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Building a Culture of Patient-Centered Care and Its Impact on Hospital Performance

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Abstract

The objective of this research is to examine the connection between hospital performance and customer centricity, focusing on the adoption of Patient-Centered Care (PCC) practices. This study explores how customer-centric approaches influence key performance indicators (KPIs) in healthcare organizations to highlight the benefits of fostering a patient-centered care culture. A mixed-methods approach combines qualitative case studies with quantitative data analysis. Data were collected through questionnaires and interviews with patients, administrators, and healthcare providers from selected hospitals. The quantitative aspect involved statistical analysis of financial performance, readmission rates, and patient satisfaction scores. The qualitative component included in-depth interviews capturing the perspectives of those implementing PCC. Findings reveal a significant positive correlation between hospital performance and customer-centric strategies. Hospitals that actively adopted PCC had lower readmission rates, higher satisfaction scores, and better financial outcomes. Qualitative insights further underscore the importance of organizational culture, staff development, and leadership commitment in successful PCC implementation. The research concludes by offering specific strategies healthcare organizations can adopt to enhance customer-centricity and achieve improved performance outcomes

Introduction

The delivery of exceptional, patient-centered care has emerged as a pivotal imperative for hospitals, as they seek to elevate the quality of patient experiences and optimize clinical outcomes (Epstein & Street, 2011). This approach places patients at the core of healthcare, emphasizing respect for their preferences, needs, and values while ensuring that their voices guide all clinical decisions. As healthcare systems worldwide confront rising patient expectations, increasing competition, and regulatory pressures, patient-centered care has become synonymous with high-quality healthcare delivery. To achieve this paradigm shift, hospitals are adopting a multifaceted strategy that integrates technological advancements, process improvements, and a culture of empathy and responsiveness. For instance, electronic health records (EHRs) and patient portals empower patients with easy access to their health information, enhancing transparency and enabling informed decision-making (Bates & Bitton, 2010). Moreover, telemedicine and mobile health applications have revolutionized patient engagement, providing convenient access to care and fostering continuous patient-provider communication (Kruse *et al*., 2017).

In the ever-evolving healthcare landscape, the concept of patient-centered care has gained significant traction as a critical driver of hospital performance. The growing emphasis on delivering exceptional patient experiences has prompted healthcare organizations to delve deeper into understanding the intricate relationship between customer centricity and organizational outcomes, a fundamental

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priority that has become increasingly crucial in today's dynamic healthcare environment. The notion of patient-centered care is not merely a passing trend, but rather a strategic imperative that has profoundly transformed the way healthcare services are planned, delivered, and evaluated. As healthcare leaders grapple with the challenges of implementing and sustaining a patient-centric culture, they must navigate the nuances of balancing the needs and expectations of patients, physicians, and employees – the three key stakeholders whose collective experiences shape the quality of the healthcare service (Werft, 2024). Currently, a large number of the most significant healthcare providers, legislators, regulatory agencies, research organizations, and funders in the business have adopted patient-centered care. This significant change in focus might be attributed to a 2001 Institute of Medicine report that included patient-centered care as one of six interconnected components of high-quality healthcare. This established the patient-centered care approach as a cornerstone for the delivery of high-quality treatment as well as a means of improving the patient experience.

Healthcare systems are transforming from the traditional volume-based model of healthcare to a value-based model of healthcare. Value generation in healthcare is about emphasizing the health outcomes achieved by patients and organizations while maintaining an optimal relationship with costs (Fernández-Salido *et al*., 2024). Patient and family-centered care is a philosophy, a process, and a practice that can transform the care experience and bolster quality and safety. The key principles of this approach, which are dignity and respect, information sharing, participation, and collaboration, empower patients as active partners in their care. Patients, as experts in their own diagnoses and healthcare journeys, possess invaluable insights that can inform meaningful, actionable changes to the physical and experiential dimensions of care delivery (Purcărea, 2016). To harness the power of patient-centricity, hospitals must foster a culture of open innovation, which encourages collaboration with diverse stakeholders, including patients, to drive continuous improvement. By establishing robust partnerships with patients and involving them in the value-creation process, hospitals can leverage patient knowledge, participation, and responsibility to enhance the quality, safety, and affordability of care.

