

Human Resource Management: A Study on Private Universities in Indonesia

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ABSTRACT

This paper aims to chronicle the historical development of Human Resource Management (HRM) as both an established academic field and a professional enterprise. The study adopts a desk-based methodology to examine the literature that has played a pivotal role in comprehending the beginnings, evolution, and professional advancement of HRM. A total of ten publications, sourced from scholarly journals, were selected to accurately depict the current situation. The papers underwent examination using three qualitative analysis procedures: data categorization, validation, and inference formulation. The study's findings indicated that mergers and acquisitions, talent management, succession planning, industrial and labour relations, and diversity and inclusion were previously the core components of human resources. The transition took place due to globalisation, corporate consolidation, technical progress, and more study. Academic institutions, professional bodies, and individual firms have devised specialised programmes of study to train future professionals for the specific obligations of the post. Multiple publications regarding human resources indicate that academic and practitioner organisations are also keen on making contributions to and advancing the sector.

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1. INTRODUCTION

Universities fight to boost competitiveness by increasing their performance (Bizarria et al., 2021), and universities play an essential role in efforts to improve the quality of human resources. Education is a crucial part of any nation's development because it equips the next generation for success in the world, but in order to be effective, educational institutions must adhere to uniform standards based on national education goals (Chen & Hao, 2022). This is true for institutions of all levels, from primary to university. Work environment characteristics in tertiary institutions also effect university work performance, as stated by Fontinha et al. (2019); employees will perform at their best in a setting that is both comfortable and supportive. A leader can boost university performance through leader-member exchange (LMX), a technique that encourages employees to work together and be productive toward common goals (Prameswari et al., 2020).

Private universities are currently up against a lot of competition when it comes to turning out graduates who are both good at their jobs and highly competitive in the job market. This means that private universities have to act quickly to meet the changing needs of the job market by making efforts to

produce and improve their performance (Aggarwal et al., 2020). To succeed in today's dynamic business climate, organizations need to be innovative and creative (Chow, 2017). It has been shown that an innovative company can better adapt to its changing environment, giving it a competitive edge (Johannessen & Skaalsvik, 2015; Ghosh, 2015; Do, Yeh, & Madsen, 2016). Supporting the quality of human resources should be a top concern because it is essential to the organization's ability to produce innovation to aid in its performance (Rajiani & Norain, 2018).

Human resource management (HRM) is a set of activities, functions, and processes that attract, develop, sustain, and dismiss employees (Florén, Rundquist, & Fischer, 2016). HRM includes performance appraisal, career management, reward systems, training, and recruitment. HRM can boost employee innovation for organizational innovation. Innovation requires planning, organization, and management of knowledge (Johannessen & Skaalsvik, 2015). Innovation is more than merely making changes to feel different (Crumpton, 2012). Innovative universities can easily achieve their goals. Performance is founded on the assumption that organizations use people, physical, and capital resources to achieve common goals (Carton & Hofer, 2006). Abu-Jarad, Yusof, and Nikbin (2010) defined organizational performance as achieving goals and objectives using efficient and effective resources.

The research conducted by Gil-Marques and Moreno-Luzon (2013) demonstrates that human resource management significantly impacts innovation. This aligns with the assertions made by other scholars (Sheehan, Garavan, and Carbery, 2013; Lu, Zhu, and Bao, 2015) that HRM can effectively support firms in their endeavours to foster innovation. The research conducted by Ma Prieto and Pilar Perez-Santana (2014) has found that human resource management (HRM) has a vital role in promoting creative behaviour by ensuring the efficient functioning of all departments. Compelling empirical research conducted by Budhwar, Chand, and Katou (2007) and Nawab, Nazir, Mohsin, and Syed (2016), along with anecdotal evidence provided by Som (2008), indicates that human resource management (HRM) can effectively enhance organisational performance. The importance of human resource management on corporate success has been consistently demonstrated (Nawab et al., 2016; Al-Haraisa, 2016). Sabiu, Ringim, Mei, and Joarder (2019) have highlighted the importance of human resource management (HRM), namely in the areas of selection and recruiting, in driving organisational performance.

In contrast to earlier studies, this one will use a distinctive approach. Insight into the successes and failures of private universities' roles is provided by this literature review. In light of the foregoing, the purpose of this research is to outline the fundamentals of human resource development that private universities in Indonesia can use to boost their competitiveness.

