A STUDY ON INTERNAL CUSTOMER SATISFACTION AT KAUVERY HOSPITAL, TIRUCHIRAPPALLI

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ABSTRACT

To survive in highly competitive markets, organizations need to provide goods and services that yield highly satisfied and loyal customers. When customers are satisfied, they are more likely to return to those who helped them, while dissatisfied customers are more likely to go elsewhere. The retention of very loyal customers is the key to organizational survival. Thus, organizations are challenged to create demand for their products and services through outstanding customer support. To attain sustained excellent external customer support requires internal systems that are aligned to serve the external customer. Thus the internal Customer (Employees) is the back of any organization for sustainable growth.

Keywords: Customers, Employees, Hospital, organization and Satisfaction.

INTRODUCTION

To survive in highly competitive markets, organizations need to provide goods and services that yield highly satisfied and loyal customers. When customers are satisfied, they are more likely to return to those who helped them, while dissatisfied customers are more likely to go elsewhere. The retention of very loyal customers is key to organizational survival. Thus, organizations are
challenged to create demand for their products and services through outstanding customer support. To attain sustained excellent external customer support requires internal systems that are aligned to serve the external customer, with each internal subsystem adding value to others within the organization that are dependent on it; as though the other subsystems were its customers.

Extensive research has been conducted on the characteristics and quality of organizational effectiveness from the perspective of those who are the organization's external customers. Much less has been reported about organizational effectiveness from the perspective of internal customer satisfaction. Yet, effective internal supplier-to-customer relations are essential prerequisites to the level of quality service that yields sustained external customer satisfaction, loyalty, retention and long-term financial success.

The service-profit chain focuses attention on the causal relationships between the quality of the organization's internal systems that lead to satisfied and loyal employees who, therefore, provide better quality service to the organization's external customers. As a result of this internal organizational chain of events, customer satisfaction occurs which leads to long-term financial gain for the organization.

ORGANIZATION PROFILE: KAUVERY HOSPITAL

The New Age Family Hospital

KMC hospital, in its decennial year of operations has added numerous feathers to its cap. From a humble beginning of 30 beds in 1999 we have come a long way to 200 beds by acquiring Seahorse Hospital. The number of doctors in our hospital has grown from 10 to 100 and the staff members have grown over 1000. Seahorse hospital Ltd management has been taken over by KMC by the end of Feb 2008. Now all the procedural formalities have been completed and hence forth it will be known as KMC SPECIALITY HOSPITAL.

Vision Statement

To establish ourselves as the new age family hospital group, with a strong culture of personalized patient care, and a reputation of having established centers of excellence across all medical specialties and allied health services and be regarded as the most valued service provider in the region with national acclaim.

Mission Statement

To dedicate ourselves to unleash our fullest potential towards providing exemplary healthcare services, education & development and make a qualitative difference in people's lives by enriching their quality of life.

REVIEW OF LITERATURE

Several studies have tried to explicate work environment in different areas for instance employee turnover, job satisfaction, employee turnover, job involvement and organizational commitment (Jong & Hartog, 2010). In the study of Zeytinoglu and Denton (2005), it has been revealed that work environment is one of the aspects that influence employees’ choice to stay with the business. Fay, Bjorkman and Pavlouskaya (2000) exclaimed that it is very essential to identify
the rising wants of people to keep them dedicated and provide the work atmosphere when needed. Individuals like working, and attempt to work in those companies that present constructive work atmosphere where they consider they are making diversity and where most individuals in the company are capable and pulling together to move the business forward (Milory, 2004). Workplace design has a deep influence on employees and tends to stay with work as long as satisfied (Brown & Metz, 2009). To retain employees, the workplace design should generate atmosphere that is supportive for employees of poor eyesight, supply tools that require less strength and appropriate position for old employees (Samantha & Dahling, 2009).

The value of service conveyed to external customer is often identified by the value of service that internal customers give each other, (Connor, 2003). It is very essential to keep in mind that, every person within a firm offers a service. There are internal as well as external customers. Internal customer is the employee in a company who is responsible to manufacture products. Every employee obtains materials or services from other employee in the procedure of manufacturing their own products. It is essential that, in order to satisfy external customers, internal customers be delighted first. Customer service guides to customer satisfaction whereas internal customer service guides to employee satisfaction.

In Total Quality Management systems, all employees are persuaded to observe each other like vital customers during the manufacture and service delivery procedures (Marshall & Miller, 1991). In an organization, all employees are both the receivers and providers of products or services. George (1994) exclaims that as several workers do not make contact with external customers directly, so what they act or do not manipulates the excellence of service rendered. In order to deal with this matter, the employees of such types want to acknowledge value and treat other workers as internal customers.

