



ISSN: 2477-1899

Proceeding

The 1st Almuslim International Conference
on Science, Technology, and Society



The Institute of Research and Community Services
ALMUSLIM UNIVERSITY BIREUEN - ACEH



**COORDINATION OF PRIVATE HIGHER
EDUCATION REGIONAL XIII ACEH**

CHAPTER IV

SOCIAL, CULTURE, ARTS and ECONOMIC SCIENCE

Human Resources Management and Performance of Employees at Bureau of Aceh Government

Em Yusuf Iis

Ph.D Student at Management Science of Syiah Kuala University, Aceh-Indonesia and Economics Faculty
of Malikussaleh University, Aceh-Indonesia

Corresponding Author: yusufiis@yahoo.co.id

Abstract

Employees are an organization's resources; they must be employed in an effective, efficient, and humane. In the process, the organization will face labor problems increasingly complex. Therefore, the management of labor as a Human Resources (HR) must be done professionally by a separate department within an organization, namely the Human Resource Department (HRD). Compensation is any form of remuneration to employees in return for the implementation of the tasks performed by the employee. Career is a series of positions held by a person throughout his life. The work environment can be interpreted as the forces that affect, either directly or indirectly to the performance of the organization or company. The work environment includes a working relationship between subordinates and superiors as well as the physical environment where employees work. Motivation is one of the most important variables in determining the performance and productivity of a person, including work behavior. Employee performance is a record of the work/specific activity attained during a specific time period.

Keywords: Compensation, Career, Work Environment, Motivation and the Performance of Employees

Introduction

The purpose of the topics discussed in the management of human resources is about employee performance, motivation, compensation, career and work environment. Nowadays latest development sees human resource rather than as a mere resource, but rather in the form of capital or assets of the institution or organization. Employees are an organization's resources, they must be employed in an effective, efficient, and human. In the process, the organization will face labor problems increasingly

complex. Therefore, the management of labor as a Human Resources (HR) must be done professionally by a separate department within an organization, namely the Human Resource Department (HRD).

Human resource management can be defined as the planning, procurement, development, maintenance, and the use of human resources in order to achieve individual and organizational goals. One part of human resource management is the commitment of human resources as labor, or the employees themselves. Bureau of Human Resources is one of the units that are responsible for the ability of civil servants and welfare across both the government of district/city and province. There are many problems faced by the work unit among others, as reported by the news media. This phenomenon occurs during Aceh government leadership shaken by the NGO coordinator asked the Governor to resign from office (Daily Alert, Tuesday 9 September 2014), due to the poor quality of the bureaucracy as a result of making a group of people or an individual so not satisfied and encouraged him to take actions radical (Daily porch Indonesia Wednesday, October 29th, 2014). The phenomenon of the early studies conducted showed that a career in the Bureau of Human Resources Government of Aceh is based on consideration of the proximity of employees with leadership as management. However, there is also the career development of employees is determined by performance. The information obtained in the initial study illustrates that career development is run by the Bureau of Human Resources Government of Aceh over the state of the proximity of employees with the leadership of the Bureau of Human Resources Government of Aceh. The proximity factor can sometimes lead to disappointment employees that affect employee performance. Yet according to Robert (2006), in a work environment in the employee's career development of leadership must gather information on the basis of character and the nature of such employees, the attitude of the initiative, or creativity associated with a particular job.

The problem of synchronization between the aims of the Government and civil servants, particularly in the provision of employee compensation occurs in the Bureau of Human Resources Government of Aceh whose existence very much. Where there is the level of competition between industrial organizations are quite strict. So that the operating costs for the government needs to be pressed to achieve effectiveness and efficiency performance. As a result, employees are often used as "victims" of the effectiveness and efficiency of the public services. For government organizations, these efforts made to face competition of excellent service in order to survive in running the organization.

The employees of Bureau of Human Resources Government of Aceh want a compensation system that they perceive as a fair and in line with their expectations, so that when the fair compensation based on the demands of the job, the level of individual skills and wage standards, it will most likely produce a positive job satisfaction for employees and will ultimately have an impact on organization-wide performance improvement. Based on the observations and interviews in the field, the phenomenon of employee satisfaction of Bureau of Human Resources Government of Aceh is used to overcome the problems above, it is required a good relationship between employees with the organization so that the employee is expected to work well and to obtain the optimal results. Good relationships can be interpreted that the organization pays attention to the system of compensation for employees with respect

to the standards of wages, skills in the work and performance of employees is given to achieve the goals of the organization, so that job satisfaction can be created. Whether we realize or not, the organization that every employee has a background and different expectations, which in turn will affect the dynamics of the relationship of employees in the organization. Meanwhile, the organization also has expectations and specific objectives, which can be the same, different or even completely contrary to the expectations of employees.

One of the criteria as would only get by development of human resources in accordance with the employee's performance, motivation, compensation, career and supportive working environment. The factors in improving employee performance include individual capabilities (knowledge, skills, abilities), and the effort, and organizational support. The employee performance is the result of a thought and effort of an employee in their work, it can be tangible, visible, and calculated in number, but in many ways, the result of a thought and effort cannot be calculated and seen, such as the ideas in solving a problem, a new innovation of a product or service, it also may be the discovery of more efficient work procedures.

Literature Review

Definition of Performance

In the process, the organization will face a highly complex labor problem. Therefore, the management of labor as a Human Resources (HR) must be done professionally by a separate department within an organization, namely the Human Resource Department (HRD). The Applied Theory used are theories related to, compensation, career, work environment, motivation and performance of employees. Bernardin and Russell (1998). Employee performance is a record of the work/specific activity attained during a specific time period.

The dimensions, indicators, and measures that are as follows:

- (1) The output quality, the degree to which the process and the results of a perfect activity, in the other words, carrying out an activity in an ideal way/in accordance with the objectives set. The indicators are: Quality of work, with size: Rate of quality of output produced by employees.
- (2) The quantity of output, the amount produced in the form of value, a unit or a number of activities completed. The amount of the work, with size: Rate the quantity of output produced by employees.
- (3) The provisions of the time, the degree to which the activities completed, or completed with results more quickly than the time set and use the time available in improving other activities. The period of employment, with size: Level of punctuality.
- (4) The effectiveness, the degree to which the use of organizational resources include human resources, money, technology, material that is maximized to obtain the highest target or vice versa, its reducing effectiveness, the use of organizational resources is reduced. The effectiveness of work completion by measure: The level of effectiveness.

- (5) The need for the degree to which employees perform their work without fulfillment or otherwise to avoid mistakes. In accordance with the needs of the company, by measure: Level of fulfillment.
- (6) Monitoring. Monitoring of the work, by measure: level of supervision conducted by leader.
- (7) The effect of interpersonal, expressing the degree to which the employees self-esteem, goodwill and cooperation among peers and subordinates. Relationships between employees, with size: Levels of interpersonal influence in the workplace

On the other hand, Wood, etc, (2001) describe triangles dimensional determinants of individual performance variability of individual performance as measured by work effort, organizational support and individual attributes of each individual involved in an organization. Then in some reference of human resource management is much discussed about motivation theory.

The theory of performance that has been described, there are some benefits gained from studying the theory of performance, among others:

- a. Can be used as a reference in its assessment and performance measurement.
- b. Recognizing the strategies and efforts to improve the performance of individuals and the performance of the team / group.
- c. Knowing the factors that can increase or decrease the performance results. It is very important to pay attention to the factors that may affect performance.

Motivation

Motivation is one of the most important variables in determining the performance and productivity of a person, including work behavior. Motivation is a process that acts on intensity, direction and duration of ongoing efforts towards the achievement of individual goals (Robbins 2006). The Dimensions, indicators and measures that are as follows:

1. Need For Achievement

Indicates a desire; Opportunities for employees are available facilities and infrastructure and policies implemented; the level of opportunity for employees and available infrastructure is a level of implemented policies.

2. Need For Affiliation

It is the desire to engage in a friendly and warm with others.

3. Need For Power

The need to influence and control others; Career development opportunities are promotion system is the opportunity to achieve goals. Abraham Maslow (Mangkunagara, 2005) suggests that the hierarchy of human needs are as follows:

1. Physiological needs; the need to eat, drink, physical protection, breathable, and sexual. Those are basic needs

2. The need for a sense of security, namely the need to protect themselves from the threat, danger, conflict, and environmental
3. The need for a sense of belonging (social), which needs to be accepted by the group, affiliated, interact, and the need to love and be loved
4. The need for self-esteem, which needs to be respected and appreciated by others
5. The need to express themselves, namely the need to use the abilities, skills and potential.

Theory X and Y Douglas McGregor in his book entitled "The Human Side of Enterprise" formulate his ideas about management and behavior. This theory is known as Theory X and Y. He examines how managers deal with employees in an organization. He was confident that extend beyond any managerial decisions or managerial actions are assumptions about human nature and human behavior are important in determining the style of ways of each manager. He divides these assumptions into two broad categories, namely Theory X (based on assumptions guidance and control) and Theory Y (Based on the assumptions of integration and support).

The relation between motivation and increasing Work is a result of the interaction of a person with a particular situation. Robbins (2002: 55) argues that motivation is the desire to do as a willingness to expend high level effort for the purposes of the organization, which is conditioned by the effort's ability to get the individual needs.

Compensation

Ivancevich (2004), compensation is a function of human resource management related to all forms of remuneration to employees as a reward for the implementation of the tasks performed by the employee. According to Werther and Davis (1993), Compensation is what employees receive in exchange for Reviews their contribution to the organization. Compensation management helps the organization Obtain, maintain, and retain a productive work force. Without adequate compensation, current employees are Likely to leave, and the replacement will be difficult, to recruit. This means that compensation is what employees receive in exchange for their contributions to the organization.

William B. And Keith Davis (1989), compensation is what employees receive in exchange for Reviews their work. It gives meaning that compensation is what is received by the employee on the work done to the company or organization. Mathis and Jackson, (2002) points out, a total compensation system includes financial and non-financial compensation. Furthermore, Jackson (1999) describes that, financial compensation consists of direct compensation and indirect compensation. Direct compensation consists of base salary, performance-based payments (such as stock options, bonuses, incentives) and payments based on the skills. Meanwhile indirect compensation consists of a general protection (such as social security, unemployment and disability), time off work, sick, vacation and red day; and life cycle benefits (such as legal assistance, child care, and the cost of moving.

Non-financial compensation consists of compensation career and social compensation. Compensation career consisted of a sense of security, opportunity and self-development, salary growth opportunities

and career flexibility. While social compensation consists of a status symbol, praise, recognition, comfort task and friendship task.

Based on expert opinions above, the compensation referred to in this research is the assessment of a person about all forms of compensation for both financial and non-financial earned by the employees as compensation of the execution of their duties, namely: Assessment of direct compensation, indirect compensation assessment, assessment of compensation career and social compensation assessment.

Dimensions of Compensation

Dimensions of Compensation According to (Moorhead & Griffin, 1999), compensation may categorized into five levels which illustrate from the lowest to the highest level. All of those are: 1) salary; 2) allowances / benefits; 3) bonus for achievement / incentive; 4) perquisite; and 5) rewards. Ivancevich (2004), compensation is a function of human resource management related to all forms of remuneration to employees as reward for the implementation of the tasks. As for dimensions, indicators and measures of compensation variables used in this study are as follows:

- (1) Salary, compensations in the form of money received by an employee as a consequence of his status as an employee who contributes to achieving the company's goals. Total Salary, by measure: salary rate; 2) Compliance salaries, by measure: Sustainability salary.
- (2) Allowances; designed by the company in various type to help employees. By measure: Level of giving allowances
- (3) Bonus/incentive, bonus is given based on the yearly performance. Indicator: the bonus received, by measure: The level of bonuses are awarded for achievement
- (4) Additional income / perquisite, additional wages earned for over standard work. Indicator: Additional income earned in the works, by measure: level of additional income earned by employees.
- (5) reward, indicator: reward for performance , by measure: level of reward.

While Armstrong (2003) explains, financial compensation consists of 1) a contingent salary is performance related to salary, compensation and skills and 2). Benefits (death benefit, personal accident protection to health, illness, severance vacation, leave childcare, sports facilities, official car. Meanwhile, non-financial compensation consists of: 1) Achievement; 2) Recognition, 3) Responsibility; 4) the influence; and 5) personal growth. Cascio (1995) proposes three dimensions which can be used to measure the fairness of compensation, namely: 1) internal Justice (relative value of each job in the organization); 2) external justice (competitive value of market); and 3) the individual Justice (relative value to the similar work). Internal and external justice influence directly toward retention (Griffeth & Horn, 2001).

Career

According to Dessler (2006) The position of an individual's work for many years a person's career that can affect caused by career satisfaction and success. 1). Career management; a process that can create your employees understand and develop better authenticity and their career interests and to utilize the expertise and interests in a way that is most effective. 2). Career development; a series of activities throughout life, as workshop which contributes to the exploration, achievement of success and achievement of one's career. 3). Career planning, process of full consideration when a person has an understanding of the skills, knowledge, motivation and other personal characteristic, and establish a plan not to achieve specific goals. According to Robbins (1998), a career is a series of positions held by a person throughout his life. While Werther, Jr. and Keith Davis (1996) argues, a career is all the jobs that are held during one's working life. While Milkovich and Boudreau (1991: 364) argue, a career is the evolving sequence of a person's work experiences over time.

Career planning

Career planning is a planning about the possibility of employee of an organization or enterprise as individuals in which pursues the promotion or position as the requirements and capabilities. Career Management complements the development of management which related to the planning and establishment of the road taken by the employee in a career in the organization.

Career Development

According to Dessler (2007), career development program is the feedback given by the company on the performance of employees in the form of employee development plans and providing access to employees for training related to the planning of company by facilitating learning which related to the work competence of employee. Competencies include: knowledge, skills, or behaviors to achieve the success of employee performance.

The purpose of career development are satisfying the needs of human resource organization will both immediate and long-term timeframe, Providing information for individuals and organizations about their potential career paths within the organization and using human resource development programs as much as possible by integrating a variety of activities in the form of elections, assignments, individual career development and management in line with the plan (Byars & Roe, 2000)

Work Environment

According to George R. Terry (2006) work environment can be interpreted as affecting powers, either directly or indirectly to the performance of the organization or organizations. Work environment indicators are (1) working facilities, (2) salaries and allowances, (3) employment (Sihombing, 2004). Employee motivation will be pushed out of the work environment. Irene Christofidon Gregoriou (2008), the indicator is working environment are; 1) Opportunity to improve job skills, 2) Social status of the job, 3) Freedom to decide how to do the job, 4) Salary, 5) Opportunities to use their skills and abilities, 6) Professional

growth possibilities, 7) Possibility of promotion, 8) Job security, 9) Participation in in-service training, 10) Recognition of work on behalf of the superior, 11) Recognition of work on behalf of the associate, 12) The prevailing climate in the work environment, 13) Relationship with superiors, 14) assessment of existing systems, 15) Meritocracy are present in the promotion, 16) Everyday work Schedule, 17) Holiday.

According to Wibowo (2007) environmental work can motivate employees to improve performance can be divided into two, namely: (1) Internal Environment, The factors that affect the internal environment, bureau of Aceh government resources are competence, job satisfaction, stress of employee and compensation. (2) External Environment, The factors that affect the performance of employees of the external environment are sector of socio-Economic, government and competitors.

Factors Influencing the Work Environment

Terry in Hasibuan (2001) says that the most successful work environment is self-direction by the employee. Work environment is a power that encourages the spirit either inside or outside of employee such as reward and punishment. Herberg in Luthans (2003) says that there are six satisfying factors exist in human, 1) Achievement, 2) recognition, 3) responsibility, 4) advancement, 5) the work itself, 6) the possibility of growth. Sihombing (2004) stated that Working Environments are factors beyond of human physical and non-physical in an organization. Physical factors include work equipment, workplace temperature, crowding and congestion, noise, spacious workspace while the non-physical includes working relationship formed between superior and subordinate agencies and among employees. Herberg and Luthans (2003), Work condition; Security and safety; Status, organizational procedures; Quality of technical supervision of the relationship between peers, superiors, and subordinates.

Dimensions of work environments

Herberg and Luthans (2003), Dimensions, the indicators used to measure the followings: 1) Work condition; includes physical and five senses, 2) Security and work safety, 3) Status, 4) Organizational procedure, 5) Quality of technical supervision of the relationship between peers, superiors, and subordinates

Conclusion

Human resource management functions related to all forms of remuneration to the employees as reward or punishment for the for performance. Assessment of performance is very important in making decisions like the identification of the needs of education and training programs, recruitment, selection, induction programs, placement, promotion, transfer, rotation, system of remuneration, and any other aspects of procces of human resource management. Based on the use of competence, the good judgment should be formally based on a set of rational criteria and objective system and systematically documented. notes of the work or activity is achieved during a certain period.

Management simplifies the employees to be promoted through career management, career development, and career planning. Employees must promoted through career planning, career management and career development of appropriate career positions that can affect organizational goals that can give feedback. The benefits of working environment is creating morale, so that increases productivity and performance, the benefits gained by working with people who are motivated by the work can be completed on time, the benefits of scale of his achievement will be monitored and will not cause too much supervision, and high spirits.

The Organizations whose are committed to the strategic significance for the internal and external environment is the Bureau of Human Resources Government of Aceh. Specifically, if public organizations that perform various steps to provide services to the public and the government will provide compensation in accordance with the performance of an employee's career in the work environment and incentives given to highly motivated employees that will have an impact on improving labor productivity and loyalty is a commitment. Employee skill is a leader in the organization's success in accordance with service aspects.

