

CHAPTER I

INTRODUCTION

A. Background of the Research

Public service has become an integrated and important part for a company. Companies that do not pay attention to public service will eventually lose consumers because of the lack of good service in the customer service. Thus the company has realized the importance of providing good public service to stageholders.

This challenge is increasingly realize when the stageholder not only expects good quality from it's product, but also demands a satisfactory public service. From it's stand point, the company considers the need for special attention and improvement of public service of the employees.

Employees will provide good public service when every need and desire they have has been fulfilled by the company. This will be achieved when employees also have a sense of belonging within the company. Therefore the issue of well-being becomes very significant for employee job satisfaction. Employees who feel a high level of job satisfaction tend to provide satisfactory public service to consumers.

Well-being is cultivated by companies using adequate HRM practices. By operating an adequate HRM practice, it is expected that well-being employees will be met and achieved. When well-being employees are met,

employees would be satisfied to provide a satisfactory public service to the public sector.

However, the meaning of well-being is diversified and some absurd subjective. It raise questions of what the well-being is. Each employee has their own versions of what well-being is. In many versions, there will be several versions that have in common with each other. Thus, the meaning of well-being will be more easily to identifying.

Employees are assets that is primary within a company. No company can achieve goals and objectives without the direct involvement of its employees. Employee performance becomes the determinant of success or failure of a company in achieving goals.

Employee performance is largely determined by the company's internal environment. Companies that do not provide a good internal environment for their employees can not expect that employees will work by delivering good performance for the company. Thus the experience felt by the employees becomes an important issue for the company. This experience involves the experience of happiness and pleasure. Unhappy feelings within employees will cause them not to provide maximum performance for the company. But employees will give good performance to the company when they feel the comfort and happiness in the workplace. This situation will also encourage them to do personal self development which will also provide benefits for organizational growth.

It is the responsibility of the organization to create an internal environment that supports the happiness of its employees. This is where HRM roles in analyzing, evaluating, and creating an enabling environment for employee happiness, so called well-being.

In this case, utilitarian ethics has covered issues concerning any related to ethics, happiness, pleasure, pain, career, and employee relations in the work place. When a company carries the utilitarian principle of ethic, the company will be able to meet the employee's passion for happiness in the workplace. Thus, the goals and objectives of the company can be achieved.

B. Statement of the Problem

Employee perception of HRM practices are subjective area. It's perception depend on how employees experience the internal and external factor of the company. Employees perception of HRM practices would contribute to the employees performance. This research would like to discover employees' perception of HRM practices in the workplace. Is the current HRM practice in accordance with what is expected by the employee.

Likewise, this research would like to reveal employees' perception of well-being. As to whether the well-being is in line expected by employees or not. Has the HRM practices been implemented to support the existence of employees well-being in the workplace. All the questions can be answered

after the research meeting with employees perception in the public service sector.

The problems that arise on the employees show unhealthy circumstances in the body of the company. The high level of turn over indicates employees' dissatisfaction with the environment in which they work. Similarly, some employees who do not deliver good performance as expected by the company make the company difficult to achieve the expected goals. Moreover, the emergence of job stagnation, laziness, and the reluctance of career in employees become a hallmark of unhappiness to the environment and their work.

Employee well-being is very important for the survival of an organization. Organizations that do not pay attention to the happiness of their employees will eventually experience decline and destruction. But when a company is really concerned about the welfare of its employees, then employees will be happy to provide good working performance for their personal career and for the company, this happens as a form of mutual interaction between personal goal employees and organizational goals.

C. Research Questions

1. How do employees define well-being?
2. What does well-being mean for employees in the workplace and public services?

3. How do employees perceive the impact of HRM practices on their well-being?

D. Purpose of the Research

The research on employees well-being in the public sector is a rare study. Most research on well-being is usually associated with research in manufacturing studies. It is interesting to discussing research that links employee well-being with working conditions within the public sector area.

This research is expected to explore employees perceive to well-being conditions. This is because every employee will have different perceives on the issue of well-being. Through this research it is hoped that there will be a finding that explains the variant of employees perception on issues surrounding well being.

Likewise, it is interesting to discover that there is a possibility that HRM practice will create a well-being state for employees. So this research will examine the implementation of HRM practice towards employees well-being in the workplace.

If in fact HRM practices contribute to employees well-being, then it can be concluded that HRM practice has a connection with issues of well-being within a company. This research also wants to examine the connection model that occurs between HRM practice with employees well-being.

E. Benefit of the Research

This research aims to find the relationship between HRM practices and employee well-being in the company. Knowing that the employee well being will encourage self-development of employees is essential for the supplying knowledge and sources for the organization. Therefore, HRM practices that conform to principle of utility can be adapted and applied by the organization. The findings of this research will provide detailed insight of both head leaders' and employees' perceptions of employee well-being and HRM practice. Thus the findings can contribute toward practical implication for organisational purpose and decision making.

As is often the case, public sector services are perceived as a rare area of innovation and updates in service delivery. Governmental service is not an exception to this bad assumption. Through this research, it is hoped that there will be a finding that can make a positive contribution to renewal ideas in the public sector service in KEMENKUMHAM, Central-Java.