The manager is someone who is in charge of and responsible for making, managing, leading, and handling the implementation of the plans to achieve a particular target. On the other side, competency is a capability and characteristic owned by the employee, in form of knowledge, skills, and attitudes, and required for completing the duties professionally, effectively, and efficiently. Nowadays, ‘Aisyiyah Islamic Hospital (RSIA) Klaten faces some obstacles due to its slow development and has not pursued any accreditation processes. This study aimed to analyze the factors affecting the performance of manager in RSIA Klaten, Central Java, Indonesia. The investigated parameters were including problems, managerial challenges, and managerial competencies related to leadership skills, financial management, human resource management, equipment and drug management, as well as information system management. The analysis in this study was performed using SEM analysis to test the performance model of hospital managers and hypothetical relationships existed in the model. This study found that the performance of hospital managers was influenced by motivation, commitment, and leadership skill, communication, leadership, and motivation, job satisfaction and organizational culture, and competence effect on manager performance.

Keywords: Leadership; Motivation; Performance manager.

1. Introduction

The success and future of a hospital depending on the performance and leadership of the hospital manager. As a complex organization, the hospital is built from various professions, so that conflicts occurred in the hospital are not indicating an abnormality, in contrary it becomes the characteristic of a hospital. Hospital, is a comprehensive and holistic health care, including promotion, prevention, medication and rehabilitation services. Hospital's Health Promotion (PKRS) takes an important role in health programs which are designed to improve and maintain public health through improving the community, organization, and environment. Therefore, a professional manager is strongly required to manage all that things.

The charity business is developed rapidly in quantitative, but unfortunately, it is not in balance with its quality. Therefore to some extent, this business is known to be a lack of competitiveness and less contributing to the social development. The Assembly of Health and Public Welfare Muhammadiyah Central (MKKM PPM) mentioned that the performance of Human Resource (HR) needs to be developed quickly. The development can include reviewing the recruitment and remuneration process; conducts training programs; and reduce work mutation between the hospital system.

2. Materials and Methods

This study focused on the individual's performance on job competencies according to the person-job fit. Performance model was determined according to the needs of an invention through exploring the aspirations related to the performance of the organization (Bogner and Thomas, 2012) and the critical success during the work (Schoemaker, 2012).

Theoretical studies explained above provide a conceptual basis for the relationship between competence and performance in affecting job satisfaction and motivation.

Subjects in this study were managers, consisted of top-level, middle-level and lower-level managers. The object of this study was the performance of the managers from Aisyiyah Islamic Hospital in RSIA Klaten, Central Java, Indonesia.

The collected data were analyzed using SEM analysis to test the performance model of hospital managers and hypothetical relationship that exist in the model. The variables used in the model was described as follows.

**Endogenous variables:** performance (Y1), motivation (Y2), job satisfaction (Y3), and leadership (Y4)

**Exogenous variables:** competence (X1), commitment (X2), organizational culture (X3), motivation (Y2), job satisfaction (Y3), and leadership (Y4) (exogenous to performance).
3. Results and Discussion

The result described three categories of hospital managers, including age, tenure, and education level. A total of 10 (39.6%) managers had ≤10 years of tenure, while the number of managers with 10.1 to 15 years of tenure was 9 (36.0%), and 5 (24.4%) managers had > 15 years of tenure. The latest education level was dominated by undergraduate level, as many as 12 (48.1 percent) managers, then followed by postgraduate and diploma level, with approximately 9 managers (36.0%) and 3 managers (15.5%) of managers respectively.

3.1. Model Analysis Performed by SEM Analysis Regarded to the Relationship Between Variables

The effect resulted from model analysis of competence-performance of hospital managers was described as follows. The influence of competence on motivation resulted a coefficient of 0.395 with CR 4.424 (P = 0.000 <0.01). The P value of competency was <0.05, thus rejected H0 and accepted Ha. This result supported the research hypothesis (H1) which stated that competence gives a positive effect on the motivation of hospital managers.

