improvements in health and hospital management practices, quality of treatment will be improved which will reduce the financial burden of the households for getting the treatment. All these efforts may lead to improved health status at lower health expenditure.

Julie Howard (1999)\(^\text{10}\) in her article stated that patient service initiatives increase patient satisfaction and loyalty and overall hospital quality of care. The article discussed how hospital administrators can create, implement and manage the patient service plan to establish quality initiatives that increase patient satisfaction and loyalty as well as the overall quality of their organisations. To develop a patient service plan, the hospital should first understand its patient base and leadership commitments. It should follow the four step framework focusing on organisation’s mission and support system, creation of patient service quality improvement teams, performing comparison analysis to identify strengths, weaknesses, opportunities and threats (SWOT Analysis) and building a tactical plan. When developing the tactical plan, the organizations and teams must remain focused on their goals and patient service plan objectives. The implementation and management stages of the process focus on the employees and their ability to internalise the patient initiatives created by the upper management teams.

Hospitals that focus their quality initiative implementation on strong principles, organisational guidelines and employee training would be more successful in increasing patient satisfaction and organisational quality.

Shrama and Hardeep Chahal (1999) measured patient satisfaction in outdoor services of private health care facilities. The study was based on primary information collected through pre-tested questionnaire from 220 randomly selected patients of three reputed private hospitals operating in Jammu City and providing identical curative and preventive health services to the outdoor patients. The study found that the patients secured average level of satisfaction in private health care services. It was found that the overall satisfaction was the result of performance of doctors and medical assistants, promptness in delivering the services, good level of communication, cleaned atmospheric conditions and availability of essential facilities. The study also suggested that the patient oriented approach would help the private health care providers in linking their technological and non-technological facilities to the unserved needs of the patients, which in turn would help in enhancing the degree of patient satisfaction.

Rick K. Homan and Thankappan. (1999) conducted a study on the performance of private and public hospitals in Trivandrum District of Kerala State. The study also examined patients’ satisfaction towards the healthcare services provided by these hospitals. Relevant data were collected from 29 public hospitals and 9 private hospitals in the district. Based on five point Likert type scale of self reported satisfaction, patients from public hospitals reported lower levels of satisfaction with the care received than the level of satisfaction of the patients

from the private sector facilities. The poor and somewhat poor tended to be more neutral and people with higher income were more likely to be at one extreme or another. The key perceived problems with the public hospitals were lack of attention from care givers, rude behaviour of the staff and lack of hygiene. Private hospitals within the city operated at a high level of occupancy rate, while those in other taluks had an occupancy rate of less than 50 percent. This was to the fact that these hospitals were recently established and the general perception that better quality care was available only in cities. The study suggested that the public hospitals must improve documentation of the medical records and additional control to monitor performance of providers.

Ananthapadmanabhan (2000)\(^\text{13}\) in his paper stated that private Indian hospital promoters have been able to provide high-tech medicare at reasonable cost to the Indian public. A coronary by-pass surgery can be done for 2000 US dollars where as it would cost 10,000 US dollars in United States. They have also bridged a substantial portion of need availability gap in the Indian health care systems without affecting the central and state government budget resources. Large scale involvement of the private sector has brought about a healthy but fierce competition. Competition in some areas like cataract surgery, bypass surgery etc has stabilised patient care costs. He was of the opinion that Indian hospitals can be the most profitable organisations, if properly planned, developed and managed. The concept of re-engineering and economics of scale enhance the operational efficiency of private health care institutions. The operational costs like manpower costs, equipment costs, maintenance expenses, electricity charges have been growing rapidly and as a result profit margins are thinning out gradually. If this trend continues many health care facilities may have to face great financial difficulties.

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Padmanabhan (2000)\textsuperscript{14} was of the view that all Governments irrespective of the party of power have pronounced that health of the people is an important factor of national development and needs to be accorded highest priority. However, translation of these into action at the ground level has turned out to be far below expectations particularly in respect of health care delivery to rural population and urban slum-dwellers. Lack of infrastructure facilities and manpower affected the quality of care provided by the state run health care institutions. He emphasised that the health policy in the new millennium should address itself to strengthening the state-run health infrastructure by increased allocation of funds and community involvement to ensure an efficient and effective referral system instead of shedding its responsibilities and leaving the poor in the lurch. Privatisation and corporatisation was welcomed to the extent that they would cater to those who afford thereby easing the pressure on state-run hospitals. He also opined that private sector would continue to play a dominant role as provider of health care services in future years.

