

Research article

Innovation and Human Resource Development: A Case Study in South Sulawesi

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Abstract.


Human resources is a key factor of an innovative organization. The literature generally states that innovation in public organizations is largely determined by the quality of their human resources. The purpose of this study was to determine how innovation in a government organization can improve the competence of its human resources. This research was conducted on ten public service innovations introduced by the Government of Bone Regency, South Sulawesi. A qualitative approach was used with a case study. Data on these ten public service innovations were collected through focus group discussions and in-depth interviews with innovators. This study found that increasing the competence of human resources in organizations that implement innovations can occur through a range of factors: top management support; rewards; staff diversity; involvement of every member of the organization; experiments; and teamwork.

Keywords: innovation, public service, human resource development

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1. Introduction

Innovation in the public sector is currently getting more attention from both academics and practitioners. By implementing innovation, public organizations can improve the quality of public services (Damanpour & Schneider) [1] and improve service performance (Walker, Jeanes & Rowlands)[2]. Service innovation in the public sector has become a must. Therefore, public sector innovation has become the political and administrative agenda in many developed countries and has spread to developing countries including Indonesia.

The Indonesian government continues to encourage central and local government organizations to innovate in order to improve public services. The Ministry of Administrative Reform and Bureaucratic Reform (KemenPAN RB) makes an innovation policy with two main programs, namely the One Agency, One Innovation Program and the innovations produced by this program are contested every year in the second program

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of the Public Sector Innovation Competition known as Top 99 Synovik. In the Leadership Training organized by the National Institute of Public Administration (NIPA) since 2014, each participant must make innovations in their respective organizations as a condition to complete the training. As of 2018, 90,226 leadership trainees have created 90,226 innovations in public sector organizations. The innovations created by these leadership training participants are better known as Change Projects.

In addition, National Institute of Public Administration also created a program called the National Institute of Public Administration Innovation Laboratory to help local governments innovate to improve the quality of their public services (LAN RI) [3]. This Innovation Laboratory Program has been one of the priority government programs since 2018. During 2015-2018, around 7,051 innovation ideas have been produced by this Innovation Laboratory (LAN RI) [3]. Unfortunately, most of these innovation ideas come from local governments in western Indonesia, which are known to be more developed than local governments in eastern Indonesia. This data can confirm the views and literature so far which generally states that innovation in public organizations is largely determined by the quality of the human resources they have. Human resources and creative works according to Zemplerova [4] and Autant-Bernard are considered as determinants of innovation. Every innovative organization must have a myriad of ideas which of course must be born from its human resources. For Pitra innovation is the work of competent employees. [5]

In contrast to the general literature which states that innovation in an organization is determined by human resources who have good competence, this study sees the opposite, namely that innovation in an organization can increase the competence of existing human resources in the organization. This research was conducted on ten public service innovations introduced by the Government of Bone Regency, South Sulawesi. Data and information were collected through focus group discussions and in-depth interviews with innovators.

2. method

The research approach used in this study is a qualitative approach with a case study method. Researchers want to analyze how innovation in a government organization can improve the competence of human resources in the organization. This research was conducted on ten public service innovations introduced by the Government of Bone Regency, South Sulawesi. Data and information were collected through focus group discussions and in-depth interviews with innovators. This research mainly utilizes

public service innovation data accompanied by the Innovation Laboratory of the National Institute of Public Administration, which contains the results of public service innovations during 2015-2018, around 7051 ideas. innovations have been produced by this Innovation Laboratory (LAN RI, 2018). The election of Bone Regency as the selected area in South Sulawesi, namely because it creates many public service innovations and the success of Bone Regency in getting several awards. Bone Regency received the State Administration Innovation Award from the National Institute of Public Administration of the Republic of Indonesia (2017). Award as "Best Public Service in Health Free from Extortion" from the Inspectorate of General Supervision (Irwasum) of the Republic of Indonesia Police (2019) and Award for Top 30 Public Service Innovation Competitions in 2021. Data collection in Bone Regency was carried out in two ways. First, interviews and focus group discussions with respondents related to innovation consist of the initiators of the innovation. Second, document study. The analysis was conducted to investigate relevant documents obtained directly from the Regional Apparatus Organization of Bone Regency which created the innovation as well as from other relevant sources.

