Original Article Pol J Public Health 2019;129(3): 78-81

WIKTORIA DYJAS

Competitiveness of private specialist medical entities in the opinion of service recipients

Abstract

Introduction. The phenomenon of competitiveness and pressure of competitors that influence private medical institutions lead to the quest for new solutions on managing and defining determinants, which will provide advance of the institution over competing entities

Aim. The purpose of the study was to determine factors influencing competitiveness of a medical institution according to the beneficiaries.

Material and methods. The study group comprised 127 patients who used the services of private specialised medical institutions.

Results and conclusions. The phenomenon of competitiveness in chosen types of medical services was noticed by 69% (88) of beneficiaries. High quality of services 79% (100), short waiting time for appointments 70% (89) and competitive prices 55% (70) are the main determinants of the competitiveness of those institutions.

Keywords: Competitiveness, Competitive Health Plan, Healthcare Quality Assessment.

DOI: 10.2478/pjph-2019-0019

INTRODUCTION

Market of medical services in one of the most complex sector of the economy due to its socially sensitive nature. Sector of medical services is being constantly criticised, whereas health care is mainly perceived as continuously increasing cost incurred by the state and not as future beneficial investment in the society's health [1]. It is worth noting that it is about patients' good and providing high quality medical services.

In Poland in the 90's, social and economic reforms, which took place, led to changes in the system of health care. Model of public health insurance went into effect, and elements of market-based mechanism occurred. Social market economy is characterised by not being limited by state influence, which brings broad discretion in the activities and development.

Larger share of private medical entities and forming a price mechanism can be noticed on the market of medical services, which conduces to occurrence of competition of institutions. As a result, there are two co-operating sectors: public and private. Effectiveness of the public sector does not meet the needs of beneficiaries and increasing demand for medical services strengthens the private sector position. Private medical institutions give an opportunity to use extra medical services in comparison with limited potential of the public sector [2]. Consequently, the phenomenon of competitiveness between these two sectors arises. In the private sector, a patient uses offers prepared by a given entity and incurs material costs for medical services as a client, and in that non-public institutions create their own strategy and activities in order to extend competitiveness. Competition can be perceived as a process or state, in which entities of a given economic market want to achieve the same goals and as many benefits as possible. Consequently, it is also kind of fight of all contending parties for the same aim, at the cost of the weakest entity. Medical institutions, in which established strategy, managing skills and competition tactic are effective, are most likely to achieve stable position on the market. It is crucial to offer higher quality of services than other competing entities.

Employment of proper competing instruments will occur with smooth transition and understanding the idea of competitiveness. Competitiveness is an ability to compete, which means all the activities that will guarantee getting proper benefits for the entity, while more medical entities want to achieve the same goal. Competitiveness can be perceived as values, that guarantee attaining desired state, to keep constant development of organisation, sales and purchase with profit and to reassert shares of the entity. Another concept of this phenomenon indicates efficient adaptation of the organisation to the environment, principles and conditions of a given industry and free-market economy [3]. Broad definition of competitiveness leads to the need of precise establishment of planned strategy, where the sources of competitive advantage are determined. Adjusting offer to the clients' needs is crucial. Elements mentioned by the beneficiaries of private medical institutions are [4]:

- availability and execution time,
- image and reputation of the company,
- innovativeness,
- quality of services,
- price,
- position and shares on the market
- brand of products.

Department of Internal Medicine, Faculty of Health Sciences in Bytom, Medical University of Silesia, Katowice, Poland

The above components form the basis for activities leading to improvement of quality of the services, constant evolution on the market and getting to the largest target group. Beating competitors should not be the main goal [5].

AIM

The purpose of the study was to determine aspects influencing the competitiveness of a medical entity according to beneficiaries using services of private specialised medical institutions.

MATERIAL AND METHOD

The study was carried out on 127 patients aged from 21 to 70, using services of private specialised medical institutions. It consisted of 61% of women and 39% of men.

Authorial anonymous questionnaire was used. Participation in the survey was voluntary. The survey was carried out from April to May 2018.

Participants could use the option of completing the questionnaire by electronic means, which was chosen by 38% of the interviewees, while the other option was a traditional paper questionnaire and it was chosen by 62% of the interviewees. Data and calculations were analysed in Microsoft Excel 2010 programme.

RESULTS

Opinion about increasing competitiveness delivered by patients which should be noticed by the ones who manage private medical entities leads to the conclusion that quality of services of a given entity should be taken into consideration (Fig. 1). This factor was pointed out by 100 respondents. Waiting time for an appointment was the next factor pointed out by 89 patients. The last factor concerned competitive prices and was pointed out by 70 patients.