Amit Mookerjee and Shainesh (2000)\textsuperscript{15} conducted a study on service quality, customer satisfaction and customer loyalty. The study stated that service quality is the predictor of customer satisfaction, which leads to greater retention and profitability. But even satisfied customers may switch to competitive brands. Since loyal customers are more profitable for any organisation better predictors of loyalty has been identified by the study. Relationship strength has a significant correlation with loyalty and has greater contribution to loyalty than service quality. But the relationship strength depends upon commitment, trust and satisfaction. The inclusion of additional variables measuring relationship strength in the service quality based satisfaction measurements would be a better predictor of loyalty than relying only on service quality.


Hema Santhanam (2000)\textsuperscript{16} in her paper "Managing Quality of Health care Services – An overview", stated that the hospitals which are conscious to respond to various consumers expectations would emerge as leaders among health care organisations in the twenty first century. A person would always recommend a hospital committed to quality to someone close to him for treatment and also for his own treatment. A physician or nurse or other clinical professional would select a hospital for practice if it is well equipped with diagnostic and surgical instruments and has committed to quality service. As the products of health care system, patients embody the primary outcome and core instruments for realising and demonstrating the results of health care system activities namely outcome quality and interaction quality. Outcome quality is measured in terms of changes in the patient before and after treatment. Interaction quality is measured by comparing the expectations and perceptions of patients. She emphasised that hospitals aiming at quality service and want to become competitive should focus on the concept of Total Service Quality Management (TSQM) which takes into consideration customers experience. The customers experience and subsequent perception of quality is affected by both tangible and intangible components of the services provided. So TSQM is a hospital-wide concept involving every aspect of patient care. She also viewed that hospital is a human organisation meeting human needs. To remain successful in a competitive health care market a hospital must out perform its competitors on the human dimensions.

Lallu Devanathan et.al., (2000)\textsuperscript{17} conducted an elaborate study in the outpatient department services of Christian Medical College Hospital, Vellore and have formulated a model for studying patients perspectives in health care services. The study stated that the success of any health care institution lies in the

satisfaction of its patients derive. Hence evaluation of patient satisfaction and patient perspectives should be made periodically by the health care institutions. Timeliness, respect, information, Communication access, education, co-ordination, continuity, fair and just treatment and cleanliness were the key satisfaction areas identified by the study. Patients wasting time due to delays emerged as the most important result of the study. The study suggested that increasing the number of doctors, following the appointment time strictly and establishing a separate unit with junior doctors to guide the patients would reduce the time delay. The model developed includes a feedback cycle that would help in monitoring patients’ satisfaction from time to time and will be helpful in continuous implementation of improvement efforts.

Institute of Medicine (2001)\(^\text{18}\) in United States of America made recommendations for revamping the nation’s health care system to improve patient care. Health care providers, payers, policy makers and patients should commit to a national effort to raise health care quality and should agree to redesign processes by which care is delivered. The Federal Government should identify priority conditions that need to be addressed and provide resources to stimulate innovations and initiate the change process. Participants in the health care industry should foster an environment for change in health care delivery by creating an infrastructure to support evidence-based practice, facilitating the use of information technology and aligning payment incentives to encourage quality. The institute of Medicine also proposed ten rules aimed at making health care more responsive to patient’s needs. These rules call for the customisation of patient-care and stipulate that patients should be given information about their care and retain control over it. The report also recommended that clinical decision should be based on the best scientific evidence and urged increased communication and coordination among clinicians.

