



sciendo

BALTIC JOURNAL OF LAW & POLITICS

A Journal of Vytautas Magnus University

VOLUME 15, NUMBER 7 (2022)

ISSN 2029-0454

Cit.: *Baltic Journal of Law & Politics* 15:7 (2022):638-644

DOI: 10.2478/bjlp-2022-007045

Effect Of Organizational Change And Development On Human Resource Management

Alfin Reza Syahputra^{1*}

^{1*}Universitas Indonesia, Email: alfinrezas@gmail.com

***Corresponding Author:** - Alfin Reza Syahputra

*Universitas Indonesia, Email: alfinrezas@gmail.com

Abstract

This study aims to determine how the influence of organizational change and development on human resource management. The research method used in this study is a qualitative descriptive method. The type of data used in this study is qualitative data, which is categorized into two types, namely primary data and secondary data. Sources of data obtained through library research techniques (library study) which refers to sources available both online and offline such as: scientific journals, books and news sourced from trusted sources. The results of the study conclude that change management and organizational development together have a significant effect on human resource management, especially in terms of employee performance. Organizational Change and Organizational Development simultaneously have a positive influence on Employee Performance. The resulting influence shows a positive relationship with performance, meaning that when there is a change and organizational development, it will improve employee performance, because employees are required to adapt to organizational changes. Organizational Development and Change is a process of expanding or expanding an organization in a positive direction, every organization changes and develops to be bigger and better. because employees are required to adapt to organizational changes. Organizational Development and Change is a process of expanding or expanding an organization in a positive direction, every organization changes and develops to be bigger and better. because employees are required to adapt to organizational changes. Organizational Development and Change is a process of expanding or expanding an organization in a positive direction, every organization changes and develops to be bigger and better.

Keywords: Organizational Change, Organizational Development, Human Resource Management

INTRODUCTION

Human resource management is a strategic and decisive part(Hidayat & Sham, 2020). Organizations and employees are a unity that has a relationship and must be balanced. This means that on the one hand, employees must be managed within the framework of the flow of organizational interests, on the other hand, organizational activities must be able to pay attention to the interests and needs expected by employees. The new performance requirements must be clearly stated and understood by workers, so that they are able to make behavioral changes as well as change the way they do business, of course these changes must broadly be in line with organizational goals(Poluakan, 2016). Thus, managers need to conduct coaching for a constructive change throughout the organization.

Change is inevitable in human life. Started by the business world who first realized the importance of change for improving the quality of the resulting production, down to the administration. Various efforts and approaches have been made to solve problems that arise as a result of changes(Yuhana & Aminy, 2019). Changes in an organization require what is called Perpetual Transition Management, which is a transition management framework that will provide some important understanding of what triggers changes in the organization and how the organization reacts to them. The consequence of implementing organizational change is that its implementation takes time and money(Irfani, 2015). Risks can arise when the implementation is running, such as changes in responsibilities, employee resistance, the need for alignment of

changes with culture, and communication about the change itself. (Poluakan, 2016). Organizational progress cannot be separated from the functioning of all existing systems (Ariono, 2017). Efforts to create employee performance are not easy, because in reality there are still many employees whose performance is less than optimal such as service, target achievement, lazy and still less responsible in completing work. (Menda et al., 2018). For this reason, in improving employee performance, it is necessary to change management and organizational culture that can affect performance, because many employees have different attitudes, different cultural backgrounds, and different understandings that can affect employee performance in an organization. (Menda et al., 2018). This requires companies to equip existing human resources within the company in order to work effectively and efficiently so as to improve performance. Change Management is a systematic process of applying knowledge, tools, and resources to effect change in people who will be affected by the process. (Bairizki et al., 2021).

The culture of public organizations that have been bad so far needs to be changed so that public services can run well (Hadian, 2015). Efforts to change employee attitudes and behavior are carried out, among others, by providing new values in the organization (Sahertian, 2020). The formation of a new culture can also be seen from the determination of the values of the ministry of finance consisting of integrity, professionalism, synergy, service and perfection (<http://www.depkeu.go.id>).

