THE MEDIATING EFFECT OF EMPLOYEE COMMITMENT AND HOSPITAL’S ETHICS ON SERVICE QUALITY IN INDONESIAN STATE HOSPITAL

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ABSTRACT

In Indonesia, health professionals like doctors and nurses face numerous challenges in ransacking their duties owing to poor conditions of services. The doctors tend to limit their level of commitment only to the hospitals or their work places thus neglecting the quality of health care as well as health ethics expected by patients. Hence this study aims at examining the mediating role of employee commitment in understanding the relationship between service quality and patient satisfaction in the Indonesian state hospital. The variables under study were Employee Ability, Perceived ethics and Leadership and service quality. To accomplish this, the authors compared the theoretical mindset against the implementation of theory through empirical testing methods. This study used questionnaires and surveys related to self-perception, leadership evaluation and customer satisfaction. The interdependence of variables was also analyzed by using Structural Equation Modeling Method. The results revealed: (1) Validity and reliability of the survey instrument; (2) Implementation of hospital ethics was emphasized more on nurses (as a front liners) than doctors; (3) A direct and indirect influence among variables of employee ability, hospital’s ethics, leadership to the service quality through employee commitment; (4) A negative significance of the direct influence of employee commitment variables against the inpatient health care satisfaction. The study recommends providing ultra-modern equipment and relevant medical logistics in hospitals in order to enhance the service quality of health professionals. It also recommends availability of health service amenities to make a phenomenal impact on patient satisfaction.

Keywords: Employee Ability, Hospital’s Ethics, Leadership, Employee Commitment, Service Quality.

INTRODUCTION

While only a few studies have been carried out in the fields of service quality and customer satisfaction, not much has been done to explore the impact of employee commitment on service quality and hospital ethics in order to examine the mediating role of employee commitment on service quality and patients satisfaction in Indonesia. Research on service quality as a topic has increased critical grounds in the course of the last two and half decades (Amin & Nasharuddin, 2013). There are studies discussing the nature of administration offered by
healthcare establishments (Noor et al., 2012) or on the role of workplace and employee ability to deliver service quality and customer satisfaction (Scotti et al., 2007) or on the dependence of patients on social insurance agencies (Torres & Guo, 2004). A study by Elleuch (2008) evaluated patient satisfaction connected with human services qualities such as rendered by doctors and nurses. Moreover, patients also look for health benefits and quality services from doctors and nurses (Gaur et al., 2011). Employee commitment is also seen a basic variable in building up customer loyalty or satisfaction (Aagja & Garg, 2010; Gaur et al., 2011). Hence, there is a need to upgrade behavioral patterns of doctors, leaders, hospital administrators and other paramedics.

Specifically, in the midst of developing healthcare facilities in Indonesian state hospital, the behavior meted out to patients is greatly marred by insufficient staff and absence of qualified doctors and appropriate equipment. As indicated by Mostafa (2005), there is still a critical need to find such environment that develops service quality to patients. Similarly, as indicated by Rod & Ashill (2008), changes in the worldwide economy in recent years are due to implications for responsibility and complementary relationship of leaders and other employees whose commitment determined the service quality and customer satisfaction. Whilst a few studies have been done in the area of service quality and customer satisfaction too in the hospital sector, this study would supplement by exploring the mediating role of employee commitment on service quality and patients satisfaction in the State hospital of Indonesia.

Problem Statement

On one hand while healthcare facilities in Indonesian state hospital are being improved, the patients are suffering due to insufficient staff and absence of qualified doctors and appropriate equipment. This has greatly affected the employee commitment on service quality and customer satisfaction in Indonesian state hospitals. This study aims at examining the mediating role of employee commitment in understanding the relationship between service quality and patient satisfaction in the Indonesian state hospital. The variables under study would be Employee Ability, Perceived ethics and Leadership and service quality. To accomplish this, the authors compared the theoretical mindset against the implementation of theory through empirical testing methods.

