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## Human Resource Management Practices of Government Agencies

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### **Abstract:**

*Human Resource plays a very vital asset for any organization which translates into competitive advantage. Managing human resource requires effective HRM system. This system should be backed up by sound HRM practices that compose organizational activities directed at managing the pool of human resources and ensuring that the resources are employed towards the fulfillment of the organizational goals. This study assessed the HRM practices as to planning, recruitment, training, participation, performance, appraisal and compensation of the selected government agencies in Tandag City, Surigao del Sur, Philippines. At the same time, it determined the significant difference in the extent of implementation of HRM practices among the government agencies. To this end, a descriptive- evaluative research design was utilized administering an adopted survey questionnaire to 37 HRM officers and employees. Results revealed that the government agencies understudy had their human resource management practices in place and put importance and followed a system in the implementation of planning, recruitment, training, participation, performance, appraisal and compensation as evident in the Most of the Time adjectival rating in all areas of HRM. Further, when the HRM practices were compared with other government agencies, result showed a significant difference in their level of implementation.*

**Keywords:** Human resource management practices, planning, recruitment, training, participation, performance, appraisal and compensation

### **1. Introduction**

Human Resource Management is a vital pillar in an organization's development plans and a boosting growth icon for any economic development. To deliver public services, HRM personnel are expected to provide important inputs to yield good decisions pertaining to personnel management and core objectives of the government entity. HRM practices should be in lined with the tasks and functions of the HR Department merely to the human resource officers. As an answer to the call to go beyond the meaning of human resource management practices, this study was conducted to assess the implementation of the HRM practices in the selected government agencies in Tandag City, Surigao del Sur, Philippines and determine the significant difference of the HRM practices among the government agencies when compared to one another.

According to Thereon and Chatzoglou (2008), HRM is made of practices and this variety of practices has led to many scholars presenting their own HR system that have been utilized by local and multinational organizations to gain an advantage in a very competitive environment. There is a realization that human resource capital is one of the most important elements that enables companies to gain advantage over other organizations. HRM is believed to enhance productivity and the effectiveness of organizations. Its implementation has proven that when organization employs such practices, these would build up its capacity to achieve the goals and objectives (Kumart, 2013). With HRM, it utilizes resources (people or workforce) to achieve company goals and all managers at every level must concern themselves with HRM by identifying the functions that should be highly considered and the external factors that would affect it ranging from legal considerations, the labor market, society unions, shareholders, technology, or economy In an organization, the HR function is a strategic partner in the formulation and implementation of the company's strategies on HR activities such as recruiting, selecting, training and rewarding personnel (Nierras, 2012).

Furthermore, HR practices have proven critical in achieving organizational success. The changing nature of work in public sector organizations require a new emphasis on human capital management to support and improve the public entities' operational and strategic objectives (Maher and El Bedawey, 2015). It has been argued that a key element of successful global human resource management is the ability to formulate policies and practices that integrate employees located globally while recognizing elements in the local environments that affect utilization of human resources. An important component of this is the knowledge on prevailing HR practices (Supangco, 2012).

Nowadays, HRM practices are known enough to the people working with it within the organization, however, as to others, the whole picture of its implementation is not merely seen. The above-mentioned situations prompted the researchers to conduct a study regarding this matter. This study was significant to the management and administration of the different Government Agencies not just in Tandag City but also to all agencies and institutions to have better understanding and effective implementations of the human resource management practices.

## 2. Theoretical Framework

This study was anchored on Michigan Model of Human Resource Management. The Michigan model was propounded by Fombrun Tichy and Devanna (1984) as cited by Wokalhuah (2004) at the Michigan Business School. This model was described as 'hard' HRM because it emphasized treating employees as a means to achieving the organization's strategy, as a resource that was used in a calculative and purely rational manner. Hard HRM focused more than soft HRM did on using people as resources and as a means towards the competitive success of the organization. Hard HRM assumed that increasing productivity continues to be management's principal reason for improving HRM.

