



The Role of Boundary Spanning Strategy in Mediating the Improvement of Organizational Performance: A Study on the Indonesian Ministry of Health Hospital

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Abstract

Purpose - This study aims to analyze the role of Boundary Spanning Strategy in mediating the influence of Organizational Culture, Strategic Leadership, and Job Satisfaction on Organizational Performance within the context of a study conducted at Ministry of Health hospitals in Indonesia. These hospitals are characterized by resource-intensive operations, substantial capital, advanced technology, detailed procedures, and complex challenges. Additionally, strict regulations, silo culture, and bureaucratic complexity often hinder innovation and managerial effectiveness.

Methodology - This study adopts a quantitative approach using a non-random purposive sampling technique with a cross-sectional or one-shot design. Data were collected through an online questionnaire distributed to top- and middle-level managers across 37 Ministry of Health hospitals throughout Indonesia. A total of 320 responses were collected and analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS version 3 software.

Findings - The results indicate that Boundary Spanning Strategy fully mediates the influence of Strategic Leadership on Organizational Performance and partially mediates the influence of Organizational Culture on Organizational Performance. Meanwhile, although Job Satisfaction has a direct influence on Organizational Performance, its indirect effect through Boundary Spanning Strategy is not significant, indicating the absence of mediation.

Implications - The theoretical implication of this research is to extend the understanding of organizational theories, particularly Resource-Based View and Organizational Behavior Theory, by emphasizing the critical role of boundary-spanning strategies in enhancing organizational performance. Practically, the findings offer guidance for hospital managers to strengthen boundary-spanning competencies, prevent silo culture, and foster cross-unit collaboration within the organization. Furthermore, this study underscores the importance of regulatory support to encourage boundary-spanning behaviors in the healthcare sector.

Research Limitations - The limitations of this study include the use of a single quantitative approach and a cross-sectional design, which restrict the understanding of the dynamic relationships between variables over time. Therefore, future research is recommended to employ a mixed-methods approach with a longitudinal design to gain a more comprehensive insight into the studied phenomenon.

Keywords: Organizational Performance, Boundary Spanning Strategy, Organizational Culture, Strategic Leadership, Job Satisfaction.

1. Introduction

As the world continues to evolve in the era of globalization, public demand for high-quality healthcare services has significantly increased (Kemenkes RI, 2022; Wijaya, 2021). At present, the negative public perception of government hospitals undeniably reflects the suboptimal performance of hospital management in Indonesia. Concerns about inadequate service quality (Masitoh & Irawan, 2019), lack of patient comfort (Deloitte, 2021), and doubts regarding the competence of medical personnel in government hospitals contribute to public distrust. Additionally, negative personal experiences or unfavorable media coverage further influence public confidence in the capabilities of healthcare professionals in government hospitals (Syarifah, 2024; Wijaya, 2021). Several factors driving Indonesians to seek medical treatment abroad include trust issues, hospital reputation, past negative experiences, quality of care, availability of specialized services, and treatment costs (Abdullah, 2020; Deloitte, 2021; Effiana, 2023).

These challenges align with the increasing public expectations as consumers regarding healthcare service quality, the pressure to adopt the latest medical technologies, and the need to optimize resource management. Additionally, changes in national health policies and new regulations add layers of complexity that the Ministry of Health hospitals

in Indonesia must navigate. Successfully managing these challenges relies heavily on the hospitals' ability to adapt swiftly and effectively to a dynamic and evolving environment (Dewi, 2020; Kemenkes RI, 2022; World Health Organization, 2023).

As part of efforts to enhance hospital performance, the government has implemented hospital governance transformation through a lean management approach. This includes granting hospitals greater flexibility in managing their budgets and operations under Government Regulation No. 23 of 2005 on Public Service Agencies (*Badan Layanan Umum/BLU*). Additionally, organizational governance structure reforms (*Struktur Organisasi Tata Kelola/SOTK*) based on Minister of Health Regulation No. 26/2022 and Ministerial Decree KMK HK.01.07/2023 have adopted a more flexible team-based model. However, these changes have not yet fully established an agile organization (Permenkes 26/2022; KMK HK.01.07/2023; Ditjen Yankes, 2022; Mekarsari & Ayuningtyas, 2023). Furthermore, the establishment of *Champion Teams*, which serve as communicators, mediators, drivers, and problem-solvers in addressing bureaucratic reform and healthcare transformation challenges (Kemenkes, 2022), has been introduced. Additionally, workplace culture changes inspired by the Change Management Model developed by Dr. John P. Kotter of Harvard Business School have been implemented to create a more efficient, innovative, and responsive organization that better meets public needs (Kemenkes, 2024; Kotter, 1995).

