

STRATEGY FORMULATION FOR PELITA RAKYAT HOSPITAL AS NON-PROFIT ORGANIZATION IN SUKABUMI

Yosua Arthur B.Simanjuntak and Harimukti Wandebori
School of Business and Management
Institut Teknologi Bandung, Indonesia
yosua.arthur@sbm-itb.ac.id

Abstract— *The Hospital is an institution which provides health service for people with their own characteristic. It influenced by the development of health science, technological advances, and economic-social living of society. As institution, they need to fund their activities. It could be come from government subsidies or fee charge from patient. Pelita Rakyat hospital is non-profit hospital which established in 2011. As pioneer, they did not ask charge from their patient moreover they provide free medical service include drug for all people in Sukabumi. Since 2011, Pelita Rakyat hospital has been facing a problem in Hospital facility. Hospital facility is become a concern because Pelita Rakyat infrastructure such as laboratory and medical waste system are needed to be establish as well as visiting schedule for doctor. All the weakness becomes reasonable because this hospital is running less than two years from July 2011. Most of their financing comes from donors and grants but they do that strategy without long term planning. As a new non-profit organization, the management hasn't had long term planning strategy yet especially in financial planning. This condition will be an obstacle to meet the requirement of hospital facilities and this is basic question for Pelita Rakyat to formulate several strategies regarding that problem. This research will use qualitative method which its data are come from the interview as primary data and books, articles and journals as secondary data. The interview has objective to get new data and confirm the respondent about his idea. In business exploration, this article will analyze and propose strategy for hospital as non-profit organization. In the first time, we should do internal (Value Chain Analysis) and external (PEST and Porter forces) factor scanning that relate to hospital and list it as Strength, Weaknesses, Opportunity and Threats (SWOT). From Analyzing rating of factors through IFAS (Internal Factor Analysis Summary) and EFAS (External Factor Analysis Summary), it is concluded that Pelita Rakyat hospital have less strength and more opportunities (locate in Quadrant II, horizontal integration). As a result, Pelita Rakyat hospital should implement competitive strategy through differentiation focus will give Pelita Rakyat hospital full attention to improve medical facilities for low-class income while strategic alliances with other institution will enhance hospitals support in financial or human resources. As non profit organization, to fund hospital activities, Pelita Rakyat hospital must do fundraising program: charity night, deploying volunteer.*

Keyword: hospital, non-profit organization, hospital facility, strategy

1. Introduction

Health institution which provide health service for people with their own characteristic, it is influenced by the development of health science, technological advances, and economic-social living of society. The ideal of hospital criteria refers to medical and surgical services and the supporting laboratories, equipment and personnel that make up the medical and surgical mission of a hospital or hospital system. It should be an obligation for hospital to improves service with high quality, accessible and affordable for people. So that the equality among people could be realized. As medical service institution which is regulated under Act no. 44/2009 mentioned that “Health services is an individual right who have guarantee in Constitutional Law of Indonesia and must be execute by Government”. However, Hospitals often ignore their obligation, specifically this condition happens toward society which

categorize as low class (poor). They had often met obstacles to get access when they need a treatment or medicine. Most of them were not able to pay the price which burdened to them because they feel that the cost is getting higher and expensive (metrotvnews.com, 2011). Instead this case also happen many times in regional general hospital (RSUD) which get subsidies from regional budget (APBD-Anggaran Pendapatan Belanja Daerah).

All the fact that explained before, giving us description about commercialization that has been occurred in Hospitals. Both of private or government hospital were alleged in pursuing maximal profit. Besides, the distribution of health insurance schemes (Jaminan Kesehatan Masyarakat) from government to poor people are not equitable yet. Pelita Rakyat Hospital is a health institution that care and concerned about the issue (commercialization) and those of fact inspiring them to create a free-medical services for people who had low-income (poor people). They have a vision to provide medical service for all people without separate them based on their economic class, status or religion. But specifically, Pelita Rakyat hospital is preparing themselves to serve for those who can't access medical service because the price is getting higher and they can't able to pay.

Based on data that obtain from Central Statistic Agency (BPS) Sukabumi, the number of population in Sukabumi in 2011 was 356.085 person. Sufficient of Health facilities are important factors in development of health sector. Besides Sukabumi has 1 regional general hospital, RSUD R.Syamsudin. Sukabumi also have 15 community health centres (Puskesmas) which 3 of them have inpatient facilities. In order to reach out more people, local government has built 20 supporting-community health centres in 7 subdistrict to give a medical service. The number of pharmacy (apotik) are also can be an indicator of health facilities, accessible to gain medicines. With the total area around 48 km², Sukabumi City already have 44 pharmacy, this means on average, each 1,09 km² they have 1 pharmacy.

According to Constitutional Law, ministry of health since 2005 has been implementing Health insurance schemes program, started with Health care security for poor people (Jaminan Pemeliharaan Kesehatan bagi Masyarakat Miskin/JPKMM) or well-known as Askeskin (2005-2007) then it changed become Health Insurance scheme (Jamkesmas) in 2008 until now. JPKMM/Askeskin, nor Jamkesmas all of them has a similar objectives in providing medical security toward low class society and poor people with using a principle of social health insurance.

