Management of Human Resources in Community Learning Center to Achieve the Objectives of Social Development Goals

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Abstract—Management of non-formal education organization resources was observed from the situation that occurred at PKBM (Community Learning Center), Widya Dharma Nagari, South Solok Regency, West Sumatra Province. This research specifically investigate (1) the characteristics of financial management of the PKBM, (2) the objectives and characteristics of the PKBM as a non-profit organization, and (3) resource management and leadership of the PKBM. This study employed a qualitative approach with case study design. The results of this study show that (1) PKBM is an educational institution which is generally included in the category of nonprofit organizations so that the typical characteristics of non-profit organizations will certainly color the behavior of its financial management control; (2) the financial manager is the subject that gets the most attention from the head of the institution because institutional leaders generally do not have a financial background; (3) the financial management needs to be placed within the framework of resource management as an important part of educational leadership. Up to this point, leadership qualities possessed by those working in education sector are increasingly required to be able to fulfill public accountability, especially in ensuring the success of students even in a state of limited resources.

Keywords—human resources

I. INTRODUCTION

The continuous development of the world has encouraged every organization, both profit-oriented and non-profit oriented, to promote effectiveness and efficiency in each of its activities. Such a notion emerges because of novel and various orientations in the organization. Financial activities should be managed effectively and efficiently to achieve the organizational goals (it is no longer limited to internal financial management). In this era of sustainable development, a number of demands in the orientation of educational organizations also need to be considered which include (1) efficient production costs as a basis for determining affordable public education costs; (2) standardized quality of education; and (3) degree of acceptibility among the intended community.

Speaking of financial management at PKBM (Community Learning Center) as a non-formal education institution, it deals with all forms of activities related to the acquisition, funding, and management of institutional assets with a number of objectives. Basically, the financial management activities are to discuss (1) how PKBM obtains funds to finance a business, (2) how PKBM manages the funds, through which the stipulated objectives of the institution and programs are attained, and (3) how PKBM manages its assets or resources efficiently and effectively [1].

The salient purpose of all organizations is basically not much different from one to the other. It suggests that all organizations are established with more or less the same goal; the difference arises only in relation to means of achieving the goals. Based on the perspective of financial experts, several goals of PKBM deal with how to maximize values and profits, create prosperity for stakeholders, create images, and increase social responsibility [1].

According to Reinhartz & Beach (2004), leadership includes the management of human and financial resources to support general goals and achieve specific goals in the field of education. In this matter, non-formal education is no exception. Management of finance and human resources is important in education studies [2]. This is because educational policy makers are required to be accountable when there is a scarcity of resources. PKBM managers are required to be able to become effective and efficient resource persons so that all the learners can succeed. Furthermore, the administrators are faced with various crucial managerial decisions on a daily basis regarding the allocation of human and financial resources to support the programs so that all learners in PKBM are able to achieve their learning goals.

II. METHOD

This study employed a qualitative approach. A case study was selected as the design of the study. The data were collected from the selected informants in the form of results of interviews, observations and documentations to investigate (1) financial management characteristics of PKBM, (2) the objectives and characteristics of PKBM as a non-profit organization, and (3) resource management and leadership of PKBM. The subjects of the study were managers of PKBM.
Widya Dharma Nagari located in South Solok Regency. To collect the data, interview, observation and documentation were employed. The data gained were analyzed through data reduction, data presentation, and conclusion drawing. To check the validity of the data, three criteria were used, namely, credibility, confirm ability, and dependability.

III. FINDINGS AND DISCUSSION

A. Financial Management Characteristics of PKBM

Decision making in financial management according to Horne which can be adopted in the management of PKBM includes decisions regarding investment, funding, and asset management.

First, decisions on investment are types of decisions relating to the number of assets owned, the placement of the composition of each asset, for example, related to the amount of cash allocation, fixed assets and the like. Secondly, decisions on funding are those related to the amount of funds provided by PKBM, either in the form of debt or equity. PKBM financial managers in this case must consider the combination of funds needed, including the selection of the type of funds such as short-term, long-term or self-funded capital; they should consider policies dealing with dividend. Thirdly, decisions on asset management are related to efficient asset management, especially in terms of current and fixed assets. The management of current assets is closely related to the management of working capital needed by PKBM while the management of fixed assets are related to investment management [3].

In practice, the scope of financial management in PKBM can be divided into two fields, namely, financial services and managerial finance. The financial services are related to the design and consultation of financial products for individuals, businesses, and governments. The examples include financial consulting services managed by PKBM in supporting efforts to empower the surrounding community. The managerial finance sector is an activity that deals with financial management tasks in PKBM such as the preparation of budget and community business investment.

