

HUMAN CAPITAL MANAGEMENT AND ORGANIZATIONAL COMMITMENT AMONG GOVERNMENT EMPLOYEE

Suwita Prugsarporn* & Tawatchai Suphuan **

**Lecturer, **Lecturer, Faculty of Management Science,
Suan Sunandha Rajabhat University, Bangkok, Thailand,
E-Mail: tawatchai.so@ssru.ac.th, suwita.pr@ssru.ac.th*

ABSTRACT

Abstract— The objectives of this research were 1) to study the level of human capital management and the level of organizational commitment among government employee of one government organization, and 2) to study the management of human capital effects on organizational commitments among government employee. The research approach uses quantitative research. The sample group used in this research was 300 representatives of one government organization with using a simple random sampling method. The data collection used questionnaires that were tested for the validity and reliability of the questionnaires. Statistics used in the analysis were frequency, percentage, mean, standard deviation, and multiple regression analysis. The results revealed that the level of human capital management, overall was at a high level. The management of human capital in the aspects of knowledge capital was the most importance, followed by cultural capital, innovation capital, creativity capital, and emotional capital, respectively. As well as the level of organizational commitment was at the high level. The analysis of the influence of human capital management factors on organizational commitments among government employee was found that the human capital management in the aspect of creativity capital, knowledge capital and innovation capital affected the organizational commitment with statistical significance at $F=52.425$, which all variables could explain the variance of organizational commitment at 45.18 percent. The highest multiple regression coefficients were knowledge capital ($\beta=0.345$), followed by innovation capital ($\beta=0.237$), cultural capital ($\beta=0.181$), and creativity capital ($\beta=0.157$), respectively.

Keywords—Government employee, Human capital management, Organizational commitment

INTRODUCTION

In the 21st century, human capital is the most important resource. It is important to compete in the modern trade world that transforms production bases into human capital bases to achieve maximum value. Accelerating the development of the new generation to have international potential and being a good person as a social capital is therefore essential to elevate the country to an international level. The government system has given importance in the administration of state affairs because government officials are the real drivers of the bureaucratic system. The bureaucratic system will be efficient and effective, able to perform the mission of the agency for how successful and beneficial to the country and the people depends on the quality and honesty of the government officials. This can only be achieved through an efficient human resource management system based on academic principles. The key principles of personnel management must be based on the best interests of the government and the principles of administration by a moral system in which Thai government officials face competition from both inside and outside the country (Sudsawat, 2016).

In addition, changes in technology, economic, cultural and business environments require organizations to adapt to the changing environment. Therefore, the organization must focus on its employees as much as possible. This is because personnel play an important role in facilitating, supporting and promoting management. Human capital is the capital that creates and adds value to other capital of an organization (Vejjanon, 2011). The advancement in information technology is an important factor in changing the lifestyle of people in the present era who has changed the way of life from the past. Computer devices can connect data between each other, allowing users to use it more conveniently and quickly. A large amount of data can be connected and transferred easily and independently, as well as can use a variety of devices to access information. Being Thailand 4.0 requires effective human capital management.

Human capital is recognized as a key factor contributing to the success of an organization. Effective human capital management services can support intellectual capital. This is an excellent ability of an organization to build

competitiveness through the knowledge of its personnel. Outstanding talent produces excellent performance and drives innovation (Rastogi, 2000). Therefore, the management of human capital is an investment in the individual to increase the individual's potential in order to increase the value of productivity in the form of creating value for the organization. The success of the organization is caused by human beings which is an important resource to the organization. Humans are different from other types of resources because human beings are a living resource, having a mind and unable to command. When humans have a good feeling towards the leader and the organization, he will be determined to complete the tasks assigned to the best to achieve the goals. Today's organization is human-driven and human beings are the strengths of the organization by using human beings as the driving force for the organization to be successful. It is accepted that people are the heart of the organization. It is valuable and can be developed into a "capital" by creating added value by sending people to higher level training or specialized education to add value to human resources. This will enable the organization to develop the organization sustainably.

