

Balance Scorecard Analysis to Measure Hospital Performance

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Abstract

This study aims to evaluate and analyze the performance of Provita Hospital using the Balanced Scorecard approach. The population of this study includes all patients—general, BPJS, and insurance—who received treatment or care at Provita Hospital Jayapura in 2022. A sample of 90 patients was selected. The data analysis method used is mediation analysis with data processed using SmartPLS version 3.00 software. The findings indicate that the performance of Provita Hospital is generally reasonable. This is evidenced by results from the financial, customer, and internal business processes and growth and learning perspectives, all of which exceed standard hospital benchmarks. Specifically, the hospital shows strong liquidity, solvency, and cost recovery rate performance, although improvements are needed in the total assets turnover ratio. Customer retention rates are high, but customer acquisition rates need enhancement. Internal processes, measured by LOS and GDR, meet the standards, but BOR requires attention. Employee satisfaction and training are satisfactory, although retention is slightly above the ideal rate. The study highlights the importance of continuous improvement in financial management, customer service, and employee development. The results suggest practical strategies for hospital management to enhance overall performance by leveraging strengths and addressing weaknesses identified in the Balanced Scorecard analysis. These findings are valuable for policymakers and hospital administrators aiming to improve healthcare service quality and operational efficiency.

Keywords: Balance Scorecard; Financial Perspective; Customer Perspective; Internal Business Process Perspective; Growth and Learning Perspective.

INTRODUCTION

Hospitals, as essential components of the healthcare system, provide a wide range of services, including medical care, support services, rehabilitation, and nursing care, typically divided into outpatient and inpatient units. Initially, hospitals offered primarily curative services through inpatient care but advances in medical science have expanded their role to include rehabilitative care, integrating these with health promotion and disease prevention efforts (Siregar, 2023). Hospital services are complex due to their dependency on expert knowledge and substantial capital investments, performing various functions like healthcare provision, education, and research. To operate professionally in medical and healthcare administration, hospitals must establish benchmarks to ensure quality at all levels (Alfiansyah et al., 2020). According to Law No. 44 of 2009, a hospital provides complete individual health services, including inpatient, outpatient, and emergency care. Hospitals must continually improve service quality and affordability to achieve the highest possible health standards for the community (Law No. 44, 2009). The government collaborates with private entities, including hospitals, as permitted by Law No. 44 of 2009. Private hospitals, operating as profit-oriented businesses, must remain competitive by focusing on operational costs, maintenance, and development expenses for new investments, attracting more patients, and enhancing profitability (Supriyanto et al., 2023).

Beyond financial considerations, private hospitals must ensure high-quality services, increasing patient satisfaction and loyalty and increasing visits and revenue. High performance is supported by adequate funding, skilled human resources, and sufficient equipment (Tumundo, 2022). Provita Jayapura Hospital, a Catholic private hospital in Jayapura City, was inaugurated on October 18, 2018. Owned by PT Duta Damai Papua, with 99% ownership by the Archdiocese of Jayapura, it aims to provide healthcare services comparable to those outside Papua, ensuring local treatment without needing referrals elsewhere. According to the 2022 Performance Report, Provita Hospital must meet its



revenue and patient visit targets for inpatient, outpatient, and emergency services. It achieved revenue of Rp. 65,227,038,811 against a target of Rp. 80,442,000,000. Inpatient visits were 39.75 per day (14,510 total) against a target of 42.07, outpatient visits were 163.24 per day (48,510 total) against 160.93, and emergency visits were 26.33 per day (9,612 total) against 24.68. The target for infrastructure improvement was Rp. 16,116,000,000, but only Rp. 12,746,000,000 (79%) was achieved. Provita Hospital's performance based on healthcare quality indicators aligns with ideal values: BOR was 39.75%, LOS was 5.91 days, birth rate was 2.52 days, and surgery rate was 5.52 per day. This performance information is crucial for management to identify issues and improve future performance. Still, more than just healthcare quality and financial indicators are required, as public sector performance is multidimensional (Maswari et al., 2023).

