

## IMPACT OF HOSPITAL SERVICES ON OUTPATIENT SATISFACTION

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### ABSTRACT

The perceptions and expectations of outpatients regarding the quality of medical care, general satisfaction and infrastructure are extremely important. A Hospital be it large or small can demonstrate successful performance only when it satisfies the factors of quality and service a patient expects. This study investigates the factors of quality affecting the value of care and patient satisfaction. Patient satisfaction leads to drift in both new and old patients, which hinders the sustainability of any Hospital in the long run. Hospitals that increase the value of care and patient satisfaction ensure patients will revisit and also increase revenue by taking appropriate steps. The importance of being customer centric has been recently realized by the Health Care sector worldwide. In healthcare services it is imperative to analyse the quality of services from the perspective of the patient himself. This study is based on secondary data i.e. literature review and it intends to analyse the utility of established factors of service quality discovered in earlier studies. This study also suggests marketing strategies to hospitals so as to improve their medical services.

**KEYWORDS:** Patient Care, Hospitals, Medical Services, Outpatients, Satisfaction

### INTRODUCTION

It is important for the marketer to understand the processes involved which contribute to a favorable overall experience for the patients. The overall experience for the patients involve a number of factors such as doctor's competence, his interaction with the patients, behavior of the paramedical staff, various facilities offered by the hospital, behavior of support staff and overall hygiene and ambience of the hospital.

Consumer loyalty is an indispensable performance measurement tool for profit as well as non-profit organizations to sustain competitive advantage (Kotler, 1998) and to enhance business/service performance measures. There are various problems faced by the patients in out patient departments, like overcrowding, delay in consultations, lack of proper guidance that leads to patient dissatisfaction.

The organizations endeavor to measure relationship and patient loyalty offers a lot of advantages such as sustaining competitive pressure, increasing loyalties, reducing the need to compete solely on price basis and increasing new patient base by referrals.

Such a study will also help the consumers in developing stronger and more comfortable relationships with the providers, instill more confidence in them towards providers, avoid seeking out and evaluating other providers. Nowadays patients, are looking for easy and quick services in this fast growing world. The patients in general develop loyalty towards

hospitals based on significant interpersonal experiences they have with the doctors and nurses and about the quality of services of the hospital.

Hence this study is undertaken with objectives to study the awareness of patients regarding the outpatient department services, to analyse the performance of the services in the patients perspective and finding problematic areas and solutions to them.

## REVIEW OF LITERATURE

A review of the literature reveals many studies that have shown a positive relationship between service quality perceptions and satisfaction. Researchers have identified several possible variables that may result in out patient's satisfaction with the hospital services.

**(Fred David, Garner C. Alkin 2006):** These variables have included perceived physician's competence, care and concern towards patients, cost of treatment and communication between physician and patient. Many studies reveal that a lower priority is placed on patient's perception on patient's run clinical expectations of service quality.

According to the **American Marketing Association (AMA)**, customer satisfaction is the degree to which the customer's expectations are fulfilled or surpassed by a product or service. **(Oliver 1980)**, says that customer satisfaction means a mental state of emotions caused by a customer's actual experience.

**(Gilmore Audrey, Goodman Bill Reidstead Man 2006):** A few professionals contend that patients/consumers perception of quality service in health care is not accurate because of the inability of patients to analyze and judge the technical competence of medical practitioners with accuracy. It is further observed that our medical courses focus on imparting technical knowledge to the students and hence doctors do not receive any soft skill training which will enable them to get closer to their patients.

**(Boonshoof and Gray 2004):** Have conducted the studies on the relationships between service quality, customer satisfaction and buying intentions in the private hospital industry. The objective of the study was to find out if superior service quality and superior transaction specific customer satisfaction will enhance loyalty among patients in the private health care industry. Study attempts to assess what dimensions of both customer satisfaction and service quality drive 'Overall Satisfaction and Loyalty' in the South African private hospital industry. The results reveal that the service quality dimensions, empathy of nursing staff and assurance impact positively on both loyalty and cumulative satisfaction.

