



Vol.2, No.2, Desember 2022, pp. 50 – 61

ISSN 29640-643X (Online), ISSN 2964-0091 (Print)

Journal homepage: <http://jurnal.itkeswhs.ac.id/index.php/ijwaha/index>

Relationship of Organizational Culture and Leadership Style towards Change Management in the Implementation of Good Corporate Governance

Dwi Ida Puspita Sari^{1a*}, Muksin^{1b}, Ulia Fitri^{1c}

¹ Department of Health Administration ITKes Wiyata Husada Samarinda, Indonesia

^a dwiida@itkeswhs.ac.id

^b ucin.bowo64@gmail.com

^c ulyafitri@itkeswhs.ac.id

ARTICLE INFO

Keywords:

Organizational Culture

Leadership

Change Management

Good Corporate Governance

ABSTRACT / ABSTRAK

Good corporate governance is a system that regulates and controls the organization to create value added for all stakeholders. So the purpose of this study is to conduct research on the relationship between organizational culture and leadership style to change management in the implementation of good corporate governance at RSIA Jimmy Medika Borneo Samarinda. This research is a type of quantitative research using analytical observational studies with a cross-sectional design. The population in this study was all structural officials and functional officials of the entire installation at RSIA Jimmy Medika Borneo Samarinda. The total number of the population is 45 people. There is a relationship of Leadership, implementation, organizational culture with change management in the implementation of good corporate governance in rsia jimmy medika borneo Samarinda. Maintaining the organizational culture that has been formed at RSIA JMB and improving the organizational culture that is not good

***Corresponding Author:**

Dwi Ida Puspita Sari,

Department of Health Administration, ITKes Wiyata Husada Samarinda

Jln. Kadrie Oening 77, Samarinda, Indonesia.

Email: dwiida@itkeswhs.ac.id

1. INTRODUCTION

Good governance first appeared in the 1990s. At that time, there was an economic crisis in Asia and Latin America. This crisis is caused by the failure of the implementation of *good corporate governance* by the company. At the time, failures in *good corporate governance* were blamed, among others, on a poor legal system, inconsistent accounting and audit standards, weak banking practices, and the Board of Directors' inattention to the rights of minority shareholders. There are requirements for the consistent and comprehensive implementation of *good corporate governance*.

The implementation of good corporate governance in Indonesia began in 1998 based on the *Booz–Allen* Survey in East Asia, showing that Indonesia has the lowest *corporate governance* index, which is a score of 2.88 far below Singapore (8.33), Malaysia (7.72), and Thailand (4.89). The low quality of *good corporate governance* in Indonesia is suspected to be the cause of the collapse of these companies (Kaihatu T.S., 2006).

Good corporate governance is a system that regulates and controls the organization to create *value added* for all stakeholders. *Good corporate governance* not only creates value but also provides governance that helps organizations achieve their best performance. This is true for hospitals. A hospital is an organization that provides services. As an organization, the hospital must achieve good performance (Azwar, 2010). Currently, to achieve optimal hospital performance, hospitals must use good governance or commonly known as *good corporate governance* (Mutamimah & Pharadiansah, 2014).

The hospital organization was prepared with the aim of achieving the vision and mission of the hospital by implementing Good Corporate Governance and *Good Clinical Governance* (Mutamimah & Pharadiansah, 2014). This is in accordance with Article 33 (1) of the Law of the Republic of Indonesia number 44 of 2009 concerning hospitals, stating that every hospital must have an effective, efficient, and accountable organization.

Good Corporate Governance for hospitals is the first step that can be taken to be able to keep up with the *changing* landscape and will always change. Good hospital organizational governance can make all hospital stakeholders feel fairness (*Transparency*), independence (*Independency*), accountability (*Accountability*) and accountability (*Responsibility*) so that every hospital organ from the bottom to the top level can run well (Lestari, 2013). Fairness, *transparency*, *independency*, *accountability* and *responsibility* are the five principles of *good corporate governance*.

The implementation of *good corporate governance* is a must for every organization to achieve good performance. This is important because the purpose of implementing *good corporate governance* is to reduce the opportunistic behavior of leaders and can increase the value or performance of the organization. *Good corporate governance* can run well if there is commitment and involvement of all parties, namely the government and the community. *Effective good corporate governance* requires good coordination and integrity, professionalism and high morale. This is a challenge in itself and needs to be implemented in a real way in order to produce a reliable, professional, efficient, and productive bureaucracy and provide excellent service to the community (Putri, 2012).

The implementation of *good corporate governance* can be influenced by various factors. According to Ahmad (2012), the successful implementation of GCG principles

can be influenced by organizational culture factors, organizational regulations and policies, risk control management, audit systems, and information disclosure.

