

## Service Quality In Hospitals - An Empirical Study

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**Abstract:** *The Indian healthcare system, though unaffordable to many, can be truly described as being state-of-the-art. There are more hospitals now within accessible distance, and some that are cost-effective. Establishing a brand image in the market is the reason experts say why hospitals should embrace the concept quickly.. Quality helps to achieve that by catering to the three 'A's' which are the cornerstones for quality healthcare services ,namely, accessibility, affordability and acceptability.*

*The well-documented 'Service Quality Model' was used as a conceptual framework for understanding service quality delivery in health care services. The measuring instrument used in this study was the SERVQUAL questionnaire for the measurement of Gap 5 namely the discrepancy between customer expectations and their perceptions of the service delivered. An analysis covering a sample of 35 patients revealed that there exists an overall service quality gap between patients' perceptions and their expectations. The gap is found to be high and so there needs to be significant improvements across all the five dimensions of service quality such as tangibles, reliability, responsiveness, assurance and empathy.*

**Keywords:** *Service Quality, SERVQUAL, Perceptions and Expectations*

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### I. Introduction

• India's healthcare sector has been growing rapidly and estimated to be worth US\$ 280 billion by 2020, according to A study of IBEF, 2018. According to the report during 2008-20, the market is expected to record a CAGR of 16.5 per cent. Revenues from the healthcare sector account for approximately 5.2 per cent of the GDP, making it the third largest growth segment in India. India needs to add 2 million beds to the existing 1.1 million by the year 2027, and requires immediate investments of US\$ 82 billion. Funds in the sector have been largely private. In fact, it is believed that the private sector provides 60 per cent of all outpatient care in India and as much as 40 per cent of all in-patient care. It is estimated that nearly 70 per cent of all hospitals and 40 per cent of hospital beds in the country are in the private sector, says PricewaterhouseCoopers. The opportunities presented by the healthcare sector nearly have made it a major destination for potential investors. The healthcare sector attracted US\$ 379 million in the year 2006 , 6.3 per cent of the total private equity (PE) investment of US\$ 5.93 billion.

### II. Scope of The Study

Managers in the service sector are under increasing pressure to demonstrate that their services are customer-focused and that continuous performance improvement is being delivered. Given the financial and resource constraints under which service organizations must manage, it is essential to measure any gaps in service quality. This information then assists a manager in identifying cost-effective ways of closing service quality gaps and of prioritizing which gaps to focus on , a critical decision given scarce resources. Major aim of this study involves the use of SERVQUAL instrument in order to ascertain any actual or perceived gaps between customer expectations and perceptions of the service offered.

### Service Quality

Service quality is a concept that has aroused considerable interest and debate in the research literature because of the difficulties in both defining it and measuring it . There are a number of different "definitions" as to what is meant by service quality. One that is commonly used defines service quality as the extent to which a service meets customers' needs or expectations. Service quality can thus be defined as the difference between customer expectations of service and perceived service. If expectations are greater than performance, then perceived quality is less than satisfactory and hence customer dissatisfaction occurs The SERVQUAL approach, which is studied in this paper is the most common method for measuring service quality. SERVQUAL questionnaire mainly deals with 5 important dimensions Tangibles, Reliability, Responsiveness, Empathy and Assurance

### **Model of Service Quality Gaps**

There are seven major gaps in the service quality concept. The three important gaps are more associated with the external customers such as Gap1, Gap5 and Gap6 since they have a direct relationship with customers.

### **SERVQUAL Methodology**

Clearly, from a best value perspective the measurement of service quality in the service sector should take into account customer expectations of service as well as perceptions of service. One service quality measurement model that has been extensively applied is the SERVQUAL model. SERVQUAL compares customers' expectations before a service encounter and their perceptions of the actual service delivered. The SERVQUAL instrument has been the predominant method used to measure consumers' perceptions of service quality.