Results also revealed that the customer satisfaction dimensions are: satisfaction with food, satisfaction with the nursing staff and satisfaction with the tariff. All effect positively on both loyalty and satisfaction. The survey and study conducted aim to investigate the relationship between out patient satisfaction and service quality dimensions where patients have substantial freedom in choosing their medical service providers and to further study the casual relationship between service quality and satisfaction. Results show that the pattern of relationships between service quality and patient satisfaction was similar across the gender, age and service type subgroups. An exploratory study on service quality.

Themes showing patient satisfaction with healthcare delivery in India was conducted by **(Sachin Kamble 2007)** who has stated that very little emphasis was given by patients on service quality dimensions. The aim of the research was to get an idea of patients interpretations of satisfaction.

The role of government in assuring that our nation's healthcare system provides optimal services for its population has been emphasized upon (**The World Health Report, 2000**).

Meaning of quality on healthcare system has been interpreted differently by different researchers. (**Ovretveit, 1992**) Identified three "stake-holder" components of quality: client, professional and managerial. From the client's view point it is the meeting of the patient's unique need and want. (**Atkins, Marshall and Javalgi, 1996**) at the lowest cost provided with courtesy and on time (**Brown et al, 1998**) while professional quality involves carrying out of techniques and procedures essential to meet the client's requirement and managerial quality entails optimum and efficient utilization of resources to achieve the objectives defined by higher authorities.

Meeting the objectives of both physicians and patients have been equated with the concept of quality in healthcare by some researchers (**Morgan and Murgatrod, 1994**) while others have focused on user perception, technical standards and providing care (**Bollertal, 2003, Hulton, Mathews and Stones, 2000**). Quality of care comprises of structure, process and health outcomes (**Peabody et al, 1999**); and there are eight dimensions of healthcare service delivery: effectiveness, efficiency, technical competence, interpersonal relations, access to service, safety, continuity and physical aspects of healthcare.

(**Brown et al, 1998**). The concept of quality notes different meanings to different stakeholders such as government, service provider, hospital administration and patients.

Managing service processes has a very special significance in service industry as it offers a process for delivery of the services. Efficient service offering creates unique customer experiences which would make the consumers use the services.

(**Lovelock and Wright, 1999**): Assert that consumers do believe in moment of truth, it is a point in service delivery where customers meet and there is interaction with the employees of the hospital and the outcome may affect the perceptions of service quality. Hence, the hospitals must ensure that the front end and back end processes are aligned in a manner that they demonstrate a positive moment of truth for the customer.

There are certain services which rely heavily on consumers word of mouth for new business generations. Previous research has established the value of word of mouth in regard to obtaining travel agents, lawyers, hotels, financial planning, insurance agents, banks, car mechanics (**File et al, 1992**). The research points out that the intensity variety of customer participation during the service delivery process is predictive of positive word of mouth and referrals. The study done on 331 service recipients that the four dimensions of client participation are highly predictive of both word of mouth and new client referrals. The four important participation factors are tangibility, empathy, attendance and meaningful interaction. Their findings support interactive marketing management for providers of complex services.

(**Shostac, 1984**): A customers service can be regarded as a process that consists of actual steps to satisfy customer requirements. For analyzing customer expectations and designing customer service process model is required. A better service design provides the solution to market success and growth.

(**D C Brun C, Howell Bedford 89-93**): State that Patient satisfaction surveys are useful in gaining an understanding of users needs and their perception of the service received. In a survey conducted by Department of Public Health, Ireland the level of satisfaction among the OPD attendees were 94%. Doctors and nurses were perceived as

friendly by 61% and 72% and rude by 1% patients respectively. The study highlighted the areas for improvement from the patient's perspective.

**(March S, Swart E, Robra B 2006):** Assert that Patient satisfaction is an important indicator in evaluating the quality of the patient satisfaction (care) in the outpatient department. In a study conducted at **Mageburg, Germany** only 3.6% of patients were dissatisfied.