At the implementation stage, *good corporate governance* is also supported by change management efforts or known as change management. Chinn (2000), stated that the implementation of good corporate governance should also include change *management* efforts to oversee the process of change caused by the implementation of *good corporate governance*. In line with Chinn (2000), and Braithwaite et al (2010), also stated that *change management* helps people in an organization can run good corporate governance so that the organization can have *good corporate governance*. It further stated that leaders in organizations can plan *change management* programs to realize *effective good corporate governance*.

Change management not only affects the implementation of *good corporate governance*, but also on several aspects of hospitals. So it can be said that the role of *change management* in hospitals is so great. Guidroz et al (2010), stated that in change management, leadership roles and organizational culture are needed.

Good corporate governance requires serious attention from RSIA Jimmy Medika Borneo Samarinda. In addition, RSIA JMB is a new hospital in Samarinda. Therefore, hospitals are expected to provide quality, efficient and effective services / in addition, the challenges and competition of hospitals are currently very difficult, especially with the implementation of national health insurance, it is necessary to organize good hospitals, namely good governance, which is one of the indicators that affect medical services. One of them is the increasing pressure on public institutions to implement the principles of *Good Governance*.

Many factors influence the implementation of *good governance*. According to Ahmad (2012), the successful implementation of GCG principles can be influenced by organizational culture, organizational regulations and policies, risk management, audit systems and information disclosure. It is also said to support the implementation stages of *good corporate governance* supported by change management efforts or known as change management.

Change management affects many aspects of hospitals and the implementation of GCG. Therefore, it can be said that the role of GCG in rumahs akit is very large. Guidroz, Luce and Denison (2010) argue that *change management* requires leadership roles and organizational culture. Very successful change management can you get support from your organization's leaders.

Managing *change management* as an important factor, especially in the era of ever-changing health service reform, is now supported by leadership factors and organizational culture that are expected to implement GCG in hospitals, especially at RSIA JMB Samarinda more optimally.

Based on the background description, the problem faced by RSIA Jimmy Medika Borneo Samarinda is that the application of the principles of *good corporate governance* has not been optimal. It also describes the factors that influence the implementation of the principles of *good corporate governance*. So the purpose of this study is to conduct research on the relationship between organizational culture and leadership style to *change management* in the implementation of *good corporate governance* at RSIA Jimmy Medika Borneo Samarinda.

2. MATERIALS AND METHOD

This research is a type of quantitative research using analytical observational studies with a *cross-sectional* design, which is a design that examines the dynamics of the correlation between independent variables, namely organizational culture and leadership, to dependent variables, namely *change management* at the same time. The population in this study was all structural officials and functional officials of the entire installation at RSIA Jimmy Medika Borneo Samarinda. The total number of the population is 45 people.

3. RESULTS AND DISCUSSION

This study was conducted at RSIA Jimmy Medika Borneo Samarinda, with a total sample of 45 respondents. The results of the study will be explained below in two parts, namely the characteristics of respondents and research variables.

a. Characteristics of Respondents

Respondents' characteristics include age, gender, length of service, and level of education. The characteristics of the respondents will be outlined in the table below.

1) Age

Age is the age of the respondents in this study.

Table 1. Distribution of Carectretic Frequency Based on Respondents' Age in RSIA JMB

Characteristics of Respondents	N	%
Age		
17-25	22	48,9
26-35	12	26,7
36	11	24,4
Total	45	100

The table above shows that the most respondents were in the 17-25 year age group, namely 22 respondents (48.9%). The fewest were at the age of > 36 years, namely 11 respondents (24.4%).

2) Gender

The genders referred to in this study were female and male as respondents to the study.

Table 2. Distribution of Carectretic Frequencies By Respondents' Sex in RSIA JMB

Characteristics of Respondents	N	%
Gender		
Male	8	17,8
Female	37	82,2
Total	45	100

The table above shows that the majority of respondents' genders were female with 37 respondents (82.2%) and men with 8 respondents (17.8%).

3) Respondent's Working Period

Table 3. Distribution of Caretrectic Frequencies Based on Respondents' Service Life at RSIA JMB

Characteristics of Respondents	N	%
Service Life		
< 1 Years	18	40,0
> 1 Years	27	50,0
Total	45	100

Tabel diatas menunjukkan bahwa masa kerja responden adalah > 1 tahun sebanyak 27 responden (50,0%).

