Business Ethics for Hospital Business Sustainability

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Abstract. This study aims to determine the role of Business Ethics consisting of Hospital Professional Ethics, Professional Medical Ethics, Professional Ethics of Accountants towards Hospital Sustainability at Muhammadiyah Hospital. This study uses a qualitative approach with content analysis techniques to process data collected through in-depth interviews, outside observations, and documentation. Sources of data derived from key informants consisted of 6 management people, 20 employees, and 10 hospital customers. The theory of Islamic Business Ethics is used to guide the findings of Business Ethics. In-depth interviews were also conducted with 4 expert informants for triangulation. The findings of this study are in the form of a Hospital Code of Ethics with 14 components including Standards of Behavior, Hospital governance, professionals, business integrity that can facilitate the international business environment. The findings of this study can be used to redesign the organization's vision and mission as a basis for achieving better achievement. The implication of the findings of this study is the need for business ethics in designing value systems, professional ethics, Islamic business ethics, and external challenges.

Keywords: Business Ethics, Muhammadiyah hospital, hospital professional ethics, professional medical ethics, professional ethics of accountant.

1 INTRODUCTION

The discussion on the relationship between business ethics with business sustainability raises when American International Group (AIG) collapsed in September 2008. This tragedy is one of the causes of the most controversial world financial crisis of 2008-2009. AIG is one of the largest and most respected insurance companies in the world. AIG had a market value of close to $ 200 billion in 2007, but by 2009 this amount had fallen to a mere $ 3.5 billion. The number of employees accounted for 116,000 people throughout the world. The main product of AIG is specialized in derivatives and other complex financial contracts that were tied to subprime mortgages or commodities. After the former CEO was replaced in 2005, AIG’s financial products became more speculative in its activities. Immediate before its collapse, AIG had exposure to $ 64 billion in potential subprime losses, estimates that of that number only 20 to 30 people were directly involved. This case including ethical issues related to transparency and failed internal controls [1].

In his classic 1973 article, Davis [2] outlined "the case for and against business assumption of social responsibilities". Arguing that changing social values impose new demands on economic
Organizations, Business engagement in social initiatives will become imperative for preserving social support in a "mature, global civilization" [3]. Argumentation was based on the desire of the business community to be able to produce goods and services to make a profit in the long term by strengthening the firm's public image [4].

Business continuity in the hospital primarily affected by the implementation of ethics in daily hospital operations. Furthermore, Beddewela [5] states that corporate social initiatives as the basis of corporate long-run goals are genuinely guided by moral values or ethics. The hospital is an integral part of the health care system [6]. In the past 25 years, the hospital is growing rapidly both at the provincial and city-district one reason is maintaining ethics [7].

That business continuity is determined by the performance of the organization. Being the organization's performance is influenced by organizational culture [8]. Hospital although often associated with social aspects but also independent business organizations [9]. Corporate culture applied in day to day operation of the organization is a reflection of the ethics practiced [10].

To survive and thrive, the hospital is required to maintain and improve the quality of service-oriented processes and performance by the standards of excellent service that accommodates the wishes of customers. Hospitals need to develop a new paradigm as a health care institution business nuances that "Patients are Partners in the hospital". This paradigm would leave the old paradigm of "Doctor is king in hospital". The hospital paradigm shift that requires hospitals to turn into enterprises that have many strategic business units profit-oriented while maintaining the social function as a core product that must be executable [11].

That business has an ethical duty to "give back" to society [12]. This study seeks to find business ethics practiced in Islamic hospitals because ethical duty could improve profitability, enhance reputation, and strengthen employee commitment to the firm, and also expressed an equally strong desire to "make the world a better place" [13].

2 LITERATURE REVIEW

2.1 Business Ethics

The word ethics or conduct in the Latin language means Ethica. Ethos in Greek means the norms, values, rules, size for good behavior. In general, it can be said that ethics is a moral basis, including knowledge of the goodness and the properties on the right. Or in other words, ethics guide the behavior, attitudes, and actions that are recognized, in connection with a particular type of human activity [14]. Ethics becomes important when there is a difference in the value of good-bad governance. Sila [15] states that ethics has to do with what my feelings tell me is right or wrong. Also, mean Ethics has to do with my religious beliefs, so being ethical is doing what the law requires so that's why ethics consists of the standards of behavior our society accepts.

