A STUDY OF PATIENT EXPECTATIONS AND SATISFACTION IN KELANTAN HOSPITALS

NOOR ELIFALINI BINTI HJ. MAT PA

This project is submitted in partial fulfillment of the requirement for the Degree of Bachelor of Business Administration with Honours (Marketing)

Faculty of Economic and Business
UNIVERSITY MALAYSIA SARAWAK
2009/2010
ABSTRAK

MENGETAHUI JANGKAAN PESAKIT DAN KEPUASAN DI HOSPITAL KELANTAN

Oleh:

NOOR ELIFALINI BINTI HJ. MAT PA

Secara amnya kajian ini adalah bertujuan untuk mengenalpasti adakah wujud jurang diantara jangkaan dan persepsi oleh pesakit luar terhadap kualiti perkhidmatan kesihatan yang diterima oleh meraka, selain daripada itu kajian juga turut menekan kepada mengenal pasti dimensi apakah yang sangat kritikal yang perlu yang perlu diperbaiki dan ditingkatkan. Kajian ini menggunakan sepenuhnya pendekatan SERVQUAL yang di ilhamkan oleh Parasuraman dalam mengukur tahap kepuasan pelanggan di empat buah hospital awam di daerah yang herbeza yang mana kajian ini melibatkan Hospital Raja Perempuan Zainab II (HRPZ II), Kota Bharu, Hospital Universiti Sains Malaysia (HUSM), Kota Bharu, Hospital Tanah Merah (HTM), Tanah Merah dan Hospital Pasir Mas (HPM), Pasir Mas, Kelantan, Malaysia. Kajian ini melibatkan 139 pesakit luar dan hasil keputusannya adalah menepati objektif yang dinyatakan dimana pesakit luar tidak berpuas hati dengan tahap perkhidmatan yang diterima ('negative disconfirmation'). Selain dari itu juga kajian memuatkan cadangan yang bersesuian untuk diaplikasi.
ACKNOWLEDGEMENT

First of all, I would like to take this valuable opportunity to express my praises to the Almighty God ALLAH as He granted me all the wisdom and patience to accomplish the paper even though so many challenge and barrier.

MY deepest thanks goes to my parents, family and relative especially my mum Madam Nooriah Shapi-i and my dad Hj. Mat Pa @ Ismail Yusof, because they are really highly supportive of besides me for concern everything both physiological and financial assistant for finish this research. Beside that i would like to express my sincere thanks to my supervisor Dr. Jamal Abdul Nassir Shaari for your guidance, sharing knowledge and so on as long as the research was conducted. Besides that, special thanks to all Malaysian Ministry of Health (MMOH) and medical staff for helping me during the distribution of questionnaire at their hospitals and cooperation and to all my respondents’ thank you so much for spending time to fill in my questionaires. Not to forget to Assoc. Prof. Dr Ernest Cyril De Run for research methodology knowledge, all FEB staff and Mr. Mohamad Fairuz Ali, Mohd Radzi Ramly and to all my colleagues and course mate for their continuous moral support and encouragement in motivating me to produce this research. I also want to send my appreciation to those who are indirectly involved. All of your cooperation will always been remembered.
Table of Contents

