

**Applying Balanced Scorecard as a Measure Tool of Performance
Assesment at Hospital
(A Case Study at Islamic Hospital of Purwokerto)**

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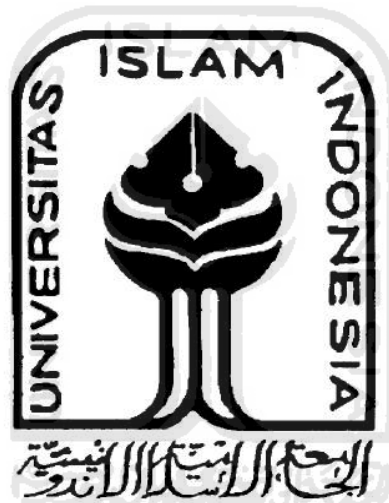
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December 7th, 2007

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A THESIS

Presented as Partial Fulfillment of the Requirements to Obtain the Bachelor
Degree in Management Department



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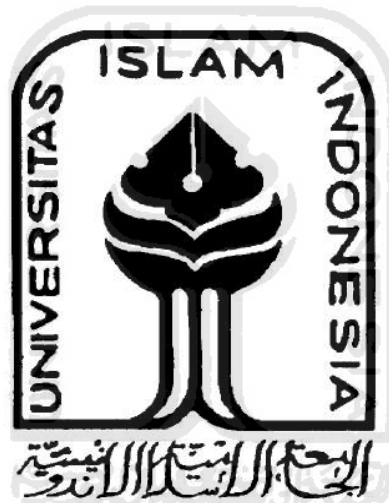
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ABSTRACT

Performance assessment is an essential thing for a company. As well as social organization such as hospital. Hospital, as health service institution at the same time as entities owning responsibility to shareholder and stakeholder, has to be wise and clever in designing strategic management. Along with the progress of technology, influence of globalization, higher competition level and patients' behavior which is more careful and critical in choosing health service, these phenomenons become motivator for the hospital to always give optimal service to society. Therefore, financial factor cannot be made as a single guidance to assess hospital management performance anymore. For that reason, it is needed a real and applicable concept for hospital to be able to improve the performance both through financial and non financial. Balanced Scorecard Concept has been proven as a smart breakthrough and innovation which assists the hospital to be able to be excellent and creative in improving management performance.

Realizing the importance of applying of Balanced Scorecard concept which is effective (applicable) based on the need of modern hospital management, the writer tries to conduct the application of Balanced Scorecard at Islamic Hospital of Purwokerto which is one of the private sector hospitals in area of Purwokerto. Until now, measurement of performance in Islamic Hospital of Purwokerto is conducted only through financial although in fact, financial performance measurement is not enough to reflect the real business performance. The Balanced Scorecard Concept measures the organization's performance through four perspectives. They are the financial perspective, customer perspective, internal business process perspective, and learning and growth perspective. Basically, the Balanced Scorecard Concept is a concept in translating strategy into action to achieve hospital's goal in a long term. The action is measured and controlled continually.

This thesis focuses on how applied of Balanced Scorecard Concept in Islamic Hospital of Purwokerto is. The objective of this research is to give a picture from the application of Balanced Scorecard toward the performance assessment of the hospital which uses financial and non financial perspective. This research is conducted using empirical study and literature study method. Research instrument used in this research is questionnaire. Research data which is used are primary and secondary data. The result from the implementation of the Balanced Scorecard concept can become inputs and suggestions for some companies who want to implement the Balanced Scorecard. In short, Balanced Scorecard will help companies or organizations such as hospital to measure their performance more comprehensive and accurate.

Keywords: Balanced Scorecard, Financial Perspective, Customer Perspective, Internal Business Process Perspective, Learning and Growth Perspective, Performance Measurement, Performance Assessment

ABSTRAK

Penilaian kinerja merupakan hal yang esensial bagi perusahaan. Begitu pula dengan organisasi sosial seperti rumah sakit. Rumah sakit sebagai institusi pelayanan kesehatan sekaligus sebagai entitas yang memiliki tanggung jawab kepada shareholder dan stakeholder harus cerdas dan bijaksana dalam merancang manajemen strategi. Seiring dengan kemajuan teknologi, pengaruh globalisasi, tingkat persaingan yang semakin tinggi dan perilaku pasien yang semakin jeli dan kritis dalam memilih pelayanan kesehatan menjadi pemicu rumah sakit untuk selalu memberikan pelayanan yang optimal kepada masyarakat. Oleh karena itu faktor keuangan tidak dapat lagi dijadikan sebagai satu-satunya pedoman untuk menilai kinerja manajemen rumah sakit. Untuk itu diperlukan sebuah konsep yang nyata dan applicable bagi rumah sakit untuk dapat meningkatkan kinerjanya baik secara keuangan dan non keuangan. Konsep Balanced scorecard terbukti sebagai terobosan cerdas dan inovatif yang membantu rumah sakit untuk dapat unggul dan kreatif dalam meningkatkan kinerja manajemen.

Menyadari akan pentingnya penerapan konsep Balanced scorecard yang efektif sesuai (applicable) dengan kebutuhan manajemen rumah sakit modern, penulis mencoba melakukan penerapan Balanced Scorecard pada Rumah Sakit Islam Purwokerto yang merupakan salah satu rumah sakit swasta di daerah Purwokerto. Selama ini pengukuran kinerja yang dilakukan oleh Rumah Sakit Islam Purwokerto hanya secara finansial saja. Padahal pengukuran kinerja secara finansial tidaklah cukup untuk mencerminkan kinerja rumah sakit sesungguhnya. Balanced Scorecard mengukur kinerja rumah sakit dari empat perspektif yaitu perspektif keuangan, perspektif pelanggan, perspektif proses bisnis internal, perspektif pertumbuhan dan pembelajaran. Konsep Balanced Scorecard ini pada dasarnya merupakan penerjemahan strategi dan tujuan yang ingin dicapai oleh rumah sakit dalam jangka panjang, yang kemudian diukur dan dimonitor secara berkelanjutan.

Tulisan ini menitikberatkan pada bagaimana penerapan konsep Balanced Scorecard di Rumah Sakit Islam Purwokerto. Tujuan dari penelitian ini adalah untuk memberi gambaran dari penerapan Balanced Scorecard terhadap penilaian kinerja rumah sakit yang menggunakan perspektif keuangan dan non keuangan. Penelitian ini dilakukan dengan menggunakan metode studi empiris dan studi literatur. Alat penelitian yang digunakan dalam penelitian ini adalah kuisioner. Data penelitian yang digunakan merupakan data primer dan data sekunder. Hasil yang didapat dari penerapan konsep Balanced Scorecard dapat menjadi masukan bagi perusahaan atau organisasi bisnis yang ingin menerapkan konsep ini, khususnya bagi Rumah Sakit. Bagaimanapun juga konsep ini akan membantu perusahaan maupun organisasi seperti rumah sakit untuk melakukan pengukuran kinerja secara lebih komprehensif dan akurat.

Kata kunci: Balanced Scorecard, Perspektif Keuangan, Perspektif Pelanggan, Perspektif Proses Bisnis Internal, Perspektif Pertumbuhan dan Pembelajaran, Pengukuran Kinerja, Penilaian Kinerja

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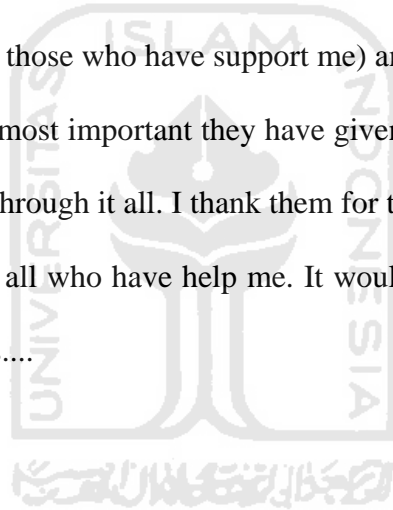
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CHAPTER I

INTRODUCTION

1.1 Background of the Study

To enter business environment which is competitive, good company management is an important factor which must be paid attention by an organization because it gives benefit for the organization. By assessing this performance, the employees can be motivated to reach the objective of organization. In addition, assessment of performance can also give guidance as an effort to fix or improve organizational activity. Therefore, an organization need management system which is formed based on environmental demand of its effort. By using management system which is matched with environmental demand of its effort, hence organization will be able to compete and expand better.

Performance assessment is one of the factors which is very necessary for an organization. Assessment can be used to assess the success of an organization and also as a base compilation of reward in organization. Therefore, assessment of performance needs correct measure instrument which is able to assist attainment of organizational vision and mission. In the past, the measure instrument which was often used more concerned at traditional performance which only focused at financial sides such as Return On Investment (ROI), Return On Equity (ROE), Profit Margin. The newest instrument is Economic Value Added (EVA). Besides the easiness in obtaining data for financial measurement, this measure instrument

is also calculated easily and simple because the character of the data is quantitative.

However, assessing organization performance solely from financial side can be mislead because good financial performance in this time can reach organization's long-range important cost of organization. Conversely, unfavorable financial performance in short-range income happens because organization conducts investment for the sake of long-range importance. To overcome this insufficiency, hence an approach method which measures organization performance is created and should consider 4 aspects: financial aspect, customer aspect, internal business process aspect, and also process to learning and growth. (Ali Mutasowifin, 2002: 245).

This method is tried to balance between the measurement of financial aspect and non financial aspect which is in general called Balanced Scorecard. Balanced Scorecard tries to make balance between attainment of financial and non financial performance, short-range and long-range performance, and also internal and external performance (Mulyadi, 2001:2). By applying this method the organization' managers will be able to measure how their business units conduct creation of value properly in this time by still keeping on considering future importance.

Hospital is an organization structure which organizes whole individual health services. In the organization, there are a lot of activities carried out by various profession types of employees whether it is medical profession or non-medical profession. To be able to run its function, it needs a whole management

system started from strategic planning process for both long-range and short-range. Strategic planning process can be referred well if the planning can be implemented practically into operational program which is oriented to economic - equity - quality. It means that hospital which is managed effectively and efficiently serves all levels society with quality.

Entering globalization commerce era of cross country since year 2003, hospital leader in Indonesia should be more focused on planning strategy, organizational, operation, and controlling in order to be really ready in global competitiveness level. In this globalization era, the consumers have freedom to choose hospital which is capable to give satisfying service, professional in the price of competing, so that the hospital performance and strategy even also have to orient to its customer's desire. Therefore, Balanced Scorecard should be applied and it is expected to respond the globalization's challenge and demand.

In globalization era, Islamic Hospital of Purwokerto as a reference hospital service of health in area of surrounding Purwokerto, in one side has problems and challenges. On the other hand, in the same time it is also given the environment condition by various opportunity factors and strength which always expand dynamically. Therefore, to be able to give main health service for society it needs to be compiled Vision, Mission, Objectives, Target and also Successful Indicator which are organized as a strategic plan. Successful Indicator is measure instrument which must be evaluated periodically. The Indicators are not only in the form of financial but also in the form of other indicators such as customer, internal business and also learning and growth which are further used as materials

to control quality and direction of health service so that the vision which has been specified can be realized.

Islamic Hospital of Purwokerto which is one of Private Hospital in Purwokerto tries to give service of health by professionalism and upgrade the quality continuously. Islamic Hospital of Purwokerto always tries to improve its performance in order to improve trust from the society for its existence. This trust is very important, considering society is as the consumers of its service. It is expected by improvement of society's trust to Hospital; it will have impact at Hospital's income.

Seeing the above mentioned phenomenon, hence it is required to use an alternative instrument to assess the performance of Islamic Hospital of Purwokerto by using more comprehensive, accurate, and measurable Balanced Scorecard because assessing organization's performance is not only based on financial but also on non financial aspect. From the above description and background, hence this research entitles "APPLYING BALANCED SCORECARD AS A MEASURE TOOL OF PERFORMANCE ASSESMENT AT HOSPITAL (A Case Study at Islamic Hospital of Purwokerto)

1.2 Problem Formulation

Based on the background above, there are some problems that will be discussed in this thesis which are formulated as follows:

1. How is the performance assessment system of Islamic Hospital of Purwokerto if it is analyzed by the concept of Balanced Scorecard?

2. How is the application of each perspective in the Balanced Scorecard as the performance assessment tool at Islamic Hospital of Purwokerto?

1.3 Problem Limitation

Since there is time limitation and huge problem, the writer will limit in measuring the performance of the hospital based on indicator needed within balanced scorecard perspective. The limitations of the study are indicated below:

- For Financial Perspective, this research will be emphasized on income statement on the period of year 2005 and 2006.
- For Customer Perspective, this research will be emphasized only on customer core measurements which are market share, customer acquisition, customer retention, and customer satisfaction.
- For Internal Business Process Perspective, the measurement is based on the medical indicators such as Response Time, BOR, LOS, BTO, TOI, GDR, NDR, The Growth of Operation Action, The Number of Referred Patient, The Increasing or decreasing of facilities and the hospital tools, and also non medical indicator which is non medical cost.
- For Learning and Growth Perspective, this research will be focused on the measurement of 3 things which are employee commitment, ability of information system and also motivation, authority and harmony.

1.4 Research Objectives

The objectives of this research are:

1. To know the performance assessment of Islamic Hospital of Purwokerto if it is analyzed by the concept of Balanced Scorecard.
2. To give an example of the usage of each perspectives on Balanced Scorecard to assess the hospital performance.

1.5 Research Contributions

The final result of this research is expected to be useful and contribute to:

- **The Knowledge Development**

The research can give contribution to the knowledge development. Thus, it can be one of the references to fulfill the wider need of knowledge especially which is relating to Balanced Scorecard. The research is contributed in the form of information, theory, and application.

- **The writer**

The research becomes the opportunity for the writer to apply the knowledge and theory that have been studied.

- **The hospital**

The research will give contribution to the hospital by giving inputs, information or supporting opinions and can also be a material of consideration to measure hospital performance using balanced scorecard. Furthermore, it will give whole information for the hospital management about hospital performance which will be useful in decision making process in the future.

- **Academicians**

The research can give some contributions to conduct further research especially about balanced scorecard applications on the hospital.

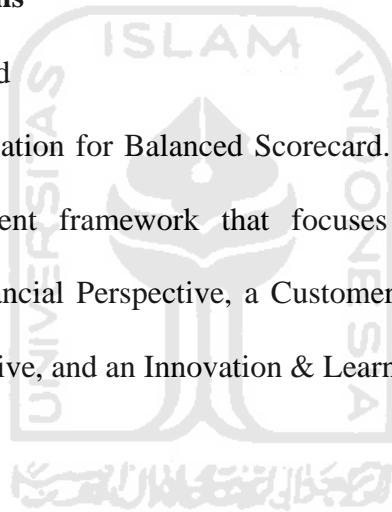
- **The Society**

The research becomes the alternative source of information for society in general which wants to know deeper about Balanced Scorecard.

1.6 Definition of Terms

- **Balanced Scorecard**

BSC – An abbreviation for Balanced Scorecard. Balanced Scorecard is a quality improvement framework that focuses on four categories of assessment: a Financial Perspective, a Customer Perspective, an Internal Processes Perspective, and an Innovation & Learning Perspective.



CHAPTER II

REVIEW OF RELATED LITERATURE

2.1 Conceptual Framework

2.1.1 Assessment of Performance

Performance is a common term which is used for some or all activities or action in an organization at one particular period, along with reference at a number of standards like past costs or projected costs, an efficiency base, responsibility or accountabilities and others similar things (Fauzi, 1995 : 207). Performance is a whole picture of a company during certain period referring to achievement or result influenced by company's operational activity in exploiting available resources (Helfert, 1997).

Assessment of performance basically is a human's activity in achieving the target of organization. Siegel (1996) defines assessment of performance as determinant for periodical operational effectiveness of an organization, parts of the organization, and the employees based on target, criterion and standard which have been specified before. Since organization is basically operated by human resource, therefore assessment of real performance is assessment of human being's behavior in executing roles which they play in their organization.

The main objectives of performance assessment is to motivate personnel in achieving organizational target and in fulfilling behavioral standard which have been specified before, so that they can produce result and action wanted by the organization (Mulyadi and Johny Setyawan, 1999). Performance assessment can

be used to decrease unwanted behavior and to stimulate and also uphold wanted behavior through feed back result of performance at that time. It also gives the appreciation for both which have intrinsic and extrinsic characters. With the existence of performance assessment, top manager can get the base which is objective to give compensation based on the achievement of each responsibility center for company as a whole. All of these are expected to form excitement and motivation for each personnel to work more efficient and effective.

According to Mulyadi (1997: 419) the assessment of performance can be used by the management to:

1. Manage organizational operation effectively through motivating the employees maximally.
2. Assist decision making which deals with the employees such as promotion, transfer, and dismissing.
3. Identify the requirement of training and development for employees and to provide selection criterion and training evaluation program for employees.
4. Provide feed back for employees about how their manager assesses their performance.
5. Provide a base for appreciation distribution.

As there are various new paradigms where business has to be run with customer-oriented focus, an effective system of performance assessment, at least, should:

1. Be based on each activity and characteristic of organization itself according to customer perspective.

2. Have evaluation for various activities.
3. Be matched with all activities performance aspect which influence customer so that it yields a comprehensive assessment.
4. Give feed back to assist all members of organization in recognizing the existing problems that probably need to be solved.

Every organization expects performance can give contribution to make the organization as a preminent institution in its class. As success of organization to perform a preminent institution determined by various factor (success factor), they used as measurement tool of personal efficacy. Therefore, a performance assessment that can be used as the base for styling the appreciation system is required in order to incentive the personnel to create the performance which is in line with performance expected by organization.

2.1.2 Assessment of Performance's Systems

2.1.2.1 Assessment of Performance with Traditional Systems

In traditional society, performance measure which is commonly used is financial performance measure. Measurement of this performance is conducted easy so that the performance of personnel that is being measured only relates to finance. However, financial measurement cannot depict the cause which makes the change of properties created by organization and more focus on conscription of organizational resource to short-term objectives.

Financial tools which are commonly used to assess the performance in traditional system are financial ratios which cover:

1. Liquidity ratio which measures company's ability to fulfill short-range obligation if falling due.
2. Ratio of Leverage which measures how far company is financed by debt.
3. Activity Ratio which measures how the management addressed by yielded profit of company investment and sale is effective.
4. Growth ratio which measures the ability of the company itself to maintain the economic position in industry and economic growth.
5. Assessment Ratio which measures ability of management in creating market value over investment expense.

According to Weston and of Copeland (1988), measurement of performance by using ratios like above has limitations such as:

1. This ratio is arranged based on accountancy data and this data is influenced by different interpretation way and even can refer to manipulation result.
2. If a company uses different fiscal year or if seasonal factor has important influence then they will have influence at the ratio comparison.
3. Analysis has to be very neglectless in determining good and bad of a ratio in forming whole assessment from company based on the amount of financial ratio.
4. Ratio matched with average of industrial does not give certainty that a company will run normally and has good management.

