

# OBSTACLES, REALITIES AND OPPORTUNITIES IN HUMAN RESOURCES MANAGEMENT IN PUBLIC ADMINISTRATION INSTITUTIONS FROM BIHOR COUNTY (ROMANIA) AND HAJDÚ-BIHAR COUNTY (HUNGARY)\*

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## Abstract

The aim of this paper is to analyze the particularities of human resources management in the public institutions from Bihor County (Romania) and Hajdu-Bihar County (Hungary). The comparative dimension of our study is framed in Hofstede's categories of cultural differences in organizational culture. The data presented is derived from a broader study conducted on the implementation of New Public Management at local public administration institutions in Romania and Hungary. The project entitled 'Establishment of R&D programmes in the field of new public management between economic faculties of higher education in Hajdu-Bihar and Bihor Counties' (HURO/0901/277/2.2.2) was developed in partnership between Faculties of Economics from the Universities of Oradea and Debrecen. Our results on public human resources provide relevant insight in the processes regarding personnel in the public institutions in this region and propose solutions for improvement of the observed weaknesses. The employees of the 60 public institutions included in this research consider themselves participants in the decisional process, yet the evaluation process needs to be reshaped in order to provide a better balance between performances and the rewards system.

**Keywords:** human resources management, New Public Management, public institutions, Hungary, Romania.

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## 1. Introduction

In both Romania and Hungary there are still problems in the functioning of public institutions, both countries still adapting to the principles of New Public Management (NPM). The challenges of NPM are reflected in the need for the human resources, at both individual and institutional levels, to be better prepared to answer to the demands of clients as well as to find best solutions for the underlying practices within each institution (Androniceanu and Sandor, 2006). Efficiency, efficacy, flexibility, transparency and other NPM principles (OECD, 1995) must be put into practice by the employees of public institutions, thus all policies and regulations in this direction must take into account the way these employees are prepared and motivated to act upon these principles. In our study we start from the new coordinates of public management, the new model actually surpassing the traditional model of public administration. It's certainly a results orientation and not a process oriented approach, as in traditional administration. As the scientific literature shows:

*'an efficient administration can't be built only through the development of laws and decrees, but with the support and considering of the people working in this field, supporting directly the civil servants who are facing increased responsibilities, with fewer resources, and which are confronted daily with the rising expectations of the client-citizen'* (Minică, 2004).

At present, the Human Resources (HR) function in the public services is focused on relations between employees that can be characterized as being impersonal. The recruitment and selection process is made through a formal competition; promotion is closely related with age and political affiliation. Organizational structure is developed at central level and imposed to decentralized units. In all these institutions the strict compliance with the procedures and norms is emphasized and, thus, the place and duties of each civil servant are set by different rules. This approach has a major drawback – it is not stimulating for public managers, in terms of motivating the employees they lead, because they focus more on the rules and traditions. Regarding motivation, in terms of new public management, the actions of human resource managers must take into account each employee as a distinct individuality and create a performance evaluation system in close correlation with an incentive system in order to reward the results of employees (Androniceanu, 2007; Băcanu 2008; Parlagi, 1999).

Marius Profiroiu (2011) considers that in order to combine the modern creative management with the classical administrative hierarchy changes must be implemented in several directions such as: the labor contracts in the public sector, the decisional system, performance measurement systems, the system of objective setting, responsibility, and control. To these we add the selection process and motivational aspects, as

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these are directly linked with performance measurement and job satisfaction (Abrudan, 2005). This is why, in this phase of our research, we focused on several key directions: motivation, selection and evaluation, professional development, decisional process and trust.

Starting from these general assumptions this paper presents the strengths and weakness of public human resources management from Romania and Hungary. The data presented are derived from a broader study on the implementation of New Public Management principles in local public administration institutions in Bihor County (Romania) and Hajdu-Bihar County (Hungary). In this study 60 Mayor's Offices were investigated, 30 in each country. Out of the twelve research topics within the NPM paradigm, three were specifically devoted to different aspects of public human resources management (Abrudan *et al.*, 2011).

The article first presents the particularities of Human Resources Management (HRM) in public institutions as concluded from an in-depth literature review. Cultural specificities of Romania and Hungary from the organizational culture point of view are presented in order to frame the comparative analysis conducted within the empirical section. The research results provide relevant insight in the processes regarding personnel in the public institutions in this region and propose solutions for improvement of the observed weaknesses. The employees, both managers and their subordinates, included in this research consider themselves participants in the decisional process, yet the evaluation process needs to be reshaped in order to provide better balance between performances and the rewards system. The concluding section synthesizes the main findings and emphasizes concrete proposed solutions.

## **2. Trends in public HRM research**

Results of work undertaken in an institution or public authority is subject to a greater extent to how public managers manage, train and develop competence, professionalism, intelligence and creativity of human resources (Androniceanu, 2008).

Public managers and human resource professionals in public institutions have general and specific powers and responsibilities regarding grounding strategies and HR policies. The process involves special attention to each activity, namely: recruitment and selection, performance evaluation, motivation, professional training, participation in decision-making process and establishing trust and mutual respect between managers and subordinates.

### ***2.1. Particularities of specific activities in public HRM***

When studying public administration, one of the fundamental questions is how to motivate employees to work in public services and towards achieving public purposes (Steen, 2006). Public service motivation occupies a central place in research and writing in the field of public management. Public service motivation refers to the kind of motivation (such as altruism or public interest) that determines an individual to carry out activities related typically to the public sector (Vandenabeele, Scheepers and Hondeghem, 2006).