Deborah M Cardello, Corporate Vice-President for Patient Care Services, Robert Wood Johnson University Hospital at Hamilton, New Jersey (2001)\(^\text{19}\) in his article stated that patient satisfaction in his hospital is an operational priority and an integral part of the facility’s mission, vision and values. The hospital continuously monitors performance and actively seeks to improve service, measuring patient satisfaction with a tool from press Ganey Associates Inc. This process entails analysing returned patient satisfaction surveys each quarter and generating a report. A patient satisfaction performance improvement team then reviews the report, requesting action plans from areas that need improvement and identifying ways to reward and recognise staff for excellent service. To obtain more accurate assessments the hospital employed ‘Mystery Shopper’ approach – a process through which professionals pose as customers to test the service they received in the hospital. The hospital used the PDCA performance - Plan, Do, Check and Act, which included Six operational steps – choosing a consultant, identifying goals and objectives, discussing the hospital’s plan at the staff meeting, reviewing the results sharing results and implementing improvements. This approach supplementing its traditional patient satisfaction survey process helped the hospital greatly to improve their services.

Verma and Renu Sobti (2002)\(^\text{20}\) has undertaken a study to assess patient perception of the medical services provided by doctors and health institutions (both Government and private) and to examine the extent of patient satisfaction with their services and their satisfaction with surgical operations. It was found that the patients were more dissatisfied with the services provided by Government health institutions in comparison to private health institutions. Further patients


were dissatisfied with the behaviour of the doctors and the para-medical staff and with the attitude of the doctors of not providing the necessary information about the illness and the treatment to be given.

John Diconsiglio (2003)\(^{21}\) in his article stated that providing positive experience for the patients combined with good clinical outcome is smart medicine. A good clinical outcome is a patient's expectation but it will not affect his satisfaction. The Satisfaction comes when he is delighted with the service he receives – the care and compassion and timeliness of the service. Patient care plans revolve around communicating with patients and meeting their needs. This necessitated employees acceptance of such plans and involvement in their implementation. He also stated that greater care and contact with patient's family members will contribute towards improved customer service ratings. He emphasised that quality improvement is a constant change and requires patient care plans to be a mix of education, inspiration and common sense.

Maheswari (2003)\(^{22}\) in her study stated that for a hospital attaining complete patient satisfaction is mandatory. The study revealed that both the inpatients and outpatients had a favourable attitude towards majority of the services provided by the hospital during the period of study. But to survive in a competitive environment, 100 percent satisfaction should be achieved in all areas. Value added services which differentiate it from other competitors should be rendered. The study also suggested the introduction of cardiology rehabilitation program for patients and stress reduction program for the employees of the hospital in enhancing the quality of patient care.

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Hardeep Chahal (2003)\textsuperscript{23} in his study evaluated patient satisfaction and suggested strategies for enhancing patient satisfaction towards rural health-care services in Jammu and Kashmir State. The study stated that public health care centres which include Primary Health Centres, Subcentres, Dispensaries and Family Welfare Centres play a commanding role in promoting health care facilities in rural areas. The research results showed that the satisfactory variables perceived by patients do not provide high degree of satisfaction with regard to the behaviour of physicians, supportive medical staff, atmospheric conditions and operational factors which determine the quality of health care services. The study suggested that the patient oriented approach would help the rural health care providers in linking the various dimensions identified with the unserved needs of the patients. The various dimensions evolved from the findings for enhancing patient satisfaction were availability of physicians, essential facilities and drugs, promptness in delivering the service, proper grievance redressal system, responsiveness to patients’ needs and expectations, performance of physicians and supportive medical-staff, good level of communication and maintenance of information record about patients.

Doucette Jeffrey (2003)\textsuperscript{24} differentiated quality and service in improving patient satisfaction. She viewed quality is a measure of outcomes and service is a measure of perception or what matters to the patient. If the service provided by a health care organisation is not important to a patient, it is not viewed as a service and will not contribute to patient satisfaction. As patient satisfaction depends on their perceptions it differs from person to person and varies with each interaction. She also stated that satisfied employees in a health care organisation leads to consistently high ranking of patient satisfaction. She suggested establishing standards and modeling the desired behaviours, scripting or the reinforced of key messages through a combination of word and deed, educating and training

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employees with regard to service delivery and to the importance of the human interaction to improve employee satisfaction and thereby increase patient satisfaction.

