

## REVOLUTIONIZING PUBLIC SECTOR HRM: THE DIGITAL IMPACT

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### **Abstract**

*In the rapidly evolving landscape of the public sector, human resource management (HRM) is a critical component, and its effective implementation is paramount for the success of public organizations. This study delves into the impact of digital technologies on HRM in the public sector, exploring its transformative potential. The digital age has introduced new opportunities and challenges to HRM practices in public organizations, with web-based technologies facilitating more efficient HR processes. However, the rapid pace of digital transformation also poses potential threats, particularly in areas such as data protection and human-computer collaboration. This paper examines the evolving role of HRM within the public sector, considering its unique complexities in contrast to the private sector. As the public sector adapts to the changing environment, it faces a growing need for agility, innovation, and responsiveness to international competition. The incorporation of HRM concepts and methodologies from the private sector reflects the broader shift towards more competitive and globally oriented public organizations. This paper highlights the multifaceted nature of HRM in the public sector, emphasizing the necessity of HRM strategies that align with the unique goals, values, and services offered by these organizations.*

**Keywords:** Public sector, human resource management, digital technologies, organizational performance, HRM practices.

### **1. Introduction**

In the process of building modern society, the public sector plays an important role and is an indispensable part of the development and progress of modern society. The motivation and efficiency of the staff working in the public sector are not high due to their characteristics, so it is necessary to use the incentives in human resource management to improve the motivation and efficiency of the staff and increase the initiative of the staff<sup>[1]</sup>. Incentive mechanism is an important part of HRM process and plays a great role in HRM. It is a key element that affects the overall situation of HRM and is an important way to improve the quality and overall level of personnel. Effective HRM is an important part of achieving organizational performance, helping to support employee career development, attract and retain qualified people, motivate employees to work better, develop their skills and competencies, etc. Digital technologies are dynamically reshaping the human resource management landscape globally. HRM in the public sector in the digital age supports or relies on web-based technologies to deliver HR-related content in the organization, which on the one hand has had a positive impact, making HRM more consistent and efficient, facilitating improvements in HRM functions and reducing costs, enhancing performance, competitiveness and organizational sustainability; on the other hand, digital transformation is occurring much faster than The process of our perception of the impact of digitalization in social and security aspects, which poses

a potential threat to society and raises new issues and challenges such as personal information protection and human-computer collaboration<sup>[2]</sup>. The public sector provides services to meet the public needs of society, and the performance of public sector employees plays a crucial role in the quality of their work and public satisfaction. Human resource management in the public sector is more complex due to differences in organizational goals, values, the nature of services provided, and the qualifications required of employees, and the experience of human resource management in the private sector is not fully applicable to the public sector. As an important module of modern management system, HRM originally originated in enterprises and has formed a relatively mature system in management practice. With the influence of the "New Public Management Movement" in the West, the concept and methods of HRM have been gradually introduced into the public management sector in China. The concept is now widely used in the public sector, including non-profit organizations, public institutions, and public enterprises. This change in human resource management reflects the increasing national, regional, and global competition and the resulting changes in workforce characteristics, laws, regulations, and science and technology, as well as the public outcry to reform public organizations. These changes in the environment require that the structure, shape, characteristics, and technology of organizations be adapted to them and that they adapt to the needs of increasing international competition in terms of speed of reflection, product or service quality, innovation, and globalization<sup>[3]</sup>.

In general, private sector human resource strategies are: directional plans that describe business issues related to people; they are functional management strategies that are developed and pursued by managers in the same way as other strategies. HR strategies are important because they help managers determine how people management will be implemented to support business strategy. They present the alliance of HR activities with corporate strategy. HR strategies present the focus of HR activities, programs necessary for the success of the business, and it also focuses managers' attention on practical activities at a higher level than traditional HR planning.

## **2. The connotation and basic model of public sector human resource management**

### **2.1 The connotation of human resource management in the public sector**

Although a large number of strategic HRM studies have been entitled "strategy", there are many different perceptions of strategy, and there has not been a concept of strategy that is acceptable to most people, and there are many different definitions of strategy. Hendry and Pettigrew's strategic HRM focuses on the relationship between environmental factors and HRM policy, considering HRM policy as a dependent variable that is determined by how well it adapts to the external environment<sup>[4]</sup>.

