

HUMAN RESOURCE MANAGEMENT IN THE PUBLIC SECTOR: BETWEEN EFFICIENCY AND SOCIAL SERVICE

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ABSTRAK: Sumber daya manusia (SDM) merupakan aset strategis di sektor publik yang menentukan keberhasilan pemberian layanan kepada masyarakat. Namun, pengelolaan SDM di sektor ini sering kali dihadapkan pada dua masalah utama, yaitu efisiensi birokrasi dan orientasi pelayanan sosial. Artikel ini bertujuan untuk menganalisis dinamika pengelolaan SDM di sektor publik dalam menjembatani kebutuhan efisiensi dengan tanggung jawab sosial. Metode penelitian yang digunakan adalah studi pustaka dengan pendekatan deskriptif-analitis. Hasil penelitian menunjukkan bahwa reformasi birokrasi, manajemen kinerja, dan kompetensi kepemimpinan berperan signifikan dalam mengatasi tantangan tersebut. Keseimbangan antara pendekatan manajerial dan nilai-nilai pelayanan publik sangat penting untuk mewujudkan sektor publik yang responsif, akuntabel, dan profesional.

Kata Kunci : SDM Publik, Efisiensi, Pelayanan, Reformasi.

ABSTRACT: Human resources (HR) are a strategic asset in the public sector that determines the success of service delivery to the community. However, HR management in this sector is often faced with two main concerns: bureaucratic efficiency and a social service orientation. This article aims to analyze the dynamics of HR management in the public sector in bridging the need for efficiency with social responsibility. The research method employed is a literature study using a descriptive-analytical approach. The findings indicate that bureaucratic reform, performance management, and leadership competence play a significant role in addressing these challenges. A balance between managerial approaches and public service values is essential to realize a responsive, accountable, and professional public sector.

Keywords: Public SDM, Efficiency, Service, Reform.

INTRODUCTION

Human resources (HR) play a central role in determining the effectiveness and quality of public services. In the context of the public sector, the success of a government organization is not only measured by the achievement of administrative performance

indicators, but also by the extent to which the institution can meet the expectations and needs of society in a fair and equitable manner. Therefore, human resource management in the public sector is a strategic issue that requires serious attention, especially in the face of contemporary dynamics marked by the dual pressures of efficiency and social service demands.

The title “*Human Resource Management in the Public Sector: Between Efficiency and Social Service*” reflects the reality faced by public sector organizations in the era of bureaucratic reform and modernization. On one hand, public organizations are required to manage budgets efficiently, minimize waste, and increase productivity by adopting the principles of efficiency. This aligns with the *New Public Management (NPM)* approach, which integrates private-sector managerial practices into public bureaucracy. However, on the other hand, the public sector must still adhere to the principles of social service, ensuring that every citizen—without exception—receives equitable, humane, and just services. The tension between these two poles presents a major challenge for HR management in balancing organizational performance with public service values.

According to Denhardt and Denhardt (2003), the paradigm of public management should shift from the old model emphasizing control and efficiency to a new model focused on service. They introduced the concept of *The New Public Service*, emphasizing that the primary role of government is not merely to “steer” society through policy, but to “serve” citizens as partners. This highlights the importance of managing HR not only with technical competence but also with ethical orientation and social commitment. Meanwhile, Osborne and Gaebler (1992), in their concept of *Reinventing Government*, stress the need for bureaucracy to become as flexible and efficient as private companies—without losing its core purpose of serving the public.

In the Indonesian context, the challenges of public HR management are no less complex. Bureaucratic reform initiated in the early 2000s demands that civil servants (*Aparatur Sipil Negara*, ASN) work with principles of accountability, professionalism, and results orientation. However, the implementation of these policies is often hindered by rigid bureaucratic culture, weak leadership capacity, and a fragile merit system. Dwiyanto (2008) highlights the need to integrate supervision systems, performance evaluation, and HR development to ensure optimal public service delivery. Similarly, Sedarmayanti (2009) emphasizes that HR management must encompass efficiency,

service ethics, and continuous competency development. It is undeniable that the public sector has distinct characteristics compared to the private sector, particularly in terms of orientation and legitimacy. While the private sector is profit-oriented, the public sector focuses on public trust and value. Hence, approaches to HR management in the public sector should not rely solely on technocratic efficiency principles. A balance must be struck between managerial and social approaches so that state institutions are not only operationally effective but also morally and socially meaningful for society.