Powers Thomas L and Bendall-Lyon Dawn (2003) examined the influence of health status on patient satisfaction immediately following the healthcare encounter and one year thereafter. To gain a better understanding of the changes in satisfaction the study examined satisfaction in two components - attribute satisfaction and interpersonal satisfaction. The results of the study indicated that an improvement in patient perception of health status leads to an increase in both attribute satisfaction and interpersonal satisfaction with the health care encounter. In order to monitor and maintain high satisfaction levels and educate patients regarding health status, health care marketers should develop communication programmes to provide ongoing contact with patients. The impact of patients perceived health status on interpersonal satisfaction over time demonstrated the importance of interpersonal relations between the physician and the patient. Effective communication between the physician and the patient enhances satisfaction and perceived health status. A physician who clearly communicates the positive and negative aspects of a medical service may help the patient to develop more realistic expectations regarding the status of his or her perceived health immediately following the health care encounter and several years thereafter.

Laurette Dube (2003) in his article stated that patient centered quality dimensions of clinical encounters determine patient satisfaction and loyalty to a Physician’s practice. Patients’ involvement in care decisions and disease management activities have better outcomes in terms of patient satisfaction, health status and service utilisation than those who don’t. The patient-centered approach

focuses on the cognitive, rational side of human behaviour. But a better understanding of both rational and experimental modes of processing is needed to reach the full effectiveness of any patient-centered strategy. Beyond the personal and interpersonal action tendencies, emotions affect a person’s health-related information processing, decisions and behaviour. A provider who is aware of emotion-laden patient expectations will be able to decide which interpersonal strategy is most appropriate at each clinical encounter. Understanding, measuring and monitoring patient emotions are important for supporting the existing patient satisfaction system. Experimental mode of processing and emotions not only determine patient satisfaction but also influence the brand, product or service positioning in the customer mind as well as long term relationships.

Sona Bedi, et.al (2004) in their study opined that patient expectation survey is a relevant tool for hospital administrators which reveals what patients actually desire from hospitals. When results of patient expectation surveys are applied to planning of health care services, it increases chances of achieving patient satisfaction. They conducted a patient expectation survey among patients visiting the outpatient departments of two government hospitals in Delhi. A total of 230 patients were surveyed. The study observed that expectations vary from hospital to hospital and from one socio-economic stratum to another. Despite the obvious difference in socio-economic strata of the largest markets of the two hospitals and the difference in the stature of the two hospitals themselves, the patients of both the hospitals considered, the technical competencies of the physicians with communication skills and empathetic attitude as the most important attributes of medical care in a hospital. The study opined that any marketing strategy devised in this regard without right physicians, a high level of patient satisfaction is difficult to achieve. The study also found that patients have higher expectations from the tertiary hospitals than secondary hospitals and increased literacy levels generally lead to an increased demand for quality health care.

27. Sona Bedi et.al, op.cit.
A Study conducted by Rajesh Iyer and James A. Muncy (2004)\textsuperscript{28} showed that perceived service quality was strongly correlated with patient satisfaction. The study also measured trust to understand its impact on that relationship. Trust was clearly moderating the relationship between service quality and satisfaction. Service quality is more highly related to satisfaction for patients who trusted the health care provider than those who did not. When the health care provider was dealing with high trust patients the reliability and responsiveness dimensions of service quality were the most important determinants of satisfaction. For the low trust group empathy and tangibles were the most important. The service providers performance on the core benefits have an important effect on the satisfaction of the patients who had the highest degree of trust. Low trust patients relied more on peripheral cues and they are the important factors in determining their satisfaction. The study emphasised that over time, a health care provider should be able to turn many of the low trust groups into high trust groups. This necessitates the health care providers to make sure that their employees display caring attitudes and provide attractive facilities when trying to establish trust with new patients. Both care benefits and peripheral cues help to build trust and improve patient satisfaction levels.

John Mckeever (2004)\textsuperscript{29} in his article stated that the patient experience helps in designing patient-centric processes. A research technique called experience mapping can be an effective way to present visual cues to patients discussing their experiences because it helps them to recall and discuss their expectations more easily, needs and areas of satisfaction. This technique develops better insights by eliciting in-depth feed back from patients, physicians and other stake holders. The implementation of the patient education strategy built from the

experience map has resulted in a higher level of patient satisfaction. Experience mapping requires knowledge of clinic procedures and access to front line management which necessitates health service staff to play an active role in the process. The steps to conduct an experience mapping include, confirming research objectives, assembling an internal team of stakeholders, drafting the experience map, identifying location for patient intercept interviews, developing a discussion guide, conducting patient interviews and analysing results for action.

