

**“PATIENT RELATIONSHIP MANAGEMENT” IN HEALTH CARE SECTORS****(with reference to Coimbatore district)****AUTHORS**

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**ABSTRACT**

One of the most interesting aspects in healthcare management is how to manage the relationship between a healthcare provider and its customers (patients) in order to create a greater mutual understanding, trust, and patient involvement in decision making. A good relationship between a healthcare provider and its customers will lead to improve customers' satisfaction, which in turn make them loyal customers customer relationship management (CRM) systems enable organizations to create and manage relationships with their customers. The hospital market has today changed from a seller's market to a buyers' market, where the patient is all-important called as patient Relationship Management (PRM). One needs to understand the fact that patients do not flock to a hospital just because its services are cheap, but because of its good name and good image. It is essential for a hospital to reach out to its customers (patients), if it wants to survive the competition. This can be achieved only by building a bridge of trust between the hospital and the community, so that the community can cross over to the hospital.

**Keywords:** CRM (Customer Relationship Management) and PRM (Patient Relationship Management).

## “PATIENT RELATIONSHIP MANAGEMENT” IN HEALTH CARE SECTORS

(with reference to Coimbatore district)

### I. INTRODUCTION

Economic development and superior health care are so closely related that it is impossible to achieve one without the other. While the economic development in India is gaining momentum over the past few decades, our health system is at cross roads today. The major problem in managing service quality lies in its heavy reliance on technical clinical criteria and the absence of ‘customers view’ on the services provided. Thus our main objective is to analyze perceived service quality, customer satisfaction and behavioural intention and looked at the most preferred private healthcare setting as perceived by Indian customers and the reasons thereof. At the same time we investigated and prioritized the diverse factors affecting perceived service quality and value in Indian private healthcare sector<sup>1</sup>.

Healthcare systems are complex in nature as the issues like customer care, quality; insurance, healthcare providers and legal issues often interact with each other. Healthcare is one of largest service sectors, which may be viewed as a glass half empty or half full. The healthcare sector’s positive point is low-cost medical treatment. The rapidly growing middle-class, with its increasing purchasing power, has created a very well documented growth in the demand for goods and services in the emerging markets. This is especially true in healthcare, where the need for quality health care services has grown dramatically. Evolution and advancement of technology and communication systems is adding to the potential healthcare status and hence improving health literacy among people turning out to be more educated and modernized<sup>2</sup>.

The Health Care sector is now opting for Customer Relationship Management (CRM). Healthcare organizations are trying hard to maintain an outstanding relationship with their clients. CRM enables the health care industry to get essential customer information and use it as efficiently as possible. CRM thus enables the health care sector to improve Customers’ health, increase Customers’ loyalty and Customers’ retention and add new services as well. The CRM Health Care Services include strategic planning, communication services, consulting services, CRM for physicians, Campaign management, Database creation, segmentation, and communications strategies. Its diverse functionality enables

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<sup>1</sup> Paul E. Smolke (2009), *PRM application in the healthcare sector*

<sup>2</sup> M. Porter, V.E. Millar, (1985, 149–160). *How information gives you competitive advantage*, *Harvard Business Review* 63 (4)

employers, customers and employees to access common information. Millions of Customers' or customers are being contacted daily through phone, e-mail, fax, and face-to-face interactions. All these increase the need for an affective and well-coordinated customer approach<sup>3</sup>.

## II.STATEMENT OF THE PROBLEM

One of the most interesting aspects in healthcare management is how to manage the relationship between a healthcare provider and its customers (patients) in order to create a greater mutual understanding, trust, and patient involvement in decision making. A good relationship between a healthcare provider and its customers will lead to improve customers' satisfaction, which in turn make them loyal customers customer relationship management (CRM) systems enable organizations to create and manage relationships with their customers. In 1990s, interest in this area began to grow and in the early 2000s academic literature grew significantly. CRM applications are targeted to build new relationships, increase customer value and obtain higher customer retention, better recruitment and higher profitability. The need for customer relationship management arose when organizations realized that it was cheaper to retain existing customers than acquire new ones. CRM has its roots in relationship marketing; organizations use a combination of marketing, communication and service approaches to identify individual customers and create relationships between the customers and the company<sup>4</sup>.