From the perspective of the Resource-Based View (RBV), improving organizational performance in hospitals relies heavily on the optimal utilization of internal resources. Key factors such as organizational culture, job satisfaction, strategic leadership, and boundary spanning strategy play a crucial role in fostering an environment conducive to innovation and healthcare service efficiency (Barney, 1991; Fitri Handayani & Hasan Basri, 2019). To achieve optimal performance, hospitals must adopt adaptive, innovative management strategies that focus on developing existing resources (Jha & Audera-Lopez, 2013; Kumar, 2022; Smith, 2023).

In the context of Ministry of Health hospitals, which are large, complex, capital-intensive, technology-driven, heavily regulated, and face numerous challenges, *silo behavior*—where units or divisions operate independently with little synergy—poses a significant barrier to enhancing information flow and coordination across departments. This lack of integration hinders hospitals from responding swiftly and effectively to internal and external environmental changes while also limiting opportunities for innovation and service improvement (Lee & Lee, 2024; Shah & Dastoor, 2023). Thus, boundary spanning strategy is believed to serve as a critical mediator that strengthens the relationship between organizational culture, job satisfaction, and strategic leadership in improving organizational performance (Yuan et al., 2023; Zhang & Liu, 2022).

Several previous studies have highlighted the significant influence of organizational culture, job satisfaction, strategic leadership, and boundary spanning strategy on organizational performance. However, notable research gaps remain, particularly the limited number of studies that examine these antecedent factors in an integrated manner. Additionally, few researchers have focused on the role of boundary spanning strategy as a mediator in enhancing organizational performance.

In response to these gaps, this study explores *"The Role of Boundary Spanning Strategy in Mediating the Improvement of Organizational Performance: A Study on Ministry of Health Hospitals in Indonesia."* By developing a comprehensive understanding of these variables in an integrated framework, this research aims to contribute to theoretical advancement and practical implications. Specifically, it seeks to help Ministry of Health hospitals formulate and implement more effective strategies to enhance performance, navigate external challenges, and deliver high-quality healthcare services to the public.

2. Literature Review

2.1. Theoretical Foundations

The theoretical framework of this study integrates grand, middle-range, and applied theories, along with contemporary phenomena (McGregor, 1960; Merton, 1968; Ranjbar, 2020; McAuley & Kelly, 2020). In the context of Indonesian Ministry of Health hospitals, this study examines applied theories related to antecedent factors affecting organizational performance, including organizational culture, strategic leadership, job satisfaction, and boundary spanning. Strategic leadership is crucial in dynamic environments (Kaplan, 1996), while a strong organizational culture enhances coordination, communication, and innovation (Schein, 2010). Ireland and Hitt (2005) highlight that strategic leadership ensures effective resource management and strategy implementation, and Judge & Bono (2001) confirm the positive link between job satisfaction and productivity.

Boundary spanning facilitates innovation and performance by providing access to external knowledge and resources (Choi, 2014; Xue, 2022). In bureaucratic hospital settings, it is believed to mediate the impact of organizational culture, job satisfaction, and strategic leadership on performance. The study's conceptual framework illustrates these relationships, where boundary spanning strategy serves as a mediator between independent variables and organizational performance.

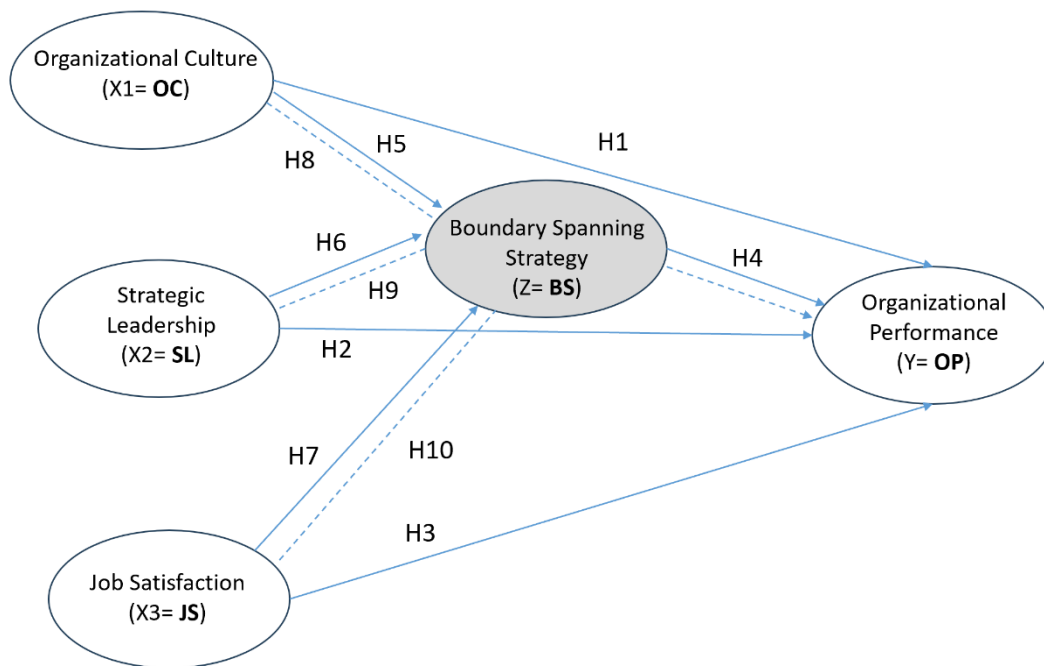


Figure 1. Conceptual Framework

"The Role of Boundary Spanning Strategy in Mediating the Improvement of Organizational Performance: A Study on Ministry of Health Hospitals in Indonesia"
(Source: Processed Data by Researcher, 2024)