**(Thorne L, Ellamushi 2002):** At the Neuro-surgical care department of National Hospital, London, it was found that most aspects of patient care had 70 to 80% satisfaction.

**(Alkess L H Cimiotti J, Sloane DM):** Observations from a large study of different countries indicate that organizational behavior and the retention of a qualified and committed nurse work force might be a promising area to improve hospital care safety and quality, both nationally and internationally. Improvement of the hospital work environment can be a relatively low-cost strategy to improve the healthcare and improve patient outcomes.

Patients usually use associated facilities and human factors related to the quality measures to gauge the quality of hospital services and influence customer satisfaction. **(Ostwald, Turner, Snipe S and Butler, 1998)**. Per se, the study has also used four other variables namely physician service performance, nursing service performance, operational quality and overall service quality to supplement the patient loyalty measure to have a better insight into the process.

**(Bennet et al 1997):** In many low and middle income countries, the balance between private and public sector provision of health care over the past decade or so has tilted heavily towards the former.

The debate in India is complex because the country's healthcare system is characterized by many systems of medicines and plenty of unqualified practitioners. **(Rohde and Vishwanathan 1993, Berman 1998)**. Another observation is that out patient care has been dominated by the private sector for decades.

**(Yesudian 1994, Bhat 1996, Kutty 2000)**. Poor quality and lack of public health care are observed and noted, particularly in the treatment of tuberculosis and malaria. **(Uplekar and Rangan 1993, Kamat 2001, Uplekar et al 2001)**. However, despite numerous studies on healthcare systems in India, direct systematic comparisons of the nature of clinical care offered by public and private sector practitioners are lacking. Such evidence is badly needed to inform policies that seek and identify ways in which both sectors might complement each other.

In their research on the relation between medical services quality and satisfaction level **(Warl et al 1978)** did analysis on existing studies on patient satisfaction in order to extract indirectly a meaning of patient satisfaction. In their analysis, patient satisfaction is affected by the characteristics of the service provider and medical services and patients demonstrate distinct behavior towards each of those characteristics.

## OBJECTIVES

The researcher proposes to conduct the study with the following objectives:

- To study the out-patient's disposition towards the reliability of services offered by public and private hospitals.
- To study the impact of behavior and personal attention of doctors and staff on out-patients in public and private hospitals.

- To study the impact of healthcare services on the revisit and referral intentions of out-patients in public and private hospitals.

## HYPOTHESIS

In the proposed study, the hypothesis will be established between medical services quality and patient satisfaction. (Woodside et. Al, 1989) suggested a framework that connects service quality, patient satisfaction and behavioral intention based on the 'Gap Theory' of Parasuraman et al (1988) defined patient satisfaction as the behavior in which a patient's satisfaction or dissatisfaction is reflected after the medical services are provided and reported that patient satisfaction serves as a mediating variable between service quality and behavioral intention. Thus, the following hypothesis are established between service quality and patient satisfaction:

- H<sub>01</sub> The hospital facility does not have a positive influence upon patient satisfaction.
- H<sub>11</sub> The hospital facility has a positive influence upon patient satisfaction.
- H<sub>02</sub> Reliability does not have a positive influence upon patient satisfaction.
- H<sub>12</sub> Reliability has a positive influence upon patient satisfaction.
- H<sub>03</sub> Patient satisfaction does not have a positive influence on re-visit intention for same treatment.
- H<sub>13</sub> Patient satisfaction has a positive influence on re-visit intention for same treatment.
- H<sub>04</sub> Patient satisfaction does not have a positive influence on re-visit intention for different treatment.
- H<sub>14</sub> Patient satisfaction has a positive influence on re-visit intention for different treatment.
- H<sub>05</sub> Patient satisfaction does not have a positive influence for referring hospital to other patients.
- H<sub>15</sub> Patient satisfaction has a positive influence for referring hospital to other patients.