Various bureaucratic reform processes within the Ministry of Finance will not be successful if they are not supported by good employee performance, based on this it is necessary to monitor and evaluate the performance of employees so that organizational changes and the application of organizational culture can be in accordance with the aims and objectives of the organization.

The consequence of implementing organizational change is that its implementation takes quite a long time and is quite costly (Sahertian, 2020). Risks may arise when the implementation is running, such as a change in responsibilities, employee resistance, the need for alignment of change with culture, and communication about the change itself. These risks must be overcome by the organization, so leaders must be able to determine, manage and measure employee readiness to change so that implementation can run effectively (Simbolon & Anisah, 2015). Successful change can only occur if employees are also willing to devote the time and energy needed to achieve the goals of the change.

Based on the changes made by the organization and organizational culture as described above, it is to see the extent of the influence of organizational changes and organizational development on employee performance in realizing better services to the community, especially in auction services, state receivables, assessment and management of state assets. It is necessary to do research on this matter.

Yuningsih (2006) with the title *The Effect of Organizational Change, Organizational Culture on Job Satisfaction and Doesen's Performance at the Faculty of Economics and Business, University of Lampung*. The results obtained that Hypothesis 2 which states that organizational culture has a positive and significant effect on job satisfaction, is supported. Hypothesis 3 which states that job satisfaction has a positive and significant effect on Lecturer performance, is supported (Rosnani, 2012). Hypothesis 4 which states that organizational change has a positive and significant effect on the formation of organizational culture, is supported. Hypothesis 5 which states that organizational change has a positive and significant effect on lecturer performance is supported. Hypotheses 1 and 6 are not supported. Hypothesis 1 which states that organizational change has a positive and significant effect on lecturer job satisfaction, is not supported. While hypothesis 6 which states that organizational culture has a positive and significant effect on lecturer performance also does not get support.

Therefore, this research aims to know how the influence of organizational change and development on human resource management.

RESEARCH METHODS

The research method used in this study is a qualitative descriptive method (W. Yuliani, 2018). The type of data used in this study is qualitative data, which is categorized into two types, namely primary data and secondary data (Arwin et al., 2021). Sources of data obtained through library research techniques (library study) which refers to sources available both online and offline such as: scientific journals, books and news sourced from trusted sources. These sources are collected based on discussion and linked from one information to another (Sutrisno et al.,

2021). Data collection techniques used in this study were observation, interviews and research. This data is analyzed and then conclusions are drawn (Masgumelar & Mustafa, 2021).

RESULTS AND DISCUSSION

1. Organizational Change

Several definitions of organizational change in general cannot be separated from reorganization and organizational change itself. Djohanputro (2004:34) states that organizational change is a rearrangement of management composition, organizational structure, division of labor, operational systems and certain other matters relating to managerial and organizational problems. Meanwhile, Savage in Sedarmayanti (1999:57) suggests that organizational change is the embodiment of the fifth generation of management, namely management based on dynamic teaming, knowledge networking, cross border or out of board and virtual enterprises. (Sunaryo, 2017). All of this leads to an agreement that managing an organization in modern times as it is now is no longer possible to rely solely on conventional techniques such as mechanistic structures or long and complicated command lines. (F. Yuliani, 2016). On the other hand, the organization must be treated flexibly and flexibly, enlarge the delegation of authority, promote the roles and responsibilities of functional staff, and have a span of control that is not too long.

Organizational change has benefits for the survival of an organization, because without change, it is certain that the age of the organization will not last long (Sugandi, 2013). Organizational change aims so that the organization does not become static with technological advances. The main purpose of the change is to improve the ability of the organization and everyone in the organization, which in turn is reflected in the improvement of the overall organizational capability. According to Siagian (2003:21) stated the purpose of organizational change are as follows:

1. Improve the organization's ability to accommodate the impact of changes that occur in various fields that occur outside the organization
2. Increase the role of the organization in determining the direction of change that may occur
3. Make adjustments internally for the sake of increasing ability
4. Increasing organizational resilience, not only being able to survive but also to continue to grow and develop.
5. Controlling the work atmosphere in such a way that members of the organization still feel safe and secure despite changes inside and outside the organization.