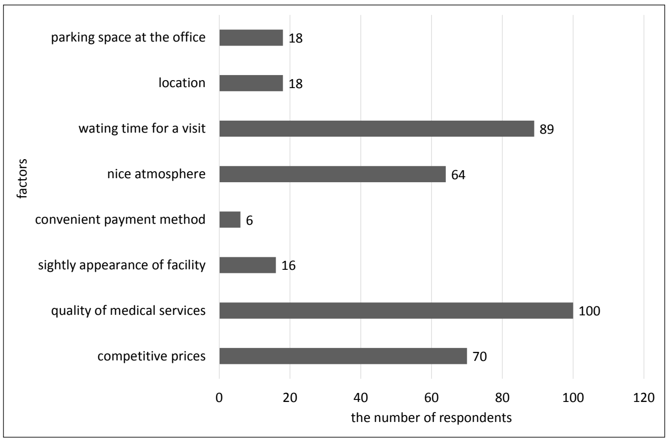

FIGURE 1. Factors influencing the increase in the competitiveness of health care entities.

Majority of interviewees states that the factor which has negative influence on the activity of entities is long waiting time. It was pointed out by 97 interviewees. Another crucial obstacle in attaining competitive advantage is negative opinion about doctors, mentioned by 86 interviewed patients. Problem with registering for an appointment was pointed out by 60% of interviewees. Another obstacle in achieving success is lack of modern equipment or insufficient high-tech medical equipment supply (55 interviewees), non-competitive prices (42 interviewees), lack of computerisation of the system (21 interviewees), and unaesthetic interior (20 interviewees).

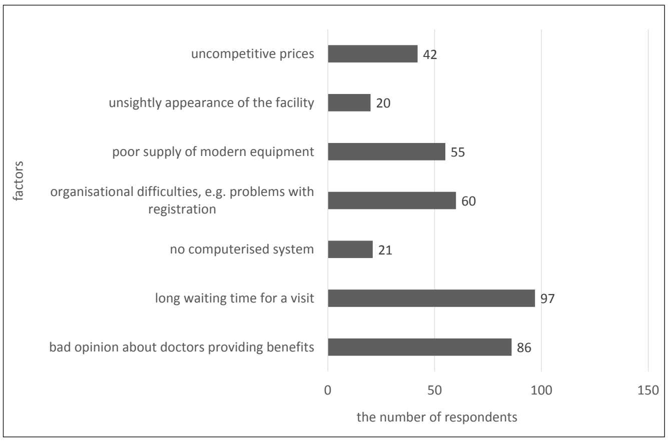

FIGURE 2. Factors hindering the success of the therapist.

More men – 56% (21 in their group) than women – 49% (42 in their group) described quality of services as good, whereas majority of both groups 52% (66 interviewees) generally described quality of services as good. For 32% (41) of patients, quality of services was very good, 13% (17) of patients described it as average, 2% (3) of them as bad and 1% (1) of interviewees described the quality of services in a given entity as very bad.

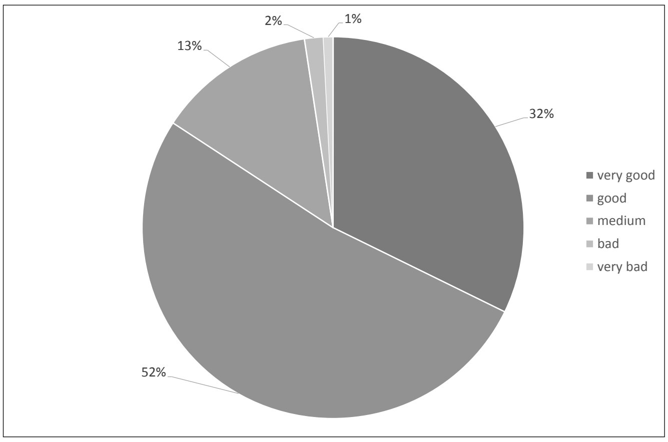

FIGURE 3. Evaluation of the quality of services provided.

Another factor that increases competitiveness is waiting time for an appointment. 11% (14) of interviewees described it as very good, 42% (53) of them as good and 37% (47) as average. 7% (9) of interviewees described waiting time as bad, and 5% (6) of them as very bad.

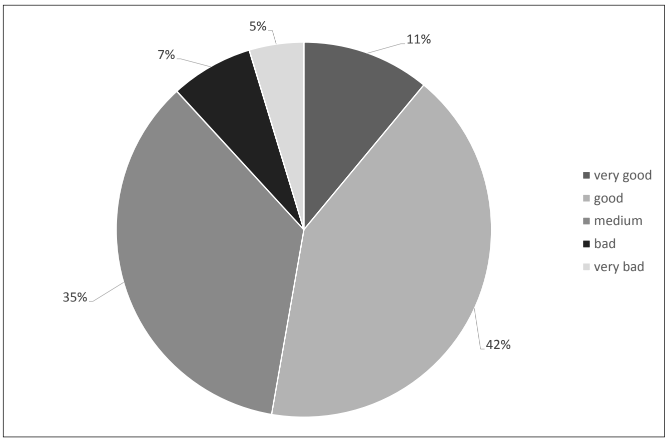

FIGURE 4. Time of waiting for a visit in the assessment of the respondents.