The customer relationship management (CRM) has taken center stage in the business world for sustainable business advantages. Long-term success requires a great Customer Relationship Management strategy. A technology-enabled CRM strategy to meet Customer-focused objectives involves the vast majority of any organization's activity. No doubt about that Customer Relationship Management (CRM) has become a top priority for companies seeking to gain competitive advantage in today's stormy economy. However, confusion reigns about exactly what CRM is, how to best implement it, or even what role it should play in enhancing customer interaction. Against this background, it will be worth, undertaking a study to evaluate the consumer retention of selected hospital<sup>5</sup>.

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<sup>3</sup> Phillips J and Panchal S. (2002, 35-39) Meeting the Needs of Customers With Health CRM. *Journal of Healthcare Information Management* Vol. 16, No. 3:

<sup>4</sup> Paddison NV. (2004) *Healthcare Relationship Management Depends on Tailored Database*. *Healthcare IT News*.

<sup>5</sup> Schumacher (2006) *Enterprise Identity Management and Data Integration (EIM)*

### III.NEED OF THE STUDY

Today in the competitive environment every industry is struggling hard to handle the issues related to business competition and frequent changes in the technology, similarly the health industry cannot be left behind. From past few years the health care industry is working on effective handling of the issues like firstly The use of IT and technology to do improvements in Health care Industry and secondly work on customer satisfaction which is one of the significant path for the improvement in the industry and patients are major and one of the customers of health industry who have direct affect<sup>6</sup>.

The CRM is the management philosophy that changes the complete orientation of the company towards its existing and potential customers, The recent rapid increase in the number and variety of information related to medical treatments, patients and healthcare management, has pushed hospitals to confront with essential issues related to the implementation of Customer Relationship Management (CRM) systems in order to improve healthcare services. Customer relationship management (CRM) which has overriding significance for any business is no less significant for hospital services. Hospitals are most important elements in any health care delivery system. A hospital plays a major role in maintaining and restoring the health of the people. Care of the sick and injured, preventive health care, health research, and training of medical and paramedical staff are general broad functions of a hospital<sup>7</sup>.

### IV.OBJECTIVES OF THE STUDY

- To classify the key dimensions of Customers satisfaction in the study area.
- To appraise how Customers' rate the benefits of PRM (patient relationship management).
- To examine the impact of the strategy of PRM in the study area.
- To study the barriers of PRM in the study area

### V.METHODOLOGY

This study will be conducted within the campus of Hospitals found in Coimbatore District. Among the customers (patients) in the hospital, sample respondents are to be selected based on the Stratified sampling method.

**Sampling:** Sample size - 200 respondents, Sampling Method - Stratified sampling method, Sample Plan - Interview, Questionnaire, Sample Unit - the hospitals of Coimbatore district (5).

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<sup>6</sup> Springe-Verlog Berlin Heidelberg, (2009) patient service" overhaul to help organizations manage their customer relationships."

<sup>7</sup> Croteou and Li, (2009) critical success factors of CRM Technology Initiatives, Canadian Journal of administrative sciences.

**Table 1**  
**Distribution on sample size**

Sl.no	Sample units	PSG Hospital	KG Hospital	Kuppuswami naidu memorial Hospital	Sri Ramakrishna Hospital	Sathya Hospital	Total
1	Inpatient	20	20	20	20	20	100
2	Outpatient	20	20	20	20	20	100
<b>Total</b>							<b>200</b>

**Source: Primary Data**

#### **VI.LIMITATIONS**

- ❖ The study is confined to the respondents of Coimbatore district only.
- ❖ Only a few healthcare sectors / hospital are taken for the study.
- ❖ The primary data were collected through interview method which is subjected to recall bias.