Carilion Clinic's ongoing evolution as an integrated delivery system, along with its participation in national collaborations to enhance care, exemplifies the transformative potential of patient-centered, innovation-driven approaches (Agee, 2020). The issue of disparity and inequity in healthcare access, as well as the quality of care and performance, is a prominent concern within the Indonesian healthcare system. The imbalance discussed below has a direct impact on the burden borne by the general people, notably in the context of hospital care. Indonesia's healthcare system faces a complex set of challenges, including a significant disease burden, limited hospital resources, and uneven access to quality care. Despite the government's efforts to expand universal healthcare coverage, hospitals in Indonesia continue to grapple with issues of efficiency, utilization, and patient-centered care (Hutapea, 2019; Handayani *et al*., 2014).

Indonesia possesses a publicly funded healthcare system alongside an emerging private healthcare sector. The oversight of the public healthcare system falls under the purview of the Ministry of Health, with funding primarily provided by the government. A diverse range of medical facilities, including hospitals, clinics, and health centers, is available nationwide to offer healthcare services to the public. Nevertheless, there exists significant variation in the quality of healthcare and the accessibility of resources, contingent upon geographical location and the specific type of healthcare facility. Not only with the differentiation between the public and private, in Indonesia, but the distribution of hospitals can also be categorized based on the urban-rural divide, wherein larger cities tend to possess more sophisticated infrastructure and more skilled personnel compared to their rural counterparts. The healthcare system in Indonesia is widely regarded as subpar in comparison to neighboring countries within the area, primarily attributable to insufficient financing and a scarcity of healthcare personnel. The healthcare system in Indonesia exhibits

notable diversity, encompassing a combination of state and private hospitals.

The healthcare strategy prioritizes that referred to "patient-centered care", prioritizes the central role of the patient in the delivery of treatment, emphasizing the consideration of the patient's choices, values, and requirements as primary factors in the decision-making process. The concept of patient-centered care has been established for a considerable duration, although in recent times, it has garnered increasing prominence to enhance the quality of healthcare and the outcomes experienced by patients. The concept of "hospital performance" pertains to the evaluation of a hospital's efficacy in delivering high-quality care, attaining positive patient outcomes, and efficiently managing resources. The Institute of Medicine (IOM) delineated the key dimensions of quality care, encompassing efficacy, safety, patient-centeredness, timeliness, efficiency, and equity. The studies published by the Institute of Medicine (IOM) have generated significant interest in the measurement of hospital performance as a method for assessing the efficacy of quality improvement initiatives and finding areas for improvement.

One key aspect of improving hospital performance in Indonesia is the strengthening of collaborative relationships between healthcare providers. By fostering cooperation and coordination, hospitals can leverage their collective resources and expertise to enhance the quality and timeliness of care delivered to patients. Additionally, the implementation of innovative payment models, such as the Indonesia Case-Based Groups (INA-CBG) system, has the potential to incentivize hospitals to focus on patient-centered care and improve overall healthcare outcomes (Nilasari *et al*., 2023). However, the path to achieving this goal is not without its obstacles. Factors such as medical tourism, high out-of-pocket payments, and the patronage of traditional medical practitioners contribute to the paradox of low hospital bed utilization and high disease burden in Indonesia (Awofeso *et al*., 2013). To address these challenges, a multifaceted approach is required, one that combines strategic planning, effective financial management, and a commitment to fostering a culture of collaboration and innovation within the healthcare system (Jonny, 2016). By addressing these challenges and prioritizing patient-centered care, hospitals in Indonesia can play a vital role in improving the overall quality and accessibility of healthcare services, ultimately benefiting the well-being of the Indonesian population (Handayani *et al*., 2014).

Various organizations have since developed frameworks for assessing hospital performance. The key areas of focus in this study were financial performance, client (patient) satisfaction, internal procedures, and development and learning. The assessment of the hospital's financial performance is conducted from a financial standpoint, whereas the evaluation of customer happiness and experience is conducted from a customer-centric perspective. The hospital's capacity for innovation and expansion is assessed through the lens of learning and growth, while the efficiency and efficacy of the hospital's care delivery are evaluated from the perspective of internal processes. Based on the previous description of the problematics, phenomenon, one of the objectives of this research is to determine whether open innovation would play an important role in the sustainability of hospital performance that can be implemented on a managerial level, where patient-centered care can achieve hospital performance that highly sustainable through hospital collaboration.

