

The Analysis of Regional Public Service Autonomy Using Balanced Score Card Diagnosis: A Case Study of Indonesian Public Hospital

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Abstract: The hospital has a tendency to use large amounts of resources, making it difficult for the government to meet all the needs of the hospital. The difficulty led to a new management concept for the hospital for the provision of the extension of autonomy to hospitals. Autonomy is applied at the hospital called the Hospital autonomy which hospitals have the right and authority to manage its resources. This survey aims to determine the extent of stakeholder understanding from the hospital autonomy and hospital autonomy-related training needs. The study design was a survey conducted by using the tool “Balanced Score Card Diagnosis” as a measure of respondent’s knowledge. The initial amount of the respondents in this survey of 68 respondents drawn from stakeholder hospital in East Java. The participation rate was assessed by comparing the number of questionnaires returned by questionnaire distributed. The participation rate in the survey as much as 60.18% with the majority of participants came from the head of the installation. A total of 55.88% of participants have a level of understanding “don’t understand”. Most respondents either are in the category of “understanding” and “don’t understand” states require training on hospital autonomy as many as 41 respondents (60.3%). Nevertheless, there are still respondents who are in the category of “don’t understand” states don’t require training. Therefore, it is necessary that knowledge management is done thoroughly.

Key words: Balance score card diagnosis, hospital, hospital autonomy, knowledge management, East Java participation rate

INTRODUCTION

In some developing countries such as Africa, India and Indonesia, General Hospital consume large amounts of resources which the government was no longer able to fulfill (Govindaraj and Chawla, 1996). Facing these difficulties, the government guarantees the provision of extension of autonomy to the General Hospital to improve service quality, increase revenue and lower costs (Collins *et al.*, 1996).

This is in line with what was described by Ancarani *et al.* (2009) that, since, the late eighties until now, to improve efficiency and effectiveness in the provision of health services are under heavy pressure, so that, the health systems in many countries have undergone reforms, one of which is the provision of autonomy.

Collins *et al.* (1996) mention the reasons for granting autonomy which are the public hospitals are too large and complex to be reorganized, overcrowded the length of queue very difficult to organize admission and too many patients, limited resources, lack of medical equipment, drugs and materials consumables lack of commitment and competent staff.

Early 1987, at the Kenya National Hospital after decentralization there is devolution of some powers from the Ministry of Health to the public hospitals. A change in the status of public hospitals, the main change is the transfer of autonomy or authority of the Ministry of Health to the public hospitals. But in fact, at the beginning of the passage of autonomy there are still many obstacles due to a lack of preparatiosn in the transfer of authority (Collins *et al.*, 1996).

Bjork and Harenstam (2016) presented his research in the area of Europe that to regulate public services and attract qualified employees by reducing resources and an aging population is a challenge across Europe. Structural and functional officials in the public sector, responsible for implementing the laws, regulations and decisions local level in the operation. They are responsible for the working environment of employees as well as organizational performance. This motivated the investigation of opportunities for public sector managers must fulfill their duties. Management and leadership are often researchers interested in studying the virtues, skills and strategies of the great leader who overcome challenges and turn them their companies, schools and hospitals to be a successful organization. In response to

the emphasis on the individual, influential cleric has called for a less individualistic outlook that recognizes the influence of national, sectoral and organizational practice managerial research by Dierdorff *et al.* 2009) and Morgeson (2012).

On Law Number 44 Year 2009 concerning the Hospital of Article 7, Paragraph 3 reads as follows: "Hospital which was established by the government and local government as referred to in paragraph shall take the form of technical implementation unit of the agency incharge of health, agencies particular or the Regional Technical Institute of the Public Service Autonomy or the management of Regional Public Service Autonomy in accordance with the provisions of the legislation. Hospital founded by the private sector must be a legal entity whose business activities only engaged in hospitalization (Anonymous, 2007).

According to the law above, hospitals must change its status to a public service autonomy then called as hospital autonomy. Based on Government Regulation Number 74 Year 2012 concerning Amendment to Government Regulation Number 23 Year 2005 Article 33 Paragraph: "Officials managers and employees of Public Service Autonomy derived from professionals of non-civil servants can permanently employed or under contract".

Hospital autonomy management officers contained in Article 33 Paragraph 2 are technical and administrative personnel. Therefore, every employee who works at the hospital, especially, its officials must understand how to work with the system of hospital autonomy. But what happens in the field is the performance of hospitals with autonomy on it is not optimal. This is because there are many internal stakeholders (employees and officials hospital) who don't understand how to run hospital with system of hospital autonomy.

Some important aspects in the context of the duty of every officials in an organization is the uncertainty of knowledge, autonomy, accountability and resources as an important aspect of the context of the task. In the public sector, the uncertainty of knowledge several times from various stakeholders involved in the production of services. Politicians, strategic level managers, staff, citizens and support functions are all keen to have a voice in the planning, production and control of public services. The ability to cope with these demands have proved to be very important for managers in public sector organizations (Bernin, 2002; Bertsson *et al.*, 2012; Dellve and Wikstrom, 2009).

Lack of knowledge about the hospital autonomy shows that employees need training. This is consistent with that contained in the Minister of Health Number 20

Year 2014 on the management of non-civil servants in Public Service Autonomy Article 22 Paragraph which reads: "The development of human resources referred to in paragraph may be carried out through the following activities: education and/or training".

Thus, conducted a survey in order to determine the distribution of knowledge and training needs about the public service autonomy in hospital called hospital autonomy on structural and functional officials in hospital.

In accordance with Article 1 Point 23 of Law Number 1 of 2004 on State Treasury stated: "Agency for financial management services that provide flexibility in the form of flexibility to implement business practices to improve the service to the public in order to promote the general welfare and enrich the life of a nation". Hospital with autonomy is a local work unit established to provide public services such as the provision of goods or services sold without prioritizing profit and in conducting its activities based on the principles of efficiency and productivity (Anonymous, 2012).