Based on Rokhman's theory of Islamic work ethics on work outcomes [16] which states that there are 6 basic ethics-related businesses. The six business ethics are: 1) Work, 2) Honest, 3) Freedom in economic enterprises, 4) justice and protection, 5) Generous, 6) Trading is not usury. Meanwhile, Qaradawi [17] argues that ethics in business and trade in Islam is very important to avoid unnecessary disputes. It suggests that there is four basic human activity when performing economic activities, namely: Production, Consumption, Finance, and Distribution. Each of these economic activities should be guided by a value system that adhered together so that collectively can lead to feelings of calm and serene. Table 1 below shows that Qaradawi's business ethics.

In this study, business ethics defined as a mixed term from Professional Ethics Hospital (base on the Law of the Republic of Indonesia no. 44, 2009), Medical Professional Ethics [18], Accountant Professional Ethics [19], and the Islamic Business Ethics [20]. Hospital professional ethics refers to the obligations and rights of a hospital as specified in the Law of the Republic of Indonesia number 44 of 2009 on Hospitals in particular Articles 29 and 30. The ethics of the medical profession refers to the Decree of the IDI (2012). In the decree explained that the Code of Ethics Indonesia (KODEKI) is a guideline for Indonesian physicians in carrying out the practice of medicine. Indonesia Code of
Medical Ethics was first conceived in 1969 in the Working Group Susila Medicine Indonesia. Then as reference material used at the time was the Code of Ethics International has been enhanced in 1968 through the Congress of the World Medical Association to 22, which is then refined again IDI Mukernas XIII, in 1983. The Profession as a doctor is a noble job shown by 6 basic properties, namely: 1) the nature of divinity, 2) the purity of intention, 3) magnanimity, 4) humility, 5) the seriousness of work, 6) scientific and social integrity. Six nature that is embodied in KODEKI. The code of ethics of the doctors includes general liability, liability doctors to patients, physicians' obligation to peers, and obligations of physicians towards oneself. Ethics of the accounting profession Indonesia arranged in Code, Accountants [18], intended as guidelines and rules for all members, whether they practice as a public accountant, worked in the corporate world, in government agencies, as well as in environmental education in fulfillment of responsibilities professional. Indonesian Institute of Accountants Code of Ethics consists of eight (8) parts, namely: Responsibility professions, public interest, integrity, objectivity, competence, and professional prudence, confidentiality, professional behavior, and technical standards.

2.2 Business Sustainability

In terms of Sustainable Development, the Ethics support economics [21]. At the business level, sustainability goes on to describe the three types: economic, natural, and social capital. From this basis then develop the six criteria will have to satisfy: eco-efficiency, socio-efficiency, eco-effectiveness, socio effectiveness, sufficiency, and ecological equity [22].

When transposing this idea to the business level, corporate sustainability can accordingly be defined as meeting the needs of a firm’s direct and indirect stakeholders (such as shareholders, employees, clients, pressure groups, communities, etc) without compromising its ability to meet the needs of future stakeholders as well [23]. Towards this objective, firms have to maintain and grow their economic, social, and environmental capital base while actively contributing to sustainability in the political domain. From this definition, three key elements of corporate sustainability can be identified: integrating the economic, ecological, and social aspects in a 'triple-bottom-line' [24].

A sound theoretical framework for ethically and strategically accounting for the ultimate stakeholder, planet Earth [25]. Within the framework of enterprise strategy, a value system base on sustainability can provide a sound ethical basis for developing ecologically sensitive strategic management system allow the organization to satisfy the demands of the myriad green stakeholders that represent the planet in the immediate business arena. Bronn and Cohen [26] found three (3) key questions while they present the result of their exploratory research conducted with managers from over 500 Norwegian companies to examine corporate motives for engaging in social initiatives. First, what do managers in the sample see as the primary reasons their company engages in activities that benefit society? Second, do motives for such social initiatives vary across the industries represented? Third, can further empirical support be provided for the theoretical classification of social initiative motives outlined in the literature?.