2.2. Hypothesis Development

Previous studies indicate that organizational culture positively influences long-term performance (Lee, 2020; Senge, 2021). Arokiasamy (2021) found that culture, collaboration, and innovation enhance organizational performance. Wang et al. (2020) highlighted strategic leadership, adaptability, and employee motivation as key drivers of performance, with strategic leadership playing a dominant role (Afsar et al., 2021; Ahmad et al., 2022). Employees with high job satisfaction demonstrate strong commitment and positively impact performance (Bakotic, 2016; Chang, 2019; Jena et al., 2019; García-Buades et al., 2020).

In healthcare, Zito et al. (2021) confirmed that employee satisfaction directly improves performance, while Lee et al. (2022) emphasized the role of leadership and job satisfaction. Marrone (2010) found that organizations leveraging boundary spanners are more adaptive and innovative. Li et al. (2019) linked boundary-spanning leadership to firm performance, and Waring and Bishop (2021) showed that boundary-spanning strategies enhance information flow, coordination, and hospital efficiency.

Based on these findings, the following direct hypotheses are proposed:

- H1:** Organizational Culture (OC) has a positive effect on Organizational Performance (OP).
- H2:** Strategic Leadership (SL) has a positive effect on Organizational Performance (OP).
- H3:** Job Satisfaction (JS) has a positive effect on Organizational Performance (OP).
- H4:** Boundary Spanning Strategy (BS) has a positive effect on Organizational Performance (OP).

Lee et al. (2020) highlight that a strong and inclusive organizational culture is essential for implementing boundary spanning strategy. Ahmed and Sultana (2021) emphasize that a collaborative and adaptive culture supports this strategy, while Zhang et al. (2019) and Chen et al. (2021) argue that fostering change and individual development enhances its effectiveness. Strategic leadership significantly influences boundary spanning strategy (Zhou et al., 2019; Wang & Xu, 2021; Lopez et al., 2020). Xue and Woo (2022) found that job satisfaction positively correlates with boundary spanning success, while Li et al. (2020) show it strengthens cross-functional coordination in hospitals.

Based on these findings, the following direct hypotheses are proposed:

- H5:** There is a positive influence of Organizational Culture (OC) on Boundary Spanning Strategy (BS)
- H6:** There is a positive influence of Strategic Leadership (SL) on Boundary Spanning Strategy (BS)
- H7:** There is a positive influence of Job Satisfaction (JS) on Boundary Spanning Strategy (BS).

Kumar and Singh (2021) found that an innovation-driven organizational culture enhances performance through boundary spanning strategy. Zhang and Li (2022) emphasized its role in optimizing outcomes, while Nguyen et al. (2023) highlighted its positive contribution to performance. González et al. (2020) showed that transformational leadership influences performance via boundary spanning. Jansen et al. (2022) reported that adaptive strategic leadership enhances performance through boundary spanning mediation. Additionally, Singh and Sharma (2021) and

Kim and Kang (2021) found that boundary spanning strengthens the link between job satisfaction and performance. Based on these findings, the following hypotheses are proposed:

- H8:** There is a positive influence of Organizational Culture (OC) on Organizational Performance (OP) mediated by Boundary Spanning Strategy (BS)
- H9:** There is a positive influence of Strategic Leadership (SL) on Organizational Performance (OP) mediated by Boundary Spanning Strategy (BS)
- H10:** There is a positive influence of Job Satisfaction (JS) on Organizational Performance (OP) mediated by Boundary Spanning Strategy (BS).

3. Materials and Methods

This quantitative correlational study employs hypothesis testing with causality analysis (Hair et al., 2019; Sukla, 2018) using a cross-sectional design (Sekaran & Bougie, 2016). Data was collected via Google Forms from November 1, 2024, to January 30, 2025 (Sugiyono, 2018). The study focuses on strategic management, targeting top and middle management across 37 Ministry of Health hospitals in Indonesia. Based on Hair et al. (2019), a sample of 320 valid respondents was obtained from a population of 2,276 (table-1), using purposive sampling. Data analysis is conducted with IBM SPSS 25 for descriptive statistics and Structural Equation Modeling (SEM) via Smart PLS 3, as preliminary analysis showed data did not meet normality assumptions for SEM using AMOS.