Costs of services were described as good by 52% (66) of interviewees, 38% (48) of them described it as average. Only 6% (8) of interviewees described the costs as very good, 3% (4) of them as bad and 1% (1) of them as very bad.

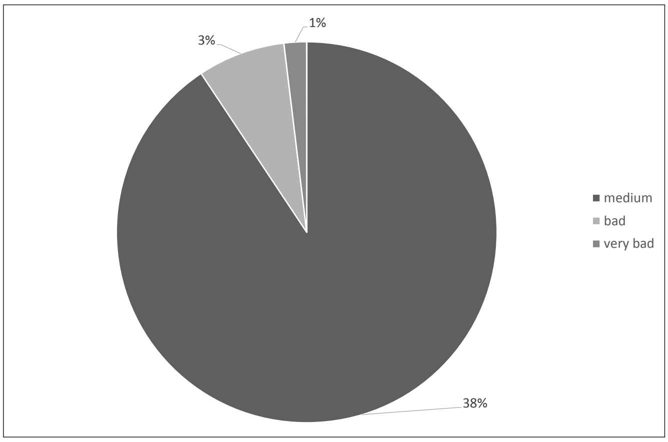

FIGURE 5. Evaluation of the prices offered in the selected therapeutic entity.

Using proper methods of management and activities concerning the image of an entity can guarantee the competitive advantage. According to majority of interviewees (80 beneficiaries), offering competitive price is an aspect that increases the advantage over other entities of the same industry. When it comes to 73 interviewees, they consider shorter waiting time for an appointment as this aspect and 73 interviewees point out the factor of high quality of services. Convenient opening hours (55 interviewees), specialised medical services (52 interviewees) and extending the offer of particular types of treatment (49 interviewees) are perceived as factors that guarantee the competitive advantage. Improving image of a worker, convenient location and parking place were rarely pointed out by the beneficiaries.

DISCUSSION

Conditions and situation on the health care market are dynamic. Changes of health care situation that take place, lead to gathering information and knowledge on new solutions of organisation and legal issues. Positive competition of participants of the health care market can guarantee better effectiveness of treatment, high quality of services and good organisation of medical entities. Presence of private system next to the public system guarantees faster and usually more expensive access to health care for the patients. Patients have to incur full or partial costs of treatment in the private sector. It can unburden the public sector [6].

People in charge of a private medical entity should create an organisation that focuses on current medical needs of a beneficiary, expectations of standards and offers, aesthetics of the place and satisfying duration of waiting time between the registration and the appointment. Some interviewees point out aspects such as reducing the risk of making mistakes, technical quality, improvement of the comfort of care as well as empathetic and dedicated personnel. The strategy of an organization is dependent upon the valuable resources and capabilities it possesses, and these resources may assist in establishing a competitive advantage over rival entities [7].

Health policy in the UK is patient-centered. In Thailand the most important priorities are quality, service provision, orientation to customer and know-how. In Portugal there is holistic healthcare. That means explored factors of value co-creation, available information, communication, and information availability to a patient. In the US, the essential priorities of the health care system are quality of well-being and cost effectiveness. In Norway, the following priorities of the health care system were acknowledged: severity of condition, effect, and cost-effectiveness. In Lithuania it is focused on meeting the patient expectations, patient satisfaction, and effective problem solving. Sources of competitiveness include a unified e-system throughout the country, improvement in the quality of services, improvement in tariff management of services provision of social services, and search for funding resources with an emphasis on innovations [8].

Results show that the phenomenon of competitiveness on the market of private specialised medical institutions is constantly increasing. According to patients, high quality of services, short waiting time and high qualifications of doctors are the determinants that should guarantee competitive advantage. Interpersonal competences in a given medical entity are also crucial. Patients more often focus on nice atmosphere and convenient location of a given entity. Modern furnishings and innovative medical equipment are other advantages of a medical entity. Activities that will guarantee strong position among contending entities should also be applied in competitive strategy [9].

Among all factors mentioned in the study, the price of medical services was pointed out as one of the three aspects influencing the value and position of an organisation. However, this factor was rarely described as a reason of resigning from the services or as an obstacle in gaining the competitive advantage. This factor is definitely not the reason for changing the medical entity. Specialists in health care field state that this market is based on a price as its fundamental aspect, but from the standpoint of consumers, competition gives range of quality, reputation and experience [10]. Another conclusion is that unfavourable opinion about doctors is another obstacle in achieving success. At present, it is easy to gather information about the level of satisfaction of patients due to general access to information.