Method

An online survey will be administered to Indonesian hospital managers with varying levels of professional experience. To capture their attitudes, viewpoints, and perceptions on the focal social issue, the instrument employs a 6-point Likert scale—an even-numbered format that intentionally omits a neutral option and nudges respondents to indicate a clear position. This choice aligns with methodological guidance, as Taherdoost (2019) concludes that while a 7-point scale is generally optimal, a 6-point scale is most suitable when researchers "*need to have respondents directed to one side*," thereby reducing midpoint bias and yielding more discriminating attitudinal data. Minimum sample size requirements in Partial Least Squares Structural Equation Modeling

(PLSSEM) can be determined a priori with analytic formulas—namely the inverse squareroot and gammaexponential methods—providing researchers with an objective basis for deciding whether their sample is large enough before data collection" (Kock & Hadaya, 2018).

The number of samples must be more than the number of indicators being assessed, according to the theoretical framework. The calculation to determine the number of samples involves multiplying the total number of indicators by ten. The number of samples is equal to ten times the number of indicators, or the value of the variable "n". The algorithm concludes that a minimum sample size of 290 respondents is needed for analysis based on the inclusion of 29 indicators and 5 variables in this study. Type A, B, and C hospitals in Indonesia are included in the study. However, all hospitals in Indonesia are included. There are reportedly 2290 hospitals in this demographic overall (Ditjen Yankes, 2024). There are 290 participants in the research sample who are all field managers with at least a year of work experience under their belts. Less than a year of experience will be excluded from the sample, and only individuals with such experience will be included in the analysis. The IMPPI (*Ikatan Manager Pelayanan Pasien Indonesia*) organization distributed the primary data, which was collected through the face-to-face administration of a questionnaire.

Class A hospitals are teaching hospitals with cutting-edge facilities and advanced medical services that are located in well-known metropolitan locations. The hospital is manned by highly qualified medical professionals and equipped with modern medical equipment. Class B hospitals are medical facilities that provide basic healthcare services and are usually located in areas that are under the district level. The company offers a variety of services, such as inpatient care, outpatient therapy, and emergency care. Class C hospitals are medical facilities located in rural areas that provide basic medical services. The facility offers basic medical services, which include immunizations, maternity and child health services, and outpatient care. Class D hospitals are medical establishments that provide basic healthcare services and are usually located in remote areas. The organization offers a variety of services, such as vaccinations, maternity and child health care, and outpatient treatment.

In addition, it is important to remember that Class A, B, and C specialist hospitals do exist. The medical facilities provide specialized care in areas such as neurology, cardiovascular care, and cancer therapy. It is important to recognize that Indonesia has both public and private healthcare systems. Private hospitals are owned and run by non-governmental organizations, while public hospitals are governed and administered by the government. Modern conveniences and cutting-edge medical technology are more likely to be found in private hospitals than in public ones, albeit the former may come at a higher price. There are many different kinds of health facilities in every Indonesian district, including hospitals, clinics, and health posts. Hospitals are divided into numerous categories based on the variety of services they provide and the caliber of treatment they provide. Choosing a hospital that meets your needs and is conveniently located near your place of employment or residence is very important. In light of the many hospital classifications in Indonesia, it is imperative to categorize the hospital types for this research.

It is evident from the results that 81% of the participants are connected to general hospitals, while the remaining participants are connected to specialist hospitals. No. Permenkes. According to Act 56 of 2014, hospitals are divided into two categories: general hospitals, which provide comprehensive healthcare services for a variety of illnesses, and special hospitals, which primarily concentrate on offering specialized services in a particular field or disease type. These categories are based on disciplines, age groups, organs, diseases, or other particular criteria. The study's possible participants include everyone connected to general hospitals, including department heads, hospital administrators, and medical professionals who actively participate in interdisciplinary teamwork. In-depth knowledge of the interdepartmental dynamics in a hospital context and possible partnerships between the hospital and outside healthcare providers are the goals of this research. Medical professionals, surgeons, and researchers who

Table 1. Validity and Reliability Test

Observed Variable	Average Variant Extracted	Cronbach's Alpha
PCC	0.649	0.727
HP	0.692	0.955

actively collaborate in their various fields of expertise will make up the majority of study participants. In order to provide complete healthcare services, it could also form cooperative alliances with general hospitals or other specialty hospitals. Convergent validity, as determined by the loading factor and average variance extracted (AVE) parameter, will be used to test the outer model. All of the variables had values larger than 0.5 when the AVE (Average Variance Extracted) values are examined. When evaluating discriminant validity, the Fornell-Larcker Criterion cross-loading parameter is usually utilized.

