Background: Implementing GCG in hospital has become compulsory due to complexities of hospital management and high demand of patient regarding quality. The demand of GCG Implementation has been high. It is believed that GCG is a system needed to deal with corporation problems and it can improve the value of corporate. Implementing GCG at Hospital in Indonesia is unlikely to be success, it still face some problems, it may cause the culture, therefore researcher would like to know how the role of adaptability culture in implementing GCG at Local Public Hospital in Makassar City, Indonesia

Method: The research design is analytic survey through cross sectional approach. Population was all staff in Local Public Hospital, Makassar, Indonesia. The number of sample is 105, this non probability sampling technique was chosen.

Result: Correlation test of adaptability to GCG Implementation showed that the P value was 0.00 (p<0.05). It means there is a correlation between adaptability and the implementation of GCG , the r value (0.540) means it has strong correlation and positive direction, the better adaptability the more success of the GCG Implementation.

Discussion: A survey shown that hospital staff in Local Public Hospital Daya Makassar possess this customer focus culture, learning organization illustrate about 79% of respondents said Makassar City Hospital has implemented the principles of a learning organization. thus become an asset to be able to adapt to various changes, in particular to the need for the implementation of GCG. The majority of staff in hospitals Makassar perceived that occurred the creation of change at the hospital with the support of their leader.

Conclusions: There is a correlation between the adaptability to GCG in Makassar City Hospital, and there is the influence of the adaptability of the GCG in Makassar City Hospital. This shows that RS has high adaptability culture which is reflected by the RS with the organizational learning culture, the creation of change and customer focus so that the implementation of GCG principle is also good.

Keywords: GCG, Adaptability, Hospital
INTRODUCTION

Liberalisation and deregulation industry have impact on changing in health care management. Some changes are 1) Finance system has been shifted from *out of pocket* system to insurance system (Daniels and Sabin 1998; Rowe 2006). 2) The high demand of increasing health quality, providing health services efficiently and effectively and equity (Davidson, 1999; Brinkerhoff, 2001; Brinkerhoff, 2003; Brinkerhoff, 2004). 3), sociodemography shifting because there is change in determining needed health care (Buetow, 1998; Charles, Gafni et al., 1999; Frosch and Kaplan, 1999; Shiloh, Gerard et al. 2006). 4) The health care industry is highly developed causing the intensity of competitives become increase then health services have to be accountable and transparent (Daniels and Sabin, 1998; Brinkerhoff, 2003; Allsop, Jones et al., 2004; Willging, 2005; David Hyman and Cannon, 2009; Stewart et.al dalam Freeman, McWilliam et al., 2009)). Kelima, Public institution is enforced to implement good governance (Eeckloo, Van Herck et.al., 2004). These changes has influenced Indonesia government to develop regulation regarding hospital and health insurance, the regulation are Law No 44 of 2009 regards hospital, Law No 40 of 2004 regards national social security system and Law No 6 of 2011 regards UU BPJS in 2011 (1). Moreover, implementation Social security system causes some transformations of health care system, such the changes in health care system, health finance system, and referral system. The transformation result in transformation of health care management. in has impact on hospital management (1). Hospital managers has to respond to this transformation, by implementing change management in internal organization. Then, hospital will develop sustainable. Good Corporate governance is a new system in respond to this condition. Good Governance has been developed when corporate system in England, Europe and USA was developed since a hundred years ago. Cadbury Committee introduced the term of Good Corporate Governance in its report recognized as Cadbury report in 1992. This report is starting point of Good Corporate Governance practice in a whole world. According to Cadbury Committee dan Tjager that Good Corporate Governance is “A set of rules that define the relationship between shareholder, managers, creditors, the government, employees and other internal and external stakeholders in respect to their rights and responsibilities”. Furthermore, in 1990s period, the demand of GCG Implementation has been high. It is believed that GCG is a system needed to deal with corporate problems and it can improve the value of
corporate. According to Aras in his book that Corporate governance is a method in govern organization concerning to external and internal environment, ethic, moral value, confidence (2) Implementing this method is complex and requires strong leadership.

In Indonesia, there are some regulations to enforce the public services to implement GCG; 1) UU Law No. 44 of 2009 about Hospital, 2) TAP MPR RI No. VI/MPR/2002 in terms of Bureaucracy reformation enlightened bureaucracy culture being transparent, accountable, clean, responsible and respond to community 3) President Instruction of Indonesia No 7 of 1999 about Performance accountability of Public Services.