The implementation of Jamkesmas program are following principle of providence as well as regulation no 40/2004 (UU SJSN), which is managed profesionally, non-profit, transparently, efficient and efective. Since 2008, Government has distributed Jamkesmas to the public until it reach the number around 19,1 million low class household (Rumah Tangga Miskin) and equal to 76,4 million people which consist of low income class and poor people. Unfortunately, there is still lack of implementation in regional, such as number of participants which is still far away from the real number of poor people in regional. The number of People in Sukabumi as described in Table 1.1;

Table 1.1 Number of Population (BPS, 2010)

NO.	KAB/KOTA	JUMLAH PENDUDUKS	MASKIN KUOTA JAMKESMAS	MASKIN NON KUOTA JAMKESMAS 2009	% MASKIN TAHUN 2009	MASKIN NON KUOTA JAMKESMAS 2010	% MASKIN TAHUN 2010	MASKIN NON KUOTA JAMKESMAS 2011	% MASKIN TAHUN 2011
1	KAB. BOGOR	4,341,277	1,149,508	323,043	33.92%	323,043	33.92%	323,043	33.92%
2	KAB. SUKABUMI	2,277,020	820,804	338,690	50.92%	338,690	50.92%	338,690	50.92%
3	KAB. CIANJUR	2,169,984	693,654	125,182	37.73%	125,182	37.73%	125,182	37.73%
4	KAB. BANDUNG	3,116,056	791,664	364,650	37.11%	346,517	36.53%	346,517	36.53%
5	KAB. GARUT	2,481,471	822,923	415,351	49.90%	632,533	58.65%	632,533	58.65%
6	KAB. TASIKMALAYA	1,839,682	475,831	93,664	30.96%	93,664	30.96%	477,350	51.81%
7	KAB. CIAMIS	1,605,891	356,213	16,619	23.22%	16,619	23.22%	16,619	23.22%
8	KAB. KUNINGAN	1,163,159	305,834	27,025	28.62%	36,036	29.39%	36,036	29.39%
9	KAB. CIREBON	2,192,492	816,993	446,763	57.64%	446,763	57.64%	446,763	57.64%
10	KAB. MAJALENGKA	1,210,811	384,820	95,289	39.65%	95,289	39.65%	95,289	39.65%
11	KAB. SUMEDANG	1,134,288	260,830	34,451	26.03%	34,451	26.03%	34,451	26.03%
12	KAB. INDRAMAYU	1,811,764	570,219	114,044	37.77%	195,013	42.24%	195,013	42.24%
13	KAB. SUBANG	1,476,418	455,750	199,500	44.38%	199,500	44.38%	199,500	44.38%
14	KAB. PURWAKARTA	809,962	207,058	49,301	31.65%	49,301	31.65%	54,103	32.24%
15	KAB. KARAWANG	2,112,433	684,638	219,000	42.78%	219,000	42.78%	219,000	42.78%
16	KAB. BEKASI	2,076,146	426,901	231,941	31.73%	231,941	31.73%	231,941	31.73%
17	KOTA BOGOR	876,292	173,968	66,108	27.40%	66,108	27.40%	66,108	27.40%
18	KOTA SUKABUMI	305,800	46,530	25,315	23.49%	3,098	16.23%	25,952	23.70%
19	KOTA BANDUNG	2,390,120	346,230	60,414	17.01%	141,459	20.40%	322,844	27.99%
20	KOTA CIREBON	298,995	68,942	80,290	49.91%	80,290	49.91%	80,290	49.91%
21	KOTA BEKASI	2,128,384	155,488	59,085	10.08%	117,090	12.81%	117,090	12.81%
22	KOTA DEPOK	1,430,829	137,221	52,144	13.23%	52,144	13.23%	197,847	23.42%
23	KOTA CIMAHI	579,802	85,178	16,086	17.47%	33,279	20.43%	33,279	20.43%
24	KOTA TASIKMALAYA	637,083	153,197	153,197	48.09%	129,985	44.45%	129,985	44.45%
25	KOTA BANJAR	184,577	36,100	58,872	51.45%	12,122	26.13%	12,122	26.13%
26	KAB. BANDUNG BARAT	1,531,072	273,681	303,111	37.67%	303,111	37.67%	303,111	37.67%
JUMLAH		42,181,808	10,700,175	3,969,135		4,322,228		5,060,658	

In 2011, there were only 3 (three) hospitals that accept jamkesmas as their service, and there are three hospitals name as seen in Table 1.2.

Table 1.2 List of Hospital with Jamkesmas (Dinkes, 2011)

City	Name of Hospital	Process 1 (February 2011)	Process 2 (May 2011)	Process 3 (August 2011)	Process 4 (September 2011)	Process 5 (November 2011)	Total
Sukabumi	RS Syamsudin SH	5.083.804.000	5.027.029.000	6.070.878.000	4.378.317.000		20.560.028.000
	RS Secapa Polri	118.683.000	256.432.000	259.432.000	347.654.000	80.535.000	1.061.757.000
	RS Pelita Rakyat					100.000.000	100.000.000

Profile of Pelita Rakyat Hospital

The management of Pelita Rakyat Hospital were under PELITA RAKYAT Foundation based on certificate of notary no.18 in 16 April 2010, and the location is Jl. Hos Cokroaminoto Ruko CBD Blok D2 No. 12, Karangtengah, Tangerang. Pelita Rakyat Hospital is located at jl. Pelabuhan II No. 262 Kelurahan Situ Mekar, Kecamatan Lembur Situ, Kota Sukabumi. No. SIPRS : 440 / 2583 / SIP-RS / Dinkes-Ksi / VI / 2011. Pelita Rakyat Hospital is a unique

Hospital that establish without seeing social class in society. This hospital was inspired by some people that think the government is not capable to provide an appropriate medical service for all citizen. Pelita Rakyat hospital is more indicating to social-oriented rather than business-oriented because they want all people view their presence as an alternative private hospital.

