

# Corporate University and Development of HR Street-Level Bureaucracy

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## **Abstract**

The development of science and technology is now so rapid, globalization, industrial revolution 4.0, e-Government etc. Affect the functioning of the current bureaucracy, various efforts taken by the government to be able to adapt to changes, bureaucratic reform, good governance and various other approaches focusing on professional institutional development and bureaucratic human resources, until now the approach has continued and continues to look for various approaches that are deemed feasible in increasing the professionalism of bureaucratic human resources, especially at street-level bureaucracy which is directly in contact with the community. Corporate University approach (CU) in increasing the professionalism of street-level bureaucracy, what is offered by the CU approach and how this approach can develop street-level bureaucracy. This study uses the literature review method by paying attention to various scientific works that are considered important to explain the topics raised.

## **Keyword:**

Corporate University, Development of Human Resources, Bureaucracy

## **Introduction**

Bureaucratic reform and good governance are two terms that always adorn various studies on the government system, including the Indonesian government system. in realizing the values contained, namely success, efficiency, accountability, approval, and so forth. Reforms that have been carried out since the reforms in 1998 or more than last year have been carried out before regarding politics for the life of democracy in Indonesia. Various changes in the state administration system, revitalization of state high institutions, and general elections conducted in order to build a state government that is able to run well, especially in the governance of good governance.

In terms of public services, the government has not been able to provide quality public services in accordance with the challenges faced, the development of increasingly advanced public needs has become an increasingly complex form of public service, increasingly stringent global competition makes the government continue to adapt to various changes, technological development information, communication, and knowledge give rise to new forms of service, and enable public services to be done online by utilizing online media as a means of providing services.

Public sector organizations are not solely non-profit oriented social organizations, not only government organizations but public sector organizations are organizations that deal with public interests and provide goods or services to the public that are paid for through tax or other state revenues regulated in law (Bachtiar , 2015: 14).

Lower-level bureaucracy is the most important part in the provision of public services, various services received by the community are greatly influenced by how services are provided, good services are not enough by building systems or technical procedures for services, there needs to be awareness for public service providers to provide services that meet the needs community as a focus of service. A good understanding of public services can be done in various ways one of which is to provide an understanding of how public services work, low understanding of work can affect performance, and motivation to provide the best service.

Corporate university as a concept can be a good example that can be used by local bureaucracy to prepare superior human resources, Corporate University (CU) is "an emerging model for continuous training in the corporate world and continuous learning for employees" (El- Tannir 2002). The corporate university approach enables the existing research and service institutions to be more effective, given the spirit that is carried out in the concept of a corporate university the existence of the organization through knowledgeable individuals who learn from one another to understand the nature of work to improve job accountability, adaptive and competitive.

The CU approach enables the realization of a culture of competence, the development of cultural competence can have far-reaching effects not only for clients, but also for providers and communities. Cultural competence improves an organization's sustainability by

reinforcing the value of diversity, flexibility, and responsiveness in addressing the current and changing needs of clients, communities, and the environment.

Judging from its history the birth of Corporate University (CU) was born in 1872 in the United States, born of the spirit of a private company forming a training institute aimed at helping workers to gain new skills, one of the earliest training institutes using the term "University" is the Goodyear company ( Allen, 1949), the company developed various expertise to help the company achieve its goals.

Actually the concept of CU has been developed in the administration of government, various agencies or institutions at the central and regional levels have their own training institutions, various nomenclature can be found to refer to the body or institution that organizes education, training and development, but so far the role of the institution or agency it has not been fully utilized even though the institution or agency can be a driving force in the development of human resources of government administrators.

In other words (Benveniste, 1991), bureaucracy must provide services to the public objectively and impartially. Thus, the public bureaucracy as a policy manager and service agent should not only be neutral towards political power, but must have accountability for something that is an action to the public within the framework of exercising the authority given to it.

