



ANALYSIS OF PERFORMANCE MEASUREMENT AT THE BOGOR VERTICAL HOSPITAL USING THE BALANCED SCORECARD METHOD

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Abstract

This study aims to analyze the performance measurement of Goenawan Lung Hospital in Bogor Regency using the Balanced Scorecard approach, which encompasses the financial, customer, internal business process, and growth and learning perspectives. The study employs a quantitative descriptive method using a case study approach. Data were collected through documentation, observation, interviews, and questionnaires, utilizing both primary and secondary data from the 2024–2025 period. The results indicate that the financial perspective still requires improvements in the efficiency of expenditure and revenue management, while the customer, internal business processes, and growth and learning perspectives demonstrate good performance. Overall, the performance measurement scored 11 out of 13, or 84.6%, and was therefore categorized as “good.” The study’s results demonstrate that the Balanced Scorecard provides a more comprehensive and balanced performance measurement compared to measures focused solely on financial aspects, thereby serving as a foundation for the continuous evaluation and improvement of hospital performance.

Keywords: Balanced Scorecard, Organizational Performance, Performance Measurement, Hospitals



INTRODUCTION

Hospitals are public-sector organizations that play a strategic role in providing health care services to the public. As public demands for the quality of health care services increase, hospitals are required not only to provide high-quality services but also to manage their resources effectively, efficiently, and with a focus on organizational sustainability. These conditions make performance measurement a critical aspect in supporting the evaluation process and the development of organizational strategies. Performance measurement conducted on an ongoing basis provides information on the extent to which organizational goals are being met and serves as the basis for managerial decision-making aimed at improving the quality of care and the competitiveness of hospitals.

To date, hospital performance measurement has been dominated by financial indicators, such as revenue generation and cost efficiency. This approach has limitations because it only reflects short-term results and fails to account for the non-financial factors that influence an organization's long-term success. In fact, a hospital's success is also determined by patient satisfaction levels, the effectiveness of service processes, the organization's ability to innovate, and the development of human resource competencies. Therefore, a performance measurement system is needed that can integrate financial and non-financial indicators in a balanced manner, thereby providing more comprehensive information for management.

One of the most widely used approaches to measuring organizational performance is the Balanced Scorecard, introduced by Kaplan and Norton. The Balanced Scorecard is a strategic performance measurement system that integrates four perspectives: the financial perspective, the customer perspective, the internal business process perspective, and the learning and growth perspective. Through these four perspectives, organizations can not only evaluate the results they have achieved but also identify the factors that will drive the organization's future success. Thus, the Balanced Scorecard serves as a tool capable of translating an organization's vision and strategy into measurable, comprehensive performance metrics that are oriented toward continuous improvement.

Bogor Vertical Hospital is a government hospital that operates under the Public Service Agency (BLU) management model, which requires it to improve service quality while maintaining financial management efficiency. Based on financial performance data for 2024–2025, the hospital's revenue remains below its operational expenditures. In 2024, actual expenditures reached Rp121,896,117,000, while actual revenue amounted to Rp89,669,553,033. In 2025, this situation showed improvement with revenue realization of Rp100,625,793,098; however, it remained lower than expenditure



realization of Rp115,220,770,874. This situation indicates that hospital performance management still faces challenges; therefore, evaluation should not rely solely on financial indicators but must also consider customer aspects, internal business processes, and growth and learning as interrelated factors in achieving organizational goals.

A number of previous studies have shown that the Balanced Scorecard is an effective tool for measuring performance in the healthcare sector. Jelalu (2023) states that the implementation of the Balanced Scorecard can improve the quality of hospital performance measurement through the integrated evaluation of four perspectives. Firmansyah and Susilowati (2023) also found that the use of the Balanced Scorecard at Persahabatan Hospital in East Jakarta provided a more comprehensive picture of the hospital's performance, particularly in the financial, customer, and internal business process perspectives. Research by Mushhaf et al. (2024), Harningrum and Aisyah (2021), and Nainggolan (2023) further demonstrates that the Balanced Scorecard can identify an organization's strengths and weaknesses more comprehensively than conventional measurement systems, which are solely focused on financial aspects. However, most of these studies were conducted in hospitals with different organizational characteristics, regions, and indicators; therefore, the results cannot yet be generalized to the Bogor Vertical Hospital.

