ADDRESSING AEC 2016 BY ANALYZING THE SERVICE QUALITY OF SILOAM HOSPITAL MANADO USING IMPORTANCE AND PERFORMANCE ANALYSIS (IPA)

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ABSTRACT
Entering the Asean Economic Community (AEC), competition in all sectors, including the health care industry, increasingly tight. Therefore, the hospital needs to improve the quality and competence of human resources to face the era of openness. The role of the hospital is very big also need to be kept synergy between public and private hospitals owned by the government even needs to be improved. MEA is important moment for the entire hospital either private or government synergy. Synergies that by taking part in the National Health Insurance program (JKN) managed BPJS. Especially targeted in 2019, Indonesia will achieve universal health coverage, or universal health insurance, in which the entire people of Indonesia covered with JKN. In the face of MEA private hospitals began to increase the competence of human resources, ranging from doctors, nurses, and midwives. Improving the competence of this is done through ongoing training. The objective which this thesis intends to achieve is to analyze the service quality of Siloam Hospital Manado by using Importance Performance Analysis (IPA). The sample taken is using simple random sampling of 100 people who experience the service of Siloam Hospital Manado.

Keyword: Asc, servqual, ipa

INTRODUCTION

Hospital plays an important role in preventing disease and providing rehabilitation service to people. These activities have been and essential part of Hospital’s function until now. However, in the world today there are lots of hospitals which perform their activities differently to the consumers (people who are ill and need their service), and the level of their service or performance are various. Some of them perform with lower quality of service and others could function with superior quality of service or performance.

Entering the Asean Economic Community (AEC), competition in all sectors, including the health care industry, increasingly tight. Therefore, the hospital needs to improve the quality and competence of human resources to face the era of openness. The role of the hospital is very big also need to be kept synergy between public and private hospitals owned by the government even needs to be improved. MEA is important moment for the entire hospital either private or government synergy. Synergies that by taking part in the National Health Insurance program (JKN) managed BPJS. Especially targeted in 2019, Indonesia will achieve universal health
coverage, or universal health insurance, in which the entire people of Indonesia covered with JKN. In the face of MEA private hospitals began to increase the competence of human resources, ranging from doctors, nurses, and midwives. Improving the competence of this is done through ongoing training.

Siloam Hospital operates the largest private hospital network in Indonesia. Beginning business in 1996 and growing to 4 hospitals by 2010, the hospital now manages and operates 20 hospitals in various areas. Siloam is a subsidiary of PT. Lippo Karawaci Tbk (“LPKR”). Indonesia’s leading and largest listed company property by total assets and revenues, anchored by a large land bank and solid recurring income. LPKR’s business comprises residential/township, retail malls, hospitals, hotels and asset management. Siloam is listed on the Indonesian Stock Exchange under the ticker name “SILO” and the market capital of SILO is about Rp. 18.0 trillion or USD 1.54 billion as of September 19, 2014. By December 2015, Siloam Hospitals had a bed-capacity of 4.800, with 2.100 doctors, of which about 1.700 are specialists, and more than 8.200 nurses, allied health technicians and support staff providing care for almost 2 million patients. The Hospital’s dedication within the Indonesian healthcare industry is acknowledged locally and internationally (Siloam Hospital, 2016).

