UNIVERSITI TEKNOLOGI MARA

RELATIONSHIP BETWEEN SERVICE QUALITY, SERVICESCAPE AND OUTPATIENT SATISFACTION: A CASE OF KUCHING SPECIALIST HOSPITAL

ROWENA CLIFFTON NANDY MARLINA BINTI SAAR SITI MAHERAN BINTI ISKANDAR

Dissertation submitted in partial fulfillment of the requirements for the degree of

Master of Business Administration

Faculty of Business Management

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AUTHORS' DECLARATION

I declare that the work in this dissertation was carried out in accordance with the regulations of Universiti Teknologi MARA. It is original and is the result of my own work, unless otherwise indicated or acknowledged as referenced work. This dissertation has not been submitted to any other academic institution or non-academic institution for any degree or qualification.

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Post Graduate, Universiti Teknologi MARA, regulating the conduct of my study and research.

Name of Student/ Student I.D. No. Rowena Cliffton (2011963833)

Nandy Marlina binti Saar (2011799945)

Siti Maheran binti Iskandar (2011390789)

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Signature of

Student

..... (Rowena Cliffton)

.....(Nandy Marlina binti Saar)

..... (Siti Maheran binti Iskandar)

Date

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ABSTRACT

Outpatients' satisfaction with the healthcare services is of great concern to healthcare providers. It is one of the key factors that can affect their healthcare seeking behaviours. These include the service quality which consists of quality of personnel, process of clinical care and administrative procedure in hospital and the servicescape which consists of infrastructure. The aim of the study is to examine the relationship between service quality, servicescape and outpatient satisfaction of services offers, to identify which factor is the most influenced towards outpatients' satisfaction when they get treatment and to identify which item is the most satisfied by outpatients when they get treatment in Kuching Specialist Hospital (KcSH). Thus, the study utilized data collected from 200 respondents (outpatient) through questionnaire as research instrument which conducted in KcSH (private hospital). It was found that there is a strong relationship between service quality; servicescape, and outpatient satisfaction of services offers in KcSH. Besides, process of clinical care is the most influenced factor contributed to patient's satisfaction. The most satisfied item in each factor is from personnel quality factor through which the outpatients were satisfied to be treated with courtesy and respect by hospital administrative staffs. It is recommended for hospital to maintain and improve the performance of clinical care process and the performance of treating the patient with courtesy and respect. The KcSH is also recommended to strive in order to maintain the high standard in keeping outpatients satisfied with the services they offered.

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CHAPTER ONE

INTRODUCTION

1.1 Overview

In this era of globalization, people are more concern on their health. The world's rising population and increasing standards of living have driven significant growth within the global healthcare services sector, as consumers have demanded better medical care to support their improving lifestyles. In the healthcare industry, quality of care is more than a concept. It has become essential to patient well-being and financial survival. Living a healthy lifestyle is important as it will help to keep and improving people's health and wellbeing. Therefore, health provider or healthcare industry plays vital roles in the overall wellbeing of their patients and bringing latest medicine to patients. Providing the best services or taking care of patients with respect, compassion and honesty are important to patients regardless of their cultural background.

The rapid growth of service sectors all over the world and the deregulation of many services industries have lead researchers with an interest in quality issues to the importance of acquiring more understanding about service quality. It is recognized that high quality service is essential for firms that want to be successful in their business (Parasuraman et al., 1998; Rust & Oliver, 1994). It leads to customer loyalty, higher profitability (Gundersen, Heide & Olsson, 1996) and the effect of offering lower cost. Most of the researchers have mentioned on service quality, customer satisfaction and customer loyalty are three elements that many services firms would gladly profess to be striving to provide to their customers. Meanwhile, some research indicates that these three concepts are quite distinct. Customer satisfaction or dissatisfaction results from experiencing a service quality encounter and comparing that encounter with what was expected (Oliver, 1980). Moreover, satisfaction assessments require