

# Critical Factors That Impact International Firms to Raise the Quality of Service In the Healthcare Industry of Bangladesh.

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## Abstract

Internalization has created an enormous pathway for the business to enter into international market. In the healthcare sector, firms are expanding their operations into international market for various imperative rationales such as to improve the healthcare facilities of the host country and gain profitability. In Bangladesh foreign firms have been encouraged to enter in the healthcare industry of Bangladesh, due to the country's emerging economic growth and one of the most densely populated nations in the world. However, due to the foreign firms' inability to recognize external factors such as cultural gaps and formulate various effective strategies to deal with internal factors, some of the companies have faced immense difficulties to establish the operations in the healthcare sector of Bangladesh. In this paper, the authors' major purpose is to identify and evaluate the critical factors which, must be accentuated by the foreign firms, to improve the standard of service in the hospitals in Bangladesh. A model of internal and external factors leading to quality of service has been developed and tested, from the healthcare perspective of Bangladesh. To evaluate the linkage between staffing policies, managerial controls, cultural gap, technology and political links with quality of service, a survey of 130 employees from four eminent foreign hospitals operating in Bangladesh for instance Apollo Hospital, United Hospital, Japan Bangladesh Friendship Hospital and American Super Specialty Hospital are considered in this paper.

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The result shows that if the cultural gap is more between the foreign hospitals and Host County then it can negatively affect the organizations' performance, thereby decreasing the service quality. Superior technologies from developed countries, if brought by foreign hospitals in Bangladesh, will increase their organizations' service quality by a far better margin. It can also be seen from the result that polycentric staffing will positively affect the service quality as the patients and their attendants here in Bangladesh feel more comfortable surrounded by local staff.

**Keywords:** Internalization; Healthcare Industry of Bangladesh; Internal factors; External factors; Service Quality.

## **1. Introduction**

There are many variables that can affect an organization; however this paper has focused on mainly 4 imperative factors that play a huge role in increasing the service quality. When they plan for survival and growth in the long run, organizations plan to go international [13] but sustaining in a new place is the major challenge for any international organization. Firms need to expand their market share as much as possible in this globalized world to stay competitive and sustain in the market. To grab the advantages of internationalization and more potential customers throughout the world, expansion needs to be done not only locally but internationally [24, 25]. Selecting the right entry method to enter the foreign market is an important part of global strategy but after that external and internal factor plays a significant impact for establishing a firm successfully in a foreign country [20]. Market analysis, risk analysis and profit potential estimation are the few ways how firms can tackle the external factors [3]. For sustaining with a competitive advantage here in Bangladesh international business needs different level of required investment and market knowledge, which varies from the local ones. Different modes of entry offer different level of control, cost and risk [24, 25].

An integral sector within the economy of a country is the health care or medical industry. One of the most rapidly growing and biggest industries is the healthcare industry [53] which holds a colossal fraction within the economy. Healthcare industry accounts for almost 10% in most of the developed nations in terms of gross domestic product (GDP) [2] with the intension of dispensing services and goods that will treat the patients with preventive, curative and sedative care [19]. The international patients and the foreign countries with wide spectrum has benefitted by going global with health care industry which include international accreditation sector, commercial side of an economy, medical tourism, and government relationship. This industry is worth of multi- billion dollars [36]. Due to the advancement of economy, technology and other global relations, medical industry plays a very significant role in shaping the future of medical care globally. There is enormous scope and potential of growth for a hospital or clinic with good medical facilities in this industry [18].

The healthcare system of Bangladesh is the prime focus of this paper. In Bangladesh it is split into two groups, the private sector and public sector. Bangladesh's health sector growth is the most 'noteworthy' among all the South Asian countries [46].

The professional practitioners and employees will have deeper insight through this research on how firms can

sustain providing superior service facilities in the field of health care and figure out the circumstances that can affect them. Also by identifying the risk factors related to developing countries like Bangladesh this research will help to provide a better knowledge on what might be the best ways to tackle those risk factors and become successful with their international expansion. As development in healthcare is one of the most important sectors all over the world, going global with better hospital facilities will benefit the whole mankind [40]. In terms of good healthcare facility, hospitals entering with right entry strategy in foreign market will increase the competition, value and set a high bench mark. All the stake holders of hospitals, those who have entered and those who want to enter in Bangladesh are intended to be satisfied by this study. To enjoy the opportunities present in Bangladesh by foreign hospitals and upgrade the healthcare industry here, the study proposes following research questions: (1) Does cultural difference have distinctive impact on the execution of foreign subsidiaries relying upon the mode of entry? (2) How should the management of an international firm handle the risk factors in another country?

