Chapter (D)

Segment
Infrastructure
Facility, Services
and
Cost of Treatment
in the
Healthcare Sector
To understand the Brand Management of healthcare Sector it is very important to understand the Segment covered by the Hospital, Infrastructure Facilities in a Hospital, Facilities offered by a Hospital and Services provided by the Hospital through its Human Resource like Doctors, Nurses, Paramedical Staff and other Supporting Staff and Cost of Treatment in that Hospital. Although these are various dimension of Brand Management of a Hospital, however every dimension is equally important for the success of a Hospital. We shall discuss each of the above mentioned Brand Attributes on by one.

**Segments of a Hospital**

To start any Brand Management Exercise for a Hospital it is very important to decide what is the Market Segment that Hospital is meant for and what are the short term and long term objectives of a Hospital to satisfy that segment. Without knowing this any Brand Management effort for a Hospital would be just a futile exercise.

The Market Segmentation of Healthcare is the act of executing its Brand Positioning by dividing the Healthcare market into distinct groups of patients of a Healthcare Service, who might require separate services of a Hospital. In this a Hospital identifies different ways to segment the market and develops profiles of the resulting market segments. The step which follow the Market Segmentation of a Hospital is its Target Market on the basis of Market Segmentation. Target Market is the act of developing measures of segment attractiveness of a Hospital and selecting one or more market segment to enter. The next step of Market Segment of a Hospital is its Brand Positioning which is the act of establishing a viable competitive positioning of a Hospital and its offer in each target market.

**Market Niches for Brand Management**

As the Hospital subdivides a market by specific characteristics for its Brand Management. The Hospitals are now moving beyond segments into Niches. *A Market Segment is a slice of the market, such as high income patients. A Market Niche is a smaller, specially formed segment, such as high income patients suffering from the Heart Trouble.*

Ideally, a Hospital would like to define its target market so carefully that it is the only Hospital serving that niche. For example Escort Hospital (now part of Fortis Group) that it is having a niche to serve the higher end market of the Heart Patients.

**Bases for Segmenting Patient of a Hospital for its Brand Management**

There are various variables that are commonly used to segment patient of a Hospital. The variables fall into two broad groups. Some Hospital try to form segments by looking at the patients characteristics. They commonly use geographic, demographic and psychographics characteristics. Some other Hospitals try to form segments by looking at the consumer responses to the particular service like providing of Healthcare Service at Home etc. Once the segments are formed, the Hospital sees whether the different patients characteristics are associated with each segment. For example, the Hospital might examine whether people who want “quality” versus “low price” from a Hospital differ in their geographic, demographic and psychographics make up. The various variables which are used to segment market are following:

- **Geographic Segmentation**: Geographic Segmentation of Hospital calls for dividing the healthcare market into different geographical units such as nations, regions, states, districts and cities or villages for its better Brand Management. The Hospital can decide to operate in one or a few geographic area or operate in all but pay attention to local variations in geographic needs and preferences. The Apollo Hospital along with the Apollo Clinic is working on the same way by adopting the franchisee model on the National level.

- **Demographic Segmentation**: Demographic Segmentation of a Hospital consists of dividing the Healthcare Market into patient groups on the basis of age, sex, family size, family life cycle, income, occupation, education, religion, and nationality. Demographic variables are being explained here.

  (i) **Age and Life -Cycle Stage**: The patient of a Hospital, its want and capacities changes with the age and life cycle. Even the healthcare requirement of a neonatal infant differs from the healthcare requirement of a three month old infant. Like wise the healthcare requirement of an old man is different than a young man. The ageing population utilises

*Jha, SM (2000), *Services Marketing*, Himalaya Publishing House*
the hospital services more than any other segment. This warrants that hospitals must be planned and designed to be user-friendly to this segment. Hospitals need to have floors distinctly marked with contrasting colour bands to indicate where it ends. Similarly, the stairs also need to be suitably designed to indicate where the steps end to facilitate visually handicapped to use them. Hospitals have to make an choice about the type of seat that future hospitals shall have, because the European type of seat is more comfortable to elderly patients.

(ii) **Sex**:

Sex segmentation of patient is very important demographic variable since it differs a lot in terms of its requirement like a women for its gynecological problem will prefer a female doctor than the male doctor.

(iii) **Income**:

In the healthcare segmentation, the basis of income is important for its Brand Management. Since it all depends upon the income of a family that what would be its total healthcare spending. On the basis of income only it is decided what would be the proportion of high end, medium end or low end availability of healthcare services in an hospital which helps in its Brand Positioning.

(iv) **Family Size & Family Life Cycle**:

The family size and family life cycle is highly responsible for the frequency and the quantum of the healthcare spending. This helps a hospital in deciding about its Brand promotional activities like a package rate for complete family check-up scheme. In the same way since in a family the age groups of member may vary from a neonatal to an old person, the requirement of healthcare would be regular and with variants, so any kind of lifetime membership schemes of a Hospital are designed keeping in view of such kind of attributes.

(v) **Occupation**:

Occupation of a patient of healthcare services decides its capacity of healthcare spending. Like a person who is a running a small shop or in a job of office assistant will have a different healthcare affordability than a big industrialist.

(vi) **Awareness**:

In adopting the healthcare services the awareness level of a person plays an important role in its Brand Management. An aware person know the kind of doctors and
specialization available, services offered by a hospital, infrastructure available, cost of treatment, location of hospital etc. An aware person refers others also to take services of that hospital.

(vii) Medical Tourism by Foreign Nationals: With the increase in the Medical Tourism by the foreign nationals like their visit to Kerala for the Panchkarma, cheaper operation of various ailments in comparison to the western countries are an important evolving segment of the healthcare market.

(viii) Religion: Religion plays an important role in the healthcare system. Recently the Pulse Polio campaign started by the Government of India, WHO and Rotary Club of India was facing a problem that few religious leaders in the Muslim Community protested against the Pulse Polio campaign that it is Anti-Islamic since it creates impotency. Now by convincing them on the basis of scientific facts that this is just a myth, now the Muslims are coming for the polio vaccination.

• Psychographics Segmentation:

In the psychographics segmentation, the patient of a Hospital are divided on the basis of their social class, life style and personality characteristics. The service users of healthcare within the same demographic group can exhibit very different psychographics profiles.