Fombrun Tichy and Devanna proposed a framework for strategic HRM that assumed that the needs of the firm are paramount. They said in their view that organizations existed to accomplish a mission or achieve objectives and that strategic management involved consideration of three interconnected issues. First, the mission and strategy must be considered because these were the organization's reason for being. Second, the organization's structure, personnel requirements, and tasks must be formally laid out, including systems of accounting and communications. Third, HR systems needed to be established and maintained because, as Fombrun Tichy and Devanna stated, "People are recruited and developed to do jobs defined by the organization's formal structure; their performance must be monitored and rewards be allocated to maintain productivity".

It observed the different business strategies and related organization structures can lead to contrasting styles of HRM in activities such as selection, appraisal, rewards, and development.

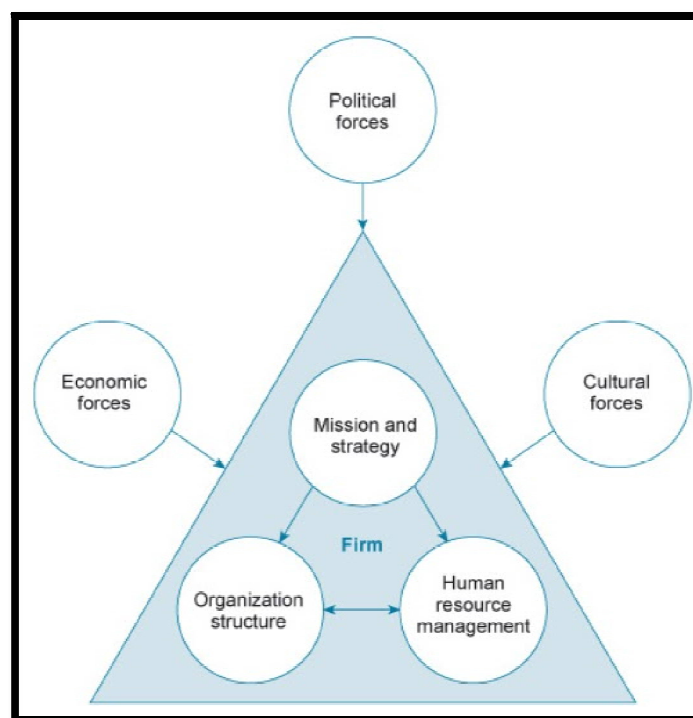


Figure 1: The Michigan Model Represents the External and Internal Factors of HRM as a Triangle

Finally, the Michigan model argues that within HRM there was a human resource cycle affecting individual and organizational performance. It described the four functions of this cycle as follows:

Performance was a function of all the human resource components: selecting people who were best in performing the jobs defined by the structure, appraising their performance to facilitate the equitable distribution of rewards, motivating employees by linking rewards to high levels of performance, and developing employees to enhance their current performance at work as well as to prepare them to perform in positions they may hold in the future.

The Michigan model was 'hard' HRM because it was based on strategic control, organizational structure, and systems for managing people. It acknowledged the central importance of motivating and rewarding people, but concentrated most on managing human assets to achieve strategic goals (pauloliveiramartins1967.blogspot.com/2012/11/unit-1michigan-model-html).