The scientific literature underlines that work motivation among public employees and managers is different from that of private sector employees (Wright *apud* Islam and Ismail, 2008, p. 346). Differences in hierarchical level are stronger determinants of work motivation than differences in sector, which is not surprising considering the fact that, regardless of the sector in which they work, employees have the same human needs, possess similar social characteristics, and work in organizations that rely mainly on the same control methods (Matheson, 2012).

Most of the differences between public and private sector employees can be fully or partially explained by differences in work content rather than by differences in work sector (Nawab, Ahmad and Shafi, 2011, p. 110). About the perceived importance of intrinsic incentives, there are no significant differences between public and private sector employees according to Nawab, Ahmad and Shafi. They argue that the level of work motivation is influenced by factors such as: gender, age, hierarchical level, work characteristics. Yet, another study validates a series of hypotheses, such as (Buelens and Van der Broeck, 2007, p. 70):

- Public sector employees are less motivated by wage.
- Employees on higher hierarchical levels are more motivated by wage.
- Employees with a high level of education are less motivated by wage.
- Younger employees are more motivated by wage.
- Male employees are more motivated by wage.

However, several researchers argue that private sector employees value financial incentives more than public sector employees. Direct economic benefits are less important for public sector employees (Houston *apud* Buelens and Van der Broeck, 2007, p. 65). Leete (Leete *apud* Buelens and Van der Broeck, 2007, p. 67) argues that just like in the case of nonprofit organizations, public sector organizations tend to rely mostly on intrinsic motivated employees. Most studies have concluded that public sector employees are more intrinsically motivated and, thus, extrinsic rewards have a diminished effect. Public sector employees are more likely motivated by job characteristics, personal development, recognition, autonomy, interesting work and the opportunity to learn new things (Houston *apud* Buelens and Van der Broeck, 2007, p. 65). On this basis, there is also evidence that clerks with higher hierarchical positions are more satisfied with their jobs than the Romanian average (Saveanu and Saveanu, 2011).

Regarding motivation, in terms of new public management, human resources managers' actions need to set aside: 'the traditional concept of employee administration that is technically one that treats the data, do analysis and draw notes, consisting of operational decisions in proceedings, but must be aware of promoting personalized dimensions in relations with its employees.' More, managers must consider each person as a distinct individuality and create a performance evaluation system, closely correlated with an incentive system to reward employees (Minică, 2004).

The involvement in decision making and establishing communication channels based on manager-subordinate trust and mutual respect can certainly contribute to

increased intrinsic motivation of employees in public institutions as well as on increased performance (Roman, 2004).

Regarding recruitment and selection in public administration, the real challenge is to find the answer to the question from where and how it is possible to attract a larger number of competitive and motivated candidates from which to select those required. Hence, the need is to establish and identify ways of attracting potential candidates to prove actual skills and motivation for a career as a civil servant. Also, effective tools for selecting suitable candidates who best meet the requirements of vacancies have to be identified.

In the new public management approach, the professional development of public employees shall consist of a coherent process and ongoing programs in order to develop their knowledge and skills. This objective can be achieved through specific programs integrated in global strategies and policies that can reshape and adapt public sector employees' training and behavior in order to meet the new requirements (Verboncu and Deaconu, 2008).

Also, performance evaluation process of employees has to be an objective one and must reflect the actual results of the work of public employees. When not seen as a pretext, a meaningless action, or as an administrative task, performance evaluation turns out to have a great influence on activities and organizational framework of a public institution, with repercussions on efficiency in general.

## ***2.2. National culture and its influence on employee work behavior.***

### ***Differences between Romania and Hungary***

#### *2.2.1. National culture and work motivation*

When dealing with comparative studies in different countries it is not recommended to ignore or neglect the cultural particularities of the countries studied. Cultural values influence how an individual perceives and understands a situation, and therefore affects the behavior and work motivation of that individual. Cultural values serve as criteria for assessing the meaning of various motivating factors and other work related factors (Erez, 2008). Since people from different cultures use different cultural values to interpret the same situational factors, it is to be expected that what is perceived as a motivating factor in some cultures may be perceived as a de-motivator in other cultures.

Some steps to identify the relation between national culture and motivation have been made, but not enough to clarify this issue. Several researchers believe that there is a direct link between cultural dimensions and key motivational factors (Marinaş, 2010). For the past two decades, Geert Hofstede's cultural dimensions theory (Hofstede, Hofstede and Minkov, 2010) has been used extensively to explain differences in work behavior and management practices in different cultures. Hofstede's theory consists of four original cultural dimensions, i.e.: individualism versus collectivism, power distance, uncertainty avoidance, masculinity versus femininity. Subsequently, two new cultural dimensions have been added: long term orientation versus short time orientation and indulgence versus restraint (Bibu, 2003).

Hofstede’s approach is not singular in this domain. Based on Hofstede’s dimensions, the GLOBE survey (House *et al.*, 2002) conducted in 62 countries has extended the typology of cultural dimensions, and Fons Trompenaars in his research (Trompenaars and Hampden-Turner, 2004) has identified seven dimensions of culture.

2.2.2. Cultural differences between Romania and Hungary

For a complete and accurate insight on work related aspects in Romania and Hungary it is necessary to take into account the cultural specificities of the two countries. As seen in Figure 1, despite geographical proximity and historical background, there are significant differences between the values of the cultural dimensions of the two countries.