Government employees are the most important factor in the survival of an organization. Human resource management methods are needed to incentivize government employees to work more efficiently and effectively in order for their agencies to continue to advance and succeed. It can also compete with other government agencies, requiring different strategies and management adjustments. To lead the organization to the success of the goals, personnel must be developed thoroughly and continually. Civil servants are interested in learning or eager to learn on their own and develop human resources by themselves.

However, government employees have a high turnover rate each fiscal year. Some of the government employees who resigned were good government employees with knowledge and abilities. It is a valuable resource for the organization and is expected to remain but it tends to have a high turnover rate. As a result, the operations within the organization are inefficient and ineffective. Therefore, new officials must be recruited to perform duties all the time. The administrative officer required to create work commitments, where work commitments can be influenced by personal characteristics and other factors affecting work commitment.

LITERATURE & THEORY

Human Capital Management

Human Capital Management is a process that involves planning and implementing improvements in the performance of employees that play a key role in the success of an organization's operations. They will be employees who have the core competency as required by the organization competitive advantage first and employing human capital management, which is a strategy that is composed of Human Capital Theory, Human Capital Vision and Strategic Component. Hongladarom (2012) propose that Human capital management is the process of planning and implementing the development of knowledge, skills and attitudes of personnel that are required to have key competencies in creating competitive advantages for the organization. He developed the 5K's Theory which addresses the quality building of human capital for competitiveness in the free ASEAN era. In conclusion, the 5K's Theory consists of:

1. Creativity Capital means applying existing knowledge and skills to create value-added products. or services to meet the needs of customers in a timely manner ready to accept changes that occur both now and in the future.

2. Knowledge Capital means knowledge and ability to learn specific expertise, analytical thinking, skills, action and experience that is accumulated in yourself.

3. Innovation Capital means knowledge and ability to expand knowledge and develop new things. that are beneficial to the operation of the organization both in terms of how to develop product and service development including management that is appropriate to the current situation and situation.

4. Cultural Capital means creating positive interactions between people in the organization through what everyone in the organization agrees to be good and appropriate. Everyone has mutual trust as well as being willing to work together to achieve the objectives of the organization and ready to exchange opinions on the development of the organization to move forward together.

5. Emotional Capital refers to the process of adjusting opinions, understandings, awareness, or even character traits of individuals to perform good and appropriate work according to the needs of the organization. Until being

diligent and honest to work and the organization have a strong bond and trust in the organization with sacrifice, unity, being sincere and respecting the rights of colleagues.

Organizational commitment

Porter & Steer (1977) defined organizational commitment as the relationship that expresses all connections between employees and the organization. Job eligibility is the intensity that characterizes the individual involved in performing tasks for the organization. This commitment will have three characteristics as follows: 1) Confidence and acceptance of the goals of the organization, 2) The willingness to use the best efforts for the benefit of the organization, and 3) the need to continue to be a member of the organization.

Allen & Meyer (1990) argue that organizational commitment is how employees feel about the organization by being a sticky thing for a person to stay in the partner. Allen and Meyer (1990) has given the idea of organizational dependence as a state of mind of a person towards the organization and define organizational commitment as a commitment to goals, the values of the organization and the performance of their own roles to achieve the goals and values of the organization. The commitment to the organization consists of 3 parts: 1) Unity with the organization identification is the expression of the goals and values of the worker's organization, thinking of the organization in a positive way, proud to work with the organization and have satisfaction in their work, 2) Relationship with the organization by performing duties according to their roles fully, desire to stay with the organization, dedicated efforts to the organization willingly enthusiastic about work and use their best efforts to create productivity for the organization, and 3) Loyalty with the feelings of love and commitment to the organization, protecting the reputation and image of the organization, awareness of the future of the organization and faith in the goals and values of the organization.