To answer the research question, the study will be guided by the following objectives: (1) to critically evaluate the effect of external and internal variables for foreign hospitals in Bangladesh and (2) to devise strategies to advance the healthcare facilities in developing countries through more internationalization of healthcare sector.

The findings of this research would benefit by allowing the professional practitioners and employees to have deeper insight on how all the factors can benefit in the field of health care and figure out the circumstances that influence a specific decision towards the establishment of the business. Also this research will help by identifying the risk factors related to Bangladesh and have a better knowledge on what might be the best ways to tackle those risk factors and become successful with their international expansion. Going global with hospitals will benefit the whole mankind as development in healthcare is one of the most important sectors all over the world. Increased internationalization in healthcare industry will benefit all the countries specially the country where the hospital will enter [29]. Hospitals entering with right entry strategy in foreign market will increase the competition, value and set a high bench mark in terms of good healthcare facility. This study tends to satisfy all the stake holders of hospitals those want to perform better than their competitors here.

## **2. Literature Review**

The internationalization concept, in the past three decades, has advanced. The regulated form by which organizations build their worldwide association is internationalization strategy. The internationalization is the consequence of a course of action of incremental decisions declared by the managers [34, 35]. The technique of adjusting exchange transaction to all universal markets is internationalization. Both entry mode strategy and establishing business in a foreign country is part of internalization [6].

The discipline that needs to be utilized into a new and different market is taken into account while operating abroad [28, 32, 35]. The internal and external factors have many impacts that prove a substantial influence in a company's performance [16]. To undertake a market, the ideal approach is to inspect their costs & risks root on market attributes and take into account their own amenities [31]. To meet their requirements, there are wide variations in operating in a new market that a firm may decide to utilize [30].

## **2.1. Internal Factors**

### Technology

Out of all of the industries, healthcare is definitely one of the most important one where technology plays a crucial role. For improving and saving countless lives all around the world this merger is responsible. Since the beginning of the professional practice of medicine the physicians are allowed to diagnose and treat their patients better because of advancements in medical technology. Medical technology is a broad field where innovation plays a crucial role in sustaining health. Significant contributions to improve the health of people all around the world is made in areas like biotechnology, pharmaceuticals, information technology, the development of medical devices and equipment, and more [22].

### Staffing Policy

Recruitment, selection, development, training and compensation of the managerial personnel relates to the term 'Staffing'. The duty which the apex management performs at all times is the Staffing which is like all other managerial functions. The staffing would come as a third step, in a newly created enterprise next to planning and organizing, but in a working enterprise the staffing process is continuous. Among the few types of staffing polycentric is one of them. The multinational staffing strategy where each satellite office is managed as a unique national entity is known as Polycentric Staffing. In this staffing policy managers and employees are hired locally [38].

### Managerial Control

Control, in the lexis of Dalton E. McFarland, in its administrative sense, can be characterized as the existence in a business of that force which pretext to a pre-decided target by method for pre-decided policies and decisions. Major administrative operation is control [21]. The actual performance is adapting in with expected authoritative guidelines and objectives and guarantees that fundamental restorative action is taken in the procedure of managing organizational exercises. The managers mainly, to assure that performance is as per the arrangements, sets up the norms of performance, the manager will then enumerate the performance and he will contrast it and foreordained principles. The manager will be led to know whether the genuine performance has come up to the probable standard or if there is any divergence. In the event of any deviation, the ultimate action in the step of controlling when the manager will take prompt remedial move [7, 9].