LITERATURE REVIEW

Employment Commitment

Employee commitment as characterized by Newstrom & Davies (2002) is the extent to which an employee relates to the organization and needs to proceed with effectively taking an interest in it. Meyer & Herscovitch (2001) call employee commitment as "a drive that ties a person to an approach of pertinence to one or more targets”. Meyer & Allen (1997) characterize employee commitment as an inclination to proceeding with his or her relationship with the organization, acknowledgment of the qualities and objectives of the organization, and eagerness to help the firm accomplish such objectives and qualities. Berg (2011) too attests this definition and expresses that employees’ dedication to an organization goes past reliability to incorporate a dynamic commitment to finishing hierarchical objectives. The critical investigation of employee commitment as a subject matter for research began with a lot of confusion. Work by Morrow (1983:1993) has assumed a critical part in serving to clear up the different areas which this
subject is related to Morrow (1983) recognized five significant types of commitment: quality center, vocation center, occupation center, organization center and union core interest. Further research by Morrow (1993) delivered a model of work duty that included full of feeling authoritative responsibility, duration hierarchical duty, vocation responsibility, work inclusion and hardworking attitude underwriting.

Literally speaking, employee commitment stands for a promise between two individuals, or groups to perform an activity. As a type of professional commitment, this promise can also be called a management commitment or organizational commitment Smith et al. (1992) defined organizational commitment as “the measure of strength of the employee’s identification with, and involvement in, the goals and values of the organization”. Kotler & Kelvin (2006) had also reiterated this definition for a few large companies, such as Marriott, Walt Disney, and fast food companies McDonalds in which he states that: “companies such as Marriot, Disney, and McDonald’s have thorough commitments to service quality. Ray Kroc of McDonald’s insisted on continually measuring each McDonald’s outlet on its conformance to QSCV: quality, service, cleanliness, and value.” These companies are very concerned and have a strong commitment to customer satisfaction and therefore link improvement in service quality to customer satisfaction.

Critically there are different types of employee commitments: (1) First, affective commitment, which is concerned with individual's mental or passionate involvement and interest in the organization (Meyer & Allen, 1997). Such employees are affectively dedicated to the organization and most likely stay and work for their organizations on the grounds that they need to (Meyer & Allen, 1997). Such employees also see their individual business relationship to be in compatibility with their organization's objectives, values and targets (Beck & Wilson, 2000); (2) Second, continuance commitment which is considered by (Meyer & Allen, 1997) as an attention to the expenses incurred if the employees leave the organization. Hence, continuation commitment is calculative (Meyer & Allen, 1997) as employees stay as long as they gain reward for the time they spend in an organization; (3) third, normative commitment refers to those employees who get the feeling of commitment to stay utilized with a particular organization. Such employees experience the thought of obligation and responsibility for a particular organization and feel ethically fitting to it (Meyer & Allen, 1991).

Work Ability, Employee Commitment service quality and Customer Satisfaction

Employee commitment is the most generally investigated variable in terms of workers’ ability (Berg, 2011) Studies have revealed that a dedicated and capable workforce enjoys authoritative adequacy, decreased non-appearance; aggressiveness and additional part conduct (Meyer et al., 2002). The higher is the work ability, the greater is the customer loyalty. This is a constructive outcome in an organization. Customer satisfaction emanates from this phenomenon (Zairi, 2000). Robbins (1996) asserts that work ability is the capacity of employees to work developed through education, training, work experience and work ethics. A few works have also linked work ability with labor productivity and work culture while others attribute work ability as a predictor for quality of service and customer satisfaction (Malhotra & Mukherjee, 2004; Parker et al., 2006). Rod & Ashill (2010) have devised a model of administration responsibility to service quality (MCSQ) and organizational support in a study of private clinics in New Zealand. Their study failed to find any varieties amongst Frontline Hospital Employees in a cross-sectional overview of all types of facility employees including doctors and nurses.
These findings coincided with Malhotra & Mukherjee (2004) and with Parker et al. (2006) whose researches revealed employees involved in proactive work practices and self-started commitments. Similarly, Zain et al. (2013) stated a positive relationship between employee commitment and job involvement, job satisfaction and creativity at work. Amin & Nasharuddin (2013) have focused on customer loyalty in the healthcare industry and distinguished between patient fulfillment and frontline employees’ commitment. Likewise, Crowe et al. (2002) and (Zairi, 2000) have pointed out that the interpersonal connections or work ability have a deeper connection with patients’ satisfaction.