Table 1: Distribution of Research Population Based on Hospitals

No	Hospital	Total Beds	Hosp Category			Top Management		Middle Management			
			Type	Level	Class	Directors	Board of Supervisor	Committee	Manager	Head of Med staff	Head of Installation
1	RSN dr. Cipto Mangunkusumo	924	Umum	I	A	6	5	7	16	23	31
2	RS dr. Kariadi, Semarang	1172	Umum	I	A	6	5	7	16	20	19
3	RS dr. Sardjito, Yogyakarta	881	Umum	I	A	6	5	8	16	24	22
4	RS dr. Hasan Sadikin, Bandung	892	Umum	II	A	5	5	8	12	23	26
5	RS Prof. Dr. R. Kandou Manado	710	Umum	II	A	5	5	10	12	17	23
6	RS dr. M. Djamil Padang	800	Umum	II	A	5	5	8	12	26	21
7	RS Prof. dr. I. G. N. G. Ngoerah	727	Umum	II	A	5	5	7	12	26	23
8	RS dr. Mohammad Hoesin Palembang	927	Umum	II	A	5	5	9	12	20	23
9	RS dr. Wahidin Sudirohusodo Makassar	821	Umum	II	A	5	5	7	12	23	22
10	RS Persahabatan Jakarta	442	Umum	II	A	5	5	9	12	22	24
11	RS Fatmawati Jakarta	696	Umum	II	A	5	5	7	12	23	22
12	RS dr. Soeradji Tirtonegoro Klaten	367	Umum	III	A	4	5	7	11	23	20
13	RS dr. Tadjuddin Chalid Makassar	270	Umum	III	A	3	5	6	11	17	21
14	RS H. Adam Malik Medan	758	Umum	III	A	4	5	7	12	23	22
15	RS dr. Sitanala Tangerang	250	Umum	III	B	4	3	6	11	10	14
16	RS dr. Rivai Abdullah Banyuasin	103	Umum	III	C	4	3	7	11	16	20
17	RS Surakarta	104	Umum	III	C	4	3	7	11	12	19
18	RS Ratatotok Buyat Sulawesi	210	Umum	III	B	4	3	5	11	3	14
19	RS dr. Johannes Leimena Ambon	199	Umum	III	C	4	3	5	11	6	17
20	RS Ben Mboi Kupang	206	Umum	III	B	4	3	4	11	4	17
21	RS Kanker Dharmais Jakarta	345	Khusus	I	A	6	5	9	16	27	26
22	RSJPD Harapan Kita Jakarta	383	Khusus	I	A	6	5	6	16	14	21
23	RS Anak Bunda Harapan Kita Jakarta	271	Khusus	II	A	5	5	7	12	7	19
24	RSPON Mahar Mardjono Jakarta	255	Khusus	II	A	5	5	7	12	5	21
25	RS Mata Cicendo Bandung	88	Khusus	II	B	5	5	6	12	16	25
26	RS Ortopedi Prof. Dr. R. Soeharso Surakarta	114	Khusus	II	A	5	5	6	12	6	15
27	RS Jiwa dr. H. Marzoeki Mahdi Bogor	484	Khusus	III	A	4	5	7	11	4	17
28	RS Jiwa Prof dr. Soerojo Magelang	342	Khusus	III	A	4	5	4	11	3	18
29	RS Jiwa dr. Radjiman Wediodiningrat Lawang	372	Khusus	III	A	4	5	6	11	3	18
30	RS Jiwa dr. Soeharto Heerdjan Jakarta	40	Khusus	III	C	4	3	6	11	3	19
31	RS Penyakit Infeksi Suliarti Saroso Jakarta	147	Khusus	III	A	4	3	7	11	23	21
32	RS Paru dr. Ario Wirawan Salatiga	210	Khusus	III	A	4	5	6	11	3	19
33	RS Paru Dr. H. A. Rotinsulu Bandung	130	Khusus	III	A	4	5	6	11	3	25
34	RS Paru dr. M. Goenawan Patowidigdo	165	Khusus	III	A	4	3	6	11	3	18
35	RS Otak Dr. Drs. M. Hatta Bukittinggi	140	Khusus	III	A	4	3	7	11	13	19
36	RS Ketergantungan Obat Jakarta	100	Khusus	III	A	4	3	6	11	5	16
37	RS Mata Makassar	16	Khusus	III	C	4	3	4	11	3	15
JUMLAH						169	161	247	445	502	752
TOTAL TOP/MIDDLE MANAGEMENT						330		1946			
								2276			

(Source: Compiled by researchers from the Government Agency Accountability Report (LAKIP), 2023)

3.1. Measurement Model Evaluation (Outer Model)

Before hypothesis testing, instrument testing is conducted to ensure validity and reliability. Validity is assessed using a factor loading threshold of 0.60 (Hair et al., 2017; Chin, 1998) and additional criteria from Ghazali (2017). Indicators failing the convergent validity or AVE test are removed. Reliability is evaluated using Composite Reliability and Cronbach's Alpha, with all variables exceeding 0.70, confirming their reliability. The summarized results in Table-2 indicate that all latent variables meet the reliability criteria, ensuring the consistency of measurement instruments. Thus, the study's variables are valid and reliable for further analysis.