Based on the review of previous research, there is a research gap in the form of limited studies on the application of the Balanced Scorecard in government hospitals with BLU status, particularly the Goenawan Lung Hospital in Bogor Regency. In addition, previous studies generally focused only on the achievements of each perspective without integrating the measurement results into an overall assessment of organizational performance. Therefore, this study offers a novel approach by analyzing the performance of the Bogor Vertical Hospital using the Balanced Scorecard approach based on data from the 2024–2025 period through the measurement of four perspectives, which are then integrated to obtain a comprehensive picture of the organization's performance.

Based on the above discussion, this study aims to analyze the performance of the Bogor Vertical Hospital using the Balanced Scorecard approach through the financial, customer, internal business process, and growth and learning perspectives. The results of this study are expected to provide practical insights for hospital management as a basis for evaluating the development of performance improvement strategies, while also enriching the empirical literature on the application of the Balanced Scorecard in healthcare organizations in Indonesia.



LITERATURE REVIEW

Agency Theory, proposed by Jensen and Meckling (1976), explains the relationship between the principal—the party granting authority—and the agent—the party managing the organization. This relationship has the potential to give rise to conflicts of interest and information asymmetry, thereby necessitating mechanisms for control and performance evaluation. In public-sector organizations such as hospitals, management acts as the agent accountable to the government and the public—the principals—by providing transparent and accountable performance information.

According to Bastia (2015), performance measurement is an ongoing assessment process designed to provide feedback for organizational improvement. Tarigan and Sinaga (2022) state that performance measurement aims to determine the extent to which an organization has succeeded in achieving its objectives and to serve as the basis for formulating future strategies. Therefore, performance measurement evaluates not only financial aspects but also non-financial aspects that influence an organization's success.

The Balanced Scorecard, introduced by Kaplan and Norton (1992), is a performance measurement system that integrates financial and non-financial indicators. Kaplan and Norton (1996) explain that the Balanced Scorecard measures organizational performance through four perspectives: financial, customer, internal business processes, and learning and growth. This approach provides a more comprehensive picture of an organization's performance and supports the achievement of long-term strategies.

Dalam organisasi pelayanan kesehatan, Balanced Scorecard mampu mengevaluasi kinerja rumah sakit secara menyeluruh karena tidak hanya berfokus pada pencapaian keuangan, tetapi juga kualitas pelayanan, efektivitas proses operasional, kepuasan pasien, serta pengembangan sumber daya manusia.

RESEARCH METHOD

This study employs a quantitative descriptive method using a case study approach at a vertical hospital in Bogor. According to Sugiyono (2023), quantitative research is a method used to study a specific population or sample by collecting data using research instruments and performing statistical data analysis. The study was conducted during the 2024–2025 period to analyze the hospital's performance based on the four perspectives of the Balanced Scorecard: financial, customer, internal business processes, and learning and growth. The research procedures included problem identification, data collection, instrument validation, data analysis, interpretation of results, and drawing conclusions.



The data used consisted of primary and secondary data. Primary data were obtained through observation, interviews, and the distribution of questionnaires to 118 inpatients selected using judgment sampling, while secondary data were obtained from financial statements, operational reports, and supporting hospital documents. The data was then tested for validity and reliability before being analyzed descriptively using the Balanced Scorecard approach through the measurement of financial ratios, customer acquisition and retention, the Community Satisfaction Survey (SKM), internal business processes, and learning and growth. The results of each indicator's measurement were then scored and weighted to determine the hospital's overall performance score.