While according to Robert S. Kaplan and of David P. Norton the weaknesses of the performance measurement which focuses only on financial performance are:

1. Disability to measure performance of intangible assets and intellectual assets (human resource) of the company.
2. Financial performance can only tell a story regarding with few past history of the company and unable to fully lead the company to a better direction.

2.1.2.2 Assessment of Performance with Comprehensive Systems

Collision between compulsions to build long-range competitive capabilities with not groggy purpose from financial management historical cost model has created a synthesis, which is assessment of comprehensive performance system. This method is a method of performance measurement that is capable to yield and submit financial information and non financial information for organization. This case happens because assessment of comprehensive performance uses financial and non financial criteria and also pays attention how process of information delivers to the entire organizational members.

This comprehensive performance assessment is needed by organization to measure its entire performance whether from assessment aspects such as financial aspect and non financial aspect or as a process to yield information which do to yield information for organization. To fulfill the need of comprehensive assessment, Kaplan and Norton (1992) offer an assessment of comprehensive performance which is Balanced Scorecard. Balanced Scorecard equips a set of

past performance measure with future driver measure and develops a set of business objectives over the financial summary. The objective and measure of this method is degraded from vision and strategy which see the organizational performance from four perspectives which are financial, customer, internal business process and learn and growth. Balanced Scorecard makes the organization able to use entire efforts in creating a good performance to be realized.

2.1.3 Balanced Scorecard

The Balanced Scorecard is a management system (not only measurement system) designed by Robert S. Kaplan and David P. Norton (1996) that enables organizations to clarify their vision and strategy and translate them into action. It provides feedback around both the internal business processes and external outcomes in order to continuously improve strategic performance and results. When fully deployed, the balanced scorecard transforms strategic planning from an academic exercise into the nerve center of an enterprise.

Kaplan and Norton describe the innovation of the balanced scorecard as follows: "The balanced scorecard retains traditional financial measures. But financial measures tell the story of past events, an adequate story for industrial age companies for which investments in long-term capabilities and customer relationships were not critical for success. These financial measures are inadequate, however, for guiding and evaluating the journey that information age

companies must make to create future value through investment in customers, suppliers, employees, processes, technology, and innovation."

The Balanced Scorecard which is used as a strategic management system will accomplish the following critical management processes:

1. Clarifying and translating the vision and strategy into operational goals.
2. Communicating and linking the vision and strategic to individual performance and measures.
3. Business Planning which means plan, set targets, and align strategic initiatives.
4. Enhancing strategic feedback and learning and adjusting the strategy accordingly (Kaplan and Norton, 1996).

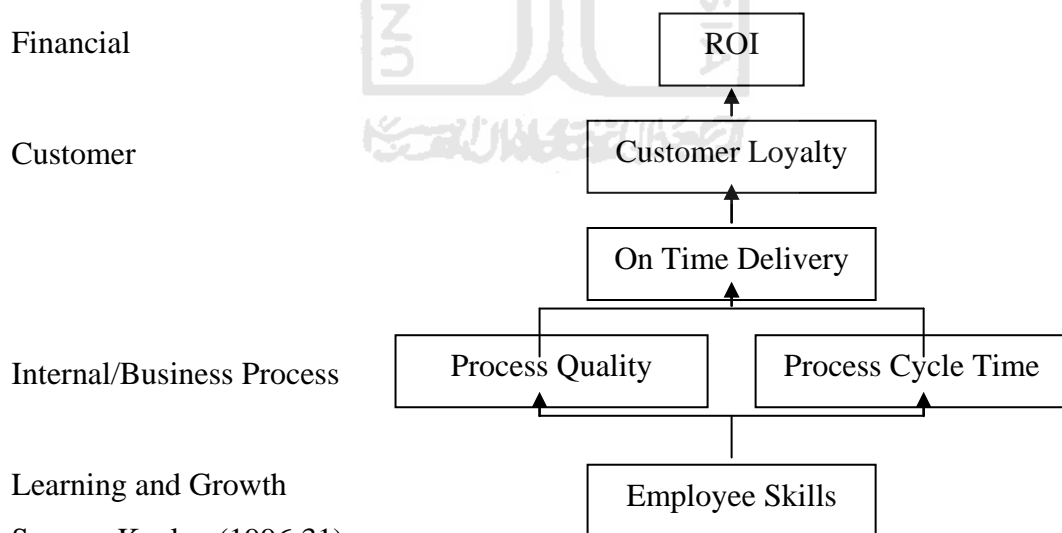
An organization must first clearly articulate its mission, vision, and objectives. It must realize the interrelationships between core processes. The Balanced Scorecard framework is used to guide the current performance as well as the target future performance and help the organization to "balance" its goals and measures by reviewing four key areas: 1) financial performance, 2) customer knowledge, 3) internal business processes, and 4) learning and growth. More specifically the organization considers: 1) How do we look to resource providers? 2) How do customers see us? 3) Are we productive and effective? and 4) Can we sustain excellence over time?

Those four perspectives in Balanced Scorecard are explained as:

1. Financial Perspective = How we orient to all stockholders.

2. Customer Perspective = How we can become primary supplier which most valuable to all customer.
3. Internal Business Process Perspective = What kind of the best business process which must be conducted, on both long term and short-term to reach the financial objectives and customer satisfaction.
4. Learning and Growth Perspective = How we can improve and create value continually, especially in the relation with the employees ability and employees motivation. In Balanced Scorecard, those four perspectives become one inseparable unity. Those four perspectives also become performance measurement indicators which equipping each other and owning causality each other.

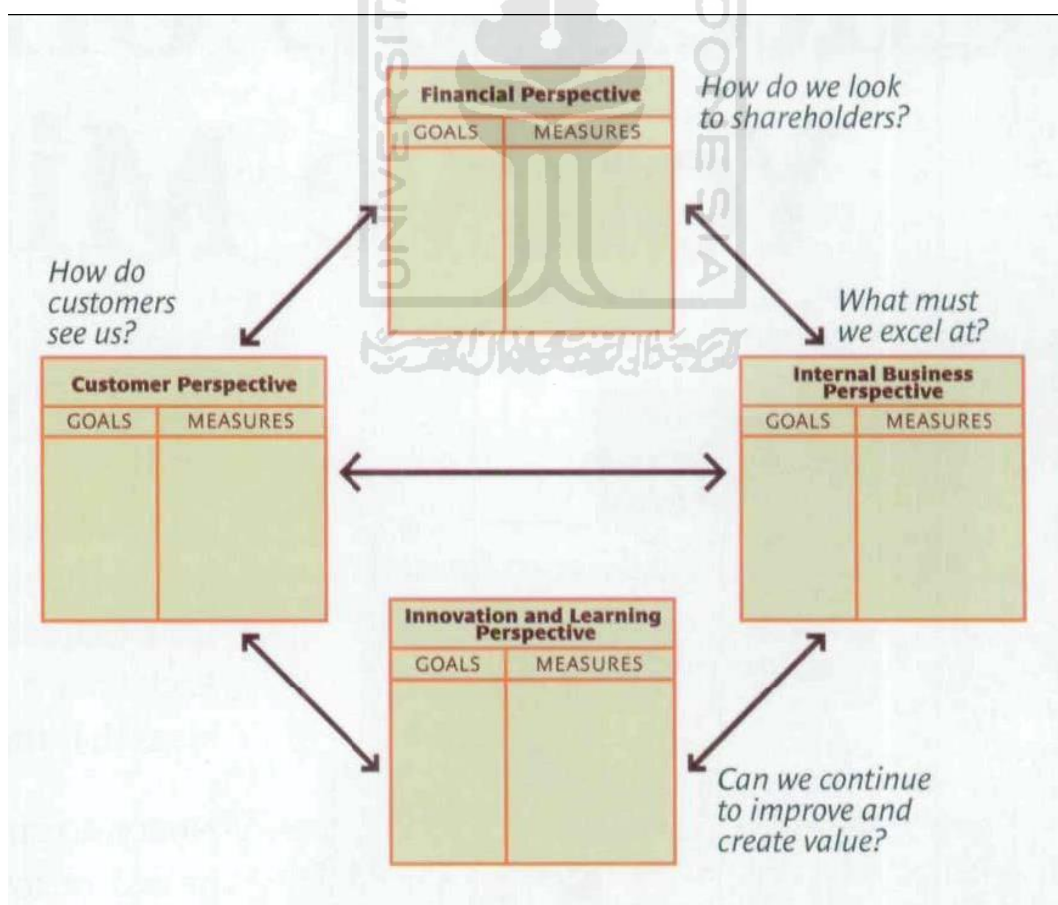
Figure 2.1: Relation between four perspectives in Balanced Scorecard



The organization obtains “balance” or a type of equilibrium by maintaining momentum in the four categories (a.k.a. “perspectives”) at the same

time. There is an understanding that the organization cannot survive without addressing issues in all four categories. E.g.: it would be shortsighted to appeal constantly to the customer without considering the impact of such initiatives to the company's expected profit and cash flow, internal processes needed to support the initiative, and the human capital and ability to perform the tasks to complete the initiatives. The purpose of the Balanced Scorecard is to align individual, organizational, and cross-departmental goals with the company's mission and vision. (See Figure 2.2)

Figure 2.2: The Four Perspectives of Balanced Score Card



Source: Kaplan & Norton (1992), *The Balanced Score Card Measures that drive Performance*, HBR

In the beginning of its application, Balanced Scorecard is addressed to overcome problem of strategic management system in implementation phase and monitoring of repairing system of executive performance measurement. At the growth phase nowadays, Balanced Scorecard does not only focus on executive performance. But also extends to performance of all personnels (employees and manager) of the organization or company.

Balanced Scorecard is more than tactical measurement system or operational. An innovative organization uses Balanced Scorecard as a strategic management system to manage long term strategic. The organization uses the focus measurement of Balanced Scorecard to yield some important management process (Kaplan and Norton, 1996):

1. Clarifying and translating strategy and vision.
2. Clarifying and update budgets.
3. Communicating and relating various objectives and strategic measure.
4. Planning, determining the target, and harmonizing various strategic initiatives.
5. Increasing feedback and strategic learning.
6. Conducting periodic performance reviews to learn about and improve strategy

Balanced Scorecard can be applied to various organization, whether private organization and governmental organization or commercial organization and non commercial organization. Nevertheless, there are ideal requirements

which need to be fulfilled properly if an organization wants to apply Balanced Scorecard, such as:

- It is better for an organization to have vision which far forwards and clear strategy.
- Organization should have organization structure which is dominated by functional groups.
- An organization needs proper assessment of performance to increase its effort and to face tight business competition.
- It is better if both management and employees do not contra to Balanced Scorecard. It means that all the member of organization supports the changes at performance measurement system and they are ready to learn together in understanding the performance measurement by using Balanced Scorecard approach.

It is the writer's opinion that Balanced Scorecard measurement accomplishes many of the same concepts achieved in benchmarking:

- Understanding the important elements that will ensure success for an organization.
- Understanding the critical process of an organization.
- Setting goals and adopting new knowledge to improve performance.

2.1.3.1 Benefits of the Balanced Scorecard

Balanced Scorecard provides many benefits for an organization. For example, it creates accountability for the goals and objectives in an organization.

It connects strategy to performance. It provides a way of identifying whether or not progress is being made and gives the organization opportunity to adjust as necessary. It helps people in the organization understand cause-and-effect relationships of the things they do.

The overall concept of four categories of goals is relatively easy for employees and management in an organization to understand. It helps everyone understand the mission, vision and strategy of the organization. It clarifies objectives, helps employees see the long-term effects of actions, and helps them to understand their contributions.

Balanced Scorecard, especially as used in the public setting, is still a relatively new concept, hence judgment on its success or failure may be a bit premature. Its simplicity or complexity depends on the people and the organization using it. Its simplicity is derived from the idea that there are only four basic areas needing to be addressed. As an organization continues to use it, the organization may add more complex measures and more specific or redefined objectives and goals. Therefore, a Balanced Scorecard may become more complex as it matures with the organization, but this complexity is very dependent on the organization's use of BSC. Though other frameworks may cover more areas, those areas can inevitably be a part of a BSC. For instance, if an organization wants to track multiple areas, the organization could do so with BSC.

Kaplan and Norton (1996) explain how an organization's BSC is dependent upon and interlinked with leadership and strategic planning.

Additionally, it can incorporate multiple areas of other frameworks, yet remain simple enough for organizational stakeholders to understand. It addresses key areas of the organization and includes key stakeholders in a rational and logical manner.

Kaplan and Norton cite the following benefits of using the balanced scorecard:

- Focusing the whole organization on the few key things needed to create breakthrough performance.
- Helping to integrate various corporate programs, such as quality, re-engineering, and customer service initiatives.
- Breaking down strategic measures to local levels so that unit managers, operators, and employees can see what's required at their level to roll into excellent performance overall.

2.1.3.2 Limitations of the Balanced Scorecard

Some administrators argue that the concept is too simplistic and does not specifically address other important areas such as leadership and strategic planning in a business or university setting. Other public institution executive managers argue that the Balanced Scorecard, done correctly, is extremely intense and overwhelming, especially for a public institution. They indicate that the idea of tracking measures, lead indicators, and lag indicators is too complex.

Graham Kenny (2003) argues that the Balanced Scorecard does not work. He thinks the four categories are strange, that innovation and learning should be

folded into internal business processes and that stakeholders, besides the customer, are left out. He goes on to say that “the framework is totally arbitrary” and that “crucial measures are almost inevitably overlooked.” Organizations claiming to have a Balanced Scorecard do not have it in the format the originators intended, hence they are not truly Balanced Scorecards. Kenny states that the best way to measure performance is to categorize measures by key stakeholder (e.g., customers, employees, suppliers, and shareholders) and link measurements to corporate direction. He indicates organizations would be better suited to develop a scorecard that is focused rather than “balanced.”

2.1.3.3 Four Perspectives Measurement of Balanced Scorecard

According to Kaplan (Kaplan, 1996:15) “if can measure it you can manage it”, this opinion become the base thinking to do measurement to all company or organization activities whether the activities which can be measured as qualitative or as quantitative.

The measurement for those four perspectives is as follows:

A. The Financial Perspective

According to Kaplan (Kaplan, 1996) when the company conduct financial measurement, hence the first thing that have to be done is to detect the existence the industry owned. Kaplan categories three industry development’s stages, which are; *growth*, *sustain*, and *harvest*.

From that industry development’s stages will be needed different strategies. In financial perspectives, there are three aspects from strategy do by the

company; (1) growth of earnings and combination of earnings had by a business organization, (2) cost reduction and productivity improvement, (3) the usage of optimal asset and investment strategy.

Figure 2.3: Measuring Strategic Financial Themes

	Strategic Themes		
	Revenue Growth and Mix	Cost Reduction/ Productivity Improvement	Asset Utilization
Growth	Sales growth rate by segment percentage Percentage revenue from new product Services and customers	Revenue/Employee	Investment (% of sales) R & D (% of sales)
Sustain	Share of targeted customers & accounts Cross-selling % revenue from new applications Customer & product line profitability	Cost vs. competitors' Cost reduction rates Indirect expenses (% of sales)	Working capital ratio ROCE by key asset categories Asset Utilization Rates
Harvest	Customer & product line Profitability % unprofitable customers	Unit Costs (per unit of output, per transaction)	<i>Payback Throughput</i>

Source: Kaplan (1996:52)

Kaplan and Norton do not disregard the traditional need for financial data. Timely and accurate funding data will always be a priority, and managers will do whatever necessary to provide it. In fact, often there is more than enough handling and processing of financial data. With the implementation of a corporate database, it is hoped that more of the processing can be centralized and automated. But the point is that the current emphasis on financials leads to the “unbalanced” situation with regard to other perspectives. There is perhaps a need to include additional

financial-related data, such as risk assessment and cost-benefit data, in this category.

B. The Customer Perspective

Recent management philosophy has shown an increasing realization of the importance of customer focus and customer satisfaction in any business. These are leading indicators: if customers are not satisfied, they will eventually find other suppliers that will meet their needs. Poor performance from this perspective is thus a leading indicator of future decline, even though the current financial picture may look good. In developing metrics for satisfaction, customers should be analyzed in terms of kinds of customers and the kinds of processes for which we are providing a product or service to those customer groups.

Customer perspective in Balanced Scorecard identify how condition of customers and market segment which have been selected by company to compete with their competitor. Segment which they have selected express the existence of those customer as the source of the company income. In this in perspective, measurement done by 5 main aspects (Kaplan, 1996:67), which are:

1. Measurement of Market Share

Measurement of the huge of company market share express business proportion in one certain business area which be laid open in the form of money, amount of customer, or sold volume unit to the each sold product unit.

2. Customer Retention

Measurement can be done by know the level of business growth percentage with amount of customer which was in this time owned by companies.

3. Customer Acquisition

Measurement can be done through the percentage of amount additions of new customer and total comparison of sale with the amount of new customer which exists.

4. Customer Satisfaction

Measurement to the level of this customer satisfaction can be done by various techniques, among others are: survey through the letter (post), interview through the telephone, or personal interview.

5. Customer Profitability

Measurement of customer profitability can be conducted by using technique of Activity Based-Costing (ABC).

Since this aspect still have limited character, hence require to be conducted other measurements which is measurement to all activities expressing the added value for customer residing in at company market share. The measurement can be in the form of: product attribute or service given to the customer (like: usefulness, quality and price), contiguity or relation between customer (like: experience to buy and personal relation), reputation and image of product or service in the customer eye.

C. The Internal Business Process Perspective

This perspective refers to internal business processes. Metrics based on this perspective allow the managers to know how well their business is running, and whether its products and services conform to customer requirements (the mission). These metrics have to be carefully designed by those who know these processes most intimately; with our unique missions these are not something that can be developed by outside consultants.

In addition to the strategic management process, two kinds of business processes may be identified: a) mission-oriented processes, and b) support processes. Mission-oriented processes are the special functions of government offices, and many unique problems are encountered in these processes. The support processes are more repetitive in nature and hence easier to measure and benchmark using generic metrics

In this in perspective, company conduct measurement to all activities done by the company manager or employees create a product which able to give certain satisfaction for customer as well as all stockholders. In this case company focus at three main business processes that is: innovation process, operation process, after sale process.

1. Innovation Process

In the process of added value creation for customer, innovation process is one of the critical processes, where effectiveness, efficiency and time accuracy of this innovation process will push the happening of expense efficiency at process creation of added value for customer. In general

process innovation can be divided into two that are: (a) Measurement to innovation process which has character of base research and application, (b) Measurement to product development process.