List of figures vi

List of table vii

CHAPTER 1 : INTRODUCTION

1.0 Introduction 1

1.1 Problem statement 4

1.2 Hospital Profile 5

1.3 Research objective 5

1.3.1 General objective 6

1.3.2 Specific objectives 6

1.4 Important of This Study 7

1.5 Conceptual framework 9

CHAPTER 2 : LITERATURE REVIEW

2.0 Introduction 10

2.1 Public Hospital 10

2.2 Quality 11

2.3 Expectations 12

2.4 Perceived Service Qualities 13

2.5 Disconfirmation 15

2.6 Customers (Patient) Satisfaction 18

2.6.1 Definition of Customers 18

2.6.2 Definition of Customers Satisfaction 19

2.7 Service Qualities 23
2.8.1 Definition of Service Qualities

2.8.2 Measurement of Service Qualities

2.8.2.1 Widely and Famous Approach

2.8.2.2 SERVQUAL Dimension

2.8.2.3 Others SERVQUAL Dimension

2.8.2.4 Important of Service Qualities

2.8.2.5 Service Gaps

2.9 Conclusions

CHAPTER 3 : RESEARCH METHODOLOGY

3.0 Introduction

3.1 Research design

3.2 Population and Sampling

3.3 Measurement and Instrumentation

3.4 Data collection

3.4.1 Primary Data

3.4.2 Secondary Data

3.5 Data analysis

3.5.1 Frequency

3.5.2 Mean

3.5.3 Paired Samples T-Test

3.5.4 Factor Analysis
3.6 Variables Used for This Study

3.6.1 Tangibles Dimension

3.6.2 Responsiveness Dimension

3.6.3 Reliability Dimension

3.6.4 Assurance Dimension

3.6.5 Empathy Dimension

3.6.6 Religion Dimension

3.6.7 Dignity

3.7 Hypothesis

3.8 Conclusions

CHAPTER 4: FINDINGS

4.0 Introduction

4.4 Conclusions

CHAPTER 5: RESEARCH DISCUSSIONS

5.0 Introduction

5.1 Discuss Service Gaps of The Services Provided by Kelantan Public Hospitals

5.2 Discuss Overall High and Low In Outpatients Expectation provided By Kelantan Hospitals

5.2.1 Highest Expectations

5.2.2 Lowest Expectations

5.3 Discuss Critical SERVQUAL Dimension Quality of The Services Provided by Kelantan Hospitals

5.4 Conclusions
CHAPTER 6: CONCLUSIONS AND SUGGESTIONS

6.0 Introduction 69
6.1 Conclusion 69
6.2 Suggestions 70
   6.2.1 Active ‘Day With Customers’ Programme 70
   6.2.2 Improve Functional Aspect 70
   6.2.3 Improve Technical Aspect 71
   6.2.4 Recruitment More Medical Practitioner 72
   6.2.5 Revise Service Guarantee 72
   6.2.6 Monitors Service Qualities At These Hospitals 73
   6.2.7 Used Technology 73

6.3 Limitation 73
6.4 Future Research 74
6.5 Conclusion 74
Appendix 75
References 81
List of Tables

4.1.1 Analysis of The Questionnaire Result 39
4.2.1 Reliability Test (Expectation) 40
4.2.2 Reliability Test (Perceive) 40
4.3.1 Respondents Demographic Profile 41
4.3.2 Pair T-Test for Service Quality Attribute 43
4.3.3 Analysis Overall Service Gaps 47
4.3.4: The Five Highest Mean Expectations 48
4.3.5: The Five Lowest Mean Expectations 48
4.3.6: The Five Highest Mean Perceptions 49
4.3.7: The Five Lowest Mean Perceptions 49
4.3.8: The Five Largest Service Gaps 50
4.3.9: The Five Smallest Service Gaps 50
4.3.10: Analysis Dimension by Ranking 51
4.3.11: Analysis Critical Dimension 52
4.3.12: KMO and Barlett’s Test 53
4.3.13: Total Variance 54
4.3.14: Rotated Components Matrix for Outpatients Satisfaction 56
List of Figure

Figure 1: Service Quality Model 9
Figure 2: Bar Chart Service Gaps by Dimension 53
Figure 3: Scree Plot Test 55
CHAPTER I

INTRODUCTION

1.0 INTRODUCTION

In the healthcare industry, hospitals provide the same types of service, not provide the same quality of service (Youssef et al., 1996). This is the excitement of service qualities compare to product qualities. Service qualities have four characteristics, which is, heterogeneity, tangibility, inseparability and perishability. Since one of the main goals of health care organization is to meet and exceed customer expectation, improving levels of patient satisfaction is very critical for their long term success. Service quality has been recognized as highly important for satisfying and retaining customers (Spreng et al., 1996; Reichheld and Sasser, 1990). Service organizations seeking sustainable competitive advantage should therefore pay more attention to service quality improvement (Jun et al., 1998). Both government and private hospital have to practice a good quality of service. In Malaysia, The Ministry of Health Malaysia (MOH) principally provides public healthcare in Malaysia.