RELATED WORKS OR DISCUSSION

Related research was used to define the conceptual framework and research hypothesis. Yotlert (2003) said that human capital management is the process of developing knowledge, skills, and attitudes of personnel in an organization to enhance the personnel's potential to work effectively. In line with the goals set by the organization and in order to motivate personnel to show their maximum potential in their own operations. It should consist of knowledge management, skill management and attitude management. Vejyanon (2008) defined that human capital refers to various characteristics, including the abilities that are included in human beings, such as knowledge, skills, abilities, which are largely inherent to that human being or spend money and time to build and maintain it. Human capital is accumulated in many ways, such as education, work experience, migration, life experience, health care including researching various information. The research of Pimsingha (2015) study on innovation, motivation and marketing communication influencing trends in decision-making behavior of 3g technology service of mobile users in Bangkok. The results found that the overall level of human capital was at a high level. The comparison of the difference on human capital development found that different age, different staff, different working time, and different income and salary were found to be statistically significant. The relationship between internal and external factors on the development of human capital found factors the leadership of the executive, culture organization for work, training and develop for staff, smart worker management in the organization, organizational commitment, technology and economics that every aspect was related with human capital development in a positive way at a moderate level. Meyer & Herscovitch (2001) propose that commitment is a force that binds an individual to a course of action of relevance to one or more targets. Employees are theorized to experience this force in the form of three bases, or mindsets: affective, normative, and continuance, which reflect emotional ties, perceived obligation, and perceived sunk costs in relation to a target, respectively.

From the findings of past researches, it can be concluded that human capital in term of creativity capital, knowledge capital, innovation capital, cultural capital, and emotional capital influenced on organizational commitment among government employee. For the hypothesis testing, the researcher analyzed the data using multiple regression analysis to determine human capital management consists of the factor namely creativity capital, knowledge capital, innovation capital, cultural capital, and emotional capital have affected organizational commitment among government employee.

METHODS

The objectives of this research were 1) to study the level of human capital management and the level of organizational commitment among government employee located in Bangkok, and 2) to study the management of human capital effects on organizational commitments among government employee. Based on the concepts, theories and research results related to human capital management and organizational commitment. The independent variable is human capital management consisting of creativity capital, knowledge capital, innovation capital, cultural capital and emotional capital as well as the dependent variable is corporate commitment.

Population and sampling

The target population used in this research was government employees who work in government agencies located in Bangkok. The researcher determined the sample size by calculating the sample size using Taro Yamane's formula (Yamane, 1970). The sample of 300 people was conduct to collect data by using *with* using a simple random sampling method.

Instruments and Data collection

Tools used in this research is a questionnaire divided into 3 parts, consisting of personal data, human capital management opinions and organizational commitments opinions. The estimation scale type of questionnaire was 5-level Likert's scale. The generated questionnaires were tested for validity and the reliability of the questionnaire. in order to obtain accurate research results and achieve the stated objectives. The results of the confidence check of 40 samples were between 0.7-1.00 and got the total confidence of 0.828, which passed the reliability criteria (Hair et al., 2010). Therefore, it was concluded that the questionnaires could be used to collect data.

Statistics and data analysis

Statistics used in data analysis, the researcher used descriptive statistics to describe the demographic characteristics such as frequency, percentage, mean and standard deviation. As well as the inferential statistical analysis was used to test research hypotheses by using Pearson correlation coefficient analysis and Multiple regression analysis.

RESULTS

Descriptive results

The personal information of the samples group consisted of 300 samples found that most of the respondents were female, single, aged between 31-40 years of age with a bachelor's degree, salary between 15,001-30,000 baht, are operational employees, working periods are less than 5 years.

The level of human capital management that affects the organizational commitment of government employees as a whole is at a high level. If considered separately by components, human capital in the aspect of knowledge capital is the most important, followed by cultural capital, innovation capital, creative capital and emotional capital, respectively, at a high level in all aspects.

