PERCEIVED SERVICE QUALITY AND SATISFACTION IN A PRIVATE HOSPITAL IN CAVITE: ADOPTING THE SERVQUAL MODEL FROM THE PERSPECTIVES OF PATIENTS AND HEALTH CARE PROVIDERS

A Thesis
Presented to the Faculty of the
Graduate Studies in Business
De La Salle University-Dasmariñas
Dasmariñas City, Cavite

In Partial Fulfillment of the Requirements for the Degree of Master in Business Administration

MARIBEL O. CASIDSID

February 2012

ABSTRACT

CASIDSID, M, O., Perceived Service Quality and Satisfaction in a Private Hospital in Cavite: Adopting the SERVQUAL Model from the Perspectives of Patients and Health Care Providers. Master in Business Administration, De La Salle University-Dasmariñas City, Cavite, February 2012. Adviser: Dr. Alice T. Valerio.

This study evaluated the perceived service quality and satisfaction of the patients and health care providers in the Private Hospital in Cavite by measuring the gap between the expected and the perceived actual service delivered. SERVQUAL instrument developed by Parasuraman et al. (1988) with the six service quality dimensions such as tangibles, reliability, assurance, responsiveness, empathy, and affordability was used to measure the perceived service quality of the Hospital and vis-a-vis it to overall satisfaction. While it is true that it is the patients' view that is most relevant for any service provider, however mismatch in the way the patients and their providers perceived the services might put any service provider to grim. Hence, a closely held understanding of one's service from the perspectives of the user and provider would be beneficial in closing the consumer gap (expectation-perception).

The study used three research designs such as descriptive, causal/explanatory and comparative research designs. Data were gathered using a self-administered questionnaires and interviews. Convenience sampling method was used in the selection of respondents. The sample sizes of 600 patients and 272 health care providers were determined using Tukey's sample size formula.

In analyzing the weighted mean of the service quality gap of patients, result revealed that affordability and responsiveness dimensions were the most critical dimensions for the patients. SERVQUAL analysis also posed that "waiting time of not more than one hour" was the statement that has the largest gap for both patients and provider. On the other hand, assurance and empathy dimensions received the highest perception score of "good" from both respondents.

Using chi-square and spearman's correlation, mean differences in the expectation and perception of the respondents were analyzed to identify the significant relationship of perceived service quality to overall satisfaction. It reveals that perceived service quality in all dimensions was significantly related with positive correlation to overall satisfaction for both perspectives. It revealed that affordability dimension (patient's perspective) and tangibles (provider's perspective) dimension had highly significant relationship towards overall satisfaction.

Using analysis of variance (ANOVA) and *t* test, it revealed that service category, age, educational attainment, job position, estimated household income, and healthcare insurance have a significant difference in the perceived service quality of patients. On the other hand, only "position" factor from the perspective of the provider had a significant difference in the level of perceived service quality for the provider.

Views and opinion of the patients from the perception of the service quality of the Hospital as well as matching the priorities of the providers with the patients on the six service quality dimensions can assist management and policy makers in designing, implementing, and evaluating services, which in turn, can assist the improvement and delivery of total quality healthcare to better realize what the total quality management the Private Hospital is holding onto.



TABLE OF CONTENTS

	Page
TITLE PAGE	i
DEED OF DECLARATION	ii
BIOGRAPHICAL SKETCH	iv
ACKNOWLEDGMENT	vi
ABSTRACT	vii
TABLE OF CONTENTS	xi
LIST OF TABLES	xiv
LIST OF FIGURE	xix
LIST OF APPENDIXES	XX
INTRODUCTION	1
Background of the Study	4
Statement of the Problem	10
Objectives of the Study	12
Hypotheses of the Study	14
Significance of the Study	14
Scope and Limitations of the Study	17
Definition of Terms	18
REVIEW OF RELATED LITERATURE	22

Understanding Service Quality	23
Service quality	23
Dimensions of service quality	24
Sources of customer expectations	26
Measuring service quality	28
Perceived service quality / service quality gap	32
Customer / Patient Satisfaction	34
Relationship of Service Quality and Patient Satisfaction	40
Impact of Different Profiles on Service Quality Perception and Satisfaction	42
Health Care Services in a Private hospital	48
FRAMEWORK OF THE STUDY	53
Theoretical Framework	53
Conceptual Framework	55
Service quality	55
SERVQUAL model	57
METHODOLOGY	61
Research Design	61
Time and Place of the Study	61
Instruments	62
Sampling Procedure	64
Data Collection	65

Methods of Analysis	66
RESULTS AND DISCUSSION	
Profile of Patient-Respondents	70
SERVQUAL Score Result (Patients)	77
Perceived Service Quality (SQ Gap) Relationship to Providers Satisfaction (Patient)	93
Comparison of Perceived Service Quality According to Patient-Respondents Profile	105
Profile of the Health Care Providers	130
SERVQUAL Score Result (Providers)	133
Perceived Service Quality (SQ Gap) Relationship to Providers Satisfaction (Providers)	148
Comparison of Perceived Service Quality According to Provider-Respondents Profile	166
SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS	169
REFERENCES	186
APPENDIXES	197

LIST OF TABLES

Table		Page
1	Distribution of patient-respondents of the study	64
2	Distribution of patient-respondents of the study	65
3	Personal- and health-related profile of patients in the Private Hospital	71
4	Adjectival rating of expectation and perception mean scores.	78
5	Descriptive statistics of patients expectations (E) (n=600)	79
6 (a) 6 (b)	The five statements with the highest expectations The five statements with the lowest expectations	81 81
7	Descriptive statistics of patients of mean perception of actual service (P) (n=600)	82
8 (a) 8 (b)	The five statements with the highest perceptions The five statements with the lowest perceptions	84 84
9	Adjectival rating of perceived quality / SQ gap score	86
10	Descriptive Statistics of Patients' Perceived Service Quality Gap (SQ Gap) (N=600)	87
11 (a) 11 (b)	The five statements with the largest SQ gap The five statements with the smallest SQ gap	88 88
12	SERVQUAL scores for 26 statements grouped into 6 dimensions	90
13	Unweighted mean SERVQUAL score	92

