Philanthropic Institutions’ Perspectives Regarding Challenges in the Indonesian Health Sector: A Qualitative Study

Jodi Visnu, Christantie Effendy, Paschalis Maria Laksono, Laksono Trisnantoro

1 The Center for Health Policy and Management, Faculty of Medicine, Public Health, and Nursing, Universitas Gadjah Mada, Yogyakarta, Indonesia; 2 Department of Medical Surgical Nursing, Faculty of Medicine, Public Health, and Nursing, Universitas Gadjah Mada, Yogyakarta, Indonesia; 3 Department of Anthropology, Faculty of Cultural Sciences, Universitas Gadjah Mada, Yogyakarta, Indonesia; 4 Department of Public Health, Faculty of Medicine, Public Health, and Nursing, Universitas Gadjah Mada, Yogyakarta, Indonesia

Abstract

BACKGROUND: The Indonesian Social Health Security Agency has a key role in improving the community’s quality of life by providing financial access to all citizens to fulfill basic health needs. The society has received government funding for basic health needs through direct costs. On the other hand, there are also indirect costs for non-medical needs that may potentially become problems for some people. The concept of philanthropy was developed and became a significant and concrete utility in responding to Indonesian health problems.

AIM: Our study aimed to explore challenges faced by the Indonesian philanthropic institutions in managing charitable giving to the health sector.

METHODS: We conducted a qualitative study to explore challenges faced by the Indonesian philanthropic institutions in managing charitable giving to the health sector.

RESULTS: As a result, we found that internal and external support and synchronous collaboration become a common theme of challenges in managing health philanthropy in Indonesia.

CONCLUSION: Cross-sectorial partnerships in the health sector might improve national welfare as we work toward achieving the sustainable development goals.

Introduction

Health is a right that belongs to every individual. When we refer to the human rights declaration established by the World Health Organization in 1948, this constitution emphasizes that the right to get health care services is one of several fundamental rights [1], [2]. The national health insurance has been established for both developed and developing countries to expand a financing system to provide health services. In 2014, Indonesia formed the Social Health Security Agency (SHSA) to organize a national health social security program [3], [4].

The Indonesian health sector is currently in a relatively difficult economic situation. One of the causes is the rapid growth of gross domestic product (GDP) which is not in line with the only slight increase in tax ratio. This condition decreases the share of GDP for health, and not even the health insurance policy can increase this share percentage. Indonesian SHSA also experiences a deficit in funding and encourages public participation to make donations, even though its program helps to improve the community’s quality of life by providing financial access to all Indonesians for the fulfillment of basic health needs [5], [6], [7], [8].

The society has received government funding for basic health needs through direct costs or what is known as financing for medical conditions. On the other hand, there are also non-medical needs (indirect costs) that need to be considered and potentially become problems for some people in Indonesia. For example, transportation costs for referral patients, meals for the patient’s family, and shelter costs for patients who are still in queue for treatment [9], [10].

Philanthropy is an organized giving with an integrated and patterned goal, and distinguished from corporate social responsibility. In 2007, Indonesia was the only country in Southeast Asia that had a law regulating social responsibility, namely, Law number 40 of 2007 concerning Limited Liability Companies [11], [12], [13]. Philanthropy has long played a significant role in health, as health is consistently among the top categories receiving philanthropy donations [14]. By definition, concept, and thought, philanthropic activities in the
health sector will emphasize volunteerism and continue to develop.

Indonesia is one of the countries participating in the commitment to sustainable development goals (SDGs), with presidential decree number 59 of 2017 concerning the philanthropic aspect to support the SDGs. This is also linear with the third SDGs target point, namely Good Health and Well-Being, which reads ensure healthy lives and promote well-being for all at all age [15]. In 2018, Indonesia was also awarded the most generous country through the World Giving Index released by the Charities Aid Foundation. Thus, it is appropriate if philanthropy contribution should be able to improve the community’s welfare, especially in the field of donations to the health sector [16], [17].

The authors conducted previous research by the Center for Health and Policy Management Faculty of Medicine, Public Health, and Nursing Universitas Gadjah Mada supported by the Indonesian Philanthropy Association (Filantropi Indonesia) and the Ford Foundation [18]. The study highlighted activities of the philanthropic institutions that already granted their contribution to health sectors in Indonesia. We identified health philanthropy donors, which comprised corporations and non-corporations. The latter could be divided into corporate-based, family-based, religious-based, and independent organizations.