The overall opinions of organizational commitment of government employees is at a high level. If considering each items, the sample group agreed with the pride and felt part of the organization the most, followed by satisfaction in being a government employee, dedication to the organization, faith in goals and values, always think of the organization in a positive way, awareness of the good future of the organization, readiness to protect the reputation and image of the organization, and desire to stay with the organization forever, respectively, were at a high level in every items.

Hypothesis testing results

The hypothesis testing for human capital management affecting on organizational commitment among government employees by using Multiple regression analysis. The results of analysis of the influence of human capital management factors affecting the organizational commitment of government employees was showed that the management of human capital in the aspect of creative capital, knowledge capital, innovation capital, and cultural capital affected the organizational commitment of government employees with statistically significant at $F = 52.425$. All variables could explain the variance of organizational commitment of government employee with 45.18 percent. When considering multiple regression coefficients in the form of a standard score. The predictors with the highest multiple regression coefficients were knowledge capital ($\beta=0.345$), followed by innovation capital ($\beta=0.237$), cultural capital ($\beta=0.181$), and creativity capital ($\beta=0.157$), respectively, which were consistent

the hypothesis. While human capital in the aspect of emotional capital did not affect the organizational commitment of government employees which was not consistent the hypothesis.

CONCLUSIONS AND FUTURE WORK

Conclusion and discussion

An analysis of the influence of human capital management factors affecting the organizational commitment of government employees found that human capital management on creative capital, knowledge capital, innovation capital and cultural capital have affected the organizational commitment of government employees which is consistent with the research hypothesis. The results are in line with the concept of Hongladarom (2012) developed the 5K's theory that discusses the quality building of human capital for competitiveness consists of creative capital, innovation capital, knowledge capital, cultural capital and emotional capital, which the researcher used as an idea to create a conceptual framework for this research. As well as in accordance with the study of Yotlert (2009) revealed that human capital management is a process of knowledge management, skill management and attitude management of personnel in the organization to increase the potential of personnel to work effectively and incentivize personnel to show their highest potential in their own operations. This is in accordance with Pairojwoottipong (2017) found that human capital management has an influence as a mediator link between knowledge management and performance of the organization where human capital management is one of the strategies for building employee engagement with organizations. As well as in a study by Bassi & McMurrer (2004) found that human capital management create employee engagement with the organization. by accessing knowledge making and learning ability of employee which will be a key driver to lead the organization to increase organizational performance.

The results of the analysis revealed that emotional capital management of human capital did not affect the organizational commitment of government employees which is inconsistent with the research hypothesis. This may be due to emotional capital being attributes to individuals such as self-perception, dignity and flexibility. This will be the basis for personnel to have the opportunity to grow in their line of work appropriately and fairly, never give up on obstacles or problems, and resulting in effective teamwork which the organization must promote and develop to occur in the organization. This is consistent with the concept of human capital of Hongladarom (2012) mentioned that emotional capital arises from the process of adjusting opinions, understanding, having consciousness, or even the character of a person who performs good work. It also appropriate to the needs of the organization, such as diligence, honesty to work and the organization have a strong relation and trust in the organization. There is sacrifice, harmony, sincerity and respect for the rights of colleagues. This is consistent with the study of Vejyanon (2011) stated that emotional capital or emotional intelligence in performing tasks other than knowledge, skills, and attitudes. Emotional control will help employees be more able to perceive stories that are contrary to their thinking and continue to strengthen the relationship and expand the scope in a way that promotes each other. By taking the human capital concept that prioritizes networks of social relationships and emotional regulation in addition to cognitive capital competence, human capital can be enhanced. Including the study by Ployhart. and Moilterno (2011) found that potential talent with good human capital arises from the human capital that resides in them because emotional capital management creates good interactions between people in the organization including mutual trust willingness to work together and are ready to exchange ideas to develop the organization to move forward together. It is a fundamental element that organization should have in order for their networks to work together to achieve organizational objectives.