According to Vinagre and Neves (2002), public services cannot detach from this general concern, mostly because they act on the socio-economic level and serve individuals and organizations that need adequate, timely and effective responses. According to Sarji (1996) they are having moral responsibility to be fully accountable for the efficient use of public resources while in the same time, focusing on customer's
satisfaction. The patient has the right to get complete services even it is public or private service provider.

In Malaysia, public hospital is the primary option compared to the private hospital. This is because of the cost factor. Beside that, public hospital’s priority is people who live in the rural area. ‘public hospital’ or ‘hospital kerajaan’ is very synonym to almost all Malaysian and also a chosen one no matter how the quality delivers.

Service quality is totally different compare to product quality. In this case hospital service quality is an elusive and distinctive construct. It can be defined from several perspectives. According to Bergman and Klefsjo, (1994, p. 16) the ability to satisfy the needs and expectations of the customer depend on the totality of features and characteristics of the product or service that bear on its ability to satisfy given needs (Evans and Lindsay, 1996, p. 15).

Customers perceived a service as a good quality it meets (or exceeds) their expectation. A good service quality is the main factor of customer’s loyalty to the same providers’ and spread more favorable “word of mouth” recommendations (Youssef, 1996). Regarding satisfaction or intentional behavior, as in previous studies (Bendall-Lyon and Power, 2004) satisfaction is found to positively affect patient intentional behavior. But it differs when customers perceive service quality less than their expectation. These will affect their perception and make them feel dissatisfied. It also shows that there is a service quality gap in the service delivery process. For example, patient estimated, waiting time is 15 minutes for each treatment and they will have negative judgment if it exceeds that limit. Normally patients have their own indicator that guides their perception of service quality. In Malaysia, media plays a critical role as a
medium for customer to express their complaint or feedback on any particular service. Newspaper and television is an example of medium for customer to express their problems.

Lim et al., (1998) asserted that, patient complaints can do much more than merely reflect dissatisfaction with the service provided. Service provider should take this opportunity to increase their level of good services to compete with other public hospital. However, Lewis and Booms (1983) reported that, believed service quality to be a measure of how well the service matches customers' expectations. Gronroos (1984) stresses that, perceived service quality result from what consumers receive and how they receive it. Webster (1989) defines, service quality as a measurement of how well the service delivered matches customer's expectations on a consistent basis. Parasuraman et al., (1985) defined, service quality as 'perceived by customers and stems from a comparison of their expectations of the services they will receive with their perceptions of the performance of the service provider'.

To measure customer satisfaction with different aspects of service quality, Parasuraman et al., (1985) developed, a survey research instrument called SERVQUAL. This instrument requires respondents to rate a series of statements in a designed scales, which measure their expectations of a particular company on a wide array of specific service issues. Subsequently they are asked to record perceptions of that company's performance on those same characteristics. When perceived performance ratings are lower than expectations, this is a sign of poor quality. SERVQUAL would be explaining detail in literature review. Simply, service quality in health care is now important.
Presently, patient questionnaires and customer complaint systems are widely applied for user orientation in health care systems and hospitals respectively (Castle et al., 2005).

1.1 PROBLEM STATEMENT

According to Lim et al., (1999) on patients' expectations and perceptions on Singapore hospitals' service quality revealed that service quality is generally below patients' expectations. Lim and Tang (2000) stated that, 40 percent of the respondents have rated the service quality poor or very poor. This is also true in the USA, where in 1993, although more than 40 per cent of US Joint Commission on Accreditation of Healthcare Organizations hospitals have adopted some aspect of a quality improvement program (Reeves and Bednar, 1993) critics contend that the quality experiences of most of these hospitals have been less than satisfactory (Nance, 1995). The reasons behind this include: physicians' attitudes, short-term orientation of administrators (Geber, 1992), resistance by physicians, nurses and other staff (Morrison and Heineke, 1992; Boerstler et al., 1996). Hospital government shown that patient has bad perception toward healthcare service provider. It reflect how service quality at public hospitals worth. Here, understanding the expectations of the customer is not an easy task. It is because, customers do not really know what they want and do not tell directly what they want. Customers satisfaction is not easy to define unless through some sort of measurement.
1.2 BACKGROUND OF THIS STUDY

