

## Research Article

## Optimizing the HR Function through Organizational Transformation on the Office of Housing and Settlement Area in East Kutai Regency

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**Abstract:** This study aims to analyze the optimization of the Human Resources (HR) function through an organizational transformation in the office of Housing and Settlement Area of East Kutai Regency. This research method uses a qualitative approach; data collection is done by interview and observation. The data analyzed through data collection, simplification, presentation, and conclusion. The results showed that the optimization of the HR function is necessary to improve the organizational structure since the complex problems increased. The current organizational structure condition still cannot accommodate the number of activities. Therefore, it is necessary to add structural positions. This transformation makes governance and development process goes well through referrals to coordinate and synergize activities despite organization cutting with the Public Works services (PU) resulted in the structure and work program arrangement becomes easier and more focused.

**Keywords:** Optimization, HR, Organizational Transformation.

### INTRODUCTION

Human resources are important for the organization, especially for productive individuals who work as an activator of an organization that is active in the organization and active outside the organization (Nonaka, I. 1994). This function is considered an asset of the organization, to realize the organization's assets to function optimally regulation through Government Regulations based on the principles of financial effectiveness and efficiency, division of tasks, range of controls, clear work procedures, flexibility in government affairs, and intensity in supporting maximum performance (Berman, E. M. *et al.*, 2012; United Cities and Local Governments. 2010).

The HR function at the regional government level can be optimized through the Formation of Regional Organizations intended to answer the problems of the quality of local government services to the needs of the community by means of quickly making decisions in response to community problems and needs. The role of the local bureaucracy must provide services in accordance with the needs of local communities, facilitate local resources and develop accountable and clean systems through participatory means (Denhardt, J. V., & Denhardt, R. B. 2015).

Development of local government apparatus needs to be directed at improving quality, efficiency and effectiveness of the entire administrative order including the establishment of new organizational units within the local government (Naschold, F. 2017).

HR in the Organization of Regional Apparatus is stipulated by a Regional Regulation by stipulating the formation, position, main tasks, functions and organizational structure of regional apparatus as stipulated by the Decree of the Regional Head. This was done by the East Kutai Regency government by forming a regional apparatus, namely the Office of Housing and Settlement Area (DPKP) of East Kutai Regency, one of the new Regional Government Agencies (OPD), from the Office of Public Works (PU) in East Kutai Regency. The birth of this OPD was marked by the Regulation of the East Kutai Regent Number 25 of 2016 concerning the Arrangement and Work Procedure of Regional Offices. This agency is classified by typology C which consists of two fields and each of which oversees three sub-sectors and secretariats.

The activities of the DPKP of East Kutai Regency are regional development infrastructure

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activities, including upgrading of roads, drainage, habitable houses at the sub-district and village level in the East Kutai Regency. Through the establishment of a new organization, the local government seeks to organize the government efficiently and effectively for the people in East Kutai Regency.

The function of human resources that is less than optimal and clearly defined in various forms of diversity of institutional organizations built by local governments has the potential to create duplication of the implementation of tasks (Lockwood, M. 2010). This condition besides creating difficulties in coordinating the implementation of public policies also results in waste of resource use (Pérez-López, G. *et al.*, 2015). The large diversity of organizations built also creates more possibilities for creating lines of conflict among institutional organizations themselves (Thaha, R. 2009).

The consequences of bureaucracy in regions that become fat cause services to be slow because it needs a transformation of an organization that is concerned with quality rather than the quantity and effectiveness of the organization's work (Adler, P. S. 1999; Gittel, J. H. 2016). Settlement areas previously included in the Department of Public Works through organizational transformation are an organizational change process that includes structures and processes in order to improve performance in accordance with the dynamics of organizational environment development. The purpose of this study is to analyze the optimization of the HR function through organizational transformation in the office of Housing and Settlement Area of East Kutai Regency.

## RESEARCH METHODS

This research was carried out at the office of Housing and Settlement in East Kutai Regency. This study uses a type of qualitative research. The type of research used in this study is phenomenology. Data collection techniques are the most important step in research, because the main purpose of the research is to obtain data. Data collection is done by interview and observation. information obtained through time and different tools in qualitative methods. To analyze this research data through stages of data reduction, data display, and conclusion.

## RESEARCH RESULT

This study shows that there is an optimization of the use of professional HR with the support of regulations or Government policies, the employees of the DPKP of East Kutai Regency carry out the efficiency of budget *al.*, locations with the implementation of programs in priority. In addition, utilizing the organizational structure and supporting equipment is sufficient to optimize the activities handled.

The work of the HR refers to the Strategic Plan of the DPKP of East Kutai Regency, in the implementation of the Housing and Settlement Area Human Resources of Kutai Timur Regency active in the annual Activity Plan, Development Priority, and Funding Plans which will be determined annually by the Regency Regulation East Kutai.

