

Evaluating the Performance of Service Quality in the Hospitals of Traditional Chinese Medicine with Data Envelopment Analysis

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ABSTRACT After the practice of National Health Insurance, medicine industry has been fiercely changed in Taiwan. With the introduction of national health insurance, the citizens do not worry about medical expenses, individual financial risks are reduced and the development of medicine industry is accelerated to enhance the convenience of the citizens seeing a doctor. Nevertheless, the medical expenditure is rapidly increasing, the number of times the public seeing a doctor continuously soars to a new height, and the development between fundamental clinics and hospitals becomes seriously unbalanced. As a result, the health insurance payment policies are constantly adjusted and changed and the operation of hospitals of traditional Chinese medicine are encountering severe challenges. This study therefore tends to explore the business performance of traditional Chinese medicine industry. The research results would provide specific suggestions for improving the management of traditional Chinese medicine industry. According to the qualified hospitals of traditional Chinese medicine and the hospitals with the department of traditional Chinese medicine in 2011, total 17 DMUs are proceeded Delphi Method and Data Envelopment Analysis. The research results present that one DMU (Decision Making Units) appears strong-form efficiency=1 on the quality of service, about 6% of all DMUs, showing the better efficiency of the quality of service; 6 DMUs reveal the marginal inefficiency of the quality of service between 0.9 and 1, about 35% of all DMUs, showing the knowledge outsourcing efficiency being easily enhanced; and, 10 DMUs present the knowledge outsourcing inefficiency lower than 0.9, about 59% of all DMUs.