(i) Social Class:

The Market Segmentation of a Healthcare Service in India can be divided into three social classes, the Upper Class, Middle Class, and Lower Class. The healthcare service users of different social classes have a strong influence on the person’s preferences in the choice of Hospital, Doctor, Bed, and even the Nurse who is attending the patient.

(ii) Life Style:

The service users of a Hospital and their interest are highly influenced by their lifestyle. Hospitals are now trying to provide the luxurious five star facilities in their hospitals to give extraordinary comfort to their target patients of high end premium segment of the society.
(iii) Personality:

The Hospitals are using the personality variables to segment the Healthcare Service Users for its Brand Management. The Hospital endow their Brand Personalities that correspond to the Service User Personality of Healthcare Service users. For example, if a Healthcare Service User who is very punctual, disciplined, want cleanliness and polite will expect the same thing from a Hospital similar to his personality like timely service, well disciplined doctor and supporting staff of the Hospital, Clean and the Hygienic Environment and a Polite Receptionist, Supporting Staff and even Doctor. Only than the Brand Personality of a Hospital will match with the Personality of a patient of a Hospital. However, the patient with the opposite personality as mentioned above will also like the positive attribute of the Brand Personality of a Hospital.

• Behavioural Segmentation:

In the behavioural segmentation of the Healthcare Services the Patients are divided into groups on the basis of their Knowledge, Occasion, Benefits, User Status, Usage Rate, Loyalty Status, Readiness Stage, Attitude towards Hospital Service or response to the Patient of the Hospital.

Effects of segmentation on the Brand Management of a Hospital

Every patient wants satisfaction while and after taking the services of a hospital. Hospitals with the proper understanding of the various dimensions of Segmentation like Age and Life-Cycle Stage, Sex, Income, Family Size & Family Life Cycle, Occupation, Awareness, Medical Tourism by Foreign Nationals, Religion, Social Class, Life Style, Regions, States, Districts and Cities or Villages helps in understanding the exact requirement of a specific patient and on the basis of which a hospital can customize its services and infrastructure to satisfy its patients resulting into a loyal patient who will refer that to hospital to other patients also.
Infrastructure of a Hospital

Infrastructure of a Hospital plays an important role in the Brand Management of a Hospital as its tangible attribute. It's the infrastructure of a Hospital which gives convenience and easy accessibility of the service of a Hospital which is an essential attribute for the Brand Management of a Hospital. A Hospital while deciding about its infrastructure facility it should take care that its infrastructure should match and fulfill its services and facilities since these all are interwoven for the Brand Management of a Hospital.

Three evolutionary stages in the Hospital planning for its Brand Management:

Stage 1. Facilities Planning: More commonly known as bricks-and-mortar planning, facility planning was heavily oriented towards design and construction of physical facilities. The major emphasis during this stage was on the replacement or expansion of physical facilities for the Brand Management of a Hospital. The focus on expansion of physical facilities are dictated by the growth of hospitals in every direction coupled with capacity shortages, technological and medical advances. Architects and engineers are the major players in facilities planning.

Stage 2. Institutional Planning: In this stage, focus of planning shifts to the planning of programmes, facilities and services divided into different department of the hospital. This shift is characterised by the expansion of existing programmes on one hand and exploring new types of healthcare services for its Brand Positioning on the other besides setting annual and long-term objectives for them. As a matter of necessity, budgeting are tied to these objectives. Many hospitals established a department of planning and created the position of Director of Planning to coordinate and carry out the functions of planning.

Stage 3. Strategic Planning: This is characterised by the ongoing and systematic use of planning as a top management tool to set short and long term goals of the hospital for its Brand Management and to attain them in order to best position the hospital. Every organisation has a mission or purpose, which is what it aims to accomplish. Strategic planning is the process of defining the primary objectives of the organisation and determining a course of action or devising a strategy to achieve those objectives. It consists of a clearly
stated mission, a long-term vision which is what the organisation wants to be and an integrated approach to move the organisation toward accomplishing it.

**Architectural Planning of a Hospital**

One of the important parts of Infrastructure of a Hospital which pays important role in its Branding is its architect. Its very important for a hospital to have a proper architectural planning in order to have its strong Brand Management. Hospital is the most visible face of the healthcare industry. It handles the dynamics of life and death situations during the process of rendering healthcare. Peter Drucker, the famous Management Guru has said, "Hospitals are the most complex human organisation ever devised". Today, hospital buildings are considered the most complex building forms. Integration of developing technologies into healthcare delivery is making hospital buildings more complex. Therefore, planners and designers of hospitals are now conversant with the emerging trends in the fields of technological developments in order to fully deliver the Brand Values to its patients.

*Hospital designing is a very crucial aspect of Infrastructure of a Hospital in its Brand Management. In the Hospital Designing, Circulation is the space within the hospital administrative and support services that is not common to any specific department. This includes corridors, stairwells, toilets, courts, lobbies, elevators, etc. This space must be considered in determining the total square footage of the building concept design. The importance of circulation is apparent from the extent of space apportioned to it in the total square footage of the hospital—approximately 120 to 150 sqft per bed in the total hospital area of 800 to 1000 sq ft per bed.

**Protection of Patients from Infection:**

The primary principal underlying the circulation of patient in a hospital is the protection of patients. The nursing unit corridor is a virtual traffic highway. Too much traffic disturbs patients and impedes smooth and efficient care and contamination by hospital acquired infection which may harm the Brand Image of a Hospital.

* Sood, Dr KB (May' 2006), *Emerging Trend In Planning And Designing In Indian Hospital*, Express Healthcare Management, pp 36-38
OPD of a Hospital:

**OPDs act as a window to hospital services and a patient's Brand impression of the hospital begins at the OPD. This impression often influences the patient's sensitivity to the hospital and therefore it is essential to ensure that OPD services provide an excellent experience for patients. It is also well-established that 8-10 per cent of OPD patients need hospitalisation. When well organised and professionally run, not only can such OPDs help avoid confusion, frustration and overspending by fearful patients but can also regulate the flow of inpatients to the hospitals. Having observed this, hospitals today are making changes on various fronts to streamline this area.

Kochi-based AIMS Hospital, for example, in the Feb’2009 revamped its OPD centre with all related OPD and IPD services at one central location. The 8,000-square-foot division is in the shape of a flower with a central atrium-which can be approached from all segments of the hospital-and petals around. This centralised design of its OPD has the Hospital reaping benefits in terms of eased outpatient flow, less confused patients and optimum utilisation of time. Experts suggest many other key changes in the areas of resource, processes, manpower and design management to reorganise this area like never before.

