

## Managerial Issues and Challenges of Manager in Muhammadiyah Health Center (AUMAKES), Yogyakarta, Indonesia

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### Abstract

The aim of this study is to investigate the managerial issues and challenges of managers in Muhammadiyah Health Center, Yogyakarta Indonesia. Questionnaires and interview based method was used for collecting data and focus group discussion (FGD) was applied for explore valuable information. 29 participants from Mother and child Hospital of (RSIA) 'Aisyiyah Klaten and 40 participants from Hospital of (RS) PKU Muhammadiyah Bantul were involved. They are top managers and employees from various fields of expertise. The results showed that the leadership and management skills (finance, human resources (HR), quality, medicine information systems and equipment) of top manager is (likert scale  $\geq 3$ ) while the middle and lower managers considered not sufficiently competent (likert scale  $\geq 2$ ). The Lack of competency and leadership skills of managers will affect to management of the organization, effectiveness of the organizational structure, planning, and monitoring at every stage of management. It can be conclude that hospital manager competencies are still basic and need to be upgraded in some aspects.

**Keywords:** Competency; Focus group discussion; Hospital managers; Leadership; Managerial.



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### 1. Introduction

The medical world in Indonesia experienced two critical momentum i.e. the implementation of National Social Security System at the beginning of 2014 and Facing the ASEAN harmonization or ASEAN Economic Community (AEC) in 2015 (Pérez-Salamó *et al.*, 2014). AEC is a form of economic integration of ASEAN namely the system of free trade between ASEAN countries which have agreed AEC. With the unity of the market and production base in AEC, the flow of goods and services, investment, large amounts of capital, and skilled labor from one country to other countries in Southeast Asia becomes not hindered (Bigéard *et al.*, 2015).

Mother and child Hospital of (RSIA) 'Aisyiyah Klaten and the hospital of (RS) PKU Muhammadiyah Bantul is a part from charity business of Muhammadiyah Health Centre. These organizational complexity comes from the administrative hierarchy with all the risks of clinical, interdisciplinary involvement and the readiness to face the free market. These complexity assessed often causes conflict at the hospital. Therefore, the hospital must be able to overcome the problem of the organization to design a health care resulted in increasing the effectiveness and efficiency of patient safety (Boyatzis, 1982); (Yukl, 2013); (Kotter, 2008); (Rainey, 2009); (Kotter, 2008).

Hospital should be defined as an organization with a new paradigm in leadership to encourage the development of innovation and strive to integrate the various competencies for physicians and managers in managing patients and the general healthcare system (Boyatzis, 1982). In the era of AEC, the hospital will serve global customers or consumers who had global tasteful and will employ many global employees as well as the hospital as a seller of services based on knowledge and high technology (Aditama and Yulherina, 2003). Therefore the possibility of conflict arising will most likely happen in the era of AEC due to the many interactions that occurred. Then it is necessary conducted research to investigate managerial issues and challenges of managers in Muhammadiyah Health Center, Yogyakarta Indonesia.

### 2. Methods

The study conducted in February 2015 was a qualitative-quantitative research with longitudinal method to determine the manager competency of mother and child hospital of (RSIA) 'Aisyiyah Klaten and the hospital of (RS) PKU Muhammadiyah Bantul. Primary data were obtained from the giving of questionnaires and interviews to managers at different levels (2 people at top level, 9 people at intermediate level, and 10 people at bottom level) as well as from focus group discussion (FGD) to employees.

The object of research was the competencies of the manager in the form of leadership skills and management capabilities in various fields (finance, human resources, quality, information systems, medicines and equipment). The process of data analysis including data collection, data reduction, data presentation, and conclusion or verification. Then the qualitative data will be described and narrated. Quantitative data from the questionnaire using Likert scale 1-5, namely: level 1: awareness, level 2: basic, level 3: competent, level 4: advance, level 5: expert. Results of the analysis of quantitative data were used to strengthen the analysis of qualitative data.

