

OFFICE OF COMMUNICATION AND INFORMATION

PRESS RELEASE

Date: Athens, August 31, 2010

Subject: **Research Fellow at KEPE, Dr. R. Karagiannis participated in the International Conference on Applied Economics (ICOAE 2010).**

KEPE's Research Fellow Dr. R. Karagiannis presented her work entitled: "Analyzing the capacity utilization and optimal input usage of public hospitals in Greece: a two stage DEA approach", in the International Conference on Applied Economics (ICOAE 2010), co-organised with TEI of Western Macedonia and the National & Kapodistrian University of Athens, in Athens in August 26-28, 2010.

The purpose of this research paper was to provide plant capacity utilization and optimal input usage measures for a sample of public hospitals in Greece between two periods, 1993 and 2002. By focusing on the engineering aspect of capacity utilization, we were able to directly model inputs in terms of variable versus fixed classifications and thus we could trace the hospital's performance in terms of plant capacity, as well as technical efficiency. A two-stage DEA method was adopted to analyse in which direction a number of contextual variables could affect the level of capacity utilization.

The results indicated that hospitals in our sample operated with excess capacity and underutilised doctors and nursing personnel. We found some variation across urban and non-urban hospitals with respect to capacity utilization and variable input utilization. The size of hospitals and the level of populations' education seem to have a positive effect on plant capacity utilization.

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