

The Effect Of Market Structure And Financial Ratios On Financial Performance In Palestinian Private Hospitals During Coronavirus Disease, Covid-(19)

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Abstract: *This study investigates the financial performance of private hospitals for during coronavirus disease, covid-(19). Several financial performance parameters are used such as financial ratio and market structure. Moreover, financial performance is positively related with return on financial with a coefficient of path coefficient, standard error and t-value, the relationship between financial ratio and market structure on financial performance moderating role knowledge management. However, the findings of the study show the positive and significant relationship between financial ratio and market structure on financial performance with the moderating role knowledge management. Then, this study investigates the financial performance of private hospitals for during coronavirus disease, covid-(19). Several financial performance parameters are used such as financial ratio and market structure. Moreover, financial performance is positively related with return on financial with a coefficient of path coefficient, standard error and t-value, the relationship between financial ratio and market structure on financial performance moderating role knowledge management. However, the findings of the study show the positive and significant relationship between financial ratio and market structure on financial performance with the moderating role knowledge management. Then, this study suggests a set of recommendations regarding the development and enhancing of private hospitals operations which will boost the Development in treatment coronavirus disease, covid-(19) , especially in massive numbers of the increase Rapid spread of infection and improve the financial performance for the hospitals.*

Keywords: *financial performance, financial ratio, market structure, coronavirus disease, covid-(19), private hospitals and west bank – Palestine.*

1. BACKGROUND OF THE STUDY

World Health Organization (WHO) In January 2020 declared there are dingers new coronavirus disease, COVID-19, an outbreak in several countries from this point health care in Palestine start the emergency awareness, because of the rapid spread and the huge number of patients and deaths. Consequently, this study related to health care sectors in the west bank. However, this overview of the hospitals in West bank. Moreover, before 2000, the hospital in the north of the west bank (Palestinian occupied territory) was as the following:

There was only tow private hospital in Nablus (Itihad and saint luke's) market structure recognized to be a duopoly. In Jenin, there was only one private hospital, Al Shifa'a hospital, market structure recognized to by monopoly, in Tulkarem and Qalqelia there was no private hospital. Furthermore, after 2000, two more hospitals were built-in Nablus (Nablus specialized hospital, Arab specialized hospital) market structure become oligopoly in Jenin's

new hospital was built (Al-Razi hospital). The market structure cleared to be a duopoly. There were In Tulkarem two more hospitals, hospitals were built, in Qalqelia still, there is no hospital. Furthermore, the healthcare sector which is mainly represented by hospitals is regarded as one of the most critical sectors that touches the lives of people (Kurdi, 2018). In addition to that, hospitals constitute the largest expenditure category in the budget of countries. Therefore health sectors have been reported to experience increasingly low trust from the perspective of patients with respect to the quality of healthcare that they receive. Nowadays, individuals who wish to get healthcare services of high quality tend to hospitals abroad (Bauer, Brüggmann, Klingelhöfer, Maier, Schwettmann, Weiss, & Groneberg, 2020). This is why hospitals from the public sector are undergoing tremendous pressure from the governments and also from the people to work harder on improving the quality of their services and compete effectively with other hospitals.

We will study market structure in Jenin and Nablus since no comparison can be done in Tulkarem and Qalqelia. Somehow, by analyzing financial statements for hospitals we recognized drastic changes in the financial ratio. Profit margin (Return investment) declines sharply in all hospital, in few cases it becomes negative, return on equity also decline, earning per share declined, also price of share decline, dividend declined, activity ratio declined, we noticed that account receivable has increased and the account receivable average day increase, doubled in most hospitals. Specifically, most of the previous researches followed the typical conceptual framework whereby a number of variables influence financial performance in Palestinian private hospitals without considering the interference of some other factors that may moderate this influence .

In this context, limited research have attempted to study the moderating interference of some other variables that could influence the relationships between the antecedent factors and that of Performance (González-Gil, González-Blázquez, Parro-Moreno, Pedraz-Marcos, Palmar-Santos, Otero-García, & Carrillo-Camacho, (2020), except for limited research studies such as that of Girma, Agenagnew, Beressa, Tesfaye, & Alenko, (2020) attempted to examine the moderating impact of organisational culture on the relationships between Performance and its antecedent factors. However, Moss, & Majadle, (2020) recommended that future studies should examine the potential impact of some other moderating variables. Thus, this study attempts to respond to this recommendation and in turn fills this gap in the literature by examining the impact of a moderating variable of Knowledge Management (KM) .