Vision of Pelita Rakyat hospital are:

1. To be a pioneer hospital which provides health service without patient segmentation and to be an inspiration for other hospitals.
2. Helping low income class and poor people to gain an appropriate health service as well as noted in Constitutional law that all citizen have the same right to get health services.

And to achieve the vision, they were proposed this mission to do;

1. To empower our employee as an valuable asset so they can give the best service for incoming patient without looking their social class.
2. Improving and equipping ourself with information and knowledge about health service in order to giving a better service.

Providing a best health service through quickly and comprehensive treatment

Objective of article

This research propose to meet the several objectives:

1. To know how non-profit organization fund their activites
2. To understand government policy toward health situation in Indonesia including stakeholder
3. To dedicate knowledge and theory about business strategy for non profit organization for public

Business Issue

Since the hospital has declared itself as non profit hospital and they don't take any charge to their patient, Pelita Rakyat hospital is only depend to Foundation and donors as funding resources. The situation is wouldn't be easy because they need a sufficient fund to upgrading hospital facilities. Furthermore, the financial problem as primary issue will bring consequences in long term planning to fulfill the vision as pioneer of non profit hospital in Sukabumi . As non profit organization and institution that not well-established in financial, Pelita Rakyat should think about strategy formulation to their organization, such as financial planning (how to do fundraising in order to improve their facilities, so the patient will be more satisfy with it service), business strategy (how to face competition) and also directional strategy (how far the hospital will grow). Fundraising program who involving many people as key success factor will bring the hospital to a better service and operational as their vision. In the next future, successful strategy will be made Pelita Rakyat hospital to establish his presence in other cities

3. Business Issue Exploration

A. Conceptual Framework

To support this issue, the writer needs to analyze some factors, there are: internal (*Value chain*) and external (*Five porter forces and Competitor Analysis*). Then, *strength, weakness,*

opportunity and threat (SWOT) can be formulated. SWOT's also help in identifying root cause which it will discussed in this chapter and determine the business strategy that could be applied to Hospital. However, refer to Bryson and Alston (2011), it is important to conduct readiness assessment before we have formulate strategic plan. This assessment will explore the company capacity (in this case: Pelita Rakyat Hospital) to do strategic planning and implement the result. Figure 4.1 is the result of Readiness assessment of Pelita Rakyat hospital.

Readiness Criteria	Was The Criteria met?		
	Yes	Partially	No
One or more strong process sponsors has agreed to serve		√	
One or more strong process champions has agreed to serve			√
The process is within our mandate—or can be-	√		
Resources are available to do the planning		√	
Resources are likely to be available to implement the plan	√		
The process and the plan will be linked to out budgets and operational plan			√
The benefit outweigh the costs; the process will create value for our organization and our stakeholders		√	
Strategic Planning is the right tool for what we need to do	√		
We can figure out ways to deal with or mitigate any no response to the previous criteria	√		
Now is the right time to initiate the process		√	
Based on our response so far, we should			
<i>Proceed</i>	√		
<i>Figure out how to change each no to yes</i>	√		
<i>Forget about strategic planning for now</i>			

Figure 4.1 Readiness Assesment

The conceptual framework that will implemented in this research as seen Figure 4.2:

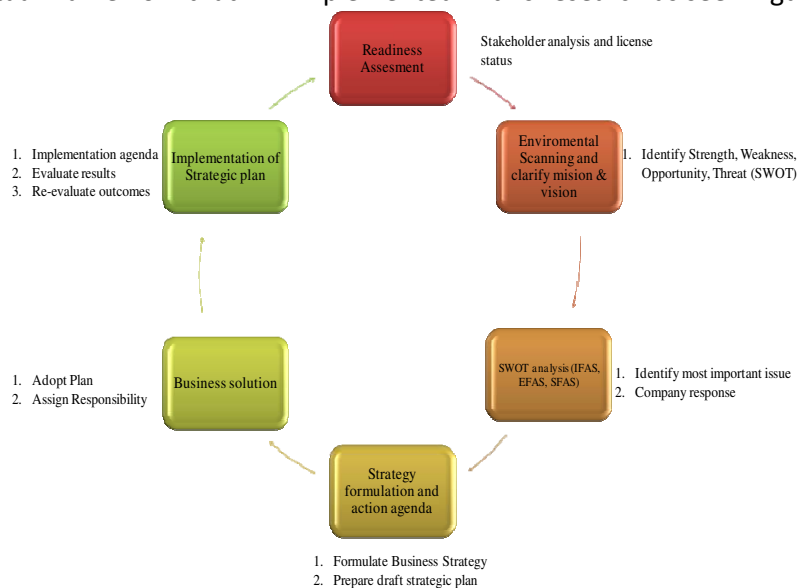


Figure 4.2 Conceptual Framework

The data is collected by interview, questionnaire (Primary) and books, journal, web article (Secondary).

B. Analysis of Business Situation

External Analysis

External analysis is the analysis process by which strategiest monitor the environmental sectors to determine opportunities and threats to their firms. Several tools of analysis that can be use are Five porter forces, PEST (Political, Economy, Social and Technology). Government has declared Jamkesmas as social insurance for poor people and low-income class which health service and medicine is free to get. This condition must be applied in any hospital. Act no 40/2004 was a legal fundamental for government of Indonesia to secure his all citizen to get social insurance. Jamkesmas is one of kind insurance that regulated in this law. The participant of this insurance are people who categorize as poor, homeless and prisoner. The fund of insurance is taking from state budget and also local government. In fact, the implementation of Jamkesmas in certain area is not fulfilled due to some factors; coordination between stakeholder, renewal data of participant and difficulty in bureaucracy when people are coming to hospital. In social issue, more than 50% from total population in Sukabumi which have age between 20 - 54 year is categorize as productive age to work. This statement is reflects in Figure 4.3.