2.3 Hospital Management

The hospital is an institution of health care professionals whose services provided by doctors, nurses, and other health professionals. The term hospital (hospital) is derived from the Latin word, the host (host), which is also the root of the word hotel and hospitality (hospitality). Some patients may only come to light for diagnosis or treatment and then ask for road maintenance, or can also ask for hospitalization in days, weeks, or months. The hospital is distinguished from other health institutions from the ability to provide diagnostic and medical treatment to the patient as a whole. Definition of the hospital according to WHO [27], WHO Expert Committee On Organization Of Medical Care is: an integral part of social and medical organization, the function of the which is to provide for the population complete health care, both curative and preventive and Whose cover patient service to the family and its home environment; Also the hospital is a center for the training of health workers and
biosocial research. So the health services provided by the hospital can be curative (treatment) or prevention. The hospital is also a center of training of health workers and research biosocial.

The problem of hospital management lately did much highlighted, not only on complaints of people who feel disappointed with hospital services, both in terms of quality, easiness, and rate but also the modern development and the paradigm shift aspect of the philosophy of hospital is already moving towards the repairs [28]. There are several reasons to improve hospital management, namely: 1) The development of science and medical technology that is fast, 2) Demand society increased and widespread [29].

2.4 Theoretical Framework
The framework of the study following the background and literature review above is as shown in Figure 1 below:

Figure 1. Theoretical Framework

3 METHODS
This study uses a qualitative approach, with a purpose to uncover a broader perspective on the Implementation of Business Ethics at the hospital. Also, the study will involve various disciplines (sociology, economics, psychology, management, organizational behavior, and accounting) that directs researchers to improve the viewing angle and take the issues and complex problems [30].

This qualitative study to uncover and understand the meaning is behind the phenomenon of the actions of individuals who perform various actions based on their perceptions as well as various aspects of the underlying actions qualitative. The research was conducted with data collection by the FGD (Focus Group Discussion), depth interview, and outside observation. With in-depth interviews, a series of questions prepared with the aim to answer the research question. The question posed was not structured but flows to the rhythm of the time of the FGD and in-depth interview to eliminate the rigid and drab atmosphere. Meanwhile, the external observation was conducted to obtain an objective perspective on some of the findings that were found either through interviews or found through secondary data. Observations from the outside are also useful to obtain a starting material when designing or designing research questions.

FGD was held on December 1, 2019, involving 20 employees in the chamber of RSUAP Health Committee. FGD was attended by Director of RSUAP and all leaders including 2 Deputy Director and Head of Section 5. FGD opened by the Managing Director with a speech about the importance of FGD and the guarantee of freedom of speech during FGD. FGD goes well, warm, and open. Beginning at 9
am and ended at 5 pm with a one hour break for meals and prayers Dhuhr. FGD position is set in a circle, in which 20 participants seated at a table opposite, at the end of the left circle sit moderator (expert FGD) and principal investigator.

Depth interviews conducted during the period of 3 months from October 7 to December 20, 2019, involving a Director, 2 Deputy Director, and Head of Section 5. In-depth interviews conducted flexibly by the presence and timeliness. Interviews sometimes held in the office, while walking reviewing the condition of the hospital, or when interviewees running the next day. Interviews were also conducted outside of working hours and outside the hospital.

Observations from the outside are held for 3 months from October 7 until December 20, 2019. These observations put themselves researcher as an outsider who has no connection with RSUAP. Observations were made to the patient, the patient's family, without the knowledge of employees and management are observed. Observations conducted to confirm the above findings for FGD and in-depth answer answers during the interview. During this observation period had also conducted interviews with 10 patients and their families.

