

Corporate Social Responsibility In The Health Sector For Papua Indonesia

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Abstract: This research aims to investigate Corporate Social Responsibility (CSR) issues in the case of health sector in Papua province, Indonesia. With particular focus on the importance of CSR, the main objective of research is to construct a conceptual model of CSR comprehensively describing essential aspects of CSR relevant to the context of health sector for Papua. The CSR issues addressed in this research will integrate economic and social concerns which place ethical and discretionary expectation into a rational economic and legal framework. The model presented will articulate key aspects in the conceptual framework of CSR developed by Carroll's pyramid of CSR taking into consideration the social issues involved in the health sector. The research found that the medical workers except nurse, health care coverage and facilities in Papua show unfavorable conditions. In addition to this condition, the finance issue has then influenced organizations' effort to meet the health needs of people. Despite all maximum services, customer satisfaction and profitability are not being met. The organizations have shown ethical conduct and obeyed all law and regulation in delivering the health service, however, the ability to meet all different varieties of expectations of the society is difficult to meet.

Keywords: Conceptual Model, Corporate Social Responsibility, Health Sector, Papua

1 INTRODUCTION

Corporate social responsibility is defined as a responsibility of organizations committing to adopt sustainable development goals that take into account economic, social, and environmental impacts in the ways they operate (Clegg, Kornberger, Pitsis, 2011). The main idea of CSR is that firms are vital centres of power and have direct impacts on the lives of population in various ways. CSR consists of responsibilities encompassing the economic, legal, ethical and discretionary expectations to organizations at a given point of time (Carroll, 1979). CSR therefore must embody the economic, legal, ethical and discretionary categories of business performance. These four categories are intended to portray a continuum with economic and social and environmental concerns from organizations. Studies of CSR undertaken in those developing countries show great challenges, admittedly, some organizations have implemented CSR; however, many organizations still have not included CSR as part of the corporate agenda. Amponsah-Tawiah & Dartey-Baah (n.d) mentioned that many organizations implement CSR without understating it, some organizations even make donations in the name of CSR either they see the competitors are doing it or because motivation to show off their business. A number of researches conducted also have various limitations, a number of limitations are derived from the CSR variables, limited samples and inaccurate design and methodology used, and therefore, the findings cannot be used as representative of the bigger picture. Due to the limitations of the previous research, this research is necessarily carried out to investigate CSR issues, address the importance of CSR in health sector Papua Province, Indonesia. Geographically, Papua is one of the largest provinces with the smallest population in Indonesia. Despite abundant and fiscal resources; health sector in Papua faces very serious challenges.

The government of Papua through the Provincial Health Director, quoted in the Report of Working Visit of Commission IX of the House of Representatives of the Republic of Indonesia on 7-10 December 2014, published by the Secretariat General of the Parliament stated that the general health conditions in the province of Papua is still far from the standards expected. Mother mortality rate of 573/100,000 KH (the second highest in Indonesia). The infant mortality rate 155/1000 KH. Immunization coverage of 55% (89.5% nationally). The highest HIV prevalence in Indonesia is 2.3%, 2.9% of indigenous Papuans. Surprisingly, per capita health expenditure in Papua has increased each year where goods and services as well as capital expenditure are the largest components of the health expenditure. Malaria has also attracted very serious attention both in Indonesia and worldwide, ironically, this disease has been a major epidemic in Papua, followed then by ISPA (acute respiratory tract infectious disease), and diarrhea and cholera. Furthermore, there has been lack of medical staff and facilities to combat these diseases. Although the regional expenditure of health sector has dramatically increased each year, the health centres and health service facilities have not changed. Special autonomy funds in the Budget of the Papua Province shows sizeable health spending consisting of capital expenditure, spending on goods and services and personnel expenditure. Spending on goods and services by the end of 2014 showed a high portion in which the Department of Health, Papua Province using 73.1 Billion, Abepura Hospital using 77.5 billion and RSJ Abepura, 17 billion. In fact the number of health centers in the province of Papua per June 2014 amounted to 394 consisting of 104 inpatient and 290 non-patient health centers. The number of hospitals reached 37 hospitals comprising 3,780 beds. This amount reported is still far from ideal standards expected, and the situation is quite alarming for health services in remote regions. Although the causes of all the issues in the health sector cannot be identified clearly, the problems of this crucial sector immediately needs to be addressed and solutions sought. Society has been the centre and main victim for all of this, the biggest question exists in relation to responsibility of health organizations whether for-profit and non-for-profit organizations to combat these issues. Therefore, identifying CSR factors and raising CSR issues in health sector publically will assist all stakeholders in understanding the importance of CSR for health and

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awareness to the issues automatically be built. The objectives of this research are to evaluate Corporate Social Responsibility for the health sector and the extent CSR is implemented if CSR has been done in Papua's health sector. Health sector in Papua is one of the primary issues needing to be addressed, Carroll's CSR model is expected to identify the issues and guide to determine social issues involved. CSR will be considered important and awareness to being economically, ethically, legally, and discretionarily responsible be built.