The main lobby of the hospital is the most important part as it is the first point of contact with the hospital for patients and visitors. It is here that they form their first opinion about the Brand of a hospital. If they are depressed by the look of a cluttered and untidy lobby, they will be disposed to carry a negative Brand impression about the kind of treatment they or their dear ones are going to receive in the hospital. The first Brand impressions may be decisive and lasting ones too.

Separation and control of dissimilar activities:

Separation of different types of activities and different kinds of traffic in the Hospital is another principal that should be followed for the Brand Management of a Hospital through its designing. Such an arrangement helps to minimize chances of infection. Similarly, seriously ill patients should be separated from convalescent or ambulatory patients. Separation of dissimilar activities also helps towards better organization, a more efficient working arrangement, saving time and steps, and reducing confusion. Quiet and noisy activities like wise may be separated.

** Shukla, Sonal Streamlining OPD, www.expresshealthcare.in
*Exterior Traffic:

It is necessary to separate the different types of traffic that traverse, sometimes crisscross, the hospital in all directions. The most effective way of doing this is by separating the traffic coming from outside before it even gets within the building. In actual fact, it is essential to separate the traffic outside in order that it is regulated inside for the better Brand Management of a Hospital.

Interior Traffic:

As part of the written operational programme, flow charts for patients, personnel and visitors within and between departments should be developed and given to the architect. They form the basis for architectural plans.

Emergency Entrance:

There should be a separate entrance to the emergency department—also called ambulance entrance—for cases brought in by ambulance or private vehicles. There should be adequate reserved parking space for ambulances and cars of patients and medical staff. The access should be large enough to admit one or more ambulance negotiating with stretchers.

Service Entrance:

This should preferably be in the rear because deliveries especially of bulky items are a noisy and unpleasant, that should be screened from view from the patient care areas as much as possible to avoid the possible damage to the Brand of a Hospital. More importantly, it should be near the unloading dock close to the kitchen and the storage areas that receive much of the supplies. The unloading dock should have a covered area big enough for a truck to turn around. There should be no pedestrian traffic around this areas. Garbage and other solid wastes are removed from this point, so also the dead bodies in some hospitals.

Sound-absorbing tiles and carpeting:

The cacophony of paging systems, shrill alarms, machines sounds and the pandemonium from loud voices and television upsets patients and distracts staff which may not only adversely affect the health of a patient but also harm the Brand of a Hospital. Sound-absorbing tiles and carpeting can help a lot in this direction.

*Jhawar, Sheenu (May' 2006), *Form Health and Safety A Part of Hospital Planning*, Express Healthcare Management, pp 34-36
Adequate Ventilation:

Studies link infection to the environment of the hospital. Infection is a major menace in the hospitals and leads to longer stay and also mortality. Such cases result in substantial cost to the hospital and a hurdle in its Brand Management. Hospital should ensure the patient safety by improving the air quality by proper ventilation.

Air Conditioning:

Hospitals are now having an important feature for the well being of patients and staff by having a complete Air Conditioning System running through the concrete elements of the house (floor and wall constructions). The Centrally AC does not only provide comfort to its patients, staff and doctors but also save energy in comparison to the individual AC in each area. It results into a good Brand Image of a Hospital.

Fire and Safety Management in hospitals:

*Safety management is a very important aspect of planning in every form of infrastructure. Safety management as a whole includes aspects of not only fire safety or short circuit safety but also security measures in terms of safety from other unsafe encounters like thefts, pilferages, extortion, riots and natural calamities. It give a sense of Brand Assurance in the mind of the service user of a Hospital. Safety measures should, therefore, be designed in such a way that safety of all service providers, service recipients, infrastructure (property other fixed assets), etc is ensured. However, let us focus on one major aspect of safety management and that is fire safety.

The hospital, as an infrastructure, has many heat-dissipating equipments, combustible gasses/fuel, chemicals, a lot of electrical wiring, etc. that are prone to hazardous incidents, if proper precautions not taken while planning the infrastructure. Adequate measures need to be considered, designed and practiced to ensure safety to all. Indicators like architectural designs, interior designs, electrical wiring, appropriate equipment planning and proper waste management are considered while planning such safety measures. To implement safety measures and protocols in the infrastructure following steps should be taken. Safety should not be restricted to the properties of a hospital only. It should be extended to the patient's

*Jhawar, Sheenu (May’ 2006 ), Form Health and Safety A Part of Hospital Planning, Express Healthcare Management, pp 34-36
safety also which comprised of the safety of its money from theft, safety of ladies from indecent behaviour etc.

**Interior Design And Graphics In Hospitals:**

*Interior design may be defined as the conscious designing of man-made spaces – a planned choice of style, colour, furniture, etc for the inside of a building. Although man’s desire to create a pleasant environment for himself is as old as civilisation itself, interior design as it is conceptualised and practiced today is a relatively new field. It is a specialised branch of architecture or environmental design. In some advanced countries where this profession is well established, it is known as interior architecture. Without a doubt, the moment we enter a hospital it is the look we judge and creates a Brand Image of it in our mind. Even though it may not have much to do with the kind of treatment or efficiency, aesthetics do go a long way in determining the preference of that hospital. Most hospitals use artwork and graphics to have a cheerful look and exude warmth. Though it need not necessarily come under the confines of 'healing-architecture', nevertheless it is a significant factor in making a patient or a visitor comfortable when they enter the premises of a hospital. Artwork gives a sense of warmth and nobility to the space. More and more studies are substantiating this fact that natural light has a huge impact on healing process and enhance the Brand of a Hospital. There is mounting evidence that light is critical to human functioning and can be extremely beneficial to patients as well as staff in healthcare settings. This is particularly helpful for those who suffer from 'ICU psychosis' which is a disorder in which patients in a ICU or a similar setting become temporarily psychotic. For such patients, bringing them towards the window, makes them feel normal.