Despite efforts of the Indonesian government to improve financial health support, there is a great deal of challenges faced by non-government institutions attempting to provide assistance. Hence, our study aimed to explore challenges faced by the Indonesian philanthropic institutions in managing charitable giving to the health sector. We explored in more detail and ascertain several insights. This study is a part of a previously reported empirical study on health philanthropy.

Methods

Research setting

The present study was conducted in two areas, Special Capital Region of Jakarta and Special Region of Yogyakarta, Indonesia from July to September 2020. In our previous research, a number of non-governmental institutions have contributed to the health philanthropy sector [18]. Since the government cannot solve all socio-economic problems that have impact on access to health services, the private sector may contribute to create a healthy society [19].

Study design

We conducted a qualitative study with a multiple-case embedded study approach that emphasized on study participants’ subjective experience in health philanthropy [20], [21]. This approach was appropriate to address our study aim: Exploring challenges faced by the Indonesian philanthropic institutions in managing charitable giving for the health sector. As an interview guideline, we followed a checklist from consolidated criteria for reporting qualitative research (COREQ) to comprehensively report this qualitative study [22].

Researcher characteristics and reflexivity

The first author has a professional background as a medical doctor and a public health consultant. At present, he is a doctoral candidate in the subject of health philanthropy. He worked as a missionary doctor for 2 years in a mission (non-government) religious health center located in Indonesia’s easternmost province before the era of universal health coverage. He also has a close connection to religious communities, domestic and international donors, and regularly visited missionary works in several countries.

The second author has ample experience in conducting qualitative health research with international recognition. The third author is experienced in anthropology and ethnographic research. The last author is an Indonesian Ministry of Health special staff experienced in health economy. All authors are familiar with the context of the study area, and we built a rapport with the study participants by introducing our positions as researchers and carefully conducting informed consent.

Study informants and sampling

The interview participants were similar from our previous study, as this is a part of a previously reported empirical study. They were identified and purposefully recruited using our database of domestic and international philanthropic institutions which have contributed to the Indonesian health sector. The recruitment is also based on suggestions from the Indonesian Philanthropy Association.

A corporation was selected due to its role in performing CSR. Eight non-corporations were selected due to their flexibility in philanthropic actions, comprised corporate-based, family-based, religious-based, and independent organizations. We interviewed the institutions’ committee who are responsible for their philanthropy activity. Table 1 presents the characteristics of study participants.

Data collection

Data were collected through in-depth interviews by the first author. The interviews were conducted at the participants’ workplace. We also reviewed their reports and publications to confirm their philanthropic activities. The interview guide covered topics on managing
charitable giving, responses to challenges in charitable actions, collaborative governance, competitive mindset that potentially occur, and their hopes regarding future philanthropic activities in the health sector (Table 2).

Table 2: Topic guide

<table>
<thead>
<tr>
<th>Topic</th>
<th>Questions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Problems in management</td>
<td>What kind of problems have you encountered in managing charitable giving?</td>
</tr>
<tr>
<td>Responsiveness</td>
<td>How do you deal with them?</td>
</tr>
<tr>
<td>Collaborative governance</td>
<td>How do you face the challenges that might happen when distributing the donations?</td>
</tr>
<tr>
<td>Competitive governance</td>
<td>What do you learn from the challenges in health philanthropy?</td>
</tr>
<tr>
<td>Assurances</td>
<td>Do you have any collaboration with the government to serve society?</td>
</tr>
<tr>
<td></td>
<td>Do you think other institutions also do the same actions as you did?</td>
</tr>
<tr>
<td></td>
<td>Is there any competition of any kind that might cause friction?</td>
</tr>
<tr>
<td></td>
<td>What are your hopes for the health philanthropy sector in the future?</td>
</tr>
</tbody>
</table>

### Data processing and analysis

All interviews were audio recorded and written for the verbatim transcripts. Directed content analysis was conducted to evaluate the data [23]. We did manual coding to extract meaning units, codes, categories, and themes from the verbatim transcript. The first and second author conducted coding independently. Results were further discussed with the third and fourth author to reach a consensus. Examples of the coding process are presented in Table 3.