Implementing GCG in hospital has become compulsory due to complexity of hospital management and high demand of patient regarding quality. Patients are unlikely to be a passive customer, but they need to know how hospital allocate resources, so hospital can provide health services efficient and effectively. Customers need safety when they visit hospital, so they need to know all about, doctors and health services. They need information transparency regarding their diseases (KNKCG, 2006; Dalimunthe, 2010). Furthermore, the increase of hospital competitive, it is needed to have sustainable competitive advantega, GCG can foster sustainable competitive advantage (Sutojo, S & Al Drige, J., 2005).

Daniri (2005) stated that the succesfull of GCG implementation is influenced by internal and external factor of organization. One of internal factor is corporate culture. In his Book of Organizational culture and Leadership, Schein explained that culture is an abstract but it is observable such as people behavior and attituted during social interaction, beliefs, value, philosophy, rules, mental model, share meaning and ritual (3) Another expert defines culture as behavior of organization members in their organization towards problem solving and how they adapt to external environment. Behavior pattern is learned by new members how they should think, perceive value and belief in their social interaction in new organization(4) this statement is supported by Denison that Culture is a deep structure of organization based on value, beliefs and assumption was owned by all organization members. (5)

Based on Denison culture model (1990), there are four (4) dimensions of corporate culture, 1) Involvement, it reflects the good collaboration between management and its organization, 2) Consistency refers to how individu in organization maintain stabilization and power of organization,3) adaptability denotes how organization members adaptive to external environment and manage the internal environment.4) mission indicates how individu in organization
understand the organization mission and fit this mission with their jobs (6).

From these dimensions, researcher is interested to study adaptability dimension because the adaptability is a key for organization how they can cope with the change. Denison and Mirsha (1995) identified that the adaptive capability can be assessed through three (3) indicators, they are 1) creating change. Some studies found that to cope with the changing in external environmental, organization had to create change in internal organization, all organization members have to change the rules, the procedures. It may change their perception, value and belief. It is needed agent of change to implement the change management. (7–9), 2) customer focus, today the basic change in public service organization is customer focus. Since the New Public management was developed, that public management concern to market demand. In hospital it has been developed patient centre care. 3) Organizational learning Peter Senge Stated that learning organization is an organization improve its capacity continuously to create vision through learning through its experience. It is not an express intervention, the organizational learning is continuing phenomena involving all aspects in organization, doing formal and informal learning. (10)(11).

Several research analysed the need of the organization to face the change in environment caused by globalization, technology advance, and value shifting (12,13). Some experts agreed that organization which not able to adapt with the change will be highly likely to meet difficulties to survive (14).

Implementing GCG at Hospital in Indonesia is unlikely to be success, it still face some problems, it may cause the culture ,therefore researcher would like to know how the role of adaptability culture in implementing GCG at Local Public Hospital in Makassar City, Indonesia

**METHOD**

The research design is analytic survey through cross sectional approach. This study was conducted at 2nd August- 2nd October of 2016 in Local Public Hospital, Makassar, Indonesia, Population was all staff in Local Public Hospital, Makassar, Indonesia The number of population is 578 people. Then, the number of sample is 105 counted using Lameshow formula. Proportional Quota sampling was applied for determining sample (15). This non probability sampling technique was chosen because population characteristics in hospital is unlikely to be homogeneity, every unit consist of staff having different educational background.
Data was collected through questionnaires, measuring two (2) variables, adaptability culture and the implementation. The measurement scale is Likert scale 1= Strong Disagree, 2=Disagree, 3=Agree, 4=Strong agree. Validity and reliability test showed that all statement in questionnaires regard to adaptability implementation good corporate governance are valid and reliable. Data was analyzed by correlation test and Pearson correlation is used due to the number of sample was more than 50 and it was normal distribution.

**Result**

As for respondents characteristics on table 1, it explained that the majority of respondents was female (82.9% respectively). As for educational background, the table showed that almost a half of respondents was bachelor. Another characteristic is worklife and staffing status, there were 91% of respondents have more than 3 years worklife and there were 65.7% of respondents as a civil servant.

The result of correlation test of adaptability to GCG Implementation showed that the P value was 0.00 (p<0.05). It means there is a correlation between adaptability and the implementation of GCG, the r value (0.540) means it has strong correlation and positive direction, the better adaptability the more success of the GCG Implementation.

