

## Involvement of Internal Human Resource Organizations Performance Measurement in the Public Sector

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### Abstract

*Today's public sector organizations operate in a dynamic environment that forces organizations to adapt to changing environmental conditions. Organizational performance measurement is understood as one of the functions of management, but is currently being analyzed as a branch of science that develops independently. In order to measure the performance of public sector organizations, it is very important to apply appropriate performance measurement methods. Strategic human capital development must take into account the organization's specific educational background, job-specific experience, and job-specific experience, and that human capital must also be valuable, rare and not easily imitated. The development of human capital has a positive effect on organizational performance. Have a highly specific skilled workforce for certain jobs, to generate higher rents unless there is a match between culture and human resources. When a performance measurement system is adapted to an organization in the public sector, it is important to differentiate the focus of the mission, include all stakeholders in the organization, and emphasize the importance of human resources. HRD practitioners in the public sector should develop more sophisticated plans to create a learning culture that encourages independence and can have a positive impact on civil servant career satisfaction and ultimately organizational effectiveness. Many public sector studies regard rewards for achievement, including salaries and other benefits, such as pensions, as incentives or disincentives for productivity. Therefore, more than one performance measurement method can be chosen for performance measurement in the public sector.*

### Keywords

career; organization;  
public sector; human  
resources



## I. Introduction

Governance reform programs and strategies for administrative modernization are deeply rooted in broader organizational and political and social values. Changes in values in our society present a significant challenge to established ideas about the proper role of government and public sector organizations in our society and economy. Organizations find that strategic human capital requires a carefully designed human resource management system and must focus its attention on two main issues. First, resource management policies must be contextual, so as to allow the formation of specific human resources for the organization. Second, human capital must match and interact positively with complementing other important unique human organizational elements. Having a highly skilled workforce specific to a particular job, to generate higher rents unless there is a match between culture and human resources. According to the resource-based view, both development and management i.e., deployment of firm assets (ef. Amit & Schoemaker,

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1993) are critical to generating a competitively advantageous position. Managers also need to recognize that organizations are complex systems.

People are a valuable resource, and companies whose strategies are based on people focus on their employees' human resource management practices. The fundamental problem here is that HRM is an important organ owned and funded by the government which provides basic state services depending on the performance of public service organizations. Thus, the study of HRM and performance of public services is a very relevant theme (Knies et al, 2017). The relationship between HRM and performance has become a critical area of study in HRM research (Jackson et al, 2014), because of its potential impact on organizational functioning, which helps them to compete and survive in today's complex business environment (Darwish, 2013). Without HR, organizations are non-living things and it is believed that they are considered a source of comparative advantage.

## **II. Review of Literature**

According to JE Lane (2005), the public sector is institutions supported by the APBN and APBD whose activities are public (information is available to the public). The public sector has public goods, which are not in any competition, and which are accessible to every individual. Effectiveness is the main criterion for evaluating the performance of public institutions. The concept of the public sector includes not only the types of public sector organizations, but also the decision-making and implementation within those organizations. The public sector includes various organizations, which are used to make and implement decisions regarding the satisfaction of the public interest. The performance of the public sector is mainly the implementation of political decisions in an administrative mode, namely through the making of certain rules that bind the community. Performance measurement is a tool that describes organizational improvement because it is impossible for any organization to act effectively without measuring its performance. The importance of performance measurement in public sector organizations is further enhanced by the new public management which aims to adapt the performance measurement methods applied in private organizations to organizations in the public sector so that performance can be managed more effectively and so that performance can be well organized. user needs can be better met. Performance measurement theory and practice shows that this is a complex process and that the application of performance measurement systems in the public sector is specific because all functions of public sector organizations are focused on the satisfaction of the public interest.

A study in the journal on local government in Israel attempts to bridge the gap by suggesting a behavioral approach to measuring organizational-specific human resources and examining its impact on the financial performance of the authorities. By law there are three types of local government authority: (1) municipalities (municipalities) with the largest population, usually over twenty thousand inhabitants, (2) local councils with less than twenty thousand inhabitants, and usually responsible for only one city for more than one rural settlement. This study is the first attempt to bridge this gap by providing a more accurate measure of organization-specific human resources, and examines these modalities on the performance of public sector organizations (local government authorities) in Israel.

In particular, This study uses a relatively large sample to examine the impact of organization-specific human resources on the financial performance of local government authorities. The best way to win in a competitive world is to build long-term core competencies. This study argues that organizations that have a valuable, unique and

imitable workforce, educated, experienced and competent that are specific, namely strategic human capital, will perform better than organizations that do not have strategic human resources.

Human Resources (HR) is the most important component in a company or organization to run the business it does. Organization must have a goal to be achieved by the organizational members (Niati et al., 2021). Development is a change towards improvement. Changes towards improvement require the mobilization of all human resources and reason to realize what is aspired (Shah et al, 2020). The development of human resources is a process of changing the human resources who belong to an organization, from one situation to another, which is better to prepare a future responsibility in achieving organizational goals (Werdhiastutie et al, 2020).

