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Customers' satisfaction with hospitals

Nishant Sinha* Tarun Gupta**

Abstract

Providing good service quality is of great strategic importance in the management of any service organization. Besides ensuring excellent clinical care, hospitals should also focus on providing quality service to their patients and visitors. The findings from this study could provide useful information as to how hospitals could better manage their services and harness information technologies to enhance their service quality. The study shows that there is still a lot of room for improvement in the healthcare industry. Specifically, the healthcare industry as a whole seems to be weak in factors such as: Promptness, Attitude towards attendants, Communication, Consistency, and Knowledge.

INTRODUCTION

The idea of studying the facilities provided by Hospitals to the attendants (who accompany the patient) is generated from our and others experience of hospitals. The improper behaviour (lack of interest and enthusiasm) of hospital staff and lack of basic amenities can be an important reason for selection of a hospital.

Providing good service quality is of strategic importance in the management of any service organization. Besides ensuring excellent clinical care, hospitals should also focus on providing quality service to their patients and to their attendants. The findings from this study could provide useful information as to how hospitals should better manage their services and create a positive perception in the minds of attendants. This would help the healthcare providers to improve their business. Healthcare service in this research is defined as all **medical support services**, such as; **nursing, food and beverage, ward service, counter service, and other ancillary services.**

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METHODOLOGY

A questionnaire survey was conducted on about 700 customers (attendants) who had previous experiences in one of the many private and semi-private hospitals of the healthcare system in Lucknow city. The method of survey was based on intercept interviews. Attendants' satisfaction levels were measured using 'Attendants Satisfaction Index [ASI] model.'

The study shows that there is still a lot of room for improvement in the healthcare industry. Specifically, the healthcare industry as a whole seems to be weak in factors such as: **Promptness, Attitude toward attendants, Communication, Consistency, and Knowledge.**

The hospital market has today changed from a sellers' market to a buyers' market, where the patient is all-important. Therefore, to achieve customer satisfaction, the hospital has to develop itself technologically, as well as become more service-oriented.

The actual customer from the hospital perspective is any individual who comes to hospital to avail its medical services but hospitals should also take care of those who accompany the patient as attendants because the patient in most cases does not have complete sense of the hospital environment when his treatment is going on. The customer from the hospital is very different from the regular customer, the difference being **that he doesn't want to be a 'customer'** in the first place.

It is essential for a hospital to recognize this fact and reach out to its customers (attendants), if it wants to survive the competition. This can be achieved only by building a bridge of trust between the hospital and the community, so that the community can crossover to the hospital. One needs to understand the fact that patients do not flock to a hospital just because its services are cheap, but because of its good name and good image.

The major differentiating factor is that the customer of the hospital, unlike other industries, gets a close look at all the rungs in the hospital. He gets a chance to interact with practically everybody, the receptionists, admission staff, doctors, nurses, ward boys, ayahs, ambulance, personnel, billing staff, and others. The hospital therefore, needs to appreciate this difference while dealing with its patients and attendants.

The workings of the hospital are laid bare to the attendants and every interaction the attendant has with any staff member is a crucial factor in determining whether he would choose the same hospital again.

Further, the challenges for the hospital industry are more because what the attendant 'needs' is different from what the attendant 'wants'. For instance, what a attendant needs from a hospital is reasonable good quality medical care for his patient, a clean waiting room, good clean civic amenities. Yet, market research over the past few years has shown that hospitalized patients' attendants want a variety of amenities not associated with their need for reasonable services. They want smiling, empathetic nurses and staff, a good selection of foods for their meals and a quick response to their calls.

To stay ahead of the competition, it is essential to keep the customer happy. Only satisfying the customer needs and wants and delighting the customer by exceeding his expectations with unanticipated benefits can achieve this.

Attendant satisfaction is a person's feeling of pleasure or disappointment resulting from comparing a product/service's perceived performance or outcome in relation to his or her expectations. As this definition makes clear, satisfaction is a function of perceived performance and expectations. If the performance falls short of expectations, the customer is dissatisfied. If the performance matches the expectations, the customer is satisfied. If the performance exceeds expectations, the customer is highly satisfied or delighted.

Customer satisfaction in a hospital is basically a state of mind of the attendant. It is the ability of the hospital service to meet the expectations of the attendant. Customer delight is all about exceeding the expectations of the attendants to make him highly satisfied with the hospital.

The hospital should aim for high customer satisfaction or customer delight because customers have no qualms in shifting when a better offer comes along from a different hospital. Those who are highly satisfied or delighted with the hospital are much less ready to shift. High satisfaction or delight creates an emotional bond with the hospital in the mind of the patient, not just rational preference. The result is high patient and attendant loyalty, which is what every hospital is looking at, to cut the competition.