Several studies have investigated hospital performance measurement using the Balanced Scorecard. Sari and Retnani (2015) examined the application of the Balanced Scorecard as a performance measurement tool at the Islamic Hospital of Surabaya. The study concluded that the Balanced Scorecard is feasible for implementation, serving as a tool for translating strategies and measuring performance from financial and non-financial perspectives. The findings indicated that the Islamic Hospital of Surabaya performed adequately in using the Balanced Scorecard, except for liquidity ratios. Paramarta et al. (2023) studied the implementation of the Balanced Scorecard in hospital performance analysis in Indonesia. The research demonstrated that hospitals could use the Balanced Scorecard as a performance management reference. The results highlighted that the Balanced Scorecard is beneficial for evaluating strategic performance plans, balancing financial and non-financial performance, and aligning vision, mission, and management objectives. Despite the advancements and positive outcomes from previous studies, there needs to be more effort to apply the balanced scorecard in hospital performance evaluation. Most studies have focused on financial and non-financial performance metrics but have yet to explore the holistic integration of the Balanced Scorecard perspectives fully. Additionally, empirical studies on the Balanced Scorecard's effectiveness in improving hospital performance, specifically in private hospitals in Papua, are limited.

This study aims to address the identified gaps by examining the performance of Provita Jayapura Hospital using the Balanced Scorecard. The research questions are: How practical is the Balanced Scorecard in measuring hospital performance, and what are the outcomes of its implementation at Provita Jayapura Hospital? The study aims to analyze, test, and measure the hospital's performance using the Balanced Scorecard from four critical perspectives: financial, customer, internal business processes, and learning and growth. By employing the Balanced Scorecard, this research seeks to provide a comprehensive evaluation of Provita Jayapura Hospital's performance and identify areas for strategic improvement. The novelty of this research lies in its application of the Balanced Scorecard to a private hospital in Papua, an area where empirical studies on this topic are limited. This study contributes to the academic field of performance measurement. It offers practical implications for hospital management in Papua, helping to align the hospital's operations with its strategic goals and improve overall healthcare delivery.

Performance Measurement

Performance measurement is a process of evaluating progress towards predetermined goals and objectives, encompassing information on the efficiency of resource use in producing goods and services, the quality of goods and services (how well they are delivered to customers and the extent to which customers are satisfied), the outcomes of activities compared to desired intentions, and the effectiveness of actions (Saputra et al., 2019). Performance measurement is an effort to assess the quality of work activities performed. It involves a set of metrics used to calculate efficiency and effectiveness within a series of actions (Ihza et al., 2020). Performance measurement is the periodic determination of the operational effectiveness of an organization, its organizational units, and its

personnel based on previously established objectives, standards, and criteria (Heydari, 2020). In human resource management, performance measurement assesses progress toward goals and objectives, including information on the efficiency and effectiveness of actions in achieving company or organizational goals (Farchan, 2016). It involves measuring various activities within the company's value chain, using the results as feedback to provide information about the execution of a plan, and identifying points where the company needs to adjust planning and control activities (Faradiba, 2021).

Performance measurement is used to understand the achievement of company goals by evaluating the outcomes of strategies implemented by business units. Performance measurement aims to motivate employees to align with organizational goals and adhere to established behavioral standards, producing desired actions and results (Pandaleke et al., 2021). The primary objective of performance appraisal is to motivate employees to achieve organizational goals and comply with predefined behavioral standards to produce desired organizational actions and results. Behavioral standards can be management policies or formal plans articulated in the organization's budget (Mulyadi in Kesuma and Fathoni, 2011). This comprehensive understanding of performance measurement highlights its critical role in evaluating and enhancing organizational efficiency and effectiveness. By systematically assessing various performance dimensions, organizations can ensure that their strategies align with their goals, ultimately driving better organizational outcomes.