### **III. Research Method**

In this study, the approach used is a qualitative approach. Then for data collection techniques using literature review, which comes from journals related to the topic. In this analysis, the author conducts a study on the Involvement of Organizational Internal Human Resources in Performance Measurement in the Public Sector.

### **IV. Results and Discussion**

Strategic human capital development must take into account the organization's specific educational background, job-specific experience, and job-specific experience, and that human capital must also be valuable, rare and not easily imitated. The development of human capital has a positive effect on organizational performance. When a performance measurement system is adapted to an organization in the public sector, it is important to differentiate the focus of the mission, include all stakeholders in the organization, and emphasize the importance of human resources. Therefore more than one performance measurement method can be chosen for performance measurement in the public sector. They must be integrated with each other so that organizational performance can be measured in complex ways. Performance measurement in the public sector is meaningful only if it fits the strategy and responses to all measurement areas. The purpose of the performance measurement system is to measure and quantitatively assess the level of achievement of the goals and tasks set. It is possible to state that the performance measurement system has two main functions to provide information that will enable the improvement of organizational performance in the public sector, and to take into account the funds used.

An organization's competitive advantage is achieved through its people (Pfeffer 1994). Training will only be effective if participants are satisfied with increasing their knowledge and skills (Brown 2005a; Sitzmann et al. 2008) and can transfer their learning to the workplace, contributing to some significant changes (Goldstein and Ford 2002). Ford and Weissbein (1997) have highlighted the need to explore more research from an organizational perspective. Organizations have better control over the factors that affect the effectiveness of training compared to individual factors. Types of Organizational training i.e. arranging to carry out training programs within the organization by internal trainers (internal/in-house training) or sending participants to vendor locations (external training) for training. Usually, internal training becomes the obvious choice, because the program is more aligned (customized) according to the needs of the organization. As such, these programs meet the specific training needs of employees, create a sense of attachment to the

organization (Paul and Anantharaman 2004), which affects students' motivation to learn. External training programs are mostly considered more effective because they are carried out by subject matter experts, who make every effort to make the training effective. Such training programs provide participants with a broader perspective, not just limited to one organization. In addition, the program also allows participants to interact and network with participants from other companies as well. Trainees believe that external training vendors are better equipped with up-to-date training materials and delivery options, which further leads them to perceive external training as more useful and relevant. Training needs analysis has various outcomes of learning objectives, training design and delivery, as well as criteria development and employee engagement. Employees are also involved in the training needs analysis process to bridge the gap between individual needs and training content. It is important to understand the factors that influence students' motivation to learn, and finally the effectiveness of training (Noe 1986). Training Needs Analysis: To understand employees' perceptions of the training needs analysis process followed by the organization, a four-item scale was used. The items used are: there is a formal mechanism to capture the training needs of employees; employees are nominated to attend the training program based on the coordinator carefully identifying various training and development needs; My immediate supervisor/senior discussed my training requirements and recommended my name accordingly. Type of Training: The type of training is measured on two parameters, namely internal training (internal) and external training. Items were drawn to measure trainees' perceptions of training needs; employees are generally consulted by the HRD Center / training. Organizations including the public sector struggle to justify investments made in training initiatives, which often fail (Blume et al. 2010; Holton, Bates, and Ruona 2000).

Based on the study journal of learning goal orientation, awareness of developmental needs and independent learning as antecedents of career satisfaction in Korea. In Joo and Park's (2010) study in the private sector in Korea, the relationship between learning goal orientation and career satisfaction was also not significant. Individuals with a high learning goal orientation tend to focus on improving their learning competence or task in seeking challenges (Dweck and Leggett 1988). Thus, employees with a higher learning goal orientation tend to set higher career goals and are dissatisfied with the analysis, challenging their current career. Perhaps that explains why Korean data from the private and public sectors do not support previous findings from studies conducted in Western cultures. Even if employees in the Korean public sector are satisfied with their learning and development opportunities, they may not be satisfied with the level of income or promotion opportunities they have so far. For longer work and stability. Due to the economic downturn in South Korea, there is an increasing number of opportunities for applicants who have higher job security and lower mobility, they have a lower need for high learning goal orientation. In addition, long-term employment and less mobility can make civil servants more complacent, with less desire to pursue self-directed learning associated with increased employability in the labor market. We believe this fact may explain the weak relationship between learning and development and career satisfaction in the Korean public sector. Another potential, more fundamental problem is the lack of a performance-oriented culture and HR practice with a strong link between learning and reward. Those with a higher learning goal orientation are likely to opt out into private sector organizations that encourage more independent learning and will provide a better link between learning and reward. Learning is not a major factor for career satisfaction for employees in the public sector in Korea. HRD practitioners in the public sector should develop more sophisticated plans to create a learning culture that encourages independence and can have a positive

impact on civil servant career satisfaction and ultimately organizational effectiveness. In the same vein, HRD needs to be aligned with HRM. One of the potential problems we found was the lack of a performance-based HR system. HR managers need to increase the level of expectation that more learning will lead to better performance and more rewards. If the civil service job does not motivate employees to learn new skills and abilities, new approaches such as job redesign including systematic job rotation and job expansion can be a solution. In the same vein, HRD needs to be aligned with HRM. One of the potential problems we found was the lack of a performance-based HR system. HR managers need to increase the level of expectation that more learning will lead to better performance and more rewards. If the civil service job does not motivate employees to learn new skills and abilities, new approaches such as job redesign including systematic job rotation and job expansion can be a solution. In the same vein, HRD needs to be aligned with HRM. One of the potential problems we found was the lack of a performance-based HR system. HR managers need to increase the level of expectation that more learning will lead to better performance and more rewards. If the civil service job does not motivate employees to learn new skills and abilities, new approaches such as job redesign including systematic job rotation and job expansion can be a solution.