**Ergonomics:** A very common example seen in almost all offices is the placing of the office equipment in a Hospital. It is important to save space, but very important to consider safety too. An often sight is a desk with some working space, a computer monitor secure on the extreme left, the key board obviously centrally placed in a pull out drawer, some shelving to the right etc. This typically ‘comfortable’ setting belies potential injuries. A monitor to the left and keyboard in the centre

* Kunders, GD (Feb’ 2006), *Interior Design and Graphics in Hospital*, Express Healthcare Management, pp 24-26
obviously means having to crane the neck and back each time you type and check on the monitor. ‘Shelving’ to the right means twisting to pick out your fare- typical worst case scenario causing eventual neck and back pain .Ergonomics is about ensuring a good fit between people and the things they use. Designing tasks, equipment and workstations to suit the operator can reduce error, accidents and ill health.

Bio-Medical Waste Management: **It is now mandatory for hospitals to handle biomedical waste in a defined manner. This warrants sterilisation of some wastes at the point of origin to make it safe for refuse handlers. So far, the existing hospitals found it difficult to meet this requirement for various reasons primarily because the planning had not catered for this. So, no definite spaces were provided for sterilisers or autoclaves to be placed strategically. The emerging trend in hospitals is to cater for the required spaces and areas for autoclaves, trolley sterilisers etc as appropriate. This is a trend that will have its maximum impact on secondary care and tertiary care hospitals in the projection of it as a socially responsible Brand Management .

Hospital Equipment :Advances in engineering and information technology in the recent years have brought about several changes in the field of medical science. Medical equipment plays a very significant role in the healthcare delivery system and its Brand Management . Sophisticated biomedical equipment require a host of utilities air conditioning and refrigeration, stabilised power supply systems, etc. Today, ‘Hospital engineering’ is an important branch of hospital management. Biomedical and maintenance engineers have a vital role in ensuring maximum equipment utilisation and minimum downtime. Hospital equipment fall into an extremely wide spectrum ranging right from a hi-tech MRI and CT scanner to a simple patient trolley. Hospital equipment can be broadly classified into:

- Biomedical equipment
- Laboratory equipment
- Ward equipment
- Service support equipment
- Utilities and hospital furniture

**Chronicle Pharmabiz Bureau (16 July’ 2009), Robust Waste Management Policies needed in hospitals to prevent accidents, Chronicle Pharmabiz, pp 11-13**
All these account for a major part of any hospital project cost. Keeping this in view it is essential to ensure maximum utilisation of the equipment with minimum downtime so that no break down should occur resulting into the damage of the Brand Image of Hospital.

**Location and Reach of Hospital**: Although location of hospital very much depend upon the availability of land and the financial resources available with its promoter, however, if otherwise every other attribute of a hospital is equal the patient prefers the hospital which is easily approachable specially in the case of Emergency. However for any critical treatment like cancer, open heart surgery or even eye operation etc. if the hospital is reputed, patient can go to any place.

**Facility and Services of Hospital**

**Information Technology**: With the remarkable growth of the Healthcare Sector, IT is playing a significant role in the overall Brand Management of a Hospital. ITES (Information Technology Enabled Services) like BPO and KPO are giving full benefits to the Healthcare Services Providers like hospitals in this era of globalisation. IT acts as a good component of a successful medical tourist destination by the remote monitoring and collaborative care. The strategic investments in IT is continuously being done for the Patient Data Management System (PDMS) and to create faster and smart healthcare facilities by deployment of communication technologies that help hospital staff to do their jobs more efficiently and also maintain high level of quality. Doctors and other Healthcare worker’s information are stored today in the devices such as laptops PDAs, Smartphones and now more and more people are loading information onto USB keys. The application of IT has added a new dimension to the PDMS. In the current scenario after realizing the importance of usage of the IT, the Hospitals are getting its application on willingly basis in their Patient Data Management System for an effective service delivery mechanism by getting information like registration, demographic and clinical details through Electronics Maintenance Record (EMR). However, they are sometimes getting over dependent on it over their human resources which in the case of failure of IT System or Data Storage System may sometime results into an Brand Depletion consequences for the Hospital. The IT system should be an integrated and supplementary

*Beyer, Sascha (July’ 2006), *Protecting your data within the healthcare sector*, Express Healthcare Management, pp 41-43*
with the human participated system and not act as a stand alone system. However, it does not occur in an over dependent system of Hospital on IT.

Hygiene, Drinking Water and Sanitation: It is very important that proper infrastructure should ensure proper hygiene through regular Cleaning, Drinking Water and proper facility of toilets separately for the gents and the ladies should be kept with its proper sanitation. This enhances the Brand Image of the Hospital in the mind of its service user.

*Emergency Medical Services (EMS):* Emergency Medical Service is an essential facility for a Hospital to save the patient who hangs between life and death. When we talk about the EMS it includes pre treatment services as well as the post treatment services. An efficient EMS is an essential attribute for the Brand Positioning of a Hospital. Estimates say a sound EMS system reduces mortality rate of emergency cases to one third. India, which witnesses 142 deaths for every 10,000 vehicles—the highest in the world—stands as a paradox. Despite 6-8 per cent GDP growth and percentage of paying patients increasing with the surging economy, India does not have legislation for EMS. Legislation would mandate a common access number, formation of an EMS council, trained paramedics, gradation of ambulance and hospitals, network of hospitals and define physical and human resources needed for EMS. The most important thing an EMS can do is to make confidence in the mind of the people through its accreditation that they can actually serve their purpose.

EMS of hospitals & fleet of ambulances: When every minute the condition of the patient deteriorates, maneuvering through the infamous traffic snarls and scouting for bed vacancy in nearby hospitals is a daunting task. Thus, Hospital must have EMS networked hospitals, constant feedback of paramedics, doctors are ready with the plan of treatment for the patient even before the patient has arrived. Hospitals should be adequately networked so that in the event of the hospital not having a vacant bed or the required facility, the patient can be sent to the right hospital instead of being shunted from one place to another. *In the case of trauma and other EMS an availability of ambulance is must since in such case only 0.5% people uses Ambulance whereas 29% use auto or taxi, 15% percent uses two wheeler, 9.5% percent uses*  

*Som, Nayantara & Dey, Susma (Jan' 2007), EMS- Desperately Seeking Time Care, Express Healthcare Management, pp 24-27*
rickshaw or two wheeler and 1.5% uses PCR Van. In Delhi out of 1.4 Cr. Of population only 35 ambulances are present for trauma services. Andhra Pradesh and Uttarakhand are two states where the emergency Ambulance service ‘Dial 108’ has been started.