Objectives of Public Sector Performance Measurement

According to Fitriah (2021), the objectives of public sector performance measurement are multifaceted and serve various critical functions:

1. **Assessing the Achievement of Organizational Goals:** Performance evaluation acts as a benchmark that indicates the level of goal attainment. It also shows whether the organization is on the right track or deviating from its established objectives.
2. **Providing a Learning Tool for Employees:** Performance measurement is a systematic and integrated approach to improving organizational performance aimed at achieving the strategic goals and realizing the organization's vision and mission. The system's goal is to enhance the outcomes of employees' efforts by aligning them with the organization's objectives.
3. **Improving Future Performance:** Performance measurement is a learning tool for improving future performance. The long-term implementation of a performance measurement system aims to enhance the results of employees' efforts by linking them to organizational goals.
4. **Offering Systematic Consideration for Decision-Making on Rewards and Punishments:** Performance measurement provides a systematic basis for making decisions about rewards, such as salary increases, allowances, and promotions, or punishments, such as termination, delayed promotions, and reprimands.
5. **Motivating Employees:** When performance measurement is linked to compensation management, high-performing employees receive rewards. These rewards motivate employees to perform at higher levels, expecting higher performance to result in higher compensation.
6. **Creating Public Accountability:** Performance measurement is a tool to promote public accountability. It shows the extent of managerial performance, the financial performance of the organization, and other performance areas, forming the basis for accountability assessments.

Public Sector Performance Measurement Approaches

According to Mahsun, as cited in Hartati (2012), various approaches to measuring the performance of public sector organizations can be described as follows:

1. **Budget Analysis** Budget analysis involves measuring performance by comparing the budget with its actual realization. The result is expressed as either a surplus or a deficit. This technique focuses primarily on financial performance.

2. **Financial Ratio Analysis** Performance measurement based on financial ratio calculations includes liquidity, solvency, activity, and market ratios. These ratios provide insights into different aspects of financial health and operational efficiency.
3. **Balanced Scorecard Method** This method measures performance based on financial and non-financial aspects. The measurement dimensions include four perspectives: financial, customer, internal business processes, and learning and growth. The Balanced Scorecard method is widely used to measure public sector performance, providing a comprehensive view of organizational effectiveness.
4. **Performance Audit (Value for Money Measurement)** This approach involves measuring and auditing performance based on economic, efficiency, and effectiveness criteria. It ensures that public sector organizations achieve their objectives cost-effectively.

Balance Scorecard

According to Luis, as cited in Porporato et al. (2017), the Balanced Scorecard is a performance management tool that helps organizations translate strategy into action using a set of financial indicators interrelated through cause-and-effect relationships. The term "Balanced Scorecard" comes from two words: "balance," implying a balance between financial and non-financial performance, short-term and long-term performance, and internal and external performance, and "scorecard," referring to the card used to record an individual's performance scores (Mulyadi, 2001, p. 1). The Balanced Scorecard encompasses four critical perspectives. The financial perspective remains a focal point in the Balanced Scorecard because financial metrics summarize the economic consequences of decisions and actions (Devani, 2016). Financial performance measurement indicates whether the implementation and execution of strategies lead to fundamental improvements, reflected in specific targets related to measurable profits, such as Gross Operating Income, Return on Investment, or Economic Value Added.

The learning and growth perspective illustrates the organization's ability to create long-term growth. It aims to enhance employee capabilities, improve information system capabilities, and increase alignment and motivation (Heryanto et al., 2020). Key indicators in this perspective include job satisfaction, employee retention, productivity, and training. Job satisfaction is crucial for improving productivity, responsiveness, quality, and customer service. Employee retention reflects the company's ability to retain valuable employees, minimizing intellectual loss. Productivity measures compare output against the total number of employees, and training aims to improve quality, reduce waste, lower maintenance costs, and enhance job satisfaction (Hawa, 2016). The internal business process perspective evaluates the internal processes contributing to the organization's success. According to the Ministry of Health Regulation No. 1171 of 2011, common indicators for hospitals include Bed Occupancy Ratio (BOR), Length of Stay (LOS), Gross Death Rate (GDR), and the average daily outpatient visits. BOR indicates bed utilization rates, LOS measures the average duration of patient stays, GDR tracks overall mortality rates, and the average outpatient visits assess clinic utilization.

The customer perspective focuses on customer-related metrics, such as market share, customer retention, customer acquisition, and customer satisfaction (Kurniasari, 2017). Market share reflects the business proportion sold in a specific market, customer retention measures the company's ability to retain customers, customer acquisition tracks new customers or sales, and customer satisfaction evaluates customer contentment with service levels. Applying the Balanced Scorecard in hospitals involves using indicators from the four perspectives to assess performance comprehensively. For instance, Gao and Guard (2006) illustrate a cause-and-effect model: "If we increase capabilities, then lower re-admission rates will occur. If re-admission rates lower, then patient satisfaction will increase. If patient satisfaction is higher, then we will attract more patients and increase revenue." By using systematic indicators, hospitals can identify weaknesses in implementation and use the Balanced Scorecard as a guide to control the direction and quality of services to achieve their vision effectively.

