

Abstract

Introduction: Increasing urbanization, changes of lifestyle, change patterns of infection diseases to non-infection, increasing life expectancy and increasing the percentage of elderly, increasing the number of experts and specialists and development of diagnostic and therapeutic techniques lead to increase of demand for health services. Therefore, public and private sectors are responsible together to provide health services. This research with emphasize on private sector in the field of health care, in order to resolve the weaknesses and improve the strengths of these hospitals was conducted in 2014.

Methods: This study was a Mixed Methods Research. Porter's competitive diamond model was based on this research. According to this model, the challenges of private hospitals was explained and identified in the format of 4 main components: Factor conditions, Demand conditions, Related and supporting industries and Context for Firm strategy and Rivalry. In the first phase, by studying the texts and diamond model of Porter, by doing depth interview with 3 experts in the private hospital industry, the interview guide was designed for the second phase of study. In the second phase (qualitative phase) with doing semi-structured interviews with 17 chief officers of private and public hospitals and experts in relevant organizations, which were identified using purposive sampling and snowball, such as Department of Health and Care problems and challenges of private hospitals was designed in the format of diamond model. The questionnaire was designed based on the points introduced and finally in the third phase of the study (quantitative phase) by completing the questionnaire made by researcher by experts in the private hospital industry, points introduced were prioritized by using Friedman Test.

Results: Challenges of private hospitals industry in the form of Porter's diamond model was identified in 4 main concept and 21 subsidiary concept. According to prioritize performed by Friedman test, the high cost of treatment (54.95), Low salaries and lack of job security and satisfaction (53.95), lack of commitment basic and supplementary insurance to their commitments (53.74), shortages of manpower (50.14), the old hospital building and shortage of medical equipment and facilities(48.40), high rates of elective surgery(45.74) and lack of government funding(45.04) are the most important problems of private hospitals. Strengths of private hospitals are patient satisfaction with welfare services, good relationship between staff and patients and respect to the patients' rights charter.

Conclusion: Dominance of profit on private sector's management viewpoint, lack of states financial support, Limitations on contracting with a variety of supplemental insurance and the weakness of government monitoring are considered the major causes of private hospitals problems. It can be expected to reach private-public cooperation in community health improvement by increased government's support and improving the quality and quantity of human, informational and physical resources.

Keywords: private hospitals, competition, porter's diamond model.

**The competitive analysis of Private hospitals industry to identify
current challenges, using Porter's competitive model in Kerman
2014**

A Thesis Presented to The Graduate Studies

By

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**In Partial Fulfillment of the Requierments for the Degree Master
of Science in :
Health Services Management**

**Kerman University of Medical Sciences
2014**