On the other hand, it is essential to recognize that internal customers are as diverse and varied in their personnel distinctiveness as external customers. While the common people may be a confusing generalization, similarly it is significant to recognize and react optimistically to diversity in the interior customer foundation (Joanna, Riordan, Peter & Humphreys, 2003). It is also declared that it is essential to recognize diverse forms of internal customer service associations, some of which might be very vital and work important in their disposition rather than others. Moreover, it is essential not to suppose that internal and external consumer service associations are openly comparable in nature. For instance, internal customers are compensated customers of the services they utilize. Because they are generally more knowledgeable and educated about the services offered than external customers. Consequently, they might be added challenging consumers than normal customers (Joanna, 2003).

Organizational effectiveness capture organizational performance advantage the countless internal performance results generally linked with more effective or efficient processes and other external measures that transmit to deliberations that are broader than those merely linked with economic evaluation (either by managers, shareholders, and customers), for example corporate social responsibility (Richard, 2009).

Organizational effectiveness is an intangible notion and is principally not possible to measure. Rather than measuring organizational effectiveness, the firms tend to determine proxy measure that will be utilized to signify effectiveness. Proxy measures utilized might involve such matters like number of individuals served, kinds and sizes of population fragments served, and the demand within those fragments for the services the firm provides.
Organizational effectiveness refers to how a business accomplishes its tasks effectively. Organizational effectiveness procedures are comprehensive with consideration of the inimitable potentials that firms build up to guarantee the achievement. This contains determining the worth of human resources of organization (Jamrog & Overholt, 2004).

In the past, researchers had a tendency to employ the phrase ‘organizational performance’ to signify monetary and economic measures for example, revisit on investment, earnings per share, profitability, and almost immediately (Harel, 2003). Accordingly, company performance might be evaluated in conditions of their involvement to biased psychosomatic well being (commitment, attachment and happiness), relatively in provisions of purposive criterion (Jansen, 2001), because the company utilizes not just one element of an individual but moderately the entire individual, as well as professional, personal and societal traits (Harnesk, 2004).

Internal customer satisfaction is an off shot of the general term customer satisfaction which is as a result of a cognitive and affective evaluation, where some comparison standard is compared to the actual perceived performance. It is described as the satisfaction derived by the internal customers within the organization. Within the research domain, researchers have identified quite a number of tools essential for measuring internal customer satisfaction. Most of these tools are: the use of surveys, the focus groups formation, and one-on-one meetings schedule between managers in the respective departments and internal customers on a regular basis. The choice of any of these tools depends on the advantage and disadvantage they offer. However, it has been noted that among all other internal customer satisfaction tools, the use of internal customer survey seems to be more important, less demanding and more comprehensive in achieving internal customer satisfaction most especially when it is a priority for internal customer service to not hurt your external customer.

OBJECTIVES OF THE STUDY

1. To study the personal profiles of the selected respondents and their association and significance towards internal customer satisfaction.
2. To study the dimensions related to internal customer satisfaction.
3. To examine the employee perceptions in various department in the hospital.
4. To identify the level of Internal Customer Satisfaction in the hospital.

Population and Sample

Population is a set of all elements (Gilbert, 2001). From the population, sample was selected to collect data that can be representative of the whole target population. Sampling is important for an empirical study that uses a positivistic approach (Hussey, 1997). It is a fraction of subjects drawn from a population. Sampling offers detailed information that deal with small number of units (Sekaran, 2006). This study was carried out in Kauvery Hospitals, Tiruchirappalli.

The target respondents for this study were front line employees in the hospital. The reason for selecting this population stands on the fact that they are professionally working in hospital practices. They are also aware about the importance of implementation of HR practices. The hospital consists of six departments; they were HR, Academy, Electrical and Maintenance, EDP, Material, and Housekeeping.
The data was collected about the employee’s perception towards the departments HR, Academy, Electrical and Maintenance, EDP, Material, and Housekeeping.

Random sampling techniques were adopted. The sample was mainly categorized into 150 front line employees, which consist of 6 departments to measure the internal customer satisfaction. As the hospital functions in shift, the employees working in day shift were considered. 70 questionnaires were distributed to the employees, of which 55 questionnaires were received. Out of the 55 questionnaires received, 50 questionnaires were fully completed. Thus the sample size was 50.

Tools

The research was carried out using a questionnaire-based survey. The questionnaire was a five-point Likert scale. The questionnaires were distributed among employees in the hospital. The first part of the questionnaire comprised of demographic information. The second part included 20 questions, related to Internal Customer Satisfaction. All of these questionnaires were measured on a five-point Likert scale.

Limitation

The study is limited to only Kauvery hospitals. The results could not be generalized to other hospitals. The study considered only six departments were all the front line employees will highly interact.