4) Education Level

Table 4. Distribution of Caretrectic Frequencies Based on Respondents' Education Level in RSIA JMB

Characteristics of Respondents	N	%
Education Level		
Hing School	6	13,3
Diploma	21	46,7
Bachelor	17	37,8
Master	1	2,2
Total	45	100

The table above shows that the most respondents were D3 education, which was 21 respondents (46.7%).

Table 5. Frequency Distribution of Characteristics Based on Organizational Culture Variables (*Involvement*) in RSIA JMB

Characteristics of Respondents	N	%
Organizational Culture		
Low	13	28,1
Tall	32	71,1
Total	45	100

Based on the table above, it is known that in the organizational culture variable (*Involvement*) the majority of respondents are in the high category, namely 32 respondents (71.1%).

Table 6. Characteristic Frequency Distribution Based on Organizational Culture Variables (*Consistency*) in RSIA JMB

Characteristics of Respondents	N	%
Consistency		
Weak	28	62,2
Strong	17	37,8
Total	45	100

Based on the above table, it is known that in the organizational culture variable (*Consistency*) the majority of respondents perceive the weak category, namely 28 respondents (62.2%).

Table 7. Frequency Distribution of Characteristics Based on Organizational Culture Variables (*Adaptability*) in RSIA JMB

Characteristics of Respondents	N	%
Bad	13	28,9
Good	32	71,1
Total	45	100

Based on the table above, it is known that in the organizational culture variable (*Adaptability*) the majority of respondents perceive the good category, namely 32 respondents (71.1%).

Table 8. Frequency Distribution of Characteristics Based on Organizational Culture Variables (*Mission*) in RSIA JMB

Characteristics of Respondents	N	%
Low	15	33,3
High	30	66,7
Total	45	100

Berdasarkan tabel di atas diketahui bahwa pada variabel budaya organisasi (*mission*) mayoritas responden berpersepsi pada kategori tinggi yaitu sebesar 30 responden (66,7%). Untuk melihat gambaran secara umum budaya organisasi di RSIA JMB Tahun 2022 dapat dilihat pada tabel dibawah ini.

Table 9. Overview of Organizational Culture Indicators in RSIA JMB

Cultural Indicators	sum (n)	percentage(%)
<i>Involvement</i>		
low	13	28,9
high	32	71,1

Consistency		
weak	28	62,2
strong	17	37,8
Adaptability		
bad	13	28,9
well	32	71,1
Mission		
low	15	33,3
high	30	66,7

From the table above, it can be concluded that the organizational culture with the majority of respondents perceiving the highest category is only *involvement* (51.1%) while the majority of respondents with weak perceptions are *consistency* (86.7%), *bad perceptions are adaptability* (91.1%) and in low perceptions are *missions* (75.6%).

5) Leadership

Leadership is the employee's perception of the leader's behavior pattern in the process of directing and influencing employees in the implementation of *change management* including ideal influences, individual considerations, intellectual stimulation, and inspirational motivation.

Leadership is the influence of a leader or superior on his subordinates (Bass and Avolio, 1994). Leadership is a process of social influence in which the leader seeks to obtain voluntary participation from his subordinates in an effort to achieve organizational goals.

Table 10. Characteristic Frequency Distribution Based on Leadership Variables in RSIA JMB

Characteristics of Respondents	N	%
Non Transformational	30	66,7
Transformational	15	33,3
Total	45	100

Based on the table above, it is known that in the leadership variable, the majority of 30 respondents (66.7%) perceived the leadership style in RSIA JMB as non-transformational.

6) *Change Management*

Change management is a transition process carried out by people in the organization towards their desired goals by going through the stages of *awareness, desire, knowledge, ability* and *reinformance*. According to Kasali (2005) change management is an important part of management and every

leader is measured by his or her ability to predict change and make change a potential.

Table 11. Characteristic Frequency Distribution Based on *Change Management Variables* in RSIA JMB

Characteristics of Respondents	N	%
Well	23	51,1
Keep	22	48,9
Less	0	0
Total	45	100

Based on the table above, it is known that in the *Change Management* variable, the majority of respondents are in the moderate category, namely 23 respondents (51.1%).

b. Relationship of Independent Variables To Dependent Variables

Penelitian ini berfungsi untuk melihat hubungan budaya organisasi dan gaya kepemimpinan terhadap *change management* dalam implementasi *Good Governance* di RSIA Jimmy Medika Borneo Samarinda, Tahun 2022.

1) The Relationship of Organizational Culture to *Change Management*

This research is useful for knowing each variable of organizational culture (*involvement, consistency, adaptability and mission*) to change management.