North Sulawesi is a province of Indonesia. The province’s capital and largest city with a high population is Manado. Manado currently own many hospitals, but only 3 private general hospital in Manado such as Siloam Hospital, Pancaran Kasih Hospital, and Advent Hospital. These 3 hospitals have good services, but to handle the critical illness with the availability of adequate tools is Siloam Hospital. Siloam Hospital present to lead and reach out, also serve all society, and create a critical health service accessibility to international quality expertise. Owing to its prime location in the Central Business District of Manado, Siloam Hospitals Manado has become the health-care destination for the entire workforce of companies as well as tourists and civilians in Manado, with an estimated population of 400.000 (Siloam Hospital, 2016). The hospital is fully equipped with the 24-hour Emergency Department, 177 beds including 10 ICU and HCU beds; 4 NICU beds; 4 Labor and Delivery Suites; 3 Operating Theatres, Diagnostic Services, Radiology Services such as 1.5T MRI; Cath Lab; 256 Slice CT Scan; Digital X-Ray; Mammography (Breast Imaging); Ultrasound Scan, Laboratory Services, and 26 Specialties. Siloam Hospital Manado also provide 109 doctors and various package of medical consultation (Siloam Hospital, 2016).
Nowadays, many critics and suggestions for Siloam Hospital Manado especially about health-care services. According to the consumer, there are insufficient medical services and slow response for the consumer who use health insurance services (sergapnews, 2013; rmol, 2015). Therefore, the Siloam Hospitals will continue its focus on ensuring patient satisfaction and expanding the reach of the network. The objective which this thesis intends to achieve is to analyze the service quality of Siloam Hospital Manado by using Importance Performance Analysis (IPA).

**Marketing**

According to (Kotler *et al*; 2009), “Marketing is all about the entity goods, services, experiences, events, people, places, properties, organizations, information and ideas”. According to Kotler (2009), there are two types of definitions of marketing, which is a social and managerial. Social definition game show marketing role in society, which can aim as: “Marketing is a social process in which individuals and groups obtain what they need and want through creating, offering, and freely exchanging products and services of value with others”.

**Service**

The service is an important part, especially in the field of education. The importance of education service aims to balance the impact of technological advances. Services according to Kotler (2009) are : “Any act or performance that one party can offer to another, which is essentially intangible and does not result in any ownership”. According to Kotler (2003), quoted by Mohammad and Alhamdani (2011): “Services like any behavior or action based on the contact between the two parties: the provider and the recipient, and the essence of a reciprocal process is intangible”. The services as a whole set of properties and characteristics of services aimed at satisfying the clients and meet their needs.

**Service Quality**

According to Kotler and Keller (2006), Quality is the totality of features and characteristics of a product or service that bear on its ability to satisfy stated or implied needs. We can say that the seller has delivered quality whenever the seller’s product or service meets or exceeds the customer’s expectation. According to Parasuraman (1988), quoted by Mohammad and Alhamdani (2011), that in order to determine that service quality standards or dimensions can be seen from the following criteria:
1. **Tangible**: This includes physical facilities, equipment, and the physical appearance of an employee.

2. **Reliability**: This refers to the ability to provide the exact required service according to given specifications and condition.

3. **Responsiveness**: The inclination and willingness of the employee to serve customers quickly and properly.

4. **Assurance**: Feeling of trust and confidence in dealing with the organization. This reflects the workers’ knowledge and experience and their ability to build self-confidence in the customers themselves.

5. **Empathy**: Understanding the customers’ personal needs, taking care of them individually and showing them all sorts of sympathy and affection, looking at them as close friends and distinguished clients.

**Customer Satisfaction**

Zeithaml and Bitner (2000) define “Satisfaction as the customer’s evaluation of a product and service in terms of whether that product or service has met their needs and expectation. Failure to meet need and expectation is assumed to result in dissatisfaction with service or product. Customer satisfaction is also an evaluative judgment related to the level of consumer expectation rather than to actual product performance. Satisfaction is a function of the discrepancy or contrast between obtained and expected outcomes. If expectations are high and performance falls below one’s expectation, dissatisfaction arises. If, on the other hand, actual performance meets or exceeds expectations, the consumer is delightfully pleased”.

**Service Quality in The Health-Care Industry**

According to Suki et al (2011), “In the health-care industry, different hospitals provide the same type of services but, they do not provide the same quality of services”. Grönroos (1984) write that, “The quality of services, both technical and functional is a key ingredient in the success of the service organizations”. According to Lam (1997), “Whilst technical quality in the health-care setting is defined mainly on the basis of the technical correctness of the clinical diagnoses and procedures or the conformity to professional regulations, functional quality pertains to the way in which the health-care service is delivered to the patient” (Venkatesh and Balaji, 2012; Mortazavi et al, 2009); .
RESEARCH METHODOLOGY

This research is descriptive study with a quantitative approach. The place of this research is conducted in Manado. The research started from August to September 2016.