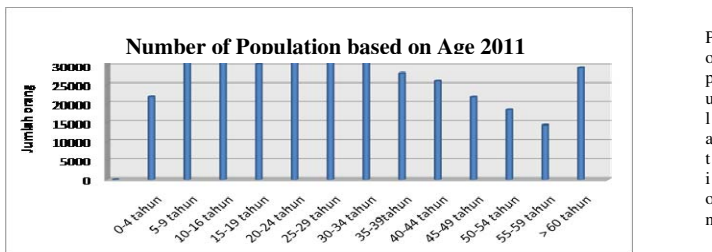


Figure 4.3 Number of Population based on age
(Source: Dinas Kependudukan dan catatan Sipil Kota Sukabumi)

Productive people will reflect how many people in Sukabumi that live in proper situation. External analysis also can be seen from social-economy of district, especially from type of occupation. Figure 4.4 of population in Sukabumi based on their occupation

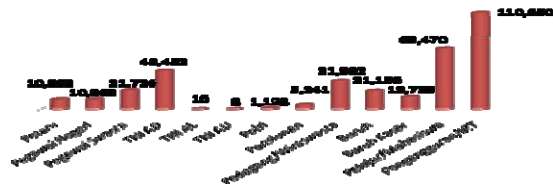


Figure 4.4
Number of Population based on Occupation in 2011

Unemployment rate is a quite big (> 32%) and placed as no 1 position as contributor. In the 2nd position (if the labour category was accumulated) placed by labour, and 3rd category is placed by student.

Internal Analysis

Internal analysis is the process by which strategiest examine the firm marketing, distribution, research, corporate resources to determine where the firm has significant strength and weaknesses (Jauch and Gluck, 1988). The writer is using value chain analysis to asses the internal environment and find pelita rakyat hospital strength and weaknesses. To begin the value chain analysis, the first things we should know is which activities can be considered strengths (core competence) or weakness (core deficiencies)? Do any of strength provide competitive advantage and can they thus be labeled distinctive competencies?. Pelita Rakyat Hospital’s strength in giving a free-service for those who visited their hospital, but they have a weakness in financial and facilities. Since opened in July 2011, their fund resources came from donor, grants and jamkesmas-reimbursement. Competitive advantage from this hospital is giving a free medical service without security deposit and ease of registration for poor people. The writer has 2 (two) literature when compile value chain analysis in hospital; (Parrera, 2008) and (Korne, 2009). Both of these literature is likely similar when describe value chain analysis for hospital activites (support and primary). But then, there is a question to that value chain for hospital based on those literature, where the involvement of hospital division and infrastructure to support primary activites. From that question, the writer is begin to look another literature as comparison and found the journal who wrote by Martinelly (2009), she stated support activities comes from the individual and infrastructure that support the primary activites.

Those literature and also interview with the management of Pelita Rakyat Hospital has used by the writer to make value chain analysis as seen in Figure 4.4.

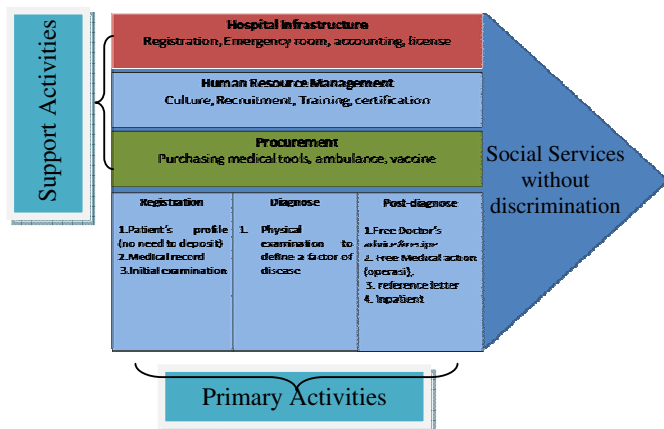


Figure 4.4 Value Chain

Primary Activities

Primary activities is activities that are involved in the creation, sale and transfer of products or service (Gregorio, 2011). Primary activities which are doing by Pelita Rakyat hospital as follows;

- a. **Registration** as beginning process of hospital’s activites. This activites has divided into sub-activites as following:

1. **Patient’s profile:** this activites encompasses of registration for new patient, former patient and also the patient who is referred by puskesmas (jamkesmas procedure). As management procedure, administration officer didn’t ask for money deposit.

Puskesmas is only give reference letter to hospital which is already approved by health department of Sukabumi as hospital. But this situation is not easy for Pelita Rakyat hospital because the institution is not recognize Pelita Rakyat hospital as hospital that deserve to accept jamkesmas participation.

2. Medical record: Medical record was a report that containing doctor's analysis toward a person which it has been input to computer by administration officer. Medical report is confidential and becoming a guideline for doctors when they're need medical action because it is important for them to know what disease is the patient have before.
3. Initial Examination: this activities are done upon the completion of registration. The initial examination for example; measuring blood-pressure and noting the complaint that patient's suffered. The result of examination will help doctor to analyze the symptoms.

b. Diagnosis

This activity is done by doctor, usually the doctor will check the patient's physical and finding what disease are the patient suffered.

