Development and Management of Government Human Resources: A Shortcut to Economic Development

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Enhancing Investment in Government Human Resources Departments

Economic growth is defined as the accumulation of materials, human power capital, and technological advancement. Together, success in these three areas can increase the products and total output of labor services constantly in the long term, or propel the per-capita output substantially in this regard.

There are two crucial periods in research of the growth theory. The first occurred in the late 1950s and 1960s; the second in the late 1980s and the early 1990s. The new classical growth theory was formed in the first period, and focused on capital accumulation and its relation to saving policy. Robert Solow, a winner of the Nobel Prize in economics, made prominent contributions to the formulation of the theory and found that "technological advancements, an increase in labor output, and capital accumulation are key factors to GDP growth" (Done, 2000, p. 44). The second period saw the evolution of the internal growth theory, which explored the accumulation of human resources and technological advancement. The term "human resources investment" mainly refers to investment in education and training of human resources, "like the investment in substantial capital such as workplace and machinery by enterprises" (Sideglici, 2000, p. 191). "Capital (material and human resources) accumulation and technological advancement are two primary elements for the better part of history" (Done, 2000, p. 45).

Although Robert Solo attributes long-term economic growth to technological advancement, he cannot explain the way in which technological advancements impact GDP growth.

Paul Roamer contributes to the development of this concept in its initial phase. He thinks the key economic factor that determines technological advancement is internal growth, namely, hoarding. In fact, economic growth in most developed countries is decided by the rate of technological advancement. According to the pattern of internal growth: "The technological advancement rate relies on hoarding, the hoarding of human resources capital (education and training)" in particular (Julies, 2000, p. 71). To increase the number of talents available in society by means of education and professional training is similar to the way material capital is increased through material investment (Jiang, 2000, p. 45).

From the survey above on economic growth, government affects economic growth in three ways:

First, it propels the formation of materials and human power capital. No doubt, reinforcing the investment will speed up economic growth, but high-speed economic growth needs enormous investment, and it is hard...
maintain economic growth. For example, in order to promote investment, the government adopts fiscal policies, which lead to inflation and unsteady economic growth in the long run.

Second, it stimulates input in the labor force. Although the labor force can be supplemented constantly, a majority of countries are opposed to broadening the labor pool by speeding up population growth. That is, people are mainly concerned about improving the quality of life, and population growth means a decline of per-capita income growth rates. In the short term, since the labor output curve is turning back, the state has to lower tax rates to bring about an increase in the number of employees. At the same time, relatively high income will reduce labor efficiency. Therefore, most economists will not consider an increase in the number of workers.

Third, it improves technology and productivity.

Fourth, it strengthens investment in government human resources development and management. Throughout the 1990s, the main factors resulting in the economic growth in America lie in careful investments in human resources and in technological advancement. Since China implementation of its policy of reform and opening up to the West, “Three Transformations” (Market Economy, Industrialization, Internationalization) have been taking shape. These transformations are indispensable to the increased investments in human resources and technological advancement.

So, the key to improving productivity is to substantially increase capital investment — in human power capital and in research — in order to encourage government and human power capital investment and development. In fact, in the past 30 years, people have increasingly regarded the quality of human resources as an element that is vital to economic growth. “Human Resource Development” and “Human Power Capital Investment” have become hot topics among experts.

Judging from the analysis above, the government’s fiscal and financial policy will expose its own faults, and even become invalid in the long term. Promoting investment in human resources and scientific research can bring together qualified people with advanced technologies, which will lead to advanced productivity and stimulate steady economic growth.

The development and management of human resources in China began with the establishment of China’s human resources research center in 1988. A speech by Minister Song De Fu at the conference for “Development of National Human Resources” and the conference of the National Personnel Department marked the beginning of organized research into the development and management of human resources conducted by our government. In May 2001, President Jiang Ze Ming made a speech in a summit meeting of the Asian Pacific economic organization that explained strengthening the construction of human resources capabilities, promoting the development, and encouraging prosperity in the Asian Pacific Zone. In the speech, he pointed out that the development and utilization of material resources is the foundation of the development of human society. Moreover, it was deemed imperative. “To develop human resources and strengthen the capability of human resources construction has become an important issue concerning the development of all countries.” Meanwhile, the personnel administration of our government has begun to transform itself.