**Hospital's Ethics, Employee Commitment service quality and Customer Satisfaction**

A lot of studies exist on the impact of hospital ethics and employee commitment among which Cohen (1999), Curivan (2000) and Murphy (1995) have announced CEOs’ admittance that employee commitment added value to their company. For hospitals, a value statement about employee commitment is invariably a statement of ethics. Robbins (1996) and also pointed out that the higher the commitment of top management leadership, the greater is the effect of any ethical practices in an organization. A few other studies (Murphy, 1995; Weaver et al., 1999) have equated hospital ethics to corporate ethics and prioritized hospitals ethics as a part of hospital services. Like any other type of corporate ethics, the studies emphasized on implementing the optimization of service for all hospital stakeholders. Hence, there must be a commitment of all employees towards application of in hospital services whether to serve patients or for any other cause. This requires top leadership support and commitment from all employees in the line management. That the hospital ethics is linked with customer satisfaction is explicitly stated in the Code of Indonesia Hospital also known as “Kodersi”. The chapter three of the code “Kodersi” specifically states the obligations and responsibilities of hospitals towards patients. It states that hospitals must provide good service and quality enough to achieve patient’s satisfaction. It therefore emphasizes the basic principle of hospital ethics which makes it obligatory for paramedics and other hospital staff to offer the best treatment to hospital patients.

Robbins & Coulte (2015) cite instances about world's major organizations including Exxon, Sara Lee, Du Pont, Bank of Boston, and Wisconsin Electric Power and concluded that big organizations must follow mainly three principles of corporate ethics: (1) to be dependable; (2) avoid doing any unlawful acts to harm the organization; (3) to be good to customers. To strengthen this viewpoint, a mention may be made of Murphy (1995) who, in his study on corporate ethics, found it is important to maintain relational bonds with competitors, suppliers, and customers and also provide quality products and quality services. These studies reveal that there is always a relationship between ethics and customer satisfaction, irrespective of the organization and it equally applies to hospitals.

On the aspect of connecting customer satisfaction to service quality, Cohen (1999) assert that service quality is a determinant of customer loyalty and customer satisfaction which are two significant perspectives of any business. In the hospital sector, Amin & Nasharuddin (2013) explored a healing impact of service quality on patient fulfillment and behavioral expectation. Zain et al. (2013) also conceptualized clinic service quality as a marker of patient’s satisfaction, their fulfillment and trust for open healing centers in the Southeast Sulawesi of Indonesia. Likewise, Yousapronpaiboon & Johnson (2012) studied doctor's facility administrations quality and tested the legitimacy and dependability of service quality for out-
patients in Thailand. The outcomes of the study revealed a critical impact of service quality on patient’s satisfaction. Noor et al. (2010) also studied inpatient fulfillment in Malaysian open clinics. This study focused on cleanliness and security of physical surroundings of these clinics. The study discovered a high inpatient delight in terms of services received by them.

The Mediating Role of Employee Commitment on the Relationship between Service Quality and Customer Satisfaction

A few literary works have demonstrated the causal relationship between employee commitment and customer loyalty and satisfaction (Cohen, 1999; Currivan, 2000; Murphy, 1995; Amin & Nasharuddin, 2013; Zain et al., 2013). These studies have reiterated how employee commitment led to converging larger amounts of service quality and how service quality determined the customer loyalty and satisfaction. The impact of leadership behavior along with employee commitment was also asserted by a few writers like Smith (1996) and Yukl (1998) who created power and influence models. These models proved that the leadership behaviors always had a positive or a negative impact on employees. The positive impact leads to employee commitment and obedience while the negative impact resulted in resistance to leadership behavior. These findings coincided with Buchanan (2004) who also held the opinion that leaders contributed to the enhancement of employee commitment by their behavior. Yukl (1998) also asserted that corporate intangibles such as service quality and employee productivity lead to not only increase in sales and profits but also in increased customer satisfaction. Hence, it proves that leadership behavior has an indirect effect on customer satisfaction as well as on productivity which will in turn determine the service quality that will satisfy the customers.