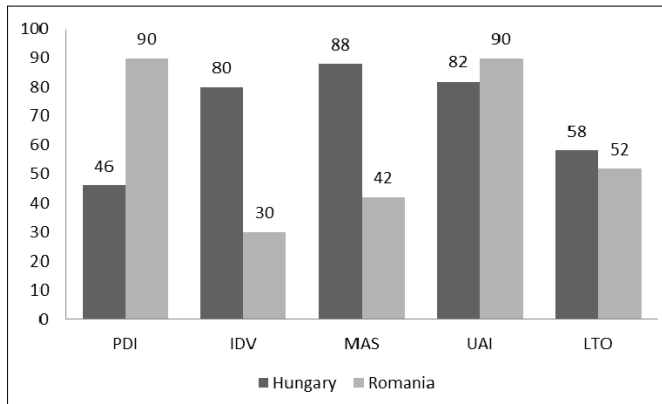


Figure 1: Hungary versus Romania – cultural dimensions values

Source: The Hofstede Centre, [Online] at <http://geert-hofstede.com/romania.html>

The cultural dimensions traditionally taken into account (Hofstede, Hofstede and Minkov, 2010; Erez, 2008) in explaining the differences in the work motivation field are: Individualism versus Collectivism, Masculinity versus Femininity, and Power distance. For Romania and Hungary, the particularities of these cultural dimensions are summarized below.

*Power distance (PDI)*

Romania scores 90 on Power distance which means that people accept a hierarchical order in which everybody has a place and which needs no further justification. Subordinates expect to be told what to do and the ideal manager is a benevolent autocrat (Hofstede, Hofstede and Minkov, 2010). Hungary scores lower on this dimension (46) which means that power is decentralized and managers count on the experience of their team members. Hungarian employees expect to be consulted, while communication is direct and participative (The Hofstede Centre).

*Individualism versus Collectivism (IDV)*

With a score of 30, Romania is considered a Collectivistic society which fosters strong relationships where everyone takes responsibility for fellow members of their

group (Hofstede, Hofstede and Minkov, 2010). Hungary, with a score of 80 is an Individualistic society. This means that individuals are expected to take care of themselves and their immediate families only (The Hofstede Centre).

#### *Masculinity versus Femininity (MAS)*

Romania scores 42 on Masculinity/Femininity dimension and is thus considered a relatively feminine society. Conflicts are resolved by compromise and negotiation and free time and flexibility are valuable incentives (The Hofstede Centre). Hungary scores 88 on this dimension and is thus a masculine society in which managers are expected to be decisive and assertive. Organizations focus on equity, competition and performance (Hofstede, Hofstede and Minkov, 2010).

### **3. Research methodology**

This paper presents some of the research results obtained within the project 'Establishment of R&D programmes in the field of new public management between economic faculties of higher education in Hajdu-Bihar and Bihor Counties' (HURO/0901/277/2.2.2). The main objectives of the project were: (1) the analysis of European best practices in the field; (2) the identification of problems, needs and training topics in public administration in the two regions; and (3) grounding a common training program for specialists in the field. Especially for the second objective, a common research was conducted in order to identify the main challenges public administrations in the two countries face in implementing the New Public Management approach.

In the framework of this pilot project, researchers from University of Debrecen and Oradea took the first steps in the development of a common methodology for the analysis of the implementation of New Public Management (NPM) in Mayor's Offices from urban and rural areas from Romania and Hungary. These instruments were tested within 30 public administration institutions in both counties involved in the project: Bihor on the Romanian side and Hajdu-Bihar from the Hungarian side. In the first stage of the study, the team selected a list of twelve topics derived from the general topic of New Public Management, relevant for the local level.

Concretely, within this project there were developed and tested three research instruments used to collect information from Mayor's Offices from rural and urban localities in the two neighboring counties. These instruments were: (1) the general information sheet, (2) questionnaire addressed to managers of public institutions (civil servants as Mayors, head of departments with a minimum of 5 subordinates), (3) questionnaire for the employees, executive civil servants. The last two were developed symmetrically to gather information from both parts regarding the processes within each institution, while the first reflected factual information regarding the institution. Regarding the general topics reflecting aspects related to human resources, planning and managerial style there were a total of 39 questions, 21 addressed to the managers and 18 to employees. A complete description of the instruments and research topic can be found in Abrudan *et al.*, 2012.

This set of instruments was administered in 60 Mayor’s Offices from urban and rural areas, 30 in Romania and 30 in Hungary. The questionnaires were self-administered, after being explained by a researcher from the project team. Depending on the size of the institution there was a different number of questionnaires to be filled in: from one and up to five for managers (the mayor and chiefs of different departments having at least five subordinates) and from three to fifteen questionnaires were gathered from employees in each institution (employees with no coordination attributions, all public servants). The localities which took part in this study will not be mentioned as requested by some of the representatives of the participant institutions. The general structure of the sample is presented in Table 1.

**Table 1:** Distribution of responses on sub-samples

Sample	No. of valid questionnaires				TOTAL
	Romanian sub-sample	Hungarian sub-sample	Rural sub-sample	Urban sub-sample	
<b>Managers</b>	60	31	42	49	<b>91</b>
<b>Employees</b>	85	82	77	90	<b>167</b>

The Romanian sample included 10 Mayor’s Offices from urban localities (municipalities and towns) and 20 from rural areas, while the Hungarian comprised of 12 urban and 18 rural Mayor’s Offices. The data was analyzed by the project team using SPSS package, in two separate data bases for managers and employees. In this paper we present the general samples, including both the Romanian and Hungarian responses. We made comparisons between the two national samples, and, where relevant, also between the rural and urban sub-samples from the study.

