

DEVELOP PROFIT CENTER REPORT TO SUPPORT HOSPITAL STRATEGIC PLAN

A THESIS

BY

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PROGRAM MAGISTER PENDIDIKAN BAHASA INGGRIS
APRIL 2007**

**DEVELOP PROFIT CENTER REPORT
TO SUPPORT HOSPITAL STRATEGIC PLAN**

THESIS
Submitted to
Widya Mandala Catholic University
to fulfill the requirement to complete
The Master of Management Program

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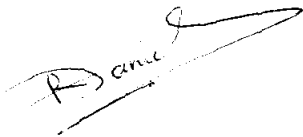
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MASTER OF MANAGEMENT PROGRAM
APRIL 2007

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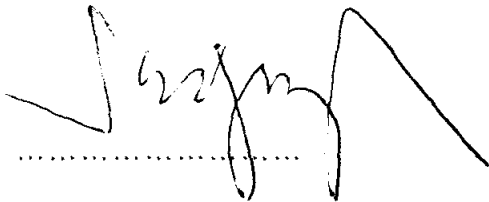
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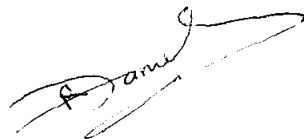
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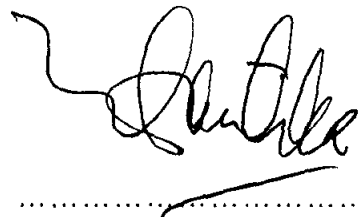
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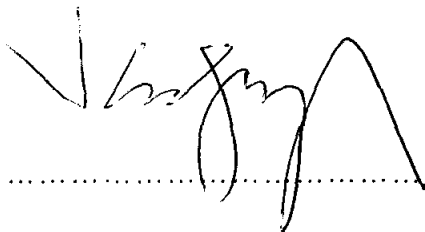
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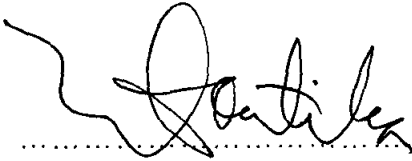
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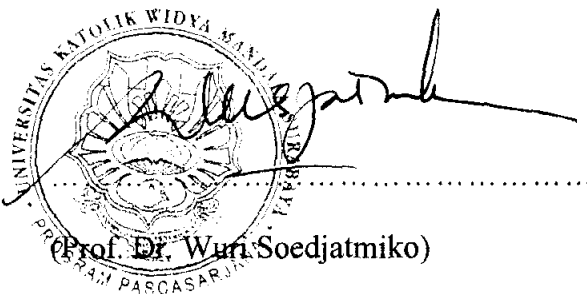


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ACKNOWLEDGEMENT

ACKNOWLEDGEMENT

First of all, I give thanks to Lord Jesus who His blessings enable me to finish this thesis. I would also like to thank for the opportunity to pour my idea and thought in this thesis as medium to develop my knowledge as well as a reference to the readers.

I received many supports, guidance, and encouragement in finishing this thesis that I would like to express my thankfulness to:

1. Dr. rer. pol. Debby Ratna Daniel, Ak., my advisor, who had very kindly guided me since the early stages of writing this thesis. Her advice, criticism, suggestions and encouragement have enabled me to organize my ideas and motivated me to engage in this work to the utmost of my ability.
2. Prof. Dr. Soedjono Abipraja, Chief of Master of Management Program in Widya Mandala Catholic University, who was sick but forced himself to attend my thesis proposal presentation to provide me more inputs to improve my thesis quality.
3. Prof. Dr. J.S. Ami Soewandi, Rector of Widya Mandala University, and Prof. Dr. Wuri Soedjatmiko, Postgraduate Director of Widya Mandala University, who organize and execute the Master of Management Program.
4. All instructors at Master of Management Program in Widya Mandala Catholic University who built my knowledge during lecturing period as part of the thesis writing process.
5. My beloved family, Djunaedi Wibowo, Asseta and Equitas, who encourage and support me in finishing this thesis by prayer and scarifying their leisure time.
6. My parents, especially my mother, for encouragement and prayer support.

7. Etna Nurafri, my dearly cousin, who always ready to help me finding reference books and journals.
8. Batch 12 of Master of Management Strategic Program for their warm-unified-
friendship and continuing supports since the lecturing period.
9. My supervisor and working colleagues in the hospital who helped me compiling the
data and provides useful information to write this thesis.
10. Postgraduate Program's Library staffs, who helped me in finding references related to
my thesis subject.
11. The Post Graduate's administration staffs, who keep me informed on deadlines and
campus agenda.

I realize that without the assistance and support from all of the above mentioned I
would not have been able to finish this thesis. I hope it can be a useful reference for the
future readers.

Surabaya, 10 April 2007

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SUMMARY

Business globalization escalate competitive climate in all industries, including health care industries. Price competition is beginning to become more important, but that competition among hospitals is still largely based upon service mix, including offering latest technology medical equipment. On the other hand, it is noted that increased investment in new technology in health care sector is usually associated with increased rather than decreased operating costs. A hospital should choose specialty to differentiate themselves among others as a strategy to gain and sustaining their competitive advantage.

As hospital is a complex unique business, it will need profit center report, revenue proportion and case successful rate from each specialist to choose the most profitable investment/area to be developed.

From the discussion, it is found that regardless all information are available in the system, expense allocation setting can not support profit center report preparation. It is suggested to add a location parameter to facilitate automatic expense allocation based on consuming location. It is also suggested to develop marketing information system and add discharge type to capture reason of referred patients that expected to give picture of market demand as well as alerting when new opportunities emerging.

ABSTRACT

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Whilst healthcare providers are competing to get patients/customers by offering newest medical equipment at competitive price, it will be very expensive and not feasible to provide latest technology in all service areas. In this research, a profit center report will be developed from current accounting information system as tools to choose the area to be developed to support strategic planning.

A qualitative research method is being used in the form of case study as deep understanding on the current operation and information system is required to be able to provide suggestion.

“Private” Hospital is using two different systems for patient management system and back office. A profit center report is developed in this research by adding a new parameter to enable automatic supplies expense allocation. Combining this report, data mining result and understanding of various medical cases will give reliable information to “Private” Hospital to choose the appropriate technology in their best specialties that will give sufficient return to sustain their competitive advantage.

Keywords: Accounting Information System, Patient Management System, Data Mining, Profit Center, Competitive Advantage, Investment/Development Decision

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