#### **VII.ANALYSIS OF DATA**

**Table 2**  
**Distribution on Demographic profile of respondents**

Sl.no	Profile	Particulars	No. of respondents	Percentage
1	Gender	Male	120	60
		Female	80	40
2	Age	18 to 35 years	32	16
		36 to 50 years	59	29
		51 to 65 years	48	24
		>65 years	61	31
3	Type of Treatment	Inpatient	100	50
		Outpatient	100	50
4	Level of Education	Primary level	51	25
		Secondary level	71	35
		Graduates	39	19
		Above post graduation	40	22
5	Hospital visit	First visit	117	59
		Repeat visit	83	41
6	Employment status	Unemployed/House wife	40	20
		Government employee	51	25
		Private employee	67	33
		Self-employed	24	12
		Retired	19	9
7	Income group	Low (< Rs. 99,000)	74	35
		Middle (Rs. 1,00,000 to 5,00,000)	75	37
		High (> Rs. 5,00,000)	52	26

**Source: Primary Data**

**Table 3**  
**Distribution on simple ranking of various facilities with regard to CSR**

Sl.no	Facilities	Total Score	Mean Score	Rank
1	Doctors Treatment	11312	75.4	I
2	Room Cleanliness	9792	37.8	XII
3	Lab Service	7559	50.4	V
4	Pharmacy Service	7112	47.4	VII
5	Emergency Service	8044	53.6	IV
6	Canteen Service	6038	40.3	XI
7	Fees	5671	65.3	II
8	Nursing	8669	57.8	III
9	Reception Service	6675	44.5	VIII
10	Ambulance Service	7424	49.5	VI
11	Dietician	6062	40.4	X
12	Insurance	6179	41.2	IX

Source: Computed Data

**Table 4**  
**Distribution on ranking of PRM benefits**

Sl.no	CRM benefits	Mean	Standard deviation	Rank
1	loyalty as a result of more personal and efficient service	2.0	0.90	18
2	Better understanding and addressing patient needs and issues	2.0	0.90	18
3	Relating patient needs and issues to your business products and services	2.3	0.67	16
4	Developing a closer relationship with patients	2.3	0.67	16
5	Increasing customer satisfaction	2.4	0.61	15
6	Decreasing patients' acquisition costs of the services	2.5	0.69	14
7	The use of health information Technology system to reduce operations cost	2.6	0.74	11
8	The use of health information technology system to better communication with your hospital's partners	2.6	0.74	11
9	Customer Retention	2.6	0.74	11
10	Acquiring well-accepted outcomes of data mining activities	2.7	0.75	10
11	Improving the customer's experience by providing self-service help, and by providing a fast and reliable support process	2.8	0.72	8
12	The use of health information technology system to increase the profitability of the hospital	2.8	0.72	8
13	Nurturing and maintaining your institution patient's base	2.9	0.66	7
14	The use of health information technology system to provide timely information for decision-making	3.2	0.67	5
15	Supporting effective healthcare efforts,	3.2	0.67	5

	through better management of the healthcare provision process.			
16	Maximizing profitability due to increase in sale	3.4	0.65	4
17	Gathering integrated information on customers	3.5	0.54	3
18	Ensuring sustainable competitive advantage	3.6	0.49	1
19	Collaborating with service for joint value creation	3.6	0.49	1

**Source: Computed Data**

**Table 5**  
**Distribution on ranking PRM strategy**

Sl.no	PRM strategy	Mean	Standard deviation	Rank
1	Acquiring the right Patient	1.3	0.48	4
2	Crafting the right value proposition	1.4	0.50	3
3	Institute the best processing	1.3	0.48	4
4	Motivate employees	1.7	0.45	2
5	Learn to retain customers	1.8	0.35	1
6	Technology	1.2	0.41	6
7	Innovation of senior officers	1.1	0.35	8
8	Knowledge management	1.2	0.41	6