Meanwhile, according to Djohanputro (2004:2) the purpose of organizational change is to improve and maximize company performance, while other objectives are:

1. Improve company performance and value
2. Provide dividend and tax benefits to the state
3. Produce products and services at competitive prices to consumers
4. Facilitate the implementation of privatization

According to some experts, the values of organizational change that develop in organizations and may be slightly different from the existing values that develop in organizations or bureaucracies in Indonesia are:

1. Humanist-oriented values
2. Respect opinion
3. Conflicts must be brought to the surface
4. Research spirit
5. Free to disagree with the leader
6. Give a chance to rest
7. Guaranteed participation in decision making.

The essence of a change is an improvement in conditions that are better than the previous situation. An organization can only survive if it can make material changes (Poluakan, 2016). Every environmental change that occurs must be observed because the effectiveness of an organization depends on the extent to which the organization can adapt to these changes (Hartoko, 2016). Basically all the changes made lead to an increase in organizational effectiveness with the aim of seeking to improve the organization's ability to adapt to

environmental changes and changes in the behaviour of members of the organization.(Arifandi & Riani, 2021). Robbins further stated that organizational change can be carried out on a structure that includes strategy and systems, technology, physical arrangement and human resources.

The main targets of change in the organization consist of changes in attitudes and work skills, changes in work roles, technology and strategies(Kojo et al., 2019). Changes that focus on attitudes involve changing attitudes and values with persuasive appeal, training programs, team building and cultural change programs, while the approach to job skills can be done with job training programs.(Kojo et al., 2019). Changes in work roles can be done, among others, by redesigning the work of employees with different activities and responsibilities, reorganizing work flows, changing criteria and so on.(Kojo et al., 2019). Approach in the field of technology is done by introducing new equipment in completing the work. Competitive strategies in change require consistent changes to individuals, work roles and technology(Oktiani, 2017).

2. Organizational Development

Every change cannot only choose one structural or cultural aspect as a variable that must be changed, but both aspects must be managed together so that the results are optimal. However, in practice decision makers tend to only pay attention to structural changes because the results of these changes can be known directly, while cultural changes are often ignored because the results of these changes are not very visible. To be successful in managing organizational change, it must lead to an increase in ability to face the challenges and opportunities that arise. This means that organizational change must be directed at changing human behavior and organizational processes,

(Kasman, 2021)stated that change management is a systematic process of applying the knowledge, tools, and resources needed to effect change in the people who will be affected by the process. Change management has a systematic approach to dealing with change, both from the perspective of an organization and at the individual level.

(Labola, 2019)stated that organizational development is a planned effort, which is initiated by process experts to help an organization develop its diagnostic skills, mastery capabilities, relationship strategies in the form of temporary or semi-permanent systems, and cultural similarities.

Basically organizational development is important to do because it leads to an increase in organizational effectiveness with the aim of seeking to improve the organization's ability to adapt to environmental changes and changes in the behavior of members of the organization. (Hemelaar et al., 2020). An effective organization will make planned changes to the entire device or system, structure, culture, group dynamics, quality of human resources, business strategy, and so on.

3. Organizational Change and Development of Human Resource Management

The results show that Organizational Change has a significant effect on performance(Mudeng et al., 2017). These results indicate that every change in organizational change will directly affect employee resource management(Dahlan et al., 2017). The magnitude of the influence of organizational change on performance is more dominant than other variables, while the relationship created between organizational change and resource management is a positive and unidirectional relationship. These results indicate that when the leader makes structural changes to a field of work, it will have an impact on the performance of employees(Sunaryo, 2017). Every employee who has received information will experience a promotion or transfer, will experience a decrease in performance, because they will focus more on waiting for a new job compared to focusing on completing ongoing work.(Sunaryo, 2017). This causes work in other parts to falter, when work that is not completed due to a mutation or promotion is not completed. The results of this study clearly support the results of research conducted by Toni Rizal Manullang (2011) which states that restructuring has a positive and significant effect on employee resource management.(Sunaryo, 2017). This further strengthens that organizational change will have an impact on resource management.