In a hospital scenario, marketing is essential at all points. Every member of the hospital has to be an active agent in satisfying and delighting the attendant, which would translate into a source of strength for the community and the hospital.

Assume that a hospital sees some 10,000 OPD patients a year and each patient brings in an average revenue of Rs. 1000 per year. This amounts to one crore in revenues annually, which is not a trifling amount. If the average profit margin is 10 per cent, the hospital would be making a gross profit of Rs. 10,00,000 per year. If you lose 20 per cent of your customers every year because of a poor relationship with them, you would lose Rs. 20,00,000 worth of business every year which translates in terms of losing Rs. 2,00,000 in terms of profit. Since, we want patients and attendants to be loyal to the hospital over the coming years, this could result in huge life time gains through loyalty.

Most administrators do not factor the intangible assets of the hospital. In the intangible assets, thus, we must surely include a loyal patient & attendants in addition to the highly skilled nurses, technicians and consultants. Actually the lifetime value of a loyal patient: **Customer Lifetime Value (CLV)** can be modeled on a mathematical basis. Since this subject is so important there has to be a customer relationship management officer who is recruited preferably from the hospitality industry. He could be on an equal footing with the finance controller.

OBJECTIVE OF THE STUDY

To determine the attendants' satisfaction index for private and semi private hospitals in Lucknow.

To determine the attributes that affect the satisfaction level of Attendants (Customer for hospitals).

Data analysis and results

The research methodology includes data collection through questionnaires prepared for attendants (specific type of customers). The data collected through the questionnaires has been analyzed with the help of statistical techniques, using the SPSS software.

The major aspect of our study was to analyse the different facilities provided by hospitals to the attendants in the form of common room, water, vigil, canteen and on spot room services. We have considered some of the emergency service

attributes like Quality of treatment, ambulance quality, knowledge and professionalism of emergency staff and doctors to make our study more comprehensive. We have also given a look to price related factors and how they affect patients and attendants in opting for a particular hospital with similar respect to the services provided.

The findings of our study have shown us the relationships between different variables, which are supposed to affect the attendants' satisfaction and comfort level. It also helped us in identifying major factors influencing the attendants' choice for hospital.

We have also tried to suggest some key areas where the improvements could be done and more intensive and specific strategies could be prepared.

The questionnaire comprised close-ended questions only, to avoid the complexity of analyzing huge subjective data. The study covered people of all age groups who are getting treatment for their patients from private and semi private hospitals only.

Attendant's Satisfaction Index (ASI) Calculation

The total mean for the healthcare Industry is calculated by taking discriminant score into consideration. The individual ASI scores for hospitals are obtained by dividing total mean for a hospital with the total mean of the Industry.

The quality of facilities (Common room, Water, Vigil, Canteen, On spot room service) available for attendants is different with respect to different hospitals.

The characteristics of doctors (Knowledge of the subject, Courteousness, Willingness to help, Efficiency, Ability to complete the treatment) attending the patients vary with the hospitals.

The study shows that the **Quality of service** (Process of problem resolution, Hospital staff courteousness, Doctors' attitude, Doctors' handle the call quickly, Knowledgeable doctors, Reference to another hospital) has very strong association with the recommendation given by attendants to others.

The study reveals that the variables under Quality of service are important for attendants' overall satisfaction with hospital services in the following order. This result has been derived by applying **discriminant analysis** on the data.

This statistical tool is applied to know which attribute is the most important discriminator for satisfaction of attendants' satisfaction.

The **discriminant function** that we obtained is:

$$Y = -8.412 + .984x_1 + .274x_2 + .357x_3 + .103x_4 + .039x_5 + .324x_6 + .326x_7$$

Order of Importance of each attribute

- Quality of Service (x_1)
- Process of Problem Resolution (x_2)
- Hospital Staffs Courteousness (x_3)
- Knowledgeable doctors (x_6)
- Doctors' attitude (x_4)
- Doctors' handle the call quickly (x_5)
- Reference to another hospital (x_7)

Y = Overall satisfaction with hospital/ hospital services (yes/no)

The study also shows that the following variables regarding Expectations and Experiences are important for attendants' overall satisfaction with hospital services in the following order.

Discriminant function for this result is mentioned below which will be used to classify new observation as satisfied or dissatisfied on the basis of mentioned attributes.

$$Y = -5.999 + .436x_1 - .049x_2 + .482x_3 + .298x_4 + .072x_5 - .166x_6 + .582x_7 + .204x_8 - .074x_9 - .038x_{10}$$

- Quality of treatment performed (x_1)
- Made you feel comfortable (x_3)
- Ease of obtaining appointment (x_7)
- Willingness to go out of the way to satisfy (x_4)
- Efficiency in handling treatment (x_8)
- Convenience of contact hours (x_6)

- On spot help (x_{10})
- Helpfulness of staff (x_5)
- Avoiding inconvenience to you (x_2)
- Clean comfortable waiting area (x_9)

Y = Overall satisfaction with hospital/ hospital services (yes/no)

The study also shows that there is very high association between the emergency services and recommendation of attendants for a particular hospital. The study reveals that the following variables regarding emergency services are important for attendants' overall satisfaction with hospital services in the following order.