STATISTICAL ANALYSIS

Variable Importance Test

HR Department

The above table shows the variable importance test of HR department. To measure the Internal Customer Satisfaction, 20 individual’s variables were considered for the study. In which the respondents were satisfied more than 80% in 5 individual variables. The variables were friendly and approachable, follow up well with their commitments, operate smoothly and effectively, work as a team, and handle problems skillfully. The respondents satisfied below 50% were 3 individual
statements. The statements were Show Consideration and respect, Listen patiently and accept responsibilities for mistakes.

**Academy Department**

The above table shows the variable importance test of Academy department. To measure the Internal Customer Satisfaction, 20 individual’s variables were considered for the study. In which the respondents were satisfied more than 80% in 4 individual variables. The variables were speak clearly and politely, accept responsibilities for mistakes, energetic and enthusiastic and make it easy to work with them. The respondents satisfied below 40% were 4 variables. They are friendly and approachable, Show consideration and respect, well organized and finally operates smoothly and efficiently.

**Electrical and Maintenance**

The above table shows the variable importance test of Electrical and Maintenance department. To measure the Internal Customer Satisfaction, 20 individual’s variables were considered for the study. In which the respondents were satisfied more than 70% in 3 individual

variables. The variables were listening patiently, well organized and neatly dressed. The respondents satisfied below 40% were 3 statements. They are respond quickly to time, treat with respect and finally energetic and enthusiastic.

**EDP Department**

![Normalized Importance Diagram for EDP Department]

The above table shows the variable importance test of EDP department. To measure the Internal Customer Satisfaction, 20 individual’s variables were considered for the study. In which the respondents were satisfied more than 80% in 3 individual variables. The variables were build cooperation, Friendly and approachable and accept criticism from other departments. The respondents satisfied below 50% in statements listen patiently and neatly dressed.

**Material – Department**

![Normalized Importance Diagram for Material Department]

The above table shows the variable importance test of Material department. To measure the Internal Customer Satisfaction, 20 individual’s variables were considered for the study. In which the respondents were satisfied more than 80% in 3 individual variables. The variables were speak clearly
and politely, energetic and enthusiastic, and accept criticism from other departments. All the remaining 17 individual statements were above 50% satisfied by the respondents.

**House Keeping – Department**

The above table shows the variable importance test of Housing department. To measure the Internal Customer Satisfaction, 20 individual's variables were considered for the study. In which the respondents were satisfied more than 80% in 3 individual variables. The variables were listening patiently, manage time effectively and handle request effectively. The respondents satisfied below 50% were on build cooperation and make it easy to work.

**FINDINGS**

1. Employees spoke clearly and were polite to customers to this 42% each from HR department, Electrical & Maintenance, and EDP department, 74% from Academy, and 28% each from Material Department and Housekeeping responded that they always spoke clearly and politely.
2. Employees listened patiently to customers to this 46% from HR department, 74% from Academy, 54% from Electrical & Maintenance, 52% from EDP department, 42% from Material Department and 44% from Housekeeping responded that employees always listened patiently to customers.
3. Employees were neatly dressed to this 70% from HR department, 78% from Academy, 76% from Electrical & Maintenance, 66% each from EDP department and Material Department and 62% from Housekeeping responded that employees were always neatly dressed.
4. Employees were energetic and enthusiastic in their work to this 44% from HR department, 70% from Academy, 46% from Electrical & Maintenance, 36% each from EDP department and Material Department responded that employees were always energetic and enthusiastic.

and 40% from Housekeeping department responded that employees were often energetic and enthusiastic in their work.

5. Employees were always treated with respect to this 52% from HR department, 72% from Academy, 54% from Electrical & Maintenance, 50% from EDP department, 40% from Material Department and 62% from Housekeeping department responded that employees were always treated with respect.

6. Employees accepted responsibility for their mistakes to this 32% each from HR department responded employees always and also often accepted responsibility for their mistakes and 32% EDP department responded employees always and also sometimes accepted responsibility for their mistakes, 28% each from Material Department responded employees always and also sometimes accepted responsibility for their mistakes and 56% from Academy, 36% from Electrical & Maintenance, and 40% from Housekeeping department responded that employees always accepted responsibility for their mistakes.

7. Employees accepted criticism from other departments to this 42% each from HR department, 58% from Academy, 40% from Electrical & Maintenance, 38% from EDP department, and Material Department and 46% from Housekeeping department responded that employees always accepted criticism from other departments.

8. Employees responded quickly 48% from HR department, 68% from Academy, 30% from Material Department responded employees always responded quickly. 30% from EDP department responded employees sometimes and always responded quickly, and 40% from Housekeeping department 34% from Electrical & Maintenance department responded that employees often responded quickly.

9. Handled problems skillfully to this 56% from HR department, 70% from Academy, 48% from Electrical & Maintenance department, 42% from EDP department 32% from Material Department and 50% from Housekeeping department responded employees always handled problems skillfully.