Previous Research

Before conducting this research, the author reviewed several previous studies related to performance measurement using the Balanced Scorecard approach. The author referenced these studies, considering the type of object studied and the references used in determining performance indicators with the Balanced Scorecard method. The sources of these previous studies are as follows. Sari & Retnani (2015), in their study titled "The Application of the Balanced Scorecard as a Performance Measurement Tool at Surabaya Islamic Hospital," aimed to support the improvement of performance quality and enhance patient services. The study sought to understand and evaluate the implementation of the Balanced Scorecard method as a performance measurement tool at Surabaya Islamic Hospital, covering the perspectives of customers, finance, internal business processes, and growth. The research used a qualitative approach with primary and secondary data. The sampling method was proportionate/straightforward random sampling, and data collection techniques included interviews and documentation. The results indicated that the four measured perspectives showed overall good performance, concluding that the Balanced Scorecard could effectively translate strategies and measure performance from financial and non-financial perspectives.

Permatasari (2016), in her study "Performance Measurement Analysis of Hospitals Using the Balanced Scorecard Approach (Case Study at RSI Hasanah Muhamidyah Mojokerto)," aimed to measure customer, financial, internal business process, and growth perspectives. The study found that several indicators showed excellent, good, fair, and poor results. Indicators with good results included efficiency ratio, Return on Investment (ROI), employee training, employee discipline, Infusion Line Infections (ILI), Surgical Site Infections (SSI), patient falls, and patient satisfaction. Fair results were shown for the Net Death Rate (NDR) and patient acquisition indicators. In contrast, employee retention, bed occupancy rate (BOR), average length of stay (ALOS), Turnover Interval (TOI), complaint rates, and patient retention showed poor results. Christian (2015), in the study "Balanced Scorecard Analysis for Measuring Performance at Tanjungpinang Regional Hospital," aimed to measure the hospital's performance based on the four Balanced Scorecard perspectives: Learning and Growth, Internal Business Processes, Customer, and Financial. This research employed both qualitative and quantitative methods, using primary and secondary data. Data collection techniques included questionnaires, interviews, and documentation. The results indicated that respondents were satisfied with the Learning and Growth perspective and somewhat satisfied with the Customer perspective. However, the perspective of internal business processes needed more service innovations, and operational processes showed that the average ratios of ALOS, TOI, and BTO from 2010 to 2013 could have been better. Financially, Tanjungpinang Regional Hospital was categorized as uneconomical, highly effective, and inefficient.

METHOD

This study aims to analyze, test, and measure the performance of Provita Hospital using the Balanced Scorecard method. According to Parmita (2015), the descriptive quantitative approach involves analyzing ordinal data from respondent questionnaires and numerical data (ratios) collected during data collection and presenting the findings descriptively. The data in this study consists of primary and secondary data. According to Chandrarin (2017), primary data is collected directly from the research subjects or respondents, in this case, through questionnaires from patients and employees of Provita Hospital. On the other hand, secondary data is obtained from institutions that have already published it, including financial reports, medical records, and human resources reports from 2022. The research population includes all patients and employees of Provita Hospital in 2022. The sample was determined using the Slovin formula with a 10% margin of error, resulting in a sample size of 100 patients and all Provita Hospital employees. The sampling method employed is Purposive Sampling, based on specific criteria such as the type of service received by the patients and the employees' roles.

The variables used in this study include the financial, customer, internal business process, and learning and growth perspectives outlined by the Balanced Scorecard. The research instrument consists of questionnaires using a Likert scale to measure customer and employee satisfaction. Data analysis is conducted qualitatively and quantitatively, with validity and reliability tests performed using the Smart PLS 3.0 program. Data collection methods include field studies, literature studies, and internet research. Field studies involve distributing questionnaires to patients and employees, while literature studies and internet research are utilized to obtain secondary data and relevant literature. The research location is Provita Hospital, which was selected due to its facilities comparable to hospitals in Java and its role as a referral hospital in Jayapura and Papua.