## **Methods**

This study uses the method of literature review, literature review is a discussion of knowledge about the topic being studied or it can also be the result of knowledge that is supported by the research literature, and is the foundation of research. There are three types of literature review namely narrative review (narrative literature review), qualitative review literature (qualitative systematic literature review), and quantitative review literature (quantitative systematic literature review or meta-analysis). This study uses a type of narrative literature that has the final goal, which is to describe the CU approach as one of the approaches that can be a guideline in efforts to develop government bureaucracy, several scientific works related to the topic become material to be discussed to strengthen the CU approach as one of the approaches feasible in the management of bureaucratic human resources.

## **Bureaucracy and Human Resources**

Epistemologically, the bureaucracy comes from the word "bureau" which means table or office and the word "kratia" (cratin) which means government. Various public service delivery conducted by the government is a form of bureaucratic activity, from an administrative point of view, service organizations (bureaucracy) have an influence on the system of government administration, this is the basis for the need for management of human resources in the administration of public services.

At present the bureaucracy reforms have not yet found the ideal concept considering the various advances in technology, information and communication, and globalization allowing the bureaucracy to adapt to various changes in service demands, currently the bureaucracy is not only demanded to improve its implementation system but also assessed the results of its service delivery, in other words, at this time the public wants a role more than a bureaucracy that is not only providing services but also as a promoter and service driver, Hadi T and Purnama L (1996) state that the role of government apparatus is not only as a facilitator and service provider but also as a dynamic and entrepreneur.

Resources owned by the bureaucracy not only talk about material resources, but also non-material resources, namely human resources (HR), human resources are the driving force of the organization, the organization will not function without human resources. It can be said that humans need organizations and vice versa organizations need humans. Human Resources (HR) itself can be explained in a simple sense, namely as personnel, workers, laborers, and employees, in other words HR in the simplest sense is humans who work or become members of an organization. While human resources in the broadest sense are human beings who are residents or citizens or citizens of a country, especially those who have entered the working age group.

Borrowing from the experience of the private sector in looking at human resources (HR), according to Reicheld (in Barney and Wright, 1998), believes that HR is the biggest contributor to the company, so employees must be treated as partners. In addition, companies that manage HR effectively have a high level of profitability, high productivity, high market value. From the various benefits obtained from the management of private sector HR, the researchers see the need to apply HR management that follows the spirit of

the private sector in the management of public sector HR, the desired goal is to realize a quality organizational culture.

Quality culture must be an organizational value system that will produce a conducive environment for continuous quality improvement and improvement. Quality culture consists of philosophy, beliefs, attitudes, norms, values, traditions, procedures, hopes to improve quality. In order to create a culture of good quality it requires a total commitment to all members of the organization. Efforts to shape culture can be done through the development of a coordinated program that begins with career selection and development. There are eight main programs that are interrelated to form a quality culture, namely: individual development, management training, human resource planning, performance standards, career development, opinion surveys, fair treatment, and profit sharing (Fandy Tjiptono, 2001: 88)

However, the practice of HR management is not easy to implement and allows different results considering the public sector and private sector have different goals, HR development in the two sectors is also different even though the enthusiasm is to provide services and goods, but from various paradigms that develop in administration The public enables the application of all types of private sector into public sector HR management.

Human resource development can be interpreted as an effort to prepare employees (human resources) to be able to move and play a role in the organization in accordance with the growth, development and change of an organization. Therefore, employee development activities are designed to make employees capable of achieving, adapting, innovative and flexible, the development activities undertaken need to pay attention to organizational performance with predetermined standards.

Broadly speaking, there are three possible assessment results between performance and standards, namely: a) Performance > Standards, where in this condition the organization achieves the best performance because it is above the standard, b) Performance = Standards, where in this condition the organization achieves good performance, but at the minimum level because the performance is the same as the standard. c) Performance < Standards, where in this condition the organization achieves poor performance or is not as expected because it is below the standard.

Strategic HR management practices require coordinated management with several sub-functions. To find out the effectiveness of the HR management strategy implemented, it is necessary to know how much the role of HR management influences the overall organizational performance.

Kim (1993: 37) emphasizes the importance of the relationship between individual learning and organizational learning by stating that individual learning and organizational learning cannot be separated. System adaptation and application of learning organizations in the public sector is possible because learning is not only related to internal learning but also external, many successful applications in the private sector are then adopted and applied in the public sector. System adaptation and application of learning organizations in the public sector occur because of the private sector and the public sector has similarities in management functions, namely planning, organizing, actuating and controlling (Fakhrudin, 2010).