Therefore, this paper analyzes the connotation of human resource management in the public sector as follows: on the one hand, public sector human resources are one of the important sources of competitive advantage for each public sector. It is generally accepted and agreed in the society that "the overall competitive advantage of the public sector can only be obtained through high quality public sector human resources". This philosophy and reality have raised the demand for strategic human resource management in the public sector. On the other hand, in the face of increasing environmental uncertainty, different departments tend to respond differently. Some react to the environment in a forward-looking manner, while others are reactive.

Both philosophy and practice have proven that only by reacting positively and prospectively to environmental changes can we adapt to the requirements of modern human resource management. By forward-looking response, we mean that the human resource management departments of public organizations should possess sensitivity to environmental changes, anticipate and grasp changes in environmental factors and their development trends, and actively take practical measures to respond to new situations and problems that arise in conjunction with changes in the environment. The internal and external environment of each public sector determines and influences the human resource management strategy of the public sector. In this regard, this paper summarizes the connotation of human resource management in the public sector as follows<sup>[5]</sup>.

(1) It is an approach to human resource activities that closely links public sector human resource management to the strategic goals of the public sector, as a means of improving the way human resource management departments are managed, developing organizational culture, and improving organizational performance. Strategic human resource management is a combination of unified and adaptive human resource management.

(2) Maintain basic alignment between the goals of the public organization and the goals of employees through goal and task statements. That is, public managers should effectively translate organizational goals into goals for all employees, mobilize their intrinsic initiative, create a sense of identity, and achieve integration between organizational and personal goals.

(3) It is a forward-looking management process, which can forecast and judge the type, quantity and and training of human resources required by government departments in the future by analyzing the internal and external environment and existing human resources, it can also analyze the problems in human resources management, form a strategic issue, analyze the strengths, weaknesses, opportunities and threats faced by the organization to formulate a comprehensive strategic management framework, propose It also analyzes the strengths, weaknesses, opportunities and threats faced by the organization, formulates a comprehensive strategic management framework, proposes alternative solutions, and ultimately achieves the organization's set goals through strategy implementation and evaluation.

## 2.2 Basic model of human resource management in the public sector

Human resources in the public sector include both macro and micro components. The former refers to the entire public sector system. In order to ensure that the nature of its work and the overall structure of human resources match each other as well as the needs of development, it is necessary to conduct macro and medium and long-term statistics, forecasts, and planning of the supply and demand of human resources inside and outside the public sector; to formulate the basic system, policies, management authority and management standards of human resources management; to maintain the public sector human resources management, mobility and talent market The aim is to create a better environment for human resources management in the public sector.<sup>[6]</sup> Its purpose is to create a good environment for human resource management in the public sector. The organizational structure of human resource management is shown in the figure 1 below.

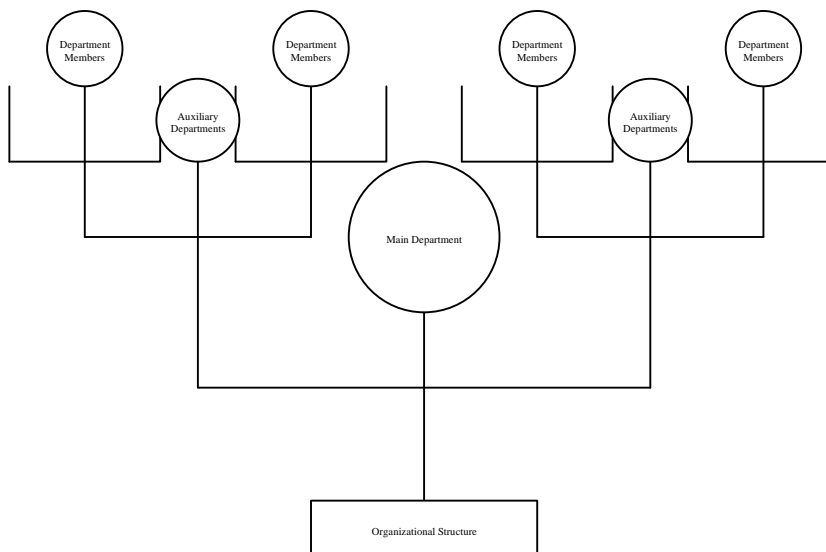


Figure 1 Organizational structure of HRM

Micro public sector HRM is the sum of activities and processes of planning, acquiring, using, evaluating, training, payrolling, rewarding and punishing, and maintaining human resources in each specific administrative organization, governmental work department, and other state-owned enterprises and institutions in accordance with the law. Of course, macro public sector human resource management and micro public sector human resource management are not two separate systems, but are organically combined, and they are mutually conditioned and mutually guaranteed to form the public sector human resource management system<sup>[7]</sup>.