RESULT AND DISCUSSION

Validity and Reabilty Test

In the convergent validity test, the correlation or loading factor between reflective indicator scores and latent variable scores ranging from 0.5 to 0.6 is considered adequate, mainly when the construct size ranges from 3 to 7 indicators. This measurement compares the square root of the average variance extracted (AVE) for each construct with the correlations among other constructs in the model. A construct is considered to have discriminant validity if the AVE value is greater than the correlations with all other constructs. The recommended value for AVE is more significant than 0.5 (Ghozali, 2013).

Table 1. Validity Test Results

Variable	Indicator	Loading Factor	Standard	Description	Average Variance Extracted (AVE)	Standard	Description
Patient Satisfaction	KP.1	0,939	> 0.6	Valid	0,835	> 0.5	Valid
	KP.2	0,947	> 0.6	Valid			
	KP.3	0,817	> 0.6	Valid			
	KP.4	0,946	> 0.6	Valid			
Service Quality	KL.1	0,887	> 0.6	Valid	0,795	> 0.5	Valid
	KL.2	0,947	> 0.6	Valid			
	KL.3	0,907	> 0.6	Valid			
	KL.4	0,803	> 0.6	Valid			
	KL.5	0,908	> 0.6	Valid			

Source: Provita Hospital Medical Records Section, 2024

Based on Table 1, it can be concluded that the data is valid as the loading factor values are above 0.6. Similarly, the results from the discriminant validity test table indicate that the data is valid because the square root of the average variance extracted (AVE) values are above 0.5.

Reabilty Test

To measure the reliability of a construct in PLS-SEM using the SmartPLS application, two methods are employed: Cronbach's Alpha and Composite Reliability. However, Cronbach's Alpha tends to provide lower values, so it is recommended to use Composite Reliability, which should have a value greater than 0.7.

Table 2. Reability Test Results

Variable	Cronbach's Alpha	Composite Reliability	Standard	Description
Patient Satisfaction	0.933	0.953	> 0.7	Reliable
Service Quality	0.935	0.951	> 0.7	Reliable

Source: Data Processing 2024

Based on Table 2, it can be concluded that the data is reliable since the composite reliability values are above 0.7.

Internal Business Process Perspective

Performance measurement from the internal business process perspective at Provita Hospital is based on the Ministry of Health Regulation No. 1171 of 2011. Several indicators are frequently used to assess hospitals, including Bed Occupancy Ratio (BOR), Length of Stay (LOS), and Gross Death Rate (GDR).

Table 3. Measurement of Internal Business Process Perspectives Provita Hospital in 2022

No.	Description	Performance 2021	Target 2022	Performance 2022	% Var
1	Beds	100	100	100	
2	Total Outpatient Visits	139.93	160.93	163.24	17%
2a	Executive Outpatient Visits	52.07	80.5	75.5	45%
3	Total Inpatient Visits	39.33	42.07	39.75	1%
3a	Executive Inpatient Visits	9.09	16.83	13.44	48%
4	BOR	39.33%	75%	39.75%	1%
5	LOS	3.8	2-3	2.96	22.1%
6	GDR	47.54	40-50	25.43	46.5%
7	Births	2.22	3.14	2.52	13.5%
8	Surgeries	4.25	6.03	5.52	30%
9	Outpatient Visits (Week)	15.38	32.19	19.21	25%
10	Emergency Room Visits	24.59	24.68	26.33	7%
11	ER Inpatient Visits	9.08	10.58	8.19	-10%
12	% ER Inpatient	36.91%	40%	31%	-16%

Source: Provita Hospital Medical Records Section, 2024

Based on Table 3, the Bed Occupancy Ratio (BOR) at Provita Hospital for the year 2022 was 39.75%, which is below the ideal range of 60–85% as stipulated by the Ministry of Health Regulation No. 1171 of 2011. The Length of Stay (LOS) per patient per day was 2.96 days, which falls within the ideal standard range of 3-9 days. Meanwhile, the Gross Death Rate (GDR) at Provita Hospital in 2022 was 25.43 per year, indicating a low (favorable) rate compared to the ideal range of 40-50 per year.