The Transformation of Government Personnel Administration

Philosophical Evolution and Digital Development and Management

The demonstration of transformation from traditional government personnel management to the digital development and management of entire human resources agencies of modern government is as follows:

1) With regard to the nature of management, it transforms from administrative routine to administrative strategy. 2) With respect to management concepts, it gets transformed from considering primarily the burden of costs to basing itself primarily on resources and regarding the administrative personnel not only as capital, but
also as resources that can regenerate. 3) In terms of a management system, the traditional government personnel management system pays attention to the mandatory allocation of administrative personnel, while the modern digital development and management system of government human resources bases itself on market demands. 4) The general attitude toward management changes from ruling by men to ruling by law. 5) In management conduct, it makes the transition from controlling management to service management. 6) As for the role of management, it gets transformed from merely performing a mission to actually making a decision. 7) By the manner of management, it changes from being based on experience to being based on science. 8) The model of management changes from receiving and executing an order passively to making a decision actively. 9) The management center shifts from attaching importance to things to attaching importance to people. 10) The method of managing shifts from the static state and the separation between departments to an inclusive dynamic state. 11) The media of management changes from "the four treasures of study" to computer networks. This transformation facilitates the evolvement from a unified approach to a systematic approach in personnel management.

Government personnel management, based on a planned system, and characterized by the centralization of leadership and a unified program plan, holds that the part must be subordinated to the whole, serve the whole, and should sacrifice its own interests to the more important interests of the whole. As a result of developing the market economy in depth, the creation and management of government human resources is guided by the "systematic theory" that has been formed. Directed by the "systematic theory," changes will be made by dealing with the relationship between the part and the whole, guided by the "unified theory" to manage the relationship among the processing system, the subdivision system, the subsidiary system, and its superiority. The goal will be to protect notable achievements in the reform of China's personnel system. As this transformation is unprecedentedly, what is important is forming the concept of digital development and the management of government human resources.

The emergence of digital development and management promotes the progress of society, and the reconstruction of traditional government management. It also strengthens the power of supervision and accelerates the process of adapting to democracy. At the same time, it will enlarge the scale of the government's human information network, management, and decision making; weaken the decision maker; and strengthen the function of government human resource management (Tapscott, 1999, p. 56). This will be a great revolution, one that will enable us to discuss the characteristics, quality, quantity, and contents of government human resources.

The Characteristics, Quality, Quantity, and Contents of Government Human Resources

The so-called development and management of government human resources refers to employing the scientific development strategy to establish a complete development mechanism, aimed at training, evaluating, selecting, employing, allocating, and protecting government administrative personnel.

The five characteristics of government human resources are as follows: a) It is a resources of time. b) It is a natural resource that is able to regenerate. c) It is a social resource. d) It is an active resource, which means it can administer creatively and actively through impetus. e) It is a periodic resource, which means it is influenced by occupational age.

The quality and quantity of government human resources, and inherently contradictory. Quantity refers to the availability of government human resources. Quality refers to the comprehensive ability and worth of government.

The development and management of the completed government human resources are important. "The National Program for human resources development and
Social welfare must come first, while government subsidies must come second, followed by social assistance.
plan; the development and the employment of personnel resources; its capital investment; and training, evaluating, protecting, and educating administrative personnel. This network should also take occupational analysis into consideration.

3) Constructing an Information Network for Administrative Occupational Analysis

Administrative occupation analysis refers to a series of administrative activities that include research and analyses of all the government posts, the purposes, characteristics, responsibilities and rights, subordinated relations, working conditions, job qualifications, and processes. One of the key notions in administrative occupation analysis is the post classification. In this economic area, the classification of administrative posts must be simple in process, abstract in content, and unified in standards. The analysis must also make adjustments to the posts. The information stored and operated by this network includes the factors, responsibilities, posts, titles, duties, and the occupational classification of administrative personnel (Zhao, 1998, p. 31). The establishment of this network provides the working preconditions for the implementation of a human resources structure.

4) Constructing a Local Area Information Network for Strategic Information

This would provide the following: a) A resource center for the administration structure that stores government information at three levels. b) A resource center for administrative knowledge that stores three dimensions of knowledge. With the development of network technology, knowledge administration has become an inexorable trend. Government network management security will be demonstrated in the government organizations. The establishment of this network will exert an impact upon strategy and planning.

5) Constructing a Local Area Information Network for Strategy

President Jiang Ze Ming conveyed the following: “China is implementing the personnel strategies, and forming resource advantages. Generally, the strategic planning of all the organizations is subject to seeking a balance of power between two organizations. The two powers may face threats and realize the potential for internal advantages and disadvantages.” Therefore, constructing a Local Area Network for strategic information is important. It consists of three resource centers: a) An environmental information center, which includes changes in the external and internal world. b) An information center for developing strategy that includes feedback, environment analysis, formulating, implementing, and evaluating information. c) An information center aimed at promoting harmony between government human resources development strategies and overall government strategies. The information center facilitates the interaction of the two strategies and accelerates the plan making process.