Triangulation was held to test the validity of their answers during the FGD and in-depth interview answers. Triangulation is also carried out to test the reliability of 9 topics asked during focus group discussions and in-depth interviews. Triangulation is done by asking the opinion of four experts on Muhammadiyah studies and the experts on social, environmental, and especially ASEAN and Indonesian studies. Experts are Prof. Dr. Moeghni Shafiq (one Chairman of Muhammadiyah Central Executive in charge of social welfare and hospitals, was formerly the Chairman of the Regional Chairman of Muhammadiyah East Java), then Prof. Dr. Jainuri (one Chairman of Muhammadiyah Regional Leadership of East Java and also Rector of the Universitas Muhammadiyah Sidoarjo), Prof. Dr. Zainuddin Maliki (Chairman of the Advisory Board of the National Agency for Disaster Management and former rector of Muhhammadiyah Surabaya), and dr. Sugeng Ristanto, MARS (assessors national hospital, the former director of a private hospital in Surabaya). The interview with experts (expert informants) conducted during the period of study is 3 months starting from October 10 until December 24, 2019.

4 RESULT AND DISCUSSION

Exposure to the following data derived from the results of focus group discussions with the informant as much as 20 supervisors and 11 times during the observation in 6 months. We did interviews as much as 10 times with six informants RSUAP management at several locations in the neighborhood and also outside RSUAP, but also on 4 expert informants.

Business Ethics which Practiced.
In a previous study [11] has been found to RSUAP institutional values, as follows:
1. Provide good and service in high quality,
2. Improve knowledge and skills,
3. Achieving objectives within budget,
4. Able to develop their self,
5. Establish good relations,
6. Thrifty,
7. Communicate nice and true,
8. Not distinguish,
9. The help of Patients who are unable to,
10. Maintain and Strengthen the faith of Patients,
11. Discipline,
12. Empathize,
13. Work sincerely,
14. Working faster, accurately and carefully,
15. Initiative,

The conclusion of the values separated into 3 major groups of Business Ethics, namely:
1. Ta'awun (mutual help), meaningful help each other to realize the concept of goodness Rahmatan lil Alamin (blessings for the entire universe).
2. Tawashi (reminding each other), meaningful advised each other in goodness and avoid evil and uphold the noble behavior (akhladul kharimah).
3. Fastabikhul Khoirot (competing in goodness), means the competing to in his favor by working with the best possible intentions as a form of worship and carry out the mandate.

There are ten (10) topics focused discussion submitted by the moderator one by one and answered by the participants, sometimes the answer participants jumped without following topics focused, this is not an issue and indeed such conditions desired that the atmosphere becomes warm, not rigid but warm because there is a possibility of the opinion of a participant is not the same as the opinion of other participants, even mutual criticism among the participants.

Ten (10) focused topic that consists of four (4) subject of business ethics are: Hospital Professional Ethics, Medical Professional Ethics. And Islamic Business Ethics. Then six (6) more topics on Business Sustainability, namely: Eco-efficiency, Socio-efficiency, Eco-effectiveness, Socio-effectiveness, Sufficiency, and Ecological equity. Some questionnaire was designed to reflect the six (6) criteria for business sustainability in the preceding literature review by connecting business ethics with business sustainability (see Table 1).

