

## **Globalization and Management Innovation in the Sulawesi Province Hospital of South 2012: A Case Study**

Hasan Rahim<sup>1</sup>, Wibowo<sup>2</sup>

<sup>1</sup>Department of Hospital Administration, Faculty of Public Health, Hasanuddin University.

<sup>2</sup>Center for Research and Development of Health Resources and Health Services Research and Development Agency, Indonesian Ministry of Health, Jakarta.

Corresponding Author: Hasan Rahim

### **ABSTRACT**

General Hajj Hospital South Sulawesi is the only hospital owned by a local government to make changes in order to improve the quality of one of them by implementing a quality management system ISO 9001:2008. However, when viewed from some performance indicators that have been achieved have not shown the maximum results. This study aims to find out why the changes in implementing the ISO 9001:2008 quality management in General Hajj Hospital South Sulawesi not achieve optimal results. This study was conducted in General Hajj Hospital South Sulawesi. The method used in this research is a qualitative study: case study using in-depth interviews (depth interviews) against those involved in the implementation process of ISO 9001:2008 in General Hajj Hospital South Sulawesi. The samples in this study using key informants were 19 informants. Results from in-depth interviews were analyzed using techniques informant qualitative content analysis. The results showed that at this stage learn the basics of the changes made and initiated by the desire driven leaders (top down) who saw an urgent condition and need thorough repairs. Socialization goals change and the impact of the change is still lacking, not to the lower level. The role of change agent, supporting the support and involvement of stakeholders is still lacking. The reward in an effort to consolidate the perceived change is still lacking. Concluded that changes made in South Sulawesi Province Hospital Haji not achieve optimal results because they do not implement the nine stages of change management as a whole.

**Keywords:** Change Management.

### **INTRODUCTION**

At the beginning of the 21st century it shows a paradigm shift from the traditional public administration model (old public administration) which is so dominant in the 20th century towards managerialism or public management that focuses on customer service. This shift in paradigm has an impact on the entire public service sector, including the hospital sector (Denhardt, et al., 2007). Organizing a hospital with a BLU / BLUD pattern as one aspect of public service as stipulated in Law 25/2009 adhering to the principle of public accountability implies that every hospital in providing services to the community must have measurable performance and quality standards. So that every hospital should make changes and transformations from traditional management patterns (old public management) towards management with modern business principles that focus on aspects of improving service quality as public accountability (accountability).

Changes made by the Haji Regional Hospital in South Sulawesi Province with the implementation of the ISO 9001: 2008 quality management system are certainly expected to improve the performance and quality of services promised so that it has an impact on patient satisfaction and will ultimately increase customer loyalty as reflected in the increase in visits. But this has not shown optimal results when viewed from the outpatient visit data showing a fluctuating trend. Ironically, this condition happened to coincide with a year after the Makassar Hajj Hospital implemented an

ISO 9001: 2008 quality management program. This is certainly inversely proportional to the goals and impacts expected from the implementation of the quality management system itself as one of the efforts to change. The success of a change is largely determined by how the stages of the change management process are carried out (Newton, 2007). The most frequent and prominent problem is the rejection of change itself (resistance to change). To reduce the impact of the rejection of a change in adopting a new system it is necessary to manage change through a change management process approach. The change management plan will fail if it is not supported by the main sponsor; usually the sponsor is the organization's senior management. Organizational stakeholders must accept that such changes are seen as natural for organizations and customers will respond positively to those changes. There are a number of reasons for change, through small flows due to lagging from the other or the need for change that appears on a larger scale through evolution or revolution (Burthonshaw et al., 2011).

Base on the study from Pare, et al. (2011) to find out the clinicians' perceptions of organizational readiness for changes in the context of clinical information system implementation explained that the accuracy of change, organizational flexibility, vision clarity, and the presence of change agents help explain 75% of the organization's readiness for change. Furthermore, organizational readiness is the key to the involvement of the clinician's initial support for clinical information system implementation initiatives. Likewise in a qualitative study conducted by Baltzer, et al. (2012), concluded that a promising area for future research and improvement in change management must involve employees in a structured manner in planning organizational change, and developing methods to avoid high working conditions. irregular.

In order for changes to be well received, they must be managed properly through the stages of change management. The initial stage in making changes is to learn the basics by identifying crises, possible crises, or big opportunities, understanding the sources of change, reasons for change, scope of change and the impact of change (Newton, 2007). The process of managing communication plays an important role in achieving successful implementation of change programs (Aladwani, 2001). The purpose of the study was to analyze and describe the stages of change management and resistance factors to change in the Hajj Hospital in South Sulawesi Province.