Table	
14	Weighted mean SERVQUAL score
15	Crosstabulation of tangibles dimension with level of satisfaction
16	Crosstabulation of reliability dimension with level of satisfaction
17	Crosstabulation of responsiveness dimension with level of satisfaction
18	Crosstabulation of assurance dimension with level of satisfaction
19	Crosstabulation of empathy dimension with level of satisfaction
20	Crosstabulation of affordability dimension with level of satisfaction
21	Comparison of chi-square test result and correlation for each dimension
22	Perceived service quality/service quality gap when grouped according to patient type
23	Perceived service quality/service quality gap when grouped according to service category (patients)
24	Perceived service quality/service quality gap when grouped according to gender (patients)
25	Perceived service quality/service quality gap when grouped according to age
26	Perceived service quality/service quality gap when grouped according to civil status (patients)
27	Perceived service quality/service quality gap when grouped according to educational attainment

Table		Page
28	Perceived service quality/service quality gap when grouped according to household size	118
29	Perceived service quality/service quality gap when grouped according to job position (patients)	119
30	Perceived service quality/service quality gap when grouped according to estimated household income	121
31	Perceived service quality/service quality gap when grouped according to health insurance	124
32	Perceived service quality/service quality gap when grouped according to ailment category	126
33	Perceived service quality/service quality gap when grouped according to frequency of availment of hospital services	129
34	Personal-related profile of providers in the Private Hospital	131
35	Descriptive statistics of providers' mean expectation (n=272)	134
36 (a)	The five statements with the highest expectations (provider)	136
36 (b)	The five statements with the lowest expectations (providers)	136
37	Descriptive statistics of providers' mean perception of actual service (P) (n=272)	138
38 (a)	The five statements with the highest perceptions	139
38 (b)	(providers)	139
39	Descriptive statistics of providers' mean service quality gap (SQ Gap) (n=272)	141

Table		Page
40 (a) 40 (b)	The five statements with the largest SQ gap The five statements with the smallest SQ gap	142 142
41	Providers' SERVQUAL scores for 26 statements grouped into six dimensions	144
42	Providers' unweighted mean SERVQUAL score	146
43	Providers' weighted mean SERVQUAL score	147
44	Crosstabulation of tangibles dimension with level of satisfaction	149
45	Crosstabulation of reliability dimension with level of satisfaction	151
46	Crosstabulation of responsiveness dimension crosstab with level of satisfaction	152
47	Crosstabulation of assurance dimension crosstab with level of satisfaction	154
48	Crosstabulation of empathy dimension crosstab with level of satisfaction	155
49	Crosstabulation of affordability dimension crosstab with level satisfaction	157
50	Comparison of chi-square test result and correlation for each dimension (providers)	159
51	Perceived service quality/service quality gap when grouped according to job position (providers)	160
52	Perceived service quality/service quality gap when grouped according to gender (providers)	162
53	Perceived service quality/service quality gap when grouped according to age (providers)	164

Гable		Page
54	Perceived service quality/Service quality gap when grouped according to civil status (providers)	165
55	Perceived service quality/service quality gap when grouped according to years of service (providers)	167
56	Comparison in the perceived service quality (SQ gap) of patients and providers	168



LIST OF FIGURE

Figure		Page
1	Conceptual framework showing the service quality gap	
	based on the six service quality dimensions	60



LIST OF APPENDIXES

Appendix		Page
1	Complete service quality gap model survey	198
2	Distribution of patient-respondents by age	199
3	Distribution of patient-respondents by civil status	199
4	Distribution of patient-respondents by educational attainment	200
5	Distribution of patient-respondents by household size	200
6	Distribution of patient-respondents by job position	201
7	Distribution of patient-respondents by estimated household income	201
8	Distribution of patient-respondents by health insurance	202
9	Distribution of patient-respondents by ailment category	202
10	Distribution of patient-respondents by frequency of availment of Hospital services	203
11	Mean expectation of patient-respondents	203
12	Mean perception of patient-respondents	204
13	SERVQUAL score result of patient-respondents	204
14	Unweighted SERVQUAL score result of patient-Respondents	205
15	Weighted SERVQUAL score results of patient-respondents	205
16	Distribution of provider-respondents by Position	206

Appendix		Page
17	Distribution of provider-respondents by age	206
18	Distribution of provider-respondents by number of years in service	207
19	Mean expectation of provider-respondents	207
20	Mean perception of provider-respondents	208
21	SERVQUAL score result of provider-respondents	208
22	Unweighted SQ gap score of provider-respondents	209
23	Weighted SQ gap score of provider-respondents	209
24	Comparison in the SQ gap mean score of patients and providers	210
25	Survey questionnaires for patient-respondents	211
26	Survey questionnaires for provider-respondents	216
27	Private hospital's inpatients and outpatients census 2010.	221
28	Approved request letter sent to the Vice Chancellor for Hospital Operations of the Private Hospital	222
29	Approved request letter sent to the Human Resource Department of the Private Hospital	223
30	Request letter sent to the Bioethics Committee of the Private Hospital	224
31	Approved letter sent to the Bioethics Committee of the Private Hospital	225
32	Comments and suggestions from the patients	227
33	Comments and suggestions from the providers	238

Appendix		Page
34	Certification of English Editor	243