Knowledge Management can be defined as the process by which knowledge is gathered, managed and shared among employees throughout the organisation. The idea of sharing knowledge among the employees in the organisation is regarded essential as it enhances existing processes while it also introduces more effective and productive business processes. In the context of this study, knowledge management is argued to influence the relationships between the independent variables of Financial Ratio (Trends, Profitability Ratio, Tangibility Ratio, and Liquidity Ratio) and Market Structure, (Perfect Competition, Monopolistic Competition, Oligopoly and Monopoly) and the dependent variable financial performance in Palestinian private hospitals. The reason why KM is selected to constitute the moderating variable in this study is the belief in the construct's ability to strengthen these relationships. For example, if knowledge is managed and distributed effectively among the different department in the hospitals, such distribution of knowledge would in turn enhance the utilization of information technologies considering that such technologies will constitute the tools by which knowledge is distributed. Apart from that, when knowledge is distributed, this would also improve the capacity of employees (Girma, Agenagnew, Beressa, Tesfaye, & Alenko, 2020; Sultan, & Crispim, 2018; Lazarus, Ratzan, Palayew, Gostin, Larson, Rabin, Mohandes, 2020; Wernly, Wernly, Magnano, & Paul, 2020). Finally, when knowledge is distributed effectively among departments, employees would sense the trust that is given to

them by the organisation and this would in turn have a positive influence on their commitment. Furthermore, the study questions the primary goal of the present research is to investigate the factors that influence financial performance. In addition to that, the influence of the antecedent factors on financial performance was investigated through the effect of financial ratio (trends, profitability ratio, tangibility ratio, liquidity ratio) and market structure, (perfect competition, monopolistic competition, oligopoly, monopoly). Thus, to achieve this goal, this study attempts to answer the following research questions. 1) To what extent does financial ratio affect financial performance in Palestinian private hospitals during coronavirus disease, covid-(19)? 2) Does market structure, affect financial performance in Palestinian private hospitals in Palestine during coronavirus disease, covid-(19)? 3) To what extent does Knowledge Management moderate the relationships between financial ratio and financial performance in Palestinian private hospitals during coronavirus disease, covid-(19)? 4) To what extent does Knowledge Management moderate the relationships between market structure, and financial performance in Palestinian private hospitals during coronavirus disease, covid-(19)?

Theoretical Significance

The theoretical framework designed for this study is grounded on a number of gaps that appeared in the previous work on Performance and the factors that influence its implementation, particularly in the healthcare sector. In this study, these gaps represent a number of factors that include the use of Financial Ratio (Trends, Profitability Ratio, Tangibility Ratio, Liquidity Ratio) and Market Structure, (Perfect Competition, Monopolistic Competition, Oligopoly, Monopoly), and these factors constitute the independent variables in this study. By examining the way these antecedent factors influence financial performance in the healthcare sector, the current study gains part of its theoretical significance .

Apart from that, it was mentioned earlier in this research that most of the previous research on Performance in general and in the healthcare sector in particular aimed at examining the influence of a number of determinants on the implementation of TQM practices and organization Performance while limited research attempted to examine the influence of some moderating factors on the relationship between the antecedent determinants and organization Performance (Wernly, Wernly, Magnano, & Paul, 2020; Bae, & Chang, 2020; Sands, Wenzel, McLean, Korwek, Roach, Miller, & Perlin, 2020; AlKhaldi, Kaloti, Shella, Al Basuoni, & Meghari, 2020). In other words, most of the previous research studies on organization Performance in the healthcare sector utilised the typical framework in which the impact of a number of factors on organization Performance is investigated. The current study, however, takes a step further by examining the moderating impact of an influential factor on the relationship between the antecedent factors and organization Performance. Specifically, the study investigates the moderating impact of knowledge management (KM).

Practical SIGNIFICANCE

It has been mentioned earlier that financial performance in Palestinian private hospitals during coronavirus disease, covid -(19) Facing a number of challenges and the nature of the services provided to patients are perceived to be low in quality. The private sector on the other hand seems to have relatively good quality and some studies reported that the services provided by the financial performance in Palestinian private hospitals during coronavirus disease, covid - ,(19) to enjoy better perceptions of quality as compared to the poor perceptions of private hospitals. The present research attempts to investigate some of the factors that have been hypothesized to influence the provision of financial performance. The study generates some useful recommendations that can be taken into consideration in particular private hospitals and in general the Palestinian Ministry of Health (MOH).