## **2.2. External Factors**

### Cultural Gap

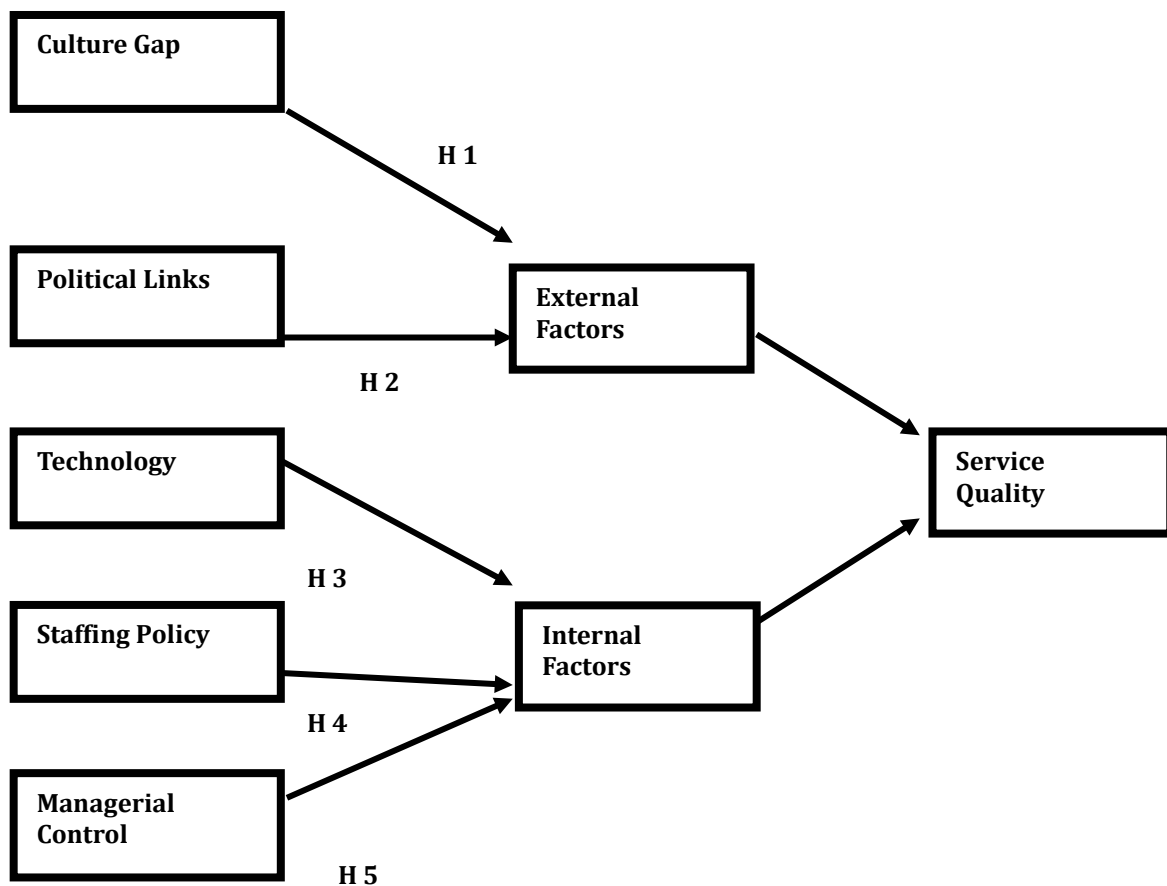
A systematic difference between two cultures that hinders mutual relations or understanding is what cultural gap means. Behavior, values, customs and education of respective cultures are included in cultural differences or gap [24, 25]. International life and transnational dealings are substantially influenced by cultural gaps/differences. This is especially true with the negotiation of translational agreements. A great deal of time is often spent to

reach an agreement by the parties [27]. Those agreements are usually concluded between parties belonging to different cultures, is one obvious reason and, therefore, each party might perceive the basis of making business in different ways [4].

### Political Links

In a foreign market the political atmosphere in global business comprises of an arrangement of political elements and government exercises that can either encourage or aggravate the ability of a business to lead business exercises in the foreign market. Usually the risk of leading business in a foreign nation frequently facing a high level of vulnerability is alluded to as political or sovereign risk. Thus, political links can be very helpful for operating the business in a smoother way [45].

### 3. Research model and Hypotheses



**Figure 1:** Conceptual model

**Hypothesis 1:** There is a significant correlation between cultural difference and foreign organizations' performance.

**Hypothesis 2:** Political links cannot provide smooth running of the operations

**Hypothesis 3:** The superior the technology of the firm the better will be the standard of the organization, thus raising the bar of the overall industry.