Table 2. Composite Results of Reliability and Cronbach's Alpha

Variable	Requirement	Composite Reliability	Cronbach's Alpha	Conclusion
Boundary Spanning Strategy	> 0.70	0.915	0.896	Reliable
Job Satisfaction	> 0.70	0.852	0.784	Reliable
Organizational culture	> 0.70	0.865	0.813	Reliable
Organizational Performance	> 0.70	0.860	0.805	Reliable
Strategic Leadership	> 0.70	0.924	0.910	Reliable

Source: SmartPLS Processed Data (2025)

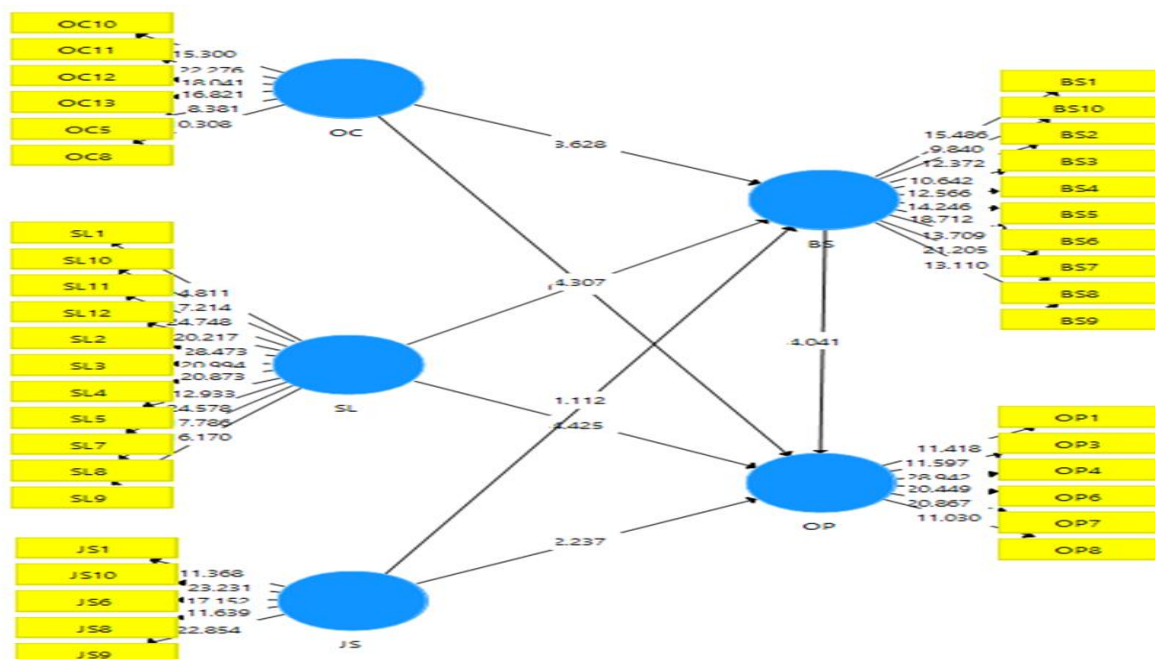
3.2. Structural Model Evaluation (Inner Model)

Model fit assessment was conducted using several statistical indicators, including Standardized Root Mean Square Residual (SRMR), Normed Fit Index (NFI), and RMS_theta. A model is considered to meet the model fit criteria if the SRMR value is less than 0.05 (Cangur & Ercan, 2015). However, according to the SMARTPLS website, the model fit criteria include an RMS Theta (Root Mean Square Theta) value of less than 0.102, a Standardized Root Mean Square Residual (SRMR) value of less than 0.10 or 0.08, and a Normed Fit Index (NFI) value greater than 0.9.

Table-3. Model Conformance Test Results

	Saturated Model	Estimated Model
SRMR	0.071	0.071
d_ULS	3.688	3.688
d_G	1.395	1.395
Chi-Square	2323.520	2323.520
NFI	0.691	0.691
rms Theta	0.121	

Based on the output, the SRMR value obtained is 0.071, which is less than 0.08. Additionally, the NFI value is 0.691, which is below the 0.900 threshold but can be considered a marginal fit. The RMS_theta value is 0.121, which is close to zero. Considering these two indicators, it can be concluded that the model meets the fit criteria, making it suitable for use and effective in representing the relationships between variables. Here is the evaluation model of the inner model SEM-PLS, presented in the following figure:

**Figure 2.** Evaluation of the Inner Model using SEM-PLS
(Source: Processed Data from SmartPLS, 2025)

4. Results and Discussion

4.1. Characteristics Responden

Approximately 81% of respondents lack a hospital management background, despite holding managerial roles. This highlights the diverse educational backgrounds among leaders. However, the respondent characteristics still reflect broad representation across various positions and leadership experiences in the study.