2. Operation Process

Operation process conducted by each business organization more focus on process efficiency, consistency and time accuracy of goods and services which given to the customer. At operation process, performance measurement done to three dimensions that are:

a.) Measurement of Needed Time Efficiency (Time Measurement)

Measurement of needed time efficiency to yield product (production process time) very interconnected sliver with entirely of time needed to yield product until product ready for sold. Measurement of this time efficiency is conducted with Comparison Ratio:

$$\text{Manufacturing Cycle Effectiveness (MCE)} = \frac{\text{Throughput Time}}{\text{Processing Time}}$$

So that in this case measurement time cycle can be done since the accepting of customer orders, then those productions in batch are scheduled to be produced, the making of orders request of raw material for production process, the raw material accepted, and when production is planned. While end cycle time is detected from production in unit or batch have been finished, orders (finished goods) ready for sent and kept in finished goods inventory, orders are sent over customer, order accepted by customer.

b.) Measurement of Production Process Quality (Quality Process Measurements)

In the case of production process quality, company is expected can conduct various measurement to production process which is detected from the existence of the followings: level of product damage of production process, comparison of good product which yielded with good product entering in process, discard materials (waste), residue materials (scrap), level of workmanship number return (rework), level of goods rate of return from customer, appropriate with percentage of quality process with statistical process control.

c.) Measurement of expense efficiency of production process (process cost measurements)

The third dimension of operation process measurement is measurement of a number of expenses which have been released to yield product. That's why, Activity Based Costing (ABC) system is developed to help manager in accumulating entire of expense which happen at operation process. This ABC System (together with measurement of production process time and quality) will yield three important parameters to characterize the internal business process measurement.

D. The Learning and Growth Perspective

The last perspective in Balanced Scorecard is Learning and Growth Perspective. Kaplan (Kaplan, 1996) stated what important a business organization

to keep mind on its employees, watch employees' prosperity and improve the employees' knowledge. If the knowledge level of employees is improve, it will improve also the ability of employees to participate in attainment of those third perspectives result above and the objectives of the company.

This perspective includes employee training and corporate cultural attitudes related to both individual and corporate self-improvement. In a knowledge-worker organization, people — the only repository of knowledge — are the main resource. In the current climate of rapid technological change, it is becoming necessary for knowledge workers to be in a continuous learning mode. Government agencies often find themselves unable to hire new technical workers and at the same time is showing a decline in training of existing employees. This is a leading indicator of 'brain drain' that must be reversed. Metrics can be put into place to guide managers in focusing training funds where they can help the most. In any case, learning and growth constitute the essential foundation for success of any knowledge-worker organization.

Kaplan and Norton emphasize that 'learning' is more than 'training'; it also includes things like mentors and tutors within the organization, as well as that ease of communication among workers that allows them to readily get help on a problem when it is needed. It also includes technological tools; what the Baldrige criteria call "high performance work systems."

In this in perspective, there are three important dimensions which must be paid attention to conduct measurement, that are: ability of employees, ability of

information system, existence of motivation, giving of authority and limitation of authority to employees.

Those three dimensions are explained as follow:

1. Employees Ability

In doing measurement of employees' ability, measurement is conducted on three fundamental things, which are: measurement of employees' satisfaction, measurement of employees' rotation in company, and measurement of employees' productivity. Measurement of employees satisfaction cover for example the level of employees involvement in decision making process, confession of good job result, easy to get information so that can do the work as good as possibly, employees creativity and liveliness in doing their work, support level which given to the employees, amount of employees' satisfaction as a whole to the company. Employee's productivity in working can be measured through various ways, for example through obtained salary of each employee, or can also be measured by using comparison ratio between compensation obtained by the employees compared to the amount of existing employees in company.

2. Ability of Information System

The improvement of employees' quality and employees' productivity are also influenced by information system access owned by the company. More easy the information is obtained hence the employees will have better performance. Measurement of information system access which

owned by company can be done by measure the percentage of information availability needed by the employees concerning at their customer, percentage of information availability concerning at production cost and others.

3. Motivation, Giving of Authority, and Limitation of Employees Authority

Though the employees have given good information access but if employees do not have motivation to improve their performance hence all of that just will useless. So that various effort is required to be done to improve employees' motivation in working. Measurement of employees' motivation can be conducted through some dimensions, which are:

a.) Measurement of given suggestion to the company and be implemented.

It is conducted through measurement of how many suggestions submitted by each employees to company especially measurement to suggestion which supporting the improvement of company quality and improvement of company income and succeed to be applied at specified period.

b.) Measurement of repair and improvement of employees' performance.

Measurement can be done by detected how big expense which is castaway because of the existence of delivery delay, amount of damage products, residue materials and employees' attendance (absenteeism).

c.) Measurement of individual limitation in organization.

Consist of two things: measurement of entire applied procedure in company for the agenda of performance improvement and team performance measurement of entire applied procedure in company. For the

agenda of performance improvement is done through measurement of the percentage of employees and manager which realizing the important of Balanced Scorecard. This thing is of course done at company which has socialized the existence of Balanced Scorecard. Besides that, it is also done the measurement toward the percentage of business unit which have succeeded in harmonizing its performance with company strategy. While measurement to team performance can be conducted with some indicators like which have been developed by national corporation (Kaplan 1998: 142) are: internal survey toward the team, profit sharing level of together project, assignations amount, percentage of new policy of company written, percentage of business plan developed by team, amount of team members getting profit sharing.

2.2 Previous Study

The Balanced Scorecard was originally designed for private industry. Norton and Kaplan (1996) specifically wrote about the positive experiences of five companies that used Balanced Scorecard to successfully manage change: Rockwater, Metro Bank, Pioneer Petroleum, National Insurance, and Kenyon Stores. Additionally, early adopters such as Mobil, CIGNA, Brown & Root, and Chemical Bank used the Balanced Scorecard to drive decentralization, transformation, a profitable merger, and resource allocation, respectively (Kerr, 1975).

Public institutions are also looking at the Balanced Scorecard as a way to

measure and drive performance. Azka Mun'in (2001) conducted research of satisfaction level to Islamic hospital (RSI) Sultan Agung Semarang mentioning that during year 1997 - 1999 customer perspective showed level of customer satisfaction which was not yet gratified so that caused the decreasing of customer retention (42.04%) and the growth of new customer (11.11%). Then, learning and growth perspective showed the low level of employees satisfaction (45.16%), while employees discipline level and employees faithfulness level also decreased (1.72% and 0.47).

Endah Kusuma I (2003) also conducted research with title "Penerapan BSC Sebagai Alat Ukur Kinerja Pada Organisasi Nirlaba" (Studi Kasus Pada Yayasan Setoran Semarang). The result of the research stated that during year 2000 - 2002 each perspective which was applied at that institution increased, learning and growth perspective increased equal to 11%, internal business process perspective increased equal to 74%, customer perspective increased up to 68% and financial perspective increased for 63%.

Realizing the importance of applying of Balanced Scorecard concept which is applicable based on the need of modern hospital management, this research focus on how applied of Balanced Scorecard Concept in Islamic Hospital of Purwokerto is for period of year 2005-2006. This research is conducted using empirical study and literature study method. Research instrument used in this research is questionnaire. Research data which is used are primary and secondary data.

CHAPTER III

RESEARCH METHOD

3.1 Research Method

This research is a correlational research, which is meant to do a deep observation to certain social phenomenon. The method used in this research is the empirical study to investigate the perception of the customer and employee in the hospital toward the hospital performance and also the survey method. Thus, customer behavior should be observed deeper. The writer also uses the literature study to organize this research. Literature study means that the writer tries to solve the problem within research by learning the literature such as books, article, and magazines related to the study.

3.2 Research Subject

The subject of this research is Islamic Hospital of Purwokerto which is located on Jln H Mashuri, Rejasari no. 39, Purwokerto which is included in sub province of Banyumas.

3.3 Research Setting

The research is conducted at Islamic Hospital of Purwokerto, sub province of Banyumas.

3.4 Research Instrument

3.4.1 Questioner

The data is obtained from the questionnaire answers which have been distributed to all responders. For measuring customer satisfaction, the questionnaire spreads are 100 questionnaires. While for employee satisfaction, the questionnaire spread are 150 questionnaires.

3.5 Technique of Data Analysis

3.5.1 Data Collection

The research is conducted by using all relevant primary and secondary data which could be collected from various reliable sources. Primary data means the data is collected directly by the writer from the research subject (respondent).

Secondary data means that information is gathered by someone other than the researcher conducting the current study. Such data can be internal or external to the organization and can be accessed through the computer or by going through recorded or published information (Sekaran, 2000). This data is gathered and collected indirectly from the literatures related to the research topic such as from books, journals, articles, and internet.

3.5.2 Method of Data Collection

The methods of collecting data are:

- Documentation

Through the documentation method, the data are gathered from articles and journals (internet).

- Interview

Interview is a process of information and data collection through face to face interaction. Meeting with the party also helps the writer in getting more information. In this research, the writer interviewed the employee, the management and also the customer of Islamic Hospital of Purwokerto.

- Questionnaire

Questionnaire is made in order to get systematically information needed by the writer. In this research, it will be given to the employee and the customers in order to know how big satisfaction rate of the employee and the customers to the Islamic Hospital of Purwokerto performance is.

3.5.3 Technique of Data Analysis

Data analysis has function to give explanation about the technique that is used in clarifying the mission, vision, and the objectives of the hospital into the company's strategic planning and also to measure the performance of each perspective within balanced scorecard. The steps of analysis are as follows:

- Doing research in Islamic Hospital of Purwokerto by identifying mission, vision and the objectives of each perspective based on the hospital condition

in gaining its vision and also study about the hospital operational guidance related with performance measurement.

- Determining the center of each perspective based on the condition that is possible to be measured at Islamic Hospital of Purwokerto.
- Measuring the performance of each perspective

1. Measuring the Financial Perspective Performance

Financial performance such as profitability and growth is used to measure the hospital performance in achieving profit and market value.

The sources of data are taken from balance sheet and income statement.

Financial ratios which are calculated in this perspective are:

- Return on Investment (ROI)

Return on Investment is the financial ratio which reflects the ability of the management in using the assets as optimal as possible in order to gain net profit needed.

The formula:

$$ROI = \frac{Net\ Profit\ After\ Tax}{Total\ Assets} \times 100\%$$

- Current Ratio

Current Ratio is financial ratio that shows the relation between current asset and current liabilities which can influence the liquidity level of the hospital. This ratio is used to see the comparison between current asset position owned by the hospital and current liabilities that have to be paid within 1 year.

The formula:

$$\text{CurrentRatio} = \frac{\text{CurrentAsset}}{\text{CurrentLiabilities}}$$

- Residual Income (RI)

Residual Income is the measurement which reflects the investment center. In this ratio, profit which is being calculated comes from Earning before Income Tax reduced by Capital which is reckoned based on investment.

The formula:

$$\text{RI} = \text{Net Operating Income} - (\text{ROI} \times \text{Operating Assets})$$

- Operating Income to Total Asset Ratio

Operating Income to Total Asset Ratio is the comparison between net operating incomes achieved and total assets to measure the ability of the hospital in gaining profit.

The formula:

$$\text{OperatingIncome to Total Asset Ratio} = \frac{\text{NetOperatingIncome}}{\text{TotalAsset}}$$

- Cash Ratio

Cash Ratio is the comparison between total assets and total liabilities in order to measure the ability of the hospital to pay all of the liabilities if the hospital is liquidated.

The formula:

$$\text{CashRatio} = \frac{\text{Cash}}{\text{CurrentLiabilities}}$$

In this perspective, the activity ratio and the percentage of increasing/ decreasing in operating income from hospital installation will be also calculated. The following items are the explanation:

- Activity Ratio

This ratio consists of two calculations. They are:

- Receivable Turnover

This ratio is calculated to plan the hospital cash/ money supply

The Formula:

$$\text{Receivable Turnover} = \frac{\text{Total Operating Income}}{\text{Receivable}}$$

- Total Asset Turnover

This ratio shows the comparison between total operating income earned and total assets owned in order to see the affectivity in utilize those assets.

The formula:

$$\text{Total Asset Turnover} = \frac{\text{Total Operating Income}}{\text{Total Asset}}$$

- The Percentage of Increasing/ Decreasing of Operating Income

This calculation is used to know whether the hospital has increasing or decreasing operating income in percentage term.

Income Statement is used as the source of data for the calculation.

The Formula is as follow:

$$\frac{\text{OperatingIncomeYear}_x - \text{OperatingIncomeYear}_{x-1}}{\text{OperatingIncomeYear}_{x-1}} \times 100\%$$

2. Measuring the Customer Perspective

The customer satisfaction can be seen from how well the hospital can satisfy the customers. Measuring the performance of customer perspective can be implemented some calculations such as:

- Market Share

By measuring market share, the hospital can know how huge the market segmentation can be dominated in the market competition.

The Formula:

$$\text{MarketShare} = \frac{(\text{AverageofHospitalizedPatient} + \text{Non - HospitalizedPatient})}{\text{TotalPatient}} \times 100\%$$

- Customer Acquisition

Customer Acquisition refers to the rate of gaining new customer (new patient), which shows the success effort in attracting new customer. The increasing of customer acquisition can be used also to increase the market share.

The Formula:

$$\text{CustomerAcquisition} = \frac{\text{TotalNewPatientYear}_x}{\text{TotalPatientYear}_x} \times 100\%$$

- Customer Retention

Customer Retention refers to the measurement that shows the loyalty of the customer to the hospital service. The function of this calculation is to measure the level of hospital's ability of the hospital to maintain its relation with the customer (old patient).

The Formula:

$$Customer\ Retention = \frac{Total\ Previous\ Patient\ Year_x}{Total\ Previous\ Patient\ Year_{x-1}} \times 100\%$$

- Customer Satisfaction

Customer Satisfaction is used to know whether the customers are satisfied or not with the products which are offered to them produced by the hospital and offered to them. This customer satisfaction is measured by using questioner which contains question about customer satisfaction in terms of hospital service.

3. Measuring the Internal Business Process Perspective Performance

In this perspective, the performance of the hospital is measured from how well the hospital can provide the service effectively and efficiently for the customer.

This measurement uses medical indicators such as Response time, BOR, BTO, LOS, GDR, NDR, TOI, The Growth of Operation Action, The Number of Referred Patient, the increasing or decreasing of

facilities and the hospital instrument. A non medical indicator is also used which is non medical cost.

The Formulas are as follows:

a) Medical Indicator

- Response Time

This indicator shows the ability of the hospital to response the request from the patient until the request can be handled.

The Formula:

$$ResponseTime = \frac{ProcessTime}{(30Days \times OperatingHour / Day)} \times 100\%$$

- BOR (Bed Occupancy Rate)

BOR refers to the average percentage from the available bed used by the patient for one period of time / each day or the level of the use of bed in 1 year. The ideal value for BOR calculation is between 60% – 85%.

The Formula:

$$BOR = \frac{theNumberofDaysforHospitalTreatment}{TotalBed \times 365} \times 100\%$$

- LOS (Average Length of Stay)

This indicator refers to the average of how long the patient is being treated. This indicator is used only for the hospitalized patient. The ideal value for LOS is 6 – 9 Days. The Formula:

$$LOS = \frac{theNumberofTreatmentDaysforCheckOutPatient}{theNumberofCheckOutPatient(Live + Die)}$$

- BTO (Bed Turnover)

This indicator refers to the efficiency of the bed usage frequency within 1 year. The ideal value for BTO in 1 year average used is between 40 to 50 Times.

The Formula:

$$BTO = \frac{\text{theNumberofCheckOutPatient(Live + Die)}}{\text{TotalBed}}$$

- TOI (Turnover Interval)

This indicator explains the time distance of empty bed and being used. TOI will be called ideal if the beds can be used for the next patient in 1 to 3 Days.

The Formula:

$$TOI = \frac{(\text{TotalBed} \times 365) - \text{theNumberofDaysforHospitalTreatment}}{\text{CheckOutPatient(Live + Die)}}$$

- GDR (Gross Death Rate)

This indicator refers to the general death number for each 1000 check out patients. The value of GDR is good if the death rate is less than 45 per 1000 check out patients.

The Formula:

$$GDR = \frac{\text{TotalDeathPatient}}{\text{theNumberofCheckOutPatient(Live + Die)}} \times 1000$$

- NDR (Net Death Rate)

This indicator is used to measure the decreasing of the death patient after being treated at the hospital. To measure it, we

should compare the dead patients after being treated at the hospital for more than 48 hours with each 1000 patients who are check out from the hospital. The value of NDR is good if the death rate is less than 25 per 1000 check out patients.

The Formula:

$$NDR = \frac{\text{theNumberofDeathPatient} > 48\text{HoursBeingTreated}}{\text{theNumberofCheckOutPatient(Live + Die)}} \times 1000$$

- The Growth of Operation Action

This indicator is used to know the growth of operation action annually. The more increasing of the hospital operation action indicate that the hospital has more ability to give the best service which made the customers prefer to do the operation action in this hospital rather than in the other places.

The Growth of Operation Action

$$= \frac{\text{TheNumberofOperationYear}_x - \text{TheNumberofOperationYear}_{x-1}}{\text{TheNumberofOperationYear}_{x-1}} \times 100\%$$

- The Number of Referred Patient

This indicator is used to know the percentage on the number of Referred Patient which enters the Islamic Hospital of Purwokerto for each year. The more number of the Referred Patient, the more better the hospital.

$$\text{TheNumberof ReferredPatient} = \frac{\text{TheNumberof ReferredPatient}}{\text{TotalPatient}} \times 100\%$$

- Increasing / Decreasing of Hospital Facilities and Instrument

The measurement of this indicator is comparing the items provided by the hospital in the period of year involved.

The Formula:

Increasing / Decreasing of Hospital Facilities and Instrument =

$$\frac{NewFacilities - OldFacilities}{OldFacilities} \times 100\%$$

- b) Non Medical Indicator

- Non Medical Cost

This indicator shows the comparison between non medical costs towards the number of the employees.

The Formula:

$$NonMedicalCost = \frac{AdministratifCost}{theNumberofEmployee}$$

4. Measuring the Learning and Growth Perspective Performance

This perspective refers to how the hospital can be creative and develop itself continuously in order to compete with the other competitors both in current condition and future condition. In this perspective, human resource is claimed to keep productive and always learn in order to increase their ability to be more creative and develop the health service which has value for the customer.

This perspective consists of three indicators used to measure the performance of the employee. They are:

1. Employee Commitment

This indicator is used to measure the employee loyalty, employee productivity, and employee satisfaction.

The calculations are as follow:

- Employee Loyalty

In this case, employee turnover used to measure how far the loyalty of the employee toward the hospital is.

The Formula:

$$EmployeeTurnover = \frac{ResignEmployee}{TotalEmployee} X100\%$$

- Employee Productivity

This calculation uses the operating income of the hospital to calculate the employee productivity.

The Formula:

$$EmployeeProductivity = \frac{OperatingIncome}{TotalEmployee} X100\%$$

- Employee Satisfaction

The measurement of the employee satisfaction is measured through the surveys that are conducted on the hospital employees by using questionnaire.

2. Ability of Information System

This measurement refers to the number of employee's percentage who has medical information ability to serve the customers. It is calculated by using data about the total employee of the hospital and the numbers of employee who work at information system of the hospital.

