Service quality in professional health services

Lorraine Sheppard B App Sc (Physiotherapy), MBA

Submitted in fulfillment of the degree of Doctor of Philosophy

Graduate School of Management
The University of Adelaide

July 1998
Contents

Abstract viii
Declaration x
List of publications xi
Acknowledgements xii

1 Introduction 1

1.1 Background to the research 1
1.2 Research problem 2
1.3 Justification for the research 6
1.4 Methodology 9
1.5 Outline 10
1.6 Definitions and terminology 11
1.7 Limitations of the research and key assumptions 12
1.8 Conclusion 12

2 Literature Review 14

2.1 Introduction 14

2.2 Services 14
   2.2.1 Definition of services 15
   2.2.2 Intangibility of services 17
   2.2.3 Classification of services 18
   2.2.4 Professional services 21
   2.2.5 Professional health services 23
   2.2.6 Description of the professional health service 25
2.3 Service marketing and service quality
  2.3.1 Service quality 28
  2.3.2 Nordic School 31
  2.3.3 Gap Analysis Model 33
  2.3.4 Other directions 39
  2.3.5 Discussion around the models of quality 40
  2.3.6 Description of service quality for this research 43
  2.3.7 Determinants of service quality 45
  2.3.8 Health care quality 48
  2.3.9 Understanding health services quality 56
  2.3.10 Description of professional health service quality 62

2.4 Service management for quality
  2.4.1 Service management 63
  2.4.2 Professional services management for quality 66
  2.4.3 Marketing relationships 70
  2.4.4 Strategy 74
  2.4.5 Description of professional health services management 77

2.5 Research issues and question

2.6 Conclusion

3 Methodology

3.1 Introduction

3.2 Justification of the paradigm
  3.2.1 Positivism 84
  3.2.2 Critical theory and constructivism 85
  3.2.3 Realism 86

3.3 Justification of the methodology
  3.3.1 Comparison with alternatives 92
  3.3.2 Definitions 95
  3.3.3 Building theory from case study research 97
  3.3.4 Criteria for judging the quality of case study design 104
  3.3.5 Prior theory 113

3.4 Criteria for case selection and their number
  3.4.1 Case study design 115
  3.4.2 Choice of a single embedded case study design 116
  3.4.3 Number of selected embedded studies 119
  3.4.4 Data sources 122

3.5 Case study procedures

3.6 Case study protocol
  3.6.1 Recruitment for interviews 123
  3.6.2 Case study database 125
3.7 Case study interview
3.8 Pilot case study
3.9 Case study analysis procedures
3.10 Limitations of the design
3.11 Conclusion

4 Results

4.1 Introduction

4.2 Pilot study
   4.2.1 Techniques used to monitor physiotherapy services
   4.2.2 Other payers
   4.2.3 Management approach
   4.2.4 Conclusion

4.3 Main study

4.4 Respondents

4.5 Patterns of data for each stakeholder
   4.5.1 Patients
   4.5.2 Payers
   4.5.3 Health care providers
   4.5.4 Physiotherapists

4.6 Overview of common issues

4.7 Conceptualisation of patterns of data
   4.7.1 Service encounter quality
   4.7.2 Service management
   4.7.3 Management styles of the health professionals
   4.7.4 Quality drivers overall

4.8 Conclusion

5 Conclusion and implications

5.1 Introduction

5.2 Conclusions about research questions
   5.2.1 Service encounter quality
   5.2.2 Service management for quality
<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.3 Conclusions about the research problem</td>
<td></td>
</tr>
<tr>
<td>5.3.1 Service quality in professional health services</td>
<td>210</td>
</tr>
<tr>
<td>5.3.2 Management for service quality</td>
<td>211</td>
</tr>
<tr>
<td>5.3.3 Contributions to the body of knowledge</td>
<td>211</td>
</tr>
<tr>
<td>5.3.4 Theory of service quality in professional health services</td>
<td>214</td>
</tr>
<tr>
<td>5.4 Implications for theory</td>
<td></td>
</tr>
<tr>
<td>5.4.1 Contributions to services marketing theory</td>
<td>215</td>
</tr>
<tr>
<td>5.4.2 Contributions to professional services theory</td>
<td>216</td>
</tr>
<tr>
<td>5.4.3 Contributions to marketing relationships theory</td>
<td>216</td>
</tr>
<tr>
<td>5.4.4 Contributions to theory of service quality strategy</td>
<td>222</td>
</tr>
<tr>
<td>5.5 Implications for policy and practice</td>
<td></td>
</tr>
<tr>
<td>5.5.1 Implications for the health care professionals</td>
<td>232</td>
</tr>
<tr>
<td>5.5.2 Implications for the professional and health service organisation</td>
<td>234</td>
</tr>
<tr>
<td>5.6 Limitations of the research</td>
<td>238</td>
</tr>
<tr>
<td>5.7 Implications for further research</td>
<td>239</td>
</tr>
<tr>
<td>5.8 Summary</td>
<td>240</td>
</tr>
</tbody>
</table>

References                                                               241

Appendices
Abstract

Service quality is important to health care. To assess service quality the perspective of all stakeholders must be considered. The research took advantage of a unique opportunity to study health care from the perspective of all relevant stakeholders. In assessing the current situation, the aim was to define: What is quality in professional health care services? How should it be managed? The research was designed to extend the theory of services marketing in the domain of professional services and to assist marketers to describe service quality in such a way that it aids stakeholders comprehension of the services they purchase.

Earlier research has sought to study individual aspects of the service encounter. In answering the central research questions, a synthesis has emerged. Bringing together the different views of quality held by different stakeholders has led to proposals to show how better to incorporate quality for the payer, when the payer is not the patient.

A qualitative single embedded case study was undertaken of service quality in professional health care. The specific situation in the health care system of workers' compensation was researched.

Seventy five interviews were drawn from four major stakeholder groups. Members of each stakeholder group discussed quality indicators and expectations of health care from their perspective. Data was analysed using the constant comparative method.

The major results of this research were insights concerning the structures and processes that characterise successful professional health care services and, more broadly, professional services generally. Firstly, rather than just communicating in a system prescribed way, successful professionals combine a limited or ambiguous
system with extensive interaction with other stakeholders. In this way they achieve superior service quality for their patients. Secondly, successful professionals understand the service offering in the 'eyes of their client' and actively orientate and encourage participation of the patient in the service. Thirdly, successful professionals combine technical quality and customised service as their core competence. Fourthly, an ability to adapt rapidly using communication to change priorities results in effective customisation of the service and, hence, acceptable quality of service as perceived by the patient. This is clear, for example, when health service goals require modification which has to be negotiated and understood among several stakeholders. Health care professionals can utilise relationship marketing and networks to achieve service quality. These alliances are evaluated as contributing to service quality.

Some procedural or process elements facilitate achieving quality, whilst some agreed standards based on quality indicators provide methods of assessing service quality. The findings indicate it is the independence of the patient and professional which is the deciding factor in achieving quality for the patient, so it is an important quality variable.