Human Resource Development In The Public Sector As A Catalyst For Regional Economic Development

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Abstract: This study explores the role of human resource (HR) development in the public sector as a catalyst in driving regional economic growth. A qualitative approach was used with a library research method and in-depth interviews with eight key informants from local government institutions, academics, and economic development practitioners. The study results indicate that planned, competency-based, and public service-oriented HR development can improve bureaucratic performance, accelerate decision-making, and encourage efficient governance. It has a direct impact on improving the investment climate and regional economic productivity. The study found that inter-sectoral collaboration and strengthening institutional capacity are significant factors in the success of the HR development agenda in the public sector. This study recommends improving the quality of training, performance-based evaluation, and utilizing digital technology as a strategy for sustainable HR development.
Keywords: HR development, public sector, regional economic development, bureaucratic performance, regional innovation.

INTRODUCTIONS

In the era of globalization and increasingly tight economic competition, regional development is a crucial aspect of driving national welfare. One of the main factors that determines the success of regional development is the quality of human resources (HR), especially those in the public sector (Haryadi et al., 2024). It is believed that professional, competent, and adaptive public sector human resources to change can become the main driving force in creating effective, efficient, and innovative governance. In many countries, including Indonesia, the role of local governments is increasingly strategic in designing and implementing economic development policies. (Alma et al., 2024). Regional autonomy provides ample space for local governments to set growth strategies based on local potential. However, the success of these strategies is highly dependent on the capacity of the bureaucracy and the quality of human resources that manage these policies and development programs.

Human Resource Development (HRD), or human resource development in the public sector is not just a training process but includes a comprehensive transformation that includes competency planning, performance evaluation, and the formation of a work culture based on service and results. With qualified human resources, local governments can encourage policy innovation, improve the quality of public services, and create a conducive business climate for regional economic growth. Improving the quality of public human resources affects more rational, transparent, and participatory decision-making (Manzoor et al., 2019). The right and data-based decisions can accelerate infrastructure development, expand access to education and health, and open up business opportunities for local communities. In this context, public

sector human resources function as a catalyst that accelerates economic growth and equitable development.

Unfortunately, various challenges are still encountered in public sector human resource development. Among them are weak training planning, minimal performance-based evaluation, and the dominance of recruitment and promotion patterns that are not based on competency. This causes low professionalism and low competitiveness of regional bureaucracy in facing the complexity of development. In addition, the challenges of the digital era and the Industrial Revolution 4.0 require public sector human resources to have new abilities such as digital literacy, critical thinking, and cross-sector collaboration (Nurcahyo, 2024). Without strengthening human resource capacity, local governments will have difficulty adapting to global dynamics and increasingly complex societal demands. Several regions in Indonesia have shown that by strengthening public human resources, regional economic development can grow faster and more sustainably.

Cities and districts that have reliable bureaucracies have proven to attract investment, create a healthy business climate, and provide quality public services. It is proof that public sector human resources are not just a burden on government spending but a strategic development asset. In the context of national policy, the government has declared bureaucratic reform and human resource development as top priorities. However, its implementation still encounters various obstacles, both in terms of technical aspects and work culture (Suratno & Roosna, 2023). Therefore, an in-depth study is needed to understand the role of public human resource development more comprehensively as a lever for regional economic development. Human resource development (HRD) in the public sector is a strategic component in supporting regional progress. In the era of globalization and increasingly tight economic competition between regions, regional governments are required to have an apparatus that is not only administratively competent, but also adaptive to change, innovative, and able to design and implement development policies that support community welfare. Human Resource Development (HRD) in the public sector plays a role as the main driver in forming a quality and professional bureaucratic capacity.

Strengthening the capacity of HRD not only affects the quality improvement of public services but also has a significant influence on regional competitiveness. Regions that have a responsive and efficient bureaucracy will create a conducive business climate, attract investment, and accelerate the realization of strategic development programs (Soerjani, 2016). In this context, HRD becomes a catalyst for regional economic growth because its existence directly or indirectly creates a multiplier effect on productivity, employment opportunities, and increasing community income.

