

## Digital Transformation in Hospital Management: Building Readiness for Society 5

I Gede Eka Handrean<sup>1\*</sup>, Ivanda Rian Pratama<sup>2</sup>, Dita Rahma Sumarna<sup>3</sup>, Ricky Fakhrazi<sup>4</sup>,  
Saperyanus Rejauw<sup>5</sup>, Vip Paramarta<sup>6</sup>

<sup>1</sup>Faculty of Medicine, Universitas Mahasaraswati Denpasar, Indonesia

<sup>2,3,4,5,6</sup>Universitas Sangga Buana Bandung, Indonesia

\*Corresponding Author:

Email: [handrean@unmas.ac.id](mailto:handrean@unmas.ac.id)

---

### Abstract.

*This study examines digital transformation strategies in hospital management and assesses organizational readiness for Society 5.0 implementation through a systematic literature review. The research employed a comprehensive narrative review methodology, analyzing peer-reviewed publications from 2014 to 2024 across major scientific databases including PubMed, Scopus, Google Scholar, and Science Direct. Our analysis identified four critical factors for successful digital transformation in healthcare settings: (1) robust technological infrastructure integrated with competent human resources and adaptive organizational culture; (2) transformative leadership and sustained management commitment; (3) systematic monitoring and continuous evaluation frameworks; and (4) enhanced patient engagement mechanisms that leverage digital technologies to improve healthcare service quality. These findings provide practical insights for healthcare institutions navigating digital transformation while preparing for Society 5.0 challenges. The study contributes to the growing body of knowledge on healthcare digitalization by offering an integrated framework for assessing and implementing digital transformation initiatives in hospital settings.*

**Keywords:** Digital Transformation; Hospital Management; Society 5.0; Healthcare Digitalization And Organizational Readiness.

---

## I. INTRODUCTION

Digital transformation in healthcare has accelerated significantly, particularly during the COVID-19 pandemic, forcing healthcare institutions to rapidly adapt to evolving patient needs. This transformation extends beyond mere technological adoption to encompass fundamental changes in organizational processes, service delivery models, and patient engagement strategies.[1] As healthcare organizations transition towards Society 5.0 - a human-centered technological society - understanding and implementing effective digital transformation strategies becomes increasingly critical. The integration of digital technologies in healthcare management represents a paradigm shift in how hospitals operate and deliver services. Recent studies indicate that healthcare organizations implementing comprehensive digital solutions have shown improved operational efficiency, enhanced patient outcomes, and better resource utilization.[2] The adoption of Hospital Management Information Systems (HMIS) has proven particularly effective in streamlining patient data management and operational workflows.[3] Furthermore, the emergence of big data analytics and artificial intelligence has enabled healthcare providers to develop more personalized and predictive care models.[4] However, the complexity of healthcare services and increasing patient volumes present significant challenges in digital transformation implementation.

The COVID-19 pandemic has highlighted critical gaps in healthcare infrastructure and service delivery capabilities.[5] While digital solutions offer potential remedies, their successful implementation requires careful consideration of multiple factors, including organizational readiness, staff competencies, and technological infrastructure.[6] Leadership plays a crucial role in driving digital transformation initiatives. Research suggests that effective leadership and organizational support significantly influence transformation success rates.[7] This includes developing comprehensive training programs, establishing clear governance structures, and fostering a culture of innovation. Additionally, the protection of patient data privacy and security has emerged as a critical concern in the digital healthcare environment.[8] Despite extensive

research on healthcare digitalization, there remains a significant gap in understanding how hospitals can effectively prepare for and implement digital transformation in the context of Society 5.0. While previous studies have examined individual aspects of digital transformation, few have provided a comprehensive framework that integrates technological, organizational, and human factors in the context of hospital management. Furthermore, the relationship between digital transformation readiness and successful implementation of Society 5.0 principles in healthcare settings remains understudied.

This study aims to address these gaps by analyzing digital transformation implementation strategies in hospital management and evaluating organizational readiness for Society 5.0 through a comprehensive literature review. Specifically, we seek to:

1. Identify critical success factors for digital transformation in hospital settings
2. Evaluate the relationship between organizational readiness and transformation success
3. Develop a framework for assessing and implementing digital transformation initiatives
4. Provide practical recommendations for healthcare organizations preparing for Society 5.0

The findings of this study contribute to both theoretical understanding and practical implementation of digital transformation in healthcare settings. For practitioners, this research provides evidence-based guidance for developing and executing digital transformation strategies. For researchers, it offers a conceptual framework for further investigation into the intersection of digital transformation and Society 5.0 in healthcare contexts.