Table 4. Distribution of Respondent Characteristics

No	Characteristics	Sum (n)	Persentase (%)
1	Gender		
	• Man	151	47
	• Woman	171	53
	Total	320	100
2	Age (Years)		
	• 25-30 Year	0	0
	• 31-40 Year	33	10,3
	• 41-50 Year	161	50,3
	• 51 years and above	126	39,4
	Total	320	100
3	Position		
	• Board of Supervisors	8	2,49
	• Board of Directors	57	17,76
	• Head of Committee	29	9,03
	• Head of Internal Audit Unit	15	4,67
	• Work Team Manager	86	26,79
	• Head of Installation	94	29,28
	• Head of Medical Staff Unit	32	9,97
	Total	321	100
4	Long Term of Office		
	• Less than 1 year	61	19,0
	• 1 – 3 year	162	50,5
	• > 3 – 5 year	53	16,5
	• > 5 – 10 year	25	7,8
	• >10 year	20	6,2
	Total	321	100
5	Management Education Background		
	• Hospital Management Education	61	19,0
	• Other management	125	38,9
	• None	135	42,1
	Total	321	100

(Source: SPSS25 Processed Data, 2025)

4.2. Analysis of Research Results

In quantitative research, the significance level used is if the p-value < 0.05, indicating that the alternative hypothesis (Ha) is supported and the null hypothesis (Ho) is not supported. Therefore, it can be concluded that there is a significant influence between variables. The results of the hypothesis testing, both direct and indirect effects, presented in Table 5.

Table 5. Hypothesis Test Results

Research Hypothesis	Coef Estimation	p-value	Conclusion
(Direct Effect)			
H1: Organizational Culture (OC) has a positive effect on Organizational Performance (OP)	-0.046	0.360	Not Supported
H2: Strategic Leadership (SL) has a positive effect on Organizational Performance (OP)	0.458	0.000	Supported
H3: Job Satisfaction (JS) has a positive effect on Organizational Performance (OP)	0.165	0.013	Supported
H4: Boundary Spanning Strategy (BS) has a positive effect on Organizational Performance (OP)	0.324	0.000	Supported
H5: There is a positive influence of Organizational Culture (OC) on Boundary Spanning Strategy (BS)	0.378	0.000	Supported
H6: There is a positive influence of Strategic Leadership (SL) on Boundary Spanning Strategy (BS)	0.422	0.000	Supported
H7: There is a positive influence of Job Satisfaction (JS) on Boundary Spanning Strategy (BS)	0.077	0.133	Not Supported
(Indirect Effect)			
H8: There is a positive influence of Organizational Culture (OC) on Organizational Performance (OP) mediated by Boundary Spanning Strategy (BS)	0.122	0.001	Supported
H9: There is a positive influence of Strategic Leadership (SL) on Organizational Performance (OP) mediated by Boundary Spanning Strategy (BS)	0.137	0.005	Supported
H10: There is a positive influence of Job Satisfaction (JS) on Organizational Performance (OP) mediated by Boundary Spanning Strategy (BS)	0.025	0.160	Not Supported

(Source: SmartPLS Processed Data, 2025)

This study reports the results of testing 10 hypotheses, including 7 direct effect hypotheses and 3 indirect effect hypotheses. In the direct hypothesis testing, 5 hypotheses were supported, while 2 were not. Among the direct effects, Strategic Leadership had the most dominant influence on both Organizational Performance and Boundary Spanning Strategy, indicating that strategic leadership plays a key role in directly enhancing boundary-spanning strategies and organizational performance. Conversely, the hypotheses regarding the influence of Organizational Culture on Organizational Performance and Job Satisfaction on Boundary Spanning Strategy were not significantly supported.

4.2.1. Direct Impact Analysis

There is a positive influence of Strategic Leadership on Organizational Performance, making it the most dominant factor. This indicates that Stronger Strategic Leadership in hospitals enhances organizational performance, particularly through ethical practices that foster integrity. Healthcare service quality, especially patient safety, remains the key performance indicator, aligning with studies on leadership's role in vision clarity, human capital development, and operational efficiency (Hitt & Ireland, 2020; Yukl, 2013).