### Trustworthiness

We triangulated the information gathered from the participants to increase the validity of our results. Peer debriefing among all authors was conducted to discuss the codes, categories, and themes generated from the data. To maintain the confirmability, a thorough process of data analysis was carried out through coding and recoding of entire datasets. The last author reviewed all the coded data, codes, categories, and themes to ensure the confirmability of the study findings [24].

### Research ethics

Written individual informed consent was sought from the study participants, including their consent to record the interviews. Informant identity during data analysis and reporting were kept confidential. The study received ethical clearance from the Ethics Committee Faculty of Medicine, Public Health, and Nursing, Universitas Gadjah Mada (KE/FK/0483/EC 22 April 2020).

### Results

A member of the committee in each nine institutions participated in this study. They had been working and responsible for the philanthropic activities in their institution. Our analysis revealed three common themes of challenges faced by the Indonesian philanthropic institutions in managing charitable giving to the health sector: (1) Internal support, (2) external support, and (3) synchronous collaboration. Table 4 presents overall codes that constitute the themes.
Table 4: Synthesis of data: Coding, categories, and themes

<table>
<thead>
<tr>
<th>Theme</th>
<th>Category</th>
<th>Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal support</td>
<td>Resources</td>
<td>Lack of motivation; lack of expert staff</td>
</tr>
<tr>
<td></td>
<td>Sustainability</td>
<td>Funding and program sustainability; good governance</td>
</tr>
<tr>
<td>External support</td>
<td>Donors</td>
<td>Reduced donations; unrecognized beneficiaries; financial reporting</td>
</tr>
<tr>
<td></td>
<td>Government</td>
<td>Bureaucracy: local government’s lack of understanding; government’s response to private sector contributions</td>
</tr>
<tr>
<td></td>
<td>Community</td>
<td>Social stigma; community participation; informed consent</td>
</tr>
<tr>
<td></td>
<td>Media</td>
<td>Act of profiteering; disinformation; media</td>
</tr>
<tr>
<td>Synchronous collaboration</td>
<td>Collaboration</td>
<td>Interprofessional collaboration; collaboration among philanthropic organizations; collaboration with international donors; collaboration with local partners; collaboration with the government</td>
</tr>
<tr>
<td></td>
<td>Synchronization</td>
<td>Role sharing; precise work program; the combination of energy and potential; stakeholders synergy; philanthropic coordination</td>
</tr>
</tbody>
</table>

**Internal support**

Our study found that lack of resources is related to challenges in managing charitable giving. Philanthropic organizations are collaborating with some partners in implementing the health programs. One of the problems was related to their work habits, as expressed by one of the participants, “... somehow our resources, how may I say, their spirit of giving the service is below their maximum capability. That is why we encourage them to jump in, but you need people who have expertise in their fields. Sadly we lack these experts.” (Participant 6, Head of Office, Religious-based Organization).

Philanthropic institutions must be able to manage their funds for every program. Their contributions to the community should be arranged in detail to contribute greatly to effectiveness and sustainability. “The challenge is how the program that we have rolled out through these philanthropic funds can be sustainable in society, because we will not be there forever.” (Participant 5, Healthcare Manager, Religious-based Organization).

Good governance is the concept of efficiency in the context of sustainable use of budget planning. In the future, this could prepare the institutions’ readiness for the expanded policy with the government. “I think everyone should start building good governance because it will build credibility and responsibility, and accountability,... Good governance also enables the organization to prepare for policy advocacy, especially tax deduction.” (Participant 3, Chairman of Executive Board, Family-based Organization).

**External support**

Our study revealed that support systems from donors, government, community, and media could be challenging in health philanthropy. The donors might reduce their project donations for many reasons, causing some projects unsustainable. Reduction in donations may also occur due to unrecognized beneficiaries institutions. “I did not get much information about this foundation, even though I have been in the high seminary for 7 years.” (Participant 4, Director, Religious-based Organization).

Drafting accountability financial reports could also pose as a potential problem. Each donor usually requires beneficiaries to show their detailed and measurable changes in their financial reports. “Donors will ask us to make an accountability report for every expense, not only financial statements but also the success of the program.” (Participant 7, Program Manager, Independent Organization).

