

CHAPTER I

INTRODUCTION

A. Research Background

Covid-19 outbreak or Coronavirus disease-19 that began in December 2019, in Wuhan Hubei Province, China, has now become a global pandemic after it was announced by WHO or the World Health Organization on March 11, 2020 (WHO, 2020). The number of Covid-19 cases in Indonesia, based on data obtained from covid19.go.id, recorded to date, December 13, 2020, has reached the total number of cases of 611,631 in 34 provinces of Indonesia (R.I Kemenkes, 2020) since the first reported case of Covid-19 in Indonesia which was announced directly by President Joko Widodo at the Presidential Palace, on March 3, 2020. Various ways and policy making have been attempted by the government to slow the spread of Covid-19, starting from social distancing, Work From Home (WFH), PSBB (Large-Scale Social Restrictions) in areas with greater transmission rates, and so on. (Hadiwardoyo, 2020).

Indonesia is in the midst of the Corona virus (Covid-19) pandemic, this requires citizens to be able to adapt as long as the Covid-19 pandemic is still ongoing in everyday life, this adaptation also applies to the implementation of public services. Many policies made by the government towards preventing the spread of the Covid-19 virus have been issued, policy spending certainly has an impact on public service standards that have been implemented by service providers. Improving the standard of public services will be one way to minimize the spread of this virus. Here are some things that service

providers can do to improve their services in the midst of a pandemic, such as able to provide clear information related to service standards, the ease of getting information with online access, as well as improving the quality of human resources in the use of systems based on information technology and other public service principles. (Tismayuni Ayu, 2020)

In the aspect of health, Strength of our national health system currently heavily tested as it continues to grow Covid-19 cases that have infected all province in Indonesia. Health Service facilities must be at the forefront of dealing with the Covid-19 problem in society. The Public Health Center which has been the Public health services in their work areas increasingly have an important role in minimizing COVID-19 cases. The role of Puskesmas needs to be strengthened in terms of prevention, detection and response accordingly with its authority as a first-level health service facility. But on the other hand, the Puskesmas also has the task and function of organizing public health efforts and individual health efforts in the context of fulfillment of minimum service standards for people who are not allowed to abandoned during this pandemic. Technical Guidebook for Community Health Center Services during the COVID-19 Pandemic prepared with the aim of providing a reference for how the Puskesmas conducts adjustments needed in management and service delivery. These adjustments need to be made to respond to the impact of COVID-19 while preventing the transmission of infection with severe acute respiratory syndrome coronavirus 2 (SARS-C0V-2) in when providing services. Hopefully the Health Center

with coaching and facilitation from the District/City Health Office and the Provincial Health Office can contribute optimally in the prevention and control of COVID-19. (Kementerian Kesehatan RI, 2020)

Public health centre as the frontline of public health facilities within the sub-regency of course it is necessary to make various efforts in handling prevention and transmission of infection during the Covid-19 pandemic. Although now the Covid-19 problem is a priority, it doesn't mean the public health centre ignores other services that are the main function, such as implementing Community Health Efforts (UKM) and Health Efforts Individuals (UKP) at the first level as stipulated in the Permenkes Number 43 of 2019 concerning Public Health Centers. (Kementerian Kesehatan RI, 2020)

The refocusing of the budget of D.I. Yogyakarta with the reduction of Rp 200 billion from the initial budget of Rp 2 trillion and deficit of around Rp 326 billion or about 17% with the allocation of funds amounting to Rp 174 billion for 3 aspects that are considered to be the path of problem solving during the Covid-19 pandemic started from handling in health aspect for almost as much as Rp 50 billion, economic recovery Rp 95 billion, and Rp 27 billion for social assistance (Adminwarta, 2019). As we know, the highest number of Covid-19 cases is in Sleman regency, Yogyakarta. The Spokesperson of the Task Force on Handling Covid-19 DIY, Berty Murtiningsih, reported, again there was a significant increase in cases in the Sleman area as many as 216 positive cases infected with Covid-19 from 116 cases reported December 19, 2020. Therefore, Sleman regency Government is

very concerned in suppressing the number of positive cases of Covid-19 by continuing to take a persuasive and educational approach to raise awareness of the people of Sleman regency to stop the ongoing transmission of the Covid-19 virus. Budget and Regional Expenditure Revenue (APBD) allocated is also prioritized for Covid-19 prevention and economic recovery of Sleman region. Haris Surtata as Head of Regional Finance and Assets Agency (BKAD), states that, as much as Rp 250 billion is allocated for problems related to Covid-19 and furthermore for public services. (Razak, 2020)