**Hypothesis 4:** Polycentric staffing of nurses makes more comfortable for the patients.

**Hypothesis 5:** Management control is the only way to control organizational performance.

#### **4. Research Methodology**

This study concentrates on the entry mode methodologies accessible for healthcare sector while they enter in developing markets. To accumulate information a survey methodology was deployed as a part of this study [50]. Couple of worldwide clinics in Bangladesh was chosen for the study given the number of interested inhabitants. The respective clinics were reached in July 2015 and the goal of the study alongside need for participation and co-operation was conveyed to them. The respondents were circulated 1 hundred and 30 (130) surveys. The respondents comprised of employees of hospital from the department of pharmacy, HR office, Operational office, Finance Departments and marketing department. The question posed to all the administrative level staffs and patients chaperons who were to figure out the impacts of external and internal elements international hospitals.

The survey consists of questions-proclamations which respondents were requested to remark if they correspond or contradict each proclamation. By using seven - point Likert scale (1= Strongly Agree, and 5= Strongly Disagree) every question were created. The research assistant corrected and assured that all inquiries were replied on getting the completed surveys. In the answers and subsequently in the theories testing a level of 3% error has been considered. The measures of each construct of this research used either Correlations, standardized Cronbach Alpha, Factors analysis: Principal Factors Analysis (PCA) and Principal Axis Factoring, Univariate Analysis of Variance and regression analysis (all in SPSS). The authors tested the proposed model using refined measures of all these analysis.

#### **5. Findings and Hypotheses testing**

**Hypothesis 1:** There is a significant correlation between cultural difference and foreign organizations' performance.

62% of the respondents agreed with the fact that less cultural gap with the host country helps to enhance the service quality. From the above table it can be seen that in this analysis the correlation result came .859 between the given two variables which is showing a very strong relationship. Thus, this correlation analysis will reject the null hypothesis and accept the alternative hypothesis as this analysis provided a significant result of 0.01 which is less than .05, subsequently demonstrating that there is a association between foreign firms like Apollo Hospital which is doing admirably well because of less social distinction contrast with the American Bangladesh hospital which has less social similarity.

Correlation Analysis

**Correlations**

		Good service quality	Similar organizational culture
Good service quality	Pearson Correlation	1	.859**
	Sig. (2-tailed)		.000
	N	130	130
Similar organizational culture	Pearson Correlation	.859**	1
	Sig. (2-tailed)	.000	
	N	130	130

\*\* . Correlation is significant at the 0.01 level (2-tailed).

**Source:** Primary Data

The authors have decided to join distinctive perspective of the exiting lit as the sample size is small , for example, complexities between national societies is a basic determinant of progressive exercises and execution, both observational and speculative concerns thrive [49]. The relationship between ostracize staffing and auxiliary execution coordinates social separation such that a higher extent of parent nation expatriates is related to lower supplementary performance [23].

Hypothesis 2: Polycentric staffing of nurses makes more comfortable for the patients.

Factor Analysis

Principal Component Analysis

**KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.600
	Approx. Chi-Square	18.485
Bartlett's Test of Sphericity	df	1
	Sig.	.000

**Anti-image Matrices**

		Good service quality	Polycentric staffing makes more comfortable
Anti-image Covariance	Good service quality	.865	-.318
	Polycentric staffing makes more comfortable	-.318	.865

Anti-image Correlation	Good service quality	.500 <sup>a</sup>	-.367
	Polycentric staffing makes more comfortable	-.367	.500 <sup>a</sup>

a. Measures of Sampling Adequacy(MSA)

**Communalities**

	Initial	Extraction
Good service quality	1.000	.684
Polycentric staffing makes more comfortable	1.000	.684

Extraction Method: Principal Component Analysis.

**Total Variance Explained**

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.367	68.369	68.369	1.367	68.369	68.369
2	.633	31.631	100.000			

Extraction Method: Principal Component Analysis.