1.2.1 Hospital Profile

Hospital Raja Perempuan Zainab II, (HRPZ II) is located at center of Kota Bharu District. It has been awarded International Standard Organization (ISO) from Moody International (M) Sdn. Bhd. certification for provision of patient by all department and units. This hospital has also won so many competition both internationally level and locally. This hospital is very famous among Kelantan citizen, because HRPZII is referred hospital for Kelantan and Terengganu.

There is also another public hospital which is Hospital Universiti Sains Malaysia (HUSM) located at Kota Bharu District. The distance between HRPZII and HUSM is 35 minutes depending on traffic condition. HUSM is not just a hospital but is also a faculty of medicine Universiti Sains Malaysia for Medical study. Interesting about HUSM is not fully government holder. It is portion equity between government and private. That is the main reason why the charges are quite high compare to a public hospital, but the charge still is controlled by government.

Other hospital formed in Kelantan is Hospital Tanah Merah (HTM), located at Tanah Merah District. It is in a rural area. It is about 1 hour and 30 minutes drove from Kota Bharu district depending on traffic condition. The interesting fact about this hospital, it is located peak of hill or it called ‘hospital atas bukit’ by local citizen. Finally, is Hospital Pasir Mas (HPM) which is located at Pasir Mas District. It takes 45 minute from Kota Bharu district, this is small hospitals for this district.
1.3 RESEARCH OBJECTIVE

1.3.1 General Objectives

The general objective is to investigate outpatients' satisfaction on Kelantan Public Hospitals. Outpatients perceptions and expectations on quality of care are critical to understand the by service provider, because it will effect the outpatients loyalty if the perception is below their expectations. In general, it is important to the services provider to understand the combination of the term patient 'expectation' and 'perception' to ensure that public hospital achieve their objectives.

1.3.2 Specific Objectives

In today's highly competitive healthcare environment, hospitals increasingly realize the need to focus on service quality as a means to improve their competitive position. Outpatients perceptions of service quality therefore play an important role when choosing a hospital. This paper attempts:

i) **to determine** there existence of service quality gaps,

ii) **to examine** customer lowest and the highest expectation,

iii) **to identify** several critical quality dimension,
1.4 Importance of This Study

This research can help to all party either Kelantan public hospitals, Malaysia Ministry of Health (MMOH) other party from service quality department for further research and as references. Customers’ satisfaction toward services is different where it needs to use particular measurement, for example SERVQUAL approach, where five dimension tangibility, reliability, responsive, assurance and empathy dimension. This study applies the principal created by Parasuraman, where it ideally measure customers’ satisfaction at Kelantan Public Hospitals. It proves that using this approach can identify customers’ satisfaction with effectiveness and efficiency. So that this research is able to help interested party to get clear picture and more detail about SERVQUAL approach.

Service quality (SQ) has become an important research topic because of its apparent relationship to customers’ satisfaction (Bolton and Drew, 1991: Boulding et al., 1993).

Satisfactions and perception always changes, because human is never satisfied with what they have. They were thought as excellent services before it is not a guarantee for today’s service. This is effect from the heterogeneity. So this study is important to know the current patient expectation and satisfaction at Hospital Raja Perempuan Zainab II, Kota Bharu (HRPZ II), Hospitals Tanah Merah (HTM), Hospitals University Sains Malaysia (HUSM) and Hospitals Pasir Mas (HPM). From the results it is found there is a small disparity or service gaps between expectation and customers perception toward health services. So that this research that can give the real situation about the level of customers needs in Kelantan Public Hospitals to Malaysia Ministry of Health (MOH) to take more prevent future plan.
This study can become a starting point in measuring the level of service quality at public hospitals in Malaysia. The result from this study may provide inspirations to the practitioners in medical sector to continue to do research in more details. This is important because if they don’t knowing about outpatients satisfaction to their services, so may help them improve their services. This study provides step by step process to examine outpatients satisfaction that is easy to follow.