Table 1

<table>
<thead>
<tr>
<th>No.</th>
<th>Guidance Question</th>
<th>Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>We can engage in social activities to serve our hospital’s long term interest with our business ethic</td>
<td>Socio efficiency</td>
</tr>
<tr>
<td>2</td>
<td>Engaging in social activities can improve our image as represent our business ethic</td>
<td>Socio effectiveness</td>
</tr>
<tr>
<td>3</td>
<td>Refers our business ethic we must engage in social activities to maintain our position against competitors</td>
<td>Sufficiency</td>
</tr>
<tr>
<td>4</td>
<td>If we do not engage in social activities, the regulator will force us to do so</td>
<td>Ecological equity</td>
</tr>
<tr>
<td>5</td>
<td>People inside and outside our hospital expect us to engage in social activities to reflect our business ethic</td>
<td>Sufficiency</td>
</tr>
<tr>
<td>6</td>
<td>To implement our business ethic, our shareholders demand that we engage in social activities</td>
<td>Sufficiency</td>
</tr>
<tr>
<td>7</td>
<td>As a private firm, we can solve a social problem better than a government agency that's because we have a business ethic</td>
<td>Eco-efficiency</td>
</tr>
<tr>
<td>8</td>
<td>Since we have a business ethic, our hospital has valuable resources that can be used to solve social problems</td>
<td>Socio efficiency</td>
</tr>
<tr>
<td>9</td>
<td>Encouraging business ethically, our hospital can earn money by solving a social problem</td>
<td>Ecological equity</td>
</tr>
<tr>
<td>10</td>
<td>If we do not take action to address social problems, they could harm our primary business</td>
<td>Sufficiency</td>
</tr>
<tr>
<td>11</td>
<td>People in our hospital are concerned about social problems and want to help because we have a business ethic</td>
<td>Socio effectiveness</td>
</tr>
<tr>
<td>12</td>
<td>Our business ethic makes us feel good to work on social problems</td>
<td>Sufficiency</td>
</tr>
<tr>
<td>13</td>
<td>There is no good reason not to engage in social activities</td>
<td>Socio effectiveness</td>
</tr>
<tr>
<td>14</td>
<td>Engaging in social activities can build networks in a foreign culture</td>
<td>Ecological equity</td>
</tr>
</tbody>
</table>
We wish to be seen at the forefront of society’s legal, moral and ethical standards represent our business ethic

Our business ethic encourages to gain knowledge from social service organizations

Source: modified from Bronn and Cohen [26]

4.1 Reasons run the business ethically

From a total of 5 managers responded that the reason for running this business ethic is to enable socio-effectiveness while one person management responded by reason sufficiency. Similarly supervisor answer, the answer is most socio effectiveness (12) is because sufficiency is as much as 8 supervisor. The question advantage when running a business ethics answer is sustainability criteria socio-efficiency (manager 1, 2 supervisors, and 1 expert informant), was the answer to the criteria of socio effectiveness of management is as much as 3, 2, and 1 expert informant supervisor. A total of 1 manager, 11 supervisors, and 1 expert informant was answered with sufficiency criteria. Then one manager, five supervisors, and one expert informant replied ecological equity criteria.

The threat to question if they do not run business ethics, management of 4 people, 17 supervisors, and 3 expert informants replied sufficiency criteria. Being the answer to socio-efficiency criteria is as much as 2 manager, 3 supervisors, and 1 expert informant. Questions about Long-term interest on running business ethics answered with the criteria of eco-efficiency by 1 people management, 10 supervisors, and 1 expert informant. The answer to the criteria of socio-efficiency is one management person, five supervisors, and one expert informants. And the answer to the criteria of sufficiency is as much as 4 people management, five supervisors, and two expert informants. More can be seen on the matrix in table 2 below.

Table 2. Matrix for informant answered by criteria

<table>
<thead>
<tr>
<th>No.</th>
<th>Criteria</th>
<th>Management (6)</th>
<th>Supervisor (20)</th>
<th>Expert (4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Reasons run the business ethics</td>
<td>1 2 3 4 5 6</td>
<td>1 2 3 4 5 6</td>
<td>1 2 3 4 5 6</td>
</tr>
<tr>
<td>2</td>
<td>The advantage when running a business ethics</td>
<td>1 3 1 1 2 12 8</td>
<td>2 11 2 5 2 2</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>A threat if they do not run a business ethics</td>
<td>1 4 2 17 3 3 1</td>
<td>1 4 10 5 5 1 1</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Long term interest in running the business ethically</td>
<td>1 1 4 10 5 5 1 1 2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sub-Total</td>
<td></td>
<td>1 2 8 10 7 14 41 8 1 2 3 8 2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>24 80 16</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Criteria:

1. eco-efficiency
2. socio-efficiency
3. eco-effectiveness
4. socio effectiveness
5. sufficiency
6. ecological equity
5 DISCUSSION