Career planning closely related to the the future of the organization or individual and has many benefits, because the career planning can be a benchmark and motivation for the plan can be achieved

References

- Abraham Maslow (1954). *Motivation and personality*. New York, NY: Harper
- Andreas G.M Nauchbauaer and Gabriela Riedl, 2002, Effects of concepts of career plateaus on performance, work satisfaction and commitment, *International Journal of Manpower*, Volume 23, Number 8.
- Armstrong, Michael and Baron A., 1995, *A Handbook of job Evaluation, Institute Reward Management*, 4th Edition, Lo of Personnel & Development, London.
- Armstrong, Michael and halen Murlis, 2003, *Reward Management*, 4th Edition, London.
- Bernandin, H John & Joice A. Russel, 1998 *Human Resource Management* New York McGraw Hill Inc.
- Black, Stewart J. and Mendenhall, Mark, 1990. Cross-Cultural Training Effectiveness : A Review and a Theoretical Framework for Future Research, *Academy of Management Review*, Volume 15, No. 1
- Carrell, Michael R., Norbert F. Elbert and Robert D. Hatfield. 1995. *Human Resource Management Global Strategies for Managing a Diverse Work Force*. Fifth Edition. Prentice Hall. Englewood.
- Cascio, Wayne F. 2006. *Managing Human Resources: Productivity. Quality of Work Life. and Profit*. Seventh edition. McGraw-Hill, Inc.
- Dalton, D. R. and W. D. Todor. 1998. *Functional Turnover and Absenteeism: An Empirical Assessment*. Journal of Applied Psychology and Industry. Desember p. 62.
- Davis, Keith and John W. Newstrom. 1985. *Human Behavior at Work: Organization Behavior*. Seventh

- Edition. McGraw-Hill Book Company.
- Davis, L. E. and A. B. Chems. 1975. *The Quality of Working Life*. VaL I. Problem, Prospects, and The State of The Art. The Free Press. New York.
- Dessler, Gary. 2000. *Human Resources Management* Eight Edition. Prentice Hall International Inc.
- Flannery Thomas P.: David A Hofrichter: Paul E. Platten, 1996, *People Performance and Pay*. Library of Congress Cataloging in Publication Data, USA
- Ford, Kevin J., A. Quinones, Miguel, Sejo, Douglas J., Sorra, Joann Speer, 1992. Factors Affecting the Opportunity to Perform Trained Tasks on The Job, *Personnel Psychology*, Autumn 1992, Vol. 45, No. 3.
- Imam Ghozali 2011. Model Persamaan Struktural, Konsep dan Aplikasi Dengan Program IBM, SPSS, AMOS 21.0 Universitas Diponegoro Semarang.
- Irene Christofidon Gregariou (2008) need fulfillment Deficiencies and Job Satisfaction in the Republic of Cyprus, the case of the Ministry of Finance Jurnal European University Cyprus.
- Ivancevich John M., 2004. *Human Resource Management*, Ninth Edition., McGraw Hill Companies, Inc., USA.
- James A. F. Stoner, Charles Wankel 1986 *Management*, Fordham University of New Haven.
- Kaplan Robert M & Dennis P. Saccuzzo.1993. *Psychological Testing*. Belmont, California.
- Luthans Fred, 1992. *Organizational Behavior*, McGraw-Hill Book Company, Singapore.
- Masri Singarimbun dan Sofyan Effendi 1995 Metode Penelitian Survei LP3ES.
- Milkovich; Nowman, 1996. *Compensation*, McGraw-Hill Companies, Inc., USA.
- Mondy Wayne R: Robert M. Noe; Shane R. Premeaux, 1999. *Human Resource Management*. Seventh editions, Prentice-Hall International., Inc, USA.
- Mondy, R. W. and R M. Noe. 1995. *Human Resource Management*. Massachusetts: Allyn and Bacon.
- Noe, Hollenbeck, Gerhart, Wright, 2003. *Human Resource management*, International edition. McGraw-Hill, Inc., USA.
- Palan, R. PhD. 2003, Competency Management: A Practitioner's Guide, Specialist Management Resources Sdn. Bhd, Kuala Lumpur.
- Rampersaad, Hubert K., 2006. Total Performance Score card: Konsep Manajemen Baru Mencapai Kinerja Dengan Integritas, alih bahasa Edy Dukarno dan Vinsensius Djemadu, Gramedia Pustaka Utama, Jakarta
- Robbins, Stephen P. 2007. *Organizational Behavior* 9 th Edition. Prentice-Hall International Inc