The number of positive cases in Bantul regency and Yogyakarta municipality, continues to increase significantly, and according to the data of the task force handling Covid-19 until December 19, 2020 has been recorded were as many as 2,440 people affected by Covid-19 in Bantul Regency, with a breakdown of 1,871 people who have recovered mostly from Imogiri, Sewon, and Pleret sub-regencies, as well as 502 people with active cases, and 67 people who died. In order to respond quickly in the termination of the Covid-19 chain, Health Department of Bantul Regency participated in monitoring and evaluating of 27 public health centers in Bantul with the aim to check the readiness of public health centers in terms of handling Covid-19 patients, readiness in the procurement of equipment, Consumable Medical Materials (BMHP), and human resources in the public health centers because it is the main intermediary for Bantul regency in knowing the status of patients whether ODP (*Orang dalam pemantauan* or person under supervision), PDP (*Pasien dalam pengawasan* or patient under supervision) , OTG (*Orang*

tanpa gejala or asymptomatic person), Positive, and Negative before the patient can be referred to the hospital. Health Department of Bantul Regency also made the 27 public health centers as a place for the implementation of Covid-19 vaccination with service facilities that have experienced in the field of vaccination. (Zuraya, 2020)

Public services are regulated by Law No. 25 of 2009 on Public Service. Based on the law, the definition of public service is an activity or series of activities in order to fulfill the needs of services in accordance with the laws and regulations for every citizen and resident of goods, services, and administrative services. Along with this, public health centers have a very important role during Covid-19 as one of public services. The Covid-19 pandemic is an unwanted situation that occurs suddenly and quickly, this condition also affects the management that has been prepared by the Puskesmas. Therefore, the Puskesmas needs to re-adjust the management stages of the Puskesmas that have been prepared and planned in advance with service needs in dealing with the Covid-19 pandemic as quality of public health.

Puskesmas or a public health service center has two functions, namely: function of public services and function of clinical or medical services. An indication of service quality at the puskesmas is a patient's perception for the health services they've received. From this perception, the patient can provide an assessment of the quality of service. The quality of puskesmas health services in the context of fulfillment of public health service needs is

determined by two factors. The first is the puskesmas factor which is related to quality health services and patient satisfaction levels. As long as the quality health services meet patient satisfaction, then the level of conformity will be high and public health center is needed by the community or public health center can provide good service to the public and public receives service as expected. On the other hand, as long as service quality health does not meet the level of patient satisfaction, then the level of suitability will be low, resulting in the puskesmas being abandoned by public. The second is the factor of demographic change (transition), epidemiology, socioeconomics as well as the values and critical attitudes of society will create complex health care needs and diverse. Thus, the position and role of service quality Puskesmas is very important to implement. (Salasiah dan Rohayati, 2021)

Dasaratha and Frederick (2011) Internal Control is policies, information systems, and procedures used to protect the company's assets from losses and prevent indications of corruption and to maintain the accuracy of financial data and According to Hertati et al. (2021), Public Health Centre in order to achieving its goals, must be able to determine the right employees to carry out their work. A job reflects the duties, obligations, and responsibilities of each employee towards his work. Therefore, it is necessary for public health center to have internal control system in increasing the effectiveness of their employee's capability to improve their quality of service. The internal control system at public health center during this Covid-19 pandemic is sufficient play a role in the prevention and control the transmission of Covid-19 virus

because of the applicable policies in public health centre, such as checking the adequacy of personal protective equipment for medical service employees to minimize the indications of the spread from doctors or other employee to patients, and others. Therefore, the head of the puskesmas must consider the following factors which can improve the quality of services provided by public health center to public through 5 components designed and implemented by COSO to provide assurance that the objectives of internal control within the organization have been achieved and fulfilled, through this following: environmental control, risk assessment, activity control, information and communication, and monitoring. (Arens, et al., 2013, p. 320) (Messier et al., 2014, pp. 192–200)

In addition to internal control systems, the other factors that affect the quality of service of an organization are “the principles of good governance transparency and accountability that will improve the performance and quality of organizations in the service.” Prasetyantoko (2008) and Mardiasmo (2002, p. 45) “accountability is the obligation of the party that has the mandate to be held accountable, present, report, and disclose all things held either activities or activities that are authorized to the trustee who has the right to ask for such liability.” Transparency and accountability in procurement are essential to preventing the corruption risks that threaten the health and well-being of populations. Transparency is an important element of democratic decision making and the evidence used to inform decision should be published. Data transparency is not just a moral issue, it is integral to the

success of the response to this pandemic. Transparency builds trust, and trust aids compliance with rules. throughout this report is understanding whether these decisions were transparent and informed by data. The lack of transparency around decisions creates more mistrust and confusion than being open and honest, even when uncertainties or caveats are noted. (Public Administration and Constitutional Affairs Committee, 2021)

Mardiasmo (2002, p. 42) "transparency can be interpreted as the implementation of tasks and activities that guarantee access or freedom for everyone to obtain information about the administration". The information mentioned is included about the policy, the process of making, and implementation, as well as the ease of accessing information that has been achieved well and openly. Therefore, Adrinal (2007, p. 74) states that "the entire process of government, institutions and information must be accessible to interested parties, and the Information available must be adequate in order to be understood and monitored". Kepmenpan No.26/KEP/M.PAN/2/20 asserts that the poor performance of public service is due to the lack of transparency in the implementation of good public services. Therefore, transparency in public services is necessary because the quality of performance of an organization, institution, company, and bureaucracy requires broad implications in order to achieve the welfare of the community.

