USE OF PERFORMANCE MEASUREMENT SYSTEM IN ENHANCING HOSPITAL PERFORMANCE: A RESOURCE BASED APPROACH

MUHAMMAD ARIFAI
Department of Business
Lhokseumawe State Polytechnic
E-mail: arifai_m@yahoo.co.uk

ALFIANDRI
Faculty of Economics
Universitas Gunadarma

NORIDA BASNAN
Faculty of Econimcs
Universiti Kebangsaan Malaysia

ABSTRACT

The hospital's strategic resources are one of the most important aspects requiring monitoring and control in order to deliver quality medical services. This study concern to measure performance measurement systems in managing strategic resource to identify which level of control is appropriate to efficiently manage the strategic resources of Indonesian hospitals. The research framework was developed based on the theoretical argument on need of appropriate use of PMS to fully realize the resource utilization. In this study, PMS acts as mediating role between the strategic resource and hospital performance. The strategic resources of hospital consist of three strategic resources i.e. human resources, structural resources and physical resources. The use of PMS is divided into two continuums; diagnostic control and interactive control. A sample random sampling based on size of the hospital was used to select hospital as a sample totalling 160 hospitals. This sample is listed in Indonesian Health Care Department. The results on six types of analysis are mixed; three of hypotheses testing are supported, where the human resource, structural resource and physical resource are positively related to enhance hospital performance by using diagnostically approach, while, two others hypotheses including Human resource and structural resource by using interactively approach are rejected. The results suggested that new PMS approach can deliver quality medical services in Indonesia hospital.

Keywords:Performance measurement, resource based approach