

Human Resource Management of Public Institutions from the Perspective of Sustainable Economic Development

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Abstract: At this stage, the sustainability of human resources in China is becoming more apparent. As vital units of social development, public institutions are facing fierce competitions under the appalling situation of today's market economy, and the problem of human resource management is increasingly significant. In order to improve their potentiality for sustainable development and enhance their core competitiveness, public institutions must pay attention to human resource management. At present, the human resource management of public institutions, whether from the micro level of employees and managers, or the regional differences at the macro level, all show significant problems, such as the flawed employee management system, the serious phenomenon of difference and mismatch, as well as the lack of professional knowledge among managers. Based on this, this paper takes the coordinated relationship between human resource management and sustainable economic development as a breakthrough and proposes several measures for the problems that exist in the human resource management of public institutions, so as to continuously improve the level of their human resource management as well as promote the sustainable development of public institutions and social economy.

Keywords: Public institutions; Human resource management; Sustainable economic development

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1. Introduction

Since the United Nations World Commission on Environment and Development put forward the concept of "sustainable development" in 1987, the management concept based on sustainable development has attracted widespread attention from among academic circles. Sustainable development not only meets the needs of contemporary people, but also fully considers the needs of future generations. Although development is at its core, it is fundamentally the unification, coordination, and multi-dimensional development of three elements – economy, environment, and society – rather than the traditional development model's high investment, high pollution, and high consumption of capital, materials, as well as labor^[1]. At this stage, the sustainability of human resources in China is becoming more apparent, which is mainly manifested in the contradiction between quantity and quality, structural shortage, relatively lagging development mechanism, and so on^[2]. At the same time, with the rapid expansion of low-quality labor, low technical level, and heavy pollution, the deterioration of the environment continues to intensify, and the problem of human resources has become a hindrance to the sustainable development of China's economy^[3]. Therefore, as important units of the society and major economic subjects of the market, China's

public institutions should seek a balanced management mechanism of “economy, environment, and society.” As one of the critical modules of public institution management, human resource management needs to promote sustainable management ideas^[4], which is of great significance to realize a “win-win” situation in economic performance, environmental performance, and social performance, as well as promote sustainable economic development^[5].

2. Connotation of human resource management and sustainable economic development

2.1. Connotation of human resource management

Human resource management is the effective allocation of human resources by using scientific methods, including individuals who provide intellectual and physical labor^[6]. Modern human resource management regards organization members as exploitable resources and obtains the best cooperation between people and objects. Human resource management can be divided into four levels: human resource management planning, employee management, other management, and position analysis and evaluation. This determines the five basic functions of human resource management to a certain extent, which include unified integration, talent acquisition, maintenance incentive, timely regulation, and potential development. All functions complement each other and enable human resources to finally achieve the objectives and requirements^[7]. With the introduction of new management methods and the continuous progress of scientific human resource management concepts, domestic theorists have been paying attention to maximizing human resources for productivity and promoting the sustainable development of organizations. The basic function system of human resource management is shown in **Figure 1**.

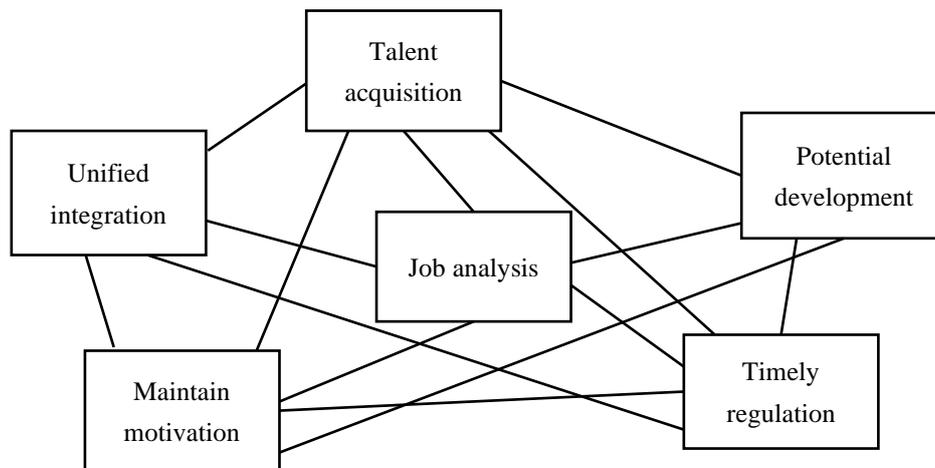


Figure 1. Diagram of the basic function system of human resource management

2.2. Connotation of sustainable economic development

The essence of sustainable economic development is the successful development of one’s own experience, culminating in the realization of people-environment coordination. Sustainable economic development is the result of the interaction of many factors. It has to adapt to future development on the basis of many factors, such as market supply and demand, social investment, as well as industrial structure adjustment. According to current academic research, sustainable economic development is reflected in three aspects: the principle of fairness, the principle of sustainability and the principle of commonality^[8]. In order to build a sustainable economic system on the basis of fully clarifying ecological economics, social structures, economic conditions, economic relations, and the economic mechanisms of social development, the important factors can be excavated from the aspects of socio-economic operation state and industrial