Arun Kumar Thantry et.al (2004)\(^\text{30}\) in their case study presented about the recent revolution and growth of the Indian health care industry. They also evaluated the services offered by two hospitals in Calicut by using SERVQUAL scale. The hospitals selected for the purpose of the study were – one privately owned profit oriented hospital (Baby Memorial Hospital) and a second private mission hospital (Nirmala Hospital) run primarily with charity as objective. The evaluations of service quality for both hospitals revealed the differences in the perceived service quality of the patients. Baby Memorial hospital gets a substantially higher rating in terms of tangibles. This was mainly due to the modern services and new infrastructure of the hospital. Nirmala hospital received comparatively higher score on empathy which might be in line with the hospitals mission ‘heal with a human touch’. The results also revealed that Nirmala hospital was rated above Baby Memorial hospital on the responsiveness. On reliability and assurance dimensions the hospitals were tied with little difference in the scores obtained.

Srinivasan (2004)\(^\text{31}\) stated that perceived service quality (PSQ) can be measured with respect to employees, customers and service providers. A wide gap between PSQ of customers and those of providers exist. This is because PSQ of


customers are influenced by technical quality while those of providers by functional quality of services. Precision of equipment and diagnostics, competence of the technical staff, qualification, experience and professional training of the nursing staff constitute technical quality. Functional quality refers to how well the service delivery system is geared up to serve the customer needs. He also stated that cure is the result of professional and technical quality on which the hospital has to focus its attention. Care is the outcome experience of the functional quality of the system which has to be perfected. Care can be provided by accurate timely information, empathetic communication, positive attitude by the staff and the ability to meet unique needs of the patients. PSQ is based on the five dimensions of SERVQUAL – reliability, tangibility, empathy, assurance and responsiveness. Reliability and tangibility dimensions are relevant for technical quality (cure) and the empathy, assurance and responsiveness dimensions are relevant for functional quality (care). He stressed the need for internal marketing to launch a reorientation programme for the medical group, make their role and responsibilities clear and to carry out patient satisfaction surveys and give the feedback to the medical staff.

Fatma Pakdil and Timothy N.Harwood (2005)\(^\text{32}\) in their study focused on patients’ expectations, perceptions and satisfaction about the services delivered. The study focused on measuring these aspects in a hospital – based preoperative assessment clinic by using SERVQUAL model. The study found that patients’ most highly ranked expectation is ‘adequate information about their anesthesia and surgery’ and the second one is ‘adequate friendliness and courtesy’. These aspects contained relatively low gaps between perceptions and expectations. The largest gap occurred between the expectation of the clinic waiting time and overall quality perceived. With respect to patient satisfaction and care, a significant association was found between the degree of information dispersal and the patient– physician

relationship. Positive physician–patient relationship was found to be important for increasing satisfaction. The satisfaction about the appointment time, convenience, clinic location and clinic appearance turned out to be low. There were also number of complaints about the physical environment being unsuitable. Despite the negative and divided comments, the majority of the patients reported their overall satisfaction with the clinic as high.

Laura Gater (2005)\textsuperscript{33} stated that mutual understanding is essential for a better payer-provider relationship. Open exchange of information help collaborators to create efficient processes and improve patient satisfaction. Priorities of the patients and health care professionals should be considered while determining the ways to improve business and information transactions. He also viewed that increased use of electronic transactions benefit payers and health care professionals. Electronic connectivity enables the physicians to have more accurate information, reduced administration and improved turn around times for referrals. When health care professionals work more efficiently through electronic transactions, it will lead to a better overall experience for the patient. Successful payer-provider collaborations start with building relationships between plans and providers founded on an understanding that both parties are working towards similar goals—reduced costs and healthier members.

