

**A STUDY ON KNOWLEDGE ABOUT LOAN SERVICES FOR STARTING  
NEW CLINIC & HOSPITAL AMONGST PHYSICIANS IN VADODARA**

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**ABSTRACT**

In present time, starting of new hospital or clinic is becoming most common career option after completing medical education or taking experience of few years as physicians amongst medical professionals. The benefits of availing especially device loan for physicians are highly considered for the same but it is as per advice of financial consultant and not independent decisions of physician. Therefore, presented study was undertaken with a view to check knowledge and understanding about financing option for physician when they are studying or taking experience at very initial phase of their career. The result shown that physicians don't possess substantial and accurate knowledge about various basic concepts of loans irrespective of their gender or level of study. Therefore, it is recommended that they should be educated about financial literacy through training program or formal education during their study so that they become independent in their financial decisions.

**Keywords:** Medical Education, Hospital Professionals.

**I. INTRODUCTION**

In last decade, healthcare industry witness significant growth. Hospitals in general and private hospitals/clinics in particular are key drives to boost healthcare industry as they are the major players in entire spectrum of the industry. Though rate of corporate hospitals is increasing in private healthcare domain, significant amount of private hospitals / clinics is observed by set up by individual physicians (doctors) or group of physicians. Further, starting own practice by establishing one's own clinics / hospital still remains the most preferred career option amongst the students of PG medical programmes (MD/MS/MndCh/DNB).

It is also observed that majority of physicians who are going to start their own hospital / clinics are utilizing financing option given by the banks but this decision is mainly based on advice of their financial advisor. In fact, the financial aspect of entire project to starting new hospital is managed by independent financial advisors to respective physicians or group of physicians. Moreover, almost every major banks also having separate financing product (loan) for

doctors which exclusively design to those physicians who want to start their own clinics or hospital with different magnitude.

All the medical programmes are one the lengthiest and rigorous program amongst various academic fields. However, it doesn't include the teaching of module related with entrepreneurship and finance even though starting new enterprise in form of clinics and hospitals is the most preferred alternative after medical study and in starting new clinic bank financing is one of the most common alternative. Therefore, the present study is planned to check knowledge and understanding about financing options available for physicians to start their clinics / hospital.

## II. METHODOLOGY

The main objective of this study was to investigate the awareness level about loan products and services offered by various banking and non-banking financial institutions to the physicians and there by identify the specific areas where physicians are lacking in knowledge about the same. Further, it also aimed at to identify the role of demographic factors such as experience and gender plays any role in knowledge about various loan products offered to physicians. The design of the study is descriptive in nature. The sample of 75 physicians was picked from teaching hospital of Vadodara region. Primary data about knowledge and understanding of various financing products of bank were collected using structured questionnaire through online mode. Following hypothesis were framed for the study:

H<sub>01</sub>: There is no association between gender of healthcare worker and knowledge towards loan products and services.

H<sub>02</sub>: There is no association between level of study / Work Experience (Upto 1 Year) of healthcare worker and knowledge towards loan products and services.

## III. DATA ANALYSIS

To undertake this research, data are collected using structured questioner by E-survey method. Total 15 questions related with basic concepts of bank loan were asked. It covers various aspects related with borrower's concern viz. availability & objectives of physicians loan, their service provider, eligibility requirements, repayment mode and credit appraisal and ranking.

The validity of questionnaire was established by experts working in bank and senior faculty member of financial management. Further, the E-survey was

carried out by sending secure link to official email of physicians after their consent to participate in study.

The collected data are on nominal scale and hence frequency distribution and mode was calculated under descriptive statistics and Chi-Square Test was performed to test hypothesis under inferential statistics. For E-Survey was conducted using Google Form and Data Analysis were done by using SYSTAT 13 statistical package. Refer table – I, for demographic profiles of respondents

In the survey, questions related with knowledge of basic information related with loan services were asked. Refer table – II for results of data analysis.

From table – II, it is observed that physician possess comparatively better knowledge about availability of special loan for physician and repayment (installment) mechanism. However, possessed very poor knowledge about loan service provider, CIBIL and credit ranking and interest rate and eligibility requirements for getting special loan for physicians. Further, P Value of Chi-Square Statistics is more than 0.05 and hence H01 and H02 were failed to reject. Therefore, there is no significant association between knowledge of various basic aspects of loan services for physicians' with their gender or their level of study or working experience upto 1 year.

#### **IV. FINDINGS & SUGGESTION**

**The major findings of the study are as follow:**

1. The budding physicians or with less than 1 years of experience don't possess accurate and adequate information about basic concepts of loan facilities available to them.
2. They are poor in knowledge about loan service providers, credit ranking and CIBIL, Interest rate and eligibility conditions.
3. They have normal knowledge though not substantial about availability and objectives of physicians' loan and about instalment and repayment.
4. The demographic factors like gender and level of study or work experience are not significantly associated with their awareness and knowledge of loan services for physicians.

Based on result and findings, it was recommended that physicians shall be educated about basic concepts of financing knowledge, especially about loan facilities available to them by different banking and non-banking financial institutions. It is highly desirable that Medical Institutions shall have formal or

additional training program on financial literacy for physicians during their study which can help them to take independent decisions.

## V. CONCLUSION

In recent times, majority of the medical students are pursuing their career as private practitioners by opening their clinics or hospital either individually or in partnership mode. In that venture, loan for physician the most preferred alternatives however, it was mainly recommended by their financial advisor. Further, the study found that they don't possess substantial and correct knowledge about the financing option when are studying or their initial career irrespective of their gender or level of study. Therefore, it is highly recommended to educate them about financial literacy and financing option available so that they can chose correct alternatives and take independent decisions.

## VI. REFERENCES

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## TABLES

**Table – I : Demographic Profile of Respondent**

GENDER		LEVEL OF STUDY / JOB EXPERIENCE		
Male	Female	UG	PG & Super-speciality	Work experience upto 1 Year
41	34	26	38	11
<b>TOTAL RESPONDENT (N) : 75</b>				

TABLE – II : Result

Parameters	Awareness			Ho1		Ho2	
	Good (%)	Average (%)	Poor (%)	$\chi^2$ Test Statistics	P Value	$\chi^2$ Test Statistics	P Value
Availability of special loan for physicians	61	12	27	2.262	0.071	0.005	0.944
Objectives of Physician's loan	53	17	30	0.108	0.743	2.263	0.268
Loan Service Providers	37	11	51	0.936	0.623	0.434	0.510
Eligibility conditions	42	7	51	1.224	0.269	4.024	0.134
Repayment (Installment) of Loan	63	0	37	0.585	0.545	3.126	0.206
Interest Rate	37	4	59	0.686	0.878	0.631	0.731
Credit Ranking & CIBIL	33	4	63	1.963	0.375	0.081	0.776

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