structure change to promote social and economic development, constantly explore and study, as well as effectively achieve the goal of sustainable economic development ^[9].

3. Coordination between human resource management and sustainable economic development

3.1. Human resource management is the basic guarantee for sustainable economic development

For public institutions, talent is an irreplaceable factor that determines whether these institutions can achieve sustainable development ^[10]. In the initial stage of sustainable economic development, the demand of public institutions for human, material, financial, and technology is increasing. In sustainable economic development, human resource management should be assumed as the basic prerequisite. In the process of rapid economic development, human resources have been fully utilized. At the same time, social production capacity and consumption capacity have seen improvements. The development and utilization of human resources determine the sustainable development of economy to a certain extent. Especially under the rapid development of science and technology, the introduction of talents and a flawless human resource management system acts as the foundation and guarantee to realizing the leapfrog development of technological innovation and in promoting sustainable economic development. Therefore, on the basis of promoting the development and innovation of human resource management, it is necessary to focus on a standardized human resource management, so as to provide basic guarantee and support for the sustainable development of public institutions.

3.2. Human resource management is the impetus for sustainable economic development

American economist Lucas, and British scholar Scott, found that professional human capital is the actual impetus for promoting economic growth. Similarly, Lucas found that countries or regions with high growth rate of human capital investment have high economic growth rate, indicating that human resource investment is the source and decisive factor of modern economic growth ^[11]. In the development process of public institutions, human resource management plays a vital role in technological innovation and talent training, and it is the internal driving force for sustainable economic development ^[12]. The development of digital economy is inseparable from the innovation of science and technology; the invention and creation of science and technology mandate the support of talents. Good human resource management may maximize the usage of professional talent resources while also enhancing the role of talents in all areas. On this basis, it will be possible to achieve successful scientific and technological advancement, along with the improvement of the economic level and sustainable economic development. Therefore, it can be said that human resource management is the impetus for sustainable economic development.

3.3. Sustainable economic development reflects back on human resource management

The overall effect of sustainable economic development not only reflects the change in economic development, but also has a clear qualitative impact on the overall change of public institutions. To a certain extent, it plays a certain role in the method and overall system of human resource management. Based on this, the development of public institutions will produce more positive changes after certain reforms and improvements in human resource management, which will eventually be directly reflected in the overall development and lay a good foundation for public institutions to invest more funds in human resource management in the future ^[13]. Finally, a virtuous circle will be formed, in which “human resource management promotes sustainable economic development, and sustainable economic development reflects back on human resource management.” This cycle will continuously optimize China’s talent market and improve the quality of talent as well as the overall level of economic development.

4. Analyzing the human resource management of public institutions

4.1. Flawed management system

Human resource management involves employee recruitment, employee training, employee assessment, and employee relationship management. At present, the human resource management system in public institutions is flawed, and there is a lack of innovative consciousness and scientificity in its working methods. First, the recruitment channel is relatively single, which does not meet the needs of modern employment, resulting in a severe talent flow phenomenon. Second, the majority of public-sector trainings are designed to prepare employees for inspections by their superiors. There are deficiencies in the forms and methods of training that make it difficult to pique employees' interest in learning and achieve the goal of expanding business knowledge as well as enhancing business skills ^[14]. Third, in terms of employee appraisal, the previous performance appraisal standards are still used, and the managers are assessed according to one standard. The appraisal work lacks pertinence and objective evaluation indicators, and the appraisal results are more subjective. The standards of the assessment indicators are quite modest, resulting in a high pass rate; thus, it does not play a rigorous role in performance evaluation ^[15]. Finally, in terms of employee relations, public institutions do not pay enough attention to employee relationship management. Due to the lack of timely communication and feedback, the relationship between labor and capital is in a tense state, which poses a difficulty in mobilizing the enthusiasm and initiative of employees; thus, it is likely to lead to the resignation of employees.