For reason to run the business ethic, most of the informant answered for sufficiency, particularly on the statement: We wish to be seen at the forefront of society's legal, moral and ethical standards represent our business ethic and People inside and outside our hospital expect us to engage in social activities to reflect our business ethic. This is understandable because people around Ponorogo looked at us as a healthcare institution that has sufficiency in conducting social activities. This hospital has sufficiency in terms of doctors and medical personnel and medical equipment to help local communities. This finding is not in line with Bronn & Cohen [26] is also not in line with Stead and Stead [31]. This may occur because of differences in the research industry where the hospital is located in the healthcare industry. As described above, sustainability motives for society's legal, moral and ethical standards, a sense of organizational responsibility, and the belief that hospital has a moral obligation to invest in making the world a better place for the future generation.

Then, the advantages when running business ethic, most of the informant answered the for socio-effectiveness, particularly on the statement: Engaging in social activities can improve our image as representing our business ethic. Although the hospital is a social institution, the imaging needs as an institution that cares about the interests of the community is still strong in the minds of management and supervisors. This finding is consistent with [26] is also in line with Stead and Stead [31]. Other criteria that appear in response to this statement also socio-efficiency, ecological equity, and sufficiency. This is understandable because the hospital was also as expected by the business institutions of society able to support himself by bearing the burden of operational costs so that hospitals should not be lost making, in the long run, these hospitals will be closed and can not serve the public again. Therefore, hospitals must maintain equity and socio-ecological efficiency and should be read by people so attached as a positive image attached to the hospital. This finding is also consistent with Bronn & Cohen [26], Stead and Stead [31], and Dyllick & Hockerts [32].

For Threat statements, if they do not run a business ethic, most of the informants answered the for sufficiency, particularly on the statement: If we do not take action to address social problems, they could harm our primary business. This is understandable because of the existence of the hospital in the community are expected to contribute to the improvement of public health conditions. If the hospital does not run its business ethic to serve a better society, then the hospital also fears can not continue its business activities. Of course, this will result in the death of backrest life for doctors and medical personnel working in the hospital. This finding is consistent with Bronn & Cohen [26] is also in line with Stead and Stead [31]. Other criteria that appear in response to this statement also ecological equity. This is because hospitals have skilled personnel and adequate equipment to keep the environment in good condition and comfortable. Therefore, hospitals must maintain ecological equity and should be read by people so attached as a positive image attached to the hospital. This finding is also consistent with Bronn & Cohen [31], Stead, and Stead [31].

Long-term interest statement for running on business ethics, most informants answered the for sufficiency, particularly on the statement: Refers our business ethic we must engage in social activities to maintain our position against competitors. The reason that surfaced is that as business institutions are also required to act commercially, the hospital has a competitor that allows it to compete and even kill each other. If the hospital does not run business their business ethic to sustainability by maintaining its position against competitors in serving the community better, then the hospital feared to be left out and do not get the best place in society, and this will result in its business in the long term will decrease and then die. This finding is consistent with Bronn & Cohen (2009) is also in line with Stead and Stead (2000). Other criteria that appear in response to this statement also socio-efficiency and eco-efficiency. This is because the hospital as a health institution that has operated longer expected to be able to demonstrate the efficiency of both social and ecological nature environments. This finding is also consistent with Bronn & Cohen (2009), Stead and Stead (2000). These findings confirmed that the hospital still has strong profitability motives. This interpretation is consistent with observations of other informants who content that Although a strong case can be made for social
activities acting as "profitability of insurance," the success of this strategy depends to a large degree on the relationship between social activities and the core business of the firm.

6 CONCLUSION

This study managed to find a relationship between 4 causes of hospitals running their business ethic to achieve the 6 criteria of sustainability. In general, running the business ethic for hospitals is to ensure the sustainability of the hospital itself, to the community, the government, and also demand-driven out of the hospital stakeholders. The limitation outlined above suggests several review directions for future research. First, the guidance question could be administered to hospital experts especially to access the cultural generalizability of our result. The study could be replicated with quantitative methods to uncover generalizability purposes. These might reveal very different outcomes than research reporting the perception of managerial level only.

References


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