To monitor EMS work at various levels, standardise training programmes and ambulances and filter out malpractice, formation of an EMS council is essential. Experts fear that many a fly-by-night EMS training institutes might mushroom once the EMS legislation is passed. The Council should also empower paramedics to treat patients and to administer medication without the fear of medico-legal repercussions.

Mobile Clinics:

Mobile clinics are now made available by some of the Hospitals to have its proper healthcare reach in the interiors of the country. These mobile clinics comprised of all the necessary equipment for the diagnosis and the treatments of the patients. Mobile clinics are also a good Brand Communicator of a Hospital through its efficient services.

Time Management in a Hospital:

It is crucial to manage time well and optimise its use for both consultants as well as patients for a better Brand Management of a Hospital. The situation is challenging with more visiting consultants serving hospitals. Since today many doctors are fee-for-service consultants and operate in more than one hospital, it is not easy for the patient to find out whether the particular consultant he is looking for is indeed available in the OPD, especially surgeons who are often in the theatre. The patient might have to wait a while before the consultant is free. Hospitals must set up systems in consultation with doctors to ensure that doctors and everybody else understands why they have to be on time, and how much time is allotted for each consultant so that largely patients are not kept unnecessarily waiting. Dedicated full time doctors can make a huge difference.

Scheduling for Time Management:

As most patients, whether new or old, prefer to come to the hospital in the morning, there is always a crowding of outpatients. Moreover, the doctors would like to see the patients in the mornings. Most patients also come without appointments. Consequently, an important
area to improve upon is the appointment and scheduling system. The heavy rush of patients in peak hours leads to long queues to meet the concerned doctors. Keeping an appointment is becoming difficult for the doctors as well as patients due to inaccurate estimation of time. At times, doctors do not use time slots appointed to them effectively, which affects the productivity of the hospital. An effective centralised appointment system for doctors can help in retaining patients. It is integral to provide a single point of contact for making and canceling appointments. The patient should not after coming to the hospital discover that the doctor hasn't come or is not available on that particular day. The appointment should be scheduled with adequate time for each patient to be examined properly and less waiting time for those following. A facility should be provided for either online or telephonic booking of consultations. Good dispersal of information regarding availability, timings and charges of doctors is therefore necessary and can be done via the hospital website to inform the patient in advance. Alternate methods of appointments like email appointments, online appointments and SMS should be utilised thoroughly. Separate information centers for addressing patient queries will make them more satisfied with the services of the Hospital.

In – House Diagnostic Facility of a Hospital:

In house diagnostic facility like presence of pathology, X-Ray, Ultra Sonography etc not only helps in providing immediate service to the patient but also helps in reducing the cost of treatment if hospital desires. A good hospital takes care of the latest technological developments in the Diagnostic field and should adopt that technology in their hospital as soon as possible without incurring much of that extra cost on the patients. With the coming of that new diagnostic technology in the hospital it becomes essential to train their existing supporting staff to operate that instrument and make them more tech savvy. It would be not only a cost effective measure but a sort of investment for a hospital in its Brand Equity by making its Health Service Delivery Mechanism more effective.

In – House Pharmacy Facility of a Hospital:

Hospital is a place where a patient has to struggle between life and death. In case of emergency and even in the normal case the most important thing required is the medicine. It is very essential for a hospital to have its own pharmacy containing all the necessary medicines and allied products like cotton, bandage, syringe etc. available with it on 24 x 7
basis. It will not only help the patient in getting the genuine medicine but also convenient for him while returning the medicine if required.

**Telemedicine**: Telemedicine – the delivery of health services via telecommunication network has changed the lives of many people living in the deep interiors in the states of Lakshadeep, Kerala, Chattisgarh, Rajasthan, Karnataka where all their districts hospitals are covered under Telemedicine Network. In other states also Telemedicine Healthcare Network is in progress. This project targets 90 percent of those people who lives in those urban / rural areas with no access to specialty healthcare. Telemedicine Networking saves 80% of the money of rural patients that they would have other wise spent on the travel and treatment. That is only logical as the technology enables transmission of patients medical record including images, besides providing live two way audio and video link. With the help of these, a specialist doctor can advise a doctor or a paramedic at the patient’s end on the course of treatment to follow. He can even guide the doctor during surgery. In today’s digital world, telemedicine is an advancing science. Connecting healthcare givers across distances, telepathology is one of the significant applications of telemedicine. The telepathology services by the Armed Forces Institute of Pathology in the US is one of the best models of telepathology that many pathologists rely on. In the Indian economy, with the great urban and rural divide in healthcare, telepathology can be a great asset to diagnostic healthcare. In rural India that lack good pathology set-ups and in urban India where pathology group practice is yet to catch up, telepathology can be a well applied technological tool.

**Payment Facility by Credit / Debit Card:**

During the process of treatment in the hospital a patient has to undergo a different situation and subsequently required a varied amount of money for medicines and different diagnostic tests etc. It is not necessary that a patient or its attendant is having sufficient cash with them. At this point if a hospital gives a facility to accept the payment by the Credit / Debit Card it will become a great convenient for a patient.

**Basic Facilities**: It is obvious for a hospital to provide basic facility to the patient which includes Canteen for Snacks on subsidized rates, if possible. Proper Bathroom and Toilet facility separately for ladies and gents respectively with due consideration on its sanitation becomes imperative for a patient and it is mandatory also for a Hospital.
Cost of Treatment of Hospital

*Cost of treatment plays an important role in the Brand Management of a hospital as a responsibility of a hospital towards the society in which it is operating. Government is sincerely thinking in this direction to provide a reasonably less costly healthcare services to the poorer section of the society. The financially weaker section of the society may hope to get better healthcare facilities from the privately run hospital such as Max and Apollo in the future. The government is planning to issue healthcare vouchers to the poor who could use it as a currency in private hospitals. Hospitals in turn may get full refund from either the government or accredited insurance companies. Private hospitals and insurance companies will be accredited with the government for this purpose. The proposal is part of a blueprint for healthcare reforms outlined in the eleventh five year plan. So far, private hospitals were being asked to reserve 25% of the beds for financially weak patients for free treatment. The free treatment will cover domiciliary charges, food charges, cost of curative procedures and all kind of consumables. The hospitals, however, had been refusing to implement this decision and were found violating the lease conditions.