**DISCUSSION**

The characteristic of respondents can reflect the educational level. It indicates one of indicators show potential possessed by someone. Santrock (2007) stated that people who have high level of education will have a higher as well as faster career level. Based on the result analysis regarding on educational level in Local Public Hospital Daya Makassar, most of them (52.4%) are bachelor. While from the cross tabulation analysis between educational level and Good Corporate Governance (GCG), bachelor respondents shown 41% was positive to the success of GCG. Implementation of GCG is relatively new in hospital. It causes several changes in the implementation of management. This, for sure can influence attitude, behavior and staff perspectives. People with high level of education was predicted to be easier to adapt with the change. The educational level can support the staff performance. Staff with lower level education will be
likely to find difficulties in understanding information related to their activities and likely to resistant with change.

Commitment is used as the indicator of GCG implementation. In this case, years of service influence organizational commitment. A Study by Angle and Perry (1981), Liche (2006) stated that a short years of service can cause a fragile social involve. Therefore, organizational commitment of staff with short years of service tend to be lower.

As explained previously, Denison have developed corporate culture model, one of dimension is adaptability culture. Kotter and Heskett explained that organization should be fit with its environment, therefore adaptability is important. According to Denison, adaptability is best predictors for innovation and sales growth. To be adaptable, the organization have to meet the customer demand, develop organizational learning and implement change management. Adaptive organization can foster the organization to be innovative and create value for the customers. (16) Creating adaptive culture in Hospital is important. The hospital industry has developed advanced, and face great challenges from Customer, Competitor and Corporate. Globalisation has cause the increase of competitiveness so the hospital has to create sustainable competitive advantage.

Implementing GCG will promote transparency, accountability, fairness, responsibility and have effect on performance, then it fosters competitive advantage. Mueller, 1981; Cadbury Committee, 1992; Tricker, 1994; Shleifer and Vishny, 1997; Dunlop, 1998; Sternberg, 1998; OECD, 1999).

In Hospital industry, through the GCG implementation, hospital may create valued added for customers and It can foster sustainability competitive advantage. For example, hospital implementing transparency principle will have value in patient perceptive and shareholder. Some transparency information needed customers is tariff transparency, availability of beds, the qualification of doctors, the hospital performance, They can make decision in terms of choosing efficient, effective and safety hospital based on information provided by Hospital. Additionaly, if Hospital implements responsibility, hospital may provide services concern to morality refers to implementing bioethics principle, such as beneficence, non maleficience, respect for person and justice. This an important value that patients need, hospital providing this value may will be more attract patient to visit the hospital, it is one of form value creating sustainable competitive advantage(17–19). GCG and competitiveness have a strong relationship. Chin Ko Ho found that international corporate has implemented GCG and the more success in implementing GCG principle the more competitive the corporate (20). Therefore, to be sustainable in hospital
industry competition, it have to implement GCG principle.

Hypothesis was developed to test the influence of adaptability culture on implementing GCG at Hospital Industry. Correlation test through valued Pearson correlation was applied. It was chosen due to data set is normal distribution. The result showed that significant value is 0.00 (p<0.05) then the hypothesis is approved. It reflects that there is a correlation between adaptability culture and implementing GCG in Hospital Industry. Furthermore, influence test by regression liner result the value is 0.003 (p<0.005) then there is influence of adaptability culture on GCG implementation at hospital industry.

The study result was in line with Zaccaro (2004), (22) bahwa Rhodes a sustainable competitive advantage can be result from implementation of GCG. This reflects the capability of organization to adapt the change. The principle of GCG was developed from governance paradigm that there is a strong connection between organization and communities. Public organization should serve the communities. Previously, in old public administration, the public organization was conducted through bureaucracy known as petty bureaucracy, community is a passive entity, and then the public administration was developed to New Public Management. This era was driven by economic paradigm. The most important is market. Public organization have to focus on customer preferences. The organization try to create services based on public demand. Then the paradigm shifted to public governance.(21). At this era, the community and public organization should collaboration in terms of providing services. Innovation can be arise from this collaboration. This shown that adaptability culture is very crucial in the implementation of Good Corporate Governance.(23)(24)(25)

This is inline with Katz & Khan (1978), Kotter (1996) and Senge (1990) that starting with adaptability an organization will be able to articulate the organization demand in action, courage to take risk, learning from mistakes and capable in creating change. A similar study on the influence of adaptability in GCG is done by Llewellyn (2014) shown that adaptability is considered important especially in facing change on the external environment. In this case, adaptability can optimize the implementation of GCG in improving the company performance, s. Therefore they can adapt with the external environment.

From a book titled Mainstreaming Climate Adaptation into Development: A Policy Dilemma by
Klein (2012) stated the purpose of adaptation is to realize the better governance, it will be able to respons, and more responsible.