This statement implies the need for cross-sectoral learning, meaning that the management of human resources in the private sector can also be applied to the public sector. The role of HR management in the public sector is very critical and in a different condition from the private sector (see Boselie et al. 2003). Historically the concepts that developed in HR management indeed originated from the business activities of the private sector. For companies, HR management is not just an instrument of employee utilization. HR management in the private sector as said by Stroh & Caligiuri (1998) is also a source of strength for companies in achieve competitive advantage in the global era as it is today. HR management can function effectively in the private sector, while not so in the public sector (in Jusuf, 2011: 281).

### **Human Resources and Sources of Competitive Advantage**

The implementation of a free market economy where competition and globalization are the main characteristics, the demand for the availability of Human Resources (HR) with high competitiveness is a must. The basis of competitive advantage has changed from conventional approaches to contemporary approaches, namely knowledge-based assets intellectual capital, such as creativity, innovation, organizational learning, and capabilities.

Organizations with highly skilled and knowledgeable human resources have higher human capital and are more likely to create knowledge, make the right decisions and have better innovation (Hitt et al, 2006). Nonaka & Takeuchi (1995) explained that human capital alone is not profitable for the company, if there is no mechanism for the HR to share knowledge to realize superior and competitive human resources can take a variety of approaches one of which is a corporate university, where the main component is how to apply the spirit of the private sector in managing competitive, competitive and adaptive HR to the needs of consumers, the spirit is applied in the management of human resources in the public sector by prioritizing various existing components.

The first component that must be considered is the skills and formal education. From several studies that have been conducted, one of the obstacles faced is the low quality of human resources. One of the causes of the low performance of the bureaucracy is the low development and mastery of knowledge, and technology. Lado and Wilson (1994) stated that HRM performance is very potential in helping companies to achieve competitive advantage, the opinion suggests that competitive advantage is influenced by HR performance, therefore it is important to support key activities individually and other supporting activities, which can develop HR knowledge.

The second component, namely attitude, knowledge in its development is considered insufficient. The attitude of employees towards the task is also a key word in achieving success. The attitude reflects how a person feels something. (Stephen P. Robbins, 2001: 138). Explained next, attitude has three components, namely cognitive component (cognition), namely the opinion or belief segment of an attitude, affective component (affect), namely the emotional or feeling segment of an attitude and the behavioral component of an attitude (behavior), which is a intention to behave in a certain way towards someone or something.

The role of attitude is very important in determining the quality of services, so every organization needs superior service, which is an attitude or way employees serve by taking into account service recipients as the focus of service. Broadly speaking according to Fandy Tjiptono (2001: 21) there are four main elements in this concept: Speed, Accuracy, Hospitality and Comfort. The level of excellence can be achieved by means that every employee must have certain skills, including looking good and neat, being friendly, paying attention to work enthusiasm and attitude always ready to serve, calm at work, not arrogant

because they feel needed, mastering their work both tasks related to department or department or for others, able to communicate well, can understand the sign language of the community and have the ability to handle complaints professionally.

The third component, namely Innovative. The ability to exploit knowledge is an important component of the ability to innovate. According to Suryani (2008: 304), innovation in a broad concept is actually not only limited to the product. Innovation can be in the form of ideas, ways or objects perceived by someone as something new. Innovation is also often used to refer to changes that are felt as new things by people who experience. As for the impact of innovation, namely replacement, change, addition, rearrangement, deletion, reinforcement. The impact can be a reference for organizations to assess the effectiveness of an innovation, and this innovation can later be part of the implementation of HR management development system.

So that the three pillars can be developed, a bureaucracy that has an entrepreneurial spirit is needed. David Osborne and Ted Gaebler (1996) with their monumental work "Reinventing Government, How the Entrepreneurial Spirit is Transforming the Public Sector" trying to reinvent government by developing the concept of entrepreneurial government (Entrepreneurial Government). The very strategic basic essence of Osborne and Ted's thoughts is closely related to the government bureaucracy which is no longer oriented to the culture of centralization, structuring, formalization and apatistics but rather on the decentralization of empowerment, partnership, functionalization and democratization. The function of a modern government strategy must be directed to the carrying capacity and driving force to increase the participation of the community in the policy process, governance and development implementation.