The rationale of this research is to provide a picture of reality, on what outpatients wanted from hospital services and also identify the critical dimension needed to make improvement. The hospital attendants do not understand or do not want to understand patients’ needs. The research outcomes or result and opinion can be used in future research as a step to increase quality services.

In addition, this research can also provide a place for patient to voice out their perception toward the service quality at Public Hospitals. Even though Malaysia has the Malaysian Society for Quality in Health (MSQH) it is not enough, it needs internal audit. This study can become a platform to them for become an external audit forward public hospital.
1.5 Conceptual Framework

![Diagram showing the relationship between Expected Service, Service Gaps, Perceived Service, and Good, Satisfy, Poor categories.]

- Tangibles
- Responsive
- Reliability
- Empathy
- Assurance
- Accessibility & Affordability
- Religion
- Dignity

Figure 1: Service Quality Model
Sources: Parasuraman (1985)
2.0 Introduction

This chapter shows previous research that has been done by other researchers on similar issues. It can be used to support this study and indirectly act as a guide for the researcher to conduct this research smoothly.

2.1 Public Hospital

According to (Andnrlis et al., 1996):

"The public hospital mission is primarily to provide health care services to all persons in the community. To a large extent, such care is provided to individuals who, for reasons relating to poverty, social circumstances, health (including mental health) status, employment, race, and culture, make up the community's most vulnerable populations".

In Malaysia, Public Hospitals are very important to its citizens where normally, the medical cost is subsidized by government.
2.2 Quality

The word ‘quality’ shows that it is about a set of standards established by the organization to achieve their vision and mission. Quality is considered as a critical determinant of firm competitiveness and long-term profitability of both service and manufacturing organizations. It is a complicated and distinct concept (Gronroos, 2000). Examples of familiar quality approach like International Standard for Quality Management (ISO 9000:2000), EFQM, Balanced Scorecard, Six Sigma and Service quality but for this study the researcher would use’s service quality framework. In recent years, SERVQUAL has frequently been used to measure customer satisfaction (Harvey, 1998; Curry and Sinclair, 2002; Van Der Wal et al., 2002; Gabbie and O’Neill, 1997).

Different industry and organization has different point of view depending on their objectives respectively. The term of quality is very broad. According to Bergman and Klefsjo (1994, p. 16) the ability to satisfy the needs and expectations of the customer. While Evans and Lindsay (1996, p.15) reported that, the totality of features and characteristics of a product or service that bear on its ability to satisfy given needs. In addition, Vinagre and Neves (2002) quality is believed to be determined more by external cues likes price and reputation.

In Malaysia the quality of health care is controlled by Malaysia Ministry of Health (MOH). Many healthcare organizations are beginning to recognize that quality is needed for survival (Mohanty and Lakhe, 2002). It is difficult for the public to fulfill the medical requirements outlined by the World Health Organization (WHO).

Quality management has emerged not only as the most significant and long-term strategy for ensuring the survival of organizations but also leads services to business
excellence (Rose et al., 2004). That is why quality cannot be played easily or overrated. When service provider affords to provide high quality services to customers, they should always work hard to maintain and always find new strategy to be better. Public hospital is trying to win over many competitions in order to increase image and highlight high level of qualities services. To retain customers and entice new ones a company needs to focus on providing value to the customer and that too in a manner that is more effective than that of its competitors. This has been compounded by increasing patient expectation as consumers become increasingly critical about service experiences (Lam, 1997; Lewis and Mitchell, 1994).

Healthcare industries realize that, the needs of health care services should go along with the quality of hospital services. Meanwhile Radhika et al. (2007) stated that, having a strong healthcare system in place will enable healthcare providers to deliver better quality and value to patients. Gronroos (2000) stresses that, the term of quality is complicated and is an indistinct concept.

2.3 Expectations

"Expectation" is the wants of the customers that they feel a service provider should offer. The term expectation is really wide in meaning and use. Patients as customers, generates expectation always associated with satisfaction. Quality expectation is customer's expectation in term of the quality services (Fornell, 1992; Anderson and Sullivan, 1993). Inseparability of production and consumption requires the presence of both consumer and service provider during the delivery process, and evaluations of quality of performance are made at this stage (Parasuraman et al., 1985). In terms of
time spent on medical care, these might be the costs to be incurred and the expected pain (Noyes et al., 1974).