## **2. MATERIALS AND METHODS**

### **2.1 Types of research**

This type of research is a case study (Case Study) with a nine stage change management approach from Newton, which seeks to explore the stages of change management in implementing the ISO 9001: 2008 quality management system in the Hajj Hospital in South Sulawesi Province. It is called a case study because this study attempts to explain the phenomenon, the facts of the case, and the conclusions of the events based on facts (Yin, 1981); (Green, et al., 2009); (Gray, et al., 2012).

### **2.2 Research Approach and Research Design**

This study uses a qualitative approach. According to Green and Thorogood (2009) qualitative research was built to understand phenomena from the perspective of participants rather than from researchers. The design of the study is the stages of change management in implementing the ISO 9001: 2008 quality management system in the Haji Regional Hospital in South Sulawesi Province with the design of a case study.

### **2.3 Research Time and Research Location**

This research was conducted from July to August 2012 at the Hajj Regional General Hospital of South Sulawesi

Province. The selection of the Haji Regional Hospital in South Sulawesi Province was the place of research because it was the only local government-owned hospital that had implemented the ISO 9002: 2008 quality management system and successfully obtained ISO 9002: 2008, ISO 18001: 2007 (OHSAS), ISO 14001: 2004 certification since July 2012. Informant The sampling technique that will be used as an informant in this study uses purposive sampling. The informants in this study were using key informants (key informants). Key informants (key informants) are participant taking techniques as a source of data with the consideration that the person is considered the most knowledgeable about what we expect and is able to provide the necessary information related to the purpose of the study (Bassett, 2004).

The key informants in this study were people who were deemed feasible and were directly involved in the ISO 9002: 2008 implementation working group, namely 19 people.

#### 2.4 Data Collection and Analysis

Data collection in this study was obtained by conducting interviews, direct observation, participant observation and document review data. The interview technique used is semi-structured interviews which are included in the category of in-depth interviews.

Data analysis in this study was carried out during data collection until the conclusion was made. Data analysis was conducted qualitatively using qualitative content analysis. In the early stages of reducing data means summarizing, choosing the main things, focusing on the important things, for searching themes and data patterns. Next presents data in the form of a brief description, chart, relationships between categories and drawing conclusions. To authenticate the results of the study, data triangulation was carried out in the form of checking data from various sources in various ways, and at various times.

### 3. RESULTS

This study involved 19 informants who were directly involved in the process of implementing ISO 9001: 2008. Of the 19 respondents consisted of male sex as many as 11 people (57.9%) and the remaining women as many as 8 people (42.1%). Respondents generally have a age of 35-44 years as many as 10 people (52.6%), age > 44 years as many as 7 people (36.8%), and the rest aged 25-34 years as many as 2 people (10.5%). Based on the level of education, generally there are undergraduate (S1) there are as many as 11 people (57.9%), master (S2) there are 5 people (26.3%), diploma three (D3) there are 2 people (10.5%) and one people (5.3%) had doctoral level education (see table 1).

Table 1. General Characteristics of Respondents at Haji Hospital South Sulawesi Province South Sulawesi Province

Respondents Characteristics	n	%
<b>Age (year)</b>		
25-34	2	10,5
35-44	10	52,6
>44	7	36,8
<b>Sex</b>		
Male	11	57,9
Female	8	42,1
<b>Education</b>		
Diploma three (D3)	2	10,5
Stratum 1 (S1)	11	57,9
Magister (S2)	5	26,3
Doctoral (S3)	1	5,3
<b>Total</b>	<b>19</b>	<b>100</b>

Implementation of ISO 9001: 2008 Management System ISO 9001 is designed to meet the quality management system standardization. Companies that want to obtain consumer and third party recognition that the company has implemented good quality management practices, one of the ways that must be taken is to obtain an ISO 9000 certificate (Purnama, 2005).

From the results of interviews with key informants about the benefits of implementing ISO 9001: 2008 at the Makassar Hajj Hospital, information was obtained as follows:

"... It means a lot of benefits, which means a lot of development, if we look at the previous years, before we ISO Hospital, especially in the polyclinic, the number of outpatients ... means that now after ISO it

can rise to 30%. Satisfaction of our patients every month we meet customers ... there are complaints from patients, well ... thank God so far the complaints are meaningful than before ISO there was a reduction ... "(ALM, 46 years old)

Based on the answers from respondents it was revealed that the implementation of ISO 9001: 2008 at the Makassar Haji Hospital had provided several benefits such as improving performance in terms of the number of outpatient visits and increasing patient satisfaction. The level of customer satisfaction with service is an important factor in developing a service delivery system that is responsive to customer needs, minimizes costs and time and maximizes the impact of service on the target population. The impact of the implementation of the quality management system ISO 9001: 2008 can also be seen from the performance indicators of inpatient units such as occupancy / utilization of beds which are often called BOR (bed occupancy rate), frequency of use of bed-BTO (bed turn over), length of day length-of-stay care, TOI (turn over interval), NDR (net death rate), GDR (gross death rate). Occupancy or utilization of beds (BOR) in Makassar Haji Hospital in the last five years were 63.69% (2008), 75.12% (2009), 69.79% (2010), 71.22% (2011) and 72 , 12% in the first quarter of 2012. This shows a positive trend even though it had experienced a decline in 2010.