3. RESULTS AND DISCUSSION

Innovation as creativity and/or adoption of new ideas, new processes, new products or new services aimed at increasing value to customers and contributing to the performance or effectiveness of the company/organization. This innovation is carried out as a tool to develop programs that have an impact on human resource development. Human resource development is related to the availability of opportunities and learning development. Human resource development can be defined as a set of systematic and planned activities designed to facilitate employees with the skills needed to meet job demands, both now and in the future.

Human resource development for employees is a systematic learning and training process to improve their competence and performance in their current job and prepare themselves for future roles and responsibilities.

The government as a policy maker is an actor who can mobilize human resources to increase creativity, ideas and skills. The interaction of human capital, organizational capital and social capital, has shown a significant effect on innovation ability. In this regard, several local or city governments are aggressively developing innovative programs to boost the acceleration of development in their regions by involving the community as subjects in the program. The definition of innovation has been and is an area of interest to researchers and practitioners. How to define innovation in an institution is

considered to further determine what activities will be carried out in the institution. It is very important for an organization to understand the innovation process because it will mainly affect its long-term success. According to Mulgan and Albury, innovation in the public sector is defined as the creation and implementation of new processes, products, services and delivery methods, which will primarily affect the efficiency, effectiveness and quality of results. [6]

Focusing on human resources, the literature supports that human resources are an integral part of the innovation process. People are the key factor enabling and driving innovation through the creation, processing and realization of ideas. Human resource-based practices that lead to innovation in training subjects, employee engagement, communication flows, reward systems and related activities (Ramayah and Fadhilah) [7]. One of the initial factors that fosters innovation is employee skills, which enable organizations to generate innovation.

According to (Albury ,Hartley, Borins) [6], [8], [9] there are eight features that contribute to the development of a culture of innovation in the public sector. In this study, the research team focused on the inclusion of human resources in supporting innovation in the public sector. These indicators include top management support; rewards and rewards; diversity of staff; involvement of every members of the organization; experiments; and teamwork.

Human resources and creative work according to Zemplerova [4] are considered as determinants of innovation. Adair [10] states that every innovative organization must have a myriad of ideas. Pitra states that innovation is the result of employee work.[5]

Recently, innovation in the public sector has received increasing attention from both academics and practitioners. Public sector innovation has been on the political and administrative agenda in many developed western democracies (Borins) [9] and soon spread to developing countries. By implementing innovation, public organizations can improve the quality of public services (Damanpour & Schneider) [1], and improve service performance (Walker, Jeanes & Rowlands) [2] . To achieve effectiveness and efficiency, most governments rely on successful innovation using human resources and technology (Mulgan & Albury) [11].

In addition to directive intervention through regulation, awards and competitions for public organizations are an alternative to spur innovation in the public sector. The number of competitive reward schemes for public services has grown significantly as a means of celebrating high performance and disseminating good practice (Hartley & Downe) [12].

The Indonesian National Competition for Public Service Innovation has attracted enthusiasm from various public organizations. This is indicated by the increasing number of participants from year to year. It started in 2014 with 515 competitors registered, an increase of 130 percent on 2015 to become 1,189 participants. This was repeated in 2016 with 2,476 registered innovations (KemenpanRB)[13]. All submissions are evaluated through an online table-based assessment by independent evaluators who produce the top 99 innovators. The last assessment was the top 9 in 2014, the top 25 in 2015 and the top 35 in the 2016 competition. This shows that more and more government agencies, as well as public organizations in Indonesia are willing to innovate in providing public services.

Innovation is one of the important elements in implementing local government. The competitiveness of a country/region is determined by innovation as mandated in Law No. 23 of 2014. The formulation of strengthening the regional innovation system is carried out through organizational carrying capacity regulations, regulatory frameworks and internalization of innovation culture, human resources must have an awareness of the importance of innovation.

Human Resources is a key factor of an innovative organization. In the view of psychology, every human being has the capability to solve a complex problem and create creative behavior. One of the other important factors in creating an innovative organization is the role of key individuals who must always move.

One of the local governments that develop innovative programs is Bone Regency with 10 public service innovation programs. The local government of Bone Regency seeks innovation development programs by carrying out activities involving the community.

