

# A Model for Performance Evaluation System on the State Organization and the Civil Servants in the Regional Employment Board, BKD, in South Sulawesi, Indonesia

Baharuddin<sup>1</sup>, Sangkala<sup>2</sup>, Hamsinah<sup>3</sup>

<sup>1,2,3</sup> Faculty of Social and Political Sciences, State Administration, Hasanuddin University, Indonesia

**Abstract:** *This study aims to identify the Organizational and Civil Servants Performance Evaluation System at the Regional Employment Board, BKD, in the province of South Sulawesi, Indonesia, as the basis for a model on the Performance Evaluation System at the Institution. Modeling the Performance Evaluation System was also based on some results of studies that found that there were some more government organizations, in Indonesia, not been able yet to make such a positive contribution. This research is based on the notion of Performance Based-Management. The approach used in this study was qualitative method, a case study type. It was based on the output dimensions of the work that impact on the organization, as the job performance. In addition, the job behaviors that have a relevance to the attitude of an employee should be shown as well to support their tasks in the organization. The results of this study found that the performance evaluation system implemented at BKD consists of 2 forms. Firstly, an evaluation to measure the performance of an organization which was called the Performance Accountability Report Government Agencies, as AKIP in Indonesian. The second one is the performance evaluation on the civil servants, individually, which referred to and based on the Government Regulation No.10 of 1979 dated May 15th concerning the implementation of the Civil Service job, as DP3 in Indonesian. Although the performance evaluation system has long been applied in BKD, but it seems the condition is not fulfilled the evaluation of performance measurement system yet as it was not based on the principles of management. The Performance-Based management requires, according to Armstrong and Baron (1998), that an activity integrated with strategic objectives of the organization. The strategic objective is to develop indicators point factoring in the primary key (key performance indicator), which is then further distributed to the individual employee level. Therefore, the performance evaluation system model is proposed as an alternative to improve the performance of organizations and civil servants at the Regional Employment Board, BKD, and it may make a positive contribution to society.*

**Keywords:** Evaluation, Evaluation System, Model, Performance, Regional Employment Board

## 1. Introduction

Reformation in the public sector management becomes a necessity because it has become a people's demands. The reformation on the public management is seen as part of good governance, the focus and orientation of bureaucratic activity is no longer administratively, but they have shifted towards the management. The principles of efficiency, effectiveness, and economy (3E) in carrying out all activities of the organization and use of resources should be measurable. The activities were measured in both the implementation and the results and they will be more accountable to the preparation of a measurement system and it becomes a necessity. The performance measurement system must be able to meet the basic principles of good governance, they are accountability and transparency, so that the performance achieved by any government agency can be accessed and assessed easily by the public. Therefore, accountability and transparency of the organization becomes necessary condition for government agencies that have implemented good governance.

The optimal performance is one indicator and an important attribute of such an organization. Unfortunately, in Indonesia, the performance of government agencies, based on some survey results still find up to now, have not been able to satisfy the public. Government agencies (bureaucracy) still shows no friendly face and cause problems when the people deal with bureaucracy. Therefore, the government, both at central and regional levels, strives continuously to improve

the organizational performance and the performance of government employees.

Various instruments have been implemented through some regulations to encourage the government bureaucracy able to meet the society's expectations. To measure the performance of agencies, such a Presidential Instruction No. 7 of 1999 was, concerning with the performance accountability Government Agencies, AKIP in Indonesian, issued. It then followed by a guidelines for the Performance Accountability on the Government Organization, AKIP in Indonesian, based on the Institute of Public Administration Decree No. 239/IX/06.08.2003. Similarly, to measure the performance of civil servants, the government has issued Government Regulation No. 10 of 1979 on List of Job Performance Appraisal of Civil Servants, DP3 in Indonesian.