The results of other studies also show that the management of organizational change has a significant effect and change management is the variable that has the greatest influence on

human resource management.(Katiandagho et al., 2014). This means that the better the change management, the better the employee performance will be. The influence of change management can be seen from the quantity of output, output period, attendance at work and cooperative attitude in dealing with any change management set by the company.(Arifana, 2015).

Change Management Indicators

1. Changes in organizational structure
2. Technological change
3. Changes in the individual.

Based on the analysis tool, it can be seen that the indicator that indicates the biggest role in measuring management is the change in organizational structure. While the indicator that has the greatest indicator value in measuring employee performance is the quality of the work given by the leadership(Wijaya, 2018). This shows that changes in the organizational structure made have a positive influence on human resource management in the quality of the work given. This research is supported by research conducted by Arifana (2014) The Effect of Change Management on Leadership Style and Its Impact on Work Motivation and Employee Performance at PT Bank Tabungan Pensiunan Nasional Purna Bakti Jember branch It can be seen that the influence of change management on employee performance is 0.406 in a positive direction.

4. Conditions that Require Organizational Change and Development

In recent years, many good companies have performed poorly due to ineffective and efficient human resources. Most organizations ignore HR development as a major asset.(Menda et al., 2018)said that business in an organization is filled with uncertainty in understanding the contribution of employees in increasing organizational productivity and profitability. This is what causes a large number of unskilled workers, uncompetitive organizations, high levels of poor performance, and low productivity.

Many competitive business organizations have emerged recently. However, the existence of these business organizations did not last long. This is because, employers do not pay attention to aspects of employee resilience or resilience in recruiting. In fact, in addition to talent and skills, a job really requires resilience in work. Conditions like this ultimately require organizational change and development.

Organizational development aims to bridge change and development from both internal and external sides. This is because productivity depends on the effectiveness of the work of its employees. That is, the quality of the organization is determined by existing human resources and human resource development is determined by real changes that lead to organizational growth. The concept of Human Resource Development (PSDM) in organizations is essentially an effort to increase competitiveness against external environmental threats and efforts to increase innovative power in order to create opportunities. HR in organizations is integral as individuals and systems as well as organizations as a place for human resources in a planned and sustainable manner to increase the competence of workers through training, education, and development programs (Noe, 2008).

5. Intelligence Reform as a Form of Organizational Change and Development

After describing the analysis of organizational change and development, the following is a description of examples of forms of organizational change and development that occur within the intelligence agency or the police. There are so many things that can be used as examples and references regarding organizational change and development that have an impact on human resource performance. One of them is the Intelligence Reform / Police Intelligence that has occurred in various countries. For example, WTC 9/11 made American intelligence clean, that's why the theory of fusion intelligence and the existence of a fusion centre emerged. The Intelligence Fusion Centre or IFC is a guide for the development of strategic capabilities of agencies in a country. This is America's quick response to a threat. Intelligence Reform was also carried out by Israel Défense Intelligence (IDI) for decades, leading to the new concept of creating multidisciplinary intelligence, which challenges some of the assumptions of traditional 'intelligence cycle' models. It focuses on collaborative collection and analysis in shared processes and organizations, leveraging state-of-the-art technology. The logic of this concept was initially

applied to tactical intelligence and targeting and gradually evolved as 'innovation through adaptation', with previous practice.

In addition to America, the United Kingdom is also reforming its Police. The National Security Agency (NSA) and its many partners have thrived, sharing data in response to globalization and terrorism. In an uncertain world, increased knowledge often appears to be the panacea of security. The most important change over the last decade is that "supervision" has merged with "shopping" and is no longer the property of specialized state agencies; instead, it has escaped to society. The big collectors of intelligence today are banks, airlines, supermarkets, ISP providers, and telecommunications. What are the consequences? In the UK, the result of this trend is often described as a dark dystopia. Yet humans are now more connected. Potentially, There are many more cases in several developed countries that carry out reforms in HR management (organizational change and development & Strategic public relations resources management).