### 3. Meaning and value orientation of HRM

#### 3.1 Theoretical significance

Strategic HRM in the public sector is the recognition of HRM as a key function and therefore elevating the function of HRM in the public sector to a strategic action will certainly play an important role in the formation of strategy and its implementation in the public sector. Strategic HRM in the public sector highlights the significance and role of HR strategy in the public sector. It focuses the organization's attention on: changing the organizational structure and culture, improving organizational efficiency and performance, developing the special capabilities of employees and the organization, and making organizational changes when appropriate<sup>[8]</sup>. Its purpose is: to give the organization a sustainable competitive advantage by ensuring that it acquires employees with good skills and good motivation, thus creating a strategic capability of the organization that relies on people to achieve strategic goals and on core human resources to build competitive advantage. Public sector HR strategy becomes the long-term plan, or the goal and direction of the overall effort of each public sector. Public sector HR strategy is not isolated. Efficient public sector HR management is top-down and aligned with the overall public sector strategy, and does not advance public sector HR development in an unchanging manner. Each public sector must develop a public human resources strategy that is tailored to its own characteristics based on the changing requirements of the internal and external environment. Strategic human resource management covers all aspects of "people" management, and is required to contribute to the achievement of the organization's strategic goals, and places higher demands on human resource managers. The classification of HR strategies is shown in the table 1 below.

Table 1 Human Resource Strategy Classification

Competitive Strategy	Human Resource Strategy		
	Access to Resources	Human Resource Development	Incentive mechanism
Competitive advantage through innovation	Attracting and retaining talent through skill innovation and tracking of the innovation process	Develop strategic capabilities and provide equipment and incentives to promote innovation capabilities	Material incentives and rewards for successful innovation
Competitive advantage through high quality	Use advanced selection process to recruit people who can provide high quality and high level of customer service	Encourage the development of a learning organization with focused training for employees to support total	Linking compensation to quality levels and Customer service levels

		quality management and improve service levels	
Competitive advantage through low cost	Rigorous analysis of the special talents required by the organization and the use of advanced recruitment and selection procedures	Development of organizational learning processes: personal development plans as part of performance management to encourage employee learning	Developing a performance management process that Ensure that competitive capabilities and unique talents: ensure material and moral rewards: ensure that compensation system is competitive that compensation system is competitive

### 3.2 Value Orientation

As a category of consciousness, values undoubtedly have an important impact on the strategic management of human resources in the public sector because of their functions of regulation, guidance and adjustment. It can be said that values are people's beliefs about these values based on their opinions or views about the values that various things have. The high degree to which efficiency and high profitability are aligned in the private sector provides clear direction in the establishment of its strategic mission and is easily quantified and grasped. For example, how much market share to achieve over how long a period of time and to what extent costs are to be reduced. Unlike the government sector, its goals are often only qualitative, non-quantifiable, and in many cases, difficult to quantify. Values, with their unique functions of regulation, control, and creation, will undoubtedly have a significant impact on the entire process of strategic management of human resources in the public sector. For example, at a certain stage of a society's development, should equity be chosen as the primary issue of society or should efficiency be chosen? Or to balance equity and efficiency? People with different values usually make different choices, and this can be reflected in the formulation, implementation and evaluation of public sector strategies. Therefore, the results that public sector strategy managers expect to achieve are usually influenced and shaped by the values they hold, and strategic actors in different positions will measure the importance of strategic goals in terms of their own values and the actual benefits they seek.

[9]

The public sector has many owners, forming a variety of interest groups, and it tries to respond to the demands of each interest group. The diversity of stakeholders makes strategic choices more difficult than in the private sector alone. Strategic managers try to accommodate the interests of all parties: the majority, the minority; the disadvantaged from the powerful; the radical, the progressive; etc. They also try to combine long-term goals with

short-term objectives, and also to be mindful that limited resources cannot always be devoted to the problem areas that seem most urgent to address, because issues that are more vocal do not necessarily require more attention than those that are less vocal<sup>[10]</sup>.