Although some regulations have been issued by the government to encourage the improvement of the performance quality of government agencies, but up to now, according to the results of the performance evaluation by the Ministry of Administrative Reform and Bureaucratic Reform released each year, there were not any government agency got an A grade. Conceptually, this condition may occurs when the system was not built on into an integral part of the functions of work activities which had been occurred in the organization. Therefore, we need a system that may be used to improve the performance by designing a model of the measurement system as a trigger for each actor in the organization to maximize their performances. The system

should be built into the internal part of management activities in the organization.

The need for management practices that was able to move all components of the organization for improved performance not only at the level of the organization, but to the extent, up to the team and the individual/employee. The improvement can be achieved through a model called as Employee Performance Appraisal System, a Model Based on the Information Technology. This model system is more emphasis on how the performance indicators compiled by the plans or objectives of the organization, then it elaborated into the indicator units/teams, and individuals. Individual indicators would then become the basis of the performance of the organization. Thus, the performance at the individual level, and at the same time, becomes a control point for the successful achievement of the basic management of the organization's objectives. This system will build an organization capable of delivering optimal performance, because the performance achieved by improving the performance of established individuals (employees), team/group up to the level of the organization. In addition, this system is able to provide a mechanism of accountability and transparency as required by the implementation of the principles of good governance (good governance) because integrated information and communications technology.

#### a. Research problems

It must be admitted that up to now the performance measurement system used by the local government has not been fully felt able to push the performance of the organization that departs from the real targets to be achieved by the local device. On the basis of this conceptual background, this study tried to make such performance measurement practices on state organization and their employees in the Regional Employment Board of South Sulawesi province. To answer these problems, then some proposed research questions are as follows;

- i. How is the organization's and civil servants' performance evaluation system currently in the Regional Employment Board of South Sulawesi Province?
- ii. How should be the basic formulation for the organizational performance evaluation system formulated that may assess the employee performance objectively and integrated with the strategic management in South Sulawesi province BKD?

#### b. Methodology

The research uses qualitative approach in type of a case study. The research more focused on the efforts to uncover how the organizational and employee's performance measurement system that is practiced in BKD as well as the various weaknesses of the evaluation system. These efforts were made in order to formulate a new performance evaluation system, as a Model, that is relevant not only to BKD itself, but also with applicable government regulations.

The research on the organizational and employee performance evaluation system based on the information technology on the Regional Employment Board of South Sulawesi was designed to identify such ineffective problems

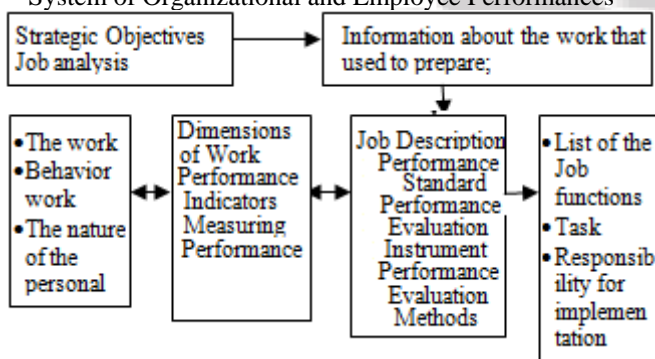
of organizational and employee performance evaluation systems that had existed for so long. In addition, this study also sought to formulate an alternative evaluation system to overcome the weakness of the system that has been implemented so far. To achieve the objectives of this study, the approach used is qualitative with the level of an explanatory analysis. The focus of the research is directed at the organizational and employee performance evaluation system located at the office of the Regional Employment Board of South Sulawesi province. The data were collected by in-depth interviews and were analyzed with qualitative analysis by the research stages preceded by preliminary studies, baseline surveys, data collection, and data processing.