Physical examination are:

1. Checking eyes, throat and nose.
2. Cardiovascular and blood vessel
3. Lung
4. Abdomen and rektum
5. GenitaliaSkeleton muscle
6. Neurological condition (brain, cranial neuro, perifer neuro)
7. Pshyciatric condtion

c. Post-Diagnosis

This activity is continuing process from doctor's diagnosis. Some of them are;

1. Advice and prescription from doctor : the result of diagnosis and what's medicine that patient should take.
2. Medical action (Surgery): minor or major surgery that doctor is should do to handle the patient's disease or injury.
3. References letter: A doctor gives references letter to patient to do depth consultation regarding their disease. The reference letter's form are;
 - a. Reference to specialist: in order to get deep analysis for patient's disease, the doctor need more suggestion and examination from another doctor who had specialist ability (beyond the capability of Pelita Rakyat's doctor).
 - b. Reference to hospital: this is happened when Pelita Rakyat hospital think they can't provide/they don't have facility to treat the patient. Some of patient need to treat specifically.
4. Inpatient/opname: this medical action is suggested by doctor when he/she needs to monitor the patient's condition.

Support activities

Support activities are the activities that the organization performs to assist the primary activities to gain the competitive advantage. The activities of Pelita Rakya hospital are classified as:

- a. **Hospital infrastructure:** this activities consist of important part that hospital should have

1. Registration : accepting patient and putting their information into computer system.
2. Emergency room : a room to handle patient who needs an urgent medical action.
3. Accounting : recording cash outflow and cash inflow of hospital which it monitored by foundation.
4. License : license to build a hospital is mandatory requirement, this license was published by regional health department.

b. **Human Resource Management:** these activities consist of activity that related with hospital's officer (doctor, nurse, administration). Certification and training is important to improve knowledge and ability while recruitment is necessary to do for looking the right and eligible personel. Even Pelita Rakyat doesn't have clear job description in each division, but the managing director thinks he can handle it.

c. **Procurement** : the activities to equip facility in hospital. For example; purchasing medical tools, medicine and vaccine. Pelita Rakyat hospital are still looking for realization in order to fulfill health minister regulation

After the explanation about internal and external issue that exist around Pelita Rakyat hospital (RSPR). The next step is identify and asses previous factors into **EFAS** (External Strategic Analysis Factors) and **IFAS** (Internal Strategic Analysis Factors) matrix then it will generate **SFAS** (Strategic Factors Analysis Summary) Matrix. All the assessment based on respondent below (Table 2.7) and each assessment result from respondent will be multiplied by a number which reflect they authority and knowledge.

Table 3.1. Weighting Number of Strategic Factor

Position	Weighting number (multiple)	Reason
Managing Director (1)	3	Leader, knew internal&external environment, decision maker (key informan)
Staff of Hospital (1)	1	Assistant of managing director
Midwife of Hospital (1)	1	Know internal factor of hospital
Staff of health department (1)	2	Know external environment, high level duty (key informan)

The compilation of EFAS and IFAS from all respondent as seen in Table 3.2.

Table 3.2. EFAS and IFAS table

External Factor	Scale (fill with number between 1-5)	Weight	Rating (fill with number between 1-5)	Weighted Score	Notes
OPPORTUNITIES					
Lack of health facilities in Sukabumi	30	0.152	25	3.79	
Lack of Jamkesmas implementation in local area	31	0.157	19	2.97	Reimbursement procedure, claim document
Support from political party and lawmaker	21	0.106	25	2.65	
Half of population in Sukabumi work in informal sectors	25	0.126	22	2.78	unemployee rate, income < minimum regional pay
THREATS					
Conflict of Interest with Puskesmas	31	0.157	22	3.44	operational hours, similar facilities
Regulation about hospital criteria	35	0.177	24	4.24	hospital regulation, classification as RS Pratama
Competition among existing hospital in Sukabumi (esp. Technology)	25	0.126	15	1.89	
TOTAL SCORE	295	1.00		21.77	

Internal Factor	Scale (fill with number between 1-5)	Weight	Rating (fill with number between 1-5)	Weighted Score	Notes
STRENGTHS					
Strong corporate culture of Hospital	31	0.10	21	2.13	vision, mission statement
Different Positioning among hospitals	29	0.09	21	1.99	Way of hospital procedure
Service to patient	34	0.11	31	3.44	easy administration procedure
Free Medical Service	31	0.10	21	2.13	
WEAKNESSES					
Lack of Financial Support	33	0.11	17	1.83	no permanent sponsorship, business unit to gain profit
Lack of Clearly job separation among divisions	30	0.10	16	1.57	
Absence of leader to make decision	35	0.11	16	1.83	delegate to staff, double job of director
Relation to stakeholder	35	0.11	31	3.55	
Medical facilities regarding hospital criteria	48	0.16	16	2.51	ideal hospital facilities
TOTAL SCORE	418	1.00			

Note:

Scale: 1.Very important 2.Unimportant 3.Quite Important 4.Importan 5.Very Important
 Rating: 1. Poor 2. Below Average 3. Average 4. Above Average 5. Outstanding

Opportunities

Health improvement is an opportunity factor for health industries to offer their service. In condition of Pelita Rakyat hospital, the several reasons as opportunities are:

- a) Based on data from health profile in Sukabumi, the ratio puskesmas and people in Sukabumi is about 3:100.000 people. Puskesmas has become an indicator for health facilities because it was accessible by people around Sukabumi. This condition was an opportunity for Pelita Raky hospital to improve health quality of people in Sukabumi through their presence.
- b) Regulation of health ministry 903/2001 (legal factor) is clearly states if government realizes that there is problem in implementing jamkesmas procedure in certain area. Room quota, difficulty administration are several problem that faced by patient. From

this condition, we know that bargaining power as buyer (in health industries) is indicated as low. Pelita Rakyat hospital has accommodated that condition, they won't be insist their patient to fulfil the procedure.