2 LITERATURE REVIEW

2.1 Corporate Social Responsibility

Corporate social responsibility is a concept whereby companies integrate their social part and the environment in their own economic operations and interact with key players in their field of Interest voluntarily. It is defined by the World Business Council for Sustainable Development as: "The continuing commitment by business to behave ethically and contribute to economic Social development while improving the quality of life of the workforce and their families as well as the local community and society at large". CSR furthermore is what the community expects from it in terms of environmental, economic, legal, ethical and philanthropic view point (Dumitru, Ionel, & Ileana-Sorina, 2008). The issues of corporate social responsibility involve the integration of new ideas in relation to the responsibilities of economic, social and environment. CSR has been adopted as a formal policy by many advanced societies, government and business. It is implemented in response to the present crisis of sustainability and recent scandals caused by socially and environmentally irresponsible and unaccountable behaviour (Amponsah-Tawiah & Dartey-Baah, n.d). Its approach intends to point out the positive aspects of the activities as well as its multifarious character in the world of modern business. A process great international companies deem as favourable for the position it offers both in the sphere of business and in the concerned communities, corporate social responsibility has also gained importance in the scientific world. Carroll (1979) pointed out that the company considering corporate social responsibility will fully address the entire range of obligations they have to the society embodying economy, legal, ethical and discretionary categories of the company's performance. All these kinds of responsibilities have always simultaneously existed for business organizations, although the history of business suggests a more emphasis on the economy, then legal aspects and later concern given to the ethical and discretionary aspects. Carroll's four basic expectations, reflecting a view of social corporate responsibility are deeply discussed below; Economic responsibility. Given that business institution is a basic economical unit in our society; being responsible to produce goods and services society needs. The business also has shareholders expecting a reasonable return for their investments. They have employees who want safe and well-paid jobs, they have customers who demand quality products at affordable prices, etc. Novac (1996) developed fully a set of seven economic responsibilities such as:

- a. Satisfy customers with goods and services of real values,
- b. Earn a fair return on the funds entrusted to the corporation by its investors,
- c. Create new wealth which can accrue to non-profit

institutions which own share of publically-held companies and help lift the poor out of the poverty as their wages rise,

- d. Create (would add, maintain) new jobs,
- e. Defeat envy through generating upward mobility and giving people the sense so that their economic condition can improve,
- f. Promote innovation,
- g. Diversify the economic condition of citizen to prevent the tyranny of the majority.

Legal Responsibility. Society expects business to fulfil their economic mission within the framework of legal requirements. Business thus has ground rules – the laws and regulation under which it is expected to operate. Corporate legal responsibility, thus calls for the business to comply with the normative documents in force. Laws regulating business action and their operation need to be passed because the society does not always trust that business to conduct their activities in right ways. Although laws function to regulate business conduct, they have shortcomings to ensure responsible behaviour. Laws have limited scope and cannot cover every possible contingency, they merely a floor or moral minimum for business conduct. They tell us what ought not to be done, rather than telling us what ought to be done. They might be followed involuntarily out of fear of punishment rather than voluntarily out of internal moral conviction. Ethical responsibility. Ethical responsibilities require corporations to do what is just, fair and equitable, even if they are not forced to do so by the existing legal framework. Although, the first two categories – economic and legal responsibilities have embodied ethical norms, there are additional behaviors and activities not necessarily codified by law, but expected by society members. Ethical duties overcome limitations of the legal duties. Ethical responsibilities in the forms of policies, decisions and practices are either expected (positive duties) or prohibited (negative duties) by members of society although they are not necessarily codified into laws (Carroll, 2001). They derive the source of authority from religious convictions, moral tradition, and humane principle and human rights commitments. Philanthropic responsibility. The Greek word "philanthropy" literally means "love of people" and placing this within the context of business covers all those situations where the corporation is free to decide, without any external constraint, to engage in actions aimed at improving quality of life for employees, local communities and ultimately society as a whole. Ethical responsibilities are left to individual judgment and choice; perhaps, it is considered inaccurate to call these expectation "responsibilities" as they exist in business discretion, however, societal expectations do exist for business to assume social roles over and above those described thus far. These roles are purely voluntary and the decisions to be made come from business' desire to engage in social roles, not mandated, not required by law and not even generally expected of businesses in an ethical sense. The essence of the activities from this responsibility is if business does not participate in them, it is not considered unethical. These discretionary activities are considered as "helping society". Carroll's model of CSR consisting of four social responsibility categories has been used most to implement CSR in many developed and developing countries. It requires economic responsibility emphasizing on performing in a manner consistent with maximizing earning per share and