6) Constructing a Local Area Information Network for Planning

The first step of the planning process is to sketch the overall goal, which is merely a declaration of the ultimate purpose of the organization. (Laolus, 2001, p. 53) This information center emphasizes five points. a) It stresses implementing three planning steps. They are prediction, estimating sufficient internal and external supplies, and take to balancing demands. b) It stresses supervising the following three matters: designing a training program, selecting administrative personnel serving at home and abroad, and making internal development match international levels of investment and management of government capital. c) It stresses promoting harmony among three bodies: the high level, the low level and the overseas counterparts. d) It stresses dealing appropriately with three pairs of relationships: the relationship between immediate digital development and management and sustainable development; the interrelationship among posts, ages, and abilities among administrative personnel; and the relationship between analysis based on quality and an analysis based on quantity. e) It stresses digital development, management, and economic development; the theory construction of digital development; and realistic management of the legislative and mechanical framework. These three combinations undoubtedly sketch the blueprint for digital development and management. The
most significant issue is the promotion of life-long education.

7) Constructing a Local Area Information Network for Continuing Life-Long Education

This LAN refers to imparting, renewing, expanding, and improving the knowledge of government personnel, and cultivating quality. In light of these, the continued life-long education of administrative personnel in the global economic era is better characterized by internationalization and externalization. Baker pointed out, “human resources investment is many-sided, and the main expenditure is education” (Gali, 1987, p. 7). President Jiang Ze Ming further declared, “We should speed up the construction of a life-long education system, devote major efforts to occupational education, set up an extensive, multi-level education training network ... to propel personnel investment toward plural orientation and market orientation.” Through education, examinations, and assessment, we can classify faculties and then place them in the Local Area Network for central human resource information.

8) Constructing a Local Area Network for Central Human Resources and Successors

The construction of this network can help government use personnel effectively and scientifically, protecting and bringing their talents into full play. This network will also consider the program design behind the construction of an Information Local Area Network (Tu, 2000, p. 120). It consists of four information resource centers: a Local Area Network for planned information on the chosen successor; a Local Area Network for information on preparing legal documents by the chosen successor; a Local Area Network for information on examinations and assessments of chosen successors; and a Local Area Network for information on supervising the program’s implementation. The “outline” points out, “within three or five years, the selection and employment of candidates at or below the local level are subject to publication before taking up an official post.” Wu Han has carried out this system to “practice dynamic management for reserved personnel” (Lemond, 2001, p. 427). The two aforementioned Local Area Network constructions have put three projects described below into operation.

9) Constructing a Local Area Information Network for the So-Called “Morning Project,” “Noon Project,” and “Evening Project”

The “Morning Project” refers to well-educated personnel who already have a job or are seeking employment. For suitable job candidates, the government should treat them fairly according to conditions. For instance, the undergraduates who have passed band 6 should be guaranteed appointments as registered residents in Wuhan. Those who have just gained a post in a government organization should be given fair treatment.

The “Noon Project” refers to the administrative personnel who are already in their prime, having gained a great deal of experience in administration. They are the nucleus of sustainable development of government human resources development and management.

The “Evening Project” refers to personnel who have had careers of achievement, and have fairly strong faculties. These individuals, however, have retired. Their development and management has been carried out scientifically with rewarding incentives.

10) Constructing a Local Area Network that Encourages a Reward System

The effective use of a reward system can help accomplish the goal of government human resources development. “Stimulating salary is closely related to work contribution and is allocated among these effective workers” (Yate, 2001, p. 297). Information is stored by this network, including wages, bonus compensation, subsidies, and social protections. b) It can also hold information as to factors that affect policy making. The information
includes internal and external factors. c) It can store information about “Four Principles:” the Contribution Principle (rewarding personnel according to their contribution); the Labor Principle (distribution according to work qualifications); the Demands Principle (distribution according to needs); and the Equal Principle (everyone is equal and will be treated impartially). d) Emphasis will be placed upon stored information about reward strategies and fairness, as well as making government strategies and human resource strategies compatible with financial and administrative concerns.

II) Constructing a Local Area Information Network for Marketing Distribution

President Jiang Ze Ming pointed out in the Report of the 15th CCP Conference, “We should better perform the market function in resource distribution.” The market should consist of four information resource centers: a market operation, market service, a social security and personnel agency, and an information center for macro-control. Developing and standardizing personnel markets, and setting up a personnel information network nationwide, can help socialize personnel resources distribution. Therefore, to establish a government human resources market, we should begin with five “definitions:” to define business subjects; to define the cost of administrative personnel; to define the scope for business; to define government’s function of macro-control; and to supervise the “law-making” process.