In Indonesia itself, it has been started since In 1998, Indonesia's burgeoning democracy and its rise as a key factor in the Asian economy provided the backdrop for the post-Suharto security sector reform debate. The focus of the security sector reform debate is the need for increased transparency and accountability in terms of policy, practice on the ground and budgeting. Some of the initiatives that took place were carried out without getting input from the Indonesian CSO community. The Institute for Défense, Security and Peace Studies (IDSPS) has managed the creation, implementation and publication of this Training Tool as a component of the ongoing work on human rights and democratic governance of the security sector in Indonesia.

This case study highlights the main shortcomings and challenges faced by the intelligence community in the new security paradigm. The work will then examine how effectively the intelligence community and their political authorities have responded to these failures. Of particular interest in this regard are the various, and ongoing, structural changes in society. Reference will also be made to budget and accountability changes. Finally, it will be seen that various reforms have left us with an effective intelligence agency with better management of resources.

CONCLUSION

Based on the results of the analysis and discussion above, it can be concluded that change management and organizational development together have a significant effect on human resource management, especially in terms of employee performance. Organizational Change and Organizational Development simultaneously have a positive influence on Employee Performance. The resulting influence shows a positive relationship with performance, meaning that when there is a change and organizational development, it will improve employee performance, because employees are required to adapt to organizational changes. Organizational Development and Change is a process of expanding or expanding an organization in a positive direction, every organization changes and develops to be bigger and better.

BIBLIOGRAPHY

- Arifana, D. (2015). The influence of change management on leadership style and its impact on work motivation and employee performance at the national retirement savings bank pt jember branch. *RELATIONS: JOURNAL OF ECONOMICS*, 11(2).
- Arifandi, F., & Riani, SN (2021). FORMATION OF MEANING THROUGH CONTEMPORARY LEADERSHIP THEORY AND ITS RELEVANCE WITH THE CULTURE OF Islamic Boarding Schools: A Literature Review on the Book of Organizational Behavior by Stephen P. Robbins. *Tsaqofah: Journal of Islamic Education*, 5(2), 1–11.
- Ariono, I. (2017). analysis of the effect of education level, tenure and work motivation on the performance of village officials in Kaliwiro sub-district, Wonosobo. *Journal of Research and Community Service UNSIQ*, 4(3), 254–267.
- Arwin, A., Yuliana, Y., & Elika, E. (2021). Impact of Leadership and Work Environment on Employee Performance (Case Study at PT Teguh Jaya Mandiri): Impact of Leadership and Work Environment on Employee Performance (Case Study at PT Teguh Jaya Mandiri). *BISMA Scholar*, 1(2), 60–66.
- Bairizki, A., Irwansyah, R., Arifudin, O., Asir, M., Ganika, WG, Karyanto, B., & Lewaherilla, N. (2021). Change management. Widina Publisher.
- Dahlan, D., Hasim, D., & Hamdan, H. (2017). The Influence of Human Resource Management and Organizational Culture on Service Quality at the Tamalate District Office, Makassar City. *Journal of the Administration*, 4(2), 69–75.
- Hadian, D. (2015). The Influence of Leadership, Organizational Structure and Organizational Culture on Service Performance and Implications for Public Services. *Contingency: Scientific Journal of Management*, 3(1), 26–43.
- Hartoko, S. (2016). CONCEPTS IN ORGANIZATIONAL AND INDIVIDUAL BEHAVIOR TO BUILD A Tough