## II. METHODS

This study employed a narrative review methodology to analyze and synthesize current literature on digital transformation in hospital management and organizational readiness for Society 5.0. The narrative review approach was chosen for its ability to provide comprehensive insights into complex phenomena while allowing for qualitative synthesis of diverse research findings. Search Strategy Literature search was conducted across major electronic databases including PubMed, Scopus, Google Scholar, and Science Direct, covering publications from 2014 to 2024. The search utilized key terms including "digital transformation", "hospital management", "healthcare digitalization", "Society 5.0", "smart hospital", and related variations.

Selection Criteria Articles were selected based on the following considerations:

- Publications in English and Indonesian languages
- Focus on digital transformation in healthcare settings
- Discussion of hospital management aspects
- Relevance to Society 5.0 concepts
- Peer-reviewed journal articles

Analysis Process The review process involved:

1. Initial screening of titles and abstracts for relevance
2. Review of full texts to identify key themes and findings
3. Synthesis of findings to identify patterns and trends
4. Organization of insights into thematic categories

The analysis focused on identifying key implementation strategies, success factors, challenges, and organizational readiness indicators for digital transformation in hospital settings. Special attention was given to aspects relating to Society 5.0 preparation and implementation.

## III. RESULT AND DISCUSSION

### Result

Digital transformation in hospital management encompasses multiple interconnected dimensions, with our analysis revealing significant patterns in implementation strategies and outcomes.[9,10] The findings demonstrate how technological infrastructure serves as the foundation for successful digital transformation initiatives, particularly in the implementation of integrated hospital information systems.[3] The adoption of Electronic Health Records (EHR) has emerged as a crucial component, contributing to

enhanced clinical decision-making processes and improved patient safety through better medication management.[11,2]Organizational readiness and human capital development have emerged as critical success factors in digital transformation initiatives. Recent studies indicate high levels of digital literacy among hospital staff, particularly in national hospitals.[12] Successful hospitals have implemented comprehensive training programs and structured change management frameworks to support digital transformation.[7] These programs focus on developing both technical competencies and adaptive capabilities among healthcare staff. The transformation of service delivery through digital initiatives has shown promising results in improving patient experience and operational efficiency.

The integration of digital services, particularly telemedicine, has expanded significantly during the COVID-19 pandemic<sup>5</sup>. Healthcare organizations implementing comprehensive digital solutions have demonstrated improvements in appointment scheduling efficiency, patient engagement, and access to care.[13] The adoption of digital platforms has facilitated better patient communication and service delivery across various touchpoints. Financial and operational metrics have shown notable improvements through digital transformation initiatives. Studies have documented enhanced resource utilization and improved financial management through the implementation of digital systems.[14] The adoption of digital procurement systems and automated financial processes has contributed to better cost management and financial transparency.[15] Quality measures have also improved, with digital systems supporting better compliance monitoring and error reduction in clinical processes.[8] Innovation and future readiness have become increasingly important aspects of hospital digital transformation. Healthcare institutions are implementing emerging technologies such as artificial intelligence and machine learning for various applications.[4] The development of smart hospital initiatives has gained momentum, with organizations focusing on integrated digital systems for improved operational efficiency.[16] Research and development efforts are particularly focused on technologies that support the transition toward Society 5.0, including advanced analytics and automated systems.

[17]Process optimization through digital transformation has demonstrated significant improvements in administrative and clinical workflows. Hospitals have reported enhanced efficiency in patient data management and operational processes through the implementation of integrated information systems.[1] The adoption of digital solutions has also facilitated better interdepartmental communication and coordination, leading to more streamlined service delivery.[6] These findings underscore the importance of a comprehensive approach to digital transformation that addresses technological, organizational, and human factors simultaneously. Success in digital transformation requires sustained commitment to implementation and continuous improvement, with careful attention to both technical infrastructure and human capital development.[18] The evidence suggests that hospitals taking this integrated approach achieve better outcomes in terms of operational efficiency, patient satisfaction, and overall service quality.

## **Discussion**

The findings of this study reveal several important implications for hospital management and digital transformation implementation in the healthcare sector. Our analysis contributes to the existing body of knowledge by highlighting critical aspects of successful digital transformation and organizational readiness for Society 5.0, particularly in the context of evolving healthcare needs and technological capabilities<sup>9</sup>. The complexity of digital transformation in healthcare settings requires a comprehensive understanding of various interconnected factors that influence implementation success.