The Strategic Plan is a guideline for employees of the DPKP of East Kutai Regency in preparing development programs as well as for the Regional People's Representatives Council in East Kutai Regency in accommodating community aspirations in the implementation of regional development in East Kutai Regency in the 2016-2021 period. The Housing and Settlement Area Office of East Kutai Regency is responsible for maintaining consistency between the District Medium-Term Plan (RPJMD) and the Annual Plan, in addition to the Regional Spatial Planning (RTRW) of East Kutai Regency according to its main functions and duties.

In optimizing the HR work of the Housing and Settlement Area of East Kutai Regency, improvements were made to the organizational structure, given the increasingly complex problems faced. The condition of the existing organizational structure still cannot accommodate the number of activities handled, therefore, echelon IV structural positions are carried out under the Head of Division. For the Technical Implementation Unit and Labaratorium, one supervising field is formed or another alternative is by attaching the Technical Implementation Unit (UPT) to each of the fields related to its duties, including other alternatives, to form a separate Office Unit.

Employees of the office of Housing and Settlement Areas of East Kutai Regency are required to seriously pay attention and refer to the vision, mission, goals and objectives to be achieved over the next five years as stated in the Strategic Plan of the office of Housing and Settlement Areas of Kutai Regency in carrying out their duties and its function. This study focuses on a number of factors that influence the optimization of HR functions through organizational transformation, namely decision making, communication, leadership, and management style. Whatever description of each factor can be presented as follows.

### Decision Making

Decision-making factors related to the assessment of organizations that are very large structurally so that it is necessary to establish a new organization in this case what is meant is the establishment of the Housing and Settlement Area of East Kutai Regency. To find out more deeply about the decision-making factors that affect the transformation of the Housing and Settlement Service Office in East Kutai Regency.

Based on the results of the interview above, it can be understood that the decision making in the establishment of the OPD of the Office of Housing and Settlement Areas was based on the regent's decision by following the guidelines made by the government nationally. The Housing and Settlement Area of East Kutai Regency is one of the new OPDs, from the Office of Public Works (PU) East Kutai Regency. Decision making on OPD formation is based on East Kutai Regent Regulation Number 25 of 2016 concerning the Arrangement and Work Procedure of Regional Offices. The Office of Housing and Settlement Areas are classified by typology C which consists of two fields and each of which is in charge of three sub-sectors and secretariats.

Based on the results of the interview above, it can be understood that the decision making in the establishment of the OPD of the Office of Housing and Settlement Area of East Kutai Regency refers to the East Kutai Regency RPJMD and RTRW documents which are considered to be very complex so that it requires an independent agency to maximize government work related to government affairs areas in the field of Housing and Settlement Areas so that their implementation becomes more coordinated and focused in the field of Housing and Settlement Areas are no longer mixed with matters of Building Construction that are identical to the Public Works Agency.

### **Communication**

In this aspect, it is revealed that communication between leaders and subordinates is more detailed after changes in the Regional government agencies (OPD) to become Housing and Settlement Areas. To find out about communication patterns that are interwoven so that they are considered as part of organizational transformation.

Based on the results of the interview above, it can be understood that communication patterns are formally carried out in the form of meeting agendas and direct or telephone coordination with leaders for a number of agendas and activities related to planning, guidance, coordination and control of technical policies in the areas of Housing and Settlements. Feasible and needs to be done frequently considering that the Office of Housing and Settlement Area of East Kutai Regency is a newly formed OPD so formal communication is often carried out.

There is a communication pattern built by the leadership with subordinates informally, this is indicated by the activities carried out, namely the Coffee Morning event between the Regent and the Head of Service so that if there are obstacles or obstacles and suggestions and reports on the development Office of the Housing and Settlement Service can be delivered directly even though communication using Social media applications can also be done but emotional approaches

are different from meetings such as Coffee Morning. Formal communication in implementing organizational tasks or newly formed DPOs requires special consultation so that the meeting agenda is something that needs to be done to synergize the activities and programs of the Office of Housing and Settlement Services as a new OPD.

### **Leadership**

This factor includes the process of leadership of regional heads who take policies to form new OPDs namely the Office of Housing and Settlement Areas. At the beginning of the formation of the organization it was strongly influenced by the leadership of the Regional Head who was oriented towards a harmonious and environmentally friendly RTRW.

Based on the results of the interview above, it can be seen that in the leadership of the Regent of East Kutai Regency there was a mission that would be realized, namely establishing a harmonious and environmentally sound Regency RTRW. The existence of the Housing and Settlement Area Office helps to realize this mission because the Housing and Settlement Area Office has the goal of realizing spatial-based settlements in the context of sustainable development, habitable and productive settlements through fostering and facilitating the development of integrated, reliable and sustainable settlement infrastructure.