There is a positive influence of Strategic Leadership on Boundary Spanning Strategy. This finding indicates that Stronger Strategic Leadership enhances boundary-spanning strategies in hospitals, emphasizing its role in fostering cross-boundary activities. The *Determining Strategic Dimensions* aspect, particularly strategic decision-making based on in-depth analysis, is key. Leaders with a long-term vision effectively manage internal and external interactions, supporting proactive networking and boundary-spanning behaviors (Hitt et al., 2020; Cross et al., 2016).

In hospital practice, Strategic Leadership is vital for effective cross-boundary collaboration, both internally and externally. Strengthening strategic decision-making and competitive advantage enhances boundary-spanning strategies, optimizing service coordination and performance. Indonesian Ministry of Health hospitals must reinforce these dimensions to improve organizational outcomes (Hitt et al., 2020; Cross et al., 2016).

There is a positive influence of Boundary Spanning Strategy on Organizational Performance. This indicates that effective Boundary Spanning Strategy enhances hospital performance, particularly through Innovation and Adaptation, with innovation support as a key indicator. Organizational Performance is reflected in healthcare quality, emphasizing patient safety. These findings align with research on boundary spanning's role in efficiency, innovation, and adaptability (Tushman & Scanlan, 1981; Marrone, 2010; Ernst & Mason, 2011; Ferguson & Paulin, 2019). Hospitals under the Ministry of Health face challenges like strict regulations, silo culture, and bureaucratic complexity, hindering innovation and efficiency. Most respondents recognize silo culture as a barrier and support Boundary

Spanning Strategy to improve performance. Overcoming these challenges is crucial for meeting patient and stakeholder expectations (Ditjen Yankes, 2022; Fitri Handayani & Hasan Basri, 2019).

There is no positive influence of Organizational Culture on Organizational Performance. This finding indicates that Although organizational culture is well developed, it does not directly enhance hospital performance. Despite fostering innovation and adherence to procedures, these efforts do not automatically improve outcomes. This contradicts previous studies (Denison et al., 2004; Schein, 2017; Kotter & Heskett, 1992) and may stem from rigid regulations and bureaucratic complexity in Ministry of Health hospitals. Hospital management should optimize strategic leadership and job satisfaction, not just organizational culture, to improve performance. Ensuring cultural values are truly internalized in daily practices is crucial for a tangible impact on hospital outcomes.

There is a positive influence of Organizational Culture on Boundary Spanning Strategy. This finding confirms that a strong organizational culture enhances boundary-spanning strategies by fostering internal and external connectivity. Innovation, risk-taking, and outcome orientation contribute significantly to this process. These findings align with studies emphasizing the link between culture and boundary-spanning behavior (Marrone, 2010; Lee et al., 2020; Oyewobi & Windapo, 2019; Helfat & Peteraf, 2020).

There is a positive influence of Job Satisfaction on Organizational Performance. This finding indicates that Higher Job Satisfaction enhances hospital performance, particularly through strong coworker relationships. Organizational Performance is primarily reflected in healthcare quality, emphasizing patient safety. These findings support theories linking job satisfaction to motivation, commitment, and productivity (Judge et al., 2017; Robbins & Judge, 2021).

There is no positive influence of Job Satisfaction on Boundary Spanning Strategy. This result aligns with several other studies indicating that Although job satisfaction is high, it does not always drive boundary-spanning strategies, as strategic leadership and organizational culture play more dominant roles (Ferguson & Paulin, 2019; Ernst & Mason, 2011). This contradicts studies linking job satisfaction to proactive collaboration (Judge et al., 2017; Moynihan & Pandey, 2007). Job satisfaction alone does not significantly drive boundary-spanning behavior. Although high satisfaction with supervision and coworkers indicates strong interpersonal relationships, dimensions like promotion opportunities and work-life balance are not sufficient motivators. This suggests that other factors are more influential in fostering cross-unit collaboration (Judge et al., 2017; Moynihan & Pandey, 2007). This real situation highlights that Financial performance improvements in Ministry of Health hospitals do not directly increase leaders' compensation, as incentives focus on individual directorates, reinforcing silo behavior. A workload-compensation mismatch can reduce motivation for cross-boundary collaboration (Oyewobi & Windapo, 2019).

4.2.2. Indirect Influence Analysis

In the indirect effect, there is a positive role of partial mediation by *Boundary Spanning Strategy* in the relationship between *Strategic Leadership* and *Organizational Performance*. This study confirms that Boundary Spanning Strategy partially mediates the influence of Strategic Leadership on Organizational Performance, strengthening but not eliminating its direct effect. Effective implementation of Boundary Spanning Strategy enhances Strategic Leadership's impact, leading to improved performance outcomes. This aligns with Strategic Management Theory (Barney, 1991; Hitt & Ireland, 2020), which highlights Strategic Leadership's role in shaping vision, strategy, and adaptability to environmental dynamics.

In Indonesia's hospitals, Strategic Leadership has been crucial in improving healthcare services, operational efficiency, and stakeholder relationships. For example, during the pandemic, hospital leaders made rapid, collaborative decisions to maintain service quality despite resource constraints. This demonstrates how Strategic Leadership fosters Boundary Spanning Strategy, ultimately enhancing Organizational Performance.