Thus, it is essential to examine how HR management in the public sector can bridge the demands for efficiency with the responsibilities of social service. This study aims to analyze these dynamics through a comprehensive literature review. The expected outcome is to provide both conceptual insights and practical recommendations for improving public HR management to be more adaptive, inclusive, and sustainable.

Approaches to Human Resource Management in the Public Sector

Human Resource Management (HRM) is one of the key instruments for organizations in achieving their goals. In the public sector, the bureaucracy bears a significant responsibility in delivering services to the public, which must be supported by a professional and competent civil service workforce. In the context of bureaucratic reform, HRM is a foundational pillar alongside institutional and systemic reforms (see Kompas, June 6, 2011 edition). The effective and efficient utilization of civil servants is the main function of HRM within the bureaucracy, from planning to termination stages.

HRM in the public sector holds a unique and complex position as it stands at the crossroads of two major demands: administrative efficiency and a commitment to social service. This differs from HRM in the private sector, which focuses more on productivity and profitability. In the public sector, the primary goal is not financial gain, but the fulfillment of citizens' basic rights through quality, equitable, and just service delivery.

On one hand, governments and public institutions are required to be more efficient in managing budgets, resources, and time. This means HRM must play an active role in designing lean bureaucratic structures, conducting competency-based recruitment, and ensuring that every employee performs optimally according to their targets and roles. With increasingly limited state budgets and rising public demand for fast and transparent services, efficiency is no longer a choice—it is a necessity.

However, efficiency alone is not sufficient. On the other hand, the public sector bears a profound moral and social responsibility: to serve the public in an inclusive, fair, and humane manner. This means that HRM must not solely focus on numbers and productivity, but must also ensure that all HR policies and practices support the delivery of services that are empathetic, ethical, and oriented toward the people—especially the vulnerable and marginalized groups. Efficient public services that neglect social values lose their essence as a tool for public welfare.

Balancing efficiency and social service lies at the core of HRM's role in the public sector. HRM must effectively carry out its administrative functions while fostering a work culture that upholds public service values such as empathy, accountability, fairness, and integrity. This includes capacity development, the promotion of work ethics, and the creation of performance evaluation systems that measure not only quantitative outcomes but also the qualitative social impact of public service. This approach aligns with the views of experts. Denhardt & Denhardt (2003), in their New Public Service framework, assert that "public servants do not merely manage, they serve." They emphasize the importance of building collaborative relationships between the government and the public, rather than hierarchical ones. Meanwhile, within the New Public Management framework, Christopher Hood (1991) stresses the need for results-oriented and efficient governance, while still maintaining the ethical boundaries of public service.

As highlighted in various management literature, achieving organizational goals begins with the function of planning (Ivancevich et al., 2004:66–87). The involvement of civil servants in planning plays a significant role, especially in relation to their attitudes and behavior. As identified by Boyne & Gould-Williams (2003), the attitudes of public employees engaged in planning are crucial to public sector performance, in addition to various technical factors. If quality human resources play an important role in the planning phase to achieve set targets, then the subsequent managerial processes in the form of directing, implementing, and evaluating must also be supported by competent personnel.

Within this context, HRM faces the challenge of improving the quality of public servants. To this day, the quality of bureaucracy in delivering public services in Indonesia remains a serious issue. The public frequently expresses dissatisfaction with the quality of civil servants, including complaints about service processes, the time required to

complete administrative matters, attitudes and behavior of public employees, and the overall quality of outcomes. These persistent problems have placed Indonesia in an unfavorable position in terms of public service delivery.

The role of HRM in the public sector is critical and fundamentally different from that in the private sector (see Boselie et al., 2003). Historically, HRM concepts have emerged from the private sector. For businesses, HRM is not merely an employee utilization tool. As Stroh & Caligiuri (1998) argue, HRM in the private sector also serves as a strategic source of competitive advantage, especially in today's global era. HRM can function effectively in the private sector, but not necessarily in the public sector. One determining factor of HRM effectiveness is the organizational culture in the private sector, which contrasts sharply with that of the public sector. In addition to culture, an uncondusive organizational climate and managerial values that are irrelevant to change hinder bureaucracies from achieving organizational effectiveness, as observed by Wallace et al. (1999) in their study of public sector organizations and the police in Australia.