The Formula:

$$\text{Ability of Information System} = \frac{\text{Information System's Employee}}{\text{Total Employee}} \times 100\%$$

3. Motivation, Authority and Harmony.

This measurement focuses on the total lost time or absenteeism which happens in the hospital. From this calculation, the numbers of employee who are absent in 1 year can be measured.

The Formula:

$$\text{Absenteeism} = \frac{\text{the Number Absence of the Employee}}{\text{Total Employee} \times 365} \times 100\%$$

4. The Percentage Number of Employee who be Trained and Educated

This indicator is used to improve the employees' ability in performing their job.

The formula:

Percentage of the Employees Number who undertake Training and Education=

$$\frac{\text{The Number of Employees who Undertake Training and Education}}{\text{Total Employees}} \times 100\%$$

3.6 The Profile of Islamic Hospital of Purwokerto

1. Name of the Hospital : Islamic Hospital of Purwokerto
(Rumah Sakit Islam Purwokerto)
2. Director : Dr. Ibnoe Ibrahim Djojosebroto, FInaCS
2. Established : September 5th, 1986
3. Bill of Establishment : No. 19 Date December 23, 1986
4. SK of Health Minister : No. YM.02.04.3.5.1755
Date August 5th, 2004 / Renewal of
Permission about Permission Management
of Hospital
5. PERSI's Member : No. 086/PERSI/Cab.Jateng/VIII/1989
6. MUKISI's Member : No. 1.034
7. Hospital Type : PRATAMA
8. Bed Capacity : 50 Beds
9. Class Facility : VIP, Main, I, IIA, IIB, III

CHAPTER IV

RESEARCH FINDINGS, DISCUSSION, AND IMPLICATIONS

4.1 Formulating Balanced Scorecard Concept based on condition of Islamic Hospital of Purwokerto

4.1.1 Identifying Mission and Strategy of Islamic Hospital of Purwokerto

The Balanced Scorecard is a management system (not only a measurement system) which is used to assess the company's or organization's performance and enables organizations to clarify their mission and strategy then translate them into action.

Mission is a fundamental statement regarding the reason of organizational existence and common map of organizational pattern and direction in the future. The mission of Islamic Hospital of Purwokerto in general is to provide and hold health service quickly, carefully, friendly, informatively, professionally and humanely which is certifiable, satisfying, and can be afforded by medium level to low level of society which held. The specific mission is to hold health service for all societies in Islamic way through *dakwah bihlal*. Those missions are translated into Balanced Scorecard perspectives, hence:

Being certifiable and achieving health services involve various factors, whether it is intern factor or extern factor of the hospital. Hospital's intern factors cover hospital condition, efficiency of nurse and doctor in handling patient, and also complete hospital facilities. Hospital's external factors cover customer satisfaction during the use of hospital services.

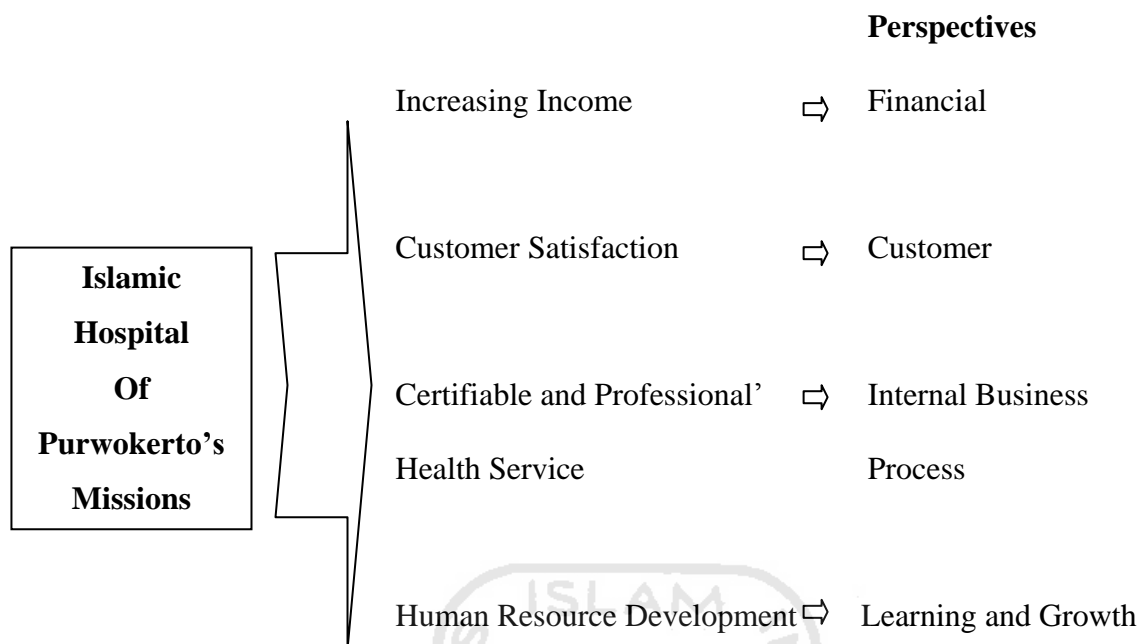
Efficiency of nurse and doctor are very influenced by the customer (patient) services. Efficiency of doctor relate to ethical code of doctor which can be observed from the speed in handling the patient, the way of detecting disease, and response in handling disease. Efficiency of nurse relates to educations which have been taken. It can be seen from the speed in assisting doctor and deftness in helping the patient.

Efficiency of profession has to be supported by training and education which must be done by nurse and doctor. This thing is conducted in order to develop professional health service. That is why human resource development in the form of skilled courses, job training, seminar and or symposium is required. The objective from conducting training and education is matched with the Islamic Hospital of Purwokerto mission which is to give professional health service. Education and training are included in Learning and Growth perspective. With the existence of human resource development which is conducted by the hospital, it is expected to upgrade employees' quality which is professional so that they can upgrade service quality to society and improve customer's (patient) satisfaction.

Islamic Hospital of Purwokerto tries to improve its service by providing adequate facilities both medical supporting facilities such as medical equipments and medicines or non medical supporting facilities such as stationery, electronic appliances, and hygiene appliances. Providing those facilities can be categorized as Internal Business Process perspective. Those facilities have function to support health service process quickly and precisely so that it can improve customer satisfaction.

Customer satisfaction is a very necessary factor in an organization. It is because the success of a hospital is usually seen from the level of customer' satisfaction to the hospital service. Customer' (patient) satisfaction can be categorized as Customer Perspective. Customer satisfaction comes from two factors. They are Learning and Growth Perspective and Internal Business Process Perspective. If a hospital serves patients well then indirectly patients will always use the hospital service for their health treatment or its medicine. It means that the patient feels satisfied with the service given by the hospital.

Satisfying service which is done quickly, carefully, friendly, informatively and humanly is the mission of Islamic Hospital of Purwokerto. With the increasing numbers of patients also will increase hospital income which is categorized as Financial Perspective. So, it can be seen that there is a relation between increasing of income and increasing of patients. More and more patients who use the hospital services will result more and more income accepted by the hospital while the increasing of patients number is obtained through patients' satisfaction which increases. Indicator of patient satisfaction is professional health service and complete hospital facilities. If it is translated into Balanced Scorecard, the description of Islamic Hospital of Purwokerto's mission will be as follows:



Picture 4.1: Description of Islamic Hospital of Purwokerto 'Mission in Balanced Scorecard.

4.1.2 Identifying the Relation between Vision, Strategic Objectives and Target of each Perspectives

The performance measurement based on Balanced Scorecard is addressed to achieve and realize vision, mission and objectives of the hospital by describing them into strategic target of the organization. Then this strategic target functions as an operational guidance at Islamic Hospital of Purwokerto to determine the policy that will be taken.

If it is translated into Balanced Scorecard the first step is specifying hospital primary objectives based on the hospital vision. Strategy is a primary action pattern which is selected to realize organizational vision, through mission. The strategic objective is one of the important things in Balanced Scorecard

approach. Since the primary strategic objectives of the hospital are still general and abstract, therefore those strategic objectives are need to be described into more detailed and real objectives at each available perspective, such as:

a. Financial Perspective

Strategic objective : Increase income and total assets.

b. Customer Perspective

Strategic objective : Improve service quality.

c. Internal Business Process Perspective

Strategic objective : Improve competitiveness through operational excellence.

d. Learning and Growth Perspective

Strategic objective : Increase the employees' ability and productivity.

The achievement of those objectives will be instructed to form hospital targets.

Vision is a point of view or wide knowledge of management concerning the condition in which the organization wants to achieve. Vision of Islamic Hospital of Purwoketo is “based on *ikhshan* to humanity, the formation of hospital which have national standard with complete, inwrought and plenary services which is held professionally and ethically, satisfying and can be afforded by all of Indonesian society level, in order to take a part to improve prosperity in Indonesian society”. It means that Islamic Hospital of Purwokerto tries to give national standard of health service professionally and ethically. National standard refers to the service which is provided by the hospital has to be based on the

whole requirements that have to be fulfilled by all of hospital in Indonesia or in national scale. Professional service relates to the efficiency and affectivity of doctors and nurses in handling the patients. Ethical service relates to the norm and ethic code that must be fulfilled by doctors and nurses to give service and handle the patient. *Ikhsan* to humanity means that treating the patient as a human and be based on Islamic value. Patient is also human. Thus, the doctor and nurse have to treat the patient as well as possible and based on Islamic value which teaches us to love every human being. The hospital also tries to satisfy the customers whether they are rich or not. It gives service not based on the financial power of the customers but based on the humanity feeling in order to help the others to achieve the prosperity.

There are two objectives of Islamic Hospital of Purwokerto. They are:

- a. Improving role of Muslim in conducting private health service effort everywhere which is affordable, satisfying, and can be accepted by all levels of society.
- b. Realizing Islamic Hospital of Purwokerto with quality, completeness and appropriateness so that the long-range excellence can be achieved through professional and committed resource.

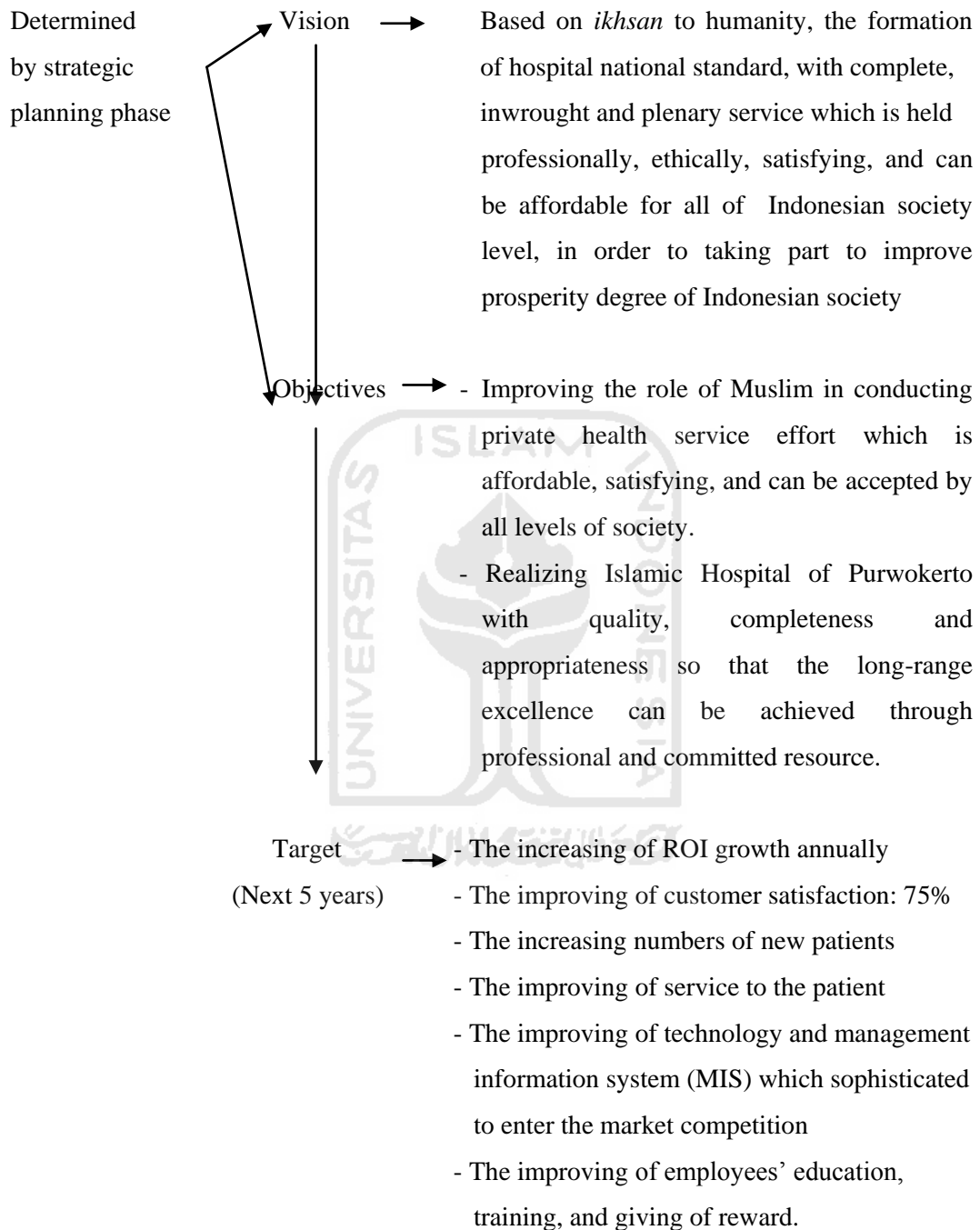
Those objectives are translated into specific objectives. The first specific objective relates to customer perspective which is showed in the objectives of Islamic Hospital of Purwokerto in giving the service to the society everywhere with full responsibility and full of *iman* (belief) which is affordable, satisfying, and can be accepted by all levels of society. If the society feel satisfied with the

service given by the hospital, therefore it will increase the patient satisfaction level.

Related with the second specific objective, the objective of Islamic Hospital of Purwokerto can be included to internal business process perspective which is service with standardized facilities. The third objective, which states that the hospital will satisfy all of the people who need its help including the patients and employees, can be included as the Learning and Growth perspective. The employees' satisfaction can be conducted by giving education and training, intensive, and reward for employees who have achievement.

Those specific objectives can be formulated as the hospital targets which determine strategic planning covering: increasing ROI growth annually, improving of customer satisfaction, improving patient service' system effectively and efficiently, improving technology and management information system, and improving employees' education and training. Those targets are described as follows:

Relation between Vision, Objective, and Target



Picture 4.2: Description of Islamic Hospital of Purwokerto 'Vision into Objective and Target.

4.2 Measuring each perspectives performance

Balanced Scorecard as a measure tool of Performance Assessment has four perspectives that have to be analyzed, which are:

A. Financial Perspective

The objective of this perspective is achieving of aggressive income strategy. So far, Islamic Hospital of Purwokerto has no increasing income and reducing the expenses to achieve the hospital objective.

Islamic Hospital of Purwokerto has big potency to sustain and develop the available market target as wide as possible. The measurement in this perspective by measuring the level of Return on Investment to know how big the level of investment return, an operating ratio to measure the ability of the hospital in using current assets in generating net sales, and current ratio to measure the ability of the hospital in using current assets to recover the level of hospital current liabilities.

There are seven tools to measure the financial perspective in this thesis, which are:

1. Return on Investment (ROI)

ROI is the calculation which reflect the management ability to measure operating assets as optimum as possible in order to measure the net profit needed.

$$ROI = \frac{Net\ Profit\ After\ Tax}{Total\ Assets} \times 100\%$$

The following are the calculation of ROI in 2005 and 2006 period:

$$ROI(\text{Year}2005) = \frac{Rp.69,226,623.46}{Rp.3,745,925,683.07} \times 100\% = 1.85\%$$

$$ROI(\text{Year}2006) = \frac{Rp.40,341,835.44}{Rp.4,202,547,515.52} \times 100\% = 0.96\%$$

The above calculation shows the ROI which decreases from 1.85% (Year 2005) become 0.96 (Year 2006). Factor that influences that decreasing of ROI is the decreasing of hospital profit. The calculation for the decreasing of hospital profit is as follow:

$$\frac{Rp.40,341,835.44 - Rp.69,226,623.46}{Rp.69,226,623.46} \times 100\% = -41.72\%$$

The calculation for the decreasing of ROI is as follows:

$$\frac{0.96\% - 1.85\%}{1.85\%} \times 100\% = -0.48\%$$

The decreasing of ROI shows that if the hospital performances in using the assets decrease, the profit also decreases. It means that the hospital has not optimized its assets yet to support the increasing of profit.

2. Current Ratio

Current Ratio is the part of financial ratio which shows the differences between current asset and current liabilities that can influence the level of company liquidity.

$$\text{CurrentRatio} = \frac{\text{CurrentAsset}}{\text{CurrentLiabilities}}$$

The following are the calculation of current ratio for 2005 and 2006 period of Islamic Hospital of Purwokerto:

$$\text{CurrentRatio(Year2005)} = \frac{Rp.549,542,773.47}{Rp.309,141,789.82} = 1.78$$

$$\text{CurrentRatio(Year2006)} = \frac{Rp.901,089,997.92}{Rp.367,827,267.65} = 2.45$$

The calculation of current ratio value above show that there is increasing in liquidity level from 1.78 (Year 2005) to 2.45 (Year 2006). This means that there is an increase of assurance for current liability (the ability of the hospital to fulfill its short term liability) can be shown as:

$$\frac{2.45 - 1.78}{1.78} \times 100\% = 37.64\%$$

3. Residual Income (RI)

The residual income shows the centre of investment which is calculated by reducing the earning before interest tax with cost of capital which is calculated in investment.

$$RI = \text{Net Operating income} - (\text{ROI} \times \text{Operating Assets})$$

The following are the calculation of RI in period of 2005 and 2006:

$$\begin{aligned} \text{RI (Year 2005)} &= \text{Rp. } 2,330,528,879.18 - (0.0185 \times \text{Rp. } 549,542,773.47) \\ &= \text{Rp. } 2,320,362,338 \end{aligned}$$

$$\begin{aligned} \text{RI (Year 2006)} &= \text{Rp. } 2,281,866,760.18 - (0.0096 \times \text{Rp. } 901,089,997.92) \\ &= \text{Rp. } 2,273,216,296 \end{aligned}$$

RI is used to measure the effectiveness of the hospital operating assets usage in supporting the centre of investment within 1 certain period. The above calculations show the decreasing of RI from year 2005 to 2006. It

means that the hospital has not used the operating assets properly yet. That decreasing can be measured by:

$$\frac{\text{Rp. 2,273,216,296} - \text{Rp. 2,320,362,338}}{\text{Rp. 2,320,362,338}} \times 100\% = -2.03\%$$

$$\text{Rp. 2,320,362,338}$$

A good centre of investment will be valued well if the positive value of the result is gained. The result is -2.03% . It means that the centre of investment of Islamic Hospital of Purwokerto is bad.