LAN & BPKP (2000, pp. 23–24) In the context of public services, accountability must be accountable, responsible to the public as well as to the head of the service unit of government agencies in accordance with the

provisions that have been regulated by the laws and regulations. As described in Kepmenpan No.26/KEP/M.PAN/2/2004 describes that the poor performance of public services, is caused among others by the unrealized accountability in the implementation of public services. In addition to accountability, transparency is also one of the factors that influence the performance of public service organizations. (Hermansyah et al., 2018)

This research was conducted to find out about whether or not there is an influence of internal control system on the quality of Covid-19 services in public health center in Yogyakarta through management of transparency and accountability during pandemic Covid-19. Different from the previous research, this study used management of transparency and accountability as intervening variable. The management of transparency and accountability were chosen by researchers as intervening variable because transparency and accountability are conceptually mutually related in the context of fulfilling the quality of public services and the most relatable to measure the effectiveness of internal control system. (Ernawati, 2018)

This research is a development from previous research conducted by Kasdianto (2018) entitled "*Pengaruh Penerapan Transparansi dan Akuntabilitas Terhadap Kinerja Layanan Organisasi Publik di puskesmas Jongaya Makassar*". It described about the implementation of accountability and transparency influence the quality of public health center performance. This confirms that with the implementation of accountability in public services, it will improve the quality performance of public health center as a

public service provider. Based on research from Nafi'ah & Setiyanti (2018), Tadeko (2017) and Syukriyati & Solikin (2018) which states that internal control system have a significant positive influence on service quality and internal control system has been implemented very adequately and it produces good quality of public services. Changes and additions made in this study, lie in the addition of internal control system variables that are adjusted to the current pandemic Covid-19 conditions, so that it will focuses on public health center services during the face of Covid-19 transparency and accountability, the addition of management transparency and accountability as variable intervening, and differences in research objects to be studied in 30 public health centers in Sleman and Bantul regencies, and Yogyakarta Municipality since these 3 regencies are the most Covid-19 active cases area (Red Zone).

Based on the above background, the researchers conducts the research entitled “The Influence of Internal Control System on The Service Quality of Public Health Centers (Puskesmas) in DIY during Covid-19 Pandemic with Management of Transparency and Accountability as Intervening Variable (An Empirical Study on 30 Public Health Centers in Sleman and Bantul Regencies and Yogyakarta Municipality during Covid-19 Pandemic)”. To be able to complete the study, this study is based on previous studies and updates that are researched by current researchers.

B. Research Questions

Based on the background description above, the formulation of the problems is as follows:

- 1) Does the internal control system have a positive effect on the quality of Covid-19 services in public health centers?
- 2) Does the internal control system have a positive effect on the management transparency of public health centers?
- 3) Does the internal control system have a positive effect on the management accountability of public health centers?
- 4) Does the management transparency of public health center have a positive effect on the quality of Covid-19 services in public health centers?
- 5) Does the management accountability of public health centers have a positive effect on the quality of Covid-19 services in public health centers?
- 6) Does the internal control system have a positive effect on the quality of Covid-19 services in public health centers through management transparency?
- 7) Does the internal control system have a positive effect on the quality of Covid-19 services in public health centers through management accountability?

C. Research Objectives

Based on the background description and formulation of the above problems, the objectives of this research are:

- 1) To obtain empirical evidence whether the internal control system affects the quality of Covid-19 services in public health centers.
- 2) To obtain empirical evidence whether the internal control system affects the management transparency in public health centers.
- 3) To obtain empirical evidence whether the internal control system affects the management accountability in public health centers.
- 4) To obtain empirical evidence whether the management transparency in public health center affects the quality of Covid-19 services.
- 5) To obtain empirical evidence whether the management accountability in public health centers affects the quality of Covid-19 services.
- 6) To obtain empirical evidence whether the internal control system affects the quality of Covid-19 services through management transparency in public health center.
- 7) To obtain empirical evidence whether the internal control system affects the quality of Covid-19 services through management accountability in management of public health centers.

D. Research Benefits

- 1) Theoretical Benefits

Theoretically, this research is expected to improve the quality of Covid-19 services in public health center transparency and

accountability, to make the public believes that the quality of public health center services during Covid-19 is effective and efficient.

2) Practical Benefits

Practically, this research is expected to contribute to the local government, especially public health center in D.I. Yogyakarta, as material to evaluate and to review in improving the performance of its health services to the public.