The coefficient result of competency toward job satisfaction was 0.295 with CR 3.763 (P = 0.000 <0.01). The P value was <0.05 which rejected H0 and accepted Ha. This result also supported the research hypothesis (H2) which stated that competency gives positive effects in job satisfaction of hospital managers. On the other hand, the effect of motivation to the performance was shown in the coefficient with a result of 0.386 with CR 3.380 (P = 0.000 <0.01). The P value resulted from this relationship was <0.05 which rejected H0 and accepted Ha. This result also supported the research hypothesis (H3) which stated that motivation gives a positive effect on the performance of hospital managers. Meanwhile, the effect of job satisfaction on performance was shown in the coefficient of -0.003 with CR -0.035 (P = 0.972), with P-value, > 0.05 which accepted H0 and rejected Ha. In contrary with other results, this result did not support the research hypothesis (H4) of job satisfaction which has a positive influence on the performance of hospital managers.

The effect of commitment on the performance was 0.373 with CR 3.778 (P = 0.000 < 0.01) and P-value < 0.05, this result rejected H0 and accepted Ha. This result supported the research hypothesis (H2) which suggested that commitment gives a positive effect on the performance of hospital managers. The influence of organizational culture on performance was 0.123 with CR 1.833 (P = 0.067). The P values of this variable were > 0.05 which accepted H0 and rejected Ha. In contrary with the previous result, this result did not support the research hypothesis (H4) which suggested that the organizational culture gives a positive effect on the performance of hospital managers. The effect of leadership competency on manager performance had coefficient of 0.420 with CR 4.275 (P = 0.000 < 0.01). The P value of this variable was < 0.05 which rejected H0 and accepted Ha. As well as the previous variable, this result supported the research hypothesis (H5) which suggested the positive influence of leadership competencies on the performance of hospital managers.

The leadership influence on motivation had a coefficient of 0.323 with CR 3.426 (P = 0.000 < 0.01). The P value of their variable was < 0.05 which rejected H0 and accepted Ha. This result supported the hypothesis (H3) of leadership positively affect on the motivation of hospital managers. Leadership influence on job satisfaction had a coefficient of 0.159 with CR 2.107 (P = 0.035 < 0.05) and P-value < 0.05 which rejected H0 and accepted Ha. This result supported the hypothesis (H4) which suggested that leadership has a positive effect on job satisfaction of hospital managers. Meanwhile, the influence of leadership on the manager performance was 0.213 with CR 2.111 (P = 0.035 < 0.05). The P value of this variable was < 0.05 which rejected H0 and accepted Ha. As well as the previous variable, this result also supported the research hypothesis (H6) which stated that leadership gives a positive effect on the performance of hospital managers.

3.2. Modification Model of Hospital Manager Performance

We analyzed the contrary relation with the previous model, specifically the influence of competency towards leadership. This modification model was selected due to the basic theory that stated good leadership must have an adequate competency or vice versa. In short, the modified model represented the correlation between leadership and competency. The modified model consisted of all variables giving significant influences. This model showing an improvement in both parameters of normality and goodness of fit. This modified model also aimed to discover the role of motivation as mediating variables in improving performance and job satisfaction. Commitment, leadership, organizational culture and competency were significantly affected the manager motivation. The result of this study showed that commitment variable has a direct impact on performance, while competency variable has a direct impact on job satisfaction. In this case, job satisfaction does not affect the performance or vice versa. This model also found that job satisfaction has no effect on performance in the initial model. This probably caused by the performance characteristics specified by standard or specific targets, while job satisfaction was more personal and influenced by personal achievement (salary, reward, awards, etc).