#### **4. Strategies to optimize the incentive mechanism of human resource management in the public sector**

At present, the human resource management in the domestic public sector is rich in motivation theories and methods, and there are many methods and approaches to motivate government employees to work with passion and initiative. However, in summary, they all have the same goal, which is to use these methods and approaches to stimulate the creativity, initiative and motivation of the staff, so that they can better focus on their careers and devote themselves to their positions<sup>[11]</sup>.

According to the motivation objectives of domestic public sector human resources, combined with the known related motivation theories, this paper proposes to optimize the motivation mechanism of domestic public sector human resources by adopting the comprehensive motivation theory, that is, to optimize the motivation mechanism by considering the intrinsic motivation factors and extrinsic motivation factors, and the structure of the comprehensive motivation model is shown in the figure 2 below.

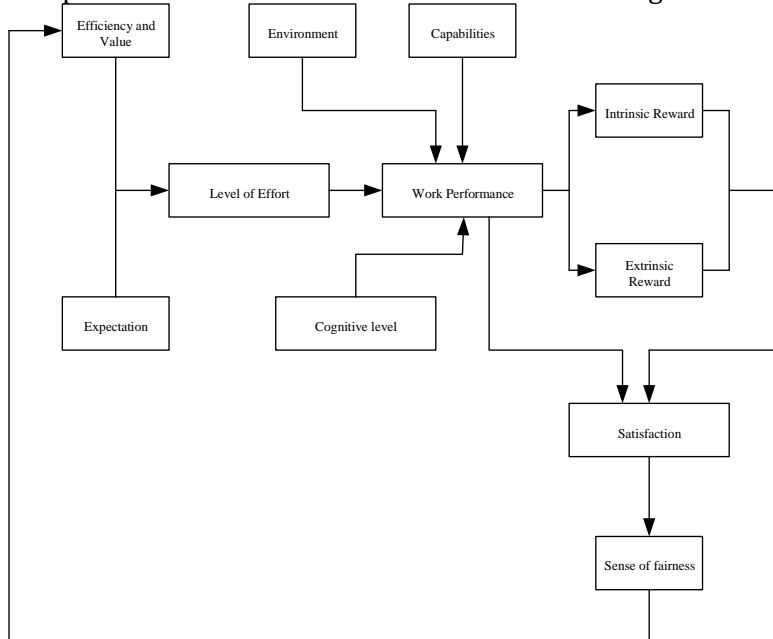


Figure 2 Integrated incentive model

According to the above model, the main objectives of public sector HRM incentives optimization are reflected in the following.

One of them is to strive to achieve the fundamental goals of the administrative organization, which is the result that the current public sector HR incentive management focuses on chasing. This can be divided into two different goals, immediate and long-term, both of which are aimed at achieving certain administrative results. The survival and development of any department requires the existence of its own immediate and long-term goals, so the core of human resources incentive management is to effectively motivate public sector staff, so that they can consciously devote themselves to their jobs, so as to achieve the administrative immediate and long-term goals of quality and quantity<sup>[12]</sup>.

Secondly, the implementation of the incentive mechanism will effectively promote the unity and cooperation among internal employees, thus forming a good organizational atmosphere, making employees more relaxed and free to



participate in the work, enhancing the team's cohesion and combat power. Effective motivation methods often allow all members of the organization can feel physically and mentally satisfied, and can see their own strengths and weaknesses, so that they can form a good mutual assistance, mutual growth space, and in the process of work, will not feel greater pressure or tension. The staff will gradually get to know and understand their colleagues better in this incentive mechanism, so that they can become very good friends with each other. In this way, they will not see each other as a stumbling block or a direct competitor in their growth. In such a motivating environment, when the organization or team encounters complex and heavy work, team members can help each other to create a good relaxing environment, so that they can relax and free themselves, so that they can better participate in their work.