The advantages of SERVQUAL include the following:

- It is accepted as a standard for assessing different dimensions of service quality
- It has been shown to be valid for a number of service situations
- It has been known to be reliable
- The instrument is parsimonious in that it has a limited number of items. This means that customers and employers can fill it out quickly
- It has a standardized analysis procedure to aid interpretation and results

In the SERVQUAL instrument, 22 statements(Appendix) measure the performance across these five dimensions, using a seven point likert scale measuring both customer expectations and perceptions (Gabbie and O'Neill, 1996). It is important to note that without adequate information on both the quality of services expected and perceptions of services received then feedback from customer surveys can be highly misleading from both a policy and an operational perspective. This paper presents the results of a service quality perception study designed to measure the patients' perceptions and expectations of service quality in hospitals in Navi Mumbai using the multidimensional, generic, internationally used market research instrument called SERVQUAL.

### **III. Literature Review**

The research literature on service quality has thrown numerous models by different researchers across the world. Health care service quality is multi dimensional. Given the consumers' propensity to switch service providers it is of paramount importance for hospitals to be acutely aware of what the general public looks for while evaluating the professional service of a particular hospital. Perception of hospital care is derived from a set of criteria based on perceptual cues that patients use. It is considered that there are four dimensions of health care service quality: the curing dimension, the caring dimension, the access dimension, and the physical environment dimension. However, most of the studies of health care quality are based on SERVQUAL, a generic, internationally used market research instrument. Reidenbach and Sandifer-Smallwood (1990) developed an instrument based on the original ten-dimension questionnaire developed by Parasuraman et al. (1985). They analysed patient service needs by examining the differing perceptions of service held by patients in three basic hospital settings: emergency room services; inpatient services; and outpatient services. Differential impacts were found in all the three hospital settings. Babakus and Mangold (1992) empirically evaluated SERVQUAL for its potential usefulness in a hospital service environment. The completed perceptions and expectations scales met various criteria for reliability and validity. Suggestions were provided for the managerial use of the scale and a number of future research issues were identified. An empirical study in a Belgian hospital by Vandamme and Leunis (1993) has been reported on the development of an appropriate multipleitem scale to measure hospital service quality. Discrepancies between SERVQUAL and the dimensions obtained from their study were discussed in some detail, along with the reliability and validity properties of the scale. Bowers et al. (1994) studied the five attributes of quality from SERVQUAL model. Their results from a quantitative analysis lend support to qualitative conclusions. Caring and communication were found to be significant. Three of the generic SERVQUAL dimensions were found to be related significantly to patient satisfaction: empathy, responsiveness and reliability. The literature survey suggests a study for the existence of research gap in service quality of health care sector in India. A Service Quality Perception study was undertaken among consumers to find out the consumer insights into the quality dimensions of Navi Mumbai hospitals.

### **RESEARCH OBJECTIVES**

The specific objectives of the study were to determine:

- The level to which the hospitals in Navi Mumbai city were meeting the patients' expectations on the service quality dimensions
- Service quality scores by dimensions

**IV. Methodology**

This study is exploratory in nature as it is meant for gaining insights into the service quality aspects and is not descriptive in nature. The well-documented Service Quality model(SERVQUAL)is used as a conceptual framework for measuring service quality delivery in Health Care Services.

Perceived service quality (Gap 5) is defined in the model as the difference between consumer expectations and perceptions, which in turn depends on the size and direction of the four gaps associated with the delivery of service quality on the marketer's side. In the Service Quality Gaps Model, an underlying assumption is that service quality is critically determined by measuring the gap between customers' expectations of a service and their perceptions of the service as actually experienced.

**SAMPLING DESIGN**

The study was conducted in Navi Mumbai (Nerul to be precise). The survey was conducted on some of the patients and relatives of patients. The samples were collected according to my convenience and due to shortage of time the I could collect data only from thirty five respondents only.

**COLLECTION OF DATA**

The data was collected by using SERVQUAL . A likert seven point scale was used for collecting data. In the questionnaire the respondents had to circle the option which ranged from “ Strongly Disagree”(1 point is given) to “Strongly Agree”(7 Points are given). The questionnre contained 22 questions.

**LIMITATIONS OF THE STUDY**

This is a preliminary study and is a part of a larger study.The sample size is only 35 respondents and so the results may not be accurate.The study measures the gap between expectations and perceptions of customers which is only one part of the service quality gaps.The paper contains more of secondary information than primary.The validity of the data is not verified.