Recommendations and future work

Government agencies should focus on human capital management by focusing on the creation of human capital in all aspects. It should be defined as vision, mission, strategy and human capital management operation planning in all aspects to continually arise in order to build the potential in human capital and commitment with the organization. As well as from research findings, it was found that the human management in the aspect of emotional capital did not affect organizational commitment. Therefore, government agencies should focus on managing emotional capital of human capital. Government agencies should develop techniques to encourage personnel to participate willingly to express their opinions by focus on diverse ideas and continually being creative. In addition, government agencies should focus on maintaining valuable personnel in the organization to stay with the organization in the long term with a way to build a relationship with the organization.

Further research recommendations should explore other factors or variables that are relevant or expected to affect organizational commitment to obtain comprehensive information in all dimensions. Including qualitative research approach should be applied to analyze data in depth or support quantitative research results by using qualitative techniques such as in-depth interviews, focus group interviews, etc.

REFERENCES

- [1] Allen, N. J., & Meyer, J. P. (1990). The Measurement and Antecedents of Affective, Continuance and Normative Commitment to the Organization. *Journal of Occupational Psychology*. Vol. 63, pp. 1-18.
- [2] Bassi, L., Harrison, P., & McMurrer, D. (2004). The Impact of U.S. Firms' Investment in human capital on stock prices. Retrieved on June 10, 2015 from <http://www.bassi-investments.com/downloads/ResearchPaperJune2004.pdf>.
- [3] Hair, Jr.J.F., Black, W.C., Babin, B.J., & Anderson, R.E. 2010. *Multivariate data analysis: A global perspective*. 7 th ed. New York: Pearson Prentice Hall, Harper Collins College.
- [4] Hongladarom, J. (2012). *Human capital of Thai people to support the ASEAN Community*. 2nd Edition Bangkok: Meter Copy.
- [5] Meyer, J. P., & Herscovitch, L. (2001). Commitment in the Workplace: Toward a General Model. *Human Resource Management Review*. Vol. 11, pp. 299-326.
- [6] Pairojwoottipong, O. (2017). Mediation effect of Human Capital Management in Transmitting Effect of Knowledge Management and Performance Management to Organizational Performance of Listed Service Companies in The Stock Exchange of Thailand. *Journal of Business Administrator: The Association of Private Higher Education Institutions of Thailand*. Vol. 6 No.1 January - June 2021.
- [7] Pimsingha, P. (2015). Factors Affecting Human Resource Development for Academic Staff in Suratthani Rajabhat University. *Journal of Graduate School, Pitchayat, UbonRatchathaniRajabhat University*. 10(1): Jan.-Jun. 2015.
- [8] Ployhart, R.E., and Moilterno, T.P. 2011. Emergence of the Human Capital Resource: A Multilevel Model. *Academy of Management Review*. Vol. 36. No.1. 127-150.
- [9] Porter, L. W., & Steer, R. M. (1977). Organizational Work. Personal Factor in Employee and Absenteeism. *Psychological Bulletin* 80 No.2.
- [10] Rastogi, P. N. (2000). Knowledge Management and Intellectual Capital — The New Virtuous Reality of Competitiveness. *Human Systems Management* 19(1):39-48.
- [11] Sudsawat. L. (2016). *Capital Development Model Special Economic Zone in Sa Kaeo Province*. Graduate School, Valaya Alongkorn Rajabhat University.
- [12] Vejyanon, N. (2011). *HPO (High Performance Organization) HPWS (High Performance Work System) Managing Talent*.
- [13] Yamane, T. (1973). *Statistics: An Introductory Analysis (3rd Ed.)*. New York. Harper and Row Publications.
- [14] Yotlert, P. (2009). *Factors influencing human capital development*. Independent research. Master of Education, Silpakorn University.