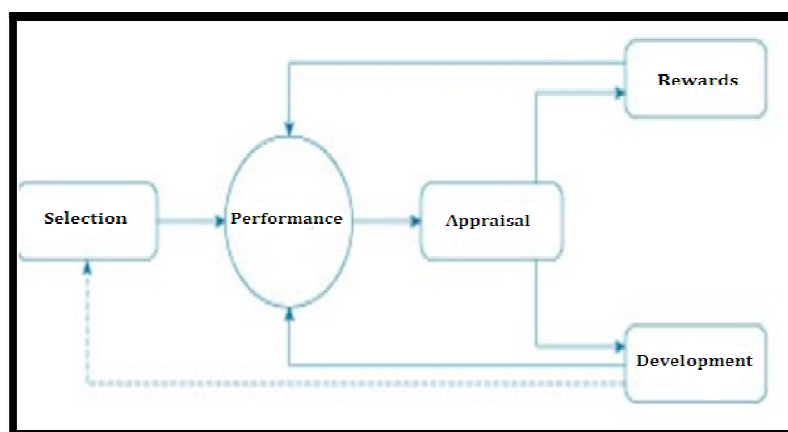


Figure 2: Michigan Model's Four Functions of a Human Resource Cycle

### 3. Methodology

The study employed descriptive- evaluative research design as it attempted to evaluate the level of implementation of the HRM practices of the selected government agencies in terms of planning, recruitment, training, participation, performance, appraisal and compensation. It was conducted in the selected government agencies in Tandag City, Surigao del Sur, Philippines. These agencies included the Provincial Environment and Natural Resources Office (PENRO) and Community Environment and Natural Resources (CENRO), Department of Agrarian Report (DAR) and the College of Business and Management of Surigao del Sur State University (CBM- SDSSU). A total of 37 respondents were chosen to answer the survey.

Government Agencies	Number of Respondents
Provincial Environment and Natural Resources Office (PENRO)	7
Community Environment and Natural Resources (CENRO)	12
Department of Agrarian Report (DAR)	10
College of Business and Management of Surigao del Sur State University (CBM- SDSSU).	8
Total	37

Table 1: Distribution of the Respondents

Further, an adopted 5-point Likert Scale survey questionnaire from the study of Mansour (2010) in Saudi Arabia was utilized. Prior to its utilization, the survey questionnaire undergone content validation of three experts to remove cultural barriers and ensure that it evaluated what it intended to evaluate. The gathered data were statistically treated using average weighted mean and analysis of variance-one-way classification.

### 4. Results and Discussion

The HRM practices of the selected government agencies in Tandag City were implemented in the following areas:

#### 4.1. Planning

Alford and Beat (2001) defined planning in HRM practices as a process that identifies current and future human resources needs for an organization to achieve its goals. Human resources planning should serve as a link between human resources management and the overall strategic plan of an organization. Table 2 presents the HRM practices of the government agencies as to planning.

Indicators	Mean	Description
Human Resource Department is an integral part of the company's strategic planning process.	4.35	Always
The formulation and implementation of human resource activities are in line with overall corporate strategy.	3.81	Most of the times
The human resource management has an explicit statement of its mission and goals	4.32	Always
The human resource functions are accorded on important role in the company.	4.32	Always
All HR activities in the company (selection, training, compensation, appraisal and employee relations) are fully integrated with one another	4.05	Most of the times
The HR Department formally evaluated its selection and staffing policies.	4.0	Most of the times
There exists a formal written HR plan based on the strategic needs of the firm.	3.95	Most of the times
The HR head is involved in the strategic business planning process.	4.27	Always
Overall Mean	4.13	Most of the times

Table 2: Human Resource Management Practices Of The Government Agencies As To Planning

Legend: 4.20 – 5.00 – Always

1.80 – 2.59 - Seldom

3.40 – 4.19 – Most of the Times

1.00 – 1.79 Never

2.60 – 3.39 – Sometimes

The table shows that the HRM practices of the government agencies in terms of planning gets an overall mean of 4.13 which is described as most of the times. This implies that a careful planning is mostly observed in the management of human resources in the government agencies to ensure that all HR activities are directed towards the attainment of the HR set goals and objectives. To formalize and serve as a blueprint in the HR management, a formal written or documented HR plan based on the strategic needs of the firm is also present in the government agencies.

Burma (2014) cited in his article that a careful plan in human resource management should be made considering the organization's present potential, development trend and strategic targets in human resource management to provide the sufficient number of employees a timely evaluation of their performance. Human resource planning is a process in which the employees are evaluated from the entrance to the exit of the work. It should be determined according to organization's vision, mission and strategies. The required number of the employees, their quality, how and to what extent they should work are connected to the human resource management. With the planning, human resources are prevented from being less or more than the necessary.

#### 4.2. Recruitment

In HRM, recruitment is the process of finding and hiring the best and most qualified candidate for a job opening, in a timely and cost-effective manner. It involves searching for prospective employees and stimulating and encouraging them to apply for jobs in an organization. It is one whole process, with a full life cycle, that begins with identification of the needs of the company with respect to the job, and ends with the introduction of the employee to the organization (Martin, 2016). Table 3 shows the HRM practices of the government agencies as to recruitment.