**Annexure 1: Analysis and Interpretations**

**Table 1.** Gap6- Perceptions and Expectations (Parameters are defined in Annexure 2)

Parameter	Perception score	Expectation score
Modern	5.09	6.00
Visual	5.11	5.57
Neatness	5.71	6.29
Matvis	5.00	5.71
Timeline	5.20	5.89
Solution	4.97	5.97
Rightfi	5.34	5.94
Promise	5.11	5.94
Error	5.43	5.74
When	4.80	6.03
Prompt	5.03	5.49
Helping	5.11	5.83
Request	4.80	5.2
Behaviou	5.46	5.71
Saftey	5.66	5.94
Courteou	5.43	5.6
Knowledg	5.54	5.66
Attentio	4.91	5.69
Convenie	4.45	5.26
Personal	4.66	5.74
Interest	4.91	5.6
Need	4.89	5.43

The Table shows the expectations of the patients from each aspect of quality parameters which are mentioned. The values range from one to seven (One is negative and seven is positive ).The above table shows that in most of the dimensions the gap exists and is fairly large.

**Table 2-** Relative Importance of Dimensions (Weight ages)

Parameters Of Service Quality

	TANGIBLES	RELIABILITY	RESPONSIVENESS	ASSURANCE	EMPATHY
Mean	17.7273	19.4848	20.6364	25.9697	16.1818
Standard Deviation	8.84687	8.15905	8.27579	10.84402	10.59910

Above table shows that Assurance is given most importance, followed by Responsiveness by the customers in analyzing service quality. The least importance is given to Empathy(This can be given less concentration by the hospitals)

**Table 3- Gap 6- Weighted Values**

Factors	Expectation Score	Perception Score	Difference	Weights	Weighted Shortfall
Tangibles	23.57	20.91	- 2.66	17.73	- 0.47
Reliability	29.48	26.05	- 3.43	19.48	- 0.67
Responsiveness	22.55	19.74	- 2.81	20.64	- 0.58
Assurance	23.31	22.09	- 1.22	25.97	- 0.32
Empathy	27.72	23.82	- 3.9	16.18	- 0.63

**Total Weighted Shortfall- 2.67(Very High)**-Weights are calculated by the no.of points the respondents have given to each of the above parameters.

Sample Reliability Analysis - Scale(Alpha)(Using SPSS)

Reliability Coefficients

N of Cases = 35.0

N of Items = 22

Alpha = .9144

## V. Findings

1. The weighted shortfall is -2.67 which showed very high dissatisfaction as far as the service is concerned
2. The shortfall is least for Assurance from employees which shows that the employees are able to give assurance to the customers regarding the service
3. The shortfall is highest for Reliability factor which shows that the customers cannot rely on the promises given by the hospitals
4. The weightage is highest for Assurance which means that this is the factor which the hospitals should take utmost care of
5. Reliability analysis is high for the questionnaire (Using SPSS) which means that the questions are quite adequate .

## VI. Conclusion

Service Quality plays an important role in assessing a Hospital in today's world of cut-throat competition. In this regard the hospitals in Mumbai are not upto the mark and they have to improve in a lot of areas before they can compete with other International Hospitals. The study has a very small sample size and so it is not conclusive. It can be extended to include more variables, better sample size and more parts of the country to make it much better

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<https://www.ibef.org/industry/healthcare-india.aspx>

## Annexures

### Annexure 1 :Definitions of The terms used in Table 1

Modern - Modern looking equipment

Visual - Visually appealing facilities

- Neatness - Neatness of appearance of Personnel
- Matvis - Visually appealing materials
- Timeline - Timeliness in service
- Solution - Sincere interest in solution
- Rightfi - Right the first time
- Promise - Provision of service as promised
- Error - Error -free records
- When - Information to customers about the time at which services will be performed
- Prompt - Prompt service to the patients
- Helping - Willingness to help the patients
- Request - Response to requests of patients
- Behaviou - Behaviour of employees
- Saftey - Saftey in dealing with the hospital
- Courteou - Consistently courteous with patients
- Knowledg - Knowledge of personnel to answer queries of patients
- Attentio - Individual attention to patients
- Convenie - Convenient operating hours for patients
- Personal - Personal attention to patients
- Interest - Patient's best interests at heart
- Need - Understanding specific needs of patients

**Declaration**

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