

Improving human resource management under regional autonomy

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This research project investigates human resource management (HRM) practices in regional administration and their role in achieving the aims of decentralisation. Focussing on HRM laws and regulations, current HRM practices, and public servant attitudes, researchers identified a number of opportunities for improvements in regional government performance.

While chief responsibility for determining the framework of HRM rules and regulations should rest with central government, the division of responsibilities between central agencies and their authority to intervene in regional HRM matters need to be clarified. Clear definitions of the roles of central, provincial and *kabupaten/kota* governments are urgently needed.

The major finding was the **lack of strategic orientation to HRM in regional government**. HRM was in fact little more than personnel administration, with dated rules and regulations governing its operation. Researchers found a lack of performance incentives especially in the salary system, which was position rather than job-oriented. There is also no job market for regional civil servants, limiting the entry of skilled personnel into the civil service and movement within it. Mismatches between HR needs and allocations are often evident.

Findings highlight the **urgent need for performance-oriented HRM systems in regional government**.