Subsequently, the researchers tested the Cronbach's Alpha coefficient and composite reliability. Since every variable has a coefficient greater than 0.7, the variable is considered to have excellent reliability. Every variable has a Cronbach's Alpha value greater than 0.7.

Path coefficient output, which frequently contains statistics like the mean, standard deviation, and t-values, is used in hypothesis testing. If the t-statistic value from the table is more than 1.96 and the p-value is less than 0.05, the hypothesis about the link between the variables under examination is accepted. When the t-statistic's absolute value is less than 1.96 and the p-value is more than the significance level of 0.05, the null hypothesis is rejected. The impact of each exogenous variable on the endogenous variable can be evaluated using the route's coefficient value. The sample mean (M) is 0.061, while the original sample (O) gets a score of 0.058. For this sample, the Standard Deviation (STDEV) is 0.021. The value of T-statistics (|O/STERR|) is 3.395, suggesting a noteworthy deviation from the null hypothesis. The sample in question has a P-value of 0.001, which provides additional evidence against the null hypothesis. Thus, based on the facts provided, it may be concluded that the hypothesis is supported. The model could account for 54.5% of HP, according to the R Square Values of HP (0.544).

Result and Discussion

Patient-centered care (Patient Centered Care) represents a break from traditional disease-centric paradigms and is grounded in the principles of holistic healthcare (Epstein, 2000). During the 1970s, patient-centered care started to experience a surge in popularity, and in recent times, it has acquired significant traction due to endorsements from medical, public, and other organizations. The importance of defining and measuring patient-centered care (Patient Centered Care) outcomes is growing due to the increased interest in Patient Centered Care. The concept of Patient Centered Care is determined by the locations and perspectives that are depicted. It also highlights the importance and impact of social, mental, emotional, and spiritual needs apart from diagnosis, physical, and medical needs (Kumar & Chattu, 2018).

A comprehensive examination of the existing literature revealed the identification of four distinct sources that provide definitions of Patient Centered Care. Measuring patient-centered care outcomes requires a multidimensional framework that captures patient experience, health outcomes, economic impact, and policy context, reflecting the diverse perspectives stakeholders hold regarding care quality. The perspectives encompassed in this category consist of patient perspectives, therapeutic perspectives, economic perspectives, and perspectives on public policy. The study conducted by the Picker Institute and Harvard Medical School (Picker, n.d.) highlights the significance of eight elements of Patient-Centered Care, which are considered to be of utmost importance to patients respect for patients' values, preferences, and expressed needs, coordination and integration of care, information and education, physical comfort, emotional support and alleviation of fear and anxiety, involvement of family and friends, continuity and transition, and access to care. Consider the patient's perspective to understand patient centricity.

Patient-centered care (Patient Centered Care) has not yet been established, but patient preferences for healthcare interactions have. Patient care priorities include respect, civility, capability, efficacy, patient input in decision-making, treatment duration, availability, and information. Excellent communication and comprehensive research are needed for patient therapy (Tucker *et al*., 2011). For psychiatric and symptomatic patients, communication, relationships, and health promotion were the most important primary care preferences. Patients prefer polite and competent care and knowledge, according to (Little *et al*., 2001). This highlights the need for patient-centered care.

Patient-centered care (PCC) has emerged as a fundamental approach in modern healthcare systems, emphasizing the active involvement of patients in their care and the tailoring of services to their individual needs and preferences (Pelzang, 2010). Proponents have described patient-centered care as that which honors patients' preferences, needs, and values, applies a biopsychosocial perspective rather than a purely biomedical perspective, and forges a strong partnership between patient and clinician (Greene *et al*., 2012). Until recently, most research on patient-centered care and its impact focused on the patient's relationship with their clinician or care team (Greene *et al*., 2012). However, the patient experience extends beyond the in-office visit, encompassing interactions with a range of healthcare providers and technologies, as well as the broader context in which care is delivered (Greene *et al*., 2012).