### **a. Strategic Implementation of Digital Technologies**

The successful implementation of digital transformation requires a strategic approach that goes beyond mere technology adoption, encompassing organizational, cultural, and operational considerations.[17] Healthcare organizations must develop comprehensive digital strategies that consider both immediate operational needs and long-term sustainability. This includes careful planning of infrastructure development, resource allocation, and capability building. The implementation of Hospital Management Information Systems (HMIS) has proven particularly effective when integrated with overall organizational strategy and aligned with institutional goals.[3] Such integration enables hospitals to leverage digital technologies for improved service delivery, operational efficiency, and patient care outcomes.

The strategic approach to digital transformation must also consider the scalability and adaptability of implemented solutions. Organizations need to ensure that their digital infrastructure can accommodate future growth and technological advancements while maintaining system stability and security. Studies show that successful digital transformation requires careful alignment between technological capabilities, organizational goals, and operational processes, with particular attention to the unique challenges and requirements of healthcare settings.[19]

#### **b. Leadership and Change Management**

Effective leadership emerges as a crucial factor in successful digital transformation initiatives, with leaders playing multiple critical roles in driving and sustaining change.[7] Leaders must not only provide strategic direction but also create an environment that supports innovation and adaptation to new technologies. This includes developing clear transformation roadmaps, ensuring adequate resource allocation, and fostering a culture of continuous learning and improvement. The success of digital transformation initiatives is significantly influenced by management's ability to communicate vision effectively, build trust among stakeholders, and maintain momentum throughout the transformation journey. Leaders must also address the human aspects of digital transformation, including resistance to change, skill development needs, and concerns about job security. This requires a balanced approach that acknowledges both the technical and human dimensions of change. The development of comprehensive change management strategies, including staff training programs, communication plans, and support systems, is essential for successful transformation.[12]

#### **c. Patient-Centered Digital Solutions**

Our analysis reveals the growing importance of patient-centered approaches in digital healthcare delivery, highlighting the need for solutions that enhance rather than complicate the patient experience.[8] The integration of digital experiences across the patient journey has become increasingly critical for healthcare success, requiring careful consideration of user interface design, accessibility, and service integration. Healthcare organizations must ensure that digital solutions improve access to care, enhance communication between providers and patients, and facilitate better health outcomes. The implementation of patient-centered digital solutions requires careful attention to various factors, including user experience design, accessibility considerations, and the maintenance of personal touch in healthcare delivery. Research has shown that successful digital solutions in healthcare must balance technological sophistication with usability and human interaction.[20] This includes developing intuitive interfaces, ensuring accessibility for diverse patient populations, and maintaining appropriate levels of human interaction in care delivery.

#### **d. Organizational Readiness for Society 5.0**

The transition toward Society 5.0 requires healthcare organizations to develop new capabilities and adapt their organizational structures to embrace digital transformation while maintaining focus on human-centered care delivery.[4] This involves building digital capabilities across all organizational levels, from frontline staff to senior management. Success in this transition requires organizations to develop robust data management capabilities, implement advanced analytics systems, and create flexible organizational structures that can adapt to rapid technological change. The development of organizational readiness also involves creating support systems for continuous learning and adaptation. Healthcare organizations must invest in training programs, knowledge management systems, and collaboration tools that enable staff to effectively utilize new technologies and adapt to changing work processes. Evidence suggests that successful digital transformation requires both technological readiness and organizational adaptability, with particular emphasis on developing a culture that embraces innovation while maintaining focus on quality care delivery.[1]

#### **e. Challenges and Barriers**

Our analysis reveals several significant challenges that healthcare organizations face in their digital transformation journey. One primary challenge is the integration of legacy systems with new technologies, which presents both technical and operational complexities.[2] Healthcare organizations often struggle with the need to maintain existing systems while implementing new digital solutions, requiring careful planning and resource allocation. This challenge is particularly acute in hospitals with established infrastructures and

complex operational requirements. Privacy and security concerns continue to be major considerations in healthcare digitalization.[6] The sensitive nature of healthcare data demands robust security measures and compliance with various regulatory requirements. Organizations must navigate the complex landscape of data protection while ensuring efficient access to information for healthcare delivery. This includes implementing sophisticated security protocols, training staff in data protection practices, and maintaining compliance with evolving regulatory frameworks. Resource constraints present another significant barrier to digital transformation. Research identifies consistent challenges related to financial limitations, human resource capabilities, and technological infrastructure.[14] Organizations must carefully balance investment in digital transformation with other operational needs while ensuring sustainable implementation of new technologies. This includes considerations of cost-effectiveness, return on investment, and long-term sustainability of digital initiatives.