### **Corporate University and the Existence of Public Competitiveness**

Based on the company's need to manage various individuals in the company to educate employees to meet organizational goals, as said by Meister (1998) defines a corporate university as: "The strategic umbrella for developing and educating employees, customers and suppliers in order to meet an organization's business strategies (Prince, 2001: 17) "

Corporate university as an approach in managing human resources can realize public organizations that have high competitiveness, a number of principles that can be

implemented to build a competitive organizing system. According to Allen (2002) (Cappiello, 2017: 304) from The corporate university label is currently attached to a broad range of entities, ranging from renamed training departments to institutionalized carriers of strategic knowledge within and between organizations. Corporate university can be placed on a path of evolutionary growth represented by a stair, starting from the training department and ending up with an autonomous organization competing with conventional university.

Corporate University as an approach to be implemented in the public sector and affect organizational performance needs to consider the following organizational conditions: 1) Leaders must be sensitive, responsive, accountable and transparent to subordinates, several studies have shown the influence of leaders on organizational performance, can be imagined if every individuals have the soul of a leader, understand themselves have a role and a great responsibility for the sustainability of the organization so that encouraging individual behavior into group behavior that supports the realization of organizational goals, 2) Public debate, meaning that policies or guidelines taken or selected are the result of understanding and agreement between government officials, various discussion forums should be an ongoing activity when determining policy 3) Coordination, intended that good coordination between all government agencies will be very good for growth the development of accountability, 4) Autonomy, meaning that government agencies can implement policies in their own way which is the most profitable, most efficient and most effective for achieving organizational goals, 5) Explecitnes and clarity, meaning that performance evaluation standards must be disclosed clearly and clearly so that they can be known clear what must be accountable.

Public accountability can be used as a reference to assess the extent to which the public sector performs its service function, Pranoto in (Hakim, 2014: 5) accountability is defined as a form of accountability that answers and explains the level of performance benefits or the exercise of authority of a person or legal entity or collective leader of an organization to the party who gave the authority.

According to Osborne and Gaebler (1996) revealed that the principles of entrepreneurial governance, namely: 1) Catalyst Government (Directing Rather than Pedaling). 2) Government Owned Community (Giving Authority Rather than Serving). 3) Competitive Government (Injecting Competition In Providing Services ) .4) Government that is driven by

mission (Changes the organization that is moved by regulations). 5) Government is results-oriented (goal-oriented government changes the focus from input to accountability on output or results).

There are several things that become the foundation why organizations must continue to learn and continue to carry out various human resource management activities, according to Maryani, Donna, and Hapsari (2010) including, 1) Tight business competition, in the current era of globalization, competition in the industrial field is experiencing intense business competition. Therefore every organization is required to continue to learn in order to survive from competition. 2) Synergy between members, with learning organizations, employees in an organization will work together to conduct learning. 3) Rapid change, the era of globalization demands the industrial world to make changes quickly. Learning organizations not only carry out continuous learning but can create new knowledge to meet the demands of rapid change in the industrial world, 4) Anticipating the future and uncertainty, learning organizations and changes to anticipate the future and adjust for the uncertainty that will come in the business environment.

## **Conclusion**

Public sector organizations are not solely non-profit oriented social organizations, not only government organizations but public sector organizations are organizations that deal with public interests and provide goods or services to the public that are paid for through tax or other state revenues regulated in law (Bachtiar , 2015: 14).

Lower-level bureaucracy is the most important part in the provision of public services, various services received by the community are greatly influenced by how services are provided, good services are not enough by building systems or technical procedures for services, there needs to be awareness for public service providers to provide services that meet the needs community as a focus of service. A good understanding of public services can be done in various ways one of which is to provide an understanding of how public services work, low understanding of work can affect performance, and motivation to provide the best service.

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