The KMO is a number that measures the proportion of variances in the variability which is closer to 1 the better. Here it came .6 which means 60% variability of the variables can be explained by the factors. And the P value is significant to 0 which is very less and thus accepting the hypothesis. Also the correlation analysis shows a relationship of 0.684 between the variables proving that to some extent polycentric staffing can provide good service in a healthcare organization. In this research it has been found that more than half (59%) of respondents believe that polycentric staffing makes it more comfortable for the patients and their attendance to interact with the hospital staffs. The nurse staffing strategies if sophisticated can have a resonating beneficial outcome. One has the advantage of more satisfied nurse (less burnout and turnover!) with methodological staffing policies and therefore the capacity to accomplish a healthier financial concern.

**Component Matrix<sup>a</sup>**

	Component
	1
Good service quality	.827
Policentric staffing makes more comfortable	.827

Extraction Method: Principal Component Analysis.

a. 1 components extracted.



**Correlations**

		Good service quality	Polycentric staffing makes more comfortable
Reproduced Correlation	Good service quality	.684 <sup>a</sup>	.684
	Polycentric staffing makes more comfortable	.684	.684 <sup>a</sup>
Residual <sup>b</sup>	Good service quality		-.316
	Polycentric staffing makes more comfortable	-.316	

Extraction Method: Principal Component Analysis.

a. Reproduced communalities

b. Residuals are computed between observed and reproduced correlations. There are 1 (100.0%) nonredundant residuals with absolute values greater than 0.05.

**Source:** Primary Data

A major development in business is to build up better utilization of assets of an organization, something which can be highly profitable for the healthcare industry [51]. Scheduling software is being used in numerous services which permits executives to instill and acquire a vivid image of their staffing realities, with a specific end goal to focus on strength and weaknesses, what's working, what's not, and above all why. Once that is clear, in the matter of cutting expenses streamlining approaches, institutionalizing movement times, and considering staff responsible can have a major effect. An immediate and positive way to impart any adjustments in nurse staffing policies is critical to roll out the improvements fuse and accomplish your goal of a cheerful, productive, financially savvy workforce [4]. In this way, hiring local workers, polycentric staffing, is the most ideal approach to minimize correspondence and social difficulties.

**Hypothesis 3:** The better the technology of the firm the better will be the standard of the organization (hospital), thus raising the bar of the overall industry.

Regression

**Variables Entered/Removed<sup>b</sup>**

Model	Variables Entered	Variables Removed	Method
1 dimension0	Superior technology raises the standard <sup>a</sup>		Enter

a. All requested variables entered.

b. Dependent Variable: Good Service quality

**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
dimension0 1	.239 <sup>a</sup>	.057	.047	.622

a. Predictors: (Constant), Superior technology raises the standard

**ANOVA<sup>b</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.293	1	2.293	5.922	.017 <sup>a</sup>
	Residual	37.947	98	.387		
	Total	40.240	99			

a. Predictors: (Constant), Superior technology raises the standard

b. Dependent Variable: Good service quality

In this research it has been found that more three quarters (73%) of respondents believe that technology has a very powerful impact in healthcare industry. The respondents think the better the technology the better will be the service quality. According to this regression model the significance of Y (dependant variable: Good service quality) and X (independent variable: technology) came out as .017. These value is less than .05, thus the authors will reject the null hypothesis and accept the alternative one. In other word, this means that technology has the capacity to raise the standard of the organization which will automatically set a high bar for the whole industry and therefore resulting in increasing in service quality.

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.349	.180		7.494	.005
	Superior technology raises the standard	.216	.089	.239	2.434	.017

a. Dependent Variable: Good service quality

**Source:** Primary Data

As the sample size is small the authors have chosen to incorporate different views of different authors to support the alternative hypothesis. Like, good technology brings a lot of benefits to the firms [34]. Efficient and innovative technologies have the capacity to achieve competitive advantage for firms over their rivals [43]. If technology progresses, it will increase in efficiency which will lower the relative cost of using a resource [47]. This tends to increase the quantity of the resource demanded in the hospital. Additionally, increased efficiency accelerates growth for the hospital which will improve the standards of the hospital. High tech-firms from

abroad settling in a different country can set a good example of high standard or raise the bar of a whole industry. [52]

**Hypothesis 4:** Political links cannot provide smooth running of the operations

Factor Analysis

Principal Axis Factoring

**Correlation Matrix**

	Good service quality	Political links cannot provide smoother running
Correlation	1.000	.322
	.322	1.000

The correlation matrix of political links cannot provide any smoother running to organization with service quality came .322 which indicates the correlation to be very weak between these two variables. Thus, it means that if a healthcare firm can buildup good political links the smoother will be there operation in Bangladesh since political activities have a very high impact here.