2. METHODS

In this study, a literature review served as the primary research approach. Since the purpose of this study is to "describe, summarise various conditions, various phenomena of social reality that exist in society and become the object of research in order to draw features, characters, traits, models, signs, or descriptions about conditions, situations, or phenomena" (Holloway & Todres, 2003), a literature review is a necessary part of qualitative descriptive research. The phenomena were examined in light of human resource management of private universities in Indonesia. Information was gathered by searching online libraries. The library technique is a type of data collection strategy used in social research approaches, as described by Bungin (2010). The term "literature review" describes this type of analysis. Literature reviews, as defined by Creswell (2014), are summaries of scholarly works such as academic journals, books, and dissertations. The literature will be organized by topic and documents linked to HR strategies, with the bulk of the data coming from research articles published in Indonesian journals that describe both historical and contemporary theories and information.

This research utilized both primary and secondary literature. Primary sources are first-hand accounts written by someone who has observed, participated in, or created the subject matter. Theses, dissertations, research reports, articles, and other literature on Human Resource Management from the private university in Indonesia as the primary sources for this study. Secondary sources are works that the author has not seen or experienced firsthand, such as reviews, summaries, criticisms, and similar

works based on the work of others. The education Law, dictionaries, handbooks, abstracts, indexes, and textbooks are all good places to start looking for secondary library works that are relevant to the study's aims. The results of the search were presented in the form of ten articles. These articles were chosen because they were seen as good examples of how HRM is going in the private university in Indonesia right now. To look at the data, the researchers put the pieces into groups, checked them against similar frameworks, and came to conclusions.

3. FINDINGS AND DISCUSSION

3.1 Principles of Human Resource Management

Human resource management is founded upon three fundamental concepts. The first aspect pertains to the organization's capacity to attract and retain highly skilled individuals, while also establishing itself as an appealing workplace for professionals. Consequently, the organisation must enhance its attractiveness relative to its rivals. The organisation must establish practices in this domain that (i) foster an attractive and stimulating work environment, (ii) encourage cultural and gender diversity as well as equal opportunities, (iii) cultivate a reputation for social responsibility and trustworthiness, (iv) facilitate a healthy work-life balance, and (v) implement appropriate reward systems. The requirement for a robust and driven staff gives rise to the second notion. Therefore, the organisation must devise strategies to enhance occupational health and safety, mitigate and forestall stress, align the workforce with the required duties, and establish ergonomic work environments that promote employee well-being and facilitate a harmonious work-life balance. The third principle of sustainable human resource management is to prioritise the development of employees' qualifications, taking into consideration both current and future needs. In order to achieve this objective, companies implement various strategies such as educational initiatives, long-term learning programs, training programmes, and personnel development at the individual, group, and management levels. They also offer professional qualification or internship opportunities, talent management programs, internal mentoring and tutoring programs, as well as activities aimed at assisting employees in finding employment (Gollan, 2000; Boudreau and Ramstad, 2005; Ehnert, 2009b; Hirsig et al., 2013).

3.2 Human Resource Development

The quantity, components, distribution, and quality of human resources (HR) are major topics of discussion in national and regional discussions of development. Where these issues have a cumulative impact on development strategy, policy, and outcomes (Sutrisnowati & Hadi, 2020). This does not, however, mean that the human resource issue is absent from the conversation. There are two main concerns that need to be addressed when developing human resources. In this situation, there is a requirement for behavior, which might have moral implications (such as the crisis of humanism), in addition to the development of human potentials, such as intellect and intelligence produced through technocratic principles. What needs to be emphasized from these two issues is that the improvement of human quality as subjects of labor and development, and as subjects of technological engineering, is central to the development of human resources.

Because the usage of ultra-advanced technology has permeated every aspect of modern life, investing in human resource development is crucial in the current era of globalization (Hewitt, 2021). The status of people is subject to change regardless of whether or not we prepare for it. Because machines and robots are more practical and efficient than human labor, they are increasingly filling available jobs, leaving fewer openings for humans to compete for. Due to the rapid pace of global change, modern humanity is challenged by difficult questions and predicaments. On the one hand, we're striving to industrialize by using state-of-the-art technologies, even though it's common knowledge that doing so will have the unintended consequence of making it much harder for people to find work (especially unskilled laborers). On the other side, we have a demographic problem (a large population) that has not been utilized efficiently, bringing the development load of these people to a critical point. Rather than focusing on how to transform Indonesia's large population into a

development asset, the country should be asking how to improve the quality of each individual's contribution to society. It appears that the economic crisis that has plagued Indonesians since the fall of the New Order administration has reduced the overall caliber of the Indonesian people (Haris and Adika, 2002).

