

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

A THESIS

BY

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**UNIVERSITAS KATOLIK WIDYA MANDALA SURABAYA
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**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

BY
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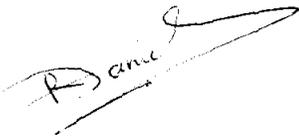
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Surabaya, 10th April 2007

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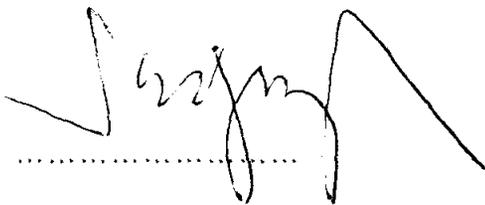
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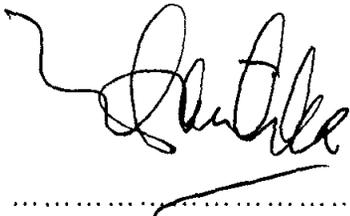
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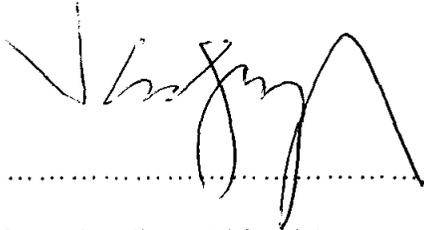
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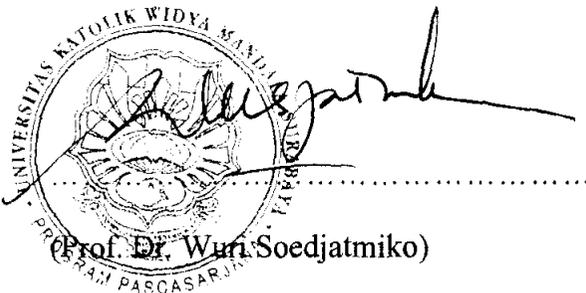
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SUMMARY

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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