Hospital autonomy aims to improve services to the public in order to promote the general welfare and life by providing flexibility in financial management based on the principles of economy and productivity, the application of sound business practice (Government Regulation Number 23 of 2005 on Financial Management and Public Services Autonomy, Article 2, Paragraph 1).

Public service autonomy was established to improve service to the public in order to promote the general welfare and educating the nation. Public service autonomy expenditure management held flexibly based on equality between the volume of service activities with the amount of expenditure, follow sound business practices. Flexibility expenditure management applicable threshold specified in accordance with the budget and business plan (Anonymous, 2005).

Flexibility in the hospital autonomy is that expenditure can be increased or decreased from the budgeted along the associated income increases or decreases, at least proportionally (flexible budget) (Explanation of Government Regulation Number 23 Year 2005). Government agencies that implement management pattern of Autonomy can provide goods and services that are sold without prioritizing profit and in conducting its activities based on the principles of efficiency and productivity (Anonymous, 2004).

Moreover, the essential characteristics of structural profession in the public sector affected by legal professional autonomy and should be given priority in: specific knowledge, usability expertise, control activities, results, protectionism, shared values.

Then from the opinion on the research presented earlier by the researchers, this research will explain the importance problem of training needs in structural, functional autonomy of the hospital as the regional public service.

MATERIALS AND METHODS

The survey was conducted by using the tool “Balanced Score Card (BSC) diagnosis. Kaplan and Norton (1996) introduce a BSC method used to measure performance of company or organization. BSC is not only evaluate financial performance but BSC is also evaluate the perspectives. In this research case, the basic idea is to measure aspects of knowledge on the functional organization structure of the hospital which will reflect the influence of their understanding, whether the future requiring further training or not. The amount of the initial respondents in this survey of 113 respondents drawn from one hospital in East Java. However, only 68 of the total respondents were participated in the survey. The participation rate was assessed by comparing the number of questionnaires returned by questionnaire distributed. Respondents in this study is a major stakeholder Hospital, including Functional Medical Staff Chairman, Committee, Internal Board, Head of the installation and structural officials.

RESULTS AND DISCUSSION

Respondents in this study consisted by officials from the structural and functional officials hospital. The distribution of respondents by job/positions and levels of participation presented in Table 1.

Table 1 shows that, the stakeholder group consisting of Functional Medical Staff chairman, Committee and Internal Board has the lowest participation rate as many as 19 out of 41 respondents (46.34%). Highest level of participation made by stakeholders, including heads of the installation as many as 28 out of 35 respondents (80%) (Fig. 1).

Most respondents have a level of understanding with the category of “don’t understand” as many as 38 out of 68 respondents (55.88%). Based on Government Regulation Number 74 of 2012 Article 33 Paragraph 2 which contains the hospital autonomy officials and managers, then it should be every employee who is in hospital which have status of public service autonomy called by hospital autonomy have knowledge and understanding of the public service autonomy in hospital (hospital autonomy) (Fig. 2).

Most respondents either are in the category of “understanding” and “don’t understand” states require training about hospital autonomy as many as 41

Table 1: Level of participation in survey respondents

Main stakeholder	The number of questionnaires		Participation rate (%)
	Total respondent	Participate	
Functional Medical Staff Chairman, Committee and Internal Board	41	19	46.34
Head of Instalation	35	28	80.00
Structural officials	37	21	56.75
The number of respondents	113	68	60.18

Primary data evaluation questionnaire BSC functional strategies

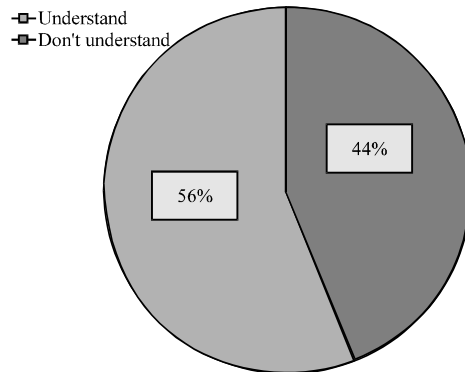


Fig. 1: Level of respondent’s understanding; Primary data evaluation questionnaire BSC functional strategies

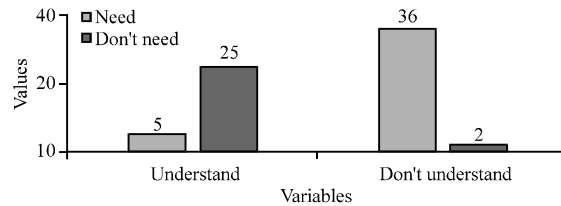


Fig. 2: Training need; Primary data evaluation questionnaire BSC functional strategies

respondents (60.3%). Minister of Health Regulation Number 20 Year 2014 Article 22 Paragraph explains that human resource development can be done through education and training. However, as many as 5.3% of respondents with a level of knowledge “don’t understand” states don’t require training on hospital autonomy (Anonymous, 2014).

CONCLUSION

Based on survey results, it can be concluded that: there are some staff who didn’t actively participate in the survey. The majority of respondents have a level of knowledge in the category of “don’t understand”. There were respondents who said don’t need education and training despite not having an understanding of the hospital autonomy.

Poor understanding of the structural and functional officials hospital autonomy requiring special intervention. In this case the intervention recommended is doing knowledge management were carried out thoroughly by pouring down all knowledge. This process is called the integration of Knowledge Management-Organizational Learning (KM-OL).

RECOMMENDATIONS

In further research, it is necessary that knowledge management is done thoroughly on Indonesian Public hospital autonomy management, especially, relate to training education.

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