Table 12. The Relationship of Organizational Culture (*Involvement*) to *Change Management* at RSIA JMB

Variable	Change Management
	<i>P</i>
Organizational Culture (<i>Involvement</i>)	0,027

Based on the table above, it is known that the organizational culture variable (*Involvement*) is related to *change management* (p value = 0.027).

Table 13. The Relationship of Organizational Culture (*Consistency*) to *Change Management* at RSIA JMB

Variable	Change Management
	<i>P</i>
Organizational Culture (<i>Consistency</i>)	0,007

Based on the table above, it is known that the organizational culture variable (*Consistency*) is related to *change management* (p value = 0.007).

Table 14. The Relationship of Organizational Culture (*Adaptability*) to *Change Management* at RSIA JMB

Variable	Change Management P
Organizational Culture (<i>Adaptability</i>)	0,016

Based on the table above, it is known that the organizational culture variable (*Adaptability*) is related to *change management* (p value = 0.016).

Table 15. The Relationship of Organizational Culture (*Mission*) to *Change Management* at RSIA JMB

Variabel	Change Management P
Organizational Culture (<i>Mission</i>)	0,005

Based on the table above, it is known that the organizational culture variable (*Mission*) is related to *change management* (p value = 0.000). All organizational culture variables relate to *change management*.

2) The Relationship of Leadership to *Change Management*

This research is useful for determining the relationship of leadership to *change management*.

Table 16. Leadership Relationship to Change Management at RSIA JMB

Variabel	Change Management P
Kepemimpinan	0,005

Based on the table above, it is known that leadership variables are related to *change management* (p value = 0.005).

3) The Relationship of Organizational Culture to Leadership

This research is useful for looking at the relationship of organizational culture to leadership styles.

Tabel 17. Hubungan Budaya Organisasi terhadap Kepemimpinan di RSIA JMB

Variabel	Leadership P
Organizational Culture	0,001

Based on the table above, it is known that organizational culture variables relate to leadership (p value = 0.001).

4) The Shared Relationship between Organizational Culture and Leadership towards *Change Management*

This research is to determine the common relationship between organizational culture and leadership towards *change management* in the implementation of *good corporate governance*

Table 18. The Shared Relationship between Organizational Culture and Leadership to *Change Management* at RSIA JMB

Variable	Change Management P
Organizational Culture and Leadership	0,001

Based on the table above, it is known that organizational culture and leadership are related together (simultaneously) to *change management*. Based on a significance value (p) indicating a p value = 0.001.

Organizational culture is the values embraced by members of the organization related to the implementation of change management (*change management*) including *adaptability, consistency, involvement, and mission*.

From the results of the study, it is known that the description of respondents' perceptions of the four organizational cultures in RSIA JMB is the *involvement* of 32 high categories (71.1%), while for *consistency* masuk weak category 28 (62.2%), *adaptability* enters the good category 32 (71.1%) and *mission* enters the category high 30 (66.7%). One of the uses of knowing the type of culture is because the success of this organization depends on the compatibility between the culture that the organization has and the demands of its competitive environment (Cameron, 1999).

In managing a company, managers in Indonesia are generally familiar with and apply modern management principles, such as the use of close structures, systems, strategies, management by objective (MBO), and so on, although there are also some companies that are still managed traditionally. However, there are still many experts and practitioners whose attention to organizational culture, even though organizational culture can be used as one of the management tools to achieve efficiency, effectiveness, work ethic, as shown in various companies in Japan, America and some European countries, and it turns out that it can make the company successfully effective (Agoes, 2014).

Based on the table above, it is known that organizational culture and leadership are related together (simultaneously) to *change management*. Based on a significance value (p) indicating a p value = 0.001.

Organizational culture is the values embraced by members of the organization related to the implementation of change management (*change management*) including *adaptability, consistency, involvement, and mission*.

From the results of the study, it is known that the description of respondents' perceptions of the four organizational cultures in RSIA JMB is the

involvement of 32 high categories (71.1%), while for *consistency* masuk weak category 28 (62.2%), *adaptability* enters the good category 32 (71.1 %) and *mission* enters the category high 30 (66.7%). One of the uses of knowing the type of culture is because the success of this organization depends on the compatibility between the culture that the organization has and the demands of its competitive environment (Cameron, 1999).

In managing a company, managers in Indonesia are generally familiar with and apply modern management principles, such as the use of close structures, systems, strategies, management by objective (MBO), and so on, although there are also some companies that are still managed traditionally. However, there are still many experts and practitioners whose attention to organizational culture, even though organizational culture can be used as one of the management tools to achieve efficiency, effectiveness, work ethic, as shown in various companies in Japan, America and some European countries, and it turns out that it can make the company successfully effective (Agoes, 2014).