Boundary Spanning Strategy enables organizations to bridge internal and external boundaries, expanding networks and fostering innovation (Ernst & Mason, 2011). In healthcare, this enhances coordination, accelerates decision-making, and improves patient care. Analysis of key dimensions shows that strategic decision-making is the most dominant aspect of leadership, while healthcare service quality is the most critical performance factor.

Hospitals optimizing both Strategic Leadership and Boundary Spanning Strategy tend to be more adaptive, efficient, and competitive. These findings reinforce theories emphasizing the need for strategic leaders to engage in boundary-spanning activities to maximize performance (Hitt & Ireland, 2020). Thus, improving hospital performance requires not only strengthening Strategic Leadership but also enhancing boundary-spanning strategies to amplify leadership effectiveness.

There is a positive mediating role of *Boundary Spanning Strategy* in the influence of *Organizational Culture* on *Organizational Performance*. This study finds that Organizational Culture does not directly impact Organizational Performance but requires Boundary Spanning Strategy as a full mediator. This suggests that a strong culture alone is insufficient to enhance performance without mechanisms facilitating cross-functional collaboration and external engagement.

Aligned with the Resource-Based View (Barney, 1991), these findings highlight that competitive advantage stems not only from internal resources but also from an organization's ability to bridge internal and external boundaries. The highest-scoring dimension, Innovation and Risk Taking, reflects hospitals' emphasis on technology-driven innovation. However, without boundary-spanning efforts, such innovations may not directly improve performance (Lee et al., 2020).

Similarly, a results-oriented culture does not translate into better performance unless adaptation strategies and cross-unit collaboration are in place (Helfat & Peteraf, 2020). While strong teamwork (Team Orientation) is evident, internal collaboration alone is insufficient. Effective performance requires external networking to exchange knowledge and resources (Marrone, 2010). Thus, Organizational Culture enhances performance only when supported by Boundary Spanning Strategy, reinforcing the need for hospitals to integrate cultural strengths with cross-boundary initiatives. Strengthening this strategy can optimize innovation, collaboration, and external engagement, ultimately improving hospital performance.

Meanwhile, the hypothesis regarding the indirect effect of *Job Satisfaction* on *Organizational Performance* through *Boundary Spanning Strategy* is not supported. This study finds that Boundary Spanning Strategy does not mediate the effect of Job Satisfaction on Organizational Performance. Instead, Job Satisfaction has a significant direct impact, suggesting that employees' satisfaction more strongly influences performance without requiring a mediation mechanism. This aligns with Oyewobi (2019) but contrasts with studies suggesting that satisfied employees are more likely to engage in boundary-spanning roles (Marrone, 2010; Ernst & Mason, 2011).

The highest-rated Job Satisfaction dimensions—Satisfaction with Coworkers and Satisfaction with Supervision—indicate strong peer and leadership support. However, the lowest-rated dimension, Satisfaction with Pay and Compensation, suggests that inadequate financial incentives may limit engagement in boundary-spanning activities (Ferguson & Paulin, 2019). Furthermore, hospitals excel in Innovation and Adaptation within boundary-spanning strategies but struggle with Conflict Management, a key factor in facilitating cross-unit collaboration (Marrone, 2010).

In hospitals under the Indonesian Ministry of Health, compensation is tied to individual and unit performance rather than hospital revenue, potentially demotivating cross-unit engagement. The complexity of hospital structures and regulatory constraints further challenge boundary-spanning efforts (Lee et al., 2020). To enhance these strategies, hospitals must improve incentive programs, strengthen conflict management, and establish supportive policies for cross-boundary collaboration. Without such measures, Job Satisfaction will remain a direct driver of performance rather than a mediated effect through Boundary Spanning Strategy.

5. Conclusion

This study reports the results of testing 10 hypotheses, including 7 direct effect hypotheses and 3 indirect effect hypotheses. In the direct effect tests, 5 hypotheses were supported, while 2 were not. Among the direct effects, Strategic Leadership had the most dominant influence on Organizational Performance, indicating that strategic leadership plays a key role in improving organizational performance. Conversely, the hypotheses regarding the influence of Organizational Culture on Organizational Performance and Job Satisfaction on Boundary Spanning Strategy were not significantly supported.

In the indirect effects, the mediation path of Strategic Leadership on Organizational Performance through Boundary Spanning Strategy was the most dominant, demonstrating that strategic leadership that encourages boundary-spanning strategies can most effectively enhance organizational performance. Meanwhile, the hypothesis regarding the indirect effect of Job Satisfaction on Organizational Performance through Boundary Spanning Strategy was not supported, indicating that job satisfaction may have a stronger direct impact rather than through a mediation mechanism.

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