Assessing the adaptability of organization, Denison said the organizational adaptability competence can be assessed using 3 aspects, namely: creating change, customer focus dan organizational learning.

The analysis on respon distribution from the all three assessment indicators for adaptability showed that the highest percentage is for customer focus (82.9%). This was followed by indicators for organization learning at 79% and lastly, it was 55.2% for creating change. This explained that almost all staff in hospital possess ability to develop the hospital by paying attention on patient’s needs and to make the organization as a place to learn in their efforts to face change specifically from hospital external environment.

As explained before, one of the challenges in service changes in hospital is challenge from the patients. Today, patients’ perspectives has changed. This is due to globalization and the advance of technology that result in a more complex patient needs, higher demand in better quality with considerations on ethical factor become an inevitably phenomenon.

Previously, patients were the object, being passive and not being involved in decision making process in regards to the health services they received (26)(27). There is a paradigm changes which started at the end of 1980 that some aspects need to be considered in health services provision including the importance to appreciate patients’ choices, values, emotional support, and physical comfortness. This is known as patient centre care (28). This paradigm shifting force the hospital to be able to adapt and change from hospital that only focus on health services provision to hospital that focus on patient’s needs. A survey shown that hospital staff in Local Public Hospital Daya Makassar possess this customer focus culture.

The second aspect important in creating adaptability culture is learning organization that is how an organization become a learner organization in which all activities are source of improvement. According to Peter Senge, learning organization is a non stop learning organization which
continuously improve it potential to create future (29). To become a learning organization, the organization should paying attention on three aspects: 1) culture based on humanities value on love, doubtness, careness and the insight feeling that we are not being more important than others, 2) a number of practices which shown that every sentence which come from our mouth is to improve the organization and the coordinations among staff, 3) the ability to work as the whole system (30). This three aspects are suitable to be implemented in hospital, because hospital is very complex and the customers’ characteristic are vary and unique. Moreover, hospital is also a professional organization so to become survive, hospital should become a learning organization. Being a learning organization can be considered as a kind of adaptation on changes on external environment. Hospital is no longer hold on its traditional management. Customers’ demand is become higher and the medical technology is even more sophisticated. Hospital must change its customer perspective. In hospital, none of profession is more important then the other. The whole process in hospital is a system. As explained in the previous paragraph, patients are human being who come to the hospital with sickness and need help. Therefore, hospital staff should show their appreciation to patients who possess value and feelings. These changes are reasons for hospital to become learning organization that continuously learn from environment and think holistically. Patients demands and needs will change following the technology development. Result of a survey shown that Local Public Hospital Daya possess ability as learning organization, 79% of respondents stated that this hospital has implemented the principle of learning organization. This is an asset to become more adaptable to change, particularly to response the need of GCG implementation.

The third aspect is creating change. This is about how to create changes in organization that accompanied with changes on people who involve in the change. According to Schneider, organizational culture can be changed if the organizational climate is changed. Organizational climate can be changed if policies, practices, procedures and daily routine are also changed. Changes won’t be happened eventually only by changing the missions, letters and words. New values and beliefs Nilai can be implemented if we change all procedures and action in the organization (according to Scheneider). Changes can only be created by “doing” things not only by “saying” verbal words (7). Creating changes need a hospital leader as the agent of change. Kotter in Denison said, 70 – 90 % success of changes are determined by leadership and the rest is
management. Creating change needs appropriate thoughts as well as considerations which is supported by appropriate resources. According to Guidroz, creating changes in hospital needs integrated organizational behavior and leadership development (31,32).

The majority staff in Public Local Hospital Daya Makassar perceive that the creating change in this hospital is exist due to a strong support from the hospital manager.

Kotter & Heskett (1992) stated that only adaptive culture can help organization in anticipating and adapting with environmental change. Adaptive culture will be associated with the superior performance all the time. In this view, it is agreed that characteristic of non-adaptive corporate culture is full of bureaucracy, members are highly reactive, risk averse and very creative, and information does not flow quickly and easily throughout the organization. Based on that, if we are willing to create adaptive culture, the organization should possess different characteristics. The characteristic of adaptive corporate culture are ready to bear the risk, confident, proactive against the corporate life and also the lives of individual employees.

CONCLUSION AND RECOMMENDATIONS  (Times New Roman 12 point, Bold, spasi 1,5)
There is correlation between adaptibillity with GCG in Local Public Hospital Daya Makassar, and adaptability also influence GCG in hospital. This shows that the hospital possess a high level of adaptive culture which is reflected in the existence of learning culture, creating change and customer focus so the implementation of GCG principles become better.

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