4. Operating Income to Total Asset Ratio

Operating Income to Total Asset Ratio is the financial ratio which compares between net operating income and total assets available within the company.

$$\text{OperatingIncome to Total Asset Ratio} = \frac{\text{Net Operating Income}}{\text{Total Asset}}$$

The calculation of Operating Income to Total Asset Ratio for year 2005 and 2006 are:

$$\text{OperatingIncome to Total Asset Ratio (Year 2005)} = \frac{\text{Rp. 69,226,623.46}}{\text{Rp. 3,745,925,683.07}} = 0.02$$

$$\text{OperatingIncome to Total Asset Ratio (Year 2006)} = \frac{\text{Rp. 40,341,835.44}}{\text{Rp. 4,202,547,515.52}} = 0.01$$

From the above calculation can be seen that there is decreasing of rentability level from 0.02 to 0.01. It means the hospital has low level of return on investment to shareholder because the profit gaining is low. The

decreasing of profit is calculated: $\frac{0.01 - 0.02}{0.02} \times 100\% = -0.5\%$

From that calculation, the rentability level of the company is very low which means the ability to create the profit is also low.

5. Cash Ratio

Cash Ratio is the financial ratio which compares between total cash owned by the company and total liabilities of the company.

$$\text{CashRatio} = \frac{\text{Cash}}{\text{CurrentLiabilities}}$$

The calculation of Cash Ratio between period of 2005 and 2006 are as follow:

$$\text{CashRatio(Year2005)} = \frac{\text{Rp.21,594,066}}{\text{Rp.309,141,789,82}} = 0.0699$$

$$\text{CashRatio(Year2006)} = \frac{\text{RP.23,273,382,00}}{\text{Rp.367,827,267.65}} = 0.0633$$

The above calculation shows the decreasing of cash ratio from 0.0699 to 0.0633. It means that the hospital has less capability to fulfill its liabilities with the other parties, and it also has capability to pay its liabilities both short term and long term if the hospital is liquidated. The decreasing of the cash ratio can be calculated:

$$\frac{0.0633 - 0.0699}{0.0699} \times 100\% = -9.44\%$$

$$0.0699$$

The result above shows the decreasing of solvability of Islamic Hospital of Purwokerto for 9.44%. It happens because the increasing of liabilities is more than the increasing of cash.

6. Activity Ratio

a. Receivable Turnover

Receivable Turnover is calculated by comparing between total operating income and the amount of receivables which are owned by the hospital in order to make budgeting planning of the hospital.

$$\text{ReceivableTurnover} = \frac{\text{TotalOperatingIncome}}{\text{Receivable}}$$

The calculation of receivable turnover for year 2005 and 2006 are as follows:

$$\text{ReceivableTurnover(Year2005)} = \frac{\text{Rp.2,330,528,879.18}}{\text{Rp.74,954,101}} = 31.09\text{Times}$$

$$\text{ReceivableTurnover(Year2006)} = \frac{\text{Rp.2,281,866,760.18}}{\text{Rp.504,120,315.00}} = 4.53\text{Times}$$

From the above calculation, it can be seen that the receivable turnover at Islamic Hospital of Purwokerto decreases for about 26.56 times (4.53 Times – 31.09 Times). It means that the hospital is unable to use the receivable to increases the operating income properly. In short, if the receivable turnover is good, the operating income gained is also good. If the receivable turnover is bad, the operating income is also bad. The decreasing of the hospital receivable turnover is calculated as:

$$\frac{4.53 - 31.09}{31.09} \times 100\% = -85.43\%$$

The above calculation shows that the hospital has not used its receivable as well as possible, hence there is no increasing in operating income.

b. Total Asset Turnover

Total Asset Turnover is the activity ratio which shows the comparison between total operating income and total asset. The function of this calculation is to see the affectivity of asset used or asset.

$$\text{TotalAssetTurnover} = \frac{\text{TotalOperatingIncome}}{\text{TotalAsset}}$$

The calculation of total asset turnover for period of 2005 and 2006 are:

$$\text{TotalAssetTurnover(Year2005)} = \frac{\text{Rp.2,330,528,879.18}}{\text{Rp.3,745,925,683.07}} = 0.62\text{Times}$$

$$\text{TotalAssetTurnover(Year2006)} = \frac{\text{Rp.2,281,866,760.18}}{\text{Rp.4,202,547,515.52}} = 0.54\text{Times}$$

The above calculations show the decreasing of total assets turnover at Islamic Hospital of Purwokerto. It means that the hospital is unable to use its assets properly. The decreasing of total assets turnover gained from:

$$\frac{0.54 - 0.62}{0.62} \times 100\% = -12.9\%$$

0.62

That result shows the hospital is failed to use its assets to generate the operating income.

7. Increasing/ Decreasing of Operating Income

In this calculation, to calculate increasing or decreasing of operating income that happen in the hospital uses income statement for period of year 2005 and 2006. The formula is as follows:

$$\frac{\text{OperatingIncomeYear}_x - \text{OperatingIncomeYear}_{x-1}}{\text{OperatingIncomeYear}_{x-1}} \times 100\%$$

Table 4.1: Table of Increasing or Decreasing of Operating Income for Year 2005 and 2006

No	Operating Income	2005 (Rp.)	2006 (Rp.)	% (Increase/ Decrease)
1.	Pharmacy Installation Income	668,428,879.18	427,862,912.18	--35.99%
2.	Patients Income			
	• Hospitalized	747,882,425	862,308,450.50	15.30%
	• Non-Hospitalized	161,555,500	183,465,900	13.56%
	• Supporting Installation	628,662,237	582,658,307	- 7.32%
3.	Others Income	123,999,838.18	225,571,190	81.91%
	Total	2,330,528,879.18	2,281,866,760.18	- 2.09%

Source: Financial Department

In short, the calculation of increasing/ decreasing of operating income for period of 2005 and 2006 are:

$$\frac{Rp.2,281,866,760.18 - Rp.2,330,528,879.18}{Rp.2,330,528,879.18} \times 100\% = -2.09\%$$

That calculation shows the decreasing of operating income for 2.09%. It means that the hospital does not have the addition of operating income and in fact it even lacks of profit or can be called loss as 2.09%.

B. Customer Perspective

During the research, it can be concluded that the objectives of the hospital have not been achieved yet because it does not own strategic objectives and definitely measurement tool which can improve patient' satisfaction and the patient' loyalty. The satisfaction of the patient can be measured through how well the hospital satisfies the customer.

1. Market Share

By measuring market share the hospital can know how big the market segmentation can be dominated within the market competition. Market share is determined from the competition level between some hospitals around Purwokerto. Islamic Hospital of Purwokerto is a *Pratama* which means that the hospital is located among medium to high level of society classes.

$$MarketShare = \frac{(AverageofHospitalizedPatient + Non - HospitalizedPatient)}{TotalPatient} \times 100\%$$

Table 4.2: The Number of Patients at the Hospitals around Purwokerto

Hospital Name	Year 2005		Year 2006	
	Hospitalized Patient	Non-Hospitalized Patient	Hospitalized Patient	Non-Hospitalized Patient
Islamic Hospital of Purwokerto	1875	3231	1808	3000
Elisabeth Hospital	1200	3000	1253	3025
Margono Hospital	3215	5001	2762	4031
Banyumas Hospital	1324	4321	1500	4105
Total	7614	15322	7323	14161

Source: Patient Data from Each Hospital

The calculation Market Share for period of 2005 and 2006 are:

$$\text{MarketShare}(\text{Year}2005) = \frac{(1875 + 3231)}{22936} \times 100\% = 22.26\%$$

$$\text{MarketShare}(\text{Year}2006) = \frac{(1808 + 3000)}{21484} \times 100\% = 22.38\%$$

From the above calculation, it can be seen that the Islamic Hospital of Purwokerto can compete with the other hospitals. It can be seen from the

increasing of market share 0.54% $\left(\frac{22.38\% - 22.26\%}{22.26\%} \right)$

2. Customer Acquisition

Customer Acquisition refers to the rate of gaining new customer (new patient) which shows the successful effort in attracting new

customer. The increasing of customer acquisition can also be used also to increase the market share.

$$CustomerAcquisition = \frac{TotalNewPatientYear_x}{TotalPatientYear_x} \times 100\%$$

Table 4.3: Table of the Number of Patient at Islamic Hospital of Purwokerto

Year	New Patient	Total Patient
2005	2599	5106
2006	2525	4808

Source: Medical Record Department

The calculation is:

$$CustomerAcquisition(Year2005) = \frac{2599}{5106} \times 100\% = 50.9\%$$

$$CustomerAcquisition(Year2006) = \frac{2525}{4808} \times 100\% = 52.52\%$$

From the above calculation, it can be seen that there is an increase in customer acquisition level. It means that the Islamic Hospital of Purwokerto has ability to attract new patients. The increasing of customer acquisition can be calculated:

$$\frac{52.52\% - 50.9\%}{50.9\%} = 3.18\%$$

The above calculation shows that during year 2005 and 2006, there is an increase of customer acquisition for 3.18%. It means that the new patients which are gained by the hospital increase by 3.18% and it may be caused by the ability of the hospital to promote and maintain its image and reputation to the new customers who are increased.

3. Customer Retention

Customer Retention refers to the measurement that shows the loyalty of the customer to the hospital service. This measurement relates to the image and reputation of the hospital. The function of this calculation is to measure the level of the hospital's ability to maintain its relation with the customers. This ability refers to the initial step to increase and maintain the market segment.

$$Customer\ Retention = \frac{Total\ Previous\ Patient\ Year_x}{Total\ Previous\ Patient\ Year_{x-1}} \times 100\%$$

Table 4.4: Table of the Number of Patient at Islamic Hospital of Purwokerto

Year	Previous Patient	Total Patient
2004	2525	4010
2005	2507	5106
2006	2283	4808

Source: Medical Record Department

The calculation is:

$$Customer\ Retention(2005) = \frac{2507}{2525} \times 100\% = 99.29\%$$

$$Customer\ Retention(2006) = \frac{2283}{2507} \times 100\% = 91.07\%$$

The above calculation shows that there is a decrease in customer retention from 99.29% (Year 2005) to 91.07% (Year 2006). It means that the hospital's ability to maintain its previous patients decreases. The decrease of customer retention is calculated: $\frac{91.07\% - 99.29\%}{99.29\%} = -8.28\%$

The decrease of customer retention above shows that the hospital is failed to maintain its reputation and its image from its previous patients.

4. Customer Satisfaction

Customer Satisfaction is used to know how huge the customer satisfaction toward the products produced by the hospital and which are offered to them. Although this measurement is very important as a basic reference for the hospital, in fact it is often ignored.

This customer satisfaction is measured by using questioners which cover the customer satisfaction in terms of hospital service such as health service reliability analysis, assurance analysis, responsiveness analysis, empathy analysis tangible analysis.

The responders consist of hospitalized patients, non-hospitalized patients or patients' family. The distribution of questionnaires held on period of month October to November 2007 (Appendix 1). There are 100 questionnaires distributed but returned only 90 sheets.

The criterions for the assessment are as follows:

- 1.) Score 1 for answer Very Dissatisfied (VD)
- 2.) Score 2 for answer Dissatisfied (D)
- 3.) Score 3 for answer Average (A)
- 4.) Score 4 for answer Satisfied (S)
- 5.) Score 5 for answer Very Satisfied (VS)

Table 4.5: Customer Satisfaction Level' Questionnaire
During November – December 2007

DESCRIPTION	VS	S	A	D	VD	RESPONDENT
I. RELIABILITY SERVICE ANALYSIS						
1. Acceptance of patient in room	24	60	1	2	1	88
2. Conducted checking	33	43	7	2	5	90
3. Treatment schedule	24	49	4	9	4	90
4. Service Procedure	30	10	40	3	5	88
II. ASSURANCE ANALYSIS						
5. The employees' behavior inculcating confidence	23	45	0	1	9	88
2. Safety feeling and assurance	23	54	1	4	8	90
3. Polite employees	20	44	3	4	18	89
4. Employees' knowledge	35	17	34	1	3	90
5. Good service	24	40	22	2	2	90
III. RESPONSIVENESS ANALYSIS						
1. Doctor' responsiveness	24	22	40	2	2	90
2. Clear information	44	20	18	4	3	89
3. Quick service	45	23	1	9	0	88
4. Ability to detect the disease	17	35	3	30	5	90
5. Cooperation between the employees	24	60	1	2	1	88
IV. EMPATHY ANALYSIS						
1. Compatible work hours	16	45	12	13	1	87
2. Comprehending special needs	26	60	2	2	0	90
3. Employees' attention	18	42	11	9	10	90
4. Complaint' attention	25	7	7	40	8	87
5. Fair service	17	35	3	30	5	90
V. TANGIBLES ANALYSIS						
15. Room' hygiene	24	49	4	9	4	90
16. Room' feature	44	20	18	4	3	89
17. Completeness of instrument	18	11	42	8	11	90
18. Nattiness of employees	15	46	12	10	4	87
TOTAL	593	837	286	144	112	-

Table 4.6: Value from the Questionnaire Result of Customer Satisfaction Level
During November – December 2007

DESCRIPTION	VS	S	A	D	VD	TV	AV
I. RELIABILITY SERVICE ANALYSIS							
1. Acceptance of patient in room	120	240	3	4	1	368	4.18
2. Conducted checking	165	172	21	4	5	367	4.08
3. Treatment schedule	120	196	12	18	4	350	3.89
4. Service Procedure	150	40	120	6	5	321	3.65
II. ASSURANCE ANALYSIS							
1. The employees' behavior inculcating confidence	115	180	0	2	9	306	3.48
2. Safety feeling and assurance	115	216	3	8	8	350	3.89
3. Polite employees	100	176	9	8	18	311	3.49
4. Employees' knowledge	175	68	102	2	3	350	3.89
5. Good service	120	160	66	4	2	352	3.91
III. RESPONSIVENESS ANALYSIS							
1. Doctor' responsiveness	120	88	120	4	2	334	3.71
2. Clear information	220	80	54	8	3	365	4.10
3. Quick service	225	92	3	18	0	338	3.84
4. Ability to detect the disease	85	140	9	60	5	299	3.32
5. Cooperation between the employees	120	240	3	4	1	368	4.18
IV. EMPATHY ANALYSIS							
1. Compatible work hours	80	180	36	26	1	323	3.71
2. Comprehending special needs	130	240	6	4	0	380	4.22
3. Employees' attention	90	168	33	18	10	319	3.54
4. Complaint' attention	125	28	21	80	8	262	3.01
5. Fair service	85	140	9	60	5	299	3.32
V. TANGIBLES ANALYSIS							
1. Room' hygiene	120	196	12	18	4	350	3.89
2. Room' feature	220	80	54	8	3	365	4.10
3. Completeness of instrument	90	44	126	16	11	287	3.19
4. Nattiness of employees	75	184	36	20	4	319	3.67
TOTAL	2965	3348	858	400	112	7683	86.26
Average	128.9	145.6	37.3	17.4	4.86	334.0	3.75

From the result above, can be concluded that:

- The patients satisfaction level during November – December is 86.26 which in average consist of:

Very Satisfied (VS) = 128.9

Satisfied (S) = 145.6

Average (A) = 37.3

Dissatisfied (D) = 17.4

Very Dissatisfied (VD) = 4.86

- The result above shows the increasing of patients' satisfaction level which is almost equal for each category. The patients tend to feel satisfied with the service given by the hospital.

C. **Internal Business Process Perspective**

In this perspective, the performance of the hospital is measured from how well the hospital can provide the service for the customer effectively and efficiently. The indicators used are medical indicator and non medical indicator.

The Formulas are as follows:

a) **Medical Indicator**

- **Response Time**

This indicator shows the ability of the hospital to response the request from the patient until the request can be

handled. This indicator compares the process time and throughput time or operating hour.

$$ResponseTime = \frac{ProcessTime}{30Days \times OperatingHour / Day} \times 100\%$$

Table 4.7: Table of Response Time

Waiting Time	Durations
Registration Time	5 Minutes
Serving Time	15 Minutes
Paying Time	10 Minutes
Total Time	30 Minutes

Source: Medical Record Department

The calculation is as follows:

$$ResponseTime = \frac{30Minutes}{30Days \times 24Hours / Day} \times 100\% = 0.07\%$$

The data above shows the total process time is 30 minutes. If compared with 1 hour, the process time becomes 0.5. Further, the calculation of response time which shows the comparison between process times and throughput time has resulted 0.07%.

It means that the response time of Islamic Hospital of Purwoketo to give the service in order to fulfill the request from the patient is good.