Concerning the functions of financial management, they play a role in budget planning, cash flow operation, and financial control and analysis. All of the three functions are intended to maximize the achievement of PKBM goals or long-term benefits through short-term and medium-term benefits, whose success will depend heavily on the implementation of the duties of financial managers in carrying out the above three functions [4].

To achieve the goals, financial management provides two approaches. First, it is known as the profit risk approach. This approach emphasizes a notion that financial managers in PKBM must be able to (1) provide cash to pay obligations that are due in a timely manner, (2) manage finances to increase profits over time, and (3) manage PKBM assets so that they can develop over time [1].

B. Goals and Characteristics of PKBM as a Non-Profit Organization

A nonprofit organization is an organization whose goal is something other than earning a profit for its owners. Usually the goal is to provide services [5]. This definition emphasizes the basic differences between the two types of organizations. This difference then becomes the cause of various management control issues that pose setbacks for nonprofit organizations such as PKBM.

In a profit-oriented organization, decisions made by management are aimed at increasing or at least maintaining profits, and success is measured, to a significant degree, by the amount of profit the organization earns. Even though this is not meant to state that profit is the sole purpose of profit organization [6].

In a non-profit organization, decisions made by management are intended to produce the best possible services with available resources; success is measured primarily by how much service the organization provides and by how well the service is presented [8]. More fundamentally the success of a nonprofit organization must be measured by how much the organization contributes to the benefit of society [9][10]. Seeing the characteristics of PKBM as a non-profit organization that is more service-oriented, problems are found in measuring PKBM performance so that a set of organizational policies are needed to ensure that organizational resources are used efficiently and effectively.

Furthermore, differences between the two types of organizations are sharpened between the two types of organizations. A profit organization must provide services that are considered satisfactory by its customers if the organization wants profits. Non-profit organizations such as PKBM must receive funding from current income or other sources which, at least, must be equivalent to the costs incurred by the organization if they intend to continue to carry out their services [5]. The difference between the two lies in the general attitude of the organization in dealing with the goals of the organization in relation to the use of the intended funds [11][7].

Some characteristics are found to be influential in the process of management control in anon profit organization such as PKBM; these are presented as follows: (1) the absence of a profit measure; (2) their tendency to be service organizations; (3) constraints on goals and strategies; (4) less dependence on clients for financial support; (5) the dominance of professionals; (6) differences in governance; (7) differences in top management; (8) importance of political influences; and (9) a tradition of inadequate management controls [5].
C. Fiscal and Human Resources Management of PKBM

Reflecting on Smith’s assertion (1998) as cited in [2] concerning leadership in formal educational institutions, he views that "the importance of fiscal and human resources administration has greater importance for school leaders because many of the management functions ... previously centralized for control and standardization are now being decentralized to the building level where they become the responsibility of the principal or the school-based council."

Such an effort is meant for leaders of non-formal education institutions such as PKBM to be able to make various learning decisions that are meaningful to encourage learning for all learners. PKBM leaders have the authority necessary to handle the management of financial and human resources that facilitate the implementation of decisions concerning learning activities (Guthrie, 1998; Odden & Busch, 1998 in Reinhartz & Beach (2004)). As expressed by Biddle & Berliner (2002) in Reinhartz & Beach (2004), they note that "most people believe that students do better in well-funded schools and that public education should provide a level playing field for all children" [2].

However, the results of different studies showed that the amount of expenditure from PKBM was not systematically related to learning achievement of the learners in the community. [12] argues that there is no direct link between funding and learning achievement of the learners; he views that "it is clear that money is an important part of educational community. [12] argues that there is no direct link between funding and learning achievement of the learners; he views that "it is clear that money is an important part of educational Fac. Commer. - Pap., vol. 26, 2009.

Each of the characteristics of non-profit organizations such as PKBM mentioned above affects many organizations, but not all non-profit organizations, and it has a different impact on each organization. These characteristics are more likely tendencies rather than traits that are truly inherent. Furthermore, with the exception of the first characteristic previously mentioned, the other eight characteristics do not apply to nonprofit organizations specifically.

PKBM resources will be related to the learning achievement of the learning community in relation to the influences of some variables such as class size, institution size, ability of the learning facilitators, and the experience of the facilitators. Aspects related to funding appear to have an impact on learning achievement of the learning community. Thus, it is clear that management of financial and human resources is an important set of leadership skills.

IV. CONCLUSIONS

The school leaders must be as creative as possible so that they manage to maximize not only the funds and personnel but also teaching resources and facilities. It is so essential for the school leaders to know the mechanism of budgeting, maintain it before decision and policy makers, and implement it at the school level. As everyone who is in charge is important for the success of the school program, the leaders must recruit, retain, and re-train the human resources with full wisdom. HR management is as important as teaching and learning materials, facilities, and budgets.

References