#### **f. Future Directions and Implications**

Our findings indicate several crucial areas for future research and development in healthcare digital transformation. Studies suggest the need for comprehensive measurement frameworks that can effectively evaluate the success of digital transformation initiatives.[10] Such frameworks should consider both quantitative metrics, such as operational efficiency and cost reduction, and qualitative aspects, including patient satisfaction and staff engagement. The development of standardized evaluation tools would enable better comparison across organizations and more effective identification of best practices. The investigation of healthcare outcomes and quality metrics remains a priority in the context of digital transformation. Research must continue to examine the direct impact of digital initiatives on patient care quality, clinical outcomes, and overall healthcare delivery effectiveness.[8] This includes studying the relationship between digital maturity and healthcare quality indicators, patient safety metrics, and clinical efficiency measures. Understanding these relationships will help organizations better target their digital transformation efforts for maximum impact on healthcare delivery. The role of emerging technologies in healthcare transformation requires continued exploration. Artificial intelligence, machine learning, and other advanced technologies present significant opportunities for improving healthcare delivery.[4] Future research should focus on identifying practical applications of these technologies in healthcare settings, evaluating their effectiveness, and developing implementation frameworks that consider both technical and organizational factors.

## **IV. CONCLUSION**

This comprehensive review of digital transformation in hospital management reveals several critical insights into the successful implementation of digital initiatives and organizational readiness for Society 5.0. The findings demonstrate that successful digital transformation in healthcare settings requires a multifaceted approach that integrates technological infrastructure, organizational culture, and human capital development.[9] Our analysis identifies four key pillars essential for successful digital transformation in hospital settings. First, the implementation of robust technological infrastructure and integrated information systems serves as the foundation for digital transformation success.[17] Second, organizational readiness and human capital development play crucial roles in ensuring sustainable adoption of digital technologies<sup>12</sup>. Third, effective leadership and management support are vital for driving and sustaining digital transformation initiatives<sup>7</sup>. Fourth, patient-centered approaches in digital service design and delivery significantly contribute to improved healthcare outcomes.[8] The study also highlights significant challenges that healthcare organizations must address in their digital transformation journey.

These include the integration of legacy systems, privacy and security concerns, and resource constraints. Successfully navigating these challenges requires careful planning, sustained commitment, and strategic allocation of resources. Healthcare organizations must balance the need for technological advancement with maintaining quality patient care and operational efficiency. The implications of this research extend beyond immediate practical applications to the broader context of healthcare evolution in the digital age. As healthcare organizations progress toward Society 5.0, the need for comprehensive digital transformation strategies becomes increasingly critical. The findings suggest that organizations should focus on developing adaptive capabilities, fostering innovation culture, and maintaining a balance between



technological advancement and human-centered care delivery. Future research should focus on developing standardized frameworks for measuring digital transformation success, investigating the direct impact of digital initiatives on healthcare outcomes, and exploring innovative approaches to addressing implementation challenges. Additionally, continued examination of emerging technologies and their applications in healthcare settings will be crucial for advancing the field.

Recommendations for healthcare organizations embarking on digital transformation initiatives include:

1. Developing comprehensive digital strategies aligned with organizational goals
2. Investing in robust technological infrastructure while maintaining focus on security and privacy
3. Implementing structured change management and training programs
4. Fostering leadership capabilities that support digital innovation
5. Maintaining patient-centered approaches in digital service design

This study contributes to the growing body of knowledge on healthcare digitalization while providing practical insights for organizations navigating the complex landscape of digital transformation. As healthcare continues to evolve, the successful implementation of digital initiatives will become increasingly crucial for organizational sustainability and service quality improvement. The findings underscore the importance of approaching digital transformation as a continuous journey rather than a destination, requiring ongoing adaptation and improvement in response to technological advances and changing healthcare needs. Success in this journey will depend on organizations' ability to maintain flexibility while staying focused on their core mission of delivering high-quality patient care.

## V. ACKNOWLEDGMENTS

The authors would like to express their sincere gratitude to the Faculty of Medicine, Universitas Mahasaraswati Denpasar and Universitas Sangga Buana Bandung for providing the institutional support necessary to complete this research. Special appreciation is extended to both institutions' libraries for facilitating access to international journal databases, which was instrumental in our data collection process. We are deeply grateful to our peer reviewers for their valuable feedback and constructive suggestions that significantly improved the quality of this manuscript. Their expertise and insights have helped shape this work into its final form. Our appreciation also extends to our colleagues in both institutions who have contributed their time and expertise through meaningful discussions and insights during the development of this research. Additionally, we would like to acknowledge the technical support staff who assisted with database access and literature retrieval processes. Their assistance was crucial in ensuring comprehensive access to research materials. This research did not receive any specific grant from funding agencies in the public, commercial, or not-for-profit sectors.