## 2. Theoretical Framework

In some literatures of the performance evaluation system, the performance declared as an important part of performance management, which contains a series of activities ranging from performance planning, implementation and evaluation of performance. In its development, the concept of performance described as an overall activity that was subsequently integrated into what is known today as performance management. This is due to the third activity of the performance assessment from the planning stage through the performance evaluation is an integral activity, (Chang, R., 2011). Furthermore Chang, R. (2011) stated that in the cycle of performance management, performance measurement plays a central role. Serves as a measure of performance parameters established target achievement. Instrumental performance measures are expected to achieve organizational goals.. Performance measurement is applied either at the planning or evaluation. Further, according to Armstrong and Baron (1998) that there are some keywords in the definition of performance management; Strategic performance management which means giving attention to the issues faced by the organization in order to make it function effectively to its environment, and the direction of where the organization intends to achieve long-term goals. Integrated means: vertical integration-related goals of the organization, the teams and the individuals; functional integration-related functional strategies in different parts of any part in the organization; integration of human resource-related aspects of different human resources, particularly the development of organizational and human resources as well as the award for achieving coherent approach to the management of the development. Giving attention to achieve effectively organizational performance improvement, the team and individual performances. Performance is not just about what is achievable but about how achievable. Leaders involved in giving directions, measure and control, but this is not only a leader task, but also a special task for the teams and the individuals to work together as stakeholders. Give attention to the development, where possibly the most important function of management performance. Improvements in performance will not be achieved unless there is an effective process related development continues. This is the core competencies of the organization and the capabilities of the individuals and the teams. Therefore, the performance management should really be called the performance management and the development.

This study refers to the framework as illustrated in Figure 1 below, as Model for Performance Evaluation System Organization and Employees. In these images provide direction and systematic preparation of employee performance evaluation system. The line of thought states that performance management is a strategic and integrated approach to delivering sustainable organizational success by improving the performance of the people who work in the organization and by developing the capabilities of the individual contributions (Armstrong and Baron, 1998). Performance-based management requires that the performance measurement system will be successful when the performance measurement system is seen as an activity integrated with strategic objectives of the organization. The strategic objective is to develop the indicators point factoring in the primary key (key performance indicator), which is then further distributed to the individual employee level.

**Figure 1.** Conceptual Framework as a Model For Evaluation System of Organizational and Employee Performances



### 3. Results and Discussion

Based on the results of field study, this study found that the performance evaluation system that applied at the Regional Employment Board, BKD, in South Sulawesi consisted of two forms. Firstly, the evaluation was intended to measure the performance of an organization called the Government Performance Accountability Report (performance reports). The performance evaluation indicator refers to the annual work plan of BKD which is derived from the strategic plan. The terms and the method of measurement refers to the President No. 7 of 1999 concerning the performance accountability of Government Agencies called as AKIP and the Administration of State Institutions and Decision No. 239/IX/06.08.2003 on Guidelines for the preparation of the Government Performance Accountability also called as AKIP. Secondly, the evaluation to measure employee (people) where the terms and methods based on the Government Regulation No. 10 of 1979 Date May 15, 1979 concerning the implementation of the Civil Service job which called as DP3.

The measurement method was, in the performance reports, the criteria used to measure the performance of the organization, quantitative one. They consist of the dimensional conditions, the real time implementation, the effective use of the financial resources, the effect of an effort (outcomes), and the standard of the absolute zero. While to measure DP3. The use of criteria or the dimensions of the staff work, the work behavior and the properties are summarized into eight dimensions. They are fidelity,

performance, responsibility, obedience, honesty, cooperation, initiative, leadership.

The weakness of the employee performance evaluation system used in BKD is not only the source of the relevant aspects of the determination of indicators that do not have direct linkages with the objectives of the organization, from the viewpoint of management. On the basis of these considerations, this study proposes a model of employee performance evaluation system that uses basic thinking performance-based management. A model of employee performance measurement system should use integrated thinking patterns between the employee performance assessment indicators with targets to be achieved by the organization, Regional Employment Board, BKD.