According to our survey around 62% thinks that the global firms are steady and benevolent if the political atmosphere is favorable; even in generally unfavorable conditions associations may now benefit and succeed. The government is steady and the set of principles or codes of conduct that influence business are expected and versatile is the most significant concept. A worldwide firm can even now work if the prospective returns exist and are permissible by government policies [54]. It is particularly significant for the promoters to predict hazard and take part in business ventures that may be advantageous to them to reduce the exposure of healthcare business in delicate political conditions. A few cases of these practices incorporate forming joint-ventures, growing the investment base, licensing the facilities, or political bartering through campaigning [12].

**KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.500
Approx. Chi-Square	14.000
Bartlett's Test of Sphericity	df
	1
	Sig.
	.000

**Communalities**

	Initial	Extraction
Good service quality	.104	.322

Political links cannot provide smoother running	.104	.322

Extraction Method: Principal Axis Factoring.

**Total Variance Explained**

Factor	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.322	66.124	66.124	.643	32.162	32.162
2	.678	33.876	100.000			

Extraction Method: Principal Axis Factoring.

The main table is the tests of between effects table which is an analysis of variance because it is examining the variability amongst the means and compares against the variability within each mean in terms of individual within each group. This is a measure of affect size. The above table is telling us that depending on only managerial control will increase the service quality by only 4% as the significance is only .004.

**Factor Matrix<sup>a</sup>**

	Factor
	1
Good service quality	.567
Political links cannot provide smoother running	.567

Extraction Method: Principal Axis Factoring.

a. 1 factors extracted. 8 iterations required. **Source:** Primary Data

**Hypothesis 5:** Management control is the only way to control organizational performance.

Univariate Analysis of Variance

**Between-Subjects Factors**

	Value Label	N
Managerial control is the only way to control quality	1 Strongly agree	16
	2 Agree	18
	3 No comments	13
	4 Disagree	52
	5 Strongly Disagree	31

**Descriptive Statistics**

Dependent Variable: Good service quality

Managerial control is the only way to control quality	Mean	Std. Deviation	N
Strongly agree	1.62	1.025	16
Agree	2.56	1.504	18
No comments	1.77	.439	13
Disagree	2.42	.750	52
Strongly Disagree	2.42	.720	31
Total	2.28	.940	130

**Levene's Test of Equality of Error Variances<sup>a</sup>**

Dependent Variable: Good service quality

F	df1	df2	Sig.
12.722	4	125	.000

Tests the null hypothesis that the error variance of the dependent variable is equal across groups.

a. Design: Intercept + Control

**Tests of Between-Subjects Effects**

Dependent Variable: Good service quality

Source	Type III Sum of Squares	df	Mean Square	F	Sig.	Partial Squared	Eta
Corrected Model	13.288 <sup>a</sup>	4	3.322	4.122	.004	.117	
Intercept	472.565	1	472.565	586.351	.000	.824	
Control	13.288	4	3.322	4.122	.004	.117	
Error	100.743	125	.806				
Total	788.000	130					
Corrected Total	114.031	129					

a. R Squared = .117 (Adjusted R Squared = .088)

**Source:** Primary Data

Around 64% of the respondents either disagreed or strongly disagreed with the fact that management control is the only to be in charge of organizational performance. According to them there are numerous other issues that control or have direct impact on the performance. It was interesting to see that many also agreed with this fact. Through commitment with populaces, patients, curers and staff, managers, without any doubts, are superior to patient care and effectively meet monetary targets and complicated operational difficulties [37]. To accomplish

this and work viably over limits and facilities, managers require a good understanding with their main branch and try to maintain the quality in every sector [26].

Cronbach alpha estimated at .803 percentages basically that means 80.3% of the variability in a composite score by combining those 7 items the authors have calculated a composite score to indicate externally oriented thinking and 80.3% will be considered internal consistent reliable variable.