Pricing Strategy of a Hospital: The issue of pricing for healthcare deliverables has been a contentious issue for long in India where consumers pay out of pocket. In the absence of an accreditation system, prices tend to be fixed arbitrarily with wide disparity within a particular intervention may it be diagnostic or therapeutic. However, the debate on pricing, which was a strict no-no in the private healthcare sector, is slowly gaining momentum. Healthcare experts and consultants are now questioning the mechanism of rate structuring followed by hospitals as it may sometimes go in against of the Brand. Experts feel that Hospitals must do costing of all new services and review the fee for existing ones periodically. They are also of the opinion that Activity Based Costing (ABC) should replace market based costing. Experts are now questioning the logic of market-based pricing structure. Some hospitals a few decades back must have fixed prices and others copied it. The yearly revisions are non-existent in most hospitals and there is no logic to the existing pricing structure.

*Prasad, Dr Hari, Designing Pricing Strategy in Healthcare, www.expresshealthcare.in

---
Ideally prices should be fixed based on a cost-plus formula, which includes indexed time cost of physicians, doctors & other staff. The mark-up over cost should factor in things like urgency and seriousness of treatments, frequency, volumes, etc. Hospital rates should be arrived at by logical process of first making a detailed study of all the costs involved. Costing should be done when a new procedure, equipment, or activity is introduced. In case of existing services, 10 to 20 per cent is increased randomly on basis of expenses. Price is increased on any package. Prices are revised on a percentage basis every year, without doing actual profit and loss analysis on each item or procedure. New hospitals get price lists of existing hospitals and mark-up or mark-down is arrived at based on how they want to the Brand Positioning of it. Hospitals need to have a department that continuously monitors cost. This department is a cost centre for the hospital, which is probably why they do not want to have one. Another problem is the lack of expertise that plagues the hospital industry. There is a lack of cost accountants with knowledge on the hospital set up. Asian Health Services and Hosmac through their studies have shown that services are priced much more than they should have been.

Costing becomes important because hospitals need to know which are cost centers, which are the revenue centers and where they should lay thrust to invest. So the issue is not always about the patient being over charged — it is also about irrational pricing. Although activity-based costing is desirable, it is currently not being done. Experts feel that ABC should be done and it will pay off well. ABC will identify the important services and how much revenue they would generate by charting a service wise revenue list. Traditional cost accounting methods pool all indirect costs and then allocate them to the various services in proportion to service direct costs. This approach tends to overestimate the unit cost of high volume services and underestimate low-volume services. When indirect costs are large, often the case in healthcare, the cost of services may be misinterpreted. ABC solves this problem by estimating the cost of the work activity that consume resources and by linking these costs to the services that are provided.

**Promotional Pricing Package** - Promotional Pricing Packaging of various services of a Hospital is another trend that is on the rise in the direction of the cost control for a regular patient of a Hospital. In this way various services of a Hospital are offered as package like annual health check up, diagnostic services, medicines etc which may help a patient in reducing the treatment cost.
A major component of pricing strategy of a hospital is its delivering value. When one talks about delivering value, there is a paradigm shift in the way pricing strategies are viewed. When value is delivered, the absolute price of a service becomes less important and this is a unique way of working on pricing healthcare strategies. Value is defined as the sum of access, excellence, efficiency and outcome minus the cost.

Traditional Pricing Formula: \[\text{Cost} + \text{Profit} = \text{Price}\]

Delivering value: \[(\text{Access} + \text{Excellence} + \text{Efficiency} + \text{Outcome}) - \text{Cost}\]

The typical units of cost of a hospital facility may be divided into two parts. In the first part, they are for the acquisition of site, land development, off-site improvements, legal fees and expenses, preliminary survey or feasibility study, setting up of a permanent organisation and community and public relations exercise and fund raising. In the second part, costs relate to site survey and soil investigation, work covered by construction contracts (as specified in the drawings and specifications which includes fixed equipment, contingencies for minor alterations, extra work etc), supervision and inspection at site, depreciable and non-depreciable equipment, professional fees and payment to statutory bodies. The major costs in building a hospital relate to land, construction and equipment. Cost of construction in its turn depends on the total square footage required for the hospital. The number of beds, the extent of primary, secondary, tertiary care and other specialised services, the number and types of specialties, the degree of sophistication and use of cutting edge equipment and technology determine the total cost of the hospital building. When considering space requirements for a department, the planners should carefully look to the hours and days of operation as another alternative to acquiring more space simply because space, equipment and furnishings represent a costly investment. Once acquired, they are available 24 hours a day and seven days a week, which means a total of 168 hours per week. Given that our hospitals by and large work six days a week and 8 hours a day, services in most areas of the hospitals are

* Varshney, R L & Maheshwari, KL (2005), Managerial Economics, Sultan Chand & Sons, pp79-81
offered 48 hours a week. This means that the investment, which is at the disposal of departments for 168 hours a week, is utilised for less than 30 per cent of the total available time.

**Treatment to Financially Weaker Section:** Treatment to Financially Weaker Section on Free of Cost or Concession basis by a Hospital will not only reflect the Social Responsibility of a Hospital but also give strength to its Brand Equity. However, the corporate hospitals are not showing full attention towards it. The Delhi High Court on Feb’ 2006 directed the Delhi government to evolve a policy so that patients with monthly family income of less than Rs. 2000 were treated free in the 26 private hospitals in Delhi, including Batra Hospital and Medical Research Center, Max – Devki Devi Heart and Vascular center, Max- Balaji Hospital, G M Modi Hospital, Pshpawati Singhania Research Institute, Jaipur Golden Hospital, Venu Eye Institute and Research Center, Shanti Mukund Hospital, VIMHANS, Rajiv Gandhi Cancer Institute and Research Center, Indian Spinal Injuries Center, Dharamshila Cancer Hospital, National Heart Institute, Bimla Devi Hospital, Amar Jyoti Rehabilitation and Research Center, Deepek Gupta memorial Hospital etc. These private hospitals were an obligation to have 25 to 75% of their in patients beds reserved for poor patients since they were allowed to construct hospital on the government land, but they allegedly did not mention anywhere on the mandatory board to indicate the availability of free medicare for poor. The Court directed the Delhi government to ensure that these hospitals issued fresh advertisements to publicise the availability of free medicare facilities for poor along with names of official to be contacted and necessary telephone numbers.