#### **4.1 Deepen the reform of promotion system**

The promotion system is one of the most important systems in the management of public employees, which is why many countries consider it as an important element in their public sector management systems. The promotion system is in fact one of the main methods and means of motivation. With a scientific and reasonable promotion system, on the one hand, excellent public employees can be promoted, and excellent talents can be selected and appointed; on the other hand, those who cannot do their jobs can be eliminated, thus playing a good motivational role. Specifically, the motivational promotion and dismissal includes the following aspects:

First, the establishment of the job tenure system and competitive induction system. The competitive entry system is to adopt the system in the process of selecting public officials, so that the public sector positions and seniority requirements can be carried out openly, as long as the public officials who can meet the standards can participate fairly, and then through the examination fair and equitable recruitment. The examination is based on merit. The existence of competition, so that the best talent can enter the team, so as to form a sense of pressure and crisis among public officials, so that this pressure and sense of crisis into a motivating effect, so that public officials can be more positive, hard work, diligent and honest, and continue to learn<sup>[13]</sup>.

Second, the knowledge ability and age structure are further optimized. Generally speaking, the knowledge level of the leadership team is positively related to its level, the higher the level, the higher the corresponding knowledge level. Especially in units requiring a high level of scientific and technological expertise, the quality of leadership specialization will be higher than the professional level of ordinary members. To establish a reasonable professional knowledge structure, we should realize a reasonable match of cultural knowledge and professional knowledge of the leadership team according to the differentiation of the types and levels of leading cadres. Due to the different nature of work and management mode, the required professional structure is naturally different. Knowledge structure then requires the leading cadres need to have multidisciplinary literacy, to be able to have a broader knowledge, can better play the due talent ability, effective handling of scientific research, production and other comprehensive and complex clear situation, that is why the effective combination and collocation of multi-level talent is needed.

Third, the selection and employment measurement standards should be unified. From the qualification conditions, the selected staff should meet certain qualifications and educational standards. Seniority is a direct expression of the level of work, years of experience will be selected to reflect the qualifications of the person with the situation. Academic qualifications can show the level of understanding and comprehension, and the level of education will reflect the educational situation of the selected person. Different positions, the natural selection of the person's qualifications, education requirements are different.

#### **4.2 Deepen the reform of remuneration system**

To give full play to the proper role of motivation, it is necessary to pay attention to the salary distribution, because people must rely on the salary they receive to meet their basic needs for survival, and because of this, high salaries often motivate people to work. Analyzed from this perspective, employee wages are one of the important means of motivation. Wages not only meet the basic material needs of employees, but also provide feedback to managers on

the behavioral performance of employees. Specifically, an incentive compensation system includes the following aspects.

First, there is an obvious gap between the wages of different positions and levels of employees. Levels and positions are in correspondence with each other, the level of employees with high positions is low, the level of employees with low positions is more, the level is determined by the working years and positions of employees. The level corresponding to adjacent positions is cross-relationship, the level of the employee's salary can not exceed the level of the corresponding range of positions, but individual provinces and cities also have some of their own regulations, such as when the employee has received the highest level of salary for a certain position, when the level does not change, you can adjust the salary upward according to the standard of the difference between the highest level of the current position and the adjacent level of salary<sup>[14]</sup>.

Secondly, a special allowance system can be introduced into the remuneration items and remuneration standards. Special allowance is a kind of extra reward that does not include basic salary and normal allowance, and it is a material reward for people who make special contribution or achieve great achievements. Usually, whether to grant special allowance and the amount of special allowance should be determined according to the actual situation, that is, according to the amount of labor, the degree of effort and the contribution made by the staff, and it is necessary to ensure that everyone who has made outstanding achievements or significant contributions receives the corresponding material rewards, so that every staff member can form a firm belief in justice and fairness and thus make them work more actively in their work. This will enable each staff member to form a firm belief in justice and fairness, and thus make him or her work more actively.

#### **4.3 Sound performance appraisal system**

In the process of managing human resources, the public sector should adhere to the basic principle of "quality for talent" and adopt a scientific and reasonable performance appraisal and evaluation system, so as to make objective evaluations of public employees in a fair and accurate manner and thus improve the comprehensive quality of the public employee team. The key is to mainly assess the public performance of public officials. The incentive performance appraisal for public officials should be done as follows.