- c) It is inevitable when Pelita Rakyat hospital seems have affiliation with one of political party in Indonesia (political factor). This factor is giving an opportunity to hospital to solve the problem during operational or financial (networking donors).
- d) As seen in socio-cultural analysis, number of population based on occupation tells that unemployment in Sukabumi is quite high while informal employee (if elaborate) placed as second rank. This information gives how many people who live in low class economy from their salary rate.

Threats

- a) Puskesmas in one of kind substitute service of hospital. Government will equip puskesmas in certain with more bed to handle inpatient people who need 1x24 hours treatment. Pelita Rakyat hospital is actually categorized as puskesmas, this judgment is coming from staff in health department of West Java Province. Furthermore, the conflict of interest in operational hours and facilities will be a threat factor during their operational.
- b) The government has been set several requirement as entry barrier of health industries. AMDAL (environment analysis), HO (Hinder Ordonantie), facilities and infrastructure are several requirement that should meet by business actor who want to establish a hospital. Not stop in there, government through health department in regency will evaluate periodically toward facilities and patient satisfaction. Pelita Rakyat hospital has already fulfilled the requirement as hospital in specific regulation (Pratama class) but they should be admit that there are some facilities that they are still to establish (ex:incinerator for medical waste) and this bring problem regarding permanent status if they don't show any improvement in facilities.
- c) Technology become a friend of health industries, through better facilities, it will improve treatment so the patient will cure immediately. This condition will open competition among hospital to have a better technology as their facilities. Facilities with better technology should be have consequence, it need more cost to buy and maintain during the operational and this factor will be threat factor for Pelita Rakyat hospital as non profit organization.

Strength

- a) Strong corporate culture of Pelita Rakyat hospital has significantly influenced the management and employee. Friendly service without discrimination has been enacted to all activities from patient registration to patient treatment
- b) Pelita Rakyat hospital didn't use any marketing strategy during his operational. Most of patient were coming to hospital because their friend inform that Pelita Rakyat hospital gave free-service and medicine. That's why there are many people who come from low class economy trust with this hospital to help them.
- c) As a primary activities. Pelita Rakyat hospital does not require deposit money in registration. They are consistent with vision to give poor people a free medical Service as well.

- d) Easy registration to patient is a part of service to patient. Unlike other hospitals which arguing about jamkesmas card and SKTM (Surat Keterangan Tidak Mampu), Pelita Rakyat only ask for identity card as registration procedure.

Weaknesses

- a) Since Pelita Rakyat hospital has decided their position as non-profit organization and didn't take any fee charge to patient, their operational fund depend on donors/foundation and small enterprise (cafeteria-but it doesn't take effect too much). In asset list, this hospital actually has potential to improve their sources of fund but the management still don't have any plan to utilize it. These are weaknesses of Pelita Rakyat hospital and it should be solve immediately.
- b) Based on basic organizational structure, Pelita Rakyat hospital is considered as functional structure which all employee should do his function based on job description. But, in many times, there is a division that doing the job beyond their job description (urgent situation). This human resources issue certainly become a factor that can not optimize service to patient.
- c) Relate to clear job separation, the absence of leader to (due to another activities) insist staff to help him in decision making when there is a problem that need quick decision to have. The absence of leader will also reduce communication with local stakeholder (health department of Sukabumi) to solve problem arises (analysis, 2013).
- d) Relation to stakeholder is a key success factor for Pelita Rakyat hospital. In primary activities, referral letter to other hospital is necessary to do by Pelita Rakyat hospital and they don't have any problem in that. But, the management have a problem relation toward license status which bring impact to jamkesmas reimbursement. This fact is a proof that Pelita Rakyat should improve its weaknesses through intense communication and effective approaches.
- e) Procurement in support activites of Pelita Rakyat hospital is the last weakness that they have. It must admitted that there are several facilities that should be fulfilled as well as minister regulation no 340/2010 and 129/2008

From Table 3.2, the result of environment scanning of Pelita Rakyat Hospital as seen in below.

1. Internal factors: Total number of strength is *lower* than total number of weaknesses ($9.69 < 11.29$). This indicates that internal strength of Pelita Rakyat hospital is not sufficient to compete with other hospitals.
2. External factors: Total number of opportunities is *higher* than total number of threats ($12.19 > 9.57$). This indicates that opportunities factor will be potential growth of hospital in certain period.

3. Business Solution

To determine the business solution, several alternatives are developed to be then analyzed in determining one optimal solution for the hospital's business issue. There are two alternative strategies/approaches as business solution and it will be discussed in below

C. Business Strategy

Business strategy focuses on improving the competitive position of a company's or business unit's products or services within the specific industry or market segment that the company

or business serves (Wheelen, 2010: 231). Business strategy can be competitive (battling against all competitors for advantage) and/or cooperative (working with one more companies to gain advantage against other competitors). Pelita Rakyat hospital should do strategic alliances (mutual service consortia) with one of stakeholder as cooperative strategy. Strategic alliances must be in long-term period and hospital's partner should be fully support in either financial or intangible resources to secure the operational of Pelita Rakyat hospital. Meanwhile, Pelita Rakyat Hospital should choose differentiation focus as their competitive strategy. As pioneer in serve free medical service without discrimination, differentiation focus strategy allows hospital to improve allocation on doctor and equipment so they can serve more people that coming from low class economy.

