



## The Effect of Management Performance on Service Quality and Employee Commitment at Prof. Dr. Rd Kandou Manado

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**Abstract:** The healthcare industry has undergone significant changes due to technological advances, changing patient demographics, and increased business competition. Specifically, intense and competitive business competition provides new challenges and opportunities for both government-owned and private-owned hospital organizations to demonstrate commitment in providing the best health services for the community. One of the keys to success in the healthcare industry is human resource management. Human resources are a valuable asset as well as being one of the biggest expenditure objects in the organization. The quality of human resources will affect the achievement of organizational goals, so it is important to manage them carefully, wisely and professionally in order to realize a balance in the implementation of rights and obligations. the effect of management performance on service quality and employee commitment at Prof. Dr. RD Kandou Manado. By using a quantitative approach, this research is expected to provide insight into the factors that influence the performance of hospital management and their implications for the quality of health services and the commitment of hospital staff. Management performance is very influential on service quality and employee commitment. Management performance can be considered successful if it can minimize complaints and complaints from external consumers (patients) and also internal consumers (employees). Employee commitment to the work that is their duty and responsibility can be not optimal, less responsive and not creative because they only do automatic work tasks that have become their routine.

**Key words:** Management Performance, Service Quality, Employee Commitment.

### INTRODUCTION

#### Research Background

In recent years, the healthcare industry has undergone significant changes due to technological advances, changing patient demographics, and increased business competition. Specifically, intense and competitive business competition provides new challenges and opportunities for both government-owned and private-owned hospital organizations to demonstrate commitment in providing the best health services for the community. The hospital is a service business unit that provides social services in the clinical medical field. The management of the hospital business unit has its own uniqueness because apart from being a business unit, the hospital business also has a social mission, in addition to the management of the hospital it is also highly dependent on the ownership status of the hospital.

One of the keys to success in the healthcare industry is human resource management (HR). HR is a valuable asset as well as being one of the biggest expenditure objects in the organization. The quality

of human resources will affect the achievement of organizational goals, so it is important to manage them carefully, wisely and professionally in order to realize a balance in the implementation of rights and obligations. HR that has the potential to have a positive impact on the organization so it needs to be supported, maintained and developed to maintain the stability of the organization's performance. The human resources that a hospital has are shown through the quality of service and the commitment of employees as health workers who work in it.

Service quality is defined as the extent to which health services meet or exceed customer expectations (Lewis and Booms in Moullin, 2007). This implies that quality service means consistently compromising with customer expectations or customer-oriented. Meanwhile, employee commitment refers to the extent to which employees identify organizational needs and are willing to exert effort on behalf of the organization. Commitment to the services of health workers in hospitals is very important for performance, because health workers make a major contribution to the success of plenary health services to clients (David et al. 2020). A number of studies have examined the relationship between service quality and employee commitment to hospital performance. Study by Al-Hawari et al. (2016) found that service quality is positively related to patient satisfaction and loyalty, which in turn is positively related to hospital performance. Another study conducted by Hung et al. (2020) who found that employee commitment is positively related to job satisfaction, job involvement, and organizational member behavior, which in turn is positively related to hospital performance. This study shows that service quality and employee commitment are important drivers of hospital performance. which in turn has a positive relationship with hospital performance. This study shows that service quality and employee commitment are important drivers of hospital performance. which in turn has a positive relationship with hospital performance. This study shows that service quality and employee commitment are important drivers of hospital performance.

### **Research purposes**

This study aims to explore the effect of management performance on service quality and employee commitment at Prof. Dr. RD Kandou Manado. By using a quantitative approach, this research is expected to provide insight into the factors that influence the performance of hospital management and their implications for the quality of health services and the commitment of hospital staff.

## **LITERATURE REVIEW**

### **Service quality**

According to Ibrahim (2008:22), service quality is a dynamic condition related to products, services, people, processes, and the environment. Service quality is closely related to patient satisfaction, which is the main determinant of hospital performance (Kim and Lee, 2017). Service quality has characteristics that are intangible (intangibility), varied (variability), perishability, and production and consumption of services occur simultaneously (inseparability) (Parasuraman et. Al., Supriyatmini, 2005: 16). Therefore, the concept of service quality can be understood through customer behavior, namely a behavior played by consumers in searching, buying, using, evaluating a product or service that is expected to satisfy their needs. Zethaml (1990: 22) states that there are two factors that influence service quality, namely expected service and perceived service. Thus, if the service received or perceived (perceived service) is in line with what the customer expects, then the service quality is perceived as good and satisfactory. Service quality is the core of hospital services because hospitals operate in the service industry. High-quality service delivery is the key to success in this healthcare industry (Meesala & Paul, 2018). Service quality is the core of hospital services because hospitals operate in the service industry. High-quality service delivery is the key to success in this healthcare industry (Meesala & Paul, 2018). Service quality is the core of hospital services because hospitals operate in the service industry. High-quality service delivery is the key to success in this healthcare industry (Meesala & Paul, 2018).

