## ABSTRACT

This study aims to examine the effect on information system implementation, service innovation implementation, and competitive advantage on organizational performance focusing on hospitals in East Java Province. The main challenge faced by organizations is that improving performance can be obtained through the implementation of information systems and the implementation of service innovation both directly and involving competitive advantage variables.

This study has a population of 417 which includes hospitals in East Java Province. This research uses quantitative methods with probabilistic sampling techniques, namely purposive sampling. Meanwhile, the data collection method of this research is the use of a Google Form questionnaire distributed via WhatsApp to relevant respondents. A total of 203 questionnaire data were analyzed using the Structural Equation Model (SEM) with AMOS 24.

The results showed the conclusion that there were 4 (four) hypothesis results that were accepted with significant results, including a significant positive effect on information system implementation on organizational performance, information system implementation on competitive advantage, service innovation implementation on competitive advantage, and competitive advantage on organizational performance, as well as 1 (one) hypothesis result that was not significant, namely the implementation of service innovation did not have a significant effect on organizational performance of the 5 (five) hypotheses proposed.

## Keywords: Information System, Service Innovation Service, Competitive Advantage, Organizational Performance, Hospital