Learning and Growth Perspective

Performance measurement in the growth and learning perspective is by using employee satisfaction, namely through engagement surveys.

Employee Satisfaction

Employee satisfaction was measured using questionnaires distributed to 255 employees of Provita Hospital, with three employees not providing responses. The hospital staff is divided into four categories: medical, paramedical, non-nursing paramedical, and non-medical. The characteristics of the respondents include type of employment, gender, age, and length of service. The engagement survey revealed that there are both engaged and non-engaged employees. The majority of the non-engaged employees are in the paramedical category, specifically female nurses, who are aged between 20-30 years and have been working for 2-5 years.

Table 4. Percentage of Characteristics of Provita Hospital Employees

No.	Employee Characteristics	Number	Percentage	Engaged	Not Engaged
1	Employee Placement				
	• Medical	26	10.19%	25	-
	• Paramedical	106	41.56%	63	43
	• Non-nursing Paramedical	43	16.87%	23	18
2	• Non-medical	80	31.38%	48	32
	Gender				
	• Male	71	27.8%	45	27
3	• Female	184	72.2%	114	93
	Age				
	• 20-30 years	189	74.1%	117	72
	• 31-40 years	58	22.74%	35	20
	• 41-50 years	5	1.9%	4	1
	• 51-60 years	2	0.78%	2	-
4	• 61-70 years	1	0.4%	1	-
	Length of Service				
	• 0-2 years	114	44.7%	73	38
	• 2-5 years	141	55.29%	86	55

Source: Provita Hospital Medical Records Section, 2024

Employee Retention

The employee retention rate was determined by reviewing documents from the Human Resources (HR) department. The data includes the number of employees who left Provita Hospital in 2022 and the total number of employees at Provita Hospital in 2022. The retention rate is calculated by comparing the number of employees who left with the total number of employees.

Table 5 Employee Retention and Training at Provita Hospital in 2022

Year	Number of Resigned Employees	Total Employees	Retention Percentage	Number of Employees Trained	Training Percentage
2022	30	255	11%	1283	503%

Source: HR Department, 2024

Discussion

Hospital Performance from a Financial Perspective

The financial performance of Provita Hospital in 2022, assessed using financial ratios such as liquidity, solvency, activity ratios, and cost recovery rate (CRR), generally indicates good performance. Specifically, the liquidity ratio for the current ratio, the solvency ratio for equity to total assets, and the activity ratio for the collection period are above hospital benchmarks. However, the activity ratio for total assets turnover remains below the ideal standard. The liquidity ratio for the current ratio in 2022 was 3.56, surpassing the hospital benchmark of 1.75-2.75. This suggests that Provita Hospital has sufficient funds to meet its short-term obligations. The solvency ratio for equity to total assets was 1.07 (107%), better than the hospital benchmark of 0.4-0.5, indicating that the Hospital's equity, sourced from shareholder capital, is substantial. The collection period ratio was 29 days, better than the benchmark of 50-70 days, reflecting a strong focus on cash flow turnover. However, the total assets turnover ratio averaged 0.36, below the hospital benchmark of 0.9-1.1. This is due to the high acquisition costs of international-standard medical equipment and facilities, particularly in Papua, where the costs of living and medical supplies are significantly higher. The disparity between hospital transaction claims and BPJS payments also affects this ratio.

The CRR for Provita Hospital in 2022 was 1.12, indicating that the Hospital could cover all operational costs without external debt, even though the ideal CRR is above 1. The Hospital needs to increase its revenue by attracting more patients to improve the total assets turnover ratio. Strategies include partnerships with private insurance companies, community organizations (e.g., Chinese

associations, HIPMI), schools, foreign nationals (pilots, missionaries, PNG residents), and promotional activities via WhatsApp blasts and live Instagram sessions. This study aligns with Hartati's (2012) research at RSUD, conducted by Dr. Moewardi Surakarta, who also used the Balanced Scorecard to evaluate hospital performance. Hartati's findings indicated that liquidity, solvency, profitability, and collection period ratios were above hospital benchmarks, but total assets turnover and CRR were below ideal standards. These findings support the hypothesis that Provita Hospital's financial performance is robust, yet there are areas for improvement, particularly in asset turnover. The results align with theories that emphasize the importance of financial management in healthcare. Compared with previous studies, this research confirms similar trends in financial ratios, indicating consistency across different hospitals. The practical implications suggest that Provita Hospital should continue to focus on improving financial management practices, particularly in increasing revenue through strategic partnerships and targeted promotions. These measures can help enhance the Hospital's financial stability and overall performance, ensuring sustained growth and improved service delivery.