## Employee Commitment

According to Hung et al. (2020), employee commitment is a multidimensional construct that reflects the extent to which employees identify with their organization, are willing to exert effort on behalf of the organization, and intend to remain with the organization. Meanwhile, employee commitment according to Schermerhorn et al (2011) states commitment as an individual's loyalty to the organization with full responsibility. Therefore, it is important for every organization to have a high level of employee commitment in order to have extraordinary performance both in the short and long term (Ulabor & Besede, 2019). Employee commitment can be classified into three dimensions: cognitive, emotional and behavioral (Brzezinski & Bak, 2015). The cognitive dimension refers to employees' knowledge of the organization. Meanwhile, the emotional dimension is the employee's feelings towards the organization, organizational goals, management approach or values displayed by the organization, and the behavioral dimension refers to the tendency of employees towards certain behaviors towards the organization. All of these dimensions are integrated and linked to the performance of the employee's role in the organization.

## Hospital Management Performance

Armstrong (2006:7) defines performance as input and output objectives that are measured, not only from the results achieved but also the process of achieving them. Performance is defined as an assessment obtained from activities and roles in certain work periods (Mokalu et al., 2019). Meanwhile, according to Soomro et al. (2019) employee performance is the productivity of each employee, which results in tangible and intangible returns. Employee performance can be described as a response in the form of behavior that reflects learning outcomes by employees, including the results of mental and psychological abilities (Bataineh, 2019). Rhue and Holland (1986) emphasize the financial performance of the hospital which is a benchmark in the field of hospital finance to assess the success, condition,

Research by FX Juliantoro (2010) states that high employee performance is expected by an organization. Employee satisfaction can improve employee performance. Satisfaction is influenced by internal and external factors, all of which can affect the achievement of organizational goals. By increasing the level of employee satisfaction, it will spur enthusiasm in carrying out tasks so that it can improve employee performance in the organization as a whole

## RESEARCH METHODS

This research is to find out whether management performance has an effect on improving service quality and employee commitment at Prof.Dr.RDKandou Hospital Manado. This type of research is field research, namely research conducted by means of a survey to collect data in the field. The research location is Prof.Dr.RDKandou Hospital Manado. The research time starts from May to June 2023. This research includes hypothesis testing. The research design used in this study is explanatory research because it is a study that explains the causal relationship between variables through hypothesis testing.

The unit of analysis in this study were employees at Prof. Dr. RDKandou Hospital Manado including specialist doctors, specialist dentists, general practitioners, dentists, nurses, midwives, other health workers and administrative staff who were still within the reach of researchers. The population in this study were employees of Prof.Dr.RDKandou Manado General Hospital, with a total of 2351 people, while 350 people or 14.88% would be used as samples. Sampling was carried out using the purposive sampling method, namely sampling based on the considerations of the researcher with the criteria for being an employee of Prof.Dr.RDKandou Manado General Hospital who has worked for more than 3 years. During the 3-year working period, an employee already knows his main duties and functions in the organization.

## Research variable

The research conducted is a quantitative empirical research that proves the effect of management performance variables on service quality and employee commitment at Prof.Dr.RDKandou Hospital Manado as formulated in the hypothesis. Data used to analyze variables obtained through data collection methods.

In this study the measurement of service quality independent variables (X1) employee commitment (X2) was used, and management performance dependent variable (Y). These three variables are measured by the Likert Scale, which states the respondent's perception of the questions and statements in the questionnaire. These three variables are measured in an interval scale, which is a scale where the distance between data and other data is not the same, does not have an absolute zero value. Answer value and Likert Scale weighting:

1. Very Dissatisfied (STP)
2. Dissatisfied (TP)
3. Quite Satisfied (CP)
4. Satisfied (F)
5. Very Satisfied (SP)

Prior to testing the hypothesis, validity and reliability testing was carried out to measure statement items related to data, opinions and attitudes on the independent variables: service quality (X1), employee commitment (X2) and the dependent variable on management performance (Y). Validity is the ability level of an instrument as a measurement of the instrument. While reliability is the ability to stabilize the results of observations with instruments. A reliable instrument means that if it is used several times to measure the same object, it will produce the same data.

## Operational Definition

Quality of service is an assessment score from respondents' answers through research instruments that measure the level of completion dimensions or real results in work through indicators of efficiency, effectiveness and productivity. There are 16 question items on service quality variables.

Employee commitment is an assessment score from respondents' answers through research instruments that measure the dimensions of desire and action to achieve goals through discipline indicators, opportunities to help others, a good work environment with colleagues in the profession, encouraging employee satisfaction and regulations or policies that help carry out work. There are 10 question items on the employee commitment variable.