RESULTS AND DISCUSSION

Financial Perspective

Based on a financial performance analysis at Vertical Hospital, using the following metrics—Growth, Economic Ratios, Efficiency Ratios, and Effectiveness Ratios—for the 2024–2025 period, the following data were obtained:

Table 1

Results of the Financial Performance Assessment of the Bogor Vertical Hospital for 2024–2025

No.	Description	Years		Criteria
		2024	2025	
1.	Revenue Growth Ratio	-	12,21%	Good
2.	Economic Ratios	83,96%	93,73%	Good
3.	Efficiency Ratio	135,93%	114,49%	Poor
4.	Effectiveness Ratio	81,52%	99,63%	Good

Source: Data research, 2026

Based on Table 1, the results of the financial perspective performance analysis for Goenawan Lung Hospital for the 2024–2025 period show that:

1. The revenue growth rate of 12.21% in 2025 is classified as “good,” indicating an increase in revenue.
2. The economic ratio increased from 83.96% to 93.73% and falls into the “good” category, reflecting economical use of the budget.
3. The efficiency ratio declined from 135.93% to 114.49%, but it remains in the “Poor” category, so cost efficiency needs to be improved. It is still relatively high, so financial management efficiency needs to continue to be improved.



4. The effectiveness ratio increased from 81.52% to 99.63%, falling into the “good” category, which indicates that the hospital’s ability to meet its revenue targets is becoming increasingly optimal.

Customer/Patient Perspective

Based on performance calculations from the customer/patient perspective at vertical hospitals, using the metrics of customer/patient acquisition, customer/patient retention, and customer/patient satisfaction for the 2024–2025 period, the following data was obtained:

Table 2

Results of the Performance Evaluation from the Customer/Patient Perspective for Vertical Hospitals for the Year 2024–2025

No.	Description	Years		Criteria
		2024	2025	
1.	Customer/Patient Acquisition	15,15%	14,83%	Poor
2.	Customer/Patient Retention	84,84%	85,16%	Good
3.	Customer/Patient Satisfaction	88.94		Very Good

Source: Data research, 2026

Based on Table 2, the results of the performance analysis from the customer/patient perspective for Vertical Hospitals for 2024–2025 show that:

1. Customer/patient acquisition declined from 15.15% in 2024 to 14.83% in 2025 and falls into the “Poor” category, indicating that the acquisition of new patients has not yet reached optimal levels.
2. Customer/patient retention increased from 84.84% to 85.16%, which is classified as “good,” indicating that the hospital’s ability to retain patients remains strong.
3. Customer/patient satisfaction scored 88.94, falling into the “very good” category, indicating that the services provided met patients’ expectations.

Internal Business Perspective

Based on performance calculations from an internal business perspective at a vertical hospital, using the following metrics reduction in complaints, response time, workforce utilization, and innovation the following data were obtained:

Table 3

Results of the Internal Business Perspective Performance Evaluation for Vertical Hospitals for the Year 2024–2025

No.	Description	Years		Criteria
		2024	2025	
1.	Decrease in Complaints	100%	100%	Very Good



No.	Description	Years		Criteria
		2024	2025	
2.	Respond Time	54 minute	22 minute	Good
3.	Labor Utility	90%	90%	Good
4.	Innovations	-	• Hemodialysis Services • Neurology Services • Eye Specialist Services	Good

Source: Data research, 2026

Based on Table 3, the results of the performance analysis of the internal business perspective for Vertical Hospitals for 2024–2025 show that:

1. A 100% reduction in complaints by 2024 and 2025, with a rating of “very good”, indicating the hospital’s success in handling patient complaints.
2. Response time decreased from 54 minutes to 22 minutes, falling into the “good” category, which indicates an improvement in service speed.
3. The workforce utilization rate remained at 90% in 2024 and 2025, rated as “good,” indicating optimal workforce utilization.
4. Innovations in 2025 will include the development of hemodialysis, neurology, and ophthalmology services rated as “good,” as part of efforts to improve the quality of hospital care.