It is therefore essential for both scholars and practitioners to examine HRM within the context of the unique culture, organizational climate, and managerial values of the bureaucracy, which differ from those found in private sector enterprises. Guided by the belief that organizational culture, climate, and managerial values can support competitive advantage—an idea advanced by Glonaz & Lees (2001)—this paper aims to describe the phenomenon and provide a framework for developing an HRM model within the public sector. Such a model could serve as a reference for building a strong bureaucracy capable of delivering services that contribute to enhancing Indonesia's national competitiveness.

MSDM

Human Resource Management (HRM) can generally be understood from both a system and functional perspective. From the system perspective, HRM is essentially a management system deliberately designed to ensure that the potential or talents of all individuals within an organization can be utilized effectively and efficiently (Mathis & Jackson, 2008). The utilization of individuals is intended to achieve the goals and targets set by the organization. Psychology is one of the disciplines that greatly contributes to helping organizations map individual potential so that it can be actualized effectively to support job performance. This system is then implemented through several HRM

functions, which eventually form a definitive formulation of functional HRM: “all activities that begin with HR planning and end with the termination of HR.” Among the vital activities between planning and termination are job analysis, recruitment followed by selection and placement in relevant positions, then consecutively: compensation, performance appraisal, training and development, career management, fostering employee relations, and designing various programs for quality of working life.

However, HRM cannot be fully understood only from the perspectives of system and function. HRM takes on a more comprehensive meaning for organizations when viewed from a policy perspective. From this angle, HRM—classically developed by Guest (1987)—is defined as an organizational policy intentionally designed to maximize organizational integration, build employee commitment, implement flexibility in managerial and operational functions to avoid rigidity, and achieve quality in both work processes and outcomes.

This policy perspective has led to the realization that HRM’s full meaning is not limited to technical aspects. More than just technical matters, HRM has undergone a convergence of roles that are more substantial in nature. This evolving stream of thought has resulted in various attempts to reconceptualize several HRM concepts or functions. For example, toward the end of the 2000s, a study attempted to redefine the concept of HR planning within a government institution undergoing change, as conducted by Rahman & Eldridge (1998) in Malaysia.

The meaning of HRM can evolve according to conditions in a specific environment. A country, for instance, may require a specific HRM model that distinguishes it from other countries with unique environmental characteristics. This implies that organizations with different environmental characteristics will also have different perspectives and techniques in utilizing human resources. Therefore, HRM practices are not universal across all countries or organizations with varying environmental contexts. As González & Tacorante (2004) explained, HRM practices in one organization may differ significantly from those in another. Best practices in HRM cannot be generalized, as each organization has its own unique characteristics. A best practice model that works effectively in one setting may only be applied successfully elsewhere if properly adapted to the local context.

The Dual Role of Human Resource Management in the Public Sector

Human Resource Management (HRM) in the public sector holds a highly important and strategic position because it must manage two often conflicting demands: administrative efficiency and social service delivery. Unlike the private sector, which focuses on profit-making, the public sector aims to provide services to the community in a fair, equitable, and sustainable manner. Therefore, HRM in government institutions must be able to balance demands for work productivity with a commitment to social and humanitarian values.

The first role of HRM is as a tool for efficiency. In the modern era, the demand for fast, transparent, and waste-free bureaucracy is growing. HRM is responsible for designing a selective, competency-based recruitment system, organizing training programs relevant to service needs, and ensuring that performance evaluations are carried out objectively and based on measurable indicators. In this framework, public sector employees are expected to work effectively and produce maximum output with limited resources. The use of information technology, such as digitalization of public services, is also part of an efficiency strategy that must be supported by adequate HR policies and competencies.