The innovations are Ruko Konde - Kecamatan Amali, Klink Kemasan Kita - Dinas Perindustrian, Peduli Janda - Puskesmas Ajang Ale, Dokter Visit Dusun - Puskesmas Lonrong, My Like Bone – BKPSDM, La'MiRape - Dinas Peternakan dan Kesehatan Hewan, Gemar Limas – Bappeda, Klik Galeri Pada IDI - Dinas Koperasi dan UKM, Deng Siba-Badan Penanggulangan Bencana Daerah, dan Bang Sayur – Dinas Tanaman Pangan. These innovations can become a benchmark in sustainable human resource development in Bone Regency.

3.1. Innovation and Human Resource Development

Individually or in groups, HR competency development can be done through innovation. Innovations are made to solve various problems related to the main tasks and functions of employees in agencies and provide public services that satisfy the community. In

addition, innovation is also a forum for employees in determining the planning, implementation and evaluation of work. Through innovation activities, employees can share with other employees regarding the implementation of innovation. In implementing innovation, employees discuss the problems faced at work so that they think creatively and create innovations to solve these problems. Employee competency development through innovation activities is actually very effective. In innovation activities, employees can exchange experiences with each other and become a common vehicle in efforts to solve problems at work.

This study found that the increase in the competence of human resources in organizations that implement innovation can occur due to several things. First, top management support for sustainable innovation programs is generally found in organizations where employees have a sense of belonging to the innovation program in their organization. In addition, the employee's sense of ownership is also supported by top management, for example in Bone Regency, research results show that the Regent is very supportive of the innovation program. The form of support is that the innovation program is included as the Main Performance Indicator of the Regional Head and included in the Bone Regency's Mid-Term Development Plan for 2019-2023 so that budget continuity is guaranteed. Another thing that was also done by the Regional Head of Bone Regency was to make an MoU with the TNI, Polri, Basarnas, religious leaders and the Village Head. In addition, the innovation process is also influenced by the right skills, through innovation activities will increase the possibility of employees to create new knowledge to solve existing problems. Therefore, innovation can occur, starting from discussing innovation ideas, planning, implementing, monitoring and evaluating innovation programs. In this process, in addition to each employee exchanging ideas, ideas, support from the Regional Head and Regional Apparatus Organization Leaders are very much needed. Support is not only in the form of a budget but also support in the form of suggestions and input when employees discuss innovation ideas. "Since the initial process of generating innovation ideas, planning, implementing, and evaluating we exchange ideas. So that those who initially didn't understand what innovation was finally started to understand, enjoy, and even give birth to new innovations." So that employees can freely express their ideas and in the end can enjoy the process of realizing these innovations because they believe that their leaders support them both morally and financially. This process certainly increases the competence of the employees involved. In developing and implementing innovations that have been made and used are always discussed to exchange ideas in the process so that from the process members of the work team unconsciously increase their knowledge and complement each other in

their work. The development of these innovations gave rise to thoughts to develop other innovations further.

Second, reward and awards. When an organization establishes a new or innovative way of working, then the organization's employees must automatically follow the new policy, or resign. to apply new methods or innovations introduced by the organization. For employees who have not been able to apply them, of course they must learn to improve their competencies in order to survive in the organization. Employees' efforts to adapt to the changing organizational environment is certainly not easy, many efforts must be made. Bone Regency Government as an organization that is trying to be more innovative, the behavior of their employees must also change. The innovation work process provides practical knowledge to improve employee abilities, improve employee performance, and help employees reduce errors at work. Therefore, the Bone Regency Government motivates its employees to continue to innovate by holding an innovation festival every year and the winners are given awards in the form of certificates and incentives.

Third, staff diversity. The process of developing innovation is not individual work, starting from the process of finding innovative ideas to developing innovations into products that require collaboration among employees within the organization. Creative and innovative thinking can be realized from a variety of staff. As explained by the innovator during the Focus Group Discussion who said that the initial idea of innovation came from the employee's personality but when it was implemented it required other parties both internal and external to the organization. Several innovators emphasized that the involvement of employees in the innovation development process is not only in one field, but also in various fields within the organization, not only at the Bone Regency level, even in villages, according to the main tasks and functions of the organization.