First, build a perfect performance appraisal system. After an in-depth analysis of the current situation of human resource management in China's public sector, the researcher believes that a perfect performance appraisal and assessment system must be established, and the following aspects should be done: First, scientific and reasonable appraisal standards should be formulated so as not to fall into a formalistic situation. Second, the appraisal process should be simplified to make the whole appraisal process more standardized and further integrated appraisal. Third, the assessment should be oriented to scientific development, both in terms of scientific assessment mode and scientific assessment methods and means; fourth, with standardized and specific assessment content, not generalized; fifth, to optimize the assessment methods and improve the assessment means<sup>[15]</sup>.

Second, a scientific and reasonable performance management system is constructed with reference to corporate practices. Modern human resource management was firstly implemented in enterprises, and the reform of human resource management was also firstly started in enterprises. Some excellent enterprises combine incentive purpose with incentive methods and means in order to highlight the incentive effect, and make a variety of incentive systems according to their actual conditions. The cycle system of performance management process is shown in the figure 3 below.



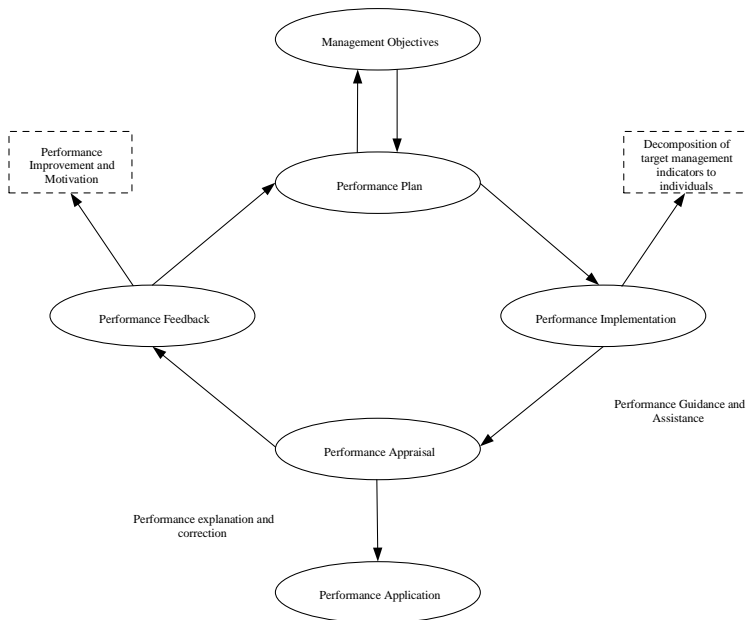


Figure 3 Performance management process cycle system

The public sector should refer to the practices of advanced enterprises in implementing incentive mechanisms in human resource management and apply the experience of enterprises in human resource management to practice. First, the public sector can adopt the method of participation incentive. Through active participation in organizational activities, public employees can not only satisfy the intrinsic need to realize their self-worth, but also form a strong sense of belonging and identity to their units. The second is to build and implement a scientific incentive mechanism based on the practices of enterprises, combine it with the actual situation of specific departments, create a characteristic departmental culture, and flexibly use various incentive methods to fully mobilize the work motivation of public employees so that they can make greater achievements for the development of the department.

Third, highlight the incentive effect of the assessment results. The appraisal process should pay attention to linking the long-term development of public employees with the appraisal results and highlighting the motivational role of the appraisal results, which is the only way to make public employees improve their work enthusiasm, and the appraisal results can also provide a reliable basis for public employees' job promotion. We should highlight the important role of performance appraisal results, so that public employees can consciously accept supervision and work behavior can be more standardized. Not only that, we should also start from the internal needs of public employees and meet their needs to realize their self-worth. In short, we should link the personal future development of public employees with the appraisal results. The most important role of the appraisal results is not to provide a basis for the promotion of public employees' positions and salary adjustment, but to motivate public employees' work enthusiasm so that they can devote themselves to specific work with greater enthusiasm.

## 5. Conclusion

With the continuous development of the times, the incentive mechanism of public sector human resource management also needs to be improved and innovated according to the changes of the times, so that it can be more in line with the needs of modern social development and effectively enhance its contemporary characteristics. In the development process of the present society, the public sector must improve its human resource management

system, establish a sound human resource management incentive mechanism, and continuously improve the overall quality and level of human resource management if it wants to develop for a long time.

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