There are several recommendations and most cited recommendation is that the acceptance level of reliability should be .70 or above. Since all the items are measuring the same thing in our research and after the combination of all the 7 items together the mean is 17.18 and variance is 24.798 which can be seen from the last table of this analysis [15].

Reliability Analysis

Scale: ALL VARIABLES

**Case Processing Summary**

		N	%
Cases	Valid	130	100.0
	Excluded <sup>a</sup>	0	.0
	Total	130	100.0

a. Listwise deletion based on all variables in the procedure.

**Reliability Statistics**

Cronbach's Alpha	N of Items
.803	7

**Item Statistics**

	Mean	Std. Deviation	N
Healthy performance due to less difference in culture	2.18	1.160	130
Good service quality	2.28	.940	130
Superior technology raises the standard	1.92	.784	130
Political links cannot provide smoother run	2.96	1.007	130
Training & development can increase the service quality	1.90	.825	130
Polycentric staffing makes more comfortable	2.44	1.194	130
Managerial control is the only way to control quality	3.49	1.325	130

## 6. Conclusion and Recommendation

The factors in this research which are tested through statistical analysis have given significant reliability on the stand of development of the whole healthcare can be done through focusing on specific important factors [1]. The more international healthcare organizations will come into the local markets of Bangladesh the more the health care industry will be benefited along with the host country and the healthcare organizations itself. Furthermore with methodological understanding of the local culture can provide a competitive advantage to the firm over their other rivals [44].

### Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Healthy performance due to less difference in culture	14.99	17.450	.619	.762
Good service quality	14.90	18.742	.635	.762
Superior technology raises the standard	15.25	19.245	.718	.757
Political links cannot provide smoother run	14.22	20.713	.335	.812
Training & development can increase the service quality	15.28	19.396	.650	.764
Polycentric staffing makes more comfortable	14.74	17.745	.559	.774
Managerial control is the only way to control quality	13.68	18.419	.406	.811

### Scale Statistics

Mean	Variance	Std. Deviation	N of Items
17.18	24.798	4.980	7

It has been seen from the above discussion and analysis that polycentric staffing plays a big role in improving the service quality of an organization [51]. With local employees and superior technology and good management experiences from the developed countries, organizations can have competitive edge to the organizations in the healthcare sector of Bangladesh. Internalization of healthcare firms from developed nation to a developing nation like Bangladesh is a win win situation for all. Since there is already a market gap due to less international hospitals operating in developing nations, this research aims to show the beneficiaries of more internationalization and how the internal and external factors are effecting the international healthcare

organizations [10]. If the above factors are considered accordingly then the foreign healthcare organizations seem to have a good future in the developing nations.

## **7. Limitations**

The main limitation confronted while doing the survey was the sample size. The sample size was small due to lack of international hospitals in Bangladesh. A small sample size is less well appreciated and reduces the likelihood that a statistically significant result reflects a true effect. Also small sample size undermines the reliability of the survey [11]. Other drawbacks were the short of information and biasness towards a specific organization. The managers were reluctant to provide any information because of confidentiality and they were biased at answering any queries.

## **8. Implication for further research**

A debutant in the healthcare industry of a developing market needs to do more research to increase its presence in the market. The factors that might affect have been discussed in this paper, but not much research was done on how to overcome the negative effects from those factors. A second set of major approaches and further studies can be done on how to make consumer (patients and their attendants) better purchasers through tiered networks and cost-sharing and continued efforts to provide more information on clinical quality [48]. New approaches to controlling costs and improving quality must be developed as managed care loses its bite. If the consumers choose to receive care at relatively expensive hospitals in the network, tiered networks require them to pay higher deductibles, similar to a tiered pharmacy benefit where consumers pay more for brand name versus generic drugs. The potential benefit of this approach is that when deciding where to receive hospital treatment it provides consumers and patients with an incentive to be cost-conscious [42]. However, this may prevent particularly some of those low income patients, who may be unable to pay, from receiving care at hospitals with better clinical quality. The other crucial component of the value equation is providing more information on clinical quality, allowing consumers not only to consider cost but also outcomes [22]. For better facilities and services, consumers may be willing to pay more, but they need access to usable outcome data in order to be able to make cost–quality tradeoffs.

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