Discriminant function for the result

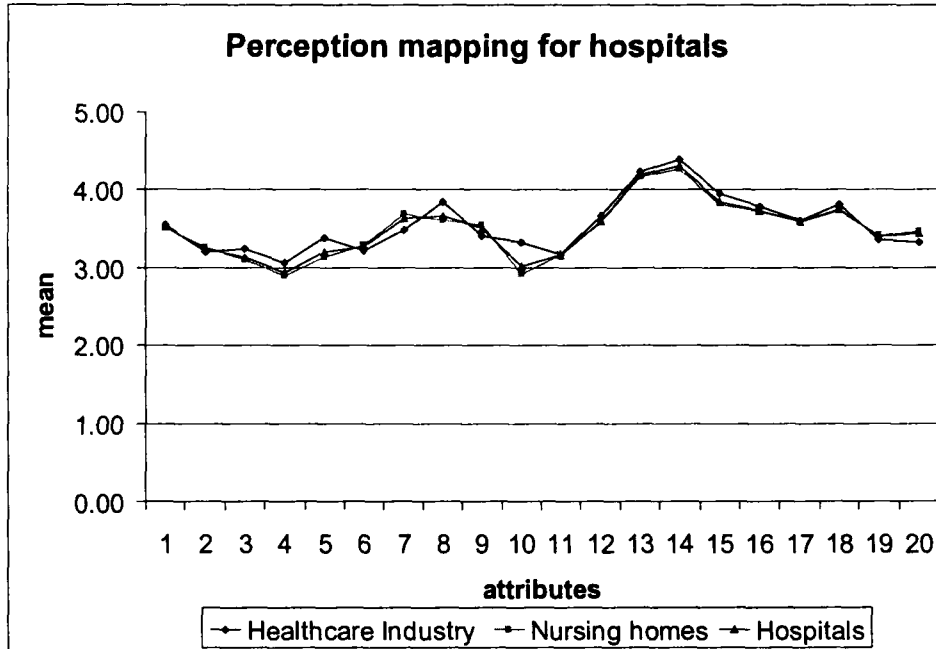
$$Y = -7.205 + .279x_1 + .243x_2 + .037x_3 + .240x_4 - .029x_5 - .123x_6 + .537x_7 + .507x_8 - .391x_9 + .678x_{10}$$

- Time required to solve the problem (x_7)
- Quality of treatment (x_8)
- Telephonic support (x_1)
- On spot support (x_2)
- Quality of ambulance (x_{10})
- Ambulance services (x_9)
- Knowledge and professionalism of emergency doctors (x_4)
- Knowledge and professionalism of emergency staff (x_3)
- Ability of emergency staff to diagnose the problem (x_5)
- Ability of emergency staff to diagnose the problem (x_6)

Y = Overall satisfaction with hospital/ hospital services (yes/no)

CHART 1:- Shows the mapping of means of different variables considered for studying Hospitals (Semi private and private) & Nursing homes in and around Lucknow. This chart reveals that Hospitals are performing better than the Nursing Homes but they require an overall improvement, considering whatever facilities

they are providing to the attendants of the patients (as shown in the perception map).



No. Attribute Names

- 1 Quality of treatment performed
- 2 Avoiding inconvenience to you
- 3 Made you feel comfortable
- 4 Willingness to go out of the way to satisfy
- 5 Helpfulness of staff
- 6 Convenience of contact hours
- 7 Ease of obtaining appointment
- 8 Efficiency in handling treatment
- 9 Clean comfortable waiting area
- 10 On spot help
- 11 Telephonic support
- 12 On spot support

- 13 Knowledge and professionalism of emergency staff
- 14 Knowledge and professionalism of emergency doctors
- 15 Ability of emergency staff to diagnose the problem
- 16 Ability of emergency staff to diagnose the problem
- 17 Time required to solve the problem
- 18 Quality of treatment
- 19 Ambulance services
- 20 Quality of ambulance

Limitations of the study

- The sampling covered some areas of Lucknow only. So, there is possibility that the report doesn't reflect the situation of hospitals outside Lucknow.
- The answers given by the respondents are based on their understanding of the questions.
- Limited Time for getting information from attendants as the attendants are too perturbed to discuss other issues.

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