# PRINCIPLES OF PEOPLE MANAGEMENT IN PUBLIC ADMINISTRATION

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#### Abstract:

There is considerable evidence that performance of any organization depends on people working in the organization. Based on summarizing the concept of the relationship between people management and organizational performance, the goal of the paper is to define main principles of managing people in public administration that allow any organization in public organization to achieve expected performance of the organization through achieving desired abilities, motivation and results of people working in the organization. Achieving the goal of the paper is based on the analysis of available scientific literature on people management and authors' knowledge, experience and research results.

#### Introduction

The fundamental results of the research on the relationship between people management and organizational performance confirm that people (for their abilities and motivation to work) represent a critical source of any organization and many researchers demonstrate the positive impact of various people management practices on various organizational performance indicators (Paauwe & Boselie, 2005). There is considerable evidence that organizational performance depends primarily on abilities, motivation and results of people working in the organization. If organizations apply appropriate people management practices, they can positively influence organizational performance through positive influence of people abilities, motivation and results (Armstrong & Taylor, 2015). In this context as appropriate are considered people management practices in job design, people selection, performance management, people compensation or people training.

The goal of the paper is to define main principles of managing people in public administration that allow any organization in public organization to achieve expected performance of the organization through achieving desired abilities, motivation and results of people working in the organization.

Achieving the goal of the paper is based on the analysis of available scientific literature on people management and authors' knowledge, experience and research results.

## 1. People and organizational performance

People are usually valued as the most important source of any organization. Each organization also needs other resources (material, finance or information) but quality people are indispensable to achieve excellent organizational performance (Kucharčíková, Tokarčíková, & Ďurišová, 2015). Abilities (knowledge, skills and abilities to perform agreed work), motivation

(willingness to perform agreed work) and results (quantity, quality, timeliness of actual work) of people determine operating and financial results of the organization.

Any organization that wants to achieve excellent organizational performance must ensure that people woring in the organization achieve desired performance and aply efficiently their abilities and motivation to achieve expected results of the organization (Fedorova, 2016). In other words, the organization must pay particular attention to effective people management.

## 2. Fundamentals of people management

People management refers practices related to management and leadership of people working in the organization. These include such practices as job design, people selection, performance management, people compensation or people training (Koubek, 2015). People management determines organizational performance and enables an organization to achieve expected performance through achieving desired abilities, motivation and results of people working in the organization (Armstrong & Taylor, 2015). Effective people management differentiates successful organizations from unsuccessful organizations.

There is no doubt that organizations who want to achieve expected organizational performance must pay attention to management and leadership of people because their abilities, motivation and results determine organizational performance (Guest, 2011). Organizations need optimal system of people management based on proven practices that will enable them to attract, employ and develop enough quality people and to achieve expected organizational performance by achieving desired performance of people working in the organization (Grenčíková & Špánková, 2016). Among proven practices in people management that demonstrably enable organizations to influence abilities, motivation and results of people working in the organization belong practices in job design, people selection, performance management, people compensation and people training.

# 3. People management in public administration

All above mentioned facts about the relatonship between people management and organizational performance can be also applied to organizations in public administration and their managers that seek to achieve desired results of public administration, especially required level of public services. To succeed, organizations in public administration must be competent employers responsible for people management in public administration, which means to apply proven practices related in people management to job design, employee selection, performance management, employee compensation or employee training that will allow them to achieve expected performance through achieving desired abilities, motivation and results of people working in the organization.

## 3.1 Job design

Job design is the process of defining main tasks and grouping them together to form needed jobs in the organization. The result of forming jobs is the organizational structure. Job designe is realized in accordance with organizational strategy and is based on forecast of labour demand. In view of optimal people management, it is important to design jobs that will satisfy the needs both an organization and people. The organization should design motivating jobs, i.e. complex, various, significant and autonomous jobs using regular feedback.

A complex job is integrated and meaningful, with visible output. A various job makes possible to do various activities and use various practices and so use and develop one's own knowledge, skills and abilities. A significant job gives certain influence on the internal and external surroundings of the organization. An autonomous job makes possible to control one's own work and act relatively independently. Using regular feedback about actual performance and working conditions from workers to managers and from managers to workers enables managers and workers to improve performance and working conditions. Motivating jobs evoke the sensation of usefulness, importance, responsibility, fellowship and make possible to apply and develop abilities and motivation of people.