The result of the modified model showed a better goodness of fit model than the hypothetical model (early model). In addition, the result also found that competence, leadership, organizational culture and commitment have a positive influence on the motivation. In this case, leadership and organizational culture have the most powerful influence on motivation. Leadership functions in influencing, directing, and also motivating to achieve some certain goals (Yukl, 1998). An adequate leadership of a manager could improve the motivation of subordinates, and also strengthen the self-motivation. Besides, a high motivation will give the manager more spirit to motivate their subordinates through their leadership.
Organizational culture determines the atmosphere in the work environment. Strong organizational culture can stimulate the work performance as it creates a harmonious relationship within members of the organization which will also increase their motivation (Arifin, 2014). The concept of motivation related to the alignment of organizational culture exists in each personal environment. Bauer and Erdogan (2012) stated that the harmony between individuals and the work environment will affect the work behavior of each individual. In addition, the conformity between working principles of hospital managers with work environment is able to encourage a positive work behavior, so that the managers will be more motivated.

Maslow Motivation Concept explained that the emergence of motivation is affected by each individual's need, therefore it can be said that motivation is an individual desire. According to Herzberg Motivation Concept, motivation comes from two factors, namely hygiene and motivator factors. On the other hand, commitment is linked to the ways of enhancing individual's feelings towards their job, so that they will be able to build a strong bond with the organization (Meyer and Allen, 1991). The stronger their feelings towards the organization, the stronger their will to stay and work hard for the organization. The desire to work better for the benefit of the organization is what we know to have an important role in creating a strong motivation in each individual.

Another factor that affects the motivation of the hospital manager's performance is competence. Although the result of this study indicates competence as the weakest coefficient affecting motivation, in fact, the role of competence cannot be ruled out. Work motivation is significantly involves in improving skills in work (Spencer and Spencer, 1993). In addition, to conform to the work environment, motivation will arise along with the suitability of expertise owned by each individual (Bauer and Erdogan, 2012). Skills and knowledge are part of the competence. Therefore, the more appropriate the competence, the higher the motivation will be.

The model of competency-performance modification showed the role of competence, organizational culture, leadership, and commitment to improving the motivation of hospital managers. This also proved that motivation plays an important role in improving the job satisfaction and performance of hospital manager. The result of this study also represented that the coefficients of motivation influencing job satisfaction and work performance were the highest compared to competence variable. Job satisfaction is an individual feeling towards the capability to handle their own job which is related to the fulfillment of psychological and material needs. Psychologically, job satisfaction is derived from some aspects, such as individual disposition, culture or work environment (Saari and Judge, 2004). Individual job satisfaction is determined by the work, career, salary, incentives, and bonuses (Hong and Amna, 2011). However, salaries, incentives, and bonuses are very limited and depend on the type of work or profession (Hong and Amna, 2011). In Herzberg's Two-Factor Concept, job satisfaction is determined by the administrative and policy, supervision and technical systems, interpersonal relationships, work environment, recognition, sense of responsibility and self-development (Ozguner and Ozguner, 2014). On the other hand, job satisfaction is also determined by the amount of salary, rewards (bonus and incentive), facilities and so on (Ozguner and Ozguner, 2014). This explained the influence of competence as well as motivation on job satisfaction. In short, competence is part of the job aspect while motivation is part of the individual aspect. For a manager, the highest job satisfaction can be obtained from career and reputation as it is known that this position requires a high responsibility. In addition, managers also responsible for the success of any decision taken. Therefore, managers must have a higher motivation than their subordinates. Furthermore, managers will be very satisfied if their decision related to the program or activities is running successfully.

4. Conclusions

Based on SEM analysis, the performance on model hypothesis is influenced by commitment, leadership, and motivation. These three factors have a positive and significant effect on the performance of managers, while the other two factors, including job satisfaction and organizational culture, have no significant effect on the performance of Muhammadiyah hospital managers. Indirectly, the competence gives a higher influence than the leadership on manager performance.

References


**Figure Legend(s)**

![Research frameworks diagram]

**Figure-1. Research frameworks**

![Results of structural equation modelling (SEM) in hospital manager performance diagram]

**Figure-2. Results of structural equation modelling (SEM) in hospital manager performance**

\[ \chi^2 = 1715.41 \]
\[ P = 0.000 \]
\[ RMSEA = 0.052 \]

*Source: Primary Data, Processed*