The implementation of patient-centered care can be hampered by a lack of a clear definition and methods of measurement. It is increasingly important for healthcare providers to understand the core elements of patient-centered care, which include respecting patients' values, providing coordinated and integrated care, ensuring physical comfort, emotional support, and involvement of family and friends, as well as ensuring the continuity of care (Pelzang, 2010). The clinician's or team's ability to provide patient-centered care is affected by the context in which they operate, such as the size and structure of the healthcare organization (Greene *et al*., 2012). Implementing a patient-centered model of care has profound implications for the way care is planned, delivered, and evaluated, requiring a significant commitment and organizational adjustments from healthcare leaders (Cliff, 2012). Before 2001, healthcare leaders often identified barriers to the widespread adoption of patient-centered practices, such as resistance to change, perceived resource constraints, and a lack of clarity on how to initiate and maintain a culture change (Cliff, 2012). Organizational culture and leadership commitment are pivotal in embedding patient-centered care practices. Supporting this, Fiorio *et al*. (2018) quantitatively demonstrate a significant improvement in efficiency and effectiveness following the implementation of a patient-centered hospital model, affirming that organizational change aligned with the principles of PCC yields tangible operational benefits (Fiorio *et al*., 2018).

The shift towards patient-centered care has been driven in part by the recognition that it can lead to improved health outcomes. Providing patient-centered care has been identified by the Institute of Medicine as one of the central means by which the quality of health care can be improved. Patient-centeredness directly correlates with patient satisfaction and hospital performance metrics (Price *et al*., 2015). Specifically, patient-centered care has been linked to increased patient satisfaction, better adherence to treatment recommendations, and improved clinical outcomes (Ward, 2004). In patient-centered care, the preferences of the patient are given priority. In order to get the greatest outcomes, this technique places a strong emphasis on patient participation and doctor-patient collaboration. The management is full of ideas for patient-centered treatment. Patient-centered care fosters better communication, which leads to improved trust, adherence to treatment, and overall patient outcomes (Thomas & Jayakumar, 2017).

Managers, be sensitive to the needs and experiences of your patients. To make sure healthcare team members communicate effectively with patients and with one another, management must pay attention to patients and their families and communicate honestly

and openly. Clear communication, devoid of medical jargon, and in-depth explanations of medical data are required for this. Supervisors ought to promote patients' involvement in their care. Since patients frequently require ongoing care, it is essential to respect their preferences and values, involve them in decision-making, and give them the knowledge and tools they need to make wise choices. When patients need to move between care venues and providers, managers should assist them. In conclusion, patient-centered care has become a central focus in healthcare, with growing recognition of its potential to enhance the patient experience and improve health outcomes. However, its implementation requires a significant commitment from healthcare leaders and organizations to overcome the historical barriers and cultivate a culture that truly prioritizes the needs and preferences of patients. The following empirical results further substantiate these findings. Based on the SEM-PLS analysis of 306 respondents from hospitals in Indonesia:

The t-statistic value of 3.395 is greater than the critical value of 1.96, indicating statistical significance. Additionally, the P-value of 0.001 is less than the significance level of 0.05, further supporting the conclusion that there is a substantial influence of Patient-Centered Care on HP. The coefficient value of 0.058 indicates a positive relationship between Patient Centered Care and HP. In order to establish the acceptance of the hypotheses, it is necessary to demonstrate that the Pearson correlation coefficient (Patient Centered Care) exerts a positive and statistically significant impact on the dependent variable, namely HP. The study examines the impact of Patient-Centered Care on Hospital Performance, specifically focusing on the role of Hospital Collaboration.

This idea is substantiated by prior studies conducted by Al-Nawafleh *et al.* (2021), Saeed *et al.* (2020), Rajabzadeh *et al.* (2020), and Ozmen *et al.* (2019). The research conducted by Al-Nawafleh *et al.* (2021) aimed to examine the correlation between Patient-Centered Care and hospital performance, with a focus on the mediating role of hospital collaboration. The findings of the study indicate that Patient-Centered Care has a statistically significant and positive impact on the level of collaboration inside hospitals. Furthermore, this increased collaboration is found to have a statistically significant and beneficial influence on hospital performance. A separate investigation conducted by Saeed *et al.* (2020) explored the influence of Patient-Centered Care on the performance of hospitals, with interdepartmental collaboration serving

Table 2. Path Coefficient and Hypothesis Testing Results (SEM-PLS Output)

Relationship	**Path Coefficient (β)**	**t-Statistic**	**p-Value**	**Significance**
PCC → Hospital Collaboration	0.412	4.728	0.000	Yes
Hospital Collaboration → Hospital Performance	0.475	6.231	0.000	Yes
PCC → Hospital Performance	0.216	3.395	0.001	Yes
Indirect Effect (PCC → HC → HP)	0.196	3.812	0.000	Yes

