

Analysis of the apollo hospital's business environment



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1. 0 Introduction

Apollo Hospital, established in 1983, whose mission is: "Let everyone can accept a world-class health care services." Is the price and quality, convenient services, is the core of the Apollo Hospital.

Selection results 2013 Asian Hospital Management Awards in the Asian

Management Conference HMA website : Apollo Hospitals India won several
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awards , is Asia ' s only super-class Asian Hospital . Over the past 30 years, India's Apollo Hospitals has 37 hospitals distributed around the world , according to the introduction, in the total amount of the medical services market in India , Apollo Hospitals will occupy more than 50% . they not only became one of India's largest integrated healthcare group , but also to promote the success of the revolutionary development of private hospitals in India . In this hospital, has a license to practice medicine in the United States and Europe for more than 60% of doctors probably even have been able to operate about forty more than 3000 cases of hospital surgeon ' s .

2. 0 Analysis of the Organizon's Business Environment and of Industry Survival and Sucess Factors

2. 1 MacroEnvironmentAnalysis

- Political /legal factor;

Every government policy , will result in a significant impact on business rules Apollo hospital , so politics is to increase the risk factor Apollo Hospital . Since India's independence in 1947 , the government established an Indian for all public health system . The Government will not only help the public hospital , it can stabilize the operation , but also to encourage the healthy development of private hospitals . This is the public, private hospitals coexistence situation , so that the whole of India ' s medical institutions (including the Apollo Hospital) , to get a good space for development.

- Social/Economic factor;

Due to lack of funds in India , public hospitals can not meet the needs of all Indians . In order to maintain the public health system can effectively run , the Indian government increased private funding of the hospital, so that private hospitals to get more profit in the case , the use of their profits back to society, reduce the burden on public hospitals . This makes the Apollo Hospitals have more money , equipment and optimization within the hospital environment , while better reputation, in order to attract more customers.

- Technologyfactor;

Apollo Hospitals not only has the world's most advanced medical equipment , the world's leading medical technology, and every doctor of medicine are very skilled in many medical fields have reached world-class level of treatment . With these excellent treatment conditions , can greatly enhance the therapeutic effect, while the low price makes the world come to attract patients in treatment. Especially for Western people, these good and cheap Hospital , Western countries can not be given , so for the people of the West has great appeal .

- Environmental policiesfactor;

While India gives the impression that more is dirty , messy, poor conditions , but in the overall health situation is not very ideal conditions, medical standards in India compared to other developing countries is much better. Indian star standard management practice for hospital and medical care for its health care standards and hardware facilities as standard, divided Samsung, three four-star and five-star standards. Apollo hospital with its

comfortable environment , clean equipment , has won the praise given to patients with various countries .

- Globalizationfactor:

Forces of globalization also affects the Indian healthcare industry . Apollo Hospital active medical outsourcing , the annual revenue for the UK to provide medical services to more than \$ 1 billion . This makes Britain the patient to see a doctor at the hospital queuing time is much shorter . This shows that the forces of globalization for India ' s economy because of the rapid development of the medical industry , while the effects of globalization can be made stronger so that Apollo Hospitals greater.

2. 2 Industry Analysis

- Market entry^{1/4}>

According to the Confederation of Indian Industry (CII) in the statistics: in 2004 there are about 150, 000 foreigners to India cure, and this number is growing at an annual growth rate of 15% . Some people think that if you follow this trend has been the development continues, by 2012, the annual income of the Indian healthcare industry may even reach \$ 2. 2 billion . The growth of the market is very attractive for the freedom of consumer disposable incomes , many companies have joined the medical occupations.

Existing competition

Because the medical industry has a huge market potential , so many companies are added to the health care occupations. In order to be able to obtain the freedom of consumers from the distribution of funds , the level of

competition also followed constantly improving . In this increasingly competitive environment, improve the efficiency of their own health care and medical services , while reducing health care prices in order to attract more consumers to patronize. On the other hand , consumers in this fierce competition , you can choose to go to a better treatment of the environment , but also cheap .

Supplier Power:

Supplier of force has a very important position , in order to use lower prices to attract patients come for treatment , it is necessary to control the cost of good medical care , and power suppliers will directly affect the market price of medical supplies . But as for the treatment of diseases in India more and more people , the hospital will need a lot of medical supplies and medical equipment , and so it makes a lot of demand for each vendor in order to obtain greater benefits , while lowering the price of goods .

- Buyer Power:

The power of your customers to drive down your prices;

- Competitive Rivalry: The strength of competition in the industry;

The Threat of New Entry: The ease with which new competitors can enter the market if they see that you are making good profits (and then drive your prices down). By thinking through how each force affects you, and by identifying the strength and direction of each force, you can quickly assess the strength of the position and your ability to make a sustained profit in the industry;

There is some threat of substitution. Ex Telemedicine or shifting to other medicine like Ayurveda or natural care unless it is difficult to find some way of changing this situation, this looks like a very tough industry to survive in. Maybe he'll need to specialize in a sector of the market that's protected from some of these forces, or find a related business that's in a stronger position.