## REFERENCES

- [1] Köbe K, Bohnet-Joschko S. The impact of digital transformation on inpatient care: mixed methods study. *JMIR Public Health Surveill.* 2023;9:e40622.
- [2] Nguyen L, Bellucci E, Nguyen LT. Effects of Electronic Health Record Implementation and Barriers to Adoption and Use: A *Scoping Review and Qualitative Analysis of the Content.* *Life.* 2021;10(12):327.
- [3] Suhartatik S, Putra D, Farlinda S, Wicaksono A. Evaluasi keberhasilan implementasi simrs di rumah sakit x kabupaten jember dengan pendekatan metode ttf. *J-Remi: Jurnal Rekam Medik Dan Informasi Kesehatan.* 2022;3(3):231-242.
- [4] Verina N, Titko J. Digital transformation: conceptual framework. *Proceedings of International Scientific Conference Contemporary Issues in Business, Management and Economics Engineering.* 2019;2:73-83.
- [5] Rajbia F, Hidayati M. Analisis lonjakan pasien covid-19 terhadap pemenuhan fasilitas di rs jasa kartini tasikmalaya. Cerdika: *Jurnal Ilmiah Indonesia.* 2021;1(9):1148-1153.
- [6] Al-Hussami M, Hammad S, Alsoleihat F. The influence of leadership behavior, organizational commitment, organizational support, subjective career success on organizational readiness for change in healthcare organizations. *Leadership Health Serv.* 2018;31(4):354-370.
- [7] Darmawan E, Laksono S. The new leadership paradigm in digital health and its relations to hospital services. *Jurnal Ilmu Kesehatan Masyarakat.* 2021;12(2):89-103.

- [8] Mooij M, Foss O, Brost B. Integrating the experience: principles for digital transformation across the patient journey. *Digital Health*. 2022;8:205520762210891.
- [9] Wang Y, Kung L, Wang W, Cegielski C. An integrated big data analytics-enabled transformation model: application to health care. *Information & Management*. 2018;55(1):64-79.
- [10] Cheng X, Xue T, Yang B, Ma B. A digital transformation approach in hospitality and tourism research. *Int J Contemp Hosp Manag*. 2023;35(8):2944-2967.
- [11] Boonstra A, Versluis A, Vos JF. Implementing electronic health records in hospitals: a systematic literature review. *BMC Health Serv Res*. 2014;14:370.
- [12] Nevangga R. Demographics based digital literacy level of national hospital employees as digitizing health services factor. *Jurnal Ilmu Komunikasi*. 2023;21(2):211-225.
- [13] Ariyo R, Achadi A. Penggunaan strategi pemasaran digital dalam layanan kesehatan di saat pandemi covid-19: literature review. *Media Publikasi Promosi Kesehatan Indonesia*. 2022;5(7):769-774.
- [14] Sasongko H, Suryawati C, Raharjo M. Pengaruh pengadaan barang dan jasa pada masa pandemi corona virus disease 2019 terhadap kondisi keuangan rumah sakit di rsup dr. kariadi semarang. *Jurnal Ekonomi Kesehatan Indonesia*. 2021;6(1):121-134.
- [15] Ivanova N. Business strategy transformation: the impact of global digitalization and covid-19 pandemic factors. *Revista Universidad Del Zulia*. 2023;14(40):486-505.
- [16] Quan N, Singh H, Khanh T, Rajagopal P. A SWOT analysis with a digital transformation: a case study for hospitals in the pharmaceutical supply chain. *Journal of Informatics and Web Engineering*. 2023;2(1):38-48.
- [17] Rahimi N. Enterprise architecture: enabling digital transformation for healthcare organization. *Open International Journal of Informatics*. 2023;11(1):67-73.
- [18] Pilosof N. Designing for flexibility in hybrid care services: lessons learned from a pilot in an internal medicine unit. *Front Med Technol*. 2023;5:1223002.
- [19] Agostino D, Costantini C. A measurement framework for assessing the digital transformation of cultural institutions: the italian case. *Meditari Account Res*. 2021;30(4):1141-1168.
- [20] Mather C, Cummings E. Developing and sustaining digital professionalism: a model for assessing readiness of healthcare environments and capability of nurses. *BMJ Health Care Inform*. 2019;26(1):e100062.