Hospital Performance from a Financial Perspective

The performance measurement of the Hospital from the customer perspective in 2022 involved assessing customer retention, acquisition, and satisfaction. The results indicate that customer retention at Provita Hospital was strong, with rates exceeding 100%—specifically, 101% per year for inpatient services and 117% per year for outpatient services. This suggests that the Hospital is performing well in maintaining its patient base. However, the measurement of customer acquisition tells a different story. The acquisition rate was below 30%, with a percentage of 16.68% in 2022, indicating that the Hospital struggled to attract new patients. This aligns with Ma'arifa's (2020) study on the performance of RSUD Ahmad Yani Lampung, which also found acquisition rates below 30%. To address this issue, Provita Hospital should implement strategies similar to those proposed for improving financial performance. These include forming partnerships with private insurance companies, community groups, schools, and foreign nationals and utilizing promotional tools like WhatsApp blasts and live Instagram sessions to increase visibility and attract new patients. Patient satisfaction was evaluated through a questionnaire on service quality. The highest approval ratings were for empathy, followed by tangible aspects of service. This indicates that the healthcare providers at Provita Hospital effectively address patient concerns and complaints, and the Hospital's physical facilities, equipment, and staff competence are adequate to satisfy patients. However, there were some noted areas for improvement, such as registration processes, timely availability of doctors, waiting times for medication, and payment procedures.

These findings support the hypothesis that while Provita Hospital excels in patient retention, a significant gap exists in attracting new patients, impacting overall customer satisfaction. The results align with the theoretical framework emphasizing empathy and tangible service quality in healthcare settings. The study's findings are consistent with previous research by Ma'arifa (2020), highlighting similar challenges in patient acquisition. From a practical perspective, the Hospital needs to focus on enhancing its customer acquisition strategies to complement its strong retention rates. Practical implications suggest that improvements in service processes, such as reducing waiting times and enhancing the registration and payment experience, could further boost patient satisfaction and loyalty. Targeted marketing efforts to reach potential new patients can help improve acquisition rates, balancing retention and acquisition metrics. Provita Hospital can leverage its strengths in patient retention and service quality to improve its overall performance from the customer perspective. Implementing these strategies will ensure a more balanced and practical approach to managing patient relationships and satisfaction, ultimately contributing to the Hospital's sustained growth and success.

Hospital Performance from an Internal Business Process Perspective

The evaluation of the Hospital's internal business processes in 2022 utilized national healthcare service standards to assess utilization rates, service quality, and efficiency. Key performance indicators (KPIs) such as Bed Occupancy Rate (BOR), Length of Stay (LOS), and Gross Death Rate (GDR) were employed to measure these dimensions. Good internal business performance is characterized by BOR, LOS, and GDR values aligning with industry standards and an optimal average number of outpatient visits. The research findings indicate that the inpatient BOR for 2022 was 39.75%, which falls short of the ideal range of 60-85% set by Permenkes No. 1171 of 2011. This suggests underutilization of inpatient services. The LOS for 2022 was 2.96 days, closely approaching the ideal 3-9 days standard, indicating efficient patient turnover. The GDR was 25.43 per year, well below the ideal threshold 40, reflecting good quality care and patient outcomes. However, it is essential to note that GDR standards can vary significantly depending on the type of Hospital and its regional context. For instance, specialty hospitals and those in different economic environments might have differing benchmarks for success. The Hospital's performance in outpatient services showed improvement, with an average of 163.24 visits in 2022, surpassing the 2022 target of 160.93 and the 2021 average of 139.93. This increase can be attributed to consistent promotional efforts across various media platforms, enhancing the visibility and appeal of the Hospital's outpatient services.