committing to being as profitable as possible. Legal responsibility is important in a manner consistent with expectations of government and law and complies with various federal, state and local regulations. Ethical responsibility is important to perform in a manner consistent with the expectations of societal mores and ethical values; and philanthropic responsibility is important to perform in a manner consistent with philanthropic and charitable expectations of society. In summary, Carroll's total CSR of organizations entails the simultaneous fulfilment of the firm's economic, legal, ethics and philanthropic responsibilities; it is designed to bring into the fold those arguing that social responsibility by presuming economic emphasis to be separate and apart from social emphasis. To be more pragmatic and managerial terms, a firm applied to CSR should strive to make profit, obey the law, be ethical and be a good corporate citizen (Carroll, 1991). Auperle, Carroll, and Hatfield (1985) praises the comprehensive qualities of Carroll's CSR model in establishing the umbrella between business and society. Smith (2011) successfully uses Carroll's model to illustrate the importance of a firm maintaining profitability in order to fund other characteristics of corporations for two relatively large companies (contrasting profit and not for profit in the United States). Nevertheless, a number of serious limitations of Carroll's model also come from various aspects. Visser (2005) implemented Carroll's model in the African context and found the limitations in conceptual clarity and descriptive accuracy from the model. Evidence also shows that CSR practices in the African context challenges the accuracy and relevance of the model. CSR in the African context is different from classic, American context. Carroll (1979) also admitted that the major problem which arises in Carroll's model is that the social issues involved may be different for every country, sector and industries.

Major Components of Corporate Social Responsibility

Corporate social responsibility has four main components the companies should look at and take their full responsibility to address them. A research conducted by Chen, Chih (2011) discussing the four major components of CSR in Taiwan taking into account the aspects of accountability, transparency, competitiveness, and responsibility. The result shows that the confirmatory factor analysis indicated that the correlation among four latent variables was significant, and the second-order factor structure fit the observed data well. The result supported the proposed model that four constructs played a dominant role toward CSR. Business leaders therefore could have clearer perspectives while facing challenges regarding CSR issues. The four components in Corporate Social Responsibility in this research will use four components conducted by Chen, Chih (2011).

Accountability

Accountability in general is aimed to explain the behavior of individual under a social structure or social situation. It is depicted as the degree to which a company is willing to openly acknowledge its business actions, products, decisions, and policies including administration, governance, and implementation within the scope of the role and encompassing the obligation to report, explain and be answerable for resulting consequences. Accountability is measured as a sign of openness and answerability (Wood and Winston, 2007), and together with the theory of organizational structure

proposed by Child (1972). It is a concept that completely separates from responsibility: one could be responsible without being accountable because "responsibility may be assigned, enforced, or even mistakenly applied to an individual or group by an external force" (Wood and Winston, 2007, p. 168). In business fields, a company that commits to act in accountability will comply with prevailing norms and justifies conduct. Wide ranges of research nowadays show that there is a growing demand for companies to demonstrate accountability in the forms of their policies and practices in relation to their business actions. Those researchers suggest that the appropriate measures and reporting techniques shown by the companies will determine what the companies are responsible for. Simply put that the accountability is the duty to provide an account (in this case is CSR report) of the companies' actions for which one is held responsible. Tetlock (1999) stated that openness is one of the key virtues of accountability. The firms that act accountable not only communicate with stakeholders regarding they types of behavior showing their support the organization's vision, values and effectiveness, they also need to model the ideas publicly. Wood and Winston (2007) added that firms with accountability will engage in answerability by showing and taking proactive initiative to explain their decision, actions and commitments. One high utility means of rendering this obligation is the use and application of accountability standards, such as the GRI's Sustainability Reporting Guidelines and ISO series. The guidelines require firms to comply with standard guidelines, and any activities concerned directly or indirectly with relevant requirements.

Transparency

Transparency is defined as the degree to which a company is willing to remove barriers to free and easy public access to corporate information, to provide information for the public about what the company is doing, to conduct the business that consistent with the law and policy and to rapidly disclose the information in the forms that public can easily and readily find and use for decisions. Faust and Svensson (2001) defines transparency as the degree of asymmetric information about control errors. Corporate transparency is viewed as a group of characteristics of the process that enable participants outside the firms to understand and analyze the firm-specific information. As the annual report often have high tendency to only emphasize the positive rather than the whole pictures of the companies, transparency therefore emphasizes analyze of financial transparency and government transparency. The greater transparency can contribute the more increase in credibility of CSR policies and practices of the firms and better strategic outcomes. The companies in order to ensure and strengthen public confidence in the integrity, quality and effectiveness of their products and services must develop strategies to fulfil the goal of transparency in doing and running their business. Fridriksson (2000) added that the code of good practices on transparency suggest that a company should focus on transparency principles such as:

1. Clarity of roles, responsibilities and objectives of a firm
2. The process for formulating and reporting of policy decisions
3. Public availability of information on policies
4. Accountability and assurance of integrity

Competitiveness

Competitiveness is defined as the degree to which a company is willing to establish cooperative relationships with stakeholders that requires commitment as well as trust. Rindova et al (2005) showed that organizational reputation is mainly built upon the dimension of collective responsiveness and recognition that a firm has long accumulated in its business field. Reputation therefore has become the main domain in the measurement of competitiveness. Competitiveness plays a critical role that leads a company to sustainability. In order to be competitive, the companies need to provide not only the quality of products or services, they also need to demonstrate the CSR management of business. Research showed that top global companies reveal part of their effective management through comprehensive social and environmental policies. Rindova et al (2005) showed that throughout these mechanisms explained above, the companies can have greater prominence in the minds of stakeholders and they can build up a strong reputation. Furthermore, from the transaction point of view, while there may have been no previous transaction between a particular seller and buyer, a good reputation may signal the seller's competence and goodwill. Stakeholders observe a firm's behavior and accumulate perceptions overtime. Reputation therefore can reduce stakeholders' uncertainty and the buyers can eventually rely their trust on the sellers' reputation. As when the competitiveness is enhanced, firms may experience improvement of their financial performance (Sharma, 2005). Questions in this research are then designed on the basis of whether or not a firm produces quality goods and services and has greater prominence in the minds of stakeholders. It should be remembered that cooperative relationships between a firm and stakeholders require commitment and trust (Morgan and Hunt, 1994). Question are developed on two aspects such as:

- a. Whether or not a company shows its desires to continue relationships and to work to ensure the commitment
- b. Whether or not a company maintains high-quality communication with relevant, timely and reliable methods.

Responsibility

Responsibility is depicted as the degree a company adheres to legal guidelines, looks out for the welfare of its employees, the community and society at large and is willing to display its commitment to corporate responsibility in many ways and this includes charities and environment. Waddock et al (2002) suggested that to measure corporate responsibility, Total Responsibility Management (TRM) is used to help companies think through these pressures. The companies are confronted by social demands and externally imposed expectations, it is important for them to deal with public issues with more proactive approaches to demonstrate their responsibility to various stakeholders. Stakeholders are the dominant pressures that push the companies to have corporate responsibility and therefore the CSR agenda is clearly about the strategic decisions. Business leaders thus need to thoroughly consider in what aspects of CSR to invest in order to satisfy various stakeholders. Companies in this case may use mechanisms to reinforce their strategies so that the commitment towards responsibility from companies can be clearly signaled. In response to pressures on corporate responsibility, companies need both internal and external of interconnected systems (Waddock, 2006). Internally,

companies need to develop internal responsibility management systems that establish corporate standard and codes of conduct and ensure that they are being implemented. Externally, such systems provide credibility of practice. In order to fulfil public expectations about corporate responsibility, TRM is proposed to think through the responses to these pressures. Researchers suggest that international standards may serve as a credible signal of process quality control (Terlaak and King, 2006).

2.2 Corporate Social Responsibility in Health Sector

Discussing CSR in the health sector is important for two reasons; first, it is concerned with multiple stakeholders; society, government, and other private sectors, the second is that a way of making a profit has very close relationship to people's life by affecting their health problems (Lee, 2005). The health organizations, thus are important to be socially responsible and be conscious about the interest of the key stakeholders. Admittedly, the healthcare industry has a variety of challenges; issues such as, stringent regulatory compliance, intense labor shortages in nursing, increased and costly technological advancements, implementation of international quality standards and substantial community dependence make this industry one of the most operationally difficult (Tehemar, 2012). Furthermore, there are numerous epidemic diseases and other serious diseases which needs close attention, both from public sector and private sector in healthcare industry (i.e. HIV/AIDS, Avian Influenza, and etc.). Without doubt, hospitals, thus have to work harder than other industries to win and retain that trust while coping with all the challenges. The review of the Fortune top 1000 companies list, given that among 14 listed in the healthcare: Medical Facilities, none has issued non-financial reports. GRI Reports also show that among 1003 reporting entities in the year of 2008, only 8 of healthcare services provided their sustainability reporting. Healthcare industries thus have been blamed for the problems faced by various stakeholders. One of the issues includes different prices on some critical medications sold over the world. They simply cannot lower the price in countries where the critical amount is needed (e.g. HIV preventive medicine in Africa) since they've had incidents where the donation has been sent back to the local black market. This also has a problem with IP regulations to deal with. Although there are not clear solutions for these problems, the matter is being seriously looked in to for improvement. Bottom line, Pharmaceutical companies are willing to share their know how under no extra cost to provide medicine to these patients if IP laws and black markets problems are resolved. This is only a single problem outlined from many others. Tehemar (2012) argued that CSR could play an important role in the context of highlighting the performances of the health care in a transparent and sincere way and will finally create better understanding from the community about the above mentioned challenges that this sector faces. CSR furthermore can support the healthcare sector to elaborate on social issues that could serve to improve their images and enhance the stakeholder engagement by making their performance indicators available to public. The key benefits of implementing CSR in health sectors are getting a license to operate – from key stakeholders and not just shareholders, the high reputation of management, more efficient use of resources, enhanced patient loyalty, increased ability to attract and retain quality employees, responsible competitiveness

