# CHAPTER 7 CONCLUSION AND RECOMMENDATION

### **CHAPTER 7**

# **CONCLUSION AND RECOMMENDATION**

## 7.1. Conclusion

Results of this research are:

- Profit Center Report that had been developed from the current accounting system by adding location parameter to capture the information provided in the patient management system that was not captured previously as well as redesigns the format to provide more information to support investment/development decision.
- It is found that further information on referred patients are not collected.
- Combining this Profit Center Report with other data mining result will give better direction in choosing the most profitable area to be developed, i.e. specialty generate biggest revenue on most profitable servicing department.

#### 7.2. Recommendation

Knowledge of cost data always provides a firm platform for decision making, including business development decision. Information system has an important role in the in providing accurate cost data. Several recommendations are proposed as follow:

- Information system is continuing explored to be used more extensively to support hospital management in making the decision to develop the business.
- Create additional discharge type for referral's reason such as unavailability of medical equipment or specialist doctors that will give a picture of market

84

demand to new equipment or specialist doctors that are not currently registered in the "Private" Hospital.

- Develop a Marketing Information System as a complement for the current applied information system will become additional input to the decision support system.
- It is proposed to include successful rate factor in the investment/development decision. In this research, average length of stay and discharge status is considered will represent successful rate. While short ALOS does not always reflect successful rate, this research is expected to improve healthcare service industry awareness of importance of specialty to sustain competitive advantage welcoming globalization era. Further research will be required to study further on factors influencing ALOS as well as on successful medical case criteria.

# BIBLIOGRAPHY

#### BIBLIOGRAPHY

- Agnihotri, MS. Kasturi, Jamalluddin, K., Hemchandra. 2005. Analytical Approach Towards Determination of Unit Cost at Tertiary Care Hospital: Case Study of Sanjay Gandhi Post Graduate Institute of Medical Sciences, Lucknow, India. Journal of Financial Management and Analysis, 18(1): 48-54
- Baye, Michael R. 2003. Managerial Economics and Business Strategy, McGraw-Hill, 4<sup>th</sup> Edition
- Clewer, Ann and Perkins, David. 1998. Economics for Health Care Management, Prentice Hall Europe.
- Gelinas, Ulric J., Sutton, Steve G. and Hunton, James E. 2005. Accounting Information Systems, Thomson South Western, 6<sup>th</sup> Edition.
- Griffin, David T. and Rauscher, Jamie A., 1987. Reconsidering the Measurement of Ancillary Service Performance. Hospital & Health Services Administration, Aug 1987: 357-368.
- Hansen, Don R. and Mowen, Maranne M 2005. *Management Accounting*, Thomson South Western, 7<sup>th</sup> Edition
- Kaplan, Robert S. and Atkinson, Anthony A. 1982. Advanced Management Accounting, Prentice Hall, 3<sup>rd</sup> Edition
- MacArthur, John B. and Stranahan, Harriet A. 1998. Cost Driver Analysis in Hospitals: A Simultaneous Equations Approach. Journal of Management Accounting Research, Volume Ten, pages 279-312.
- Morse, Wayne J., Davis, James R. and Hartgraves, Al L. 2003. Management Accounting, A Strategic Approach, USA, Thomson South Western, 3<sup>rd</sup> Edition

Nasution. 1996. *Metode Penelitian Naturalistik Kualitatif*, Edisi ke-2. Bandung: Tarsito Porter, Michael E, 1980. *Competitive Strategy*, The Free Press.

- Porter, Michael E. and Teisberg, Elizabeth Olmsted. 2006. Redefining Health Care, Harvard Business School Press.
- Shank, John K. 1989. Strategic Cost Management: New Wine, or Just New Bottles?. Journal of Management Accounting Research, pages 47-65.
- Smith, Adam. 1776. An Inquiry into the Causes of the Wealth of the Nations, University of Chicago Press, Edwin Cannan Edition
- Turban, Efraim, McLean, Ephraim, and Wetherbe. James, 2004. Information Technology for Management, John Wiley and Sons, Inc., 4<sup>th</sup> Edition
- Turban, Efraim, Aronson, Jay E., and Ting Peng Liang. 2005. Decision Support Systems and Intelligent Systems, Pearson Prentice Hall. Seventh Edition
- Wing, Kennard T. 2000. Using Enhanced Cost Models in variance analysis for better control and decision making. *Management Accounting Quarterly (Winter)*, pages 1-9
- Yin, Robert K. 1988. Case Study Research, Design and Methods, Sage Publication, Revised Edition