10. Employees were well organized to this 56% from HR department, 72% from Academy, 50% from Electrical & Maintenance department, 50% from EDP department 50% from Material Department and 54% from Housekeeping department responded employees were always well organized.

11. Follow up well on their commitments to this 50% from HR department, 64% from Academy, 44% from Electrical & Maintenance department, 42% from EDP department 44% from Material Department and 52% from Housekeeping department responded employees always follow up well on their commitments.

12. Friendly and approachable to this 46% from HR department, 68% from Academy, 46% from Electrical & Maintenance department, 42% from EDP department 42% from Material Department and 52% from Housekeeping department responded employees were always friendly and approachable.

13. Handled requests efficiently to this 50% from HR department, 68% from Academy, 50% from Electrical & Maintenance department, 42% from EDP department 40% from Material Department and 48% from Housekeeping department responded employees always handled requests efficiently.

14. Worked as a team excellently to this 64% from HR department, 76% from Academy, 56% from Electrical & Maintenance department, 46% from EDP department 52% from Material
Department and 62% from Housekeeping department responded employees always worked as a team excellently.

15. Managed time effectively to this 54% from HR department, 64% from Academy, 34% from Electrical & Maintenance department, 32% from EDP department 42% from Material Department and 48% from Housekeeping department responded employees always managed time effectively.

16. Answered questions efficiently to this 56% from HR department, 68% from Academy, 42% from Electrical & Maintenance department, 40% from EDP department 40% from Material Department and 48% from Housekeeping department responded employees always answered questions efficiently.

17. Operated smoothly and efficiently to this 54% from HR department, 76% from Academy, 52% from Electrical & Maintenance department, 46% from EDP department 46% from Material Department and 52% from Housekeeping department responded employees always operated smoothly and efficiently.

18. Helped build cooperation 56% from HR department, 80% from Academy, 60% from Electrical & Maintenance department, 46% from EDP department 48% from Material Department and 54% from Housekeeping department responded employees always helped build cooperation.

19. Showed consideration and respect 66% from HR department, 78% from Academy, 62% from Electrical & Maintenance department, 56% from EDP department 56% from Material Department and 70% from Housekeeping department responded employees always showed consideration and respect.

20. Made it easy to work with them to this 58% from HR department, 72% from Academy, 62% from Electrical & Maintenance department, 58% from EDP department 52% from Material Department and 58% from Housekeeping department responded employees always made it easy to work with them.

21. Age distribution of the respondents shows that 44% of the respondents belonged to 26 - 35 years of age group.

22. Gender wise classification of the respondents shows that 86% of the respondents were female.

23. Education wise classification of the respondents shows that 60% of the respondents were diploma holders.

24. Work experience of the respondents shows that 40% of the respondents had more than 4 years of work experience.

25. Designation wise classification of the respondents where 48% of the respondents were designated in health check up.

SUGGESTIONS

1. The induction training programme should be very formal. The management should ensure the effectiveness of the induction programme. The induction training programme will clearly explain the vision and mission of the hospital, goals and objectives, policies and procedures of the hospital. The employees will understand clearly what is expected from them from day one onwards. Thus induction training should be very formally organized.
2. Periodic training should be given to all front line employees working hospital, based on Training need analysis.
3. Performance appraisal and potential appraisal of front line employees should be made periodically and the result should be without bias and transparent.
6. The HR department should clearly explain the career growth and career path inside and outside the organization.
7. A separate Career assessment center can be started inside the hospital, and it should be made mandatory that the entire employee should visit assessment center to ensure their KSA (Knowledge, Skill and Attitude).
8. It is essential for the hospital management that they must satisfy the internal customers first to make them extremely motivated with good working morale, and they will effort more effectively and efficiently. The facets of job related attitudes improved while the quality of Human resource practices enhance.
9. The study recommends that the human resource development departments should evaluate and increase the motivation, training, and retention of good employees. The employees’ selection and their compensation and rewards, their training and development, and participation all are the most imperative human resource practices in increasing the employees’ satisfaction and the retention of potential workforce.

CONCLUSION

Kauvery Hospital establish as the new age family hospital group, with a strong culture of personalized patient care, and a reputation of having established centers of excellence across all medical specialties and allied health services and be regarded as the most valued service provider in the region with national acclaim. Kauvery hospital dedicate to unleash fullest potential towards providing exemplary healthcare services, education & development and make a qualitative difference in people's lives by enriching their quality of life.

To achieve the above mention vision and mission, the employees are contributing their fullest potential and capabilities. At present the internal customer satisfaction is at satisfactory level. By implementing the suggestion mentioned, the satisfaction level will be increases. The Hospital Management should periodically ensure the level of internal customer satisfaction is at optimum level.

REFERENCE