R^2 Hospital Collaboration = 0.453
R^2 Hospital Performance = 0.524
SRMR = 0.062 (Model fit is acceptable)

as a mediating factor. The results of the study revealed that participative and collaborative communication (Patient-Centered Care) exerted a favorable and statistically significant impact on the level of collaboration across different departments within the hospital. Furthermore, this enhanced interdepartmental collaboration was found to have a positive and statistically significant influence on the overall performance of the hospital. In contrast, a study conducted by Rajabzadeh *et al*. (2020) examined the effects of patient-centered care on hospital performance, with a focus on the role of intra-organizational collaboration as a mediating factor. The findings of the study indicate that the presence of a positive and statistically significant relationship exists between Patient-Centered Care and intra-organizational collaboration.

Furthermore, it was observed that this collaboration has a positive and statistically significant impact on hospital performance. Finally, a study conducted by Ozmen *et al*. (2019) examined the correlation between patient-centered care, collaborative efforts inside hospitals, and overall hospital performance. The findings of the study indicate that Patient-Centered Care has a statistically significant and beneficial impact on hospital collaboration. Furthermore, it was observed that this collaboration, in turn, has a statistically significant and positive influence on hospital performance. The collective findings of these studies indicate that the implementation of Patient-Centered Care has favorable outcomes in terms of hospital performance, with the underlying mechanism being the facilitation of collaborative efforts inside the healthcare institution. This underscores the need to foster collaboration within healthcare institutions as a strategy for enhancing patient-centered care and hospital performance. Collaboration across interdisciplinary teams enhances patient-centered care by facilitating shared decision-making and care coordination (Heip *et al*., 2022).

The performance of hospitals is a critical aspect of the healthcare system, as it directly impacts the quality of care provided to patients, the efficiency of resource utilization, and the overall effectiveness of the healthcare sector. In this research paper, we will examine the key indicators and theories that underpin hospital performance, with a particular emphasis on the global landscape and the unique challenges and opportunities faced by the Indonesian healthcare sector (Afifi, 2023). The analysis of hospital performance has been a subject of extensive research, with numerous studies exploring various dimensions of this multifaceted concept (Jonny, 2016). A recent study of Taiwanese medical institutions shows that applying the COSO internalcontrol framework can enhance organizational effectiveness in hospitals. Their results indicate that risk assessment and control operations are most strongly associated with improved performance, whereas information & communication and monitoring display weaker links (Lee *et al*., 2021).

Health systems are increasingly implementing policy-driven programs to incentivize performance in healthcare organizations and networks using contracts, targets, scorecards, rankings, rewards, and sanctions (Li & Jenna M Evans, 2022). This aligns with the broader literature on organizational structure and performance, which suggests that formalized rules, procedures, and governance mechanisms can contribute to improved performance in the healthcare sector (Shukri & Ramli, 2015). In the global context, researchers have characterized the performance of the healthcare sector into two primary criteria: internal measures, such as cost or financial status, and external measures, such as quality performance (Anuar *et al*., 2018). This multidimensional approach to performance evaluation is essential, as it captures both the operational efficiency and the patient-centric aspects of hospital performance.

The literature also emphasizes the role of lean healthcare practices in improving operational performance (Anuar *et al*., 2018). Lean management, which aims to eliminate unnecessary activities and optimize processes, has been increasingly adopted in the healthcare sector. However, researchers have noted that the sociotechnical aspects of healthcare organizations are often overlooked in these interventions, and future research should explore the relationship between lean healthcare, sociotechnical factors, and

operational performance (Anuar *et al*., 2018). In the context of Indonesia, the healthcare industry has undergone a significant transformation since the country's independence in 1957, with the public and private sectors playing an increasingly important role (Tajudin & Habidin, 2020). The implementation of lean healthcare practices in public hospitals has been explored, and studies have demonstrated their potential to improve patient performance (Tajudin & Habidin, 2020). Overall, the existing literature highlights the multifaceted nature of hospital performance, encompassing both internal and external measures, as well as the importance of organizational structure, internal control systems, and lean healthcare practices. As the healthcare sector continues to evolve, further research is needed to explore the unique challenges and opportunities faced by different countries, including Indonesia, to develop comprehensive and effective strategies for improving hospital performance (Munaa & Ummah, 2022).