**Source: Computed Data**

**Table 6**  
**Distribution on ranking PRM barriers**

Sl.no	PRM barriers	Mean	Standard deviation	Rank
1	Poor communication	1.9	0.59	10
2	Lack of senior management commitment to CRM	2.4	0.50	9
3	Inadequate supporting budgets	2.6	0.48	6
4	Interdepartmental conflict	2.6	0.50	6
5	Lack of end-user input at service stage	2.6	0.50	6
6	Resistance to change among the hospital's staff	2.7	0.45	5
7	Inefficiency in business processes	3.0	0.25	4
8	An absence of complementary customer management skills	3.1	0.35	2
9	A lack of standardization	3.1	0.35	2
10	The skill required to use these technologies is too complex for our employees	3.2	0.45	1

**Source: Computed Data**

## VIII.FINDINGS OF THE STUDY

**Facilities of CSR:** The various facilities provided in the hospitals were ranked to find out the level of CSR towards the customers (patients). For which 12 facilities were identified and it was found that Doctors treatment ranked first followed by fees. This reveals that the two aspects determine CSR and the satisfaction of Customers (patients).

**Benefits of PRM:** One can notice mainly that “Better understanding and addressing patient needs and issues” and “Increasing patients’ loyalty as a result of more personal and efficient service” appear to be the most important benefits observed in the selected hospitals. The benefits “Collaborating with service for joint value creation” and “Ensuring sustainable competitive advantage” seem not to be observed.

**Strategy of PRM:** For each of the eight considered items related to PRM strategy, the best implemented strategy is highlighted in bold. More globally, it is interesting to notice that the best implemented strategy is associated to “senior officers have original ideas” with a mean of 1.1 and a standard deviation of 0.35. Whereas the most poorly implemented strategies are associated to the four following points: “Earn employee loyalty by investing in training, development and constructing appropriate career paths for employees”; “Identify the strategy your competitors are using to win your high-value customers”; “They will sooner create something new than improved before”; “determine the service your patient needs today and tomorrow” with a mean score of 1.8 and standard deviation 0.41.

**Barriers of PRM:** It clearly appears that ‘Poor communication’ seems to be the most important barrier to PRM implementation with a mean score of 1.9 and standard deviation of 0.59.

## IX.SUGGESTIONS AND RECOMMENDATION

The benefit of effective interactions with physicians, nursing and support staff results in early recovery, improved quality, increased length of life of a patient and above all, higher patient satisfaction. Increased quality of patient empowerment and level of compliance will improve by working in concert with the physician, nursing and other staff. This subsequently improves patients’ health, mental and psychological condition in a more effective manner and thereby creating a high satisfaction level.

Management of hospitals in study area should pursue more than one of the objectives of PRM, Improving patient services is not enough to achieve the objective, management should endeavour to motivate hospital staff to work harder than before, Management should ensure that any changes for achievement of the objectives should be communicated to employees of the hospitals, Employees of healthcare industries should be given additional

training to make them more productive in the application of PRM techniques, Management should make PRM implementation beneficial to stakeholders in the study area.

## **X.CONCLUSION**

Relationship management in healthcare industry is vitally important both for healthcare providers and patients (customers); therefore managing customer relationship is a key factor for healthcare providers to sustain their business in a competitive environment. Health Plans can reduce costs through more targeted member outreach. Communicate with your members to increase preventative care, encourage healthy lifestyles, and decrease the use of out-of-network providers. Deliver one-to-one customized communications that cater to a member's unique healthcare needs and increase their loyalty to your organization<sup>8</sup>.

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<sup>8</sup> *Jackson. Susan (2003). "Participation in decision moking ASA strategy for reducing job related strain" journal of applied psychology , vol.68.*