## RESEARCH METHODOLOGY

**Research Design:** The research design is a plan, structure and strategy to answer a problem. In this study Hospital services is the independent variable and patient satisfaction is the dependent variable. Review of literature was done to study the various developments in outpatient department services. The secondary data was collected by analyzing various professional magazines, research papers by other scholars and research agency reports.

## DISCUSSIONS

Today, our planet is taken by storm of globalization and technology. In today's era of cut throat competition to sustain patient loyalty, quality of interpersonal experiences with hospital staff, quality of hospital services in general are to be understood in depth in both public as well as private organizations. The concept of service quality has led to growing research on various concepts such as total quality management, customer loyalty and relationship management. The outcomes of service quality (customer relationship management and loyalty) are most significant performance measurement tools in the present competitive market. The study is an effort in this regard, i.e. to identify the factors in sustaining customers longevity after analyzing both private and public hospitals.

Patient's perception about health care systems seems to have been largely ignored by healthcare managers in developing countries. Patient satisfaction depends upon many factors such as: quality of clinical services provided, availability of medicine, attitude, behavior of doctors and staff, cost of services, hospital infrastructure, physical comfort, emotional support and respect for patient preferences. Therefore, assessing patients perspectives gives them a voice which can make private and public health services more responsive to people's needs and expectations (World Health Organization, Report 2000). Patient satisfaction surveys are useful in gaining an understanding of user's needs their perception of the service received. Patients attending each hospital are responsible for spreading the good image of the hospital and hence the satisfaction of the patients attending the hospitals is equally important for the hospital management. Surveys of (OPD) outpatients services have elicited problems like overcrowding, delay in consultation, proper behavior of staff, logistic arrangements, support services, nursing care, doctors consultation, etc.

If there are delays in consultation it has to be explored to elicit the lacunae. There is tremendous scope to improve the OPD services of a public or private hospital. More than a decade ago, two landmark reports: The World Health Organization's- The World Health Report 2005 and the Institute of Medicine's Crossing the Quality Chasm 2001, called for the realignment of incentives to balance the competing goals of cost containment and quality improvement. Both reports concluded that responsiveness to citizen's expectations was a valued and desired outcome of health care performance. Efforts to measure patient satisfaction have thus increased and in some countries, incentives have been adopted to increase patient satisfaction and care (Pink G.H.Brown).

## CONCLUSIONS

The hardworking competitive scenario and mushrooming growth of service organization have invigorated the need to look beyond customer satisfaction towards customer retention and loyalty. Thus, it is important to determine the exact way of tracking patient perception over the time as well as diagnosing where healthcare services need to be improved. Hence, the researcher sees a definite gap, i.e. a need for a comparative study of patient satisfaction in private and public hospitals so as to get an insight as to why a patient uses the same hospital for same treatment, same hospital for other ailments and why he refers the same hospital to other patients. In reality patients receiving hospital services experience satisfaction/ dissatisfaction upon assessing the value through the services provided.

To be the leaders in today's challenging scenario of cut throat competition among hospitals, all private and public hospitals need to take a fresh competitive look at their objectives and incorporate patient relationship management philosophies to improve their image. Though patient relationships has found to be part of reputed hospitals more efforts in patient relationship management is still to be taken.

Despite numerous studies on healthcare systems in India, direct systematic comparisons of the nature of clinical care offered by public and private sector practitioners are lacking. Patients attending each hospital are responsible for spreading the good image of the Hospital. Various studies of outpatient services have highlighted problematic areas like delay in getting appointments, delay in consultations, attitude of staff and doctors. Hence it can be concluded that OPD services are extremely important in a Hospital and immediate remedial measures must be taken on patient feedbacks. Good Hospital facilities and reliable services have a positive effect on patient satisfaction. Satisfied patients revisit the Hospital for same and different treatments. The satisfied patients also refer the Hospital to other patients. This study concludes that Hospitals must design procedures and processes that are patient oriented and not Hospital oriented.

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