

THE INFLUENCES OF ORGANIZATIONAL INNOVATION ON PRIVATE HOSPITAL PERFORMANCE IN THAILAND

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ABSTRACTS

The Thai government has determined a strategy aiming to develop Thailand as a medical hub within the next ten years (between 2017 and 2026). This strategy serves as an important mechanism to drive the country's economy and transform the country from being a middle-income country to a high-income country. For this strategy to be successful, health management and services need to be enhanced to meet with international standards, thereby creating credibility and increasing the country's competitive advantages. The objectives of this research were to: 1) study the levels of organizational innovation, and performance of the private hospitals in Thailand; 2) examine the influences of organizational innovation on the performance of the private hospitals in Thailand. This research employed a mixed research methodology combining quantitative and qualitative methods. In the quantitative research part, the sample consisted of 260 executives of the private hospitals in Thailand, selected via a multi-stage sampling. Data were collected with the use of a questionnaire and analyzed with a structural equation model. The research findings showed that: 1) organizational innovation and performance of the private hospitals in Thailand were all rated at a moderate level; 2) organizational innovation had a positive relationship with the performance of the private hospitals in Thailand with a .05 level of statistical significance. These findings can be used as a guideline for the private hospitals in Thailand to improve their performance so that they can gain competitive advantages which enable them to compete with other organizations at a global level. Such ability is in accordance with the strategy to develop Thailand as an international medical hub.

Key-words: Organizational Innovation/ Performance

INTRODUCTION

In the determination of a policy and strategic plan that aim to develop Thailand as an international medical hub in the region, The Thai government has assigned the Ministry of Public Health to be responsible for this by using a policy quick start and setting a goal for Thailand to be a medical hub of the world within 10 years (between 2017-2026). This policy quick start consists of 4 dimension which are: 1) being a wellness hub; 2) being a medical service hub; 3) being an academic and research hub; and 4 being a medicine and health product hub. The implementation according to the strategic plan, especially in the 2nd dimension requires reputable private hospitals as an important mechanism to drive Thailand to be the world first-rank medical hub. These private hospitals need to have long-standing reputation

and credibility so that they can attract people with high-purchasing power from other countries to use the services in Thailand. This in turn would bring a lot of foreign money to the country and can serve as a mechanism driving the country's economy and transform it from being a middle-income country to a high-income country.

However, the private hospital sector has improved and modified their management style, and has a determination to enhance the performance and quality of their organizations to meet with international standards. Therefore, they have gone through the certification process to get their hospitals accredited from the hospital accrediting agencies in Thailand and/or the Joint Commission International (JCI), an international standards used in the United States of America. Such action aims to enhance the hospital services as well as knowledge and performances of physicians and medical personnel to meet with the international standards, which in turn helps create credibility, reputation, and reliability for the hospitals. It also helps increase competitive advantages of the country. Upon realizing this, the researchers were interested to study the influences of organizational innovations on the performance of private hospitals in order to develop a management guideline that was appropriate to the context of the private hospitals and consistent to the goal of the strategy aiming to develop Thailand to be a medical service hub.

OBJECTIVE

1. To study the levels of organizational innovation, and performance of the private hospitals in Thailand; and
2. To examine the influences of organizational innovation on the performance of the private hospitals in Thailand.

METHODOLOGY

This research employed a mixed research methodology combining quantitative and qualitative methods by establishing a conceptual and theoretical framework on two main variables which are the organizational innovation (an independent variable) and the performance of organizations (a dependent variable).

RESULTS

1. The result of the analysis showed that the organizational innovation and the performance of the organizations were rated at a moderate level; and
2. The organizational innovation had a positive influence on the performance of the organizations, and had an influence efficient of .47 and a statistical significance of .05 which were consistent with the predetermined hypothesis.

Table 1 Mean, Standard Deviation, and Meaning of the Organizational Innovation and the Performance of the Private Hospitals in Thailand (n = 260)

Variables	M	SD	Meaning
1.Organizational innovation			
1.1 Organizational Structure	2.88	.82	Moderate level
1.2 Vision and Strategies	3.59	.77	High level
1.3 Motivations	3.30	.70	Moderate level

Variables	M	SD	Meaning
1.4 Learning organization	3.43	.82	Moderate level
1.5 Resources	3.15	.81	Moderate level
1.6 Organizational culture	3.29	.69	Moderate level
1.7 Creativity	3.15	.86	Moderate level
1.8 Leadership	3.33	.81	Moderate level
The average scores	3.26	.78	Moderate level
2. Performance of the organization			
2.1 Organization directing	3.20	.71	Moderate level
4.2 Customer orientation	3.13	.69	Moderate level
4.3 Employee orientation	3.15	.71	Moderate level
4.4 Process	2.87	.81	Moderate level
4.5 Financial status	3.50	.75	Moderate level
The average scores	3.17	.73	Moderate level

CONCLUSION AND DISCUSSION

The results discovered by the researcher revealed that the organizational innovation had a positive influence on the performance of the private hospitals with an influence coefficient of 0.47 and a statistical significance of .05 which were consistent with the findings of Gu'ltekin Altuntas., Faith Semereioz., & Hanife Eregez. (2013), Camiso'n, C., & Villar-Lo'pez, A. (2014), Ramo'n Vega Alejandro. (2014), Ann Cleven., Tobias Mettler., Peter Rohner., & Robert Winter.(2016). Roah D.C., Ryman, J.A. & Makani, J. (2016), and Lee, R., Lee, J.H., & Garrett. T.C. (2017).

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