Population and Sample

The population in this research are the consumers/patients of Siloam Hospital Manado. The sample taken is using simple random sampling of 100 people who experience the service of Siloam Hospital Manado.

Definition of Research Variables

**Table 1. Operational Definition and Indicators of Variables**

<table>
<thead>
<tr>
<th>Variable</th>
<th>Sub-Variable</th>
<th>Definitions</th>
<th>Indicators</th>
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</table>
| SERVQUAL | Tangible | Representing the service physically. | • Hospital Equipment  
• Building Condition  
• Room and Facilities Availability  
• Employees Appearance |
| Reliability | Delivering promised service dependably and accurately. | • Reliable and Appropriate Service  
• Administration Process  
• Ability to Provide Service  
• Reasonableness of Costs |
| Responsiveness | Being willing to help customer and provide prompt service. | • Willingness to Assist Customers  
• Ability to Resolve Consumer or Patient Problems  
• Service Meets Consumer or Patient Expectations  
• Serve Rapidity |
| Assurance | Employee knowledge and courtesy and the ability of the firm and its employee to inspire trust and confidence. | • Trustworthiness of Employees  
• Consumers or Patients Safety  
• Security Guarantees of Environment  
• Professionalism of Employees |
| Empathy | Ease of doing relationships, good communication personalized attention, and understanding of customer needs. | • Understanding Special Needs of Consumers or Patients  
• Personalized Attention from Employees  
• Ease Communication  
• Same Service to Patients or Visitors |

*Source: Data Processed, 2016*

Tabel 1 above use Likert scale to measure the variables of this research.

Data Analysis Method
RESULT AND DISCUSSION

Characteristics of Respondents

Occupation

The characteristic of respondents based on occupation clearly shown in Figure 1. The respondents are divided into four classes. Private Employee has the highest percentage (32%), followed by Others (30%), Entrepreneur (25%), and Civil Servant (13%).

Income

The characteristic of respondents based on income clearly shown in Figure 2. The respondents are divided into four classes. <Rp. 4.000.000 has the highest percentage (42%), followed by Rp. 4.000.000-Rp. 6.000.000 (35%), Rp. 6.000.000-Rp. 8.000.000 (23%), and >Rp. 6.000.000 (10%).
The characteristic of respondents based on income clearly shown in Figure 4.2. Most of respondents have income 4-6 millions (42%), followed by respondents that have income <4 million (35%), and >6 million (23%).

**Reliability and Validity Test**

<table>
<thead>
<tr>
<th>Table 2. Reliability Statistics</th>
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<tr>
<td><strong>Cronbach’s Alpha</strong></td>
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<tr>
<td>.937</td>
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</table>

*Source: SPSS Output, 2016*

Table 2 shows that Alpha Cronbach is 0.937, which is above the acceptance limit of 0.6. Therefore, the research instrument is reliable. Total attributes are 20, however each attribute consists of 2 questions resulting number of items of 40. By comparing correlation index in Pearson Product Moment with significance level of 5% it can be seen whether research instruments are valid or not. If probability of correlation is less than 0.05 (5%) then the research instrument is considered valid.

<table>
<thead>
<tr>
<th>Table 3. Correlations</th>
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<tbody>
<tr>
<td>Average Importance</td>
</tr>
<tr>
<td>Pearson Correlation</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
</tr>
<tr>
<td>N</td>
</tr>
</tbody>
</table>

*Source: SPSS Output, 2016*

Table 3 shows that the correlation index is higher than 0.3 and below the significance level of 5%. Therefore, the data is considered valid.

**Importance and Performance Analysis of Service Quality**

<table>
<thead>
<tr>
<th>Table 4. Attributes, Importance Mean, Performance Mean, Quadrant</th>
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<tbody>
<tr>
<td><strong>Service Quality Attributes</strong></td>
</tr>
<tr>
<td>Hospital Equipment</td>
</tr>
<tr>
<td>Building Condition</td>
</tr>
<tr>
<td>Room and Facilities Availability</td>
</tr>
<tr>
<td>Employees Appearance</td>
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<tr>
<td>Reliable and Appropriate Service</td>
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<tr>
<td>Administration Process</td>
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</tbody>
</table>
Table 4 shows that the importance of Room and Facilities Availability have the highest mean (\(y=4.42\)) followed by Building Condition (\(y=4.39\)), Security Guarantees of Environment (\(y=4.39\)), Professionalism of Employees (\(y=4.35\)), Employees Appearance (\(y=4.34\)), Patients or Visitors Safety (\(y=4.32\)), Reliable and Appropriate Service (\(y=4.31\)), Same Service to Patients or Visitors (\(y=4.27\)), Ease Communication (\(y=4.26\)), Trustworthiness of Employees (\(y=4.25\)), Personalized Attention from Employees (\(y=4.25\)), Ability to Provide Service (\(y=4.24\)), Service Meets Customer or Patient Expectations (\(y=4.23\)), Reasonableness of Costs (\(y=4.19\)), Understanding Special Needs of Customers or Patients (\(y=4.17\)), Hospital Equipment (\(y=4.16\)), Willingness to Assist Customers (\(y=4.16\)), Ability to Resolve Customer or Patient Problems (\(y=4.13\)), Administration Process (\(y=4.12\)) and Serve Rapidity have the lowest mean of importance (\(y=3.97\)). Meanwhile, the performance of Ease Communication have the highest mean (\(x=4.01\)) followed by Patients or Visitors Safety (\(x=4.00\)), Professionalism of Employees (\(x=3.99\)), Building Condition (\(x=3.98\)), Trustworthiness of Employees (\(x=3.96\)), Security Guarantees of Environment (\(x=3.85\)), Same Service to Patients or Visitors (\(x=3.85\)), Understanding Special Needs of Customers or Patients (\(x=3.81\)), Room and Facilities Availability (\(x=3.80\)), Personalized Attention from Employees (\(x=3.80\)), Reliable and Appropriate Service (\(x=3.78\)), Willingness to Assist Customers (\(x=3.77\)), Service Meets
Customer or Patient Expectations ($x=3.75$), Ability to Provide Service ($x=3.74$), Administration Process ($x=3.71$), Employees Appearance ($x=3.70$), Ability to Resolve Customer or Patient Problems ($x=3.70$), Reasonableness of Costs ($x=3.67$), Serve Rapidity ($x=3.57$) and Hospital Equipment ($x=3.48$). As the result, Room and Facilities Availability is in the highest value for importance. On the other hand, Ease Communication is in the highest value for performance. It means the room and facilities availability was considered important toward customers and the ease communication evaluated affordable from the perception of the customers of Siloam Hospital Manado. After getting the point of in the quadrant division axis where, $x=3.80$ and $y=4.25$, the next step is to plot the point ($x$ and $y$) of each attribute into Cartesians graph as shown in Figure 4.3.

**Figure 3.** Data Plotting of Service Quality Attributes

Description:

1-Hospital Equipment
2-Building Condition
3-Room and Facilities Availability
4-Employees Appearance
5-Reliable and Appropriate Service
6-Administration Process
7-Ability to Provide Service
8-Reasonableness of Costs
9-Williness to Assist Customers
10-Ability to Resolve Customer or Patient

Serve Rapidity-12
Trustworthiness of Employees-13
Patients or Visitors Safety-14
Security Guarantees of Environment-15
Professionalism of Employees-16
Understanding Special Needs of Customers or Patients-17
Personalized Attention from Employees-18
Problems  Service Meets Customer or Patient  Ease Communication
Expectations-11  Same Service to Patients or Visitors-20

Figure 3 shows that employees appearance, reliable and appropriate service, room and facilities availability are located in quadrant I. It means employees appearance, reliable and appropriate service, room and facilities availability attributes were perceived to be very important to customers of Siloam Hospital, but the performance levels are fairly low. This suggests that improvement efforts should be concentrated here.

