#### **CHAPTER I**

#### **INTRODUCTION**

# A. Background of The Study

The hospital is a place where we can be treated by medical personnel who can make us recover from illness. Without we realize that the hospital is like a company that has a working structure for smooth operation. The hospital must have a plan, strategy or even an effective organization to achieve the desired goal. All is not separated by the hospitals themselves look good in the eyes of patients seeking or surrounding communities, will be established by planning, strategy or even an effective organization in the interests of the hospital itself or interest among the general (patient or society).

In the current era of globalization, an organization will face considerable competition rapidly, one of which is the hospital. Organization formed will undergo a period that is expected to improve the performance of employees as well as the structure of the organization itself. To achieve these objectives a hospital combines its resources with an effective and efficient management system and is able to support the operation of this sustainable organization constantly. In improving the effectiveness of an organization or hospital requires management functions include planning, organizing, directing, and controlling.

According to Barnard (1968: 56) effectiveness is the ultimate objective of cooperative action, is important, it is equally important to satisfy individual motives as well. Although effectiveness of cooperative effort relates to the accomplishment of an objective of the system and is determined with a view to the system's requirements, efficiency relates to the satisfaction of individual motives.

According to Bryson (1994: 95) strategic planning is a management tool. Strategic planning purpose is used to help an organisation to do a better job-to focus its energy, to ensure that members of the organisation are working toward the same goals, to assess and adjust the organisation's direction in response to a changing environment. Strategic planning function is a disciplined effort to produce fundamental decisions and actions that shape and guide what an organisation is, what it does, and why it does it, with a focus on the future.

Organizational performance is a surprisingly open question with few studies using consistent definitions and measures Kirby in Pierre J. Richard (2005:1). According to Organizational performance encompasses three specific areas of firm outcomes: (1) financial performance (profits, return on assets, return on investment, etc.); (2) market performance (sales, market share, etc.); and (3) shareholder return (total shareholder return, economic value added, etc.).

There is a hospital in Solo Orthopaedic specialist which became a national referral since 2002 of Orthopaedic Hospital (RSO) Prof.Dr.R.Soeharso Surakarta. Hospital founded by a national figure, Dr. Soeharso assisted Gen. Gatot Subroto in 1945 to handle a variety of complaints about bone diseases through the provision of artificial limbs for people with disabilities. One spine surgeon who is very popular in city of Solo, dr. Tunjung Sulaksono Sp. BO is also practice in this hospital, which is located at Jl. A. Yani 269 Pabelan Solo. In addition to providing service disability issues, RSO. Prof. Dr. Soeharso also handles mental rehabilitation from disabilities, especially for people with accident or amputation. Shame and despair due to disabilities that sometimes plague the minds of the patient should be scrapped so that he or she can return to normal life and socialize in the community.

In addition, the hospital is in development to provide the best service for the survival of a patient in achieving recovery. Orthopaedic Hospital Surakarta is very instrumental in the healing of bone disease, and this has been proven since the last 63 years. In the success of a hospital, there is definitely a good organizational strategy always. So the researchers wanted to examine the strategic planning for organizational performance or plan in the orthopedic hospital in order to achieve success. For these reasons the researchers made a study entitled "EFFECT OF AN **EFFECTIVE** STRATEGIC PLANNING **FOR** ORGANIZATIONAL **PERFORMANCE** OF PROF.DR.R. **SOEHARSO** OF ORTHOPAEDIC OF SURAKARTA".

#### B. Limitation and Formulation of Problems

1. Problem Statement/Formulation of Problems

Problem statement/formulation of problems in this study includes:

- a. What are the influences on an effective strategic planning?
- b. How does the strategic planning influence the performance of an Organization?
- c. The positive influences of effective organizational performance indirectly through strategic planning?

#### d. Limitation of Problems

Limitation of the study meant that the discussion of issues not deviate or evolve into other problems. Limitations in this case study include:

- a. Strategic plan is expected to be effective as a focus variable that can improve hospital services.
- b. In organizational performance, the strategic plans that can effectively determine the future development of the hospital.

## C. Benefits and Objective of the Study/Research

1. Objective of the Study/Research

The purpose of the study is dealing with the problem statement above, are as follows:

 a. To analyze influence effective on strategic planning at the Orthopaedic Hospital of Prof.Dr.R.Soeharso of Surakarta.

- b. To analyze the influence of strategic planning on the performance of the organization at the Orthopaedic Hospital of Prof.Dr.R.Soeharso of Surakarta.
- c. To analyze the effective influence on strategic planning indirectly through organizational performance at the Orthopaedic Hospital of Prof. Dr. R. Soeharso of Surakarta.

## 2. Benefit of the Study/Research

This study is intended to provide benefits such as:

### a. Theoretical Benefit

- For scholars, can be used as a reference as well as enriching the knowledge to implement the concept which has gained from the college.
- 2) To give some informations which can be used by other researcher?

### b. Practical Benefit

- 1) For researchers, provide a basic for further research on effective strategic planning with organizational performance.
- For getting understanding about effective strategic planning with organizational performance in PROF.DR.R. SOEHARSO of Orthopaedic of Surakarta.