**4. Human resources management in local public administration institutions in Bihor county (Romania) and Hajdu-Bihar county (Hungary).  
Research findings**

**4.1. Motivation**

Challenging for the employees of the public institutions included in our study were the questions regarding the way in which they can express their creativity at the workplace, and in carrying out their duties and responsibilities, as an element of intrinsic motivation.

The data collected in the common study reveals the fact that a comparable percentage of managerial staff and of public servants from Romanian and Hungarian public institutions consider that they can express to a great extent their inventive, creative spirit at the workplace. As shown in Figure 2, the managers appreciate these elements of intrinsic motivation as stronger than their subordinates: 63.7% of managers affirm that the employees can express totally and to a great extent their creative spirit, while only 25.9% of employees give the same answers.

There is no significant difference between rural and urban sub-samples, yet the t-test analysis shows that the Hungarian managers report significantly ( $F=0.535$ ,



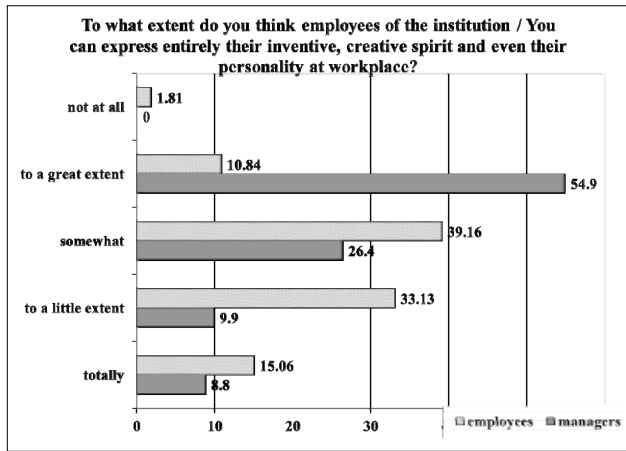


Figure 2: Expression of inventive, creativity and personality at work, aggregated results (RO&HU).

sig=0.00) lower levels for expression of employees inventive and creative spirit at their workplace (mean value of responses in Hungarian sub-sample – 3.23, while in Romanian subsample – 3.83 (on a scale from 1 meaning *not at all*, to 5 meaning *totally*) – detailed responses presented in Figures 3 and 4. On the one hand, we consider that this response can be determined by the high desirability rates of the answers on the Romanian side. Also, this response can be attributed to the differences in culture between the two countries. Hungarians may have scored lower because of the high score of individualism in their country (hence, the greater need for expressing personality and individuality) and lower power distance index (hence, the managers' expectation that employees would express their inventive and creative spirit).

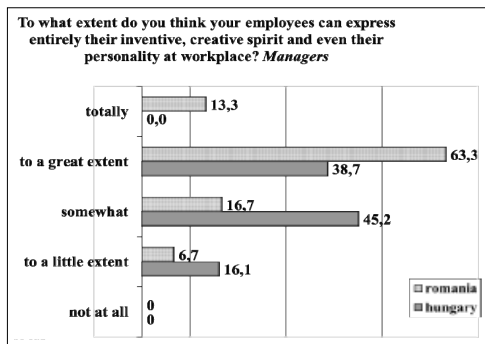


Figure 3: Expression of inventivity, creativity and personality. Managers' responses from Romania and Hungary

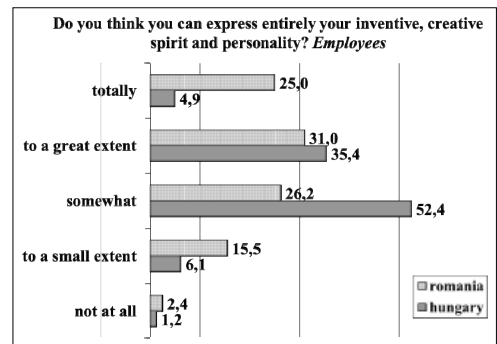


Figure 4: Expression of inventivity, creativity and personality. Employees' responses from Romania and Hungary

As the diagrams clearly show, the initial hypothesis, *below 10% of employees can express freely their innovative spirit, their creativity and even their personality*, can be refuted. On average 55% of managers consider their employees are provided with a creative work environment, while only 10% of the employees feel that way, as shown in Figure 2. Such a big difference can be explained most probably by a combination of

desirable responses provided by managers, along with a difference in understanding the elements of freedom of expression of inventivity, creativity and personality.

It is important to underline the fact that the differences between responses are quite relevant: 78% of Romanian managerial staff consider that the employees – public servants of the institution can express totally or to a great extent their inventive, creative spirit at the workplace and only 39% of Hungarian managerial staff consider it, while 59% of the Romanian executive public servants and 40% of the Hungarian executive public servants consider the same. Regarding the position of managerial staff, the responses are in contradiction with the Romanian (90) and Hungarian (46) PDI score which may suggest a lack of sincerity.

The employees’ position regarding their individual level of motivation in accomplishment of their tasks, confirms that most subordinates from both target groups (55% from the general sample), do not consider themselves motivated in their work.

