The Impact of Preference-Based Employee Deployment toward Employee Satisfaction and Organizational Performance: Case Study in Directorate General of State Asset Management, Ministry of Finance of the Republic of Indonesia

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Abstract : As a public sector organization in Indonesia, Directorate General of State Asset Management (DGSAM) which is a unit under the Ministry of Finance of The Republic of Indonesia, has many constraints in managing its employees. While private organizations are able to conduct a human resource management as the best practice, DGSAM is limited by many regulations, especially about punishment and lay off policy for under-performance employees. Therefore, since 2015, DGSAM tries to implement a new and uncommon approach considering employees' preference to encourage the motivation and performance of employees. DGSAM's employees may propose the job places, and DGSAM considers them in deciding employees deployment. This study tries to determine the impact of preference-based approach toward employees' satisfaction and organizational performance. This study uses quantitative approaches by regression analysis to measure the impact of deployment toward satisfaction of deployed employees and performance change of related units in DGSAM. The result of this study shows that preference-based approach significantly improves employees' satisfaction and performance of related units as well. Based on the results of this study, it can be suggested that the approach is able to be implemented in the wider scope of the Ministry of Finance of The Republic of Indonesia and whole public sector organization in Indonesia. However, this study only focuses on short term measurement, so it is suggested to do further study to analyze the long-term impact.

Keywords : employee deployment, employee satisfaction, human resource management, organizational performance, preference-based approach

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