However, on the other hand, the public sector carries an equally important responsibility—delivering social services. In this context, HRM is not only tasked with managing people as production tools, but must also uphold and instill values of dedication, justice, empathy, and social responsibility in every public employee. This function is crucial because public services are directly connected to citizens' fundamental rights and needs, such as education, healthcare, security, and social welfare. Good HRM must be able to foster an inclusive, service-oriented work culture—not merely focused on meeting numerical targets or administrative procedures. These two roles are not mutually exclusive but must be carried out in a balanced way. Excessive emphasis on efficiency without considering social aspects may result in rigid, inhumane, and discriminatory services. Conversely, focusing solely on social values without regard to efficiency can lead to slow, wasteful, and unprofessional public service. Therefore, HRM in the public sector requires an adaptive, professional approach grounded in public service ethics.

Experts also emphasize the importance of this balance. According to Denhardt & Denhardt (2003), in the New Public Service approach, public employees are not

controllers or managers, but servants of the people who must respond to citizens' needs in a participatory and empathetic way. Meanwhile, Osborne and Gaebler (1992), in *Reinventing Government*, stress that bureaucracy must be transformed into entrepreneurial organizations—capable of working more efficiently while still being results-oriented and socially impactful.

Thus, the dual role of HRM in the public sector is not only a necessity but a mandate for building effective and humane governance. It must bridge the rationality of bureaucracy with the morality of service, ensuring that public services truly fulfill the rights of citizens—not merely serve as administrative formalities. HRM in the public sector carries a complex dual role, as it must meet two main, often conflicting demands: the need for administrative efficiency and the commitment to social service. These two responsibilities are strategically interconnected, yet require a careful and balanced approach.

HRM as a Tool for Administrative Efficiency

One of the main functions of Human Resource Management (HRM) in the public sector is to create efficiency in managing personnel and organizational structures. In this context, HRM is expected to:

- Restructure organizations to be lean and responsive,
- Optimize employee performance through objective evaluation and reward systems,
- Manage recruitment and selection professionally to acquire the right talent,
- Reduce budget waste through rational workforce planning,
- Promote the use of technology and digitalization in bureaucratic services.

The primary goal of this role is to ensure that each employee works productively, efficiently, and in alignment with performance targets while maintaining cost-effective resource usage. This role is particularly crucial in the modern era, where the public demands fast, affordable services that are free from waste or corruption.

HRM as the Guardian of Social Values and Public Service

On the other hand, public sector HRM also bears the responsibility of safeguarding social service values, justice, and public interest. Within this framework, HRM cannot merely function as an administrative performance manager but also as:

- A guardian of professional ethics and public service integrity,
- A builder of inclusive and participatory organizational culture,
- A protector of citizens' rights, particularly for vulnerable groups,
- A facilitator of empathy and social responsibility among civil servants,
- A driver of human-centered bureaucratic reform.

In this context, HRM's role is to ensure that every work process, policy, and human resource decision is rooted in the spirit of public service. Public service is not only about efficiency—it is also about upholding social values such as equity, transparency, and justice.

Challenges in Balancing These Dual Roles

Fulfilling these dual roles simultaneously is not an easy task. Several challenges must be addressed, including:

- Conflicts of interest between efficiency and equity (e.g., budget cuts may reduce service quality for disadvantaged populations),
- Rigid bureaucratic culture that resists change,
- Limited managerial competence in balancing values and outcomes,
- Political pressures that may compromise the neutrality of HRM practices.

Strategies for Managing the Dual Role of HRM

To effectively manage this dual role, public sector HRM must develop an integrated and long-term approach, including:

- Building a merit-based and transparent HRM system, ensuring that personnel are selected based on competence and integrity rather than connections,
- Integrating social performance indicators into employee evaluations, such as citizen satisfaction, service fairness, or social impact,
- Instilling public service values through training and character development,
- Developing inspiring public leadership with a strong commitment to social missions.

Conclusion

The dual role of HRM in the public sector is not a contradiction, but rather a strategic

harmony that must be wisely managed. On one hand, efficiency forms the foundation of sound governance. On the other, social service is the very essence of the public sector's existence. HRM lies at the intersection of these two aspects: it must shape a productive organization while remaining humane and people-centered.