**Easy Monthly Installment (EMI) Loan Facilities in providing Healthcare Services:** Recently, State Bank of India and Narayan Hridayalaya a famous Heart Hospital of Bangalore has announced that poor patients will be provided Heart Protection Scheme under which State Bank of India will provide loan of 80 percent of cost of treatment or Rs.50,000 whichever will less on an easy 8 percent EMI. This loan has to be repayed with in six month as per Dr. Devi Shetty of the Narayan Hridayalaya.

*Times News Network, Free Treatment Issue : Hospitals face HC ire, Times of India (Lkw), 9 Feb’2008, p8
** Joshi, Anagha (May’ 2009), Healthcare Management for deprived masses, Chronical Pharambiz, p 10
Human Resource Development of Hospital

Quality of Doctors and the Supporting Staffs

*The core of any hospital is its doctors and their supporting staff like receptionist, pharmacist, ward boy, nurses, sweeper, billing clerk etc. since it's all about the question of life and death in a hospital. A hospital should therefore have a well qualified and expert doctors and supporting staff to give the desired services to the patient to the extent of its complete satisfaction.

Behavioral Aspects of Hospital Service Delivery Mechanism and Doctors

The most important part of service delivery mechanism of a Hospital is how we treat our patient and behave from them. Few important ways of treating the patient are given below.

Behavioral Approach of Doctor towards Patient Satisfaction in a Hospital: A doctor should concentrate towards its behavioral approach through following ways. Listening is more important than speaking, as it tells us what to speak. Doctors should be no different. They must learn to listen to the patients with 'all ears'. Doctors should give them the greatest gift that mankind has to offer - an experience of being heard. A good doctor is the one who gives the patient an experience of being heard and understood. As doctor are dealing with human beings. Sometimes doctors treat patients as objects rather than human beings. A good physician is the one who knows his patient as a person. He knows what he does in life. A competent doctor is the one who will diagnose and treat a disease with accuracy and at the same time will have a great personal bond with each of his patients. This will help in the Brand Loyalty of a patient. We should remember that enthusiasm is contagious. If a doctor is going about his day with full enthusiasm, chances are that the people around him will also go about their work in the same manner. It will even rub on to their patients. They will seem eager to follow Doctors instructions and will be committed to handling their own disease more proactively. Complaining about the system or co-workers or circumstances will rob a doctors energy. Doctor attitude has to be positive for a positive Brand Image.

* Johnston, Brian (March’ 2007 ), A healthcare organization is required to demonstrate continuous quality improvement, Express Pharma, pp 74-75
Transparency and Education in the Treatment:

As a consultant doctor should tell and educate patient about the treatment like in case of fracture, What will he get if a surgery is done? What will he get if the surgery is not done and only plaster is done? The focus is on what will he get. It will be a mistake to tell him how Doctor will carry out each technique. Patient is interested in himself. How long will he be hospitalised under each treatment option? Will it be painful to go for surgery? How much will he pay for each option? Will you be able to do a good job? Are these the only options or there are other ways too? These are some of the things he wants to know. Doctor should talk about the whole experience that he will have to undergo with each option. Also doctor should talk about the end results and probabilities of complications for each treatment option.

Appeal More To The Emotional Mind Rather Than The Logical Mind:

We have two minds - emotional and logical. The emotional mind is stronger. A good doctor tells a pregnant mother that folic acid helps in growth of the baby and calcium and iron are also important for the mother and child. He gets them to see how a healthy baby will bring smiles and laughter in the family. Then the same doctor tells the same things to the father of the baby to ensure that the advice is followed. Let them visualise happiness, health and prosperity before giving them scientific reasons.

Follow Up & Feedback from Patients:

From the database of the patient a doctor should get feedback about its services through the CRM. Like wise a proper follow up system should be made to the patient to recall about its monthly check up etc.

Service Delivery Mechanism and Employee Satisfaction: Business today is dynamic, with a steadily increasing pace of change. Timely and actionable information is the best way to combat the elements. Healthcare organisations’ near-term survival depends on maintaining financial health and driving operational efficiencies, long-term success depends on the ability to deliver on the core mission: care delivery and clinical excellence. An organisation is as strong and successful as its employees are. By measuring employee satisfaction in key areas, organisations can gain the information needed to improve their satisfaction, motivation, retention and productivity. Many healthcare providers are faced with cutting costs while
maintaining high quality services. Patients, employers, business groups, health plans, and insurers are scrutinising the delivery of care from the perspective of quality and cost. Determining what matters most to employees and aligning expenditures with priorities are strategic challenges for HR. *For organisations to be successful at competing for new talent and retaining employees, they have to know what workers want, what keeps them happy, and what makes them stay. Addressing the essentials, including fair compensation, valuable benefits, and the ability to balance work and life are crucial components of an organisation’s overall retention strategy. Organisations must not only create a mix of benefits that retain and motivate what are often a very diverse workforce, but they must also continually fine-tune that mix. Hospitals that know how to create an organisational culture that accommodate the needs of their targeted workforce will have the advantage in the competition for talent. Wholly engaged employees tend to be more self-motivated, reliable, and have higher levels of organisational loyalty. Additionally an engaged personnel tends to retain employment and is less absent Besides, these engaged employees have higher levels of customer approval and service quality and they regularly achieve, and often surpass, goals.

Organisational Culture of a Hospital: **Any Hospital’s Brand performance is dependent on multiple factors like capital structure, available infrastructure, technological acquisition, spectrum of clinical services and culture of the organisation. Each of these parameters plays a major role in patient’s decision to avail the service of a particular Brand of Hospital. If we compare hospitals of equal size providing service in same segment of clinical care, the most important parameter for patient that emerges is the culture and the service delivered by the support staff. Also if we try and find out the patient satisfaction quotient in any hospital, the critical factor is the attitude and behavior of the staff. A patient- friendly culture is the key driver of the success. Hospital’s should focus on engineering a culture which motivates, values and recognises employees to give optimum output in delivering service to develop Brand Loyalty in its patient.


** Gupta, Ankush, Empowering the Human Capital in Healthcare, www.expresshealthcare.in
Unified thoughts translated into synchronised action are possible only when the employees are molded in the culture of the organisation. Organisational culture has a unique set of attitude, belief, value system and behavior. The onus of defining and engineering the culture lies with the top management of the hospital. Engineering a unified people centric culture is not easy and needs support from all levels of the hierarchy. Strategic goals and the objectives of any hospital cannot be achieved, if people focus is not of primary concern. Employee satisfaction is directly related to the satisfaction of the patient. Employees should be given opportunities to improve upon their skill set through constant training. Training and development activities should not be only focused on cultural issue but skill enhancement workshops can also be organised. Committed employees are the high performing employees.