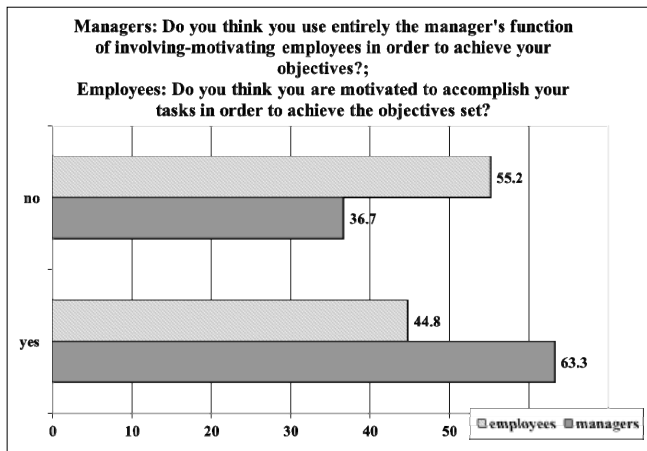


Figure 5: Opinions regarding the motivation function (RO&HU)

The motivational mechanism used, the most frequently mentioned by both Romanian and Hungarian managers were: verbal appreciations, interest in creating an adequate climate for achieving the objectives (cheerfulness, enthusiasm, balanced behavior, harmonious environment etc.), involvement of subordinates in decisional process, discussions with employees, financial incentives in the limits prescribed by the law, etc. On their behalf, employees that answered to this question, mentioned they are motivated at organizational level with: financial incentives, moral and spiritual incentives such as appreciations, work environment, and also at individual level by their wish to gain their superiors’ trust, personal development plans, etc.

In this regard there is a significant difference between the Romanian and Hungarian samples: the employees from the Hungarian public institutions consider in a much higher degree that they are motivated to achieve their goals ( $p=21.107$ ,  $sig=.000$ ). On the other hand, the employees of the Mayors’ Offices from the urban localities are the ones which are significantly less motivated ( $p=4.95$ ,  $sig=.029$ ). The managers’ re-

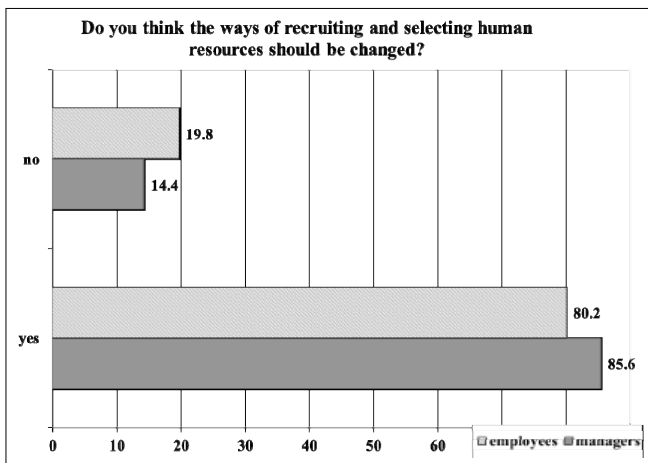
sponses do not vary significantly. This could be explained not only by the cultural differences that exist between the two countries, but also by the differences in living standards. Romanian employees value to a greater extent financial incentives (the use of which is restricted in the public sector).

**Table 2:** Use of motivational function, on groups and countries

	Managers		Employees	
	Hungary	Romania	Hungary	Romania
no	35.48	37.50	37.04	72.62
yes	64.52	62.50	62.96	27.38

#### 4.2. Recruitment, selection and evaluation

A significant number, more than 80% of both managers and public servants from both Romanian and Hungarian public institutions, consider that the methods and procedures of recruiting and selecting human resources *should be changed* – this means that only persons showing real skills and motivation for a career as a public servant have to be hired.



**Figure 6:** Satisfaction with recruiting and selection of human resources (RO&HU)

There is a positive association ( $p=0.20$ ) between the perceived need to change the recruiting and selecting human resources within the institutions and countries, as Romanians answered affirmatively to this question in a significantly higher percentage. Nonetheless, it is known that one of main problems of public administration is represented by the personnel – which often do not prove the abilities and competences required for the position they occupy. In this regard, our answers prove once more the need to redesign the policies for recruiting and selection of public servants, the elaboration of transparent selection criteria correlated with the job descriptions, in order to ensure the selection of persons which prove real competences, aptitudes and motivation. However, there are only a few negative answers and we consider that generalizations should be based on higher samples.

The professional performance assessment – as a distinct and major activity in human resource management – was emphasized within this project using several questions. The viability of answers is supported by the common points of view presented by the two groups: managers and employees.

Accordingly, personnel with managerial positions were asked the following questions: *Do you think performance evaluation of the employees of the institution you activate in is characterized by a high degree of objectivity?; To what extent do you consider that performance indicators are established for each post and show in a coherent, right and transparent way the level of achieved results/performances?; and Do you discuss with every single employee subordinate to you about the results of the evaluation you've made?.* Employees were asked: *Do you think professional performance evaluation reflects in an objective way your activity, the achieved results, your implication for achieving objectives?; Do you discuss with the person evaluating you about the results of this evaluation?; and Do you think the differences coming out in the process of performance evaluation on behalf of the employees can be completely justified?.*

The research results show that there is no significant difference between the Romanian and Hungarian samples, or between rural and urban sub-samples, regarding the objectivity level of performance evaluation in the considered institutions.

As Figure 7 and Table 3 show, around 70% of managers and almost 90% of employees – public servants from both samples consider that *the evaluation system is an objective one*. Nevertheless the 30% of managers who responded negatively to this question should not be neglected, indicating there is a felt need for improvement.