- BOR, LOS, BTO, TOI, GDR, NDR

Table 4.8: Comparison Indicator of BOR, LOS, BTO, TOI, GDR, NDR in Islamic Hospital of Purwokerto Year 2005

Indicator	Year 2005	Standard	Description
BOR	42%	60% – 85%	Bad
LOS	4.11	6 – 9 Days	Bad
BTO	37.38	40 – 50 Times	Bad
TOI	5.65	1 – 3 Times	Bad
GDR	28.36	< 25	Bad
NDR	18.19	< 45	Good

Table 4.9: Comparison Indicator of BOR, LOS, BTO, TOI, GDR, NDR in Islamic Hospital of Purwokerto Year 2005

Indicator	Year 2006	Standard	Description
BOR	35%	60% – 85%	Bad
LOS	3.60	6 – 9 Days	Bad
BTO	35.76	40 – 50 Times	Bad
TOI	6.61	1 – 3 Times	Bad
GDR	29.96	< 25	Bad
NDR	17.12	< 45	Good

- BOR (Bed Occupancy Rate)

BOR shows the usage level of the available beds which are used by the patient for one period of time / each day or the level of the use of bed within 1 year. The ideal value for BOR calculation is between 60% – 85%.

$$BOR = \frac{\text{theNumberofDaysforHospitalTreatment}}{\text{TotalBedX365}} \times 100\%$$

Table 4.10: Table of the Number of Treatment Days

Year	The Number of Days for Hospital Treatment	Total Bed
2005	7689	50
2006	6439	50

Source: Medical Record Department

The calculation of BOR for year 2005 and 2006 are as

follows: $BOR(\text{Year}2005) = \frac{7689}{50 \times 365} \times 100\% = 42\%$

$$BOR(\text{Year}2006) = \frac{6439}{50 \times 365} \times 100\% = 35\%$$

The result shows the low level of BOR which is far enough from the ideal value. Since the ideal value for BOR calculation is between 60% – 85% and the result from the calculation of BOR Year 2005 = 42% and Year 2006 = 35%, it can be concluded that Islamic Hospital of Purwokerto is categorized as the hospital which has bad BOR level because the result of BOR calculation does not fulfill the ideal requirements of BOR. The decreasing of BOR is calculated:

$$\frac{35\% - 40\%}{40\%} = - 0.125\%$$

$$40\%$$

- LOS (Average Length of Stay)

This indicator refers to the average of how long the patients are being treated. This indicator is used only for the

hospitalized patients. The ideal value for LOS calculation is between 6 – 9 Days.

$$LOS = \frac{\text{theNumberofTreatmentDaysforCheckOutPatient}}{\text{theNumberofCheckOutPatient(Live + Die)}}$$

Table 4.11: Table of Length of Stay

Year	The Number of Days for Hospital Treatment	The Number of Check Out Patient (Live + Die)
2005	7689	1869
2006	6439	1788

Source: Medical Record Department

The calculation of LOS for year 2005 and 2006 are as

follow: $LOS(\text{Year}2005) = \frac{7689}{1869} = 4.11 \text{ Days}$

$$LOS(\text{Year}2006) = \frac{6439}{1788} = 3.60 \text{ Days}$$

The result shows that the LOS in Islamic Hospital of Purwokerto is still bad for both year 2005 and 2006 since the ideal value for LOS calculation is between 6 – 9 Days. The decreasing of LOS from year 2005 to 2006 is calculated:

$$\underline{3.60 - 4.11} = - 0.12$$

4.11

- BTO (Bed Turnover)

This indicator refers to the frequency of the use of bed in 1 year. The ideal value for BTO in 1 year average used is between 40 – 50 Times.

$$BTO = \frac{\text{theNumberofCheckOutPatient(Live + Die)}}{\text{TotalBed}}$$

Table 4.12: Table of Check out Patient and Total Bed

Year	The Number of Check Out Patient (Live + Die)	Total Bed
2005	1869	50
2006	1788	50

Source: Medical Record Department

The calculation is as follows:

$$BTO(\text{Year}2005) = \frac{1869}{50} = 37.38 \text{ Times}$$

$$BTO(\text{Year}2006) = \frac{1788}{50} = 35.76 \text{ Times}$$

Since the ideal value for BTO in 1 year average used is between 40 – 50 Times, and the result for BTO year 2005 = 37.38 Times and year 2006 = 35.76 Times, so the BTO level of Islamic Hospital of Purwokerto is still low. There is also a decrease of BTO from year 2005 – 2006, it is calculated:

$$\frac{35.76 - 37.38}{37.38} \times 100\% = -4.33\%$$

The result shows the frequency of bed used at Islamic Hospital of Purwokerto during Year 2005–2006 is decreased for 4.33%.

- TOI (Turn Over Interval)

This indicator explains about the distance of empty bed until it is used. TOI will be called ideal if the beds can be used for the next patient in 1 to 3 Days.

$$TOI = \frac{(TotalBed \times 365) - theNumberofDaysforHospitalTreatment}{CheckOutPatient(Live + Die)}$$

Table 4.13: Table of Treatment Days and the Number of Check Out Patient

Year	Total Bed	The Number of Days for Hospital Treatment	The Number of Check Out Patient (Live + Die)
2005	50	7689	1869
2006	50	6439	1788

Source: Medical Record Department

From the table above, it can be calculated:

$$TOI(Year2005) = \frac{(50 \times 365) - 7689}{1869} = 5.65 \text{ Days}$$

$$TOI(Year2006) = \frac{(50 \times 365) - 6439}{1788} = 6.61 \text{ Days}$$

TOI will be called ideal if the beds can be used for the next patient in 1 to 3 Days. The more frequency of day for the bed used the worse of hospital performance. Since the results above show that in year 2005 TOI = 5.65 Days and in year 2006 TOI = 6.61 Days, the hospital has bad TOI level because it does not match with the standard. In addition, the hospital lack of ability

to keep the efficiency of its services. The increasing of TOI is calculated:

$$\frac{6.61 - 5.65}{5.65} \times 100\% = 16.99\%$$

- GDR (Gross Death Rate)

This indicator refers to the general death number for each 1000 check out patients. The value of GDR is good if the death rate is less than 45 per 1000 check out patients.

$$GDR = \frac{\text{TotalDeathPatient}}{\text{theNumberofCheckOutPatient(Live + Die)}} \times 1000$$

Table 4.14: Table of Death Patient

Year	Total Death Patient	The Number of Check Out Patient (Live + Die)
2005	53	1869
2006	56	1788

Source: Medical Record Department

The calculation is:

$$GDR(2005) = \frac{53}{1869} \times 1000 = 28.36$$

$$GDR(2006) = \frac{56}{1869} \times 1000 = 29.96$$

The increasing of GDR is calculated:

$$\frac{29.96 - 28.36}{28.36} \times 100\% = 5.64\%$$

The value of GDR will be called good if the death rate is less than 45 per 1000 check out patients. Since the calculation of GDR for both year 2005 (28.36) and year 2006 (29.96) is less than 45, so the GDR level of Islamic Hospital of Purwokerto is still good. Even though there is an increase of GDR from year 2005 to 2006 for 5.64%, it does not matter because the value of GDR still fulfills the standard required.

- NDR (Net Death Rate)

This indicator is used to measure the decrease of the dead patient after being treated at the hospital. To measure it, we should compare between the dead patients after being treated at the hospital for more than 48 hours and each 1000 patient check out from the hospital. The value of NDR is good if the death rate is less than 25 per 1000 check out patient.

$$NDR = \frac{\text{theNumberofDeadPatient} > 48\text{HoursBeingTreated}}{\text{theNumberofCheckOutPatient(Live + Die)}} \times 1000$$

Table 4.15: Table of Death Patient

Year	Total Death Patient > 48 Hours	The Number of Check Out Patient (Live + Die)
2005	34	1869
2006	32	1788

Source: Medical Record Department

The calculation is:

$$NDR(2005) = \frac{34}{1869} \times 1000 = 18.19$$

$$NDR(2006) = \frac{32}{1869} \times 1000 = 17.12$$

The decreasing of NDR is calculated as follows:

$$\frac{17.12 - 18.19}{18.19} \times 100\% = 5.88\%$$

The value of NDR is good if the death rate is less than 25 per 1000 check out patients. Since the calculation of NDR for both year 2005 (18.19) and year 2006 (17.12) is less than 25, the NDR level of Islamic Hospital of Purwokerto is still good. There is also a decrease of NDR level from year 2005 to 2006 as 5.88%. It means that the death rate at Islamic Hospital of Purwokerto is decrease.

- The Growth of Operation Action

This indicator is used to know the growth of operation action annually. The more increasing of the hospital operations indicate that the hospital has more ability to give the best service which makes the customers prefer to do the operation in this hospital rather than in the other places.

The Growth of Operation Action

$$= \frac{\text{TheNumberofOperationYear}_x - \text{TheNumberofOperationYear}_{x-1}}{\text{TheNumberofOperationYear}_{x-1}} \times 100\%$$

Table 4.16: Table of the Number of Operation Action

Year	the Number of Operation Action
2004	500
2005	545
2006	511

Source: Medical Record Department

The calculation of the growth of operation action is as follows:

The Growth of Operation Action (2005)

$$= \frac{545 - 500}{500} \times 100\% = 0.09\%$$

The Growth of Operation Action (2006)

$$= \frac{511 - 545}{545} \times 100\% = -0.06\%$$

The result shows a decrease of operations in year 2006 that do by the customers.

- The Number of Referred Patient

This indicator is used to know the percentage on the number of referred patients who go to the Islamic Hospital of Purwokerto for each year. The more number of the referred patients, the better the hospital is.

$$\text{The Number of Pasien Rujukan} = \frac{\text{The Number of Referred Patient}}{\text{Total Patient}} \times 100\%$$

Table 4.17: Table of the Number of Patient

Year	The Number of Referred Patient	Total Patient
2005	417	5106
2006	566	4808

Source: Medical Record Department

The calculation is as follows:

$$\text{The Number of Referred Patients (Year 2005)} = \frac{417}{5106} \times 100\% = 8.17\%$$

$$\text{The Number of Referred Patients (Year 2006)} = \frac{566}{4808} \times 100\% = 11.77\%$$

From the result above, the Number of Referred Patient is increases from 8.17% (year 2005) to 11.77% (Year 2006). The increasing is calculated:

$$\frac{11.77\% - 8.17\%}{8.17\%} = 0.44\%$$

$$8.17\%$$

The result shows an increase of the number of referred patients in Islamic Hospital of Purwokerto. It means that the hospital' image is good from the perspective of other people.

- Increasing / Decreasing of Hospital Facilities and Instrument

The measurement of this indicator is comparing the items provided by the hospital in certain period.

Increasing / Decreasing of Hospital Facilities and Instrument =

$$\frac{NewFacilities - OldFacilities}{OldFacilities} \times 100\%$$

Table 4.18: Table of Increasing / Decreasing of Facilities and Instruments Provided by Islamic Hospital of Purwokerto Year 2004 – 2006

Facilities	Year 2004	Year 2005	Year 2006
Bathroom, mosque, canteen, drugstore, parking area and etc.	Provided instruments (items) are 250 items	Provided instruments (items) are 300 items	Provided instruments (items) are 326 items
Additional facility is medical facility	-	-	add the instruments for 5 items

Source: Inventories Department

The calculations for increasing/ decreasing of hospital facilities and instruments for year 2005 and 2006 are:

$$\text{Year 2005} = \frac{300 - 250}{250} \times 100\% = 20\%$$

$$\text{Year 2006} = \frac{331 - 300}{300} \times 100\% = 10.33\%$$

From the above calculation it can be seen that instrument percentage in 2005 and 2006 provided by the hospital decreases even though the hospital has provided more instruments in year 2005 and 2006. The decreasing of the instruments and facilities are calculated:

$$\frac{10.22\% - 20\%}{20\%} = -0.489\%$$

From that result, the percentage of the decrease is still low. Therefore, it can be concluded that the decreasing of facilities and instrument is still in usual amount.

b) Non Medical Indicator

- Non Medical Cost

This indicator shows the comparison between non medical costs toward the numbers of the employee.

$$\text{NonMedicalCost} = \frac{\text{AdministratifCost}}{\text{theNumberofEmployee}}$$

The calculation:

$$\text{NonMedicalCost(Year2005)} = \frac{\text{Rp.30,730,535}}{105} = \text{Rp.292,671.76 / Employee}$$

$$\text{NonMedicalCost(Year2006)} = \frac{\text{Rp.34,785,551}}{105} = \text{Rp.331,290.96 / Employee}$$

That result shows that there is an increase of non medical cost toward the number of employees. The increasing is calculated:

$$\frac{\text{Rp.331,290.96} - \text{Rp.292,671.76}}{\text{Rp.292,671.76}} \times 100\% = 13.20\%$$

The increasing of medical cost is meant to increase the hospital performance especially for the employees giving satisfying service to the customers.

D. Learning and Growth Perspective

This perspective refers to how the hospital can be creative and develop itself continuously in order to compete with the other competitors both in current condition and future condition. In this perspective, human resource is forced to keep productive and always learn in order to increase their ability to be more creative and develop the health service which has value for the customer.

This perspective consists of three indicators that are used to measure the performance of the employee. They are:

1. Employee Commitment

This indicator is used to measure the employee loyalty, employee productivity and employee satisfaction.

The calculations are as follows:

- Employee Loyalty

In this case, employee turnover is used to measure how far the loyalty of the employee toward the hospital. This indicator also often called separation rate.

$$EmployeeTurnover = \frac{ResignEmployee}{TotalEmployee} \times 100\%$$

Table 4.19: The Number of Resign Employee

Year	Resign Employee	Total Employee
2005	9	105
2006	9	105

The calculation is as follows:

$$\text{Employee Turnover}(2005) = \frac{9}{105} \times 100\% = 8.57\%$$

$$\text{Employee Turnover}(2006) = \frac{9}{105} \times 100\% = 8.57\%$$

From the above calculation, it can be seen that the Employee Turnover for year 2005 and 2006 does not increase. This thing happens because the hospital has good ability to maintain the employees. Ideally, the employees' turnover has to decrease. However, in Islamic Hospital of Purwokerto, the resign employee is only 1 person each year. It means that there is no increasing or decreasing of employee turnover. The lower resign employees, the better employees' turnover.

- Employee Productivity

This calculation uses the operating income of the hospital to calculate the employee productivity.

$$\text{Employee Productivity} = \frac{\text{Operating Income}}{\text{Total Employee}} \times 100\%$$

$$\text{Employee Productivity}(2005) = \frac{\text{Rp.2,330,528,879.18}}{105} = \text{Rp.22,195,513.13}$$

$$\text{Employee Productivity}(2006) = \frac{\text{Rp.2,281,866,760.18}}{105} = \text{Rp.21,732,064.38}$$

From the above calculation it can be seen that the productivity of employees decreases from Rp. 22,195,513.13 to

Rp. 21,732,064.38. That increasing is affected by the increasing of operating income gained by the hospital. In general, the employees' productivity from year 2005 to year 2006 is located in negative position. It means that the employees have not succeeded yet in creating profit for the hospital. The decreasing of employee productivity is:

$$\frac{Rp.21,732,064.38 - Rp.22,195,513.13}{Rp.22,195,513.13} \times 100\% = -2.09\%$$

That decreasing refers to the loss created by the employees during one year.

- Employee Satisfaction

Employee satisfaction is the primary factor which can affect the employee turnover and employee productivity. The employee satisfaction is measured through the surveys for hospital employee by using questionnaires. (Appendix 2). There are 150 questionnaires distributed to the responders but returned only 120 questionnaires.

The criterions for the assessment are as follows:

- 1.) Score 1 for answer Very Dissatisfied (VD)
- 2.) Score 2 for answer Dissatisfied (D)
- 3.) Score 3 for answer Average (A)
- 4.) Score 4 for answer Satisfied (S)
- 5.) Score 5 for answer Very Satisfied (VS)

Table 4.20: Employees Satisfaction Level' Questionnaire
During November – December 2007

Description	VS	S	A	D	VD	Respondent
A. Employees' Comment about Work						
Motivation						
1. Cooperation among employees	2	29	14	6	69	120
2. Attendance and job discipline	13	50	1	48	2	114
B. The Employees' Comment about						
Leadership						
1. Comfortable in work	3	28	60	15	2	108
2. Hospital' management	0	53	36	21	2	112
3. Decision made by the leader	3	40	31	33	7	114
4. Cooperation among leader	2	56	30	26	2	116
C. Employee's Comment about						
Motivation						
1. Incentives given by the hospital	4	60	15	25	4	108
2. Employees' training program	0	25	27	48	10	110
3. Reward for work achievement	1	44	14	40	9	108
D. Employees' Comment about						
Communication						
1. Communication with work partner	13	83	8	2	0	106
2. Access of Information at hospital environment	3	40	34	24	9	110
3. Communication of work with						
4. supervisor	4	51	23	24	8	110
E. Employees' Comment about						
Physical Work Environment						
1. Completeness of additional facilities	0	35	16	54	5	110
2. Completeness of equipment	5	44	30	20	11	110
3. Lighting, Health, and Cleanliness	5	43	15	45	12	120
Total						

Source: Questionnaire of Employee Satisfaction Level

Explanation:

VS = Very Satisfy,
S = Satisfy

A = Average
D = Dissatisfied

VD = Very Dissatisfied

Table 4.21: Value from the Questionnaire Result of Employee Satisfaction Level During November – December 2007

Description	VS	S	A	D	VD	TV	AV
F. Employees' Comment about Work							
Motivation							
1. Cooperation among employees	10	116	42	12	69	249	2.08
2. Attendance and job discipline	65	200	3	96	2	366	3.21
G. The Employees' Comment about							
Leadership							
1. Comfortable in work	15	112	180	30	2	339	3.14
2. Hospital' management	0	216	108	42	2	368	3.29
3. Decision made by the leader	15	160	93	66	7	341	2.99
4. Cooperation among leader	10	224	90	52	2	378	3.26
H. Employee's Comment about							
Motivation							
1. Incentives given by the hospital	20	240	45	50	4	359	3.32
2. Employees' training program	0	100	81	96	10	287	2.61
3. Reward for work achievement	5	176	42	80	9	312	2.89
I. Employees' Comment about							
Communication							
1. Communication with work partner	65	332	24	4	0	425	4.01
5. Access of Information at hospital environment	15	160	102	48	9	334	3.04
6. Communication of work with							
7. supervisor	20	204	69	48	8	349	3.17
J. Employees' Comment about							
Physical Work Environment							
1. Completeness of additional facilities	0	140	48	108	5	301	2.74
2. Completeness of equipment	25	176	90	40	11	342	3.11
3. Lighting, Health, and Cleanliness	25	172	45	90	12	344	2.87
Total	290	2728	1062	862	152	5139	45.7
Average	19.33	181.87	70.8	57.47	10.13	342.6	3.05

Explanation:

VS = Very Satisfy,

AV = Average Value

TV = Total Value

A = Average

S = Satisfy

VD = Very Dissatisfied

D = Dissatisfied

From the result achieved, can be concluded:

- The employee satisfaction' level during November – December is 45.7% which consist of:

Very Satisfied (VS) = 19.33

Satisfied (S) = 181.87

Average (A) = 70.8

Dissatisfied (D) = 57.47

Very Dissatisfied (VD) = 10.13

- The result above shows the increasing of employees' satisfaction level which almost equal for each categories. The employees tend to feel satisfy with the entire thing within the hospital, such as work motivation, leadership, motivation, communication and physical condition of work environment.

2. Ability of Information System

This measurement refers to the number of employee percentage which has medical information ability to serve the customers which is calculated by using data about the total employee of the hospital and the number of employee who work at information system of the hospital.

$$\text{Ability of Information System} = \frac{\text{Information System's Employee}}{\text{Total Employee}} \times 100\%$$

Table 4.22: The Number of Information System' Employee

Year	Employee of Information System	Total Employee
2005	12	105
2006	13	105

$$AbilityofInformationSystem(2005) = \frac{12}{105} \times 100\% = 11.43\%$$

$$AbilityofInformationSystem(2006) = \frac{13}{105} \times 100\% = 12.38\%$$

The above calculation shows that there is increasing in employees which have information system ability to direct communication with the patients. The increasing is calculated as:

$$\frac{12.38\% - 11.43\%}{11.43\%} = 0.08\%$$

$$11.43\%$$

That increasing is related with the increasing of operational employees who have information ability that quickly, timely and accurately as feedback. So, in general, the employees' ability of information system at Islamic Hospital of Purwokerto is increase for 0.08%.

