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## *Comparison of Service Quality between Private and Government Hospitals: Empirical Evidences from Yavatmal City, Maharashtra*

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*Abstract: This study was conducted to investigate the service quality of the customers in two types of hospitals. Now quality has become an icon for customers while availing any services or buying a product and it is also a strategic advantage for the organizations to gain success and remain competitive in the market by delivering superior quality of services or products based on customer requirements. For this purpose SERVQUAL instrument was used to measure the patient's perception about service quality delivered by these hospitals. Five service quality dimensions; empathy, tangibles, assurance, timeliness and assurance were used in order to measure the patients perceptions about the service quality of government and private hospital located in Yavatmal city . Results showed that private hospital is delivering better quality of services to their patients as compared to government hospital.*

*Key Words: Government Hospital, Private Hospital, Patient, Service Quality.*

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### I. INTRODUCTION

The health sector in India is characterized by a government sector that provides publicly financed and managed curative, preventive and primitive health services from primary to tertiary level throughout the country free of cost to the people and a fee-levying private sector that plays a dominant role in the provisioning of curative care. The provision of healthcare by the public sector is a responsibility shared by the state government, central government and local governments in India. General health services are the primary responsibility of the states with the central government focusing on medical education, drugs, population stabilization and disease control. The National Health Programs of the central government are related to reproductive and child health and to the control of major communicable diseases. Besides, it also contributes significantly to state health programs. While, the private sector in India has a dominant presence in all the submarkets including medical education and training, medical technology and diagnostics, pharmaceutical manufacture and sale, hospital construction and ancillary services and, finally, the provisioning of medical care. The respective role of the public and private sectors in healthcare has been a key issue in debate over a long time. As public healthcare has always played an important role in India, it is important to examine its significance especially in the context of contemporary issues related to increasing privatization in the health sector in India.

Quality has become an icon for customers while selecting a service or product and at the same time organizations are making efforts for providing quality products or services as per customer's needs and wants. Quality has been considered as a strategic advantage for the organizations to gain success and to sustain in the business world.

Like the other service organizations; healthcare sector has also become a highly competitive and rapidly growing service

industry around the world. The biggest challenge faced by healthcare markets is to define and measure the service quality. However, it was recognized in earlier study that SERVQUAL is a comprehensive scale to empirically estimate the level of quality services delivered to customers, and it is best suitable in the hospital environment (Babkus & Mangold, 1992).

In healthcare, patient perceptions are considered to be the major indicator in order to assess the service quality of a healthcare organization (Cronin & Taylor, 1992; Connor et al., 1994).

It means that customer satisfaction is the major device for critical decision making in selecting a healthcare services (Gilbert et al., 1992) and quality of services delivered to the customers should meet their perceptions (Parasuraman et al., 1985, 1988; Reidenbach & Sandifer-Smallwood, 1990; Babakus & Mangold, 1992; Zeithaml et al., 1993).

Due to the growing importance of service quality especially in healthcare sector this study is focused on to evaluate the difference between government and private hospital service quality in Yavatmal City. For this purpose SERVQUAL instrument was used to measure the patient's perception about service quality delivered by these hospitals. Five service quality dimensions; empathy, tangibles, assurance, timeliness and assurance were used in order to measure the patients perceptions about the service quality of government and private hospitals located in Yavatmal City. Descriptive statistics, independent sample t-test was used to compare the quality of services delivered to patients by government and private hospitals to gain the patient satisfaction.

## II. REVIEW OF LITERATURE

**Syed Muhammad Irfan (2011)** aimed to evaluate the service quality delivered by the private hospitals in Pakistan which was literally based on patient perception. A questionnaire was developed based on SERVQUAL model comprised of 22 variables representing five service quality dimensions; empathy, tangible, assurance, timeliness and responsiveness. The target population of this study was the employees working at officer level in the service organizations and availing healthcare services including consultation and in-patient from the best private hospitals in the city, Lahore of Pakistan. A total 320 respondents considered for the study. The results of the study indicate that service quality in private hospitals is meeting patients satisfactions i.e. private hospitals are delivering better healthcare services. Results of the five factors showed that the measurement model for service quality constructs had a good fit and the model is valid and reliable.

**Laith Alrubaiee, Feras Alkaa'ida (2011)** conducted a research to study healthcare quality of patient perception, satisfaction, and patient trust. It also aims to test the socio demographic variables in determining healthcare quality. SERVQUAL model was used to measure and the results indicate its reliability. The study indicates that Socio demographic variables play a vital role in determining patient perception of health care quality, satisfaction, and trust. On the other hand the study indicates better quality in private hospitals compared to public hospitals.

**Liz Gill, Lesley White (2006)** evaluates studies of service quality in healthcare, recognizing extra key domains. Total of 36 related studies of service quality have been evaluated, only three have gone well beyond the SERVQUAL model and five have deployed entirely diverse approaches. Based on considerations from the evaluated studies a model is proposed to include those recognized key domains to measure service quality of healthcare. In the public health sector the independent variables which are suggested to determine service quality are Reliability, Responsiveness, Assurance, Joint Decision Making, Caring, Risk, Continuity, Collaboration, Outcome, Empathy, and Tangibles.