D. Fundraising Program

This part will be discussed what is the most important to do by every non profit organization to achieve their mission and objective. Fund raising program should be arranged by non-profit organization to fund their operational and programs. When create fundraising program, a non-profit organization should be done to 3 (three) steps to create fundraising program, there are:

1. Preparation on organization (People, skill and Technology)
2. How to create fundraising strategy (estimate budget)
3. Develop fundraising strategy

People is questioning about somebody who will handle the fundraising program, is there anyone who had experience to connect with people out there or is there any special position in organization like development manager to carry out this situation. **Skill** is still relate to people who handle the fundraising program, the requirement skill that must be fulfilled by fundraiser is the ability of writing and high-interest to know many peoples. **Technology** is also important things to support fundraising program properly, such as: 24 hours communication and high internet access to send the proposal. Pelita Rakyat hospital hasn't met above requirement. Several conditions has been found regarding the situation. Lack of job description among employee and limitation of financial situation are examples that arises in internal of Pelita Rakyat hospital management. Possibility to hire an expert in the similar area (non profit organization in social health) may be solution to held fundraising program manager. The estimate budget cost is also needed when we have a plan to run fundraising program.

Propose budget cost for Pelita Rakyat hospital as seen in Table 3.1.

Table 3.1. Fundraising cost analysis

Item	Cost per Year	Notes
Salaries and Benefit	14,400,000	3 volunteer, bi-monthly activities (6x2,4 mio)
Visit to donors	2,000,000	
Office supplies	1,000,000	paper, ink
Dues and Publications	1,000,000	brochure, annual report
Staff, volunteer training and networking event	2,000,000	Public Speaking course, presentation skill
Web, database and technical support	3,000,000	Internet fee, PC maintenance
Telephone	2,100,000	Voucher mobile phone (3 volunteer+2staff) Rp 50.000,-/month
Postage	500,000	send out proposal
Special Event cost	10,000,000	Charity night, bazaar
Total	36,000,000	

After the estimate budget cost is done to work, then the propose fundraising strategy that can be implement to Pelita Rakyat hospital is seen in Table 3.2.

Table 3.2. Fundraising Program

Strategy	Goals (revenue)	Action steps	Who	When	How Much (expenses)
Recruit part time volunteer	-Rp 10.000.000,-	<ol style="list-style-type: none"> 1. Recruit part-time volunteer from school, college or agency (3 person) 2. Train and educate about public speaking, RSPR and health condition in Sukabumi 3. Deploy to local company, local communities 4. Create relation to donors and local government 	<ul style="list-style-type: none"> • Consultant • Staff 	Quarter 1 2013	<ol style="list-style-type: none"> 1. Rp 2.000.000,- 2. Rp 1.000.000,-
New Member Acquisition	-200 member -Rp 30.000.000	<ol style="list-style-type: none"> 1. Direct mail campaign to 300 prospects each (150) 2. Member recruits new member (50) 	<ul style="list-style-type: none"> • Staff • Managing Director 	Quarter 1 2013	Rp 1.000.000 (upgrading internet facilities)
Special Events	Rp 100.000.000	<ol style="list-style-type: none"> 1. Forum discussion about govt policy, MDGs or health service 2. Bazaar used books and clothes 3. Charity nite (room auction) 4. Counseling event with puskesmas 	<ul style="list-style-type: none"> • Staff • Managing director • Local government • Political party • mass media 	<ol style="list-style-type: none"> 1. Monthly 2. Bi-monthly 3-4. Will be adjusted based on specific moment 	<ol style="list-style-type: none"> 1. Rp 3.000.000 2. Rp 1.000.000 3. Rp 10.000.000

Strategy	Goals (revenue)	Action steps	Who	When	How Much (expenses)
Business	Rp 30.000.000	<ol style="list-style-type: none"> 1. Talk with local businesses and ask them to sign on as "friends" with a gift of Rp100.000,- (x 20) 2. Offering rent space in hospital if want to do profit activities 3. Send proposals out to selected corporations 	<ul style="list-style-type: none"> • Volunteer • Staff • Managing director 	Quarter 1 2013	Rp 2.000.000,- Rp 500.000,-
Foundation	Rp 100.000.000	<ol style="list-style-type: none"> 1. Research & prepare list of foundation prospects 2. Prepare & mail out proposal or if necessary do presentation 3. Follow up 	<ul style="list-style-type: none"> • Internal • Staff 	<ol style="list-style-type: none"> 1. January 2013 2. February 2013 3. April 2013 	<ol style="list-style-type: none"> 1. No cost 2. Rp 1.000.000 3. No cost
Major donors	Non-cash contribution (relate to special event or depend on what is the most needed by hospital)	<ol style="list-style-type: none"> 1. Research names of potential donors 2. Prepare & mail out proposal or personal visit 3. When is not possible, make a call 	<ul style="list-style-type: none"> • Volunteer • staff 	<ol style="list-style-type: none"> 1. January 2013 2. February 2013 	<ol style="list-style-type: none"> 1. No cost 2. Rp 500.000,- 3. Rp 500.000,-
Soft loan	Rp 50.000.000,-	<ol style="list-style-type: none"> 1. Prepare a business plan 2. Send to local bank for approval 	<ul style="list-style-type: none"> • Staff • Managing director 	Quarter 2 2013	1. Interest (10%/year)