Indicators	Mean	Description
Applicants for a job in the company take formal test before being hired	3.86	Most of the times
Applicants undergo structured interviews (job related questions, same questions asked for all applicants, rating scales) before being hired	4.03	Most of the times
When new management positions come up, the company normally tries to fill them with people from within the department rather than recruiting from outside.	4.22	Always
Overall Mean	4.04	Most of the time

Table 3: Human Resource Management Practices of the Government Agencies as to Recruitment

Legend: 4.20 – 5.00 – Always

1.80 – 2.59 – Seldom

3.40 – 4.19 – Most of the Times

1.00 – 1.79 – Never

2.60 – 3.39 – Sometimes

The 4.04 overall mean described as most often suggests that the government agencies observes and follows a system in the recruitment process which involves formal test and structured interview to the applicants to assess their qualification based on the job requirements of the position being opened to. More so, the government agencies prioritize their contractual or job order employees to fill up the vacant positions before considering other applicant for the position. This is in line with the mandates of the Civil Service Commission.

Martin (2016) highlights in his article's best practices in the recruitment process. He summarizes these practices as follows: (a) establishing and implementing of a well-planned recruitment process; (b) setting up of a career websites that offers an excellent platform for the organization to establish its reputation as a potentially good institution to work for; (c) using smart sourcing tools and technologies that larger companies used in attracting the best talents; (d) implementing good candidate relationship management to ensure that the candidates will have a good experience with the organization and to sustain enduring relationships with the candidates so that, in the future, they will still be interested in applying for a position in the organization; (e) practicing compliance management to comply with certain rules and regulations set forth by different government and regulatory agencies regarding recruitment and HRM; and (f) involving employees and other members of the organization in the recruitment process to establish and maintain a strong employee referral program.

#### 4.3. Training

HRM regards training and development as a function concerned with organizational activity aimed at bettering the job performance of individuals and groups in organizational settings (Write, 2003). Table 4 shows the HRM practices of the government agencies as to training

Indicators	Mean	Description
The company places a great deal of importance on training	4.14	Most of the times
Managers analyze the employees training needs	4.16	Most of the times
Managers evaluate the effectiveness the organization employee training through behaviors.	3.84	Most of the times
Managers evaluate the effectiveness the organization employee training through results	3.81	Most of the times
The company conducts cost-benefit analysis to assess the effectiveness of the training programs	3.65	Most of the times
Overall Mean	3.92	Most of the times

Table 4: Human Resource Management Practices of the Government Agencies as to Training

Legend: 4.20 – 5:00 – Always  
 3.40 – 4.19 – Most of the Times  
 2.60 – 3.39 – Sometimes  
 1.80 – 2.59 - Seldom  
 1.00 – 1.79 Never

The table depicts that government agencies believe on the importance of training and development among their human resources especially the newly hired to gain familiarity on the goals and objectives of the organization based on the overall mean of 3.92 described as most of the time. Often case, the HR managers analyze the employees training needs and evaluate the effectiveness the organization employees' training through the end results or of what the employees have become after training. After recruiting and placing the employees in the right place, the next step is to train and develop the HR collected recently. It is vital part of every employee and manager. Training and development means changing what employees know, how they work, their attitudes toward their work, or their interaction with their co-workers or supervisors.

#### 4.4. Participation

Employees' participation in management is an essential ingredient of an organizational democracy. The concept of employees' participation in management is based on Human Relations approach to Management which brought about a new set of values to employment and management. Traditionally the concept of Employees' Participation in Management (EPM) refers to participation of non-managerial employees in the decision-making process of the organization (Article 43A of the Constitution of India). Table 5 shows the HRM practices of the government agencies as to participation.