2. RESEARCH METHODOLOGY

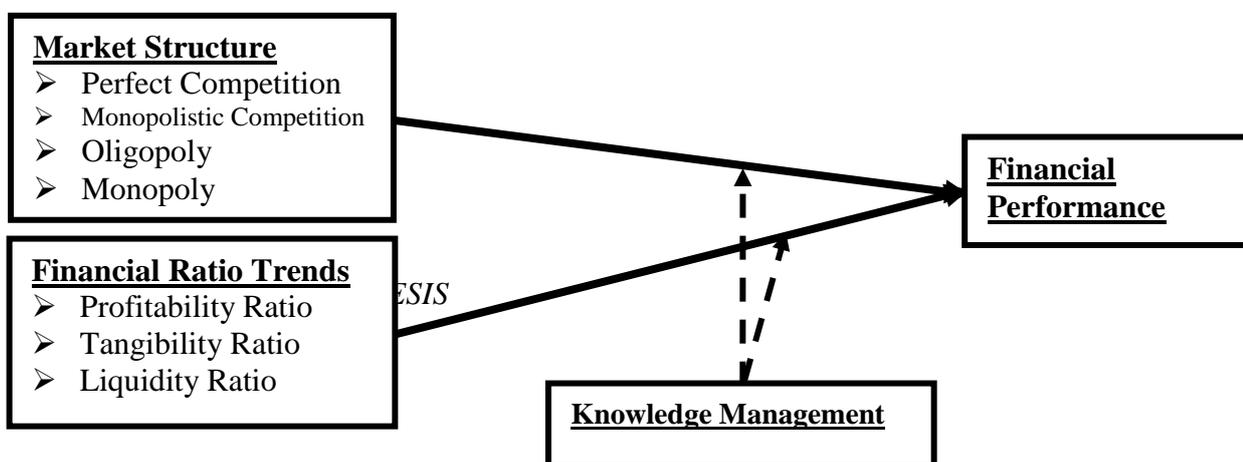
This study adopts method in order to describe the entire financial performance in Palestinian private hospitals during coronavirus disease, covid -(19). Furthermore, some critical components are included and such components include the measures that are used, the samples that are utilised for the sake of collecting the data, the technique data is collected, together with the techniques used to analyse the collected data (Creswell, & Creswell, 2005). As far research design is concerned, this research utilises a research design in which quantitative method of research is incorporated. This quantitative part of the study includes a set of questionnaires to collect data on the variables of the study, namely the Financial Ratio and Market Structure, the dependent variable of Financial performance and the moderating variable of knowledge management. Furthermore, the research design Cross-sectional quantitative design, population of interest and sampling list private hospitals 232 manger and top management private hospitals in west bank –Palestine, Furthermore, determination of sample size used Louangrath, and Sutanapong, (2019), formula:

$$n = N / (1 + N * e^2) \text{ minimum sample needed: } 146$$

Furthermore, data analysis tool SPSS, Smart PLS Version 3.0

Research Framework

A in this study research framework is the basis of the whole study conducted. In the previous section, we talk about the importance of the variables and how can add value to theoretical and empirical contributions literature review given has supported information on the importance of financial ratio and market structure on private hospitals' performance in Palestine during coronavirus disease, covid - (19). However, the main focus of this part is to integrate the variables relevancy into the research framework. The hypotheses developed for this study were tested.



The current study addresses the following hypotheses:

H1: There is a significant statistical relationship between financial ratios analysis on financial performance in Palestinian private hospitals during coronavirus disease, covid (19).

H2: There is a significant statistical relationship between market structures on financial performance in Palestinian private hospitals during coronavirus disease, covid (19).

H3: Knowledge management moderate the financial ratios analysis on financial performance in Palestinian private hospitals during coronavirus disease, covid (19).

H4: Knowledge management moderate relationship between market structures on financial performance in Palestinian private hospitals during coronavirus disease, covid (19).