### ***Change Management Process***

The stage of learning the basics of change which includes the reasons for the change is described by the informant as a problematic condition or a condition that makes the need for a comprehensive improvement through system changes namely the implementation of the ISO 9001: 2008 quality management system. In addition, from the results of interviews with key informants, information was obtained that the source of the changes that occurred in the Haji General Hospital was due to a new director change, meaning that the

changes that occurred were still the initiation of the leadership.

One of the factors driving the success of change is how to communicate the changes to be achieved. The form of management of communication carried out at Makassar Haji Hospital in implementing the ISO 9001: 2008 quality management system is direct communication (two way communications) through regular weekly meetings and indirect communication in the form of non-conformity reports. Based on the results of interviews with the key informants mentioned above, it was also revealed that there was internal communication with all employees who were directly involved in the ISO implementation process through weekly meetings every Monday called morning coffee to discuss urgent issues. In addition, the management of Makassar Haji Hospital actively builds external communication with their customers through customer response meeting services and quality management representative responses (WMM) such as excerpts of interview results with the following key informants:

"... Every month we have the name of consumers' responses to service, all of them, both in VIP on all fronts. That was entered again oh..what is less conveyed again by WMM. There are complaints here we go, so we have internal corrections. If we are here as a team, all working groups are working as these working groups that are lacking ... in the WMM response there will be, or we are written, there is a letter, there is a lack of service sometimes through aiphon ... "(HDR, 55 years).

The important thing about efforts to consolidate change is the existence of awards and the support of leaders as the results of in-depth interviews with the following key informants:"... if in the past we didn't have any allowances for their names ... so we were lazy too right? Well, even though it's a little but there is a reward, he saw what the members lacked. We each have services and are given based on performance ... "(HDR, 55 years). From the

statement of the informant above, it can be explained that one of the efforts made by the management of the Makassar Hajj Hospital in consolidating changes was the provision of rewards in the form of allowances and fees even though the nominal quantity was not maximized.

### ***Supporting Factors and Barriers to the Process of Change***

One of the factors that support the process of change in the Hajj Hospital in South Sulawesi Province is because of the leadership's high commitment and the process of managing intense communication through routine meetings involving all staff. The process of consolidating changes in the form of providing rewards in the form of financial / incentives is felt to be lacking.

## **4. DISCUSSION**

This research shows that the change process by implementing ISO 9001: 2008 starts with conducting internal and external environmental studies and is encouraged by the initiation of the leadership because of a condition that is very alarming. After going through studies of the need to make changes, it was followed by the process of determining the objectives and forming a team that would be directly involved or encourage the process of change in implementing the ISO 9001: 2008 quality management system. The process of determining the goals / objectives to be achieved from changes in this case the implementation of the ISO 9001: 2008 quality management systems is extracted from below, from the units or parts of each. Determination of quality objectives as objectives of change is explored from the focus of problems that often occur in each unit / section.

According to Newton (2007), in determining the purpose of the change there are three fundamental questions that must be answered. First, is change important? This question is useful for knowing common sense to achieve specific goals that have been set. Generally people force the

achievement rather than how to do with the availability of time and resources. Second, what impact will customers or other stakeholders have on the changes made? The purpose of this question is to provide assurance that the changes made will make the organization better overall, not just for certain leaders and people. If the change has been successfully implanted, it should make the operation cheaper, more effective, better service quality or a wider and wider group of customers. Finally, can the change be achieved? This question is useful to ensure that we are not merely ambitious in making changes. Change managers can do more for the organization by conveying ambitions but must be realistic and achievable. Every project that is invested must be managed and can be achieved (Newton, 2007)

According to Sulaksana (2004), all employees at all levels must understand the problems facing the company. Everyone is given the opportunity to find and develop solutions. Openness in negotiations and communication with employees is intended to make the problem well understood (Sulaksana, 2004). On the other hand, employee involvement and by training new skills, new ways of working can be formulated. The employees are included in solving problems such as quality problems, attendance and so on. Many employees are given the opportunity to try new ideas to experiment and find solutions. According to Baltzer et al. (2011) in his study suggested that the key factor in changing health organizations is active employee involvement and good structure as a balance of uncertainty of change. This begins the process of changing attitudes that are more open to the idea of change. According to Bouckenooghe (2010), readiness for change can be done by identifying the existence of gaps between the present situation and the conditions that should be. In real terms the need for change occurs from cognitive processes by comparing the old situation and the new situation similar to the concept of unfreezing from Lewin's (1951) in Bouckenooghe (2010), namely the process

by which members of the organization have changed beliefs and attitudes and perceptions that change is needs that will bring success.

