

ABSTRACT

In order to increase the hospital competitive advantage in Indonesia, creating additional value of activities is a priority. One of creating the additional value of activities for hospital is by increasing the quality of services suitable with customer need. Quality is one of the drives to maintain continuously successful effort by service excellence, which begins from upstream to downstream so that hospital will be able to increase non-financial and financial performances.

The objective of this study is to evaluate influencing factors that form quality of services, which gives excellence of services and effect to non-financial and financial performances of central public hospitals in Indonesia. The factors forming the quality of hospital services are employees' competence, commitment, market share, quality management, and also internal services process in hospital. Meanwhile, non-financial performances include internal and external customer satisfaction, hospital utilization, quality of services and the efficiency of hospital management. These non-financial performances will influence hospital financial performances as a whole.

This research uses three groups of samples such as a central public hospital, internal customer (provider), and external customer (medical patient). There are 14 central public hospitals used as samples which belong to Ministry of Health (complete enumeration) and spread out in 10 provinces. For internal customers, 20 people are taken from each hospital (total 280 providers) used as samples and for external customers 20 people are also taken from each hospital (total 280 medical patients) used as samples too. Primary data is collected by interviewing medical patients or providers who are represented by nurses (face to face). Secondary data has been collected from accounting division and evaluation & planning division of hospitals for 6 years from 1995/1996 to 2000. Collected data were analyzed by using structural equation modeling (SEM).

The result shows that medical patient who was influenced directly by employee competence factors and hospital internal services process, perceives quality of services. Employee competence influences directly the employees' commitment which directly influences the quality management of hospital, but quality management does not directly influence the quality of services. The quality of services directly influences internal customer and external customer satisfactions. Market share directly influences hospital efficiency management, and there is no variable that directly influences financial performance of the hospital. From the above empirical result, it can be concluded that to increase service quality and non financial performances, a step to increase employee competencies and internal services process in the hospital is needed. Otherwise, employee competences can also increase personal commitment. Therefore it is a strategic effort from the hospital priority focus on increasing human resources ability, especially hospital financial accounting. A motivation for hospital employees to increase their knowledge and ability with one definite commitment will help to increase hospital service qualities. There is no variable of financial performance that is caused by hospital management which is more oriented to vision and mission achievement and not only to increase the financial performance.

Key words : service quality, hospital market share, employee commitment, quality management, customer satisfaction, hospital utilization, management efficiency, non-financial performance, financial performance