A study by Butler & Dynan (quoted in Yukl, 1998) on First Pennsylvania Bank revealed that by restructuring the corporate culture of the bank, it could improve the quality of service and also employee commitment; another study by Johnston et al. (1990) found that employee commitment greatly affected the employee behavior and their level of satisfaction; a study by Natalisa (1999) found that a high employee commitment affects the attrition rate and employees stay back despite a few compromises; or are ready to overcome their stress Mathieu & Zajac (1990) and continue to perform satisfactorily. Currivan (2000) and Mathieu & Zajac (1990) also found that employee commitment and customer satisfaction are reciprocally related as internal and external attributes. Hence, these studies are evidence of a reinforcement of the impact of employee commitment to quality services as well as customer satisfaction.

**METHODOLOGY**

The sample was drawn from nurses (the hospital’s frontlines), doctor’s also inpatient healthcare insurance, with the cross sectional and explanatory research design. By using 320 respondents of those internal (160 respondent) and external (160 respondent) hospital’s stakeholder, this research also used 24 indicators that were split into a questionnaire. The survey questionnaires asked nurses, doctors and inpatient healthcare about ability, implementations of perceived ethics, leadership style, also commitment and satisfaction due to their services. The structural Equation modeling was used by this research to test the variables.
FINDINGS AND DISCUSSION

The demographic data of patients, doctors and other health professionals were duly analyzed using descriptive statistics and the use of frequencies and percentages. Findings of this study further show that a majority of patients who took part in this study were out-patients as they constituted 49.2%. On the other hand, in-patients who formed the minority constituted 40.8%. From the findings of the study, it could also be deduced that the study was slightly dominated by females who were represented by 50.4%. On the other hand, males constituted 49.6%.

<table>
<thead>
<tr>
<th>Service Quality Dimensions</th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reliability</td>
<td>160</td>
<td>2.0</td>
<td>5.0</td>
<td>4.0255</td>
<td>0.57236</td>
</tr>
<tr>
<td>Assurance</td>
<td>160</td>
<td>2.0</td>
<td>4.75</td>
<td>4.0417</td>
<td>0.69487</td>
</tr>
<tr>
<td>Responsiveness</td>
<td>160</td>
<td>2.33</td>
<td>4.80</td>
<td>3.9409</td>
<td>0.81015</td>
</tr>
<tr>
<td>Doctors and nurses commitment</td>
<td>160</td>
<td>2.0</td>
<td>4.80</td>
<td>3.4956</td>
<td>0.86582</td>
</tr>
<tr>
<td>Patients’ satisfaction</td>
<td>160</td>
<td>1.67</td>
<td>5.0</td>
<td>4.2544</td>
<td>0.88717</td>
</tr>
</tbody>
</table>

Table 1 assesses the perceptions of doctors and nurses on service quality measured across five dimensions namely reliability, assurance, responsiveness, doctors and nurses commitment and patients’ satisfaction. With a minimum value of 2 and a maximum value of 4.75, service quality was firstly perceived more in terms of assurance by doctors because it had the highest mean score of 4.042 with its related standard deviation of 0.695. Secondly, doctors do perceive service quality more in terms of reliability (Minimum=2.00, Maximum=5.00, Mean=4.025, S.D=0.572). Thirdly, doctors who participated in the study do perceive service quality in terms of its responsiveness (Minimum=2.33, Maximum=4.80, Mean=3.941, S.D=0.810). This study also measured doctors and nurses commitment and calculated Minimum=2.00, Maximum=4.80, Mean=3.486, S.D=0.866). Lastly, Patients satisfaction was perceived in terms of its tangibility (Minimum=1.67, Maximum=5.0, Mean=4.254, S.D=0.887).