Sita Mishra (2005)\textsuperscript{34} opined that over the last fifty years the development of health care infrastructure in India was far from satisfactory level. India has less than 100 beds per 10,000 population which is much less when compared to developed countries. There is a limited network of health/social security schemes covering only about 10 percent of the population. Delivering health care to the rural population where the medical infrastructure is minimum is a significant task.


in itself. In urban areas pricing of health services is an issue to be resolved. Some unethical practices by some health care practitioners affects the orderly development of this sector. Despite these challenges India’s health care industry is expected to grow more than double with in the next decade. The increased demand along with lack of health care facilities have given an opportunity for private and corporate players to make huge investments in this sector. The emerging competition among these corporate hospitals necessitated them to focus on marketing of their services which should aim on credibility building and patient satisfaction. These health care organisations should take all efforts to identify the unique needs of the patients and to provide quality services to satisfy those needs.

The study conducted by. Raman and Balaji Prasad (2005) stated that a new marketing approach in the health care industry is needed to match the needs and demands of the patients in order to sustain in the competitive market. The study observed the functioning of the hospitals situated in coimbatore city and identified the different strategies and programmes implemented by these hospitals in providing quality services. It stated that 93.3 percent of the hospitals are private hospitals and 13.3 percent of the hospitals have a bed strength of more than 100. Majority of the hospitals are well equipped and render services such as medical consultancy, medical Diagnostic and surgical services. The study suggested that hospitals must compete in terms of specialities they offer and not in terms of bed strength. Private hospitals should have integrated Health Care Network and bring the healthcare at an affordable price to a large number of population. The study also suggested that the private healthcare institutions along with Government should contribute towards achieving prevention and early diagnosis of infectious diseases and in the emergency situations like Fire, Natural Disaster etc.

According to Sanjay S. Kaptar and Vinita Pimpale (2005)\textsuperscript{36} India has tremendous stock of intellectual capital in health care and state-of-the-art treatment and world class surgeries are available in India. But the system faces certain problems such as quality of services provided, accreditation of hospitals, health insurance etc. They are of the opinion that focus has to be made on quality medical care rather than quantitative services. The hospitals should deviate from image building and marketing their services to value added services like enhancing patient loyalty, more consumer awareness and performances.

Patrick Low Kim Cheng (2005)\textsuperscript{37} in his article expanded the seven Ps of health care services marketing to ten Ps by adding professionalism, productivity and proactiveness. Professionalism refers to standards adopted by the service provider and its staff in doing business with their customers in a rational ethical way. Such actions include the clinicians punctuality for medical appointments and their handling of the patients. From the customers perspective, the patient is concerned with consistency of the healthcare services given to him. Productivity is the results attained. From the customers perspective, the customer is concerned with the healthcare providers contributions when he is receiving a health care treatment or service. Proactiveness, an initial concept from the customer's perspective refers to the healthcare provider's conscious endeavours, Commitment and Continuous support in rendering him the service. He also initiated and included the ten Ss associated with the ten Ps in health care services marketing. Service, Standards, Smile, Simple, Speed, Solution, Security, synergy, stretch and special are the ten Ss. The ten Ps and ten Ss have been derived through literature surveys, brain storming discussions and in-depth interview research. He is of the opinion that by subscribing to these ten Ps and Ss healthcare marketers can make their services attractive and appealing to their members and bring success to their organisation.

Joshua and Moli P. Koshi (2005) in their study of evaluating the service quality in old and new generation banks in the coastal Karnataka districts of Dakshina Kannada and Udupi used SERVQUAL instrument to measure the various dimensions of service quality in banks. The SERVQUAL instrument has been modified to suit the research purpose. The study emphasises that the bank have to reduce the gap between customer expectations and customer perceptions to become customer friendly and competitive. Customer surveys could be conducted to understand customer expectations and once the expectations are understood, customer defined standards should be fixed and implemented in order to reduce the gap between the customer perception and customer expectation of service.