RESEARCH METHOD

This study employs a qualitative approach using a library research method. This approach is chosen because the primary focus of the study is to understand and analyze the concepts, roles, and challenges of Human Resource Management (HRM) in the public sector through a theoretical and literature-based review. The data for this research is obtained from various secondary sources, including academic books, scholarly journals, government policy documents, and relevant research reports on HRM in the public sector, both domestic and international.

Data analysis is conducted using descriptive-analytical techniques, by identifying key themes emerging from the literature and organizing them systematically to answer the research questions. The analysis focuses on two main dimensions: (1) HRM as a tool for administrative efficiency and (2) HRM as a guardian of public service values. In addition, the study highlights the challenges and strategies involved in balancing these dual roles of HRM in the public sector.

Through this approach, the study aims to provide conceptual contributions to the discourse on public sector HRM and support the formulation of policies that are more responsive to public needs.

RESULTS AND DISCUSSION

Human Resource Management (HRM) in the Public Sector: Balancing Efficiency and Social Service. Human Resource Management (HRM) in the public sector holds a unique and complex position, as it stands at the intersection of two major demands: administrative efficiency and a commitment to social service. This contrasts with HRM in the private sector, which is more focused on productivity and profitability. In the public sector, the primary goal is not financial gain, but rather the fulfillment of citizens' basic rights through quality, equitable, and just public services. On the one hand, governments and public institutions are required to be more efficient in managing budgets, resources,

and time. This means that HRM must play an active role in designing lean bureaucratic structures, implementing competency-based recruitment, and ensuring that each employee performs optimally according to their roles and targets. With increasingly limited state budgets and growing public demands for fast and transparent services, efficiency is no longer a choice—it is a necessity.

However, efficiency alone is not sufficient. On the other hand, the public sector carries significant moral and social responsibilities: to serve society in an inclusive, just, and humane manner. Therefore, HRM cannot be solely focused on numbers and productivity; it must also ensure that all HR policies and practices support the delivery of ethical, empathetic, and people-oriented services—especially for vulnerable and marginalized groups. Efficient public service that neglects social values loses its very essence as a tool for societal welfare.

The balance between efficiency and social service is the core of HRM's role in the public sector. HRM must be capable of executing its administrative functions effectively, while also fostering a work culture that upholds public service values such as empathy, accountability, justice, and integrity. This includes employee capacity building, ethical training, and the development of performance evaluation systems that measure not only quantitative output but also qualitative social impact. This approach aligns with expert perspectives. Denhardt & Denhardt (2003), in their New Public Service framework, argue that “public servants do not merely manage—they serve.” They emphasize the importance of fostering collaborative relationships between government and citizens, rather than merely hierarchical ones. Meanwhile, within the New Public Management framework, Christopher Hood (1991) stresses the need for results orientation and efficiency, but within the ethical boundaries of public service.

Therefore, HRM in the public sector must not be mechanistic or technocratic in nature. It must be adaptive, humanistic, and responsive to social dynamics and evolving public expectations. In this context, innovation in recruitment systems, training, career development, and performance measurement is essential to ensure that public organizations operate not only efficiently but also remain service-oriented.

CONCLUSION

Human Resource Management (HRM) in the public sector plays a strategic and complex role as it must balance two major mandates: administrative efficiency and social service. Unlike the private sector, which emphasizes profit and productivity, the public sector prioritizes the fulfillment of citizens' fundamental rights through fair, equitable, and humane services. Therefore, HRM is not only responsible for managing personnel in a technical and systematic manner, but is also expected to uphold ethical values, empathy, and social justice. HRM functions as a tool to enhance bureaucratic effectiveness through strategic human resource planning, competency-based recruitment, digitalization of services, and objective performance evaluations. At the same time, HRM also bears the responsibility of cultivating a work culture that is service-oriented, inclusive, and participatory in order to strengthen public trust in government institutions. The main challenge in fulfilling this dual role lies in maintaining a balance between managerial rationality and social responsibility, while navigating cultural, structural, and political barriers inherent in bureaucracy.

With an adaptive and value-driven approach, HRM in the public sector is expected to serve as a bridge between organizational efficiency and the humanistic nature of public service. This is essential to realizing a bureaucracy that is not only professional, but also meaningful to society at large. The success of HRM in the public sector will significantly determine the quality of state services to the people and serve as a key indicator of the overall success of bureaucratic reform.

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