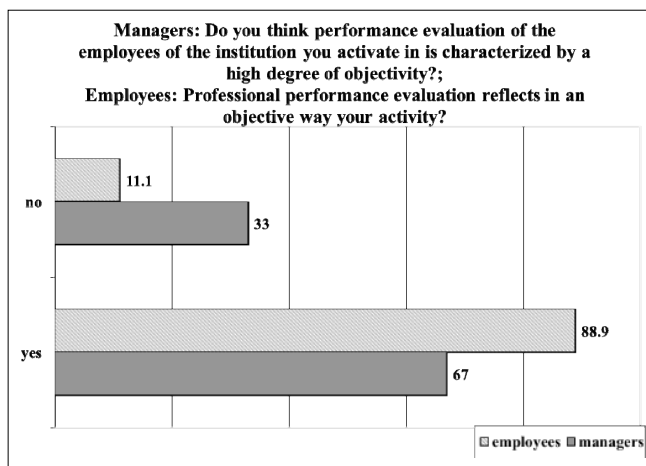
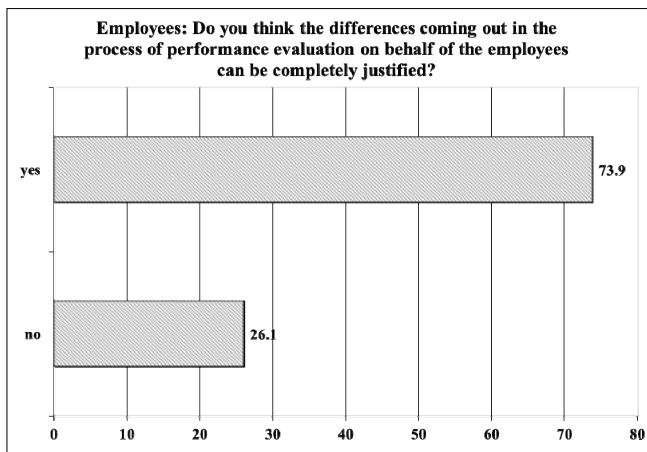


Figure 7: Opinions on the performance assessment of human resources (RO&HU)

Table 3: Objectivity of performance evaluation process

	Managers		Employees	
	Hungary	Romania	Hungary	Romania
no	35.48%	31.58%	12.5%	9.76%
yes	64.52%	68.42%	87.5%	90.25%

More, approximately 74% from subordinated public servants from Romanian and Hungarian public institutions from this analysis, consider that *the differences resulting from the evaluation process* are fully justified, sustaining the appreciation of the objectivity of this process.



**Figure 8:** Appreciation of fairness of performance evaluation on behalf of employees (RO&HU)

As shown in Table 4, Hungarians view the evaluation results as more accurate and relevant in significantly higher degree than Romanians ( $p=7.75$ ,  $sig=.007$ ). As already stated, organizations in masculine cultures (as is the case of Hungary) focus on equity, competition and performance (Hofstede, Hofstede and Minkov, 2010) which could explain the differences in employee perception of the evaluation process.

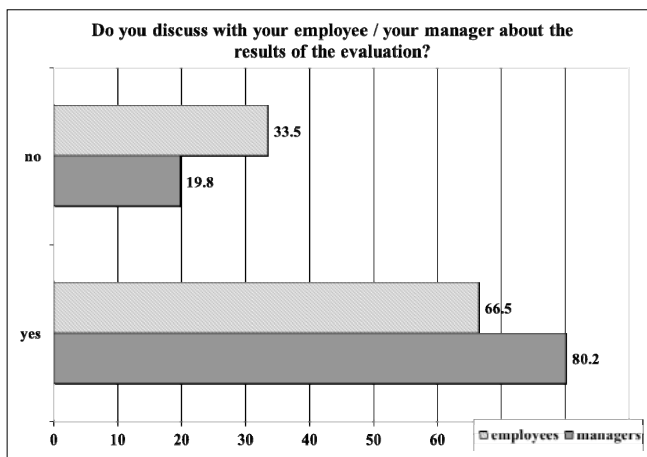
**Table 4:** Objectivity of performance evaluation process

	Hungary	Romania
no	16.3%	35.3%
yes	83.8%	64.7%

One must not ignore the 26% from this category of employees which answered negatively to this question. This reveals that there is still some reluctance, explicable by the inherent nature of the evaluation process which, being conducted by people, will always have some degree of subjectivity.

An adequate evaluation process entails discussions between the people who conduct the evaluation and the person under evaluation, between managers and employees, in order to clarify and explain possible differences in the assessments. From this perspective, the managers' answers and the ones from employees revealed that in the institutions included in the analysis these types of discussions were held. As shown in Figure 9 presented below, 80% of managers claim they discuss the evaluation results with each of their subordinates, statement supported by 66.5% of the employees, proving the viability of responses.

The answers of employees to this question vary significantly ( $p=7.72$ ,  $sig=.008$ ) between the two countries – the Romanians reported higher rates of discussing the



**Figure 9:** Discussion of evaluation results (RO&HU)

results of evaluations with their chiefs. Any generalization in this direction must be tested on a larger sample and the verification of actual practices in each institution.

**Table 5:** Discussion of evaluation results, on groups and countries

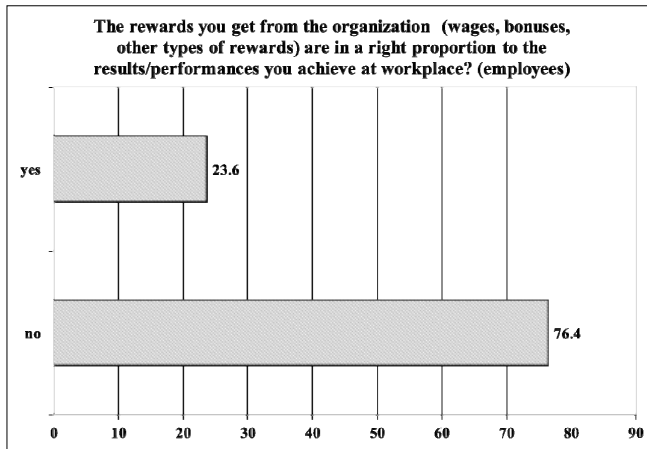
Do you discuss with your employee / your manager about the results of evaluation?	Managers		Employees	
	Hungary	Romania	Hungary	Romania
no	22.58%	18.33%	43.90%	23.53%
yes	77.42%	81.67%	56.10%	76.47%