Due to sensitive nature of the field of medical entities, determining costs of services is not easy. Patients are willing to incur costs when it comes to their own health or health of their relatives, although they do not describe the prices as very good. Despite the fact that high price is not the main obstacle in achieving the competitive advantage, the ones who are in charge of institutions should offer prices convenient for both sides. Proper image of a medical entity, marketing and means of communication are important in competitiveness. Internet is the most popular source of information for the patients, who were looking for information about medical entities [11]. Positive image depends on good communication between the entity and the environment. Updating websites and profiles on social media should help to get to many clients. The study shows that 40% of beneficiaries used internet as source of information about a given medical entity.

In well-developed European countries, the phenomenon of competitiveness is common and it aims at extending range of services and leads to improvement of effectiveness of medical entities [12]. It encourages service providers to seek competitive advantage over each other, what increases effectiveness and, as a result, it is also beneficial for the patients [13].

The challenges and strategies are essential for today's health care leaders to improve "population health". These include understanding the population and using predictive analytics, forming new partnerships and using telemedicine and technologies; prioritizing health promotion and addressing social determinants of health, engaging and empowering frontline staff and learners in care transformation [14]. The managers from private primary health care entities paid attention to marketing principles in work management, while the leaders from public health care entities considered image-building of the institution as important. Value creation for patients is based on the mechanism of results for patients including effective meeting the patients' expectations and needs, health improvement, accessibility and quality.

CONCLUSIONS

1. Quality of medical services, waiting time for an appointment and prices of services are the most important factors influencing the competitiveness of private medical entities according to beneficiaries.
2. Public and private entities had to comply with new conditions and employ proper strategy of management and keeping the patients.
3. Private medical entities can create competitiveness on their own and adjust it to the patient's expectations, as well as increase the effectiveness of the health care and unburden the public entities.
4. The main idea of competition of medical entities should be gaining the trust and loyalty of the patients, not only seeking financial gain.

REFERENCES

1. Ryć K, Skrzypczak Z. Ochrona zdrowia i gospodarka. Sektor publiczny a rynek. Warszawa: Wydawnictwo Naukowe Wydziału Zarządzania Uniwersytetu Warszawskiego; 2007. p. 35.
2. Paszkowska M. Zarządzanie podmiotami wykonującymi działalność leczniczą. Warszawa: Difin SA; 2015. p. 44.
3. Szarycz M. Refleksja nad etycznym podejściem do konkurowania w kontekście misji, wizji i celów firm farmaceutycznych działających na rynku polskim. Pielęg Pol. 2010;2(36):94-7
4. Pierścionek Z. Strategie konkurencji i rozwoju przedsiębiorstwa. Warszawa: Wydawnictwo Naukowe PWN; 2007. p.165.
5. Dyjas W. Uwarunkowania konkurencyjność prywatnych specjalistycznych podmiotów leczniczych. Praca magisterska. Katowice; 2018.
6. Andritsos DA, Tang ChS. Introducing competition in healthcare services: The role of private care and increased patient mobility. EJOR. 2014;234:898-909.
7. Everhart D, Neff D. The effects of nurse staffing on hospital financial performance: competitive versus less competitive markets. Health Care Manage Rev. 2013;38(2):146-55.
8. Budrevičiūtė A, Kalėdienė R, Petrauskienė J. Priorities in effective management of primary health care institutions in Lithuania: Perspectives of managers of public and private primary health care institutions. PLoS One. 2018;13(12):e0209816.
9. Gadelha CA, Costa LS, Maldonado J. The economic-industrial health care complex and the social and economic dimension of development. Rev Saude Publica. 2012;46 Suppl 1:21-8.
10. Gheorghe CM, Purcărea VL, Gheorghe IL. A marketing perspective on consumer perceived competition in private ophthalmology services. Rom J Ophthalmol. 2018;62(2)
11. Determann D, Lambooij MS, de Bekker-Grob EW. What health plans do people prefer? The trade-off between premium and provider choice. Soc Sci Med. 12016;65:10-8.
12. Brekkea KR, Cellini R, Siciliani L, Straume OR. Competition and quality in health care markets: A differential-game approach. J Health Econ. 2010;29:508-23.
13. Westra D, Angeli F, Carree M, Ruwaard D. Understanding competition between healthcare providers: Introducing an intermediary inter-organizational perspective. Health Policy. 2017;121:149-57.
14. Parkinson MD. The Healthy Health Care Workplace: a Competitive Advantage. Curr Cardiol Rep. 2018;20:98.

Corresponding author
Wiktoria Dyjas
8/4 Bocianów St., 40-522 Katowice
tel: +48 695-228-887
E-mail: dyjas.wikka@gmail.com