Singh and Sunaina (2005) conducted a study to examine the management of health care services in Primary Health Centres in Moga district of Punjab. The study found that primary health centres for medical treatment were preferred mainly by the economically backward community because of their inability to afford secondary and tertiary hospitals. Many preferred primary health centres only for minor ailments. Primary Health Centres were showing poor results due to inefficient and non co-operative attitude of doctors and staff in the development and upliftment of these centres. Though the behaviour of the doctors and staff was fine they did not take interest and initiative in the development of the centres and were not regular on their duties. The hygiene, cleanliness and maintenance at primary health centres are average or below average especially in the hospitalisation wards. The patients did not get all types of medicines from the primary health centres and were forced to purchase medicines from out side. Many of the patients were not cured inspite of taking treatment in primary health centres.

and were forced to opt for private hospitals for getting treatment under strained economic conditions. They face the problems of non availability of doctors and staff, emergency problems at night, long waiting hours at day time due to late arrival of doctors. The study also found that 27 percent of the respondents were highly dissatisfied. The satisfied respondents comprise illiterates, old aged patients and women who were accustomed to visit the primary Health Centres.

Alistair Mcguire and Victoria Serra (2005)\textsuperscript{40} in their article on the cost of health care stated that the share of national resources devoted to health care in a number of countries increases steadily every year. The income elasticity of healthcare expenditures is greater than one – a one percent increase in gross domestic product is associated with greater than one percent increase in health care spending. An increased growth in the volume of services delivered accounted for the high growth in healthcare expenditure. He also stated that different countries spend resources in different ways and distribute resources to different groups, reflecting in the tastes and preferences of their societies. The level and growth of health care expenditure is ultimately a normative issue reflecting the value judgments expressed by any given country. Identifying the value that is obtained from specific interventions remains a complex task. The growth in the identification of the cost–effectiveness of healthcare interventions relies on defining the benefit from individual treatment. Defining benefit despite all the optimism generated by such outcome measure as quality adjusted life years (QALY)gained, remains in an early stage of development. This makes it difficult to state whether health care expenditure growth has represented a movement towards acceptable funding of health care or not.

\textsuperscript{40} Alistair Mcguire and Victoria Serra, "The Cost of Care: Is There An Optimal Level of Expenditure", Harwerd International Review, Vol.XXXVII, No.1, Spring, 2005, pp.70-75.
Mark Parrington et al. (2005)\(^{41}\) in their article stated that patient satisfaction is a long term process, slow and incremental. The hospital management should reinforce the importance of patient opinion by taking responsibility for increasing patient satisfaction and allocating resources to ensure success. The organisation must take a balanced approach to performance and holding individual accountable. This necessitates to focus on employee and physician satisfaction. Feedback through patient, employee and physician satisfaction surveys allow organisations to strengthen their performance. It is a strategic imperative to identify expectations and meet or exceed them. Patients want employees who care about what they do, physicians with environments of practising excellent medicine and the best treatment for themselves and their families. Health care organisations that are able to consistently meet their expectations will be successful.

Frank A Corvino (2005)\(^{42}\) the President of Greenwich Hospital, USA stated that quality is crucial to a hospital both in the medical care it provides and in the process by which that care is delivered. He also stated that his hospital created a service excellence steering committee and a program that aligns compensation and recognition with how well employees met the hospital’s seven standards for service excellence. Service excellence steering committee which includes hospitals top leadership was formed to continuously review, organise, recommend and implement practices that made sure each patient admitted to the hospital received the best possible care. The second key component of the program focused on employee incentives and directly linked financial compensation with the hospital’s seven standards for service excellence. The seven standards have become the backbone of the patient satisfaction programme. The implementation of these programmes enabled the hospital to understand the patients expectation


and improved their ability to meet them. Patients become more positive about the quality of services delivered by the hospital. He also stated that effective complaint Management system, strong and visible support of the hospital’s top executives, employees commitment to deliver quality care are the key aspects to be considered in improving patient satisfaction.

Pushplata et.al.\textsuperscript{43} conducted a study to find out the perception of users about health care services provided in a general and super speciality Hospital and users willingness to pay. 240 patients from the outpatient departments, 160 inpatients of General Hospital and 120 inpatients of super speciality Hospital of Delhi were interviewed. Out of 280 inpatient users 96.8 percent were satisfied. In general Hospital satisfaction was 94.4 percent and in superspeciality hospital 100 percent satisfaction was observed. 59.3 of the inpatients were willing to pay. The willingness to pay was directly proportional to the level of satisfaction. 89.2 percent of the outpatients were satisfied with regard to the services received. There was no statistical relationship between willingness to pay and level of satisfaction.