Regarding the exercise of the motivation function, one of the five managerial basic functions, the position expressed by managers and their subordinates do not coincide. The managers from both target groups, in a proportion of 63% declare that, despite the rigidity of the legislative system, they can act upon this function, as they can influence / determine their subordinates to achieve the targeted objectives. The high rate of non-responses to this question (13%) raises suspicions regarding the level of understanding of the fundamental elements of the managerial act, at least regarding motivation.

The responses regarding the correlation between the awards system and the achieved results are in the same line: 58% of employees from Romanian and Hungarian public institutions affirm that there is no such correlation, while a high percentage (25%) do not respond to this question.

There is a significant association ( $p=11.5$ ;  $\text{sig} = .001$ ) between the perceived fairness of rewards allocation and the two countries. As Table 6 presented below shows, the Romanian employees consider in a much higher degree that the relation between evaluation results and rewards is not fair, which means that the evaluation system is not working correctly and has implications for employee motivation.

Under the condition of the recognized and highly debated lack of motivation of personnel in Romanian and Hungarian public institutions, our findings prove that in this field, the public human resources management still has to catch up. The moti-



**Figure 10:** Opinions regarding fairness of incentives used (RO&HU)

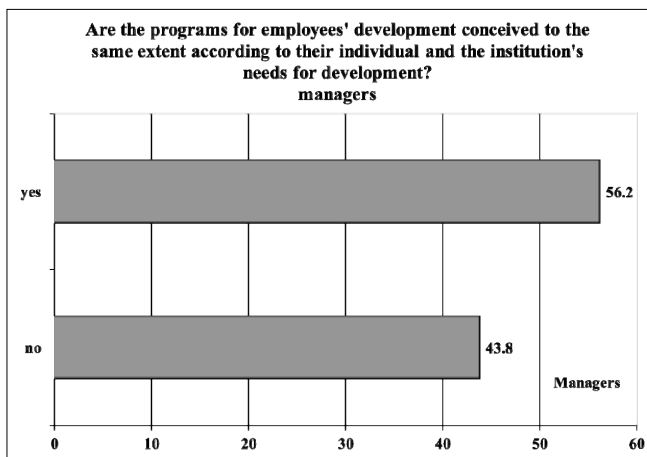
**Table 6:** Opinions regarding fairness of incentives used, employees on countries

	Hungary	Romania
no	63.49%	89.06%
yes	36.51%	10.94%

vational policies for the personnel in the public system have to be reshaped, starting with the real needs of employees and their performances.

#### 4.3. Professional development

Regarding the professional development programs for the employees, 56% of managers included in the study, from both countries consider that these are well designed and cover both the individual and institutional needs for development. We must emphasize that these individual needs should be derived from the evaluation of achieved performance.



**Figure 11:** Personal development (managers – RO&HU)

There is a significant association ( $p=22.009$ ,  $\text{sig}=0.000$ ) between the answers of Romanian managers and their Hungarian counterparts: more Romanians respond positively to this question, as Table 7 shows below.

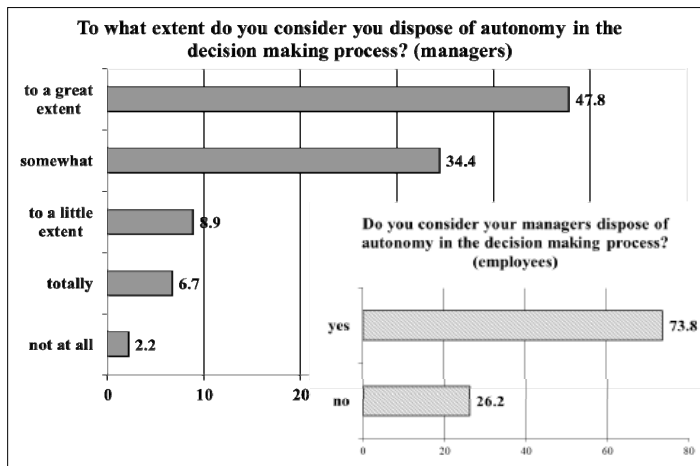
**Table 7:** Personal vs. institutional development, managers on countries – *Are the programs for employees' development conceived to the same extent according to their individual and the institution's needs for development?*

	Hungary	Romania
no	79.31	26.67
yes	20.69	73.33

The employees' responses from Romanian and Hungarian local public institutions, regarding the question on satisfaction with professional development programs, are equally divided: 50% are satisfied, while 50% are not. This neither confirms, nor supports the affirmations of managers. The differences between the Romanian and Hungarian responses are not significantly different.