3. Motivation, Authority and Harmony.

This measurement focus on the total lost time or absenteeism which happens within the hospital. From this calculation can be measured the number of employee that absent in 1 year.

$$Absenteeism = \frac{theNumberAbsenceoftheEmployee}{TotalEmployee \times 365} \times 100\%$$

Table 4.23: Table of Presence List at Islamic Hospital of Purwokerto Year 2005 and 2006

Month	The Number Absence of the Employee (2005)	The Number Absence of the Employee (2006)
January	20	15
February	25	23
March	30	14
April	25	35
May	23	21
June	16	15
July	19	24
August	32	15
September	10	34
October	12	10
November	16	28
December	17	38
Total	245	272

$$Absenteeism(Year2005) = \frac{245}{105 \times 365} \times 100\% = 0.64\%$$

$$Absenteeism(Year2006) = \frac{272}{105 \times 365} \times 100\% = 0.71\%$$

From the above calculation can be seen that there is increasing of employee absenteeism level. It shows bad indication because the discipline level of the employees decreases by the increasing of absence. The decreasing is calculated:

$$0.71\% - 0.64\% = 0.12\%$$

$$0.64\%$$

That increasing show the discipline level of employees is decrease; hence it also can decrease the hospital performance.

4. The Percentage Number of Employee who be Trained and Educated

This indicator is used to improve the employees' ability in performing their job.

Percentage of the Employees Number which follow Training and

$$\text{Education} = \frac{\text{The Number of Employees who Undertake Training and Education}}{\text{Total Employees}} \times 100\%$$

Table 4.24: The Number of Employees who follow Training and Education

Year	The Number of Employees who undertake Training and Education	Total Employees
2005	25	105
2006	35	105

Percentage of the Employees Number who Training and Education

$$(\text{Year 2005}) = \frac{25}{105} \times 100\% = 23.80\%$$

Percentage of the Employees Number who Training and Education

$$(\text{Year 2006}) = \frac{35}{105} \times 100\% = 33.33\%$$

From the calculation above, it can be seen that there is increasing in the Percentage of Employees Number which follow Training and Education at Islamic Hospital of Purwokerto. The amount of the increasing can be calculated as follows:

$$\frac{33.33\% - 23.80\%}{23.80\%} = 0.06\%$$

The increasing result from the Percentage of Employees Number who undertake Training and Education shows that the hospital still care with the development of its employees' ability and skill. The hospital management is realized that the increasing of employees' ability and skill will affect to their service quality which will be offered to the patients.

4.3 Analyzing Balanced Scorecard Partially

After conducted measurement of each perspective on Balanced Scorecard, then the next step is doing Balanced Scorecard analysis partially.

4.3.1 Financial Perspective

In financial perspective, some indicators are used to measure the performance of the Islamic Hospital of Purwokerto. They are: ROI, Current Ratio, RI, Operating Income to Total Asset Ratio, Cash Ratio, Receivable Turnover, Total Asset Turnover, and The percentage of Increasing/Decreasing of Operating Income. The result shows the

decreasing of all indicators except the Current Ratio from year 2005 to 2006.

Table 4.25: The Result of Financial Perspective Measurement at Islamic Hospital of Purwokerto

Indicator	Year 2005	Year 2006	Increase/ Decrease
ROI	1.85%	0.96%	- 0.48%
Current Ratio	1.78	2.45	37.64%
RI	2,320,362,338	2,273,216,296	- 2.03%
Operating Income to Total Asset Ratio	0.02	0.01	- 12.90%
Cash Ratio	0.0699	0.0633	- 9.44%
Receivable Turnover	31.09 Times	4.53 Times	-85.43%
Total Asset Turnover	0.62 Times	0.54 Times	- 12.90%
The percentage of Increasing/Decreasing of Operating Income			- 2.09%

4.3.2 Customer Perspective

Table 4.26: The Result of Customer Perspective Measurement at Islamic Hospital of Purwokerto

Indicator	Year 2005	Year 2006	Increase/ Decrease
Market Share	22.26%	22.38%	0.54%
Customer Acquisition	50.90%	52.52%	3.18%
Customer Retention	99.29%	91.07%	- 8.28%
Customer Satisfaction			86.26%

4.3.3 Internal Business Process Perspective

Table 4.27: The Result of Internal Business Process Perspective Measurement at Islamic Hospital of Purwokerto

Indicator	Year 2005	Year 2006	Increase/ Decrease
Medical Indicator			
Response Time			0.07%
BOR	42%	35%	0.17%
LOS	4.11	3.60	- 0.12
BTO	37.38	35.76	- 0.43
TOI	5.65	6.61	0.17
GDR	28.36	29.96	0.06
NDR	18.19	17.12	- 19.26
The Growth of Operation Action	0.09%	- 0.06%	- 1.67%
The Number of Referred Patient	18.17%	11.77%	- 3.5%
Increasing / Decreasing of Hospital Facilities and Instrument	20%	10.33%	- 0.48%
Non Medical Indicator			
Non Medical Cost	292,671.76	331,290.96	13.20%

4.3.4 Learning and Growth Perspective

Table 4.28: The Result of Learning and Growth Perspective Measurement at Islamic Hospital of Purwokerto

Indicator	Year 2005	Year 2006	Increase/ Decrease
Employee Commitment			
Employee Turnover	8.57%	8.57%	0
Employee Productivity	22,195,513.13	21,732,064.38	- 0.02 %
Employee Satisfaction			45.7%
The Ability of Information System	11.43%	12.38%	0.08%
Motivation, Authority and Harmony.			
Employee Absenteeism	0.64%	0.71%	0.12%
The Percentage Number of Employee which be Trained and Educated	33.33%	23.80%	0.06%

Based on the research conducted, the writer has been made the details of Balanced Scorecard which can be applied at Islamic Hospital of Purwokerto which covers: measure of objective, annual priority and strategic initiative. All of them are related with the four perspectives of Balanced Scorecard which are Financial Perspective, Customer Perspective, Internal Business Process Perspective, and Learning and Growth Perspective. The details are:

Table 4.29: Balanced Scorecard Method at Islamic Hospital of Purwokerto

No	Objectives	Measure Objective	Annual Priority	Strategic Initiative
1	Financial Perspective			
	a. Increase the Operating Income	% of Income Growth Compared with the Previous Year	Income	<ul style="list-style-type: none"> • Providing Service Product • Addition of New Facilities • Promotion
	b. Increase the Profit	% of Profit Compared with Previous Year	Income Cost	<ul style="list-style-type: none"> • Measurement of ROI, Financial Ratio and Activity Ratio. • Do Cost Saving
2	Customer Perspective			
	a. Increase the customer satisfaction	The level of patient satisfaction	The level of patient satisfaction	<ul style="list-style-type: none"> • Do customer satisfaction survey • Analyze the survey
	b. Decrease the level of complaint	All of Complaint type	Complaint Level	<ul style="list-style-type: none"> • Increase the quality of service • Increase the payment system • make suggestion box
	c. Increase the customer loyalty	% of previous patient compared with the new patient	Previous patient and new patient	<ul style="list-style-type: none"> • Increase the service to be more quick and precise
3	Internal Business Process Perspective			
	a. Increase the new market segment	% of the growth of new market compared with the old market		<ul style="list-style-type: none"> • Survey the customer need • Promotion
	b. Increase the internal process	speed of service	Decrease the waiting	<ul style="list-style-type: none"> • Add the human resource

	performance		time	<ul style="list-style-type: none"> • training and improving human resource • Add the instruments • Add the computerization on administration
4	Learning and Growth Perspective			
	a. Increase the employees satisfaction	All employees	Employees satisfaction level	<ul style="list-style-type: none"> • Add training program • Do survey about employees satisfaction
	b. Increase the employees loyalty	All employees	Push the employees turnover	<ul style="list-style-type: none"> • Increase the employees prosperity • Develop the harmonize work environment • Reward for achievement employees

4.1.1 Assessing the Islamic Hospital of Purwokerto by using Balanced Scorecard Method.

After doing analysis partially, then the performance measurement is conducted by using weight. Based on the analysis result of income statement at Islamic Hospital of Purwokerto for year 2005 and 2006, the result shows that the hospital experiences the decrease of income.

For market share, Islamic Hospital of Purwokerto is in medium level. Even though there are some new hospitals, Islamic Hospital of Purwokerto is still trusted by the customers around Purwokerto. It can be

seen from the questionnaire result which is achieved value of 86.26%. That value is obtained from the patient satisfaction questionnaire which focuses on the facilities and services given by the hospital.

In term of improving the health service, Islamic Hospital of Purwokerto has conducted maximal efforts in order to increase the numbers of patients each year. One of the efforts is improving the hospital performance. Since the main priority is patient satisfaction, therefore in determining the weight the writer chooses the Customer Perspective as the main priority. To increase the patient satisfaction, the hospital needs to have high qualified employees in order to give the best service to the patients and make them satisfied with the service offered. Thus, the employees have to be trained and educated so that the Learning and Growth Perspective becomes the second priority. Then, it leads to the improvement of hospital facilities so that the third priority is Internal Business Process Perspective. Further, the increases of three perspectives will also influence the financial perspective which becomes the fourth perspective.

To determine weight, the writer has made agreement with the Islamic Hospital of Purwokerto management. The objective is to avoid misunderstanding in assessing the performance by using Balanced Scorecard Method. That is why those weights are the real standard from the hospital and have been matched with the condition of the hospital. In general, those weights are as follows:

Financial Perspective	:	16 %
Customer Perspective	:	35 %
Internal Business Process Perspective	:	24 %
Learning and Growth Perspective	:	<u>25 %</u>
Total of weight assessment	:	100%

Those above weights will be separated based on each perspective which has different indicators and matches with the agreement. The standard weights are gained based on the agreement between the writer and the hospital management and also from the standard that has been used in industry as general. While the real weights are gained from the measurement result of each indicator based on the hospital condition which has been analyzed partially in year 2005. After each perspective are measured using the assessment weights, they are amounted become one quantitative. This total value shows the hospital performance. Range values for total assessment weight are as follow:

0 % - 50% = Not Good / Bad

51% - 75% = Good

76% - 100% = Very Good

The following are the description of the real weights for each perspective.

1. Financial Perspective

- Return on Investment (ROI)

The hospital determines the maximum standard of ROI for 10%, hence that maximal ROI has standard weight 2% from the whole weight. The following is the range value for measurement of ROI:

Range Value of ROI	Weight
0% - 5%	1%
5.01% - 10%	2%

The above table shows that Islamic Hospital of Purwokerto get ROI value for 0.96% on year 2006, so that the real weight of the hospital is 1%.

- **Current Ratio**

Current Ratio is a liquidity ratio. Based on general standard of commercial company, a good liquidity is 4 times. To fulfill the standard, the hospital uses liquidity level of 4 times and it is put in real weight of 2%. The following is the range value for liquidity level:

Range Value of Liquidity	Weight
0 - 2 Times	1%
2.01 - 4 Times	2%

The above table shows that the real weight of the Islamic Hospital of Purwokerto is 2% because the hospital has liquidity ratio for 2.45 times on year 2006.

- Residual Income (RI)

The expected maximum value of RI by the hospital is 10 Billion. This maximal RI will be included in the assessment weight 2%. The range value for RI level is as follow:

Range Value of RI	Weight
0 - 5 Billion	1%
5.01 - 10 Billion	2%

From the above table can be seen that the hospital which has RI value Rp. 2,273,216,296 for year 2006, has real weight 1%.

- Operating Income to Total Asset Ratio

Operating Income to Total Asset Ratio refers to the rentability ratio. The hospital determines the maximum value of rentability is 1 and it put on weight 2%. The following is the range value for Operating Income to Total Asset Ratio level:

Range Value of Rentability	Weight
0 - 0.5	1%
0.51 - 1	2%

Since the hospital has Rentability value = 0.01 on year 2006, the real weight for the hospital Rentability is 1%.

- Cash Ratio

Cash Ratio is refers to the Solvability ratio. The amount of maximum solvability value which be determined by the hospital is 0.1, and it put on weight 2%. The range value for Solvability level is as follow:

Range Value of Solvability	Weight
0.01 – 0.05	1%
0.051 – 0.1	2%

From the above table can be seen that the hospital which has Solvability value 0.0633 for year 2006, has real weight 2%.

- Receivable Turnover

The hospital expect to have the receivable turnover > 10 Times with the real weight for 2%. The range value for Receivable Turnover level is as follow:

Range Value of Receivable Turnover	Weight
< 10 Times	1%
> 10 Times	2%

Since the hospital has Receivable Turnover value = 4.53 times on year 2006, the real weight for the hospital Rentability is 1%.

- Total Asset Turnover

Based on general standard of industry or company, a good Total Asset Turnover is 1.8 times. To fulfill the standard, the hospital used maximum Total Asset Turnover level of 1.8 times and it is put in real weight of 2%. The following is the range value for Total Asset Turnover level:

Range Value of Total Asset Turnover	Weight
0 – 1.0 Times	1%
1.1 – 2.0 Times	2%

From the above table can be seen that the hospital which has Total Asset Turnover value 0.54 Times for year 2006, has real weight 1%.

- The percentage of Increasing/Decreasing of Operating Income

Based on the measurement conducted by the writer, there is decreasing of Operating Income for -2.09%. In fact, the hospital expects that the maximum weight for operating income is more that 5%. Then the weight will be put into the real

weight 2%. The range value for The Percentage of Increasing/Decreasing of Operating Income level is as follow:

Range Value of The Percentage of Increasing/ Decreasing of Operating Income	Weight
< 5%	1%
> 5%	2%

Since the hospital has Decreasing of Operating Income value = - 2.09% times from year 2005 - 2006, the real weight for the hospital Rentability is 1%.

2. Customer Perspective

- Market Share

Market share can be seen from the competition level between the hospitals around Purwokerto. This measurement is focus on how big the market share of the hospital and market share competitiveness level. Hence the hospital can has tight competition with the other hospitals. Islamic hospital of Purwokerto is a hospital with type B, so it has own advantages. Maximum market share that be expected by the hospital is 55%. This value is put in the maximum weight 2%. The following is the range value for Percentage of Market Share level:

Range Percentage of Market Share	Weight
0% – 50%	1%
50.01% - 100%	2%

From the above table can be seen that the hospital which has Percentage of Market Share value 22.38% for year 2006, has real weight 1%.

- Customer Acquisition

Customer Acquisition is used to shows the ability of Islamic Hospital of Purwokerto to attract new patients. Maximum Customer Acquisition that be expected by the hospital is 60%. This value is put in the maximum weight 3%. The following is the range value for Customer Acquisition level:

Range Value of Customer Acquisition	Weight
1% – 27%	1%
28% -54%	2%
55% - 81%	3%

Since the hospital has Customer Acquisition value = 52.52% year 2006, the real weight for the hospital Customer Acquisition is 2%.

- Customer Retention

The function of Customer Retention is to measure the ability level of the hospital to maintain its relation with the old customer. Customer Retention refers to the measurement that shows about the loyalty of the customer to the hospital service. This measurement relate with the image and reputation of the hospital. Maximum Customer Retention that be expected by the hospital is 80%. This value is put in the maximum weight 3%. The following is the range value for Customer Retention level:

Range Value of Customer Retention	Weight
1% - 33%	1%
34% - 66%	2%
67% - 69%	3%

The above table shows that Islamic Hospital of Purwokerto which gets Customer Retention value for 91.07% on year 2006, will has the real weight for 3%.

- Customer Satisfaction

Based on the measurement conducted by the writer using questionnaire, the amount of Customer Satisfaction owned is 86.26%. This questionnaire is the main point because customer is very important factor to measure the service satisfaction

toward the service provided. In fact, the hospital expects that the maximum weight for Customer Satisfaction will increase 50%. Then the weight will be put into the real weight 27%. The range value for Customer Satisfaction is as follow:

Range Value of Customer Satisfaction	Weight
0% – 50%	13.5%
50.01% - 90%	27%

Since the hospital has Customer Satisfaction value = 86.26% in year 2006, the real weight for the hospital Customer Acquisition is 29%.

3. Internal Business Process Perspective

- Response Time

This indicator shows the ability of the hospital to response the request from the patient until the request can be handled. The hospital has target of Response Time for 0.1%. Based on the standard made by the hospital, hence the assessment weight is 2% from the whole weight. The following is the range value for Response Time level:

Range Value of Response Time	Weight
0% - 0.05%	1%
0.051% -0.10%	2%

The above table shows that Islamic Hospital of Purwokerto which gets Response Time value for 0.07% on year 2006, will has the real weight for 2%.

- BOR

BOR is used to measure the usage level of the available bed which used by the patient for one period of time / each day or the level of the use of bed within 1 year. The hospital has determined the maximum target of BOR between 60% - 85%. Then the weight will be put into the real weight 2%. The range value for BOR is as follow

Range Value of BOR	Weight
0% - 45%	1%
45.01% - 90%	2%

Since the hospital has BOR value = 35% year 2006, the real weight for the hospital BOR is 1%.

- LOS

LOS is used to measure the average of how long the patient being treated within one certain period. The hospital has determined the maximum target of BOR for 6 – 9 Days. Then

that weight will be put into the real weight 3%. The range value for LOS is as follow:

Range Value of LOS	Weight
1 – 4 Days	1%
5– 8 Days	2%
9-12 Days	3%

From the above table can be seen that the hospital which has LOS value 3.60 Days for year 2006, has real weight 1%.

- BTO

BTO shows the frequency of the use of bed within 1 year. The hospital has determined the ideal value for BTO in 1 year average used is between 40 – 50 Times. That maximum weight will be put into the real weight 2%. The following is the range value for BTO level:

Range Value of BTO	Weight
0 - 25	1%
25 - 50	2%

Since the hospital has BTO value = 35.76% year 2006, hence the real weight for the hospital BOR is 2%

- TOI

TOI is used to measure the distance of empty bed until being used. The TOI called ideal if the distance of empty bed until being used by the next patient in 1 to 3 Days. Based on that, the hospital has determined the target for TOI is 3 Days. That maximum weight will be put into the real weight 2%. The following is the range value for TOI level:

Range Value of TOI	Weight
1 – 3 Days	3%
3.01 – 5 Days	2%
5.01 – 7 Days	1%

The above table shows that if the hospital has TOI value of 6.61 Days for year 2006, hence the hospital has real weight 1%.

- GDR

GDR is the general death number for each 1000 check out patient. The value of GDR is good if the death rate is less than 45 per 1000 check out patient. Based on that, the hospital has determined the target for GDR is < 45 patients. That maximum weight will be put into the real weight 2%. The range value for GDR is as follow:

Range Value of GDR	Weight
< 45 Patients	2%
> 45 Patients	1%

Since the hospital has GDR value = 29.96 patients (or 30 patients) in year 2006, hence the real weight for the hospital GDR is 2%.

- NDR

NDR is used to measure the decreasing of the dead patient after being treated for more than 48 hours at the hospital. The value of NDR is good if the death rate is less than 25 per 1000 check out patient. Based on that, the hospital has determined the maximum target for NDR is 25 patients. That maximum weight will be put into the real weight 2%. The range value for NDR is as follow:

Range Value of NDR	Weight
< 25 Patients	2%
> 25 Patients	1%

The above table shows that if the hospital has NDR value of 17.12 (or 17 Patients) for year 2006, hence the hospital has real weight 2%.