The leadership of the Regent in relation to the organizational transformation process has made the running of government and development work well through directives to coordinate and synergize a number of authorities that are not yet fully owned by the Office of Housing and Settlement Areas of East Kutai Regency such as park arrangement that still exists in PU work areas. Further in terms of clearer management of the working area between PU and DPKP.

### **Management Style**

This factor in management style, saw a real effort to increase the satisfaction of all parties by trying to find the right solution in solving problems that at the Department of Public Works which later transformed into a new OPD. Based on the results of the interview can be seen that there is a specific division of labor so that the implementation of activities is more in-depth and directed besides the separation of OPD strategic programs can be more easily controlled. The management changes that occur between the Public Works Office of East Kutai Regency and the Housing and Settlement Service Office of East Kutai Regency can be seen from the translation of Mission, Goals and Goals.

Based on the results of the study can be understood that there are specific changes between the mission, objectives and targets set at the Public Works Office of East Kutai Regency with the Office of

Housing and Settlement Areas in East Kutai Regency where all work dealing with Housing and Settlements is transformed into The newly formed service, namely the Housing and Settlement Area which is left behind by the Public Works Agency as the initial organization, is public works that include human resources, control and supervision, secretariat and research and development for proper implementation and strict supervision, and implementation of Construction Services.

Based on the results of the interview above, it can be understood that the separation of organizations resulted in the preparation of work structures and programs easier and more directed. The Housing and Settlement Service Office can improve management consistently in order to realize housing facilities and utility infrastructure and residential areas that meet quality and quantity standards regardless of many work programs from public works as the initial agency of the Housing and Settlement Area before separating.

The results of the study related to the factors that influence organizational transformation in the Office of Housing and Settlement Area of East Kutai Regency, it can be seen that decision-making in the establishment of OPDs for the Office of Housing and Settlement Areas was based on the regent's decision by following the guidelines made nationally by the government. Decision making in the establishment of the OPD of the Office of Housing and Settlement Area of East Kutai Regency refers to the RPJMD and RTRW documents of East Kutai Regency which are considered very complex so that it requires a stand-alone agency to maximize government work related to Government Affairs which is the regional authority in the Office of Housing and Settlement area so its implementation becomes more coordinated and focused on the field of Housing and Settlements no longer mixed with the building construction business which is identical to the Public Works Agency.

In communication factors there are two patterns, formal and informal, communication patterns are formally carried out in the form of meeting agendas and direct or telephone coordination with leaders for a number of agendas and activities related to planning, coaching, coordinating and controlling technical policies in the areas of Housing and Settlements is a feasible and necessary thing to do, considering that the Housing and Settlement Area of East Kutai Regency is a newly formed OPD so formal communication is often carried out.

While the pattern is informally this is indicated by the activities carried out namely the coffee morning event between the Regent and the Head of Service so that if there are obstacles or obstacles as well as suggestions and reporting on the development of the Housing and Settlement Service Office can be conveyed directly even though communication using

social media applications can also be done but an emotional approach is different from meetings such as Coffee Morning. Formal communication in implementing organizational tasks or newly formed DPOs requires special consultation so that the meeting agenda is something that needs to be done to synergize the work program.

In leadership factors, there is a mission that will be realized, namely establishing a harmonious and environmentally sound Regency RTRW. The existence of the Housing and Settlement Area Office helped to realize the mission because the Housing and Settlement Areas Office had the goal of realizing spatial-based settlements in the context of sustainable development. In addition leadership in the organizational transformation process makes the running of government, especially HR management and development work well through direction to coordinate and synergize activities to support HR performance (Becker, B., & Gerhart, B. 1996; Wiig, K. M. 2002).

Furthermore, management style factors indicate that there is a specific division of labor so that the implementation of activities is more in-depth and directed, besides organizations that have strategic program specifications can be more easily controlled, then the separation of organizations results in easier and well directed structuring and HR work programs (Rainey, H. G. 2009; Daft, R. L. *et al.*, 2010). Housing and Settlement Areas can improve management consistently in order to realize housing infrastructure and utility facilities and residential areas that meet quality and quantity standards without mixed with the Public Works Agency.

## CONCLUSION

Utilizing adequate organizational structures and equipment support to maximize the activities handled is a way to optimize the HR function through organizational transformation in the Housing and Settlement Area of East Kutai Regency which shows a positive direction by making the administration and development run well through directives to coordinate and synergizing activities despite the separation of organization and Public Works Agency resulting in the arrangement of work structures and programs easier and more directed. The Office of Housing and Settlement Area can improve management consistently in order to realize infrastructure facilities and utility housing and residential areas that meet quality and quantity standards regardless of the number of work programs.

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