

CHAPTER I

INTRODUCTION

Rationale for the Study

The free movement of goods and services across national borders has given rise to new patterns of consumption and production of healthcare services in the world over the recent decades. The movement of patients across borders to seek medical treatment and healthcare which is commonly referred to as “medical tourism” has become a vital aspect of this trade. This has led to global competition among the healthcare industry. Thus, the increase in global competition among healthcare establishments to become the world’s number one establishment has forced healthcare sectors to enhance service quality to attract customers and to keep them satisfied.

Many countries lack advanced or specialized medical technologies which force people to seek in other countries the necessary level of medical care needed. Growing numbers of patients from developed countries are traveling for medical reasons to regions once characterized as “third world” (Herrick, 2007). Many of these “medical tourists” are not wealthy, but are seeking high quality medical care at affordable prices. Due to the lack of health care facilities in Maldives, Maldivians often travel abroad to neighboring countries to seek medical assistance. Maldives is among the top ten markets of tourist arrival to Sri Lanka and holds the fifth position in the top ten markets (Annual statistical report, 2011). Per se, Sri Lanka is the most travelled country for the purpose.

Apollo Hospitals which has been now re-launched as Lanka Hospitals, one of the most famous hospitals in Sri Lanka where many Maldivians seek health care. Hence, it is important and of great advantage for the management of Lanka Hospitals to know if their customers (patient/client) are satisfied and happy with the quality of service provided to guarantee the establishment is the number one choice for the patient/client if medical assistance is required again. Moreover, involvement of patient/client in the decision making process and the feedback leads to development in healthcare facilities (Fallowfield, et al., 1990). Therefore the aim of this study is to

investigate Maldivian patient satisfaction level with the service quality of Lanka Hospitals. Thus, the results could guide Lanka Hospitals to enhance their service quality and increase patient satisfaction.

Purpose of the Study

The purpose of this study was to explore if there is a connection between service quality and patient satisfaction in the healthcare sector and does the quality of the service meets patient expectations. Nowadays, customers take a much more active role in choosing the services offered than they did previously. This has urged firms to understand and get to know their customers thoroughly to provide the services which were not given much of importance in the past. Hence, it had become of great importance to healthcare facilities to understand how patient/clients moderate their experiences with the hospital. Besides, it is also of great importance to determine whether a patient/client would be willing to revisit to the hospital again or even recommend it to others. The conduction of this research is likely to benefit both the management of Lanka Hospitals and the patients seeking medical assistance from Lanka Hospitals.

Significance of the Study

The study intended to enrich patient satisfaction and upgrade service quality provided by identifying the current level of patient satisfaction and service quality in Lanka Hospitals. This study could be very beneficial to any healthcare sector to understand what makes patients satisfied and the qualities they look for when seeking medical care. By gaining this information, healthcare sectors could develop their establishment to provide better services. In addition, the results could also be used by the Maldivian government to develop healthcare sector in the Maldives which will enhance healthcare of the citizens and minimize leakages.

Scope of the Study

The study was carried out to analyze patient satisfaction with the service quality at Lanka Hospitals so that the study finding can be used to improve the services provided to enhance patient satisfaction. Twenty-five Maldivians living in

Male', the capital of Maldives, who have sought medical care from Lanka Hospitals in the last two years were interviewed. The interviews took place during the month of December 2012 as it was a holiday season in the Maldives and the target population was likely to have more free time during this period. Basically, the interview took place in the coastal areas surrounding Male' as it was crowded with people during the holidays.

Research Questions

The research questions of this study are as follows:

1. What are the most important dimensions of service quality experience that affect levels of patient/client satisfaction?
2. Is there a relationship between service quality experience and levels of patient/client satisfaction?

Conceptual framework



Figure 1 Conceptual Framework based on SERVQUAL

Source: Parasuraman, et al., 1985

Basic assumption

This study was based on main three assumptions which are:

1. Most Maldivians travel to Sri Lanka compared to other neighboring countries for health and medical care.

2. Most Maldivians who traveled to Sri Lanka for medical purposes seek health and medical care from Lanka Hospitals in Sri Lanka

3. Respondents of the interview had sought medical care from Lanka Hospitals at least once.

Definition of Terms

Lanka Hospitals is one of the private healthcare facility providers in Sri Lanka. Before, Lanka hospitals were known as the Appollo Hospitals which has been re-launched.

Patient/client/customers are those who seek medical attention, care and treatment at the Lanka Hospitals and are used interchangeably in this study to examine their satisfaction level of the service quality.

Service quality is the difference between customer expected performance of the service and the customer's evaluation of the service once the service is received. Service quality is a vital component in a company's ability to sustain profitability and continual success in business.

SERVQUAL is a tool developed by Zeithaml, Parasuraman & Berry in the mid eighties used to measure customer perceptions of service quality in service and businesses in order for them to improve service quality.

Customer satisfaction is a measure of how products and services supplied by a business meet or exceed customer expectation. Customer satisfaction is one of the most important aspects a successful business.