Perspectives on Growth and Development

Based on the performance assessment of the hospital from the perspective of growth and learning at Vertical Hospital, using employee retention and employee capability development as metrics for the 2024–2025 period, the following data were obtained:

Tabel 4
Results of the Performance Evaluation from the Growth and Learning
Perspective for Vertical Hospitals for 2024–2025

No.	Description	Years		Criteria
		2024	2025	
1.	Employee Retention	0,44%	0,90%	Good
2.	Employee Development	18,30%	17,57%	Good

Source: Data research, 2026



Based on Table 4, the results of the performance analysis of the growth and learning perspectives for Vertical Hospital for 2024–2025 show that:

1. Employee retention increased from 0.44% in 2024 to 0.90% in 2025, falling into the “good” category, which demonstrates the hospital’s ability to retain its workforce.
2. An 18.30% increase in employee capabilities in 2024 and a 17.57% increase in 2025, both rated as “good,” demonstrating the hospital’s commitment to developing employee competencies through various capacity-building programs.

Discussion

The research findings indicate that the financial outlook is in the “good” category, although efficiency ratios still need to be improved. These findings indicate that the hospital has been able to manage its revenue and budget effectively, but control over operating costs still needs to be optimized. These findings are consistent with the research by Nainggolan (2023) and Sososutiksno (2022), which also found that effective financial management can be achieved even though efficiency remains a challenge.

Furthermore, the customer perspective shows strong performance, as evidenced by high levels of patient satisfaction and retention, although new patient acquisition remains relatively low. This indicates that the hospital has successfully maintained patient loyalty through the quality of care provided. These results support the research by Firmansyah and Susilowati (2023) as well as Jelalu (2023), which states that patient satisfaction is a key indicator in improving hospital service performance.

In addition, the internal business process perspective also falls into the “good” category, as evidenced by a decrease in the number of complaints, faster response times, and the development of service innovations. This indicates an improvement in the effectiveness of the services provided to patients. These findings are consistent with the research by Jelalu (2023) and Mushhaf et al. (2024), which states that innovation and the effectiveness of service processes contribute to improved hospital performance.

On the other hand, the growth and learning perspective also showed positive results, as evidenced by high retention rates and improvements in employee capabilities. These results indicate that the hospital is committed to developing human resource competencies as part of its efforts to support organizational performance improvement. These findings support Kaplan and Norton’s (1996) theory, which explains that human resource development is a key driver of organizational performance improvement, and are consistent with the research by Harningrum and Aisyah (2021).

Based on the results of performance measurements using the Balanced Scorecard method, Goenawan Lung Hospital achieved a total score of 11 out of a maximum of 13, resulting in a score of 0.846, or 84.6%. Based on these results, Goenawan Lung



Hospital's performance falls into the "Good" category. This assessment indicates that most indicators across the four perspectives of the Balanced Scorecard have met their targets, particularly in the customer, internal business processes, and growth and learning perspectives. However, there are still several indicators that require improvement, specifically in the areas of efficiency and customer acquisition. Therefore, the Balanced Scorecard can be used as a comprehensive evaluation tool to identify an organization's strengths and weaknesses, thereby serving as the foundation for developing strategies to continuously improve the hospital's performance.

CONCLUSION

Based on the research findings, performance measurements for Vertical Hospital, as reported in the Government Agency Performance Accountability Report (LAKIP), indicate that, overall, the hospital's performance falls into the "good" category, although there are still several indicators that have not met their targets, such as research revenue, bed occupancy rate (BOR), employee satisfaction, training effectiveness, financial performance, and budget execution.

Meanwhile, the results of the assessment using the Balanced Scorecard method showed that Vertical Hospital's performance scored 11 out of 13 (84.6%), falling into the "Good" category. These results demonstrate that the Balanced Scorecard is capable of providing a more comprehensive and balanced performance measurement through the perspectives of finance, customers, internal business processes, and growth and learning, thereby serving as a foundation for management to continuously improve service quality and organizational performance.

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