However, HRD development in the public sector still faces several challenges, including low training effectiveness, uneven distribution of competencies, and minimal performance-based evaluation. Many regions have not made HRD a strategic priority, even though the potential for improving the quality of regional apparatus is large if supported by mature competency development planning. The imbalance between regional development needs and human resource capabilities causes stagnation in various sectors, especially in terms of policy innovation and public service efficiency.

Within the framework of regional economic development, the HRD approach cannot be separated from the bureaucratic reform agenda and good governance. Investment in competency development, public leadership, and talent management must be part of long-term regional development policies (Anwar & Jati, 2023). Thus, human resources in the public

sector can play a role as agents of change and the main drivers of sustainable development. Cross-sector collaboration, utilization of information technology, and the formation of a performance-based work culture are important foundations in strengthening the role of HRD as a catalyst for regional economic growth.

Based on the description, it can be concluded that human resource development in the public sector is a fundamental strategy in driving regional economic development. This study aims to examine the extent to which the role of HRD in the public sector can drive regional economic growth, as well as formulate a human resource development model that is relevant to local needs. By understanding the relationship between the quality of public apparatus and regional economic dynamics, it is hoped that the results of this study can contribute to the formulation of more inclusive and sustainable regional development policies (Ahmad Shakir & Iqbal Khan, 2022).

RESEARCH METHODS

The study uses a qualitative approach to deeply understand the social phenomena that occur. The qualitative approach was chosen because it can explore the meaning, experience, and perception of the research subjects comprehensively, in a natural and uncontrived context. Researchers try to capture social reality as it is, without intervention or manipulation of variables as in the quantitative approach. This approach is relevant in studying the dynamics of bureaucracy, regional development, and HR development strategies that are full of social, cultural, and policy aspects. (Nasuition, 2013).

Data collection techniques through in-depth interviews, participant observation, and documentation. Informants were selected purposively, namely, those who were considered to have direct knowledge and experience related to the focus of the research. The interview process was carried out openly and flexibly so that informants could express their views freely. Observations were used to strengthen interview data and understand social situations directly, while documentation supported the validity of the data through written sources such as reports, regulations, or policy archives.

Data analysis was carried out interactively and continuously using data reduction techniques, data presentation, and conclusions. Researchers coded the raw data obtained from interviews and documents and then grouped the main themes that emerged. Data validity was tested through source and method triangulation techniques, as well as confirmation with informants (member check). The analysis process was reflectively conducted in order to capture the dynamics and complexity of the phenomena being studied and produce meaningful findings for the development of theory and policy practice.

RESULTS AND DISCUSSION

The results of the study show that human resource development (HRD) in the public sector plays a strategic role in driving regional economic growth. From interviews conducted with local government officials, heads of departments, and technical staff, it was found that training programs, capacity building, and targeted employee rotation contributed directly to increasing the efficiency of public services. It can be seen from the increasing public satisfaction with public services and the acceleration of the business licensing process in the areas studied (Dakhan et al., 2020).

Furthermore, the results of field observations revealed that local governments that have a strong commitment to human resource development tend to be more innovative in designing regional development programs. Several regions implement e-government systems,

application-based services, and performance-based reward and punishment systems. These innovations not only accelerate the administrative process, but also create a bureaucratic ecosystem that is adaptive and open to change.

Tabel 1. Respomdent Observation Results

No.	Informant	Position/Agency	Main Statement	Meaning/Conclusion
1	Informant A	Head of Bappeda Regency X	"We continue to improve training for ASN so that they are able to understand the potential of the local economy."	Human resource development is directed to support regional potential-based development planning.
2	Informant B	Secretary of the Investment Office	"Digital-based licensing services accelerate the investment process and make it easier for business actors."	Public service innovation is the result of strengthening the capacity of bureaucratic human resources.
3	Informant C	ASN for UMKM and Creative Economy	"After participating in the MSME facilitator training, I can assist more business actors."	Technical training increases the contribution of ASN to regional economic development.
4	Informant D	Regional Government Expert	"Our weakness lies in the old bureaucratic culture that tends to be reluctant to innovate."	Bureaucratic culture is a challenge in optimizing the results of human resource development.
5	Informant E	Academician/Public Administration Expert	"Synergy is needed between local governments and universities to design applicable training."	Cross-sector collaboration is needed to support the development of public-sector human resources.