Fourth, the involvement of every member of the organization. An employee who introduces innovation in one organization can be transferred to another organization. To ensure the continuity of innovation, several other employees must be able to carry out the innovations left behind by the initiators. Therefore, the involvement of several employees must be carried out with the aim of enabling them to continue to innovate and of course this process will increase the competence of these employees. Through the involvement of all employees in the innovation work process, providing opportunities for employees to receive knowledge, skills, or expertise from innovators.

Fifth, experiments. Innovations carried out within the Bone Regency Government are new ways of working introduced by these innovators, which in implementing the innovations created is not as easy as turning the palm of the hand. As initially working

manually, it was developed by utilizing technology, this disturbed the employee's comfort zone at work. So it requires efforts to change the mindset of employees so that they understand and there is no resistance to the changes that occur.

Lastly, teamwork. In terms of innovation, various efforts are made by employees to be able to produce innovation in their workplace. Some have learned from employees who have made service innovations. Some employees learn through online publications and innovation. Some even invite institutions, such as the National Institute for Public Administration (NIPA) that can provide innovation training. All of this leads to an increase in the competence of employees in public organizations.

Finally, in terms of innovation, the District Government of Bone, the Regent as the highest executive leader is very supportive and encourages all regional apparatus to produce innovations. This leadership desire forces all employees in every regional organization to create innovations. Various efforts are made by employees so that they are able to generate innovation in their workplace. Some have learned from employees who have made service innovations. Some employees learn through online publications and innovation. Some even invite institutions, such as the National Institute for Public Administration (NIPA) that can provide innovation training. All of this leads to an increase in the competence of employees in public organizations.

According to the Head of the Development and Research Agency of Bone Regency, "the innovation development process carried out by employees within the Bone Regency Government is beneficial in developing its Human Resources." Competency development in human resources that occurs mainly in terms of knowledge. This knowledge is obtained from the formation of the Innovation Work Team in carrying out their duties, sharing with each other when discussing innovation ideas as well as during their implementation.

Another impact caused by sharing knowledge among innovators, according to the Head of the Regional Research and Development Agency, Bone Regency, explained that the Regional Apparatus Organization leadership [because they know the benefits arising from innovation development can help their organizations progress and develop] so that they make policies in one field and one innovation. From the results of the innovation development process carried out at the Regional Apparatus Organization of Bone Regency, the process of developing their competence and experience also took place.

4. CONCLUSIONS

Based on the results of the study, it can be concluded that, firstly, the process of developing innovation to improve the quality of public services in each agency in the Bone Regency Government is based on Government Regulation Number 38 of 2017 concerning Regional Innovation. The steps taken to develop innovation are as follows; early creation Innovation begins with an idea that comes from a problem that occurs in the workplace.

Then after having an idea, the first step taken by the innovators is to ask permission from their leaders to get support. This is very important because innovation can have a risk of failure. After that, socialize both internally and externally regarding the innovation. Secondly, so that employees are motivated to contribute and be creative in innovating, it is necessary to give awards to innovators who have contributed to indirectly participating in helping the development of human resources in each agency in the Bone Regency Government. The three, diversity of staff is very much needed in the process of developing innovation ideas where the innovators and their work teams discuss these ideas with each other. During the discussion there is a knowledge sharing process, so that knowledge is not only owned by the innovator. In addition, when socializing innovation to stakeholders, knowledge can also be shared. So that when innovation can be implemented both internally and externally, the success of the innovation can inspire other employees to do the same. Fourth, the involvement of every member of the organization is also very much needed because with their involvement, they can share knowledge and skills inadvertently so as to facilitate the process of developing innovation, as well as when they implement innovation. Fifth, experiment : the innovation process is one way of experimenting to change the way of working so that there can be rejection for employees who are comfortable with the old way of working, but by changing their mindset, rejection can be overcome. Finally, by creating a work team, this work team is very useful not only to facilitate the process of creating innovations but also knowledge sharing can occur both at the beginning of discussing innovation ideas and when implementing them. So that the problem of low employee competence can be overcome by innovation activities because in the implementation of innovation employees are trained to master various new knowledge and skills so that an increase in competence is formed.

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