The results of this evaluation resulted in a recommendation that the employee performance evaluation system in BKD approach should use a mixed-method between the work approaches, work behaviors and personal characteristics. The approach requires the work of assessment indicators based on organizational objectives is prepared each year. Work behavior is the behavior that is displayed by an employee whose job duties related their field. Similarly, the personal nature of a personal nature which is able to support the success of an employee assignment. Meanwhile, the performance dimensions are: the employee target (SKP) is a work plan and targets to be achieved by a civil servant. The target of the employee behavior assessment was prepared with reference to the annual work plan at BKD in South Sulawesi. Thus, each employee should prepare an annual work plan based SKP of each unit where the employee was placed. The work behavior (PK) is any behavior, attitude or action taken in compliance with law. The performance appraisal of civil servants includes aspects: service orientation, integrity, commitment, discipline, teamwork, and leadership. A special assessment was conducted for the leadership of civil servants who occupy structural position. Based on the results of research conducted related to employee performance evaluation system in the Office of the Regional Employment Board of South Sulawesi province can be summarized as follows:

The employee performance measurement system implemented in South Sulawesi BKD principally did not use performance-based management approach. This means that the preparation method of the dimensions of the work until the indicator is not based on the assessment or refers the strategic objectives of the organization. Although in these indicators mentioned about the size of job performance, but they were not an integrated part of the organization's work goals in BKD. In addition to the size of the work in the form of performance, there are also indicators of the nature of work and the personal behavior, but in the assessment guidelines, they were not directly stated to be related to the organization's strategic goals as described by Armstrong and Baron, (1998) and illustrated in Picture 1 about the Proposed Model. The line of thought states that performance management is a strategic and integrated approach to delivering sustainable organizational success by improving the performance of the people who work in the organization and by developing the capabilities of the individual contributions. Performance-based management requires that the performance measurement system will be successful when



the performance measurement system is seen as an activity integrated with strategic objectives of the organization. The strategic objective is to develop indicators point factoring in the primary key (key performance indicator), which is then further distributed to the individual employee level.

#### 4. Conclusion

Addressing the organizational and employee performance evaluation system conditions at BKD which do not meet the principles of performance measurement system based-management, this research formulates a model for the organizational and employee performance evaluation system. The model for the system of the organizational and employee performance evaluation should be based on;

1. The output dimensions of performance as a working performance and behavior that relevant to the attitude of an employee so it should be explained to support their tasks.
2. The personal nature should also be pursued to be displayed in order to support the job performance.
3. The mixed approach is a proposed method for this model.

#### References

- [1] Amstrong and Angela Baron. 1998. Performance Management the New Realities, London: Institute of Personnel and Development.
- [2] Chang, R. 2011. Measuring Organizational Performance. Jakarta: PPM Manajemen
- [3] Fowler A. 1990. Performance Management: the MBO of the "90s? London: Personnel Management.
- [4] Fletcher C. 1993. Appraisal: An Idea Whose Time has Gone? Personnel Management. UK: Institute of Personnel Management
- [5] Julnes, Patria de lancer, 2009. Performance-Based Management System: Effective Implementation and Maintance. USA: CRC Press Taylor & Francis Group.
- [6] Kessler, Robin, 2011. Competency Based Performance Review: Evaluasi Kinerja Karyawan Untuk mencapai Sasaran Strategis Organisasi. Jakarta: PPM Manajemen.
- [7] Popovich, Mark G. (editor). 1998. Creating High-Performance Government Organization. San Francisco: Jossey-bass Publisher.
- [8] Robert S. Kaplan and David P. Norton. 2001. The Strategy-Focused Organization: How Balanced Scorecard Companies Thrive in the New Business Environment, Boston: Harvard Business School Press.
- [9] Roger S. 1990. Performance Management in Local Government, Jessica Kindsley Publisher, London.
- [10] Smith, Malcom, 2005. Performance Measurement & Management: A Strategic Approach to Management Accounting. London: Sage Publications.
- [11] Wilson, J.B. 2011. Planning for Excellence Performance: Merencanakan Kinerja Unggul Karyawan. Jakarta: PPM Manajemen.
- [12] Dokumen Hasil Penelitian:
- [13] Suryanto, 2012. Kompetensi dan Kinerja (Produktivitas) Pegawai Negeri Sipil, Jurnal, Civil Service, Jurnal Kebijakan dan manajemen PNS, Vol 6. No.2 November, 2012, Jakarta, Pusat Penkajian dan Penelitian Kepegawian BKN