4.2. Serious mismatch

In the process of human resource management, managers still use previous recruitment methods and backward recruitment mechanisms. When recruiting, they tend to focus solely on academic qualifications and professional titles. They often have a preference for "hard indicators," such as academic certificates, technical grade certificates, honorary certificates, and practice certificates. They believe that candidates with "hard indicators" have better skills. They mainly screen candidates using structured tests, neglecting the investigation of professional operation skills, which has resulted in the mismatch between the actual skills and education level of some candidates. For example, in the job market, candidates with different degrees are clearly priced without examining their actual skills. The diploma has become their sole means of demonstrating their skills. The preference of some public institutions for academic qualifications has led to the blind pursuit of academic qualifications among candidates. As more graduates opt to further their studies, the number of postgraduate entrance examinations is increasing. Its purpose is no longer the pursuit of academic research, but rather to parade their skills ^[16]. The mismatch phenomenon often leads to a clear disparity between their education level and actual competence, which has an impact on the efficiency of human resource management and is not favorable to the virtuous circle of economy.

4.3. Managers lack professional knowledge and practical skills

In the context of today's fast-paced economic development, the lack of professional knowledge and practical skills of some public institution managers in human resource management is also one of the main factors affecting the development of public institutions. It is mainly reflected in the following aspects: (1) the mastery of relevant theoretical knowledge is insufficient, and the real connotation is barely understood, remaining only at the cognitive level of basic management concepts; (2) it is known that the improvement of practical skills is divorced from theory; it takes experience to gradually learn and summarize without any prior knowledge; blindly talking on paper and mechanically copying are not enough to accumulate experience and improve skills, let alone expand skills on this basis, such as understanding relevant legal knowledge and skills in human resource development, training, performance appraisal, and management ^[17].

4.4. Significant regional differences in the human resource management level

Human resource management can effectively promote the basic technological innovation and industrial structure adjustment in economic development ^[18]. In different regions, due to the differences in the economic development levels and talent demands, the human resource management level of public institutions has great regional differences. Especially in eastern coastal areas, the demand for talents with the rapidly developing economy is increasing day by day. A flawless infrastructure and human resource management greatly attracts high-quality talents. For central and western regions with relatively slow economic development, their construction and development require the support of a large number of high-quality talents. However, due to the relatively backward talent management concept and flawed talent introduction system, the human resource management level of public institutions in central and western regions is low, denoting insufficiency or the loss of high-quality talents. When a large number of high-quality talents leave, it results in a shortage of manpower and talents at the work unit, which in turn affects the regional economic development and forms a vicious circle. This is not conducive to the sustainable development of the regional economy.

5. Measures for human resource management in public institutions based on sustainable economic development

5.1. Build a sound human resource management system

In human resource management, public institutions need to build a sound management system to ensure the standardization of management. On the one hand, they should actively explore and expand their talent recruitment channels; for instance, the recruitment of professionals on campus and online ^[19]. On the other hand, they should pay close attention to employee training and human resource development, organize and carry out various forms of talent training activities, strengthen the training of employee through lectures, academic exchanges, and other means, as well as improve the quality of employees as a whole. At the same time, it is necessary to actively learn from advanced experience, make full use of shared resources on the internet, enhance employees' professional skills, and improve the quality of human resource management. In addition, public institutions should formulate refined assessment standards and establish a flawless performance assessment system according to the characteristics of the employees and the responsibilities of different positions. At the same time, we should conduct dynamic follow-up assessment for employees, and provide feedback on the performance assessment results when necessary, so as to improve employees' work enthusiasm. In addition, public institutions should also strengthen the employee relationship management, constantly upgrade relevant systems, guide the employees' daily work behavior with the help of scientific systems, urge employees to standardize their daily behavior, and improve the standardization of management. Through the "employee recruitment – employee training – employee assessment – employee relationship management" system, we can strengthen the management during and even after the event, provide sufficient talent guarantee for the sustainable development of public institutions, promote the sustainable development of social economy, lay a good foundation for feedbacks on human resource management, and form an "ecosystem" associated with the virtuous circle of economy. This can be seen in **Figure 2** for details.