3. 0 Analysis of the Organisation's Strategy

3. 1 Apollo Hospital SWOT Analysis

Strength

- monetary assistance
- comprehensive span of healthcare capabilities
- services at every level of care
- Being the largest purchaser and consumer of medical

Weakness

- high loan rates
- depress the margins
- High attrition rates
- The rising costs

consumable

s

Opportunities

Threat

- | | |
|--|---|
| <ul style="list-style-type: none"> • new markets new products and services • preferring private services • Hospitals in India are running at 80-90% occupancy. • India's health care industry is expected to grow by around 15% a year for | <ul style="list-style-type: none"> • the limited resources, and rising incomes • Real estate prices have become prohibitively high • existing medical equipment's obsolete |
|--|---|

the next six
years.

Strength; Quality; money related support gave -obstructions of business passage lessened work cost residential market high gainfulness and income high development rate. Qualities Apollo is an incorporated social insurance association with a complete compass of medicinal services capacities, empowering us to give end-to-end administrations to patients. We give consistent conveyance of administrations at each level of forethought - essential, auxiliary and tertiary. Being the biggest buyer and purchaser of medicinal consumables in the private segment

Weakness; high advance rates are conceivable expense structure interests in innovative work future rivalry little specialties units. Shortcoming we have included 297 Stand-alone drug stores amid the year, since a large portion of the drug stores are in the brooding stage which can discourage the edges. High whittling down rates among the nursing workforce to Western nations and contenders because of higher compensations and advantages being offered requires higher interest in preparing to guarantee that the clinical staff is outfitted with the right abilities, capabilities and mastery required to convey quality medicinal services. The increasing expenses of health awareness conveyance makes lion's share of the private healing facilities costly for an ordinary working class gang.

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Threat: Danger; increment in the process of childbirth expenses increasing expense of crude materials Threats The expense trouble is situated to increment because of the constrained assets, and climbing wages will mean higher wages, supply and capital expenses. Land costs have gotten to be restrictively high and an obstruction to tackle new activities. This will add to higher expenses of Healthcare conveyance which must be borne by the shopper. Restorative supplies represents 40-45% of the aggregate consumption in clinics. Any change in engineering will make existing therapeutic gear's outdated. High rate of headway in restorative innovation is prompting shorter lifespan, outdated nature of medicinal supplies, obliging therapeutic experts to overhaul their abilities on a consistent premise.

3. 2 Value Chain

Value chain is divided into two types of basic activities and support activities , basic activities included : production, marketing, transportation and after-sales support activities included : supplies, technology, human

resources or other support basic functions of production management activities and so on.

The basic activities of Apollo hospital patient admission, hospitalization , the patient was discharged , hospital marketing, health checks composition, which is Apollo Hospitals profit most important part ; and support activities are hospital infrastructure , hospital human resource management, technology development and procurement management , which can reduce the cost of Apollo hospital , in order to improve profits ; they are different from each other but they have each other activity associated with it, constitutes a dynamic process of creating value , ie the value chain Apollo hospital .

From the Apollo Hospital in the value chain , we find that not every aspect can create value. The value created by Apollo , the most important is the value chain from a patient in hospital, so patients hospitalized in the entire value chain “ strategic sectors .” But this does not mean that other aspects important in this value chain , all the links are indispensable.

4. 0Critical Appraisal of the Strategy

4. 1Critical analysis

India’s large population, but the overall economy is not wealthy . India due to lack of funding , the existing public health system can not meet the medical needs of all residents . Now, more than the number of beds to population in India is 1: 1300 , about 130 million people still lack health care. However, in order to let the people when they are sick can receive the appropriate

treatment can be , the government is still implementing universal free health care system . Although the company is privatized enterprises Apollo , in a high standard of private hospital treatment , of course, is higher than the cost of public hospitals , but in general compared to international standards , the price is still relatively cheap. A large number of patients in Western countries come to India for treatment, because of this reason . But in the Eastern countries , there are still many poor families have no money to see a doctor , so while maintaining high standards of quality of care , try to reduce costs and achieve the purpose of reducing health care costs , so that more people can accept cheap and high quality health care . But have to follow the government ' s instructions and do charity medical facts , so that the hospital can have a better reputation.

In India there are many medical institutions partially privatized , as is to improve the quality of medical care , but also to retain key management by governments at disease prevention and public health. Western countries believe the view that because of poverty , developing countries can not afford to build the cost of the social security system needs. But India is determined to make the vast majority of people are included in the various forms of social health insurance being . India is not only the establishment of a public health system , such as free public hospital treatment programs and universal free immunization programs to protect vulnerable groups, especially farmers can enjoy basic medical care . However, care must be taken not to deprive the patient , to avoid the total medical costs rose too fast, to avoid serious social inequality and other issues , we should always pay attention to adjust .

5. Conclusion

Now , Apollo Hospitals has become recognized worldwide as the founder of health care . Its achievements , the most important is the management of resources from the special ability. By full swing on the use of knowledge and technology , to enable patients to get peace of mind and reliable service , which has been widely recognized throughout India and overseas . Today, Apollo , independent operators in India with more than 37 hospitals . And at the same time in China , Nepal, the United Kingdom , Kuwait , Bangladesh, Saudi Arabia , Ghana and Nigeria and other countries have their own hospital or cooperation projects. Apollo Hospitals has now turned into a comprehensive health healthcare enterprise output .

6. References