Many companies treat changes such as a coincidence or a routine that will be completed automatically without a good plan. Whereas according to Robbins and Judge (2009), change should be a planned, intentional and goal-oriented activity. According to him, the purpose of change is twofold, namely: (1) to improve the ability of companies or organizations to adapt to changes that occur within their environment; (2) to change employee behavior. From the informant, information was also obtained that someone's involvement in the team / working group was based on the abilities and responsibilities that were owned and came from the unit or each part directly involved in the process of change. According to Newton (2007), change teams are people who are formed and work under the control of a change manager to make that change happen. The people chosen in this change team are people who can take time for change. For a larger change program, the change team can consist of tens or hundreds of people and can be divided into two groups, namely the core team and supporting teams. The core team contains people who are permanently destined to work on a change program and have the ability to do what is required in the period of time the project changes (Newton, 2007). The first step in forming a team that is able to direct change efforts is to find the right people (Kotter, 1997); (Kotter, et al., 2002).

From the perceptions of the informants it was also found that in making changes still had obstacles, there were still people who did not want change, people who did not have a sense of responsibility for change. Efforts made by the management of people who are resistant to persuasive approaches and ask the problems faced to make continuous improvements. During the implementation phase the monitoring and evaluation process changes

smoothly. The mechanism of routine meetings is mostly carried out at the stage of implementation of changes to communicate the achievements of the objectives, as well as make efforts to improve the findings of the internal audit. Legitimate changes will get recognition only if the changes come from and involve grassroots levels (Klein, 2004).

One of the efforts made to consolidate change is the provision of rewards by benchmarking. In order to maintain the changes that have taken place from the conditions of stress and saturation, the management of the Makassar Hajj Hospital has prepared a religious program which they call the management of the acronym of "hajj hospital management embodies akhlakul karimah" This program aims to wrap the changes that have been running so that in order to increase work motivation and reduce stress levels in the work. In addition to providing non-financial rewards, the management of the Makassar Haji Hospital also provides financial rewards in the form of allowances and service fees even though the nominal value is not maximal. According to Lawler III & Worley (2006), in making changes organizations can use bonuses as rewards for individual performance to improve performance. The bonus approach can reduce one of many failure changes.

The general strategy for achieving the goal of change is communication. The communication process in managing change is a very vital aspect of the success of a change project because good communication will increase desire and encourage change movements (Aladwani, 2001). Overall the communication process in implementing the ISO 9001: 2008 quality management system at the Makassar Hajj Hospital runs well and is one of the keys to the successful implementation of these changes. According to Aladwani (2001) in his research on change management strategies for the successful implementation of the enterprise resource planning (ERP) explained that one effective communication

strategy is to convey the benefits of implementing an ERP system. Furthermore it is said that another communication strategy is to provide an overview of how to implement an ERP system will work. In some cases, the failure of ERP implementation is caused by lack of communication (Aladwani, 2001).

From the nine stages of change management in the implementation of the ISO 9001: 2008 quality management system at the Makassar Haji Hospital, the stage of managing communication became a key process of the management of changes made. Almost all stages of the 9 (nine) stages of change management use capabilities in managing communication. This is in accordance with Newton (2007), which places the stages of managing communication at each stage of change management. This research shows that communication management plays a central role in making changes. Although other stages cannot be considered more important.

## 5. CONCLUSIONS AND RECOMMENDATIONS

The application of the ISO 9001: 2008 quality management system at the Haji Regional Hospital in South Sulawesi Province is to improve and improve the quality of the service process by implementing behaviors that are in accordance with the minimum service standards and established standard operating procedures. However, the implementation of ISO 9001: 2008 has not been able to improve the performance of the Haji Hospital in South Sulawesi Province to the fullest. This is because the process of change by implementing ISO 9001: 2008 does not implement nine stages of overall change management. Changes made at the Haji Hospital in South Sulawesi Province in implementing the ISO 9001: 2008 quality management system were pure initiations from the leadership. Besides that the changes made in the Haji Hospital in South Sulawesi Province have not maximized the stages of learning the basic and consolidate

change. It is suggested to the management of the Haji Hospital in South Sulawesi Province to improve the stages of change management especially at the learning stage of the basics and the stage of consolidating change through increasing the provision of financial rewards.

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How to cite this article: Rahim H, Wibowo. Globalization and management innovation in the Sulawesi province hospital of south 2012: a case study. *International Journal of Science & Healthcare Research*. 2019; 4(1): 128-135.

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