Sampling Methods

In survey research, a probability sampling method is more appropriate than a non-probability one because the resulting sample is likely to provide a representative cross-section of the whole (Denscombe, 2014). Moreover, researchers can make an unambiguous statement about the accuracy and validity of the finding from the survey by reference to the degree of error and/or bias which may be present in it as measured by well-understood statistical methods (Stamenkovic, Schmidt, Ross, & Markovic, 2002). Therefore, the researcher considered a simple random sampling technique in which the sample for this study was selected from a larger group. In addition, using this technique helped to ensure that each company has the chance to be chosen and each member of the population has an equal chance of being involved in this study. Therefore, the adoption of this technique implies the researcher has randomly distributed in 48 private hospitals. Thus, the breakdown of the study population by the hospitals and by the total number of employees. Who are at risk of occupational accidents are shown in Table 1.1.

Indicator	Last 18 Years					
	2000	2005	2010	2014	2017	2018
Government Hospitals	17	24	25	26	27	27
Private Hospitals	48	52	51	54	56	55
Total Outputs	181,272	431,117	482,830	393,450	241212	253943
Hospital Beds Per 1000 Citizens	1.4	1.3	1.3	1.3	1.3	1.33
Total Family Occupancy Rate	71.4	64.5	62.1	84.9	97	95
Overall Residence Rate	3	2.7	2.4	2.6	2.2	2.8
Number Of Primary Health Care Centres	595	654	706	767	743	732

3. STATISTICAL RESULTS

*It has been observed that on financial performance is positively related with return on financial with a coefficient of path coefficient, standard erro and t-value, the relationship between financial ratio and market structure on financial performance moderating role knowledge management. Furthermore, the results depicted in table1.2 show that the path of financial ratio to financial performance is positive and insignificant ($p= 1.039$; $P > 0.97$). Thus, the researcher rejects H1. Moreover, market structure to financial performance is positive and significant ($\beta = 0. *2.614$; $P < 0. 313$), indicating that as the market structure increases, so too does the extent of financial performance, thereby providing support for H2. In addition, the relationship between financial ratio and financial performance moderating by KM is positive and significant ($\beta = 0. *2. 117$; $P < 0. 341$), indicating that as the financial ratio for the financial performance increases, the financial performance will increase, and this is providing support for H3. In addition, the relationship between Market Structure and financial performance moderating by KM is positive and significant ($\beta = 0. 535$; $P < 0. 262$), indicating that as the KM moderate the relationship between Market Structure and financial performance increases and this is providing support for H4.*

	Hypotheses	Path coefficient	Standard Error	t value	Decision
H1	Financial Ratio (FR) → financial performance(FP)	-0.097	0.10	1.039	Not Supported
H2	Market Structure (MS) → financial performance(FP)	0.313	0.08	*2.614	Supported
H3	Knowledge management. (KM) -> (FR) & (FP)	0.341	0.07	*2.117	Supported
H4	Knowledge management. (KM) ->(MS) & (FP)	0.262	0.06	**2.535	Supported

CONCLUSIONS AND POLICY RECOMMENDATION

This study examines the impact on the Financial Ratio and Market Structure on the relationship financial performance in Palestinian private hospitals during coronavirus disease, covid -(19) , which Palestinian private hospitals were taken as a sample for the purpose of analysis of financial performance. Financial Ratio (Trends, Profitability Ratio, Tangibility Ratio, and Liquidity Ratio) and Market Structure, (Perfect Competition, Monopolistic Competition, Oligopoly and Monopoly) were knowledge management as moderating variables while Financial Ratio and Market Structure(AlKhaldi, Kaloti, Shella, Al Basuoni, & Meghari, 2020; Hejaz, 2020; Naseef, Hadba, Humos, Shaheen, Mitwasi, & El-Khairi, 2020; Baidoun, Salem, & Omran, 2018; Abusharbeh, & Nazzal, 2018; Mohammadi, & Al-Khouri, 2018). Results showed that the KM of the private hospital was strongly influenced and significant.

Policy Recommendations

The following points help financial performance in Palestinian private hospitals during coronavirus disease, covid-(19). For financial ratio and market structure to perform well in the future considering that the private hospitals right now in critical situations beginning state of its age. However, the study tries to put valuables recommendation:

Increasing the private hospital number: a hospital must serve 25,000 citizens which ideal for developing countries. Moreover, equitable financial distribution and attention to trained human resources while ensuring development and quality in services. Furthermore, the use of technological tools and programs in health operations and management. Finally, the existence of oversight from the Palestinian Ministry of Health to implement health care standards

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