



# Private healthcare quality: applying a SERVQUAL model

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## Abstract

**Purpose** – This paper seeks to develop and test the SERVQUAL model scale for measuring Malaysian private health service quality.

**Design/methodology/approach** – The study consists of 340 randomly selected participants visiting a private healthcare facility during a three-month data collection period. Data were analyzed using means, correlations, principal component and confirmatory factor analysis to establish the modified SERVQUAL scale's reliability, underlying dimensionality and convergent, discriminant validity.

**Findings** – Results indicate a moderate negative quality gap for overall Malaysian private healthcare service quality. Results also indicate a moderate negative quality gap on each service quality scale dimension. However, scale development analysis yielded excellent results, which can be used in wider healthcare policy and practice.

**Research limitations/implications** – Respondents were skewed towards a younger population, causing concern that the results might not represent all Malaysian age groups.

**Originality/value** – The study's major contribution is that it offers a way to assess private healthcare service quality. Second, it successfully develops a scale that can be used to measure health service quality in Malaysian contexts.

**Keywords** SERVQUAL, Health services sector, Malaysia

**Paper type** Research paper

## Introduction

Malaysia is a multiethnic society with more than 24 million people including Malays, Chinese, Indians and numerous indigenous communities living side-by-side (Anonymous, 2006). Despite the country's astonishing economic growth in the last two decades, the Malaysian healthcare sector is still developing. Currently 117 public and 224 private hospitals operate (Elaine, 2003). The Malaysian government spends around 3 per cent of its Gross Domestic Product (GDP) on healthcare, considerably lower than other developing countries in the region. Although the Malaysian government continuously allocates funds to improve its public healthcare infrastructure, others allege that government officials indirectly encouraged the private sector by allocating insufficient funds for the public sector healthcare (Ramesh and Wu, 2008). In comparison to neighboring countries such as Thailand, with highly state funded public health sector, the Malaysian government has managed to maintain a balance between private and public healthcare. Malaysia has achieved this balance mainly through gradually reducing public hospital funds, while avoiding any political backlash (Ramesh and Wu, 2008). This has resulted into significant private healthcare provider growth particularly in urban areas.

Today, private healthcare plays a significant role in Malaysian overall healthcare sector growth. This is also evident by recent growth projections – that Malaysian