#### 3.2 People selection

People selection is the process of identifying the probably best candidate who has required abilities and motivation to perform successfully in the job. In view of optimal people management, it is important to pay special attention to personal characteristics of candidates. People working in the organization must be capable and motivated to cooperate and communicate and apply and share their knowledge, skills and abilities to perform necessary work and achieve desired results of the organization.

To assess required personal characteristics of candidates, managers can use various interviews, tests or assessment centres. Competencies and responsibilities of managers in people selection are to conduct the process of assessing candidates and identify the probably best candidate who has required abilities and motivation to perform successfully and contribute to achieving desired results of the organization.

# 3.3 Performance management

Performance management refers to management and leadership of people working in the organization to achieve desired results. The process of performance management has usually three repeating stages through which managers ensure that abilities, motivation and results of workers are consistent with expected goals of the organization.

The first stage – performance agreement – includes a written or verbal agreement between a manager and a worker about particular aspects of performance that are relevant to requirements and objectives of the job and the organization. For optimal management and leadership of the worker, it is important to agree also on development of worker's knowledge, skills and abilities necessary for successful performance in his or her job.

The second stage – performance management – means everyday management and leadership of the worker to meet given requirements and achieve expected objectives of his or her job. For optimal management and leadership of the worker, it is important to lead the worker to effective and efficient cooperation and communication and voluntary and mutual sharing and use of knowledge, skills and abilities in the organization.

The third stage – performance appraisal – provides necessary feedback from the manager to the worker and conversely from the worker to the manager through the appraisal interview at the end of the agreed period. The purpose is to appraise performance of the worker, find way to solve eventual problems and agree on performance requirements for the next period. For optimal management and leadership of the worker, it is important to evaluate actual level of his or her knowledge, skills and abilities necessary for successful performance. The process of

performance management is essential for efficient influencing of abilities, motivation and results of people working in the organization.

Competencies and responsibilities of managers in performance management are to define and implement the concept and strategy of performance management in the organization, make performance agreements with workers, manage and lead workers to meet given requirements and achieve expected goals, conduct appraisal interviews and provide feedback to workers about their abilities, motivation and results.

## 3.4 People compensation

People compensation is the process of offering compensation to people for work done. A modern compensation system includes both monetary compensations (wages and salaries) and non-monetary compensations (benefits like mobile phones, notebooks, cars, flexible hours, home working, housing, insurance, sick leave, medical and dental care, vacation, holidays, leisure activities, training, etc.).

In view of optimal people management, the applied compensation system should be fair and stimulating to attract, employ and keep quality people and motivate them to cooperate and communicate and apply and share their knowledge, skills and abilities in the organization. The fair and stimulating monetary and non-monetary compensations should motivate people to permanent and systematic improvement and development of their abilities, motivation and results.

Competencies and responsibilities of managers in people compensation are to define and implement the concept and strategy of both monetary and non-monetary people compensation in the organization and guarantee fair and stimulating compensation of people working in the organization.

# 3.5 People training

People training is the process of learning knowledge, skills and abilities that enable people to perform successfully in their jobs and to meet changes in conditions and requirements of their jobs and the organization. The process of people training must be permanent and systematic. In view of optimal people management, it is important to motivate people to permanent and systematic training of their knowledge, skills and abilities.

Workers who have some specific knowledge, skills and abilities should be involved in the process of training as trainers and mentors. It increases the motivation of workers and improves conditions for voluntary and mutual development, sharing and application of knowledge, skills and abilities in the organization.

Competencies and responsibilities of managers in people training are to define and implement the concept and strategy of people training, identify needs and define plans of people training and assess results of people training.

#### Conclusion

Organizational performance is determined by abilities, motivation and results of people working in the organization. Organizations that want to achieve desired organizational

performance need to apply optimal system of people management based on proven practices in job design, people selection, performance management, people compensation and people training that will enable them to attract, employ and develop enough quality people. This also applies to organizations in public administration. To succeed as employers, organizations in public administration should implement proven practices in people management related to job design, people selection, performance management, people compensation and people training. Effective people management in organization in public administration requires:

- to design motivating jobs (complex, various, significant, autonomous and using regular feedback) that will satisfy the needs both organizations and people;
- to select people paying attention to their personal characteristics, especially to their abilities and motivation to cooperate and communicate;
- to apply performance management that enables to achieve expected performance of organizations by achieving desired performance of people;
- to apply fair and stimulating monetary and non-monetary compensation system that enables to attract, employ, keep and stimulate quality people;
- to apply systematic training of people and involve people with specific knowledge, skills and abilities in the proces of people training as trainers and mentors.

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