This study uses National Administration Study Project II (NASP-II) data from public sector and other employees in Georgia and Illinois during the period from September 23, 2005 to June 1, 2006. Literature Review of the Strategic and Competitive Work Environment and Performance Nigro, Nigro, and Kellough (2007) consider competition as one of the important strategies to gain access to reliable and successful human resources. More specifically, this study focuses on four aspects of human resource practices to develop a competitive organizational environment that is perceived by each employee in relation to organizational performance. Many public sector studies regard rewards for achievement, including salaries and other benefits, such as pensions, as incentives or disincentives for productivity (eg. Fredericksen and the merit pay system may not be essential and are the right motivators for creating a competitive work environment and improving performance. In particular, pay-for-performance systems, which seek to improve performance in the public sector, use compensation as a primary tool (Moon and DeLeon 2001). Hence, compensation has become one of the most important tools for increasing productivity.

From a European perspective and specifically referring to the German experience in the journal it is mentioned that the possible gap between the necessary cultural differences and the prevailing pattern of values is also a challenge for schools and public administration institutions, due to curriculum development in public sector training and design and management. training institute. Psychological orientation is seen as a major factor in shaping human behavior, and is relatively stable over time and relatively resistant to short-term influences, as it develops during the overall socialization process (for the role of values in professional identity in the public sector, Macaulay & Lawton, 2006; Molina & MacKeown, 2012).

The government of Ethiopia is currently carrying out various transformations of its public service organization due to great pressure from its citizens for better performance (Mocs, 2015). The ultimate goal of HRM is to agree. Although HRM studies have advanced, the subject is still evolving and requires further investigation (Paauwe, 2009). Baseile and colleagues argue that HR practices affect HR, internal, and financial performance respectively. Appelbaum et al. (2000) that organizational success and comparative advantage do not only come from strategy, products and services, but through the organization's ability to efficiently and effectively monitor its human resources.

Investing in people and rewarding employees improves the performance of government organizations (Kim, 2005). In Ethiopia, A public service organization is a government organ that provides and plays a key role in providing basic services to its citizens such as education, health, transportation, telecommunications, electricity, water, and others. These basic services are provided by employees so it is necessary to develop a good HRM to provide a better level of performance to their customers as measured by productivity, quality, satisfaction, fairness, efficiency, and equity.

As done by many agencies in the current pandemic era, it is necessary not to meet face-to-face, so this is done by using technology. Training programs continue to run by utilizing online media applications to support program implementation. However, this is actually considered less effective because the development of human resource capabilities in the program cannot be monitored directly. Thus, the organization should carry out a proper training needs analysis and adopt a positive training reaction program to ensure the transfer of training.

## V. Conclusion

The main activity of public sector organizations is to provide residents with social, educational, scientific, cultural, sports and other paid or free services specified in legal acts to residents in accordance with established terms and conditions. Since all the functions of public sector organizations are interrelated and oriented towards the satisfaction of the public interest, the satisfaction of public interests and needs depends on the capacity of public sector organizations to plan, prepare and make decisions effectively, and to control implementation.

The measurement of organizations in the public sector is a problem that is quite problematic and very relevant. Performance measurement can be considered as one of the key tools, which helps to assess the current situation and make decisions, which helps to improve the quality of services provided in this regard. In contrast to for-profit organizations, the goal of public sector organizations is to provide accessible and qualitative services, to meet public needs and use available resources effectively and efficiently. Higher employee expectations for achievement rewards will increase subjective performance in public organizations. Employee opportunities for advancement and organizational development are also a factor in creating competitive work.

Some of these things imply that the HRM field is undergoing a significant transformation. However, they can be substitutes for each other and as a practice system that aims to improve skills, commitment, and systems into high-performance work systems, high-involvement systems, high-commitment systems, HR control systems, work safety and for customer service. It is known that HRM is an implementation of HR practices, so employees will have the appropriate skills and knowledge to do their jobs, create the right motivation and have the opportunity to carry out their work. This will all help them to be involved in their work. If there is a workforce involved in an organization, the organizational performance will increase.

Based on the explanation above, the authors can provide suggestions, namely that the leaders of public service organizations including their direct supervisors should invest a lot of time, energy and attention in managing human resources and implementing a good HRM system in the workplace so that employees have a positive reaction to their organization. So their end result will help build a satisfied, motivated, and committed workforce.



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