<table>
<thead>
<tr>
<th>Variables</th>
<th>r-value</th>
<th>p-value</th>
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<tbody>
<tr>
<td>Doctor’s Perception of Service Quality</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Patient’s Satisfaction with Doctors</td>
<td>0.707</td>
<td>0.000</td>
</tr>
</tbody>
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Table 2 shows summary of Pearson Moment Correlation Co-efficient for the relationship between doctor’s perception of service quality and patients satisfaction with doctors. It shows a strong significant positive relationship between doctor’s perception about service quality and patients satisfaction with doctors. This means that the more doctors have good perceptions about service quality in terms of reliability, assurance and responsiveness, the better patients get
satisfied with services provided by doctors. Thus a good perception about service quality on the part of doctors makes them to give off their best which brings about patient satisfaction.

<table>
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<tr>
<th>Variables</th>
<th>r-value</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Commitment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Patients’ Satisfaction</td>
<td>0.92</td>
<td>0.000</td>
</tr>
</tbody>
</table>

Table 3 summarizes Pearson Moment Correlation Co-Efficient for the relationship between Employee commitment and Patients Satisfaction. It illustrates a significant negative relationship between employee commitment and customer satisfaction (r=0.92, p=0.000). This was because the r-value which depicted a positive sign showed the direction of the relationship between the variables as positive. This gives the indication that health professionals from state hospitals in Indonesia were committed to their work in their various workplaces, and patients were satisfied with the kind of healthcare that they received. The finding was significant at the 0.05 level of significance because its related p-value (0.000) was less than 0.05.

This study had also hypothesized that employee commitment could mediate the relationship between service quality and patients satisfaction. The findings have revealed that employee commitment does explain to some extent the kind of relationship existing between service quality and patients’ satisfaction. Employee commitment partially mediated the relationship between service quality and customer satisfaction. Therefore other variables also showed an impact on the relationship between service quality and patient satisfaction.

Having established appropriate measurement model, the next step was to apply the structural equation modeling tool to test the causal relationship between the latent variables. The relationships between variables of the study were tested using the AMOS for completing the standardized parameter estimates and t-values. The analysis was to study the impact of work ability, hospital ethics and leadership behavior on customer satisfaction through and the mediating role of employee commitment. The study revealed the path coefficients of the variables work ability and customer satisfaction with employee commitment showing 0.35 and 0.10 in a positive direction, and indicated by value of CR>2.0, which is equal to 2.828 which is greater than t-table (1.96).

These findings are consistent with Malhotra & Mukherjee (2004) and with Parker et al. (2006) who asserted that work ability was one of the influencing factors to develop motivation in a person and lead to service quality and satisfaction or with Zain et al. (2013) and with Amin & Nasharuddin (2013) who talk about internal commitment of the paramedics and the frontlines hospital staff affecting the work ability in dealing with hospital patients

**CONCLUSION**

The Indonesian health professionals in state hospitals find it difficult to perform their duties owing to poor infrastructure and availability of amenities. This affects adversely the level of commitment in the form of negligence in the quality of health care as well as health ethics
expected by patients. Hence this study aims at examining the mediating role of employee commitment in understanding the relationship between service quality and patient satisfaction in the Indonesian state hospital. The variables under study were Employee Ability, Perceived ethics and Leadership and service quality. For this purpose, this study used empirical testing methods and concluded that employee commitment of health professionals like doctors and nurses play a significant role for patients to experience service quality and satisfaction.

**RECOMMENDATIONS**

Based on the findings of the study, the researchers recommend that in order to improve the service quality among hospitals in Indonesia there is the need for the government and other stakeholders to ensure that hospitals in Indonesia are provided with ultra-modern equipment and relevant medical logistics in order to enhance the service quality of health professionals. It is also recommended that doctors, nurses and other health professionals in hospitals should be provided with proper service amenities as these things make a phenomenal impact on patient satisfaction.

**REFERENCES**