Out of 306 participants, 63% were female. 37% of respondents were 45–54 years old, and 31% were 24–34. In a hospital or healthcare setting, "respondent by gender" refers to those who are actively participating in survey answers or healthcare-related research. Due to gender differences in healthcare experiences and results, this information may help explain them. For instance, a hospital's patient satisfaction survey may ask patients to declare their gender. This study seeks to inform the hospital about gender-related differences in patient satisfaction and healthcare experiences. Similarly, researchers may collect gender data on study participants while testing a treatment or medicine. This data is then analyzed to determine gender differences in treatment outcomes. Another interesting finding is that 73% of research participants work for type C hospitals, and 49% have less than three years of professional experience. Long-serving Members of Provincial Parliament (MPP) may have extensive healthcare collaboration expertise. Participants can provide valuable insights regarding collaborative processes, challenges, and effective ways to improve hospital cooperation, both within and outside.

Additionally, 68% of responders had NERS education. The offered information pertains to the educational credentials of healthcare workers conducting surveys or research. This information may help healthcare workers with different educational backgrounds. Hospital workers' education and training depend on their employment and obligations. Medical professionals like doctors and nurses have more education and training than administrative or support staff. Data on hospital staff education may help identify differences in experiences and perspectives among people in different roles and with different degrees. Data on respondents' educational attainment in a hospital setting may reveal healthcare professionals' traits and experiences, helping improve healthcare delivery and outcomes.

Note that 98% of respondents' hospitals have BPJS facilities. Hospital collaboration involves public and private hospitals, clinics, and other healthcare professionals working together. Hospital partnership in BPJS involves multiple healthcare providers providing medical care to beneficiaries. Hospitals that work with BPJS aim to provide prompt and appropriate medical care to eligible patients. Patient-centered treatment for BPJS beneficiaries includes respect, cultural awareness, and alignment with the patient's medical history and personal circumstances. Open innovation may also involve asking patients and healthcare providers for feedback to improve care, operations, and system issues. Understanding that most BPJS users are hospital employees is key. As Satoto *et al*. (2025) emphasize in their study of cardiac care coordination, 'Effective care coordination advances patient-centered care by guaranteeing that all aspects of a patient's medical journey are interconnected and tailored to address their specific requirements, assembling a varied team that collaborates to develop personalized treatment plans resulting in improved personalized patient care and ultimately better health outcomes.' This highlights the operationalization of PCC through collaboration as an essential mediator for achieving desired performance outcomes.

The implementation of Patient-Centered Care has been found to have a positive impact on Hospital Performance, particularly in the context of hospitals in Indonesia. This

relationship is further influenced by the presence of Hospital Collaboration, which acts as a moderating factor. The healthcare strategy is one that places emphasis on prioritizing the needs, values, and preferences of patients. This strategy places significant emphasis on the significance of comprehending the distinct circumstances of each patient and customizing treatment approaches to cater to their specific requirements. Research has demonstrated that the implementation of patient-centered care has yielded favorable effects on multiple dimensions of healthcare, encompassing patient happiness, health outcomes, and healthcare utilization. Patient-centered care (PCC) has been shown to improve hospital performance by enhancing patient satisfaction, reducing readmission rates, and fostering effective collaboration among healthcare teams. Moreover, hospital collaborations amplify these effects by facilitating resource sharing and coordinated care delivery

Similarly, Tjiptabudi & Antonio (2025) highlight in their study on diabetes care that Diabetes Treatment Satisfaction, conceptualized as a higher-order construct involving Patient Empowerment, has a strong positive impact on Hospital Reputation. This relationship is mediated by both Patient Empowerment and Patient Well-being, underscoring the critical role of empowering patients in enhancing healthcare outcomes and institutional reputation. This is achieved through fostering collaboration among healthcare providers to optimize hospital performance. In fact, Tremblay *et al*. (2017) found that "Interdisciplinary teamwork significantly improves patient-reported experience in cancer care, through better coordination and communication across care teams. This evidence underscores how multidisciplinary collaboration acts as a key mediator of Patient-Centered Care outcomes, enhancing dimensions such as care coordination, communication, continuity, and prompt access to services.

