

Chapter 5.14

Developing Global Competitiveness in Healthcare: A Thai Healthcare Organization's Perspective

William P. Wall

Shinawatra University, Thailand

ABSTRACT

Healthcare is a competitive business in its own right. Global competition in healthcare adds yet another complex dimension to the success of a healthcare organization. Providing state of the art technology along with the manpower and management skills to bridge boundaries and cultures, confronts today's healthcare organizations with challenges that, while on the surface may appear simple, may also prove to be a bigger challenge to their success and survival than the medical care they are actually providing. This case study explores one major healthcare organization in Thailand posing the question of what it sees as critical to the success of healthcare competition in the global community. An inductive approach was utilized for a method of determining competitiveness. The resulting qualitative analysis of that data addresses issues of seeking and maintaining global competitiveness, providing superior quality care with competitive and reasonable pricing of

sub-specialty and high acuity services and work effectively through strategic alliances. In the case of the healthcare organization in this study, global competitiveness is maintained through what they term "Thainess". That "Thainess" or ability to provide comfort and hospitality at the same time as providing excellent medical care and facilities give them both economy of scale to provide reasonable pricing and a uniqueness in the medical care provided. Uniqueness and quality in service attracts strategic alliances of similar quality and allows for expansion into global communities that were not possible in the past.

INTRODUCTION

As global economics change, the competitive pressure on companies and organizations becomes more intense. This is never more evident than in the current economic environment that is seen today. To that end, the main question to be answered

today is what does the healthcare organization in this case study see from their perspective as critical to the success of healthcare competition in the global community? The private healthcare organization in this case study is one of a total of 344 hospitals with 35,086 beds in Thailand. Of these hospitals, 102 are private hospitals with a total of 15,000 beds located in Bangkok. 43% of the entire country's facilities are concentrated mainly in Bangkok (Kasikorn Research, 2007). Thailand as a destination for medical treatment has rocketed in recent years. As an example, over 60,000 United Arab Emirates citizens a year come to Thailand to avail treatment (Tourism Authority of Thailand, 2007). Over the past three years, the number of foreign patients has grown at a rate of 12.4% and is expected to reach 1.54 million this year. Medical tourism is quickly becoming one of Asia's fastest growing industries. It is projected by 2012 to be worth a minimum of \$4 billion USD. Why? 1.3 million Tourists get the promise of low cost quality healthcare in countries like Thailand where the average medical tourist spends on average \$362 USD per day, compared to the average traveler spending \$144 USD. In addition those costs are five to ten times less expensive than in Europe and the US as in the following examples:

- **Cardiac surgery:** India \$4,000 vs. United States \$30,000 (Stokes, 2007)
- **Hip replacement:** Thailand, Singapore \$13,000-\$13,500 vs. United States \$44,500 - (Global Doctor Options Guide, 2008)
- **Knee replacement:** India \$7,000 vs. United States \$45,000 (Wockhardt Hospitals, 2008)

The main reasons for this influx of medical travelers are lack of health insurance and the high cost of healthcare (Bernheim, 2008).

Private hospitals have also expanded their presence in regions where there are many foreign tourists and residents and increased business is

also predicted from wealthy citizens of neighboring countries such as Vietnam, Laos, Cambodia and Burma.

Can management, technology and medicine be combined to provide a solution to healthcare that is both beneficial as well as affordable? What are the challenges facing hospitals today and in the coming years? How will they overcome those challenges? These questions must be continually addressed if today's healthcare system is to be effectively and efficiently competitive on a global scale (Cortez, 2008).

If an organization is to be profitable it needs to focus on three major areas of operation: quality service, competitive/reasonable pricing and the effective and efficient delivery of that service. Today's hospital must also be a strong financial institution.

METHODOLOGY

The research was conducted by way of a survey. To gather the required data to address the research questions, the main survey technique used was a questionnaire. While other instruments may be used to collect this data, it was found that the questionnaire is relatively inexpensive to administer and reasonably easy to analyze the data collected.

The construction of the questionnaire was accomplished by reviewing prior examples (Bowling, 2005). The procedure of the questionnaire construction is explained here addressing the subjects, the development of the questionnaire, components of the questionnaire, administration, collection and validity and reliability.

The objective of this research was to determine what major factor contributed to global competitiveness of this healthcare organization.

At this major healthcare organization, fifty subjects were investigated in this study: Senior Management (4); Administrators (8); Medical Personnel (21); and, Staff (17). These 50 subjects

8 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage:

www.igi-global.com/chapter/developing-global-competitiveness-healthcare/49944

Related Content

The Development of a Regional Health Information Infrastructure in Greece

Panos Constantinides (2013). *User-Driven Healthcare: Concepts, Methodologies, Tools, and Applications* (pp. 992-1017).

www.irma-international.org/chapter/development-regional-health-information-infrastructure/73876

The Significance of the Hidden Curriculum in Medical Ethics: Literature Review with Focus on Students' Experiences

Annaswamy Nalini (2013). *International Journal of User-Driven Healthcare* (pp. 1-12).

www.irma-international.org/article/the-significance-of-the-hidden-curriculum-in-medical-ethics/103911

Critical Success Factors in Health Information Technology Implementation: The Perspective of Finnish IT Managers

Nguyen Thi Thanh Hai, Tommi Tapanainen and Diana Ishmatova (2016). *E-Health and Telemedicine: Concepts, Methodologies, Tools, and Applications* (pp. 1488-1505).

www.irma-international.org/chapter/critical-success-factors-in-health-information-technology-implementation/138468

The Portal Monitor: A Privacy-Aware Event-Driven System for Elder Care

John F. Duncan, L. Jean Camp and William R. Hazlewood (2011). *Smart Healthcare Applications and Services: Developments and Practices* (pp. 219-235).

www.irma-international.org/chapter/portal-monitor-privacy-aware-event/50662

A Survey on a Skin Disease Detection System

Md. Al Mamun and Mohammad Shorif Uddin (2021). *International Journal of Healthcare Information Systems and Informatics* (pp. 1-17).

www.irma-international.org/article/a-survey-on-a-skin-disease-detection-system/280361