### 3. Results

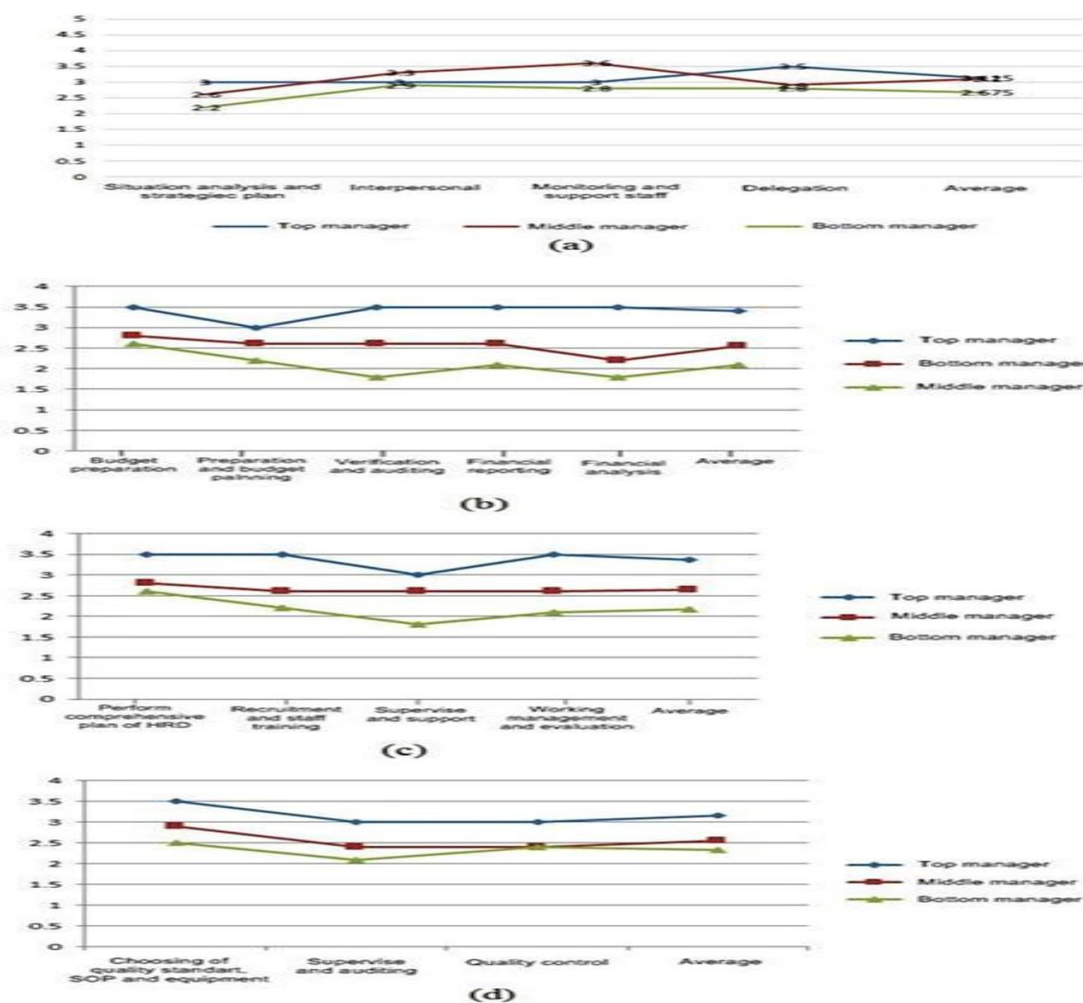
Results of interviews with top level managers mentioned that there are some problems in the hospital. Those problems include hospital has not been accredited, standard operating procedures (SOPs) which has not been standardized, and limited management capabilities. Middle managers mentioned that there are problems on the operational license of hospital new building, the latest movement of hospital to the new building and lack of employee welfare, quantity and quality of human resources in some parts. While the problems faced by lower-level managers are less fulfillment of some infrastructure.

Results of the questionnaire indicate that there are differences in leadership skills among managers (Figure 1a). Top and middle level managers have competent management capabilities (Likert scale 3,00-3,99). However, lower-level managers the management capability is still insufficient or basic (Likert scale  $\geq 2,00$ -2,99).

Results of the interview about the competency of the leadership skills of managers mention there was several obstacles that occurred in mother and child hospital of (RSIA) 'Aisiyah Klaten and the hospital of (RS) PKU Muhammadiyah Bantul nowadays. Top level managers are currently experiencing problems to analyze complex situations and strategic plan, in addition the lack of time for monitoring and support staff because of the many structural assignment. Mid-level managers assume that all the many shortcomings because in terms of less education level, difficult to analyze the situation and lack of communication with all parts. Lower level managers expressed the presence of a deficiency in interpersonal skills. Based on FGO, the management expect a leader to be prudent, provided a comfortable atmosphere on the staff at the workplace, be a trustworthy leader, more discussions with his staff and attention to all employees.