**Employee Forum in a Hospital:** Openness and transparency are the keys to sustaining a culture. The growth of any organisation depends upon the input from all level of hierarchy and customers. If the employees don’t get space to vent out their feelings, they will end up being frustrated, demotivated team members. Hospitals should develop employee forum and patient forums to address this. In the employee forum, the hospital governance should give an overview of the strategic goals and explain its expectation from the employees. Employees should be encouraged to give their input and also their grievances should be addressed. It is practically impossible to resolve all the grievances, but many a times the best ideas come from somebody who is not a boardroom-personality. This is the magic of an employee-centric culture, driving the hospital to success.

A culture which warrants excellence in all areas of operations cannot be achieved if the most important stake holder i.e. patients are not given an opportunity to express their expectations from the hospital. Patient satisfaction survey is a statistical tool which gives data-based standard analytical parameters, but what actually matters is the real interaction with the patient. Hospitals should try to organise one-to-one meetings with the patients and take their personal feedback.

**Performance assessment of Employee:** What motivates an employee to contribute his optimum?. It is the environment which is conducive to his growth and progression. Employee turnover due to absence of performance-based progression is the biggest setback to create a culturally-oriented high-performing workforce. The performance assessment system of employees should be developed in a hospital and it should focus on compliance with the
value system of the hospital. As per the NABH Accreditation system the performance appraisal should be done on the basis of following criteria. Average spending time in the OPD by a patient for registration, feedback from patient on the services by the supporting staff like receptionist, pharmacist, wardboy, nurses, sweeper, billing clerk etc., Cleanliness position, behaviour of the staff, help to the patient etc. The objectives of performance appraisal should be to monitor and evaluate performance vis-a-vis objectives, take decisions on performance-based remuneration, to recognise the achievements, to identify the potential and understand the strengths and weaknesses, to identifying training and development needs, facilitate inventory of skills and expertise available.

**Health of Staff:** Brand Management through the Customer Service Management in hospitals rests on two pillars among other possible ones—patients and staff. The staff forms a very important group of the employers’ customer base. Customer Service in this case may adopt many faces, one among them is the owner’s responsibility to the health of the staff at work. When staff faces ill health owing to work place environment, it can lead to reduction in the staff’s working capacity, gradually progressing to loss in working days, financial loss in terms of these days and sometimes provision of free medical benefits to the staff as a goodwill gesture. This will help in executing all the Brand Management exercise smoothly.

**Training and Refresher Programme of Hospitals Human Resource for an effective Service Delivery Mechanism**

If any hospital wants to compete on a global level and provide services as per international standards even in local or regional area, it is imperative that it nurtures competencies as per strategy, acquires and retains a workforce which is cohesive, committed and delivers high performance. Any hospital, which keeps pace with the changing business environment, has to provide training to its employees on core competencies like Diagnostic, Technical, Managerial and Soft Skills using traditional methods of on-the-job and class room training. The problem in training and development is the cost in the absence of objective evaluation of the return on investment in such activities. It is very strongly advocated that returns on investment can be measured through customer’s feedback to the management although it has been very clearly established that 100 per cent customer satisfaction is difficult to achieve. Dissatisfaction of the customers with the current choice compels them to search for newer services and products—giving rise to business opportunities
to other organisations in the same sector. Evaluation of training is always subjective, though we may do any form of feedback compilation in any format.

Another difficulty is the non-availability of the trainers, who understand the operations of the hospital. It is to be noted that hospitals are care and cure business models where a right blend of the technical skills and hospitality needs to be delivered. Without understanding the interdepartmental dynamics and the criticality of the operations, it is not possible to design training content suited to the needs of the hospital operations. *Training and development needs of a hospital depends upon: Performance effectiveness in obtaining goals, Current and future skills and gaps of the employees, Technological upgradation and New techniques of performing task, Alignment to organisational culture. A line manager is not fit to be a trainer if he has a superiority complex or ego issue, poor knowledge of the subject, shows lack of enthusiasm, not interested in knowledge sharing, impatient with the group, ineffective teaching methods. The most important aspect of a training session is the training content. Developing a training content is based on the audience analysis. The trainer must know the interest level of the audience in the subject. He should also know about the response to any such programme being conducted in the past to plan the content. If the Training consultants or trainers do their job ineffective manner they will help in the enhancement of the Brand Image of the Hospital.

Summary:

In understanding the concept of the Segment of a Hospital it is essential to understand the concept of Market Niche. For the Basis of Segment proper understanding of the its various constituent like Geographic, Demographic (Age, Lifecycle Stages, Sex, Income, Family Size, Occupation, Awareness, Medical Tourism, Religion), Psychographics (Social, Class) segmentation is very important in order to understand its effects in true sense. Like wise for the understanding of the Infrastructure, Facility and Services of the hospitals it is very essential to have a well designed Architectural Planning of a Hospital taking care of the Protection of the Patient from the Infection, OPD of a Hospital, Separation and control of the

* Shukla, Sonal, *When the Hospital is Your Training Ground*, Express Pharma, March’ 2007, pp 89-90
To understand the Cost of Treatment in the Healthcare Sector it is very essential to understand their Pricing Strategy, Promotional Pricing Package, Treatment to the Financially Weaker Section, and availability of Healthcare Services on easy EMI. It includes the Health Insurance to the BPL families under Rashtriya Swasthya Bima Yojna.

The Human Resource of a Hospital is its key. For this a hospital has to take care of its Quality of Doctors and Supporting Staff. For this there doctor and the supporting staff should have a patient oriented behavioural approach covering Transparency, Follow up and feedback from the patient. Hospital should have a cohesive organizational culture with proper employee forum to present the organizational image in the positive manner.

For the proper enrichment of the Human Resource of the Hospital it is very essential to have a regular Training and Refresher of the Doctors and the supporting staffs for their updation for an effective service delivery mechanism. An effective performance appraisal policy helps in the improvement of the performance of weak employees and appreciation of the good performing employee.

In this way a good infrastructure, excellent facility, prompt service, reasonable cost of treatment and efficient human resource is an asset of a Hospital.