2.4 Perceived Service Quality

Lim and Tang (2000) reported that, ‘perception’ refers to the outpatients evaluation of the service provider. In addition Zeithamal (1988) consumer judgment about a product’s overall excellence or superiority is based on perception of what is received and what is given by the service provider. Gronroos (1984, p. 37) defined, the perceive quality as,'...the result of an evaluation process [in which] the consumer compares his expectation with his perception of the service receives'.

Outpatients would be happy when performance or services is equal with their expectation, because when outpatients satisfied, they tend to continue to go to the same provider Outpatients are likely to avoid the services that are costly in fulfilling their needs. Several studies have attempted to identify the factors that outpatients consider when evaluating service quality. Gronroos (1984) classified, these dimension into two categories :

1) ‘functional quality’ (the process of services delivery) and
2) ‘technical quality’ (what customers actually receive from the service).

Technical or clinical quality in healthcare is defined on the basis of the accuracy of medical diagnoses and procedures or conformance to professional specifications (Lam, 1997). Besides that, functional quality can be defined by factors such as doctors’ and
nurses’ attitudes towards patients, cleanliness of facilities, and the quality of hospital food (Mangold and Babakus, 1991; Casarreal, et al., 1986). In the health care sector, patients’ perception of service quality greatly influences choice of health care provider (Woodside et al., 1989). The powers of functionality quality are becoming more important and stressful. Although public hospitals are successful in the technicalities aspect, if the functionality aspect is bad therefore it will lead to the failure of service delivery. For example, hospital have rules and regulation to all their practitioner, nurse and MA and clearly defined job description, but if them do not do the job with competence and efficiency the service cannot be fully enjoyed by patient. Therefore, to satisfy the patients need, functionality and technically must go along together to provide better service.

Nowadays, customers are brilliant to build their perception about the product or service they experience because customers have so many service provider. It gives the opportunity to customers to build perception, then make evaluation either satisfy or not. As said early if customers are dissatisfied this is the chance for them to switch. Yusoff (2002) stress that, typical complaints are long waiting times, high costs and unfriendly, apathetic and uncaring attitudes of staff. The right to purchase services from any hospital that provides quality services for their patients (Tomes and Ng, 1995).

Deep understanding is really needed because this is proven by other researchers in other country. Study on Bangladesh, (Andaleeb, 1999) and China, (Yip et al., 1998) shows that, the perceived quality of health care services has a strong impact on utilization patterns. Quality has proven to be a vital element in the consumer’s choice of hospitals (Lynch and Schuler, 1990). Service provider should not understate consumer perceived.
The excellent company is concerned about customer's critics and suggestion. Assert that patient complaint can do much more than mere reflect dissatisfy with service provided (Lim et al., 1998). In order to compete with other public hospitals and private hospitals, they have to increase their credibility and efficiency. It is critical to increase credibility and efficiency. In addition suitable with Malaysia as develop country, so increasing quality must do it to achieve with requirement.

Even health care industry, management department should practice and make it suitable analyze the services process in many way and thing. For example information technology (IT), it looks very paramount at all health services. That why when internet is having problems, all system is down because it cannot make networking. Studies have shown that actual or perceived lack of information has been identified as a major dissatisfaction factor for hospitalized patients (Mc Coll et al., 1996). But not at the entire researcher consensus about need service provider understand customers perception because researcher have different finding about their studies. Besides that, Guven-Uslu, (2005) patient and their expectation have not been largely considered in designing benchmarking system in most economies. This is support with by Eraqi (2006) reported that, in services of tourism in Egypt it has been found that both internal and external customer's satisfaction has been considered to only a limited extent in providing quality tourism services.

2.5 Disconfirmation

The most widely used and accepted satisfaction theory raised from the outpatients behavior literature is the disconfirmation theory (Bolton and Drew, 1991; Churchill and