Indicators	Mean	Description
Employees in this job have a reasonable and fair complaint process.	3.70	Most of the times
The firm has clear strategic mission that is well communicated and understood at every level throughout the firm	3.95	Most of the times
Professional staffs are briefed about company's strategies	3.92	Most of the times
Employees are allowed to make many decisions in their jobs	3.32	Most of the times
Employees are often asked by their supervisors to participate in the decisions.	3.43	Most of the times
Superiors keep open communication with employees in their job.	3.89	Most of the times
Overall Mean	3.70	Most of the times

Table 5: Human Resource Management Practices Of The Government Agencies As To Participation

Legend: 4.20 – 5:00 – Always  
 3.40 – 4.19 – Most of the Times  
 2.60 – 3.39 – Sometimes  
 1.80 – 2.59 - Seldom  
 1.00 – 1.79 Never

The table reveals that employees' participation in the management gets an overall mean of 3.70 described as most of the time. This implies that employees are given opportunities to be involved in decision making of the organization and that an open communication between superior and subordinates is observed in the government agencies. Nevertheless, employees are sometimes allowed to make many decisions in their jobs.

Williams (2016) in his study using employer-employee matched data with both exposure and participation measures, found out that a high exposure to HRM is not sufficient to improve employee attitudes when the level of employee participation in HRM is taken into account. Furthermore, based on a Blinder-Oaxaca decomposition, the results suggest that employee involvement in HRM practices affects the value employees place on their personal, occupational and workplace characteristics.

#### 4.5. Performance Appraisal

Performance appraisal is the process of evaluating the performance and qualifications of the employees in terms of the requirements of the job for which he is employed, for purposes of administration including placement, selection for promotions, provision of financial rewards and other actions which require differential treatment among the members of a group as distinguished from actions affecting all members equally (Heyel, 2014). Table 6 shows the HRM practices of the government agencies as to performance appraisal.

Indicators	Mean	Description
The employees' capabilities are issued as the main source of competitive advantage.	3.70	Most of the time
Employee input and suggestions are highly implemented.	3.54	Most of the time
Employee input and suggestions are highly encouraged.	3.05	Most of the time
The company places a great of importance on merit when making promotion systems.	3.81	Most of the time
The superior normally discuss the performance of his subordinates with them.	3.78	Most of the time
Performance appraisal includes the supervisor setting objectives and goals of subordinates for the period ahead in consultation with them	3.76	Most of the time
Overall Mean	3.61	Most of the time

*Table 6: Human Resource Management Practices of the Government Agencies as to Performance Appraisal*

*Legend: 4.20 – 5.00 – Always*

*1.80 – 2.59 - Seldom*

*3.40 – 4.19 – Most of the Times*

*1.00 – 1.79 Never*

*2.60 – 3.39 – Sometimes*

The table discloses that performance appraisal of the government agencies gets an overall mean of 3.61 described as most of the time. This result suggests that these agencies follow a system in appraising the performance of the employees and these appraisal serves as basis and merit when making promotion decision. Feedback mechanism by the superior to the employees on the result of the performance appraisal is also observed to give employees idea on their performance as room for improvement. However, employees' inputs and suggestions on their appraisal performance are sometimes encouraged by the superior.

The importance of performance appraisal in any organization cannot be disregarded. According to Dale (2015), the performance appraisal is the process of assessing employee performance by way of comparing present performance with already established standards which have been already communicated to employees, subsequently providing feedback to employees about their performance level for the purpose of improving their performance as needed by the organization. The very purpose of performance uprising is to know performance of employee, subsequently to decide whether training is needed to particular employee or to give promotion with additional pay hike. Performance appraisal is the tool for determining whether employee is to be promoted, demoted or remove in case of very poor performance and no scope for improvement.

#### 4.6. Compensation

Dessler (2010) defines compensation as all forms of pay going to employees and arising from their employment. The phrase 'all forms of pay' in the definition does not include non-financial benefits, but all the direct and indirect financial compensations. It also refers to the benefits (cash, vacation, etc.) that an employee receives in exchange for the service they provide to their employer. Table 7 shows the HRM practices of the government agencies as to compensation.