and attracting Investors and Business partners. The healthcare companies therefore need to constantly think of innovative CSR approaches with pressures from their stakeholders. Lee (2005) suggested that there are two foremost jobs of Health industry before they solve the complex issues of helping the needy. First of all, the business units have to be earning in a responsible way. This has to be communicated to supply chain, marketing, finance, HR and other departments throughout the company. If a company is contributing to HIV AIDS issue but with the money from illegal transactions or from selling medicines packaged by children, what good is it? Second is that health sector, just like other business sectors needs to focus on certain areas to contribute to the society and link it with their business. This does not have to directly relate to their products or services and this would be the clear difference of healthcare companies compared to other industry companies. However, overall, there needs to be clear effects and companies need to realize that. As a result, by doing business and making money, business could be contributing to the society. This is certainly not an easy task but not impossible. When above two parts are implemented as a corporate strategy, a company in the health sector would be recognized by the public rather than be blamed upon for only chasing after profit.

3 RESEARCH METHOD

Research Design

This research is classified as a Qualitative Field Research and utilise some elements of Community-based Action Research. The Qualitative Field Research aims to provide systematic evidence for obtaining insight into the other persons' views of the world. It is defined as a disciplined inquiry examining the personal meanings of individuals' experiences and actions in the context of their social and cultural environment (Patton & Cochran, 2002). The term personal meaning refers to the way in which individuals subjectively perceive and explain their experiences, actions and social environments. The Action Research can be viewed as a systematic cyclic process where community members reflect on programmes or existing activities in their communities; then identifying their needs and areas of improvement; followed by a collective effort developing simple action plans for improvement. Action research provides a systemic approach to investigate effective solutions to problems experienced everyday by people. The benefit of action research is that it focuses on a specific situation and a localised solution (Descombe, 2010). This research is designed to address Corporate Social Responsibility in healthcare environments where the non-profit and for-profit organizations are randomly selected to represent CSR issues of health sector in Papua. Directors, staff and medical personals, patients and society in both organizations will be approached to provide their personal experiences regarding Papua's healthcare issues. This thus is to address the main issues, capacity, development gap of health sector in Papua; to find social issues involved in healthcare, CSR issues and the extent the CSR is implemented in Papua's healthcare as well as the philosophy responsiveness on main issues in implementing CSR. CSR model relevant to healthcare in Papua will be eventually generated and hopefully applied for healthcare in Papua. To pursue the objective of this research, a number in-depth interviews and observations will be undertaken, secondary

sources analysis then used to deepen the contextual understanding of the issues discussed. All in-depth interviews and observations will be conducted in Jayapura (Capital City of Papua Province). The common Papua languages used and transcribed are Indonesian and some native languages. All data collected are then analysed in "thematic analysis" where the process of analysing the data is collected from the participants' standpoint and worldviews.

Sample

A purposive sampling method will be used in this study where the researcher purposefully chooses respondents who meet certain criteria (Madsen, 2011). This means participants are selected because they are likely to generate useful data for the research. Directors, staff and medical personals, patients and society from Regional General Hospital Jayapura Dok 2 representative of the public healthcare and Dian Harapan Hospital from the private healthcare respond to the issues being discussed, identify the problems and needs and areas of improvements.

Data Collection

The data collection method will include secondary data collection from each chosen sample's existing strategies, policies and practices in the healthcare; Department of Health in the Province of Papua's data of the number of doctors, medical staff, healthcare centers, health center branches, patients and health facilities. The primary data from in-depth interviews and direct observation.

In-depth Interviews

In-depth interviews are used to investigate in details the respondent's own perceptions and accounts; this method is important to gain an in-depth understanding (Patton & Cochran, 2002). In-depth interview with the some directors, medical staff, patients, society and chosen people from the Department of Health, the province of Papua will be carried out to gain an understanding of healthcare in Papua, the main issues, social issues in the health sector, CSR and the extent it is implemented.

Observation

Observation is designed to understand fully the complexities of many situations in research objects; "it is useful in overcoming discrepancies between what people say and what they actually do and might help uncover behavior of which the participants themselves may not be aware" (Patton & Cochran, 2002, p. 20). The mass observation will be carried out to record and understand deeply the main issues of CSR for healthcare in Papua being discussed.