The advancement of science and technology under the leadership of engineering technocrats may result in a humanistic crisis, similar to what has been observed in other nations (Fuadi, 2016). Contrary to progressing in parallel with human development and needs, contemporary technology compels humans to adapt in order to stay abreast (Sutrisnowati & Hadi, 2020). The acquired practices or concepts have their origins in the Western hemisphere but have been modified from other cultures. The implementation of the green revolution programme in agriculture, which effectively reduces agricultural output, serves as a little example of the significant disparity between the acceptability and use of Western technology. Consequently, it is imperative to establish a stringent screening process for the transfer of technology. To gain a deeper understanding of human resource development strategies in the context of national development in the global era, it is helpful to examine the concepts and paradigms of development, as well as the application of science and technology for the benefit of society. This understanding can be enhanced by providing a concise explanation of the role of humans and their place within the framework of technological engineering. Individuals as autonomous entities (Chen & May, 2018). While industrialised nations have outpaced the rest of the world in terms of material advancement, it is crucial for us to glean insights from their missteps in their endeavours to cultivate the well-being and dignity of their populace (Pateman & Cahoon, 2013). In order for the tourism industry to maintain stability and sustainability in today's society, it is crucial for human resources in this industry, as well as the industry as a whole, to effectively use science, technology, and information technology in all aspects of life, with a special focus on the tourism sector. The overall rating is 5.0, according to Edyono (2021) and Duy et al. (2020).

3.3 Human Resource Development in University

Higher education's available assets, such as its faculty and administrative personnel, as well as its top, medium, and lowest level administrators. The rector is the highest-ranking administrative official in a university or college, followed by the dean and his staff, and finally the department chairs and program directors, department chair, and program coordinator, respectively. Bureau, section, and sub-section chiefs are all examples of administrative officials who serve in a structural capacity. Lower-level administrative officials (subsections and section leaders) as well as members or employees are skilled, whereas higher-level structural officials (heads of bureaus and sections) are knowledgeable or workers make up the skilled workforce. This picture is not currently widely shared between academic institutions. In addition, lecturers, who are also referred to as teachers (professors) in some settings, are the only members of the academic staff included in the definition of human resources (Kusumawati, 2015).

Noe et al. (2011) claim that in order to precisely determine the requirement for HR development, three analyses are required: organizational analysis, task analysis, and people analysis. The goal of any organizational analysis should be to provide some insight into the topic of "how to develop the organization?" One approach would be to poll workers on their opinions of their jobs, how happy they are in general, and how they feel about the administration as a whole. Using data from employee timesheets, time-off requests, training records, progress reports, and annual planning meetings. Task analysis is an analysis conducted with the aim of answering the question of what that learner must learn in order to perform the task effectively. This analysis is the basis for developing a program of The on-the-job training programme. One purpose of a people analysis is to determine whether employees deserve a promotion. Organizations increasingly rely on performance reviews as the primary basis for deciding which employees to invest in training and development for. The primary goal of doing an employee's unique analysis is to pinpoint their individual areas of development. The training requirements of a company's staff can be evaluated either individually or collectively.

Strategic human resource management includes human resource development, which can take several forms. Human resource development can be either informal or formal, as described by Hasibuan (2010, pp. 72–73). The term "informal development" refers to the process by which an individual acquires knowledge and skills for his job through reading books that are relevant to his field. Employees that engage in informal development demonstrate a drive for professional growth and enhance their capacity for employment. As a result, the employee's work performance improves, along with their efficiency and production, which is wonderful news for the business or organization. Participating in seminars, workshops, scientific meetings, and research programs all count as examples of the sort of informal activities that can be undertaken. Learning that is formally structured, such as when an organization sends its staff members to classes or courses either run by the business itself or by outside organizations. This is formal training that the corporation provides for employees in response to current or anticipated needs in their jobs but which will not directly advance their careers. This is done formally through graduate school, including master's and doctoral degrees, or by study abroad.

4. CONCLUSION

The quality of human resources is demonstrated by the level of education, the quantity of work accomplished, and the absence of originality. Indonesian workers endure exploitative conditions due to their little human capital. This is due to the relatively low level of their remuneration. Striving to cater to the demands of the business sector, the process of cultivating human resources frequently results in the dehumanisation of individuals. In the era of globalisation, there is a demand for individuals who possess advanced expertise in specific fields, as well as proficiency in a foreign language and a strong commitment to work. Due to the implementation of trade liberalisation, all countries have transitioned into free markets, resulting in a challenging job market for individuals in Indonesia. Due to the inferior skills of local workers, their presence becomes unnecessary with the influx of additional institutions, corporations, and international labour. Indonesia must implement methodical, coordinated, sustainable, and compassionate measures to enhance the calibre of its human resources, enabling them to serve as valuable assets for development and dependable labourers. These endeavours may encompass enhancing the overall quality of education through increased financial resources and support for educators, providing job training opportunities, acquiring proficiency in foreign languages, acquiring proficiency in information technology, strategically planning workforce size, establishing an Employment Information System, and leveraging skilled labour markets in foreign nations. Subsequent studies should focus on enhancing technological advancements to facilitate the recovery of the Indonesian industry through human resources development.

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