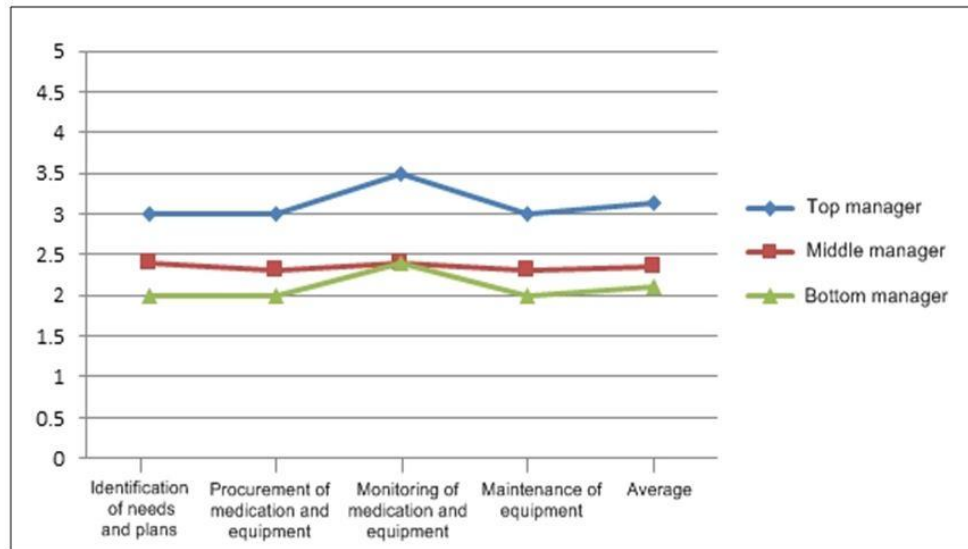
The average competencies of financial management of the managers (Figure 1b). Top managers have higher average from any component of competency. The comprehension of managers on financial management and the constraints of the current financial management, especially in financial management. The level of competency managers of HR management (Figure 1c). Top managers have a higher level of competency than the underlying manager. The comprehension of managers on HR management and human resource management constraints in the number of employees, the recruitment process, training of employees, number of employees and performance evaluation. The level of competency of managers in quality management, the average middle managers and lower managers are still at level 2 (basic) (Figure 1d). The manager's comprehension of quality management that is considered important by them but not yet realized. The problem is that the committee recently formed so still new in the process of completing the manufacture of SOP.

Fig-1. (a) The average competencies of leadership skills; (b) The average competencies of financial management; (c). The Average Competencies of Human Resources Management; (d). The Average Competencies of Quality Management



Medicine management and tools carried by the pharmacy of mother and child hospital of (RSIA) 'Aisyiyah and the hospital of (RS) PKU Muhammadiyah bantul Klaten is still not running properly. Management competencies of medicine and equipment was still lacking especially in the procurement of medicine and equipment and maintenance of the appliance, the average competencies was 2.2, which means under competent (Figure 2). The lack in terms of medicine procurement and equipment that often happens is that the empty stock. Frequently stock is empty occurred because the financial condition of the hospital. Maintenance tools that are less possible due to lack of electromedical staff, cause of so far is still dependent on outsiders.

Fig-2. The average competencies of medicine and equipment management



## 4. Discussion

The number and education level of employees in mother and child hospital of (RSIA) 'Aisyiyah Klaten is less perceived by managers and employees. Some managers feel they lack the ability to be a leader in terms of education level, knowledge and skills in general management or in part their leads. Employees also feel they lack of knowledge and skills because of lack of training or seminar that followed. Some managers also complained about the lack of the number of employees in part they lead, so for now they are complaining of high workloads and not maximum services.

The human resources department is now trying to do the addition of employees in accordance with the needs of hospital, but sometimes constrained in employee recruitment. Employee recruitment conducted by HR managers experienced problems when enrolling employees which do not conform with the qualifications required by hospital, so the addition of employees can not be done entirely. The responsibility of the human resources manager is from the process of recruitment, training, coaching, until the division of job desk and job fit. In carrying out the responsibilities as HR manager at the hospital of (RS) PKU Muhammadiyah Bantul there are problems which being faced by the manager i.e. the preparation of the Strategic Plan which has not been well systemic. To deal with this problem the manager already communicate with the BPH part. In addition there is a problem in employee recruitment stage. Some managers at the hospital do not know the stages of recruitment properly. This can affect the performance of management in a Hospital. HR manager at the hospital of (RS) PKU Muhammadiyah Bantul need more training on recruitment skills, supervision and evaluation, promote and exploit the capabilities of staff. This is consistent with the problems which being faced by HR management namely the subject of evaluation is not conducted at every stage of management and also mismatches between the job desc and job fit due to the inability of a manager in digging the ability of staff.

