

Faculty of Administrative Science & Policy Studies Universiti Teknologi MARA

Title of Research A STUDY ON SERVICE QUALITY IN PUBLIC AND PRIVATE. CASE STUDY: SARAWAK GENERAL HOSPITAL AND NORMAH SPECIALIST CENTRE

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Abstract

This study compared the service quality provided by public and private hospitals, between Sarawak General Hospital and Normah Specialist Centre. The patient's perceptions were sought on five dimension of service quality including tangibility, reliability, responsiveness, empathy and assurance. The objective of this study is to determine the gap in service quality and to determine which service quality dimension is emphasized by the hospitals. This study is covered the outpatients of both hospitals. In the conclusion, factors analyzed revealed that there is significant difference in the service quality between the hospitals and the responsiveness dimension is the least dimension emphasized by the hospitals. Findings are important for the future researcher and policy makers.

CHAPTER 1

1.1 Introduction

In today's competitive environment, the role of service quality is widely recognized as being a critical determinant for the success of an organization. Any decline in customer satisfaction is due to poor service quality would be a matter of concern. Thus, consumers being more aware of rising standard in service prompted by competitive trends which have developed higher expectation of the customers.

Research has shown that delivering quality service has significant relationship with customer satisfaction (Boulding et al., 1993; Johns et al., 2004; Kara et al., 2005), customer retention (Reichheld and Sasser, 1990),loyalty (Boshoff and Gray, 2004;), costs (Wilson et al., 2008), profitability (Rust and Zahorik, 1993; Zeithaml etal., 1996), service guarantees (Kandampully and Butler, 2001) and financial performance (Buttle, 1996) of service businesses (Sohail, 2003).

This forced the businesses to develop a better understanding of what service quality meant to the customer and how it could best be measured (Parasuraman et al., 1985, 1988). Unlike products, where quality can be easily assessed, service quality is an elusive and abstract concept that is difficult to define and measure (Lee et al., 2000).

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

In spite of the growing important of service quality in the global economy, it remains an abstract construct that is difficult to define and measure. One of the challenges for services people is to fully understand what it takes to make and keep customers happy. Happy customers are likely to become loyal customers and the loyal customers are the foundation of the business (Gonecalves, 1998).

SERVICE

DEFINITIONS OF SERVICE

Several authors did defined service in a number of different ways for a number of different purposes.

Kotler (2000), defined service as any act or performance that one party can offer to another that is essential intangible and does not result the ownership of anything. Its production may or may not be tight to a physical product.

Whereas Lovelock (2001) defined service as an economic activities that create value and provide benefits for the customer at specific time and places as a result of bringing about a desired change in-or on behalf of recipient of the service.