- The Growth of Operation Action

The Growth of Operation Action is used to know the growth of operation action annually. The hospital has determined the target for The Growth of Operation Action = 1.75%. That maximum weight will be put into the real weight 2%. The following is the range value for The Growth of Operation Action level:

Range Value of The Growth of Operation Action	Weight
< 1 %	1%
1% - 1.75%	2%

Since the hospital has The Growth of Operation Action value = - 0.06% in year 2006, hence the real weight for The Growth of Operation Action value in the hospital is 1%

- The Number of Referred Patient

The Number of Referred Patient is used to know the percentage on the number of Referred Patient which enters the Islamic Hospital of Purwokerto for each year. The hospital has determined the target for The Number of Referred Patient = 12%. That maximum weight will be put into the real weight

2%. The following is the range value for The Number of Referred Patient level:

Range Value of The Number of Referred Patient	Weight
0% - 6%	1%
7% - 12%	2%

Since the hospital has The Number of Referred Patient = - 11.77% in year 2006, hence the real Weight for The Number of Referred Patient level value in the hospital is 2%

- Increasing / Decreasing of Hospital Facilities and Instrument

This measurement is used to know how big the increasing or the decreasing of facilities and instruments in the hospital. The target expected by the hospital is 11%, hence the real weight is 2%. The following is the range value for Increasing / Decreasing of Hospital Facilities and Instrument level:

Range Value of Increasing / Decreasing of Hospital Facilities and Instrument	Weight
0% - 5%	1%
6% - 11%	2%

Since the hospital has Increasing of Hospital Facilities and Instrument =10.33% in year 2006, hence the real weight for

The Increasing of Hospital Facilities and Instrument level value in the hospital is 2%

- Non Medical Cost

This measurement is used to measure how big the cost that should be spending to each employee is. The hospital has targeted non medical cost for Rp. 250,000.00- Rp. 500,000.00.

Based on the hospital standard, hence the assessment weight is 2%. The following is the range value for Non Medical Cost level:

Range Value of The Number of Non Medical Cost	Weight
Rp. 100,000.00 – Rp. 300,000.00	1%
Rp. 300,000.00 – Rp. 500,000.00	2%

Since the hospital has Non Medical Cost = Rp331,290.96 in year 2006, hence the real weight for Non Medical Cost value in the hospital is 2%.

4. Learning and Growth Perspective

- Employee Turnover

This measurement shows the turnover of the employee and how big the ability of the hospital to maintain its employees.

The hospital has targeted the Employee Turnover for 10%.

Based on the hospital standard, hence the assessment weight is 3%. The following is the range value for Employee Turnover level:

Range Value of Employee Turnover	Weight
1% – 5%	1%
6% - 10%	2%
11% – 15%	3%

Since the hospital has Value of Employee Turnover = 8.57% in year 2006, hence the real weight for Employee Turnover value in the hospital is 2%.

- Employee Productivity

The hospital has targeted the Employee Productivity for Rp. 20,000,000.00. Based on the hospital standard, hence the assessment weight is 2%. The following is the range value for Employee Productivity level:

Range Value of Employee Productivity	Weight
< Rp. 10,000,000.00	1%
Rp. 10,000,000.00 - Rp. 20,000,000.00	2%
Rp. 20,000,000.00 – 30,000,000.00	3%

Since the hospital has Value of Employee Turnover = 8.57% in year 2006, hence the real weight for Employee Productivity value in the hospital is 3%.

- Employee Satisfaction

Employee satisfaction is the primary factor which can affect the employee turnover and employee productivity. The hospital target for employee satisfaction is 50%. It has weight 13%. The following is the range value for Employee Satisfaction level:

Range Value of Employee Satisfaction	Weight
1% - 25%	6.5%
25.01% - 50%	13%

Since the hospital has Value of Employee Satisfaction is 45.7% in year 2006, hence the real weight for Employee Satisfaction value in the hospital is 13%.

- The Ability of Information System

The hospital has targeted The Ability of Information System for 15%. Based on the hospital standard, hence the assessment weight is 2%. The following is the range value for The Ability of Information System level:

Range Value of Information System' Ability	Weight
0% - 7.50%	1%
7.51% - 15%	2%

Since the hospital has value of The Ability of Information System = 11.43% in year 2006, hence the real weight for The Ability of Information System value in the hospital is 2%.

- Motivation, Authority and Harmony

In this measurement, the indicator used is Employee Absenteeism. The hospital has targeted The Employee Absenteeism for 0.5%. Based on the hospital standard, hence the assessment weight is 2%. The following is the range value for The Ability of Information System level:

Range Value of Employee Absenteeism	Weight
0.1% – 0.4%	1%
0.41% - 0.7%	2%

Since the hospital has value of The Employee Absenteeism = 0.64% in year 2006, hence the real weight for The Employee Absenteeism value in the hospital is 2%.

- The Percentage Number of Employee who be Trained and Educated

This indicator is used to improve the employees' ability in performing their job. The hospital has targeted The Percentage Number of Employee who is Trained and Educated for 20%.

Based on the hospital standard, hence the assessment weight is 2%. The following is the range value for The Percentage Number of Employee who is trained and Educated level:

Range Value of The Percentage Number of Employee who is trained and Educated	Weight
0% – 18%	1%
18.10% - 36%	2%

Since the hospital has value of The Percentage Number of Employee who is trained and Educated = 33.33% in year 2006, hence the real weight for The Percentage Number of Employee who is trained and Educated value in the hospital is 2%.

5. The Conclusion from All Perspectives.

After assess each perspective using the weight, hence can be seen the whole amount of weight from all perspective, which is 86%. It means that the hospital performance is very good. It can be prove by see each indicator result. By Further the application of Balanced Scorecard is expected to improve the hospital performance in whole aspect.

Table 4.30: The Summary of All Perspectives Result at Balanced Scorecard

No	Perspectives	Indicator	Standard Weight	Real Weight
1	Financial Perspective	• ROI	2%	1%
		• Current Ratio	2%	2%
		• RI	2%	1%
		• Operating Income to Total Asset Ratio	2%	1%
		• Cash Ratio	2%	2%
		• Receivable Turnover	2%	1%
		• Total Asset Turnover	2%	1%
		• The percentage of Increasing/Decreasing of Operating Income	2%	1%
2.	Customer Perspective	• Market Share	2%	1%
		• Customer Acquisition	3%	2%
		• Customer Retention	3%	3%
		• Customer Satisfaction	27%	27%
3.	Internal Business Process Perspective	• Response Time	2%	2%
		• BOR	2%	2%
		• LOS	3%	1%
		• BTO	2%	2%
		• TOI	3%	1%

		• GDR	2%	2%
		• NDR	2%	2%
		• The Growth of Operation Action	2%	1%
		• The Number of Referred Patient	2%	2%
		• Increasing / Decreasing of Hospital Facilities and Instruments	2%	2%
		• Non Medical Cost	2%	2%
4	Learning and Growth Perspective	• Employee Turnover	3%	2%
		• Employee Productivity	3%	3%
		• Employee Satisfaction	13%	13%
		• The Ability of Information System	2%	2%
		• Employee Absenteeism	2%	2%
		• The Percentage Number of Employee which be Trained and Educated	2%	2%
Total			100%	86%

From that table, it can be seen that the hospital has very good performance. It because the total weight value of the hospital is 86%. It means that the hospital include as an organization which have very good performance, because the value of the hospital is at standard range 76% - 100% (very good).



CHAPTER V

CONCLUSIONS AND RECOMMENDATIONS

In this chapter is divided into two parts. They are:

5.1 Conclusions

Based on the data analysis and the discussion can be concluded that:

1. If the Islamic Hospital of Purwokerto's Performance is calculated using each perspectives on Balanced Scorecard, the result is good. Means that the application of Balanced Scorecard at Islamic Hospital of Purwokerto has achieved the target wishes by the hospital. This case can be seen from the result from each perspective in which most of their indicators calculation result show the positive and increasing result.
2. In general, the planning of Balanced Scorecard implementation at Islamic Hospital of Purwokerto has matched with the theory; the hospital can match the hospital strategies as maximal as possible with objectives in each perspectives of Balanced Scorecard. Thus, the target wanted can be achieved properly.
3. In financial perspective, the result gained is not suitable with the hospital expectations. Almost indicators of financial perspectives show the negative result. But the hospital still can survive. Even, it can satisfy many customers. It can be seen from more and more customers use its service.
4. The assessment by using balanced Scorecard makes the employees' performance increase. So that the hospital can understand all of

operational activities in order to achieve vision, mission, strategy. Thus, it will lead the hospital to win the competitions.

5. In customer perspectives, the hospital gains good responds from its customer. It can be seen from the high result of questionnaires. The result shows that the customer satisfied with the service offered.
6. The internal business process perspective influences the customer satisfaction. Satisfaction will be achieved if the customer fell satisfied with the facilities offered. Even though the result shows most indicator decreases, but it still satisfy the customer.
7. The application of Balanced Scorecard very influences the hospital performance. It can be a motivation for the hospital and entire employees to think over about their performance. Further it is expected that they can learn from the result gained to make the performance better. Thus, the Balanced Scorecard can be applied at Islamic Hospital of Purwokerto.

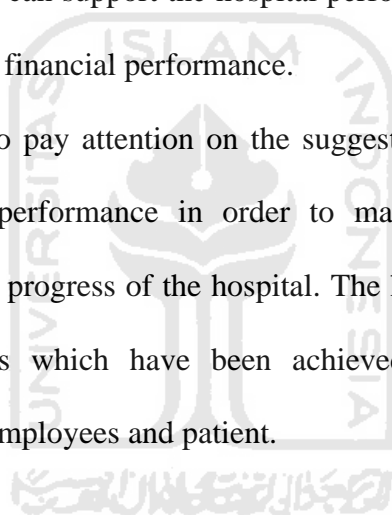
5.2 Recommendations

From the discussion, analyses and research result which is conducted at Islamic Hospital of Purwokerto, hence the writer wants to give suggestion which at least can become hospital consideration. In applying of Balanced Scorecard at the hospital needed:

1. The same understanding from all level of employees. Understanding is started by specifying vision, mission and strategy which are then be

communicated to all employees. Support and lead in involvement of performance measurement will improve real commitment from each level.

2. Active role from each leader department for integrating knowledge to the employees and giving clear information so that Balanced Scorecard can assign real values to improve the hospital performance on an ongoing basis which finally can realize hospital objectives.
3. Communicate the Balanced Scorecard Method to the entire hospital personals so that it can support the hospital performance and finally it can help the success of financial performance.
4. The hospital has to pay attention on the suggestions which can improve productivity and performance in order to make each individual feel responsible for the progress of the hospital. The hospital also has to show the target benefits which have been achieved based on critics and suggestions from employees and patient.



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APPENDIX 2
KUISIONER PENELITIAN
PADA
RUMAH SAKIT ISLAM PURWOKERTO

DAFTAR PERTANYAAN MENGENAI TINGKAT KEPUASAN KARYAWAN TERHADAP
RUMAH SAKIT ISLAM PURWOKERTO

Tujuan penelitian ini adalah untuk memenuhi kewajiban untuk memperoleh gelar sarjana (S1) Manajemen pada Fakultas Ekonomi Universitas Islam Indonesia. Kegunaan penelitian ini untuk mengetahui kepuasan karyawan terhadap pelayanan dalam Rumah Sakit Islam Purwokerto.

Kuisisioner ini dimaksudkan sebagai salah satu panduan dalam penilaian kinerja Rumah Sakit Islam Purwokerto yang menggunakan konsep Balanced Scorecard. Harapan dari penelitian dengan menggunakan kuisisioner ini dapat menghasilkan kinerja yang komprehensif dan dapat menjadi acuan penyusunan strategi rumah sakit dimasa yang akan datang.

Dalam rangka pencapaian tujuan dalam penelitian ini, kami sebagai penyusun kuisisioner ini memohon kesediaan Bapak / Ibu / Saudara untuk mengisi kuisisioner ini menurut keadaan yang sesungguhnya.

TINGKAT KEPUASAN KARYAWAN RUMAH SAKIT ISLAM PURWOKERTO

Petunjuk Pengisian

Isilah pertanyaan – pertanyaan dibawah ini dengan memberikan tanda (v) pada salah satu kolom yang sudah tersedia dan disesuaikan dengan persepsi : SP (Sangat Puas), P (Puas), RR (Ragu-Ragu), TP (Tidak Puas) atau STP (Sangat Tidak Puas).

PERTANYAAN	SP	P	RR	TP	STP
A. TANGGAPAN KARYAWAN TERHADAP SEMANGAT KERJA					
1. Bagaimana tanggapan anda mengenai kerjasama antar karyawan selama ini.					
2. Bagaimana tanggapan anda mengenai presensi dan disiplin kerja yang diterapkan oleh RSI Purwokerto					
B. TANGGAPAN KARYAWAN TERHADAP KEPEMIMPINAN					
1. Bagaimana pendapat anda mengenai keleluasaan yang diberikan pihak RSI kepada anda dalam menjalankan tugas					
2. Bagaimana tanggapan anda mengenai penghargaan atas prestasi kerja yang diberikan oleh pihak RS Purwokerto					
3. Bagaimana pendapat anda mengenai keputusan –keputusan yang diambil oleh pimpinan selama ini					
4. Bagaimana tanggapan anda mengenai kerjasama antar pimpinan selama ini					
C. TANGGAPAN KARYAWAN TERHADAP MOTIVASI					
1. Bagaimana tanggapan anda mengenai insentif yang diberikan oleh pihak Rumah Sakit					
2. Bagaimana tanggapan anda mengenai program pelatihan karyawan yang diselenggarakan oleh RSI Purwokerto					
3. Bagaimana tanggapan anda mengenai penghargaan atas prestasi kerja yang diberikan oleh pihak RSI Purwokerto					
D. TANGGAPAN KARYAWAN TERHADAP KOMUNIKASI					
1. Bagaimana pendapat anda mengenai komunikasi dengan rekan kerja anda.					
2. Bagaimana tanggapan anda mengenai akses informasi di lingkungan RSI Purwokerto					
3. Bagaimana tanggapan anda mengenai komunikasi kerja dengan atasan anda (missal: keterlibatan dalam pengambilan keputusan)					
E. TANGGAPAN KARYAWAN TERHADAP KONDISI FISISK DAN TEMPAT KERJA					
1. Bagaimana tanggapan anda mengenai kelengkapan fasilitas tambahan di rumah sakit anda (missal:mushola, toilet, kantin dan tempat parker).					
2. Bagaimana tanggapan anda mengenai kelengkapan peralatan (medis dan nonmedis) di RSI Purwokerto					
3. Bagaimana tanggapan anda mengenai pencahayaan, kesehatan, kebersihan dan keindahan di RSI Purwokerto					

APPENDIX 1

KUISIONER PENELITIAN

PADA

RUMAH SAKIT ISLAM PURWOKERTO

**DAFTAR PERTANYAAN MENGENAI TINGKAT KEPUASAN PASIEN ATAU KELUARGA
PASIEN TERHADAP RUMAH SAKIT ISLAM PURWOKERTO**

Tujuan penelitian ini adalah untuk memenuhi kewajiban untuk memperoleh gelar sarjana (S1) Manajemen pada Fakultas Ekonomi Universitas Islam Indonesia. Kegunaan penelitian ini untuk mengetahui kepuasan karyawan terhadap pelayanan dalam Rumah Sakit Islam Purwokerto.

Kuisisioner ini dimaksudkan sebagai salah satu panduan dalam penilaian kinerja Rumah Sakit Islam Purwokerto yang menggunakan konsep Balanced Scorecard. Harapan dari penelitian dengan menggunakan kuisisioner ini dapat menghasilkan kinerja yang komprehensif dan dapat menjadi acuan penyusunan strategi rumah sakit dimasa yang akan datang.

Dalam rangka pencapaian tujuan dalam penelitian ini, kami sebagai penyusun kuisisioner ini memohon kesediaan Bapak / Ibu / Saudara untuk mengisi kuisisioner ini menurut keadaan yang sesungguhnya.

TINGKAT KEPUASAN PASIEN RUMAH SAKIT ISLAM PURWOKERTO

Petunjuk Pengisian:

Isilah pertanyaan-pertanyaan dibawah ini dengan memberikan tanda (v) pada salah satu kolom yang sudah tersedia dan disesuaikan dengan persepsi: SP (Sangat Puas), P (Puas), N (Netral), TP (Tidak Puas) atau STP (Sangat Tidak Puas).

PERTANYAAN	SP	P	N	TP	STP
I. ANALISIS KEANDALAN PELAYANAN					
1. Bagaimana tanggapan anda mengenai penerimaan pasien didalam ruangan					
2. Tanggapan anda mengenai pemeriksaan yang dilakukan					
3. Bagaimana tanggapan anda tentang jadwal perawatan yang tepat					
4. Bagaimana pendapat anda tentang prosedur pelayanan yang dilakukan oleh rumah sakit					
II. ANALISIS JAMINAN					
1. Pendapat anda tentang jam kerja yang cocok (pelayanan yang tepat waktu)					
2. Pendapat anda tentang jaminan keamanan pelayanan yang diberikan oleh rumah sakit					
3. Pendapat anda tentang pegawai rumah sakit (dokter, perawat, atau pegawai yang lain) yang berlaku sopan terhadap anda					
4. Tanggapan anda mengenai pengetahuan pegawai rumah sakit (dokter, perawat, atau pegawai yang lain) untuk menjawab pertanyaan yang diajukan oleh anda					
5. Pendapat anda mengenai pelayanan yang baik yang diberikan oleh rumah sakit					
III. ANALISIS KERESPONSIFAN					
1. Pendapat anda mengenai keresponsifan dokter dalam menangani pasien					
2. Tanggapan anda tentang kejelasan informasi yang diberikan oleh petugas					
3. Pendapat anda tentang tindakan atau penanganan yang cepat yang dilakukan rumah sakit					
4. Tanggapan anda mengenai kemampuan dokter dalam mendeteksi penyakit					
5. Bagaimana tanggapan anda tentang ketrampilan kerja dan kerjasama anrta dokter dan perawat					
IV. ANALISIS EMPATI					
1. Tanggapan anda mengenai pelayanan rumah sakit yang sopan kepada pasien					
2. Pendapat anda mengenai pegawai rumah sakit (dokter, perawat, atau pegawai yang lain) yang memahami kebutuhan khusus anda					
3. Bagaimana tanggapan anda mengenai perhatian petugas (dokter, perawat) kepada pasien.					

PERTANYAAN	SP	P	N	TP	STP
4. Tanggapan anda mengenai perhatian terhadap keluhan yang diberikan oleh pasien					
5. Bagaimana tanggapan anda tentang pelayanan yang adil/tidak membedakan					
V. ANALISIS BERWUJUD					
1. Pendapat anda tentang kebersihan ruangan pemeriksaan dan perawatan					
2. Tanggapan anda tentang tampilan ruangan rumah sakit					
3. Pendapat anda mengenai kelengkapan alat yang dimiliki oleh rumah sakit					
4. Bagaimana tanggapan anda tentang kerapian petugas yang ada di rumah sakit (misal: dokter, perawat dan lainnya)					