Management Performance is an assessment score from respondents' answers through research that measures the level of completion dimensions of the organization's real results in achieving its vision and mission through financial indicators, service and quality of service and benefits for society. There are 12 questions on management performance variables.

While solving problems that arise require data related to the object of research in order to facilitate problem solving. The data needed in the research are:

1. Primary data, namely data obtained directly from the source from the results of online questionnaires obtained from respondents.
2. Secondary data, namely data obtained indirectly in the form of supporting data related to hospital performance data. Collection method by studying existing documentation.

## Data Analysis Techniques

Bias Non-Response Test was carried out to see the characteristics of the answers of respondents who gave answers and did not provide answers (non-responders). The test was carried out by grouping the data into two important groups. The first group is called the early response group, namely the group that gives answers within the optimal time limit, namely the time it is estimated that the

respondent gives an answer by the deadline for returning. The second group is referred to as the final group (late response), namely the group of respondents who gave answers past the optimal time limit until the last time determined. Then the results of the average score of the answers from the two groups were tested, whether there was a significant difference between the two groups of respondents with the test.

Then to determine the effect of the independent variables on the dependent variable using multiple regression model analysis as follows:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + e$$

Where:

Y = Performance Management

X1 = Service Quality

X2 = Employee Motivation

$\alpha$  = Constant

$\beta_1 \beta_2 \beta_3$  = Regression Coefficient of independent variables

e = Error (error).

In estimating the regression model, there are basic assumptions that must not be violated so that the estimation results can be used as a basis for analysis. Problems that often arise which can result in non-fulfillment of the basic (classical) assumptions are Multicollinearity, Heteroscedasticity and Serial Correlation. In this study a test will be carried out to determine whether there is interference with multicollinearity, heteroscedasticity and serial correlation.

### 1. Normality Test

This assumption test is intended to find out whether in the regression model, the independent variable and the dependent variable, both are normally distributed or not. A good regression model is having a normal or close to normal data distribution. Normality detection looks at the distribution of data (points) on the P - P Plot diagonal axis. The basis for decision making is as follows:

1. If the data spreads around the diagonal line and follows the direction of the diagonal line, the regression model meets the normality assumption.
2. If the data spreads away from the diagonal line and does not follow the direction of the diagonal line, then the regression model does not meet the normality assumption.

### 2. Heteroscedasticity Test

This assumption test aims to test whether in the regression model there is an inequality of variance from one residual observation to another. If the variance of the residuals from one observation to another remains, then it is called homoscedasticity, and if it is different it is called heteroscedasticity. A good regression model is one that has homoscedasticity or does not have heteroscedasticity. To determine the presence of heteroscedasticity, this study used an informal test by plotting the residuals with time. If the plot shows a certain pattern then it can be concluded that there is a heteroscedasticity problem, but conversely if the plot between the residuals and time does not show a certain pattern, then it can be concluded that the estimation results do not have a heteroscedasticity problem.

### 3. Serial Correlation

To test whether in the linear regression model there is a correlation between confounding errors in period t and errors in period t-1 (previously). If there is a correlation then there is called an autocorrelation problem.



#### 4. Multicollinearity

The classic assumption that must not be violated is that each explanatory variable must be independent, must not be correlated with one another. If one or more of the explanatory variables are correlated with each other, it is said that the regression results experience a multicollinearity problem. The consequence of having high multicollinearity is that the standard errors tend to be high and as a result the regression coefficients are biased. To find out the existence of multicollinearity, a correlation test will be carried out between each independent variable. If the correlation is high, it can be said that there is multicollinearity.

#### RESULTS AND DISCUSSION

From the hypothesis tested shows the following:

1. The results of the correlation test between management performance and service quality show a positive and significant correlation.
2. The results of the correlation test between management performance and employee commitment show a positive and significant correlation.
3. The results of the correlation test between employee commitment and service quality show a positive and significant correlation.

#### Conclusion

Management performance is very influential on service quality and employee commitment. Management performance can be considered successful if it can minimize complaints and complaints from external consumers (patients) and also internal consumers (employees). Employee commitment to the work that is their duty and responsibility, can be not optimal, less responsive and not creative because they only do automatic work tasks that have become their routine. It can also occur due to a lack of job satisfaction both in the form of rewards, the distribution of service incentives which may be felt to be less proportional and not in accordance with the workload target. And this will later have an impact on the quality of service in the field which has an impact on the quality of organizational services, namely Prof. Dr. RDKandou Manado General Hospital.

#### Suggestion

In order to improve the quality of service and employee commitment at Prof.Dr.RDKandou Hospital Manado, it is suggested that performance management implement a transformational leadership implementation program, apply appropriate Workload Analysis so that employee mapping can be more effective and efficient, optimize supervision programs and transparency of the service distribution system service

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