#### 4.4. Decision making

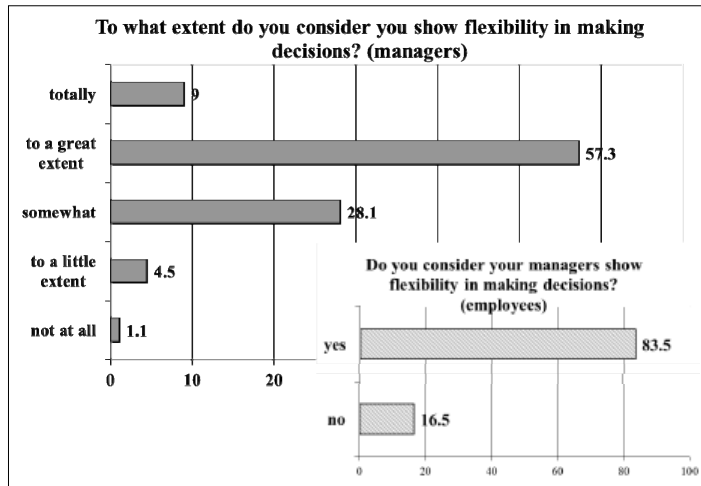
Referring to the decisional process, our common findings reveal that 55% of managers consider they have autonomy (48% to a great extent, and 7% total autonomy). The subordinates' position is similar as 54% declare their managers have decisional autonomy. These opinions prove that the decisional system succeeds to adapt, even if in an incipient manner, to the patterns of modern public management. However, it is important to note that 34% of managers are skeptical and affirm that this autonomy is limited, and 26% of employees do not formulate a position – which indicates either they did not understand the question, either they could not identify this characteristic.



**Figure 12:** Opinions about autonomy of managers (RO&HU)

Regarding the flexibility of the decisional process, again, the opinions of managers and employees coincide to a great extent: 54% of managers consider they have a fair amount of flexibility, while 73.8% of the employees support this statement. In both cases, there are no significant differences between Romanian and Hungarian samples.

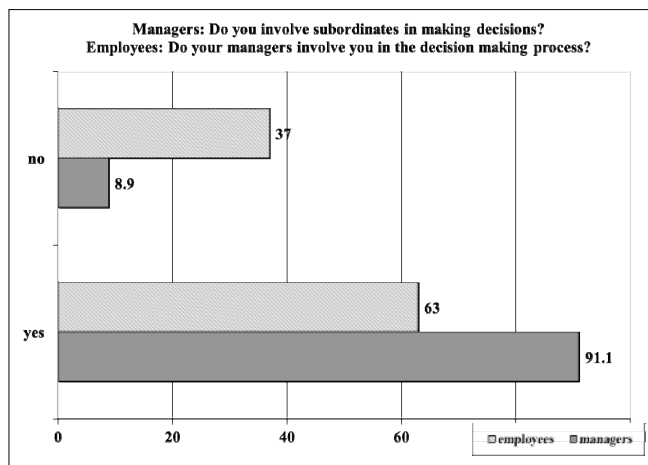




**Figure 13:** Opinions about flexibility of managers (managers – RO&HU)

Managers in rural localities consider themselves more flexible in a significantly higher degree than in urban localities (sig. = .000; mean in urban =3.43; mean in rural =3.98). Regarding the responses of the employees, there are no differences between rural/urban nor between Romanian and Hungarian subsamples.

The opinions of managers' that consider there is a lack of flexibility coincide to a great extent to the ones that are skeptical about autonomy. More, the high percentage of non-responses (28%) of employees can be explained as in the case of autonomy: either lack of understanding, either impossibility to assess this characteristic at their work place. The results underline the fact that the decisional processes in public institutions from our study are grounded in modern trends.



**Figure 14:** Opinions involvement in decision making (RO&HU)

Regarding participative management – there is also a common point of view: of course managers (90%) are more likely to declare it but, as we can see in Figure 15

below, the percentage of public servants (63%) declaring the same is a significant one. There are no associations regarding this question between Romanian and Hungarian samples, nor between rural and urban ones.

In this case, the second hypothesis formulated within our study, namely that *less than 50% of public institutions' employees consider that the manager involves his/her subordinates in the decisional process* – can be refuted. A more participative managerial approach was observed in both Romanian and Hungarian institutions, practices which are in line with the new principles of public management.

#### 4.5. Trust

The perception of managers and employees (public servants) from both Romanian and Hungarian public institutions, regarding the need for developing a policy in order to win the employees' trust and fellow-feeling is the same – over 86% of the managerial staff and over 78% from employees gave an affirmative answer to this question, suggesting there is a high perceived autonomy of local representatives regarding the policies in their institutions.

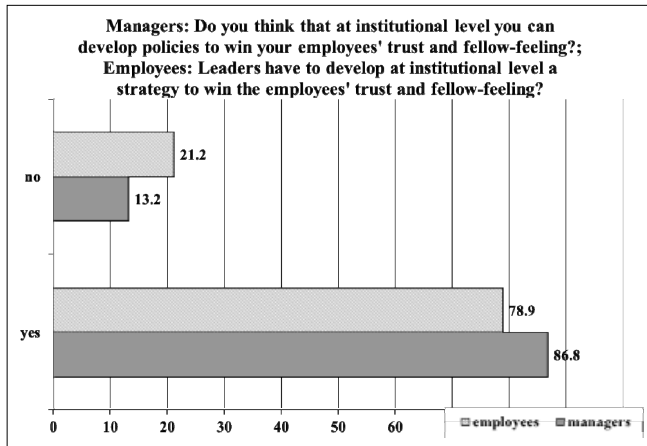


Figure 15: The need for policies to develop employee fellow-feeling and trust (RO&HU)

As our results shown, the formulated responses highlight the fact that human resources management, as a clearly cut activity within New Public Management, is understood through values that constitute the foundation of the organizational culture oriented towards own employees.

### 5. Concluding remarks and future recommendations

Because cultural values affect behavior and other work related aspects by influencing how an individual perceives and understands a situation, when conducting a comparative study one must take into consideration the cultural particularities of the countries studied. Although our findings show that the differences in the perