

CHAPTER I

INTRODUCTION

This chapter contains the background of the research, problem formulation, the objectives of the research, research scopes and the outline of the research.

1.1 Background

Globalization has caused various types of industries to grow rapidly, both in the product and service industries. This grow makes every company must be able to compete with its competitors by implementing the right strategy or method to survive its business. In order to maintain its business, the company must have an idea to improve continuously. The improvement has to start with small things because this will have a huge impact and effect on the sustainability of its business (Kurniawan, 2013).

The development of technology and information has increased public knowledge. It causes the community to be more selective in choosing service facilities. The choice of service facilities is usually taken by utilizing assistance from various types of media which are made into consideration in making service decisions that will be used. One of the important services for the community is health services. Health is essential because it can be a benchmark for one's prosperity. The increasing number of people will increase the need for the community to get services in the health sector. So the quality of service must be improved continuously for creating effective and efficient services (Maisarah, 2016).

A hospital is one of the health facilities that function to improve public health. Nowadays, the hospital grows and it makes people have their consideration in choosing the hospital services. Satisfying service is becoming a

consideration for the community in choosing a hospital. West Sumatra is a province that has many hospitals. It can be seen from the data gotten from the Ministry of Health that the number of hospitals always increasing every year, as shown in **Figure 1.1** below.

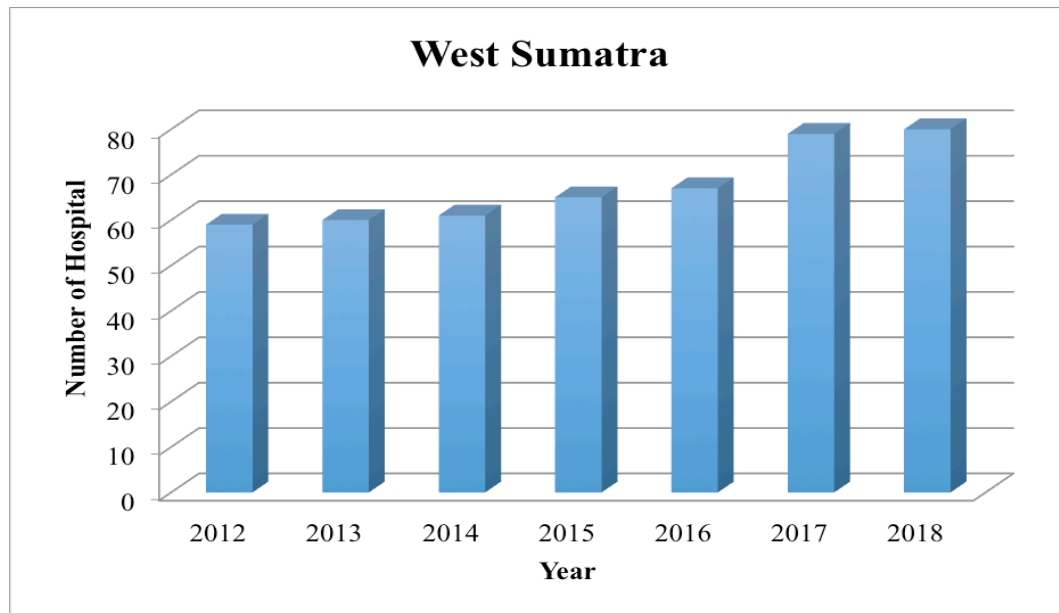


Figure 1.1 Number of Hospitals in West Sumatra
(Source: Kemenkes, 2018)

Figure 1.1 shows an increase of hospital number in West Sumatra from 2012-2018. It causes high competition among hospitals. This situation makes every hospital must develop its competitive advantage to be able to compete with other hospitals. The key to success in surviving in the midst of competition is the ability of hospitals to develop a competitive advantage. One of the hospital strategies in developing a competitive advantage is through innovation (Sunarsih et al., 2017). According to Wahyono (2002), the main purpose of innovation is to meet consumer demand so that product or service innovation is one that can be used as a competitive advantage for companies. Service innovation is the key to providing good and consistent service performance in a hospital. Service innovation is a new activity which is carried out by the hospital by giving new services, procedures, or processes to increase added value for the hospital, as stated by Delafrooz *et al.* (2013) patient satisfaction will increase with the presence of service innovations carried out by the hospital.

According to ARSSI (2019), the world has entered the era of the industrial revolution 4.0, where information technology has developed rapidly into a digital era that brings unexpected changes that can disrupt many lines. This presents a challenge for the industry, including the hospital industry. Hospital management in the industrial revolution 4.0 era was encouraged to make changes and innovations in all fields to respond to the demands and needs of hospital consumers in the future. Hospitals in Indonesia must continue to prepare themselves to be able to adapt to disruptive changes and take advantage of opportunities by innovating their services.

One of the developing hospitals in West Sumatra is Semen Padang Hospital (SPH). It is a private hospital which is located in Padang, West Sumatra, Indonesia. This hospital address is at By Pass KM 7 Pisang, Padang. The hospital is managed using modern hospital management and longer operating hours, starting from 08.00 am to 09.00 pm every day. It is owned by PT Semen Padang and began operating since July 5th, 2013.

This hospital has various kinds of medical services, including emergency rooms, outpatients, inpatients, operating rooms, laboratories, radiology, physiotherapy and medical check-ups. In 2014, Semen Padang Hospital had a new service, namely hemodialysis. This service is provided for patients who want to do dialysis. Semen Padang Hospital is one hospital that has complete facilities for hemodialysis in West Sumatra. In 2017, Semen Padang Hospital had a cath lab service that aims to treat heart disorders. The type of medical service at Semen Padang Hospital can be seen in **Table 1.1**.

Table 1.1 Type of Medical Services

No	Services
1	Outpatient
2	Emergency room
3	Inpatient
4	Operating room
5	Laboratory
6	Radiology
7	Physiotherapy
8	MCU
9	Hemodialysis
10	Cathlab

(Source: Semen Padang Hospital)

According to the interview with Mrs. Rini as the head of the innovation section of Semen Padang Hospital, this hospital has conducted various kinds of service innovations namely Service Excellence, Kaizen and 5P as shown in **Table 1.2**.

Table 1.2 Service Innovation in Semen Padang Hospital

No	Type of Innovation	Description
1	Service Excellence	An activity that aims to improve the quality of service for patients
2	Kaizen	An innovation that aims to make savings and increase hospital revenue
3	5P	Pemilahan, Penataan, Pembersihan, Pemantapan, Pembiasaan (Sort, Set In order, Shine, Standardize and Sustain)

(Source: Semen Padang Hospital)

Service Excellence is an activity conducted by Semen Padang Hospital to improve the quality of services to provide patients satisfaction. Service excellence aims to win the hearts of patients and make them always faithful to use the services of Semen Padang Hospital. The examples of the application of service excellence are giving greetings to patients, giving friendly attitude and smiles to patients, being alert and quick in responding complaints and needs of patients, looking neat and good to please the patient's views and active in responding and listening to patient complaints. This is in accordance with the motto of Semen Padang Hospital "We Serve Beyond Expectation", this hospital provides services that are more than needed by patients.

Kaizen is an activity conducted by Semen Padang Hospital to make savings and increase hospital revenue. Kaizen is a Japanese term that means continuous improvement. The purpose of kaizen is to save cost, time and effort. An example of a kaizen application conducted by Semen Padang Hospital is savings the use of x-ray films for radiology. The x-ray film is divided into two so, one film can be used for two patients. Also, Semen Padang Hospital reduced costs 75% by replacing the use of syringes for hemodialysis. The other examples are infusion bottle waste handling and shorten the waiting time for patients.

5P stands for *pemilahan, penataan, pembersihan, pemantapan dan pembiasaan* (Sort, Set In order, Shine, Standardize and Sustain). A clean, neat, and comfortable work area will be created with the 5P. This activity will also produce productivity, eliminate errors, and improve efficiency at Semen Padang Hospital.

Regarding the entry of industrial revolution 4.0 and the high competition among hospitals in West Sumatra, Semen Padang Hospital should innovate their service continuously to maintain its existence. According to Hussain *et al.* (2015), service innovation performance can be influenced by knowledge sharing behavior. The performance of service innovation will be improved when the company has knowledge sharing behavior among its employees. Knowledge sharing behavior is

an activity that involves the transfer or dissemination of knowledge from one person, group, or organization to another. When a company has knowledge sharing behavior among its employees, it will make it easier for companies to innovate their services (Hidayat, 2018). Based on interviews with the employees of Semen Padang Hospital, this hospital does not have rules regarding the knowledge sharing behavior among employees. However, this hospital often conducts training to improve the knowledge of its employees. The examples are service excellence training for all employees, emergency management training for nurses and advanced trauma life support for doctors.

In the study of Molose (2015) said that team culture plays an important role in improving service innovation performance. Team culture is the interaction between team members based on the norms, expectations, and roles of team members. Knowledge sharing behavior is not possible if there is no quality relationship between team members. When a team has a good relationship, this will help to improve cohesiveness, resulting in increased team members' willingness to share their experiences at work with other members. So that team culture can moderate the influence between knowledge sharing behavior and service innovation performance. Based on interview with the employees, the team culture at Semen Padang Hospital is already good. The employees in each unit are coordinate and helping each other. Every team also holds a meeting to discuss the problem that exists in the hospital.

Many previous studies have examined the relationship between knowledge sharing behavior, team culture and service innovation performance. However, no study examines the relationship of that three variables in the hospital. Therefore, the author is interested in researching the effect of knowledge sharing behavior and team culture on service innovation performance at Semen Padang Hospital.

1.2 Problem Formulation

Based on the background above, the entry of industrial revolution 4.0 and the high competition among hospitals makes Semen Padang Hospital should innovate their service continuously to maintain its existence. According to previous research, service innovation can be influenced by knowledge sharing behavior and team culture. The problem formulation in this research is how the effect of knowledge sharing behavior and team culture on service innovation performance and how to improve the service innovation at Semen Padang Hospital.

1.3 Research Objectives

Based on the formulation of the problem, the objectives of this research are as follows:

1. To determine and analyze the effect of knowledge sharing behavior and team culture on service innovation performance at Semen Padang Hospital.
2. Develop recommendation to improve service innovation performance at Semen Padang Hospital

1.4 Research Scopes

Respondents in this research are the employees of the medical services unit.

1.5 Outline of Research

Outline of this I final project are as follows:

CHAPTER I INTRODUCTION

This chapter contains the background of the study, problem formulation, research objectives, research scopes, and outline of the report.

CHAPTER II LITERATURE REVIEW

This chapter contains the theories related to the problem in this study from the various sources of literature, including knowledge sharing behavior, team culture, service innovation performance, questionnaire, sampling technique and SEM – PLS method.

CHAPTER III METHODOLOGY

This chapter explains the steps to solve the problem of final project research. The steps are shown through the flowchart.

CHAPTER IV RESULT AND DISCUSSION

This chapter contains the data collecting, data processing, result and recommendation for improvement.

CHAPTER V CONCLUSION AND SUGGESTION

This chapter contains the conclusion of the research and the suggestion for further research.