Indicators	Mean	Description
The firm compensation system is closely connected with the financial results of the company.	4.0	Most of the times
The company's uses performance-based compensation to a large extent.	3.73	Most of the times
Compensation practice is linked to firm's goals and objectives.	3.86	Most of the times
Job performance is very important in determining his earnings.	3.78	Most of the times
Pay raise for employees in this job are based on job performance (competencies, motivators and behaviors).	3.59	Most of the times
Qualified employees have the opportunity to be promoted to positions of greater pay and/ or responsibility within the company.	3.76	Most of the times
The company constantly reviews and updates the range of benefits to meet the needs of the employer.	3.65	Most of the times
Overall Mean	3.76	Most of the times

*Table 7: Human Resource Management Practices Government Agencies as to Compensation*

*Legend: 4.20 – 5.00 – Always*

*1.80 – 2.59 - Seldom*

*3.40 – 4.19 – Most of the Times*

*1.00 – 1.79 Never*

*2.60 – 3.39 – Sometimes*

The table shows that compensation as one HRM practice gets an overall mean of 3.80 described as most of the time. This implies that government agencies follow a compensation system based on the financial results and savings of the agencies which are linked to the organizations' goals and objectives.

Compensation is really significant for it affects the morale and job satisfaction of the employees (HR Guide, 2015). Often there is a balance that must be reached between the monetary value the employer is willing to pay and the sentiments of worth felt be the employee. In an attempt to save money, employers may opt to freeze salaries or salary

levels at the expense of satisfaction and morale. Conversely, an employer wishing to reduce employee turnover may seek to increase salaries and salary levels. Compensation may also be used as a reward for exceptional job performance. Examples of such plans include: bonuses, commissions, stock, and profit and gain sharing.

Significant Difference in the Extent of Implementation of HRM practices among the Government Agencies

Table 8 reveals the analysis of variance of the extent of implementation of human resource practices as perceived by the employees and the human resource officers of the government agencies.

Agencies	Mean	Standard Deviation	F	P	Decision	Conclusion
PENRO	135.23	59.29	6.85	0.000	Hypothesis is rejected	Significant
CENRO	117.74	62.70				
DAR	58.83	58.83				
CBM-SDSSU	78.75	66.39				
Total	111.33					

Table 8: Analysis of Variance in the Extent of Implementation of HRM Practices among the Government Agencies

The table shows that PENRO as one of the agencies gets the highest mean of 135.23 with a standard deviation of 59.29, while CBM-SDSSU gets the lowest mean of 78.75 with a standard deviation of 66.39. Moreover, a p- value of 0.000 yields which is less than 0.05 level of significance that leads to the rejection of the null hypothesis. Therefore, there is a significant difference in the extent of implementation of HRM practices among the government agencies.

Table 9 presents the multiple comparisons of the mean of HRM practices of the government agencies. This is to determine which of the agencies has a more significant difference.

Agencies (I)	Agencies (J)	Difference (I-J)	Decision to Ho	Conclusion
CENRO	PENRO	-13.5, 48.5	Accepted	Not Significant
DAR	PENRO	-10.5, 53.7	Accepted	Not Significant
CBM	PENRO	- 22.7, 90.2	Rejected	Significant
DAR	CENRO	-23.8, 32.1	Accepted	Not Significant
CBM-SDSSU	CENRO	9.2, 68.7	Rejected	Significant
CBM-SDSSU	DAR-	3.9, 65.8	Rejected	Significant

Table 9: Multiple Comparisons of the Mean of HRM Practices of the Government Agencies

The table reveals that CBM-SDSSU when compared with the rest of the government agencies yield a range of difference excluding zero (0) that leads to the rejection of the null hypothesis. Whereas, other government agencies when compared with each other yield arrange of difference including zero (0) that lead to the acceptance of the null hypothesis. Results suggest that the employees and HR officers of the three government agencies namely: PENRO, CENRO, DAR have comparable perception on the HRM practices of their respective offices. This could be attributed to the fact that these three government agencies have nearly the same work lines and culture while CBM-SDSSU has a different nature since it is an educational institution.

## 5. Conclusion

It was concluded that the government agencies were putting importance and were following a system in the implementation of their HRM practices in terms of planning, recruitment, training, participation, performance appraisal and compensation.

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