Data Analysis

All data collected are then analyzed in "thematic analysis" where the process of analyzing the data is collected from secondary data analysis, participants' standpoint and worldviews instead of the researcher's perspective. The data are then grouped into themes, sub-themes through a systematic coding process. Thematic analysis enables the researcher to identify units of meanings or key features and elements evolved from the systematic categorization process to best summarize and present the lived experiences of social and environmental realities of respondents involved in this research (Boyatzis, 1998).

4. RESULTS

Evaluation of CSR in the health sector in these two hospitals performed in this research are Rumah Sakit Umum Daerah Dok 2 Jayapura and Dian Harapan Hospital. The category of CSR addresses four perspective proposed by Carroll (1979) embodying ethical, legal, philanthropic and economic perspectives.

Overview of Regional General Hospital Jayapura Dok 2

RSUD Dok 2 was built in 1956 by the Dutch government and inaugurated on June 5, 1959. Based on the analysis of the coverage of appropriate arrangements existing wards, the hospital is intended for basic specialties consisting of Specialization in Medicine, General Surgery, Obstetrics and Gynecology and Children. Since May 2, 1962 with the handover of West Irian to the Government of the Republic of Indonesia, the hospital was submitted to the Government of Indonesia and the management was implemented by the Government of Papua Province. Based on the historical records, the Jayapura Hospital was in type D status from 1962 to 1982. The hospital changed the status of type C from 1983 until 1994. Then the status of type B. Non Education was from 1995 to 2001 and starting from 2002 up to now has been called as the Jayapura Education Hospital with type B status. RSUD Dok 2 vision is to become the Best Regional General Hospital in the Middle East region and make the hospital as a referral center in the public health services, education and health research and development of health technology. RSUD Dok 2 mission is to provide the health care with excellent service standards, bring in professional health human resources, carry out education and research that support the excellent service and provide services with regard to socio-economic aspects. RSUD Dok 2 has a fundamental duty to implement the health care efforts that are efficient and effective, harmonious and unified and improve public health through health care and referral efforts. To carry out the tasks referred to Article 50, RSUD Dok 2 Jayapura has a function as a medical service, nursing care, medical and non-medical support, management of human resource hospitals, referral services and the provision of educational facilities and promoting the accountability for education for candidate doctors and other health professionals. The organizational structure of RSUD Dok 2 consists of the director who oversees the committee, the functional medical staff and internal supervision unit. Deputy Director of medical services and nursing oversees medical services, nursing, field support services, medical records and installation. Deputy Director of education, research and human resources is in charge of human resources, the field of education and training, R & D and installation. Deputy General Director is in charge of finance and accounting, general section, the planning and marketing and installation. Novak (1996) fully delineated a set of economic responsibilities such as, customer satisfaction with the products and services offered, the advantages obtained from the management of the organization, efforts to develop the resources that could potentially generate revenue, opening new jobs for the community, encouraging staff to work hard in order to obtain additional income or bonuses and promotion of innovation within the organization. The results show that customer satisfaction with the services the hospital has not been fully met. Mirwan (2014) using the theory gap of service quality by distributing questionnaires to 205 inpatient samples taken proportionally, 12 samples of management, 46

samples of medical personnel indicated that there has been a gap between services perceived and expected. The result showed a service gap in inpatient services. Patients present with varying needs and desires, the fulfillment of these needs requires a process and a considerable time. RSUD Dok 2 is a government hospital that provides profits for the Papua Provincial Revenue. Profits generated per day is revenue belonging to the province and will be returned to the organization in the form of health and facility services set out in the regional regulation. The profit over a given period is known solely by the Department of Revenue. To add labors to this organization, the hospital opens the recruitment of each period but the competence becomes an important consideration in the recruitment. In order to encourage and stimulate the staff in working, the Conditional Income Supplement is enforced. The Local Government in this case is those who have authority in making rules concerning the additional income. The hospital is also open to provide an opportunity to innovate. The opportunity to open research broadly is done as the hospital is categorized as a teaching hospital. Legal liability includes the adherence to the legal organization in carrying out its functions and responsibilities, the extent of compliance of the hospital in carrying out those functions and responsibilities related to public response to the compliance with laws in the health services provided by hospitals. The Law of the Republic of Indonesia No. 44 in 2009 regarding the definition of hospital that it is a health care institution for people with special characteristics that are influenced by the development of health science, technological advances and socioeconomic life in communities but must remain able to improve more qualified and affordable services for the people and to manifest the highest degree of health. In the organization of health services, hospitals must comply with the law and procedure. Where there are complaints from the public, they must go through the procedures. The Act of the Republic of Indonesia No. 29 in 2004 on the practice of medicine and the Indonesian Government Regulation No. 32 on the Health Workers are a set of rules that must be obeyed by the hospital in the administration of health services. The results showed that hospital staff and management strive to adhere to regulations. Accreditation policies are regulated in Law No. 44 in 2009 Article 40 that in an effort to improve the quality of services, the hospitals must be periodically accredited at least 3 years. Accreditation must be conducted by an independent agency both from within and outside the country based on the applicable accreditation standards. The independent institution that conducts the accreditation is determined by the Minister. One of the provisions required that the accreditation of the hospital's legality must be upheld in the process and procedures of health care. Ethical responsibilities include any ethical actions that are not described in laws or regulations. The sources of ethical actions of the organization can come from religious values, customs and culture, principles and moral people. The organization must exercise their commitment to conduct ethical actions in providing healthcare to the community. The results show that the management of RSUD Dok 2 seeks to work in accordance with the Standard Operating Procedure (SOP) and to avoid unethical services, the hospital carries out a periodic evaluation of the service. The results of the evaluation can then be an input to improve the performance in the future. In addition to the SOP to be followed by hospital, the health care professionals and