Building condition, trustworthiness of employees, patients or visitors safety, security guarantees of environment, professionalism of employees, ease communication and same service to patients or visitors are located in quadrant II. That seven attributes were perceived to be very important to customers and at the same time, Siloam Hospital have a high level of performance in performing those attributes. In other words, Siloam Hospital is perceived to be very good in their building condition, trustworthiness of employees, patients or visitors safety, security guarantees of environment, professionalism of employees, ease communication and same service to patients or visitors. As all the aspects in this attributes are necessary for customers, the message here is to keep up the good work.

Hospital equipment, administration process, ability to provide service, reasonableness of costs, willingness to assist customers, ability to resolve customer or patient problems, service meets customer or patient expectations and serve rapidity are located in quadrant III. That eight attributes were assessed as low priority. It means that those attributes are not really important to the customers and at the same time, those attributes have low performance level. Therefore, Siloam Hospital should not be overly concerned, since the attributes were not perceived to be very important.

Understanding special needs of customers or patients is located in quadrant IV. In this quadrant, the attributes are not really important to customers, but the performance of Siloam Hospital is relativity high. The customers of Siloam Hospital satisfied with the performance of employee, but Siloam Hospital should consider present efforts on the attributes of this quadrant as being unnecessary to customers.

Discussion
This research attempts to answer the problem statements as has been expounded earlier in this thesis. Hence, this research has identified twenty attributes of service quality at Siloam
Hospital, namely: “Hospital Equipment”, “Building Condition”, “Room and Facilities Availability”, “Employees Appearance”, “Reliable and Appropriate Service”, “Administration Process”, “Ability to Provide Service”, “Reasonableness of Costs”, “Willingness to Assist Customers”, “Ability to Resolve Customer or Patient Problems”, “Service Meets Customer or Patient Expectations”, “Serve Rapidity”, “Trustworthiness of Employees”, “Patients or Visitors Safety”, “Security Guarantees of Environment”, “Professionalism of Employees”, “Understanding Special Needs of Customers or Patients”, “Personalized Attention from Employees”, “Ease Communication”, and “Same Service to Patients or Visitors”. Researcher has considered all sources of theories, books, journal and some other supporting sources in constructing the whole research. Questionnaire was used to collect data and Likert scale was used to score data. The data then were analyzed with Importance-Performance Analysis method. This method is useful to know the importance and performance of service quality at Siloam Hospital.

The result shows that Room and Facilities Availability is very important to customers compared with others attributes. It then followed by Building Condition, Security Guarantees of Environment, Professionalism of Employees, Employees Appearance, Patients or Visitors Safety, Reliable and Appropriate Service, Same Service to Patients or Visitors, Ease Communication, Trustworthiness of Employees and Personalized Attention from Employees are relatively important to customers. After that, Ability to Provide Service, Service Meets Customer or Patient Expectations, Reasonableness of Costs, Understanding Special Needs of Customers or Patients, Hospital Equipment, Willingness to Assist Customers, Ability to Resolve Customer or Patient Problems, Administration Process are below the average level of importance for customers. Finally, Serve Rapidity which is on the lowest level of importance for customers of Siloam Hospital based on the data plotting. While in terms of performance, Ease Communication in the highest performance level followed by Patients or Visitors Safety, Professionalism of Employees, Building Condition, Trustworthiness of Employees, Security Guarantees of Environment, Same Service to Patients or Visitors, Understanding Special Needs of Customers or Patients, Room and Facilities Availability, Personalized Attention from Employees are above the average level of performance. After that, Reliable and Appropriate Service, Willingness to Assist Customers, Service Meets Customer or Patient Expectations, Ability to Provide Service, Administration Process, Employees Appearance, Ability to Resolve Customer or Patient
Problems, Reasonableness of Costs, Serve Rapidity are below the average level of performance and the last Hospital Equipment is the lowest level of performance in Siloam Hospital Customer’s point of view. And for personalized attention from employees, this attribute has no relation with any quadrant.

Based on the recap data from questionnaires and the importance-performance analysis, Service Quality Attributes are able to be analyzed. As for Tangibles, the most important to customer is the room and facilities availability. Room and Facilities Availability and Employees Appearance are located in quadrant I, it is very important but have fairly low level of performance. Customer perceived that room and facilities availability does not good. However, it is important for customer to have good services. It is the followed by Employees Appearance and Hospital Equipment. Building Condition is located in quadrant II, it is important and the performance is relatively high. Customers feel the good atmosphere inside the building. And for Hospital Equipment is located in quadrant III, it means the importance and performance level are low. Customer perceived that hospital equipment is not important to them. Hospital equipment is considered not important for customer and Siloam Hospital also does not give their good equipment to provide best services.

As the Reliability, Reliable and Appropriate Service is located in quadrant I, it is important but have fairly low level of performance. Customer perceived that the reliable and appropriate service in Siloam Hospital does not perform well. However, it is important for customer to get service as fast as possible. Furthermore, Administration Process, Ability to Provide Service and Reasonableness of Costs are located in quadrant III, it means the importance and performance level are low. Customer perceived that administration process, ability to provide service and reasonableness of costs are not important to them.

As for Responsiveness, Willingness to Assist Customers, Ability to Resolve Customer or Patient Problems, Service Meets Customer or Patient Expectations and Serve Rapidity are located in quadrant III, these elements are not too important and have low performance for customer of Siloam Hospital. Consumer perceived the willingness to assist customers, ability to resolve customer or patient problems, service meets customer or patient expectations and serve rapidity are not important for them. The perceived the important thing for them is the service of hospital. Siloam Hospital does not perform well either in willingness to assist customers, ability
to resolve customer or patient problems, service meets customer or patient expectations and serve rapidity, but they do not need to be worry because it is not so important for the customer.

Meanwhile, for Assurance, every element is located in quadrant II, which means it is important and the performance is relatively high. Trustworthiness of Employees is important and has high performance for customer of Siloam Hospital. The customers considered it important and the employee perform well in getting customer’s trust to serve them. Patient or Visitors Safety is very important and have high performance for customer of Siloam Hospital. The customers feel comfort when they are in hospital. Security Guarantees of Environment is very important and have high performance for customer of Siloam Hospital. The customers feel secure when they are in hospital. It is important for customer and Siloam Hospital to do well in performing their service. Professionalism of Employees is also important and has high performance for customer of Siloam Hospital. It is considered important to customer because if the service provided by the professional employee, customer does not need to be worried about the quality of hospital.

For Empathy, Understanding Special Needs of Customers or Patients is located in quadrant IV, it is considered not important but have high performance for customer of Siloam Hospital. Siloam Hospital performs well in understanding special needs of customers or patients, but customer thought it is not important for them. For, Personalized Attention from Employees, this attribute has no relation with any quadrant. This attribute is balanced. And for Ease Communication and Same Service to Patients or Visitors are located in quadrant II, it is important and the performance level is relatively high. It is very important to customer and Siloam Hospital performs well in providing the service.

**CONCLUSION**

The Importance-Performance Analysis is used to compare them according to customer perspective towards their level of importance and performance. The conclusions drawn from this research are as follows:

1. According to customers of Siloam Hospital, room and facilities availability, employees appearance, reliable and appropriate service are very important but the performance level is in below average. It means Siloam Hospital needs to pay attention to these elements.
2. According to customer of Siloam Hospital, building condition, trustworthiness of employees, patients or visitors safety, security guarantees of environment, professionalism of employees, ease communication, and same service to patients or visitors are important. These elements are also in the high level of performance. It means they have already performed well in delivering these elements.

3. According to customer of Siloam Hospital, hospital equipment, administration process, ability to provide service, reasonableness of costs, willingness to assist customers, ability to resolve customer or patient problems, service meets customer or patient expectations and serve rapidity are the lowest compared to others, because they have low importance and low performance. It means that these elements are not important to customer and the performance of Siloam Hospital is below average.

4. According to customer of Siloam Hospital, understanding special needs of customers or patients is not so important, however the performance of employee is relatively high. It means that understanding special needs of customers or patients is unnecessary for customer. However, the employee performs well in delivering this element.

REFERENCES