The government’s support plays a role in sustaining health access, especially in the era of universal health coverage. Some aspects may hinder access, such as bureaucracy. One participant stated, “Our duty is to push the society in getting health service from government. The identity card and family registration card is mandatory for the registration and use of National Health Insurance. However, communities in the rural areas and animism-dynamism groups might not have such requirements yet.” (Participant 6, Head of Office, Religious-based Organization). (Did the participant describe what he suggested to those communities, or did he discuss this issue with the local government?).

The participant discussed this issue with the local government, because there are communities in the rural areas such as animism-dynamism groups that don’t have ID card as a requirement to get the government’s health service. This condition then becomes a challenge. (Please discuss this in the discussion section).

There were also some misconceptions about philanthropy. Institutions tend to struggle when working with local governments that did not understand the spectrum of philanthropy. This condition may lead to prejudice or mistrust, especially to the not-for-profit concept. According to participants:

“Not-for-profit enterprise may not be defined as not taking a profit. We can take profit as long as we can put it back into the social cost.” (Participant 3, Chairman of Executive Board, Family-based Organization).

“When we started to collaborate with the government, they acted like getting overwhelming workload, since government officers already have their main tasks.” (Participant 7, Program Manager, Independent Organization).

Charitable giving has its dynamics while managing the programs and donations. Some of the community’s mindset may be inhibitory, leading to serious problems such as unacceptance. Thus, the institutions could struggle with this condition and must keep their persistence. “We just keep doing it because...
we think it is right, for the benefit of society.” (Participant 8, Executive Director, Independent Organization).

Communication among institutions and beneficiaries is essential to achieve the objectives. Participation from society is needed to run the health service program. Therefore, the institutions must be able to gain trust from the community.

“In general, we train cadres from the community. We gave them a capacity building program. Usually they do not receive payment.” (Participant 5, Healthcare Manager, Religious-based Organization).

“Our project is easily misunderstood and might result in, for example, rejected by the community... We have to ensure good communication and build relationships with the community.” (Participant 3, Chairman of Executive Board, Family-based Organization).

Media plays its role in supporting health philanthropy systems. Positive news will bring a better outcome. In contrast, negative news may lead to disinformation. Hence, media independence is necessary to provide accurate information for the public. “There was a lot of misinformation about treatments of various diseases on the television.... It turned out that the broadcasting company received no less than IDR 200 million (USD 14,000) to broadcast this inaccurate propaganda.... There was also a trickster community trying to sell menstrual tampons as anti-cancer drugs. He even said that my foundation also uses these tampons as anti-cancer drugs.” (Participant 9, First Vice-chairman, Independent Organization).

Synchronous collaboration

Our study discovered that the collaboration and work synchronization are related to the management of charitable giving, especially in the health sector. Most institutions stated the importance of collaboration to maintain their philanthropic programs. This synergy is created interprofessionally, intertwined among philanthropic organizations, and involved international grantors, local partners, and the government. With a linear vision and mission, a spirit of cross-sectorial collaboration is developed.

“We take many opportunities from out of the country, and some of our donors are overseas.... We also involve local partners, such as religious and social sectors, to promote our program for society.” (Participant 7, Program Manager, Independent Organization).

“... The government should be more open to non-governmental organizations that have the intentions to help them.” (Participant 4, Director, Religious-based Organization).

The institutions combine energy and potential to achieve goals. Therefore, the strategic partnership can develop while put synchronization as the work agenda.

“I hope we can share our roles in the program so that the results can be more optimal.” (Participant 5, Healthcare Manager, Religious-based Organization).

“I am sure that we are not fighting over land because this program has gone through the bidding selection.” (Participant 7, Program Manager, Independent Organization).

“We believe that improving the quality of national health can only be realized by creating synergy among stakeholders.” (Participant 1, Divisional Head of CSR, Corporation).

Institutions that play a role in health disaster management also synchronize coordination to help the community more holistically. They focused not only on the curative aspects, but also on trauma healing. “How to organize the program, how can organizations working on this issue synergize? That is an interesting experience and keeps the sustainability of the program.” (Participant 6, Head of Office, Religious-based Organization).

Discussion

Philanthropy is an important concept that has gained popularity in the last decades [25]. The role of non-governmental philanthropic institutions in supporting healthcare is widely recognized. They can provide new direction and creative approaches to emerging public health concerns, especially when the government sector cannot quickly tackle these issues [26], [27]. However, it is surprising that relatively little research has been done in the field of health philanthropy in Indonesia.

Our previous research revealed that a number of non-governmental institutions were identified as health philanthropy donors in Indonesia. We recommended gaining a better understanding of the specific experiences of these institutions to improve the philanthropy contribution in the health sector. Even the organizational identity holds strong appeal for exploring patterns of foundation behavior due to its values and mission determine the structure, strategy, and management practices in the nonprofit sector [28]. Thus, we conducted this correlational research to explore challenges faced by the Indonesian philanthropic institutions in managing charitable giving to the health sector.
The concept of mutual aid is deeply ingrained in the cultural discourse of Indonesia, where it is called gotong royong. It includes contributions of goods, services, and cash to others [13]. Apart from local traditions, the development of philanthropy in Indonesia also originates from the teachings of our ancestors. The concept of giving has supported philanthropy in Indonesia since time immemorial and inseparable from the principle of religiosity in this nation [29].

Strong religious background in Indonesian society is shown in Indonesia’s five key national ideology Pancasila, the official foundational philosophical theories of the country, the first of which is “Belief in the Almighty God.” Some articles concluded that religion strongly shapes society [30], [31], [32], as religious involvement is another source of social capital that facilitates prosocial behavior [33]. We can also find a positive and significant relationship between religious attendance and social change volunteering [34].

The implementation of a giving culture has many impacts on the health sector. Philanthropic institutions can arrange their program to improve health quality by focusing on four SDGs agendas, which are (1) end hunger, achieve food security and improved nutrition, and promote sustainable agriculture – Goal 2; (2) ensure healthy lives and promote well-being for all at all ages – Goal 3; (3) achieve gender equality and empower all women and girls – Goal 5; and (4) ensure availability and sustainable management of water and sanitation for all – Goal 6 [35]. Consistency between global and national policies and local implementation of actions to improve health and well-being is imperative for the achievement of health-related SDGs [36].

This research revealed supports and synchronous collaboration as the challenges faced by the Indonesian philanthropic institutions in managing charitable giving to the health sector. Both internal and external supports have their category as the reinforcing elements. One of the most essential aspects regarding internal support is good governance, which has been a decisive factor in public health. In converse, poor governance might render knowledge and good intention powerless. Another essential aspect is accountability, as this process has become more stringent to focus on preferred funding targets [37].

Unfortunately, some societies in Indonesia might have no bureaucratic requirements to get various government benefits, especially in the era of universal health coverage. Religions that the government does not accept are often had trouble getting an identity card [38]. Thus, the external supports are needed for the success of the health programs. Some literatures stated that transdisciplinary structure can improve knowledge about the project in order to secure the long-term impact on sustainable development [39]. This structure is called the Penta-helix model which is based on five stakeholders types: the business sector, government, academicians, community, and media [40]. However, the category of academicians did not reveal in our study during the interview and data collection.

Synchronous collaboration requires a synergy of partnerships. For example, a synergy with the media requires mass media independence, as 73.7% of Indonesians are internet users [41]. Another example is the synergy with the government, such as the ministry of health and other institutions. Health philanthropic institutions can also be considered to receive tax exemption [42], [43]. In the future, this condition may attract more philanthropic institutions to work in the Indonesian health sector.

Conclusion

Philanthropy in the health sector can support the SDGs’ achievement and implement in an integrated, systematic, transparent, and accountable manner. As a developing country, Indonesia has implemented a national health insurance system in achieving universal health coverage. However, the government cannot cover all health problems, especially in terms of indirect costs, which have gaps for the philanthropic sector to contribute.

Along the way, cooperation with philanthropic institutions requires integrity because each party has its requirements. This is important to note, considering that public-private partnership in health requires good governance to achieve the highest quality of public health, following the SDGs goals for good health and well-being. Therefore, we should pay attention to the challenges that we may encounter in health philanthropy.

Our study concludes that internal support, external support, and synchronous collaboration are the three challenges Indonesian philanthropic institutions face in managing charitable giving to the health sector. We require innovative modes of governance to reduce health inequities and ensure coordination among various sectors and partnerships. The Penta-helix collaboration is needed to secure the long-term impact on sustainable development.

References