management must work in accordance with the code of conduct. Indonesian medical ethics is set in KODEKI consisting of general liability, liability doctors. Results of the study add that management and health staff need to build commitment to implement ethical accountability so that the commitment needs to be improved and evaluated periodically. This hospital in this case needs to facilitate that all staff are ethically responsible for the health service to the community. Philanthropic responsibilities refer to the expectations of the community that are not addressed in the rules of the organization, the extent to which the organization meets the public's expectations and the motivation to meet public expectations. This study indicates that although there is no gap between the expectations of recipients of services by service providers, the community still has great expectations and the expectations sometimes even exceed the standards of the services provided. Patients present with a variety of needs and desires and hospitals may not be able to meet all those expectations. Hospital work principally based on existing SOPs and strive to provide the best health services in the interests of society. Yayasan Dian Harapan was established by notarial deed in order to realize the subject matter of the health problems that exist in the land of Papua. The formation of this foundation is done through the efforts to collect all the strength of existing funds, and that includes involving the entire Catholic community. Based on the Yayasan Dian Harapan Decree on April 23, 1994 pertaining the establishment of the construction of the Hospital Committee, the implementation was then done through 4 stages on an

ongoing basis taking into account the funds available. Dian Harapan Hospital's vision is to bring the love in the form of health services for the needy and suffering so that they as heir to the kingdom of God can uphold and practice the love of God and continue his work. The mission of this hospital is to be an independent and qualified hospital in providing health services for the people around Jayapura and Papua in general. Therefore, the basic values of Dian Harapan Hospital is the customer comes first, employees have a sense, continuous improvement, the spirit of togetherness and brotherhood, service holistic, oriented to the personal work ethic as well as high organizational performance and uphold the norms and professional ethics. The motto of Dian Harapan is that patient safety is the main goal and our success. The type of healthcare in the Dian Harapan Hospital are outpatient services consisting of the General and Specialist Poly, Emergency Installation, Inpatient Services with a total of 116 beds and Medical Support Services. Dian Harapan Hospital is headed by a Director performing his duties, assisted by three deputy directors consisting of the deputy director of medical services, the deputy director of nursing and deputy general director. Economic responsibility for Dian Harapan Hospital is explained through several ratios, such as, the ratio of economy, effectiveness and efficiency. Economic ratios is used to determine how closely the institution managing the budget available and there is no wastage. Effectiveness ratio measures the ability of hospital to carry out their duties effectively. Efficiency ratio is used to see how efficiently the institution managing their expenses to obtain incomes.

Table of Economic Ratio 5

Year	Budget	Expenditure	Ratio of Economy
2013	38.509.235.850	41.043.312.230	106.58%
2014	45.147.643.453	44.707.440.222	99.02%

Table of effectiveness and efficiency ratio

Year	Revenue Realization	Expenditure Realization	Revenue Target	Effectiveness Ratio	Efficiency Ratio
2013	48.583.984	41.043.312	43.547.863	111.56%	84.47%
2014	52.780.840	44.704.440	53.442.383	98.76%	84.69%

The Economic ratio of Dian Harapan Hospital decreased from 2013 to 2014 at 7.56% indicating that the organizational performance is much better because it is able to well manage the budget to make savings. The effectiveness ratio decreased by 12.80%, because the hospital has entered into an agreement with BPJS on January 1, 2014 so that income targeted is different from the realization because BPJS paid is based on the diagnosis of the patient and not based on the actual cost of which is used for treatment and healthcare. Efficiency ratio indicates an increase of 12.22% meaning that the hospital has succeeded in using the funds efficiently. Hospitals also identifies the potential revenue that could generate operating income. One of the potential revenues that is used to provide coverage to a standard national or social

insurance costs due to the fact that it is lower than the actual cost of the service is to impose cross subsidies. Cross-subsidies conducted a hospital is to open a first class service with a slightly larger tariff so that the excess revenue can cover the lack of a standard cost of insurance. In addition to the above ratios, results of a study of customer satisfaction Dian Harapan Hospital is quite good. This is consistent with research conducted by Sulle (2015) that from the various factors studied regarding customer satisfaction, most patients were satisfied with the hospital services. Economic responsibilities also identify the performance of hospitals in the learning and growth perspective. Several measurements are performed with the level of productivity and employee retention.