**Tolga Taner, Jiju Antony (2006)** the aim of this article was to study the variation in service quality between public and private hospitals in Turkey. SERVQUAL method was used to study service quality offered by them. The sample consisted of a total of 200 patients. The outcome point to inpatients in the private hospitals was more contented with service quality than those in the public hospitals. The outcome also proposes that inpatients in the private hospitals were more contented with doctors, nurses and supportive services than that of the public hospitals. In conclusion, the outcome shows that contentment with doctors and reasonable costs is the major determinants of service quality in the public hospitals. The research proves that SERVQUAL,

as a standard instrument for measuring functional service quality, is trustworthy and applicable in a hospital environment.

**Mohamed M. Mostafa (2005)** in his study of Egyptians hospitals service and its quality were tested through this paper. For this he considered both public and private hospitals. SERVQUAL model was adopted for the study. A cross-sectional questionnaire survey carried out in 2005 took a random sample of 332 patients from 12 hospitals of Egypt was chosen. Factor analysis revealed three factor solutions and did not support the five factor model of SERVQUAL. The three factors were empathy, tangibles and reliability confidence. In all the mentioned three factors the private hospitals have lesser gaps when compared with public hospitals. Patients may have a multifaceted set of significant viewpoint that cannot be confined in the opinion poll.

### III. RESEARCH METHODOLOGY

**3.1 OBJECTIVE OF THE STUDY:** Objective for this research is as follows:-

» To study the service quality of selected Government Hospital & Private Hospital operating in Yavatmal City.

**3.2 HYPOTHESIS:** Hypothesis for this research is as follows:-

**H<sub>01</sub>:** There is no significant difference in the level of service quality in private and government hospital.

**H<sub>11</sub>:** There is significant difference in the level of service quality in private and government hospital.

**3.3 SAMPLE AND SAMPLE SIZE:** This refers to number of respondents to be selected from the population to constitute a sample.

- A. Shri. Vasantrao Naik Government Medical College, Yavatmal. (Govt. Hospital)
- B. Sanjeevan Multispecialty Hospital & Research Institute, Yavatmal. (Private Hospital)

The study area is limited to Yavatmal City only. A sample of 1000 respondents has been selected comprising of 500 from each hospital.

**3.4 DATA COLLECTION TECHNIQUE:**

Primary data is obtained by Questionnaire Method. The data collection tool is structured questionnaire. Primary data is collected by serving questionnaire to the respondent. Questionnaire was distributed to respondent who were selected as sample and in some cases researcher explained the implications of the questions. Respondents were asked to fill up the set of questions as per instructions mentioned on them. They were specifically requested not to read all the items at once but to go through each individual statement and answer it and then only move the next. Respondents were assured of the confidentiality of their responses. All respondents were encouraged to express their opinion freely and fairly. Precautions were also taken to obtain unbiased results. Schedules are explained by the researcher personally in a vernacular language and were filled by him personally. While drafting the questionnaires the researcher incorporated close-ended and open ended questions. In some of the Close ended or the selection type questions the respondents were asked to rate the level of importance/satisfaction on a 5-point scale.

**3.5 STATISTICAL TOOLS:** Statistical tools are the mathematical techniques used to facilitate the analysis and interpretation of numerical data. "Statistical Analysis is one particular language, which describes the data and makes possible to talk about the relations and the difference of the variables." Following statistical tools have been used in this study.

1. Mean
2. Standard deviation

**3.6 LIMITATIONS OF STUDY:** The major limitations of the study are:-

- » Due to paucity of time and resources a country wide survey was not possible. Hence only Yavatmal city has been selected for the study.
- » This research is concerned only with the service quality of government and private hospital operating in Yavatmal city.
- » The reality of the study depends on questionnaire filled and responses given by the respondents.
- » The limitations of tools and techniques applied for the analysis are inherent in the present study.

#### IV. DATA ANALYSIS AND INTERPRETATION

##### Group Statistics

	Hospital	N	Mean	Std. Deviation
<b>Empathy</b>	Government	500	2.9775	1.28342
	Private	500	3.7795	.82923
<b>Tangibility</b>	Government	500	2.5107	.97958
	Private	500	3.8653	.98264
<b>Assurance</b>	Government	500	3.3757	1.05980
	Private	500	3.8130	.76713
<b>Timeliness</b>	Government	500	3.0213	1.26617
	Private	500	3.9233	.95717
<b>Responsiveness</b>	Government	500	2.4400	1.11235
	Private	500	3.5753	.89252

The above table provides the mean and standard deviation of the variables and constructs used in study. These results indicate that overall mean values of service quality constructs representing private hospitals are higher than the public hospitals. This shows that majority of the respondent availing facilities from private hospitals perceive that private hospitals are providing better services to their patients as compare to the government hospital. However, the mean value of the service quality construct assurance among government hospital is higher as compare to the mean values of other service quality constructs of government hospital. The representation of means provide a clear understanding about the service quality delivered by the public and private hospitals in Yavatmal City based on patient perceptions. Therefore, the null hypothesis ( $H_{01}$ ) is rejected and hypothesis ( $H_{11}$ ) is accepted mean there is significant difference in the level of service quality in private and government hospital.

#### V. CONCLUSION

Form the above results and discussion; the empirical findings are evident that private hospitals are aimed at providing better healthcare facilities to the patients and also contributing a positive role in order to lower the government hospital burden. This validates our study that private hospitals in Yavatmal City are delivering better quality of services as compared to government hospital.

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