4 CONCLUSION

Terdapat hubungan Kepemimpinan, implementasi, budaya organisasi dengan *change management* dalam implementasi good corporate governance di rsia jimmy medika borneo Samarinda. Mempertahankan budaya organisasi yang sudah terbentuk di RSIA JMB serta meningkatkan budaya organisasi yang belum baik

REFERENCE

1. Agoes, Kamaroellah. (2014) "Pengantar Budaya Organisasi, Konsep, Strategi Implementasi dan Manfaat. Surabaya: Pustaka Radja
2. Ahmad, S.M. (2012) *Impact Of Organizational Culture On Performace Management Practicesin* Pakistan. Business Intelegence Journal, Vol 5
3. Australia National Training Authority (2003) *Government, Education, Science and Training*
4. Bauer, R., Frijns, B., Otten, R., & Tourani-Rad, A. (2008). The Impact of Corporate Governance on Corporate Performance: Evidence from Japan. *Pacific-Basin Finance Journal*, 16(3), 236-251.
5. Braithwaite D. O. *et al.* (2010). Constructing family: *A Typology of voluntary kin. Journal of Social and Personal Relationships*, 27 : 388–407
6. Chinn, R. (2000). *Corporate Governance Handbook*. London: Gee Publishing Ltd
7. Clapp, J., & Fuchs, D. A. (2009). *Corporate Power in Global Agrifood Governance*: MIT Press
8. Creswell, J. W. (2013). *Research Design: Pendekatan Kualitatif, Kuantitatif dan Mixed*. Yogyakarta: Pustaka Pelajar
9. Guidroz, A. M., Luce, K. W., & Denison, D. R. (2010). Integrated Change: Creating Synergy Between Leader and Organizational Development. *Industrial and Commercial Training*, 42(3), 151-155.

10. Hasan, M., Ayuningtyas, D., & Misnaniarti. (2016). Good Corporate Governance Implementation and Performance of Civil Servant. *Kesmas: National Public Health Journal*, 11(1), 20-25
11. Kaen, Fred R. (2003) *A Blueprint for Corporate Governance : Strategy, Accountability, and the Preservation of Shareholder Value*. USA : AMACOM
12. Kaihatu, T. S. (2006). Good Corporate Governance dan Penerapannya di Indonesia. *Jurnal Manajemen dan Kewirausahaan*, 8(1), 1-9.
13. Lestari, M. I. (2013). Pengaruh Budaya Organisasi dan Pengendalian Intern terhadap Penerapan Prinsip-Prinsip Good Corporate Governance (Studi Empiris Pada Rumah Sakit Umum di Kota Padang). *Program Studi Akutansi Fakultas Ekonomi*, 1-32.
14. Mutamimah, & Phradiansah. (2014). Analisis Implementasi Good Corporate Governance terhadap kinerja SDM melalui Organizational Commitment. *EKOBIS*, 15(2), 55 - 70.
15. Olale, R. O. (2013). *Influence of Change Management Practices on Corporate Governance at Laborex Kenya Limited*. University of Nairobi
16. Olannye, Peter, A., & David, A. (2014). Corporate Governance and Organizational Performance in the Nigerian Banking Industry. *Journal of Emerging Trends in Economics and Management Sciences (JETEMS)*, 5(6), 525-531.
17. Pribadi, F., Santosa, E., & Rusep, B. E. H. I. (2012). Good Corporate Governance di Rumah Sakit A dan B
18. Putri, I. A. D. (2012). Peranan Good Corporate Governance dan Budaya Terhadap Kinerja Organisasi. *Jurnal Akuntansi & Bisnis*, 7(2), 193-104
19. Rondonuwu, J., & Trisnantoro, L. (2013). Manajemen Perubahan di Lembaga Pemerintah: Studi Kasus Implementasi Kebijakan Pelaksanaan PPK-BLUD di Rumah Sakit Jiwa Provinsi NTB. *Jurnal Kebijakan Kesehatan Indonesia*, 2(4), 163 - 170.
20. Rumah Sakit Ibu dan Anak Jimmy Medika Borneo (2021) Profil Rumah Sakit Ibu dan Anak Jimmy Medika Borneo Samarinda. Samarinda: RSIA JMB
21. Sutedi, Adrian. 2011. Good Corporate Governance. Edisi Pertama. Jakarta: Sinar Grafika
22. Widuri, R., & Paramita, A. (2007). Analisis Hubungan Peranan Budaya Perusahaan terhadap Penerapan Good Corporate Governance Pada PT Aneka Tambang TBK *Journal The Winners*, 8(2), 126-138