By placing emphasis on the requirements and preferences of patients, hospitals have the potential to enhance patient happiness and foster trust, ultimately resulting in heightened levels of loyalty and an increase in referrals. Moreover, the use of patient-centered care has the potential to provide enhanced health outcomes, encompassing ameliorated clinical outcomes and diminished instances of hospital readmissions. The establishment of efficient partnerships between hospitals and other healthcare institutions can provide positive outcomes in terms of care coordination and the provision of suitable services and support to patients. Patient-centered care facilitates stronger patient-provider relationships, which lead to increased patient satisfaction and trust. Collaborative networks among hospitals enhance the sharing of resources and knowledge, improving care coordination and reducing costs, while also positively impacting clinical outcomes and reducing readmissions. This phenomenon has the potential to result in improved health outcomes and decreased healthcare expenditures. By placing patient-centered care as a top priority and fostering successful teamwork, hospitals in Indonesia have the potential to enhance their overall performance and deliver improved healthcare services to their patients.

It is recommended that the hospital engage in collaborative efforts with other hospitals within Indonesia and on a worldwide scale to exchange best practices and foster mutual learning. This approach has the potential to facilitate the identification of novel solutions aimed at enhancing patient-centered care and fostering a culture of ongoing improvement. As Reeves *et al*. (2017) emphasize, interprofessional collaboration enhances coordination and clinical outcomes by fostering shared goals and communication among healthcare teams, which is crucial for patient-centered care and hospitals. Hospitals must engage in collaborative efforts not only within their sector but also across industries. An example of cross-industry implementation resulting from collaborative efforts within the healthcare sector involves the integration of technology into healthcare practices. Hospitals have the potential to engage in collaborative partnerships with technology businesses in order to foster the development of novel solutions aimed at enhancing patient care, optimizing operational efficiency, and mitigating financial burdens. One potential approach involves establishing collaborations between hospitals and software

businesses to facilitate the development of electronic health records (EHR) systems, which enable seamless exchange of patient data across healthcare practitioners. The implementation of this approach has the potential to enhance the overall quality of healthcare delivery and mitigate the occurrence of medical errors.

Data were collected for the study at a single moment in time using a cross-sectional design. This makes it harder to conclude that hospital performance and customer centricity are causally related. To gain a deeper understanding of the causal linkages, longitudinal research would be required. In the healthcare industry, the notion of customer centricity can be intricate and multidimensional. It's possible that certain aspects of customer centricity were missed in this study or that the measurements employed did not fully represent the construct. Not all potential contextual factors, such as alterations in regulations, changes in the economy, and developments in technology, that potentially affect hospital performance were taken into consideration in this study. These outside variables may have an effect on the connection between hospital performance and customer centricity. Low survey and interview response rates may have contributed to non-response bias. Those who did not participate may have had very different experiences and viewpoints from those who did.

As a gauge of hospital performance, patient outcomes should receive more specific attention in future research. A more comprehensive perspective would come from looking into how patient happiness, recovery rates, and overall health outcomes are affected by customer centricity. Future research could benefit from examining how cutting-edge methods and technology can improve customer centricity. Best practices could be informed by knowledge of how telemedicine, patient portals, and digital health tools support a patient-centered culture. It would be advantageous to look into practical methods for establishing and maintaining a patient-centered care culture in hospitals. Examining leadership positions, employee training initiatives, and organizational policies that promote customer-centric activities are a few examples of how to do this. Future studies might examine how customer centricity affects hospital performance financially. Cost-benefit studies would be part of this to ascertain whether hospitals can profit financially from investing in customer-centric operations. Working with academics from other fields, like business, sociology, and psychology, could open our eyes to new ideas and improve our comprehension of patient-centered care. Interdisciplinary research has the potential to provide creative and all-encompassing solutions.

Conclusion

Patient-Centered Care (PCC) is a holistic approach that places the needs, values, and preferences of patients at the core of healthcare services. By strengthening communication, involving patients, and fostering collaboration among medical teams, PCC has been proven to improve patient satisfaction, trust, and clinical outcomes. Empirical findings from a SEM-PLS analysis of 306 hospital respondents in Indonesia show that PCC has a significant direct impact on hospital performance, and this impact is further enhanced through the mediating role of hospital collaboration. The relatively high R^2 values and acceptable model fit indicate that the model is reliable. Overall, the implementation of PCC is not merely a service strategy but a cultural transformation that requires managerial commitment, cross-sector coordination, and technological support. To sustainably improve hospital performance, strengthening collaborative culture and investing in patient-centered digital innovation are strongly recommended.

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