These results support the hypothesis that while Provita Hospital performs well in specific internal process metrics, there is room for improvement in others, such as BOR. The findings align with theoretical frameworks emphasizing the importance of efficient resource utilization and high-quality care in healthcare settings. Compared with previous studies, such as those examining other hospitals' internal business processes, the results show consistency in areas like LOS and GDR but highlight disparities in BOR, a common challenge in many healthcare institutions. The practical implications of this study suggest that Provita Hospital should focus on strategies to optimize bed occupancy. This can include better patient flow management, targeted marketing to attract more inpatients, and improving referral systems. Maintaining and enhancing the quality of outpatient services through continuous promotion and service excellence can further bolster hospital performance. Provita Hospital can ensure a balanced and practical approach to managing internal business processes, ultimately improving overall performance and better patient outcomes. Implementing these strategies will enable the Hospital to leverage its strengths and address weaknesses, ensuring sustainable growth and service quality.

Motivation, Training, And Compensation on Employee Performance

The evaluation of Provita Hospital's growth and learning perspective for 2022 reveals generally positive results across various indicators. Employee satisfaction, training participation, and employee retention were all measured favorably. Overall, Provita Hospital's performance in this dimension is deemed suitable. The study showed a high retention rate at Provita, with 11%, against an ideal value of 3%. The data reveals that of the 30 employees who resigned from 255, 12 were permanent staff, and 18 were contract employees who did not meet performance expectations during a 3-month probation period and thus were not retained. The 4.7% of permanent employees who resigned did so due to relocation with spouses or pursuing civil service positions, indicating that dissatisfaction was not a primary reason for their departure. The Hospital has endeavored to fulfill employee rights, such as improving welfare through service rewards and other benefits. This finding is consistent with the study by Hawa (2016) at Bhayangkara Hospital Bengkulu, which also saw an increase in employee retention from 0.10% in 2012 to 0.14% in 2013. The training indicator was deemed positive. Annually, employees participating in training sessions increased, reflecting the Hospital's commitment to ongoing professional development. This aligns with Shenurti's study in Hawa (2016) on the Balanced Scorecard as a performance assessment tool at RSUD Kojja, where continuous education and training were fully funded by the Hospital and conducted according to the Hospital's needs.

The engagement survey revealed that 63.10% of employees were engaged, indicating high comfort, motivation, and a strong connection with the Hospital. Engaged employees are crucial as they drive innovation and organizational advancement. These findings support the study's hypothesis that the Hospital's growth and learning perspective performance is satisfactory. This aligns with the theoretical framework that emphasizes the importance of employee satisfaction, training, and retention in organizational success. The study's results align with previous research, confirming that continuous professional development and employee welfare are critical factors in enhancing organizational performance. The practical implications suggest that Provita Hospital should maintain and enhance its training programs and welfare benefits to sustain high employee engagement and satisfaction. Addressing the reasons for employee resignation through targeted interventions can further improve retention rates. Provita Hospital can ensure sustained growth and development by focusing on these areas, leading to better overall performance and patient care.

CONCLUSION

This study evaluated the performance of Provita Hospital from four perspectives of the Balanced Scorecard: financial, customer, internal business processes, and growth and learning. The financial performance, assessed through liquidity, solvency, activity ratios, and cost recovery rate, was generally good, though the total assets turnover ratio was below standard. The customer perspective showed high retention rates but low acquisition rates. The internal business processes perspective revealed that while some indicators like LOS and GDR were satisfactory, the BOR needed to meet the ideal standard. The growth and learning perspective indicated high employee satisfaction and training participation, but the retention rate was higher than the ideal.

The study contributes valuable insights into hospital performance management by applying the Balanced Scorecard methodology. The originality of this research lies in its comprehensive analysis of Provita Hospital's performance across multiple dimensions. The findings suggest that the hospital should focus on enhancing its financial management, improving customer service, and investing in staff training and development. The hospital can use these insights to develop strategies that address the identified weaknesses and leverage the strengths highlighted in the study.

However, the study has limitations, particularly from the financial perspective, where additional financial ratios could provide a more comprehensive assessment. Future research should explore these areas further, incorporating ratios such as economic, effectiveness, and efficiency metrics. Additionally, more detailed longitudinal studies could help understand the trends and impacts of interventions over time. Researchers and practitioners are encouraged to build on this study to enhance the understanding and application of the Balanced Scorecard in hospital performance management.

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