Another important finding is that the quality of public sector human resources greatly influences the effectiveness of the implementation of economic development policies. For example, incentive policies for local MSMEs will not run optimally without an apparatus that has competence in business assistance and an understanding of local market dynamics. In this case, the development of technical and non-technical competence is an absolute requirement so that government programs can be translated operationally at the field level (Alma et al., 2024).

In terms of discussion, this finding is in line with the Human Capital Development theory which states that improving human quality directly contributes to economic productivity. In the regional context, public sector human resources act as facilitators, regulators, and motivators of development. Therefore, investment in developing the capacity of ASN (State Civil Apparatus) cannot be viewed as a cost, but rather as a long-term strategy in building regional competitiveness.

The results of this study also strengthen previous findings from UNDP and World Bank studies which emphasize the importance of bureaucratic reform in improving local development performance. When the bureaucracy can serve responsively and accountably, public trust increases and community participation in regional development grows. This creates a positive cycle in which good governance drives inclusive economic growth.

However, several obstacles were also found. Not all regions have adequate budgets for HR development programs. In addition, the bureaucratic culture that is still rigid and less open to innovation is a challenge in itself. Employees who have worked for a long time tend to be resistant to change, and the regeneration process is often hampered by a career system that is not merit-based. This is important to note that HR development is not only about training but also includes reforming the personnel system as a whole.

The discussion also noted the importance of collaboration between local governments, educational institutions, and the private sector in developing human resources. Several regions have successfully established partnerships with universities and NGOs to organize technical and managerial training. This collaboration creates positive synergy and enriches the bureaucratic perspective in formulating contextual and applicable policies. Thus, the pentahelix approach (government, community, academics, private sector, and media) needs to be strengthened as a strategy for developing results-oriented public human resources.

Overall, these results and discussions show that public sector human resource development impacts bureaucratic performance improvement and is a critical catalyst in driving regional economic growth. Better public service performance opens up space for investment, increases the efficiency of resource management, and strengthens the role of government as an enabler of development. Therefore, strengthening the capacity of ASN must be a top priority in the bureaucratic reform and regional development agenda going forward.

CONCLUSION

Based on the research results, it can be concluded that human resource (HR) development in the public sector is a key element in increasing bureaucratic effectiveness and supporting regional economic development. Competent, adaptive, and innovative ASNs have proven to create more responsive, efficient, and pro-investment public services. In this context, improving the quality of HR is not just an administrative effort, but part of a long-term development strategy.

Effective HR development includes not only formal training and education, but also transformation of work culture, merit-based career system reform, and support for visionary leadership. Regions that have successfully implemented HR policies in a targeted manner have shown significant progress in bureaucratic innovation and governance. This has a direct impact on increasing public trust and public participation in development.

In addition, collaboration between local governments and the academic and private sectors is very important in designing contextual and applicable HR development programs. Cross-sector synergy allows for the creation of training programs that are relevant to local challenges and broadens the apparatus' insight into the dynamics of global development. Thus, public sector human resource development can be an effective instrument in driving competitiveness and sustainable regional economic growth. In closing, this study confirms that the success of regional development cannot be separated from the capacity of a professional and adaptive bureaucracy. Therefore, investment in public sector human resource development must be a top priority in the bureaucratic reform agenda and regional development planning. Commitment to strengthening the capacity of the apparatus will create a bureaucracy that to become a driving force for change towards inclusive, innovative, and sustainable regional development.

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