Leadership depends on the skills of: technical, human, conceptual, and administrative (Northouse, 2018)

Technical skills are knowledge and expertise in certain types of work or activity. This includes competencies, analytical skills, and the ability to use appropriate technical equipment (Blake and McCause, 1991).

### 4.1. Human Skills

Human skills also called interpersonal skills is knowledge and the ability to work with people. This is quite different from the technical skills which associated with doing something . Interpersonal skills are a skill that helps a leader to work effectively with subordinates, peers, and superiors to achieve organizational goals. Leadership research has consistently demonstrated the importance of interpersonal skills for effective leadership . Interpersonal skills are divided into three parts: (1) responsive to the social, (2) emotional quotient, and (3) managing interpersonal conflict (Northouse, 2018).

## 4.2. Conceptual Skills

Conceptual skills are the ability to work with ideas and concepts. A leader with conceptual skills feel comfortable to speak with the idea of forming an organization and the in and out of the organization. Conceptual skills were central for creating a vision and strategic plan for the organization, Katz (Del and Katz, 1955) in Northouse (Northouse, 2018). Conceptual skills for leaders can be divided into three parts: (1) problem solving, (2) strategic planning, and (3) creating a vision.

Problems in financial management according to the financial manager are constrained in terms of preparation and budget planning which based solely on the current financial. While the current financial is not in the stable condition and focus in construction of hospital new buildings. Instability of hospital financial felt by managers and employees inhibit in the process of services. Hospital section which sometimes constrained by the lack of hospital financial stability is the section of the pharmaceutical. According to the manager and employees of pharmaceutical, the pharmaceutical section sometimes run out of stock and sometimes occurs accumulation stock due to ordering of the medicine based on the existing financial.

HR management competencies of managers overall average is 2.7 which is under competent. However, the average top managers assess their HR management competencies 3.37, which is between competent and advanced. In the interview with the top managers, they understand human resource management as "the management of recruiting employees, assess, evaluate basic tasks in accordance with the profession, reward or sanction when performing certain actions to provide severance pay when does not work anymore in hospital, as well as credentialing which conducted sustainably". Top managers perform most of the tasks of human resource management in operational and managerial functions. While middle managers understand the management of human resources as a "management of the overall HR from conducting recruitment until employee is not working at the hospital, managing, organizing staff, (scheduling, description) of work, evaluation, and communication with staff". Middle managers have been performing their duties in the operational functions of human resource management and some managerial functions.

Human resource management is part of organizational management that focuses on the elements of human resources. The task of human resource management is to manage the human element in order to obtain a labor which satisfied with their work. HR management tasks are grouped on 3 functions (Nelson *et al.*, 2004) namely:

- a. Managerial functions, include: planning, organizing, directing, and controlling.
- b. Operational functions, including: procurement, development, compensation, integration, maintenance, termination of employment.
- c. The position of HR management in achieving goal of integrated organizational enterprise.

Hospitals that able to compete in the market is a hospital that is able to provide quality products or services. Therefore, hospitals are required to continue to make improvements, especially in the quality of service. Gaspersz (2000) divide the definition of quality on the conventional definition and strategic definition. Conventional definition of quality directly describes the characteristics of a product such as; performance, reliability, ease of use, esthetics, and etc. While the definition of the strategic quality state that quality is everything that is able to meet the desires or needs of customers (meeting the needs of customers).

In an effort to improve the quality of hospital services, the accreditation must be carried out periodically a minimum of three years. Quality problems today become one of the priority which being completed by mother and child hospital of (RSIA) 'Aisyiyah Klaten and the hospital of (RS) PKU Muhammadiyah Bantul in order to conduct the accreditation of hospitals. Currently the hospital is being set up and equip a standard operating procedure (SOP) for all activities in hospitals and establish quality committees.

## 5. Conclusions

Managerial issues and challenges which being faced by hospital managers at Charity Business of Muhammadiyah Health Center (AUMAKES) today are about accreditation of hospitals that must be done immediately, the increase in salaries or employee welfare, and Improvement of the quantity and quality of human resources. Hospital manager competencies are still basic (standard competency) and need to be upgraded in some aspects. The best way to fill the gap competencies is to conduct education and training to managers in a sustainable manner in order to become more competent leader.

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