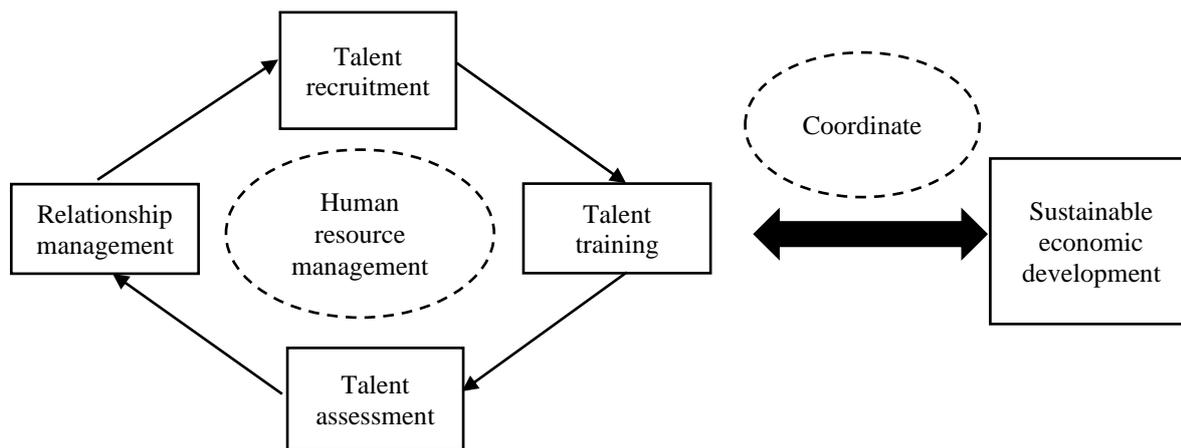


Figure 2. Human resource management system of public institutions and the mechanism of sustainable economic development

5.2. Use the method of “stacking positions and taking seats by number” to form a separation balance, thus highlighting the actual skills of candidates

The method of “stacking positions and taking seats by number” entails putting other sequential positions in front of the candidates while putting forward the target positions and stacking all the proposed positions in front of all candidates, allowing candidates to freely select their positions based on their own skills, and then assessing them based on their actual skills to form a separation balance. Joseph Stiglitz’s separation equilibrium model states that in the recruitment of human resources, it is difficult to distinguish candidates at all levels from thousands of candidates, and the recruiter belongs to the party without information. Therefore, in order to alleviate the mismatch of human resource management in public institutions, on the one hand, recruiters can design a complete recruitment preferential policy system; that is, provide different types of “menus” and “contracts” to distinguish candidates at different levels. This method allows candidates to automatically distinguish themselves based on their own circumstances and provide real information. On the other hand, on the basis of taking the right seat, public institutions should optimize and improve the personnel recruitment system, innovate recruitment methods, and focus on the overall quality of talents in the recruitment process, which should not only investigate their professional knowledge and academic qualifications, but also their practical skills and work experience. It is not only important to conduct a professional structured written examination during the personnel selection process, but also several interviews to comprehensively assess the candidates’ professional skills, so as to select talents with extensive experience and strong professional skills, thus promoting the development of public institutions, and driving the sustainable development of social economy.

5.3. Improve the management capability of human resource managers in public institutions from both theoretical and practical aspects

In order to address managers’ lack of professional knowledge and practical skills in human resource management, we should begin by enhancing their management knowledge, which focuses on two aspects. The first is to improve the mastery of basic knowledge among human resource managers in public institutions. They should keep their basic knowledge up to date by means of continuous learning and training. Second, public institutions should exercise managers’ management capability by “taking the old with the new,” reaching deep into the grassroots level, and learning from the management experience of brother units to meet the needs of managers’ own practical skills. At the same time, managers are encouraged to innovate, objectively assess innovative work, and link the assessment with performance. In this way, they can improve their work capabilities and performance, thus continuously accumulating

practical knowledge and improving their practical skills over time. By combining theory and practice, human resource managers in public institutions can apply relevant experience in a quicker, more accurate, and effective manner to deal with daily matters for future human resource development.

5.4. Reasonably allocate talents and narrow the differences in human resource management

From the description above of the current situation of human resource management in public institutions, it can be seen that the economic gap between the east and the west has led to a large number of talents flowing to developed eastern regions; thus, it is difficult to meet the talent demand of western construction. In order to consolidate the overall economic development, the state has implemented the western development strategy, emphasized the importance of the construction and development of central and western regions, introduced a series of policies to encourage the rational allocation of talents to the west, as well as promoted the coordinated development of regional economy. Public institutions also need to guide the flow of talents across regions, actively develop human resources in the west, and attract talents to the construction of the west in line with relevant preferential and welfare policies, so as to maximize the advantages of human resource management, improve the utilization rate of talents, and alleviate the employment pressure in developed eastern regions. Therefore, it can be seen that in the human resource management of public institutions, the rational allocation of talents plays a critical role for the sustainable development of regional economy and national economy. In the face of fierce market competitions, public institutions should improve their human resource management to gain a competitive edge and serve as an impetus for their own sustainable development ^[20].

Disclosure statement

The author declares no conflict of interest.

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