Table of Employee Productivity

Year	Healthcare Revenue	The Number of Employee	Employee Productivity
2013	48.133.697.200	321	149.949.212
2014	51.754.185.600	340	152.218.192

Table of Employee Retention

Year	The Number of Employee Quit	The Number of Employee	Employee Retention
2013	32	338	9.46%
2014	68	340	20%

The employee productivity is used to determine the productivity of the work for a certain period in which the measurement is to compare the income of health services with the number of employees. The employee retention is used to determine how much employee turnover and retention rates of employees. The results show that employee productivity has increased from 2013 to 2014 while the retention of employees also increased in the same year. High employee retention rate because many employees contract are out for switching the status of a civil servant, to follow the will of parents and other personal reasons. The hospital is also actively increasing the capability of the employees by providing training and seminars for employees. This study also shows the hospital is also open to the opportunity to innovate through research and development of the organization in the future. The legal responsibilities of Dian Harapan Hospital refers to the Law on hospitals, the practice of the medical profession, government regulations related to health personnel, Indonesian Presidential Regulation on the procedure of appointment and termination of membership of the council of medicine Indonesia, Regulation of the Minister of Health of the Republic of Indonesia on medical confidentiality and some other regulations. Dian Harapan Hospital complies with the Act as an umbrella in carrying out health services to the community. Key informant interviews indicate that the laws are enforced because regulations in principle protect the organization in their service to the community. Management and health personnel are also already equipped with a set of rules for school education to the point they work on this organization. Ethical responsibilities were performed on Dian Harapan Hospital from the vision, mission and basic values that they embrace. Vision and mission are handed down in the form of values of basic services such as priority customers, employees have sense, improvement on an ongoing basis, the spirit of togetherness and brotherhood, holistic services, oriented work ethic and higher organizational performance and obedience to the norms and ethics profession. Management and medical personnel have the professional ethics of service set out in the Code, so the services refer and uphold the ethics code respectively. The observations and interviews show some ethics in the development of hospital services. Because the Dian Harapan is a Christian hospital, the ethical values developed are taken from Christian values. It is intended for health care workers to be aware of their

duties as Christian to serve their fellow human beings. The results also show that the major hospital services are principally intended for people who cannot afford. This does not mean that patients who were not able will get different services from those who can afford. The hospital is fully committed to the ethical responsibility of the public service. Philanthropic responsibilities refer to how a hospital meets the public expectations that are not described in the accountability of economic, legal and ethical perspectives. These results indicate that the public's expectations are very diverse. This diversity in principle is to get a satisfactory service. Customer satisfaction has been explained earlier that the patients are satisfied with the services provided by the hospital. Results of the key informant interviews show that the customer wants to get a doctor with high competence. But the availability of doctors and other medical personnel is limited since not many people who want to come and serve to Papua. Hospital stays to make efforts for the improvement of service, increase competency of doctors and other medical personnel in the form of training and seminars. Major components of CSR and CSR implementation are described here for RSUD Dok 2 Jayapura to represent the government hospital and Dian Harapan Hospital which represents the private hospital in the province of Papua. The explanation is contained in the following table:

5. CONCLUSIONS

Based on the information discussed above, the conclusions of this research are: Evaluation of CSR through the perspective of economic, legal, ethical and philanthropic. The perspectives of the economy show that the revenue generation capabilities to health care coverage in the province of Papua are still limited. Although health organizations have attempted to provide maximum services, customer satisfaction and the creation of economic profit health are still not being met. This is caused by an inadequate health workforce, financing problems and the necessary facilities, especially in the underdeveloped areas. The evaluation of the legal and ethical responsibility shows good results because the health services of the organization refers to the rules and code of ethics. The perspectives of philanthropic demonstrate the limited ability of hospitals to meet all the expectations of society. Implementation of CSR in the health sector in Papua are influenced by factors of accountability, transparency,

competitiveness and responsibility. The results show that accountability and transparency is still not maximally implemented in health care Papua. This research has limitation where the data collection technique needs to add Focus Group Discussion in order to capture information from multiple sources in one place through a comprehensive discussion. The FGDs can provide more positive and useful input and feedback for this study.

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