Based on table plan above, Pelita Rakyat hospital should recruit volunteer to handle some activities regarding fundraising program. This requirement is necessary if we've look the number of staff who works in Pelita Rakyat hospital (inadequate number of employee) and job description of volunteer that they will be working for. Just like general non-profit organization who always recruit member to inform about organization and what they stand for, it is also important for management to doing that way so more peoples will know there is health institution who serve patient without discrimination and free medical service, need a participation through giving their donation as member. *Special events* come in all shapes and sizes. Their common denominator is their uniqueness-by definition, they are occasions outside your non profit's usual activities, where your membership and/or the public is invited to attend and support your work, usually by paying an admission fee or buying things once they get there

Offering rental space in hospital is one of profit activities to fund Pelita Rakyat hospital. Pelita Rakyat hospital is already have international network who know their activities and some of them are interesting to donate. This condition should be used by management to ask aid donation in order to fund their activities. The foundation which will be target of management is institution who have a strong relate experience in health service and proven track record (transparency and reliable) such as; Hellen Keller international, Oxfam, etc. The major donors that expected in this strategy are individual or institution who want to be involved but they want donate in non-cash contribution, so the management will utilize the donation into another program for example: bazaar or else. It is also important for any organization to stay connect with public through social media (twitter, facebook). This way allows organization to spread their idea and communicate with the member. Media-printed like brochure and annual report is also necessary as organization's responsibility to inform what they have done.

4. Conclusion

Based on Health Minister regulation no.340/2010 and no.129/2008, a hospital (at least) must have the ability to held general medical, emergency room, ICU, nursing care, outpatient, inpatient, surgery / surgical, basic specialist medical services, medical support, pharmacy, nutrition, sterilization, medical records, administrative services and management, public health education, mortuary, laundry, and ambulance, maintenance of hospitals, as well as disposal medical waste. Those facilities should be fulfilled by Pelita Rakyat hospital. Based on urgency of business issue and also feedback from management, the sequence program that should doing by management of Pelita Rakyat hospital are:

1. Fundraising program

Pelita Rakyat hospital has already past their 1st year, it is important to start-up organization either for non profit organization, to make a plan for fund resources. The fundraising program also have purpose to attract more attention from public and perhaps they will support and give more donation. The fundraising program also include re-trenchment strategies (IFAS & EFAS matrix) for hospital to sell their asset, in this case, space for who everyone want to establish stand or something else. The revenue that they get from fundraising program also can be used to purchase medical facility like rontgen, USG or dental chair with immediately, sufficient facilities will be a positive credit from stakeholder.

2. Pelita Rakyat hospital can implement cooperative strategy with stakeholder.

Company (as donor) through strategic alliances without bring major risk as consequence. Other health institution (private hospital or existing puskesmas through joint venture, but this relationship tend to be *conflict of interest* whether in mission or serve. As pioneer in serve free medical service without discrimination, differentiation focus strategy allows hospital to improve allocation on doctor and equipment so they can serve more people that coming from low class economy.

References

- Bappeda kota Sukabumi, Kota Sukabumi dalam angka 2012
- Bray, I., 2010, Effective Fundraising for Nonprofits 3rd edition, Nolo
- Bryson, J.M., and Alston, F.K., 2011, Creating Your Strategic Plan 3rd edition, Jossey-Bass
- Cahaya, H., 2012, "Obat mahal, ramuan tradisional jadi solusi", Universitas Lampung
- David, F., 1997, Strategic Management, Prentice Hall
- Dimartinelly, C., Riane, F., and Guinet, A., 2009, A Porter-scor modeling approach for the hospital supply chain, Universite Catholique de Louvain
- Freeman, R.E., 1984, Strategic management: a stakeholder approach, Pitman
- Gregorio, R., 2012, Value Chain Analysis: overview, University of the Philippines
- Jauch, L.R., and Glueck, W.F., 1988, Business policy and strateic management 5th edition, McGraw hill
- Korne, D., 2009, Creating patient value in glaucoma care: applying quality costing and care delivery value chain approaches
- Munoz, P., and Raisbeck, L., 1997, How to Plan Your Fundraising Strategy, grass root fundraising journal
- Pareras, L., 2008, Health care service value chain, Healthonomics
- Permenkes no 129 tahun 2008
- Permenkes no 340 tahun 2010
- Permenkes no 147 tahun 2010
- Permenkes no 103 tahun 2011
- Pikiran Rakyat, <http://www.pikiran-rakyat.com/node/139885> , Ratusan warga protes pelayanan RSUD Sukabumi
- Sainudin., Aspek menyusun pertanyaan wawancara, Pusat Pengembangan bahan ajar Universitas Mercu Buana
- Sugiyono, 2009, Memahami Penelitian Kualitatif, Bandung: Alfabeta
- Teodoro, H., 2012, Strategies in Action, Ateneo Graduate Business School
- Thompson, A.A., 2010, Crafting and executing strategy 17th edition, McGraw hill
- Undang-undang no 44 tahun 2009
- Wheelen, T.L., and Hunger, J.D., 2010, Strategic Management and Business Policy 12th edition, Pearson
- Wheelen, T.L., and Hunger, J.D 2006, Strategic Management and Business Policy 10th edition, Pearson.
- Weckwerth, V., 2006, Is there a future for the not-profit-hospital?, Frontiers of Health Services Management