12) Constructing a Local Area Information Network for Administrative Occupational Development

Administrative occupational development refers to the promotion of administrative personnel in their occupation. “Occupational development and planning have become an important activity in the organization.” (Zhao, 2001, p. 294). This Local Area Network consists of individual government design, social and economic development, and the needs of government organization. Four information chains link this information: administrative occupation location; administrative occupation requirements; promotion or demotion of administrative occupation; and occupation flow. These four information chains guarantee “goals set for promoting the adaptation of personnel to various kinds of job at all levels and to a complete evaluation.”

13) Constructing a Local Area Information Network for Overall Evaluation

“Evaluation is the key function among all the functions of human resources management” (Liao, 2000, p. 1). The reform of this Local Area Network is aimed at the promotion department. It consists of four information resource centers: a) A testing database — the information resources include an administrative personnel evaluation standards system, the program design for relevant criteria and a psychological test for evaluation, observation analysis and the corresponding period. b) Assessment database — this information includes assessments of the achievements of professional and technical abilities. c) The examination database includes the definition of the assessment index, vertical and horizontal analyses, and a comprehensive analysis of administrative personnel achievements. d) The appraisal database stores the information based on the station evaluation, which includes selected targets and an analysis of administrative personnel. The operation of this information center paves the way for personnel classification and location.

14) Constructing a Local Area Information Network for Administrative Personnel Classification

This network includes three databases: a database for classification criterion, which must be based on facts; a classification directing committee, which should consist of the officials, specialists, and leading experts of all departments so as to demonstrate democracy and justice; and a network for classification supervision. For example, Nanzhou city in the Guizhou province implemented a personnel classification system called the Double Three Policy. (One-third of the personnel remain in government office, one-third work for county government, and one-third work in start-up enterprises) (Liao, 1996, p. 4). In
We should embrace several principles, such as choosing a person based upon merit and skill, employing him or her in the right place, and fostering the highest comprehensive efficiency (Dai, 2000, p. 247). From this point on, the human resource accounting work begins.

15) Constructing a Local Area Information Network for Accounting

The Human Resources Accounting Network (Flanderci, 1994, p. 28) Local Area Network consists of a Local Area Network for examining the administrative functions and the methods by which information is provided to the government, which ultimately impacts decision-making. Government decisions concern human resources digital development and management, the administrative personnel examination program, and the investment in human resources capital. This is the foundation for administrative level assessment.

16) Constructing a Local Area Network for Administrative-Level Appraisal

Information stored by this Local Area Network includes: a) macro and micro assessment index information; b) long and short-term arrangement assessment index information; c) information in and out of the city for an evaluation index; and d) fixed and new indexes of temporary and routine evaluation index information. Only in this way can we establish an open, equal, and just socialized evaluation system under the country's macro-control and management (Sun, 2001, p. 10).

17) Constructing a Local Area Information Network for Value and Calculation

"The key of the Value Project lies in innovation" (Zhang, 1999, p. 392). This network consists of two databases - one that calculates the value of human resources development management and a government human resources development and management value examination database that includes information that examines the index system and calculates methods for determining values.

18) Constructing a Local Area Information Network for Examining, Analyzing, and Collecting Feedback

The "outline" pointed out the importance of establishing and perfecting the policy of personnel "vocational economic examination responsibility" (Gali, 1999, p. 667). Desilare held that it must be determined whether "the expenditure coincides with the importance and effectiveness of the human resources management function" (ibid, 1999). Through auditing, analyzing, demonstrating, and information preservation and application, can we not provide reference for the government's predictions, plans, and decisions in human resources development management? Auditing results will provide a firm basis for the brain trust groups to conduct investigations and make decisions.

19) Constructing a Local Area Information Network for the Brain Trust

This Local Area Network refers to the computer system that emulates the thinking methods and strategies of experts in order to solve problems in digital development management. The brain trust group's blueprint for development management is conducive to the establishment of systematic and dynamic management.

20) Constructing a Local Area Information Network for Systematic and Dynamic Management

The government human resources development and management is a multi-category, multi-level, and multi-dimensional system. Therefore, the process of digital development management must be comprehensive. Success not only requires that the businesses and information systems benefit each other in the personnel administration, but also that all the departments and their
information remain compatible with each other. From the perspective of macro information, emphasis is placed on the continuity of government human resources development and management. The establishment of this network can help to achieve the goal of dynamic development. This network can also “develop government human resources to propel irrevocably forward the development of a social economy” (Song, 2001, p. 21).

In summary, in order to carry forward the in-depth study on government human resources development and management, we should take all the relative issues into consideration. It is further imperative to focus on the significant issues and the difficulties in the Information Local Area Network and analyze and abstract them accordingly.

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