- [14]Widowati Dyah Ayu dan Rimawati, 2012. Problematika Dalam Manajemen Kepegawaian Daerah, Jurnal, Civil Service, Jurnal Kebijakan dan manajemen PNS, Vol, 6 No.1, Juni 2012, Jakarta, Pusat Penkajian dan Penelitian Kepegawian BKN.
- [15]Republik Indonesia.Keputusan Presiden Nomor 7 tahun 1999 tentang Akuntabilitas kinerja Instansi Pemerintah (AKIP) dan Keputusan Lembaga Administtasi Negara Nomor 239/IX/ 6/8/2003 tentang Pedoman penyusunan Akuntabilitas Kinerja Instansi Pemerintah (AKIP). Jakarta: Sekretariat Negara
- [16]Republik Indonesia .Peraturan Pemerintah Republik Indonesia No 46 Tahun 2011 Tentang Penilaian Pelaksanaan Pekerjaan Pegawai Negeri Sipil, Jakarta: Sekretariat Negara RI

#### Author Profile

**Dr. Baharuddin** is a lecturer at Faculty of Social & Political Sciences, State Administration department, Hasanuddin University. He is Prof. Dr.Sangkala's and Dr. Hamsinah's senior. He was also a graduate from Hasanuddin University, in his first degree in 1983, state administration department. Then, he finished his master degree in 1997, in development administration, and completed his Phd in public administration in 2010, both degrees in Hasanuddin University as well. He has made some social researches in South Sulawesi, among others are "Program implementation in commodity zoning in Mattirobulu District, South Sulawesi, 1999," "Analysis of the placement of civil servants on structural position, III and IV essalon in Makassar secretariat," and Analysis of Rredesign of Organizational Effectiveness in local government offices Makassar, 2007." He has some experiences in attending many seminars and workshops, particularly in Indonesia. Some of his researches have been published in some local journals and two of them in international ones, in Kuala Lumpur and Malaysia.

**Prof. Dr. Sangkala MA** is a professor and lecturer at Faculty of Social & Political Sciences, Hasanuddin University in Makassar, South Sulawesi, Indonesia. He was graduated from Hasanuddin University, in his first degree 1988, in Administration. He finished then his second degree from University of Indonesia in 1999, in Business Administration. His Phd degree was graduated from University of Indonesia as well, in Administration in 2005. Now, he is the chief of Administration departement in Fac. of Social & Political Sciences, Hasanuddin University. He is also a social researcher. In last 5 years he has conducted several social studies; among other are "A Model of Innovation Strategy of Small Industries Organization Beverage Passion In Improving Organizational Competitiveness in Makassar," and "Monitoring systems and mechanisms For Quality Assurance In Management and School Levels."Some articles have, concerned about the public administration, been published in some local journals.

**Dr. Hamsinah Msi** is a professor/lecturer at Hasanuddin University, at Faculty of Social and Political Sciences, in State/Public Administration. Now, she is the secretary of the State/Public Administration Department. She was graduated from Hasanuddin University for her first degree, in State Administration in 1985. She then completed her Magister degree, in Population Studies in Gadjah Mada University in 1995. In 2009, she finished her Phd in Public Administration, in Brawidjaya University, Indonesia. She is a social researcher as well and has conducted some studies on public administration, among other are "Public Service Performance in Perspective NPM (Study of Customer Focused Service Delivery Model At Fresh Water Local Enterprises In Makassar, PDAM)," and "Traditional Market Management Policy Implementation and Modern Market in Makassar," and "The Public Service Performance In Perspective New Public Management (NPM) (A Customer Model Focused On Service In PDAM

Makassar City, in 2012),” Two of these studies were published in Scientific Research Journal, SCIRJ, Australia in Vol. 1, Issue III, October 2013, and in International Journal of Social Science Tomorrow, IJSST, India, Vol. 2 No. 8, August 2013.



**IJSR**