- ORGANIZATIONAL CULTURE AND WORK TEAM. *PLURAL*, 3(1), 70–81.
- Hemelaar, J., Elangovan, R., Yun, J., Dickson-Tetteh, L., Kirtley, S., Gouws-Williams, E., Ghys, PD, Alash'le G, A., Agwale, S. , & Archibald, C. (2020). Global and regional epidemiology of HIV-1 recombinants in 1990–2015: A systematic review and global survey. *The Lancet HIV*, 7(11), e772–e781.
- Hidayat, MC, & Syam, AR (2020). The urgency of strategic planning and management of madrasa human resources in the era of the industrial revolution 4.0. *AL-ASASIYYA: Journal Of Basic Education*, 4(1), 1–13.
- Irfani, MH (2015). ERP (enterprise resource planning) and important aspects in its implementation. *Journal of Informatics Exploration*, 4(2), 105–114.
- Kasman, PSP (2021). Factors Affecting the Performance of Indonesian Islamic Banks: Empowerment of Human Resources, Work Motivation and Organizational Change (Management Literature Review). *Journal of Educational Management and Social Sciences*, 2(2), 689–696.
- Katiandagho, C., Mandey, SL, & Mananeke, L. (2014). The Effect of Leadership and Motivation Work Discipline on Employee Performance At Pt. Pln (Persero) North Sulawesi Region Manado Area. *EMBA Journal: Journal of Economic Research, Management, Business And Accounting*, 2(3).
- Kojo, AI, Kindangen, P., & Uhing, Y. (2019). The Effect of Change Management, Organizational Culture and Work Involvement on Employee Performance At Pt. Bank of North Sulawesi Go. *EMBA Journal: Journal of Economic Research, Management, Business And Accounting*, 7(3).
- Labola, YA (2019). The concept of competency-based, talent and resilience-based human resource development in organizations. *Journal of Management & Entrepreneurship*, 7(1), 28–35.
- Masgumelar, NK, & Mustafa, PS (2021). Constructivism Learning Theory and Its Implications in Education and Learning. *GHAITSA: Islamic Education Journal*, 2(1), 49–57.
- Menda, JF, Tewal, B., & Sendow, G. (2018). The Effect of Change Management and Organizational Culture on Civil Servant Performance (Study at Bitung Hospital). *EMBA Journal: Journal of Economic Research, Management, Business And Accounting*, 6(4).
- Mudeng, DS, Tumbel, A., & Taroreh, RN (2017). The Effect of Organizational Change and Career Development on Employee Performance at KPKNL Manado. *EMBA Journal: Journal of Economic Research, Management, Business And Accounting*, 5(3).
- Oktiani, I. (2017). Teacher creativity in increasing students' learning motivation. *Journal of Education*, 5(2), 216–232.
- Poluakan, FA (2016). The effect of organizational change and development on the performance of employees of PT. Sinar Galesong Prima Manado. *EMBA Journal: Journal of Economic Research, Management, Business And Accounting*, 4(4).
- Rosnani, T. (2012). The Effect of Transactional Leadership and Transformational Leadership on Job Satisfaction and Performance of Lecturers at Tanjungpura University, Pontianak. *Journal of Business Economics and Entrepreneurship*, 3(1), 1–28.
- Sahertian, P. (2020). Leadership Behavior: Effects and Implementation on Organizational Values. PT. Kanisius.
- Simbolon, R., & Anisah, HU (2015). The effect of organizational change and organizational culture on employee performance (Study at the Banjarmasin State Asset and Auction Service Office). *Journal of Management Insights*, 1(1), 27–42.
- Sugandi, L. (2013). Impact of the implementation of change management on the organization. *ComTech: Computer, Mathematics and Engineering Applications*, 4(1), 313–323.
- Sunaryo, S. (2017). The Effect of Organizational Change, Organizational Culture and Work Behavior on Employee Performance at PT Sisirau Medan. *Scientific Journal of Management and Business*, 18(1), 101–114.
- Sutrisno, S., Hamzah, ZZ, Andrianto, MT, Suriانشa, R., & Rosyadi, I. (2021). Analysis of the Work From Home Method on Employee Performance in Non-Essential Sector Companies in Pandemic Conditions. *Journal of Social Science*, 1(9), 1–92.
- Wijaya, IK (2018). The effect of job satisfaction on employee performance cv Bukit Sanomas. *Agora*, 6(2).
- Yuhana, AN, & Aminy, FA (2019). Optimizing the role of Islamic religious education teachers as counselors in overcoming student learning problems. *Journal of Islamic Education Research,[SL]*, 7(1), 79–96.
- Yuliani, F. (2016). Policy on organizational restructuring and empowerment of human resources. *Journal of Development Administration*, 4(2), 125–130.
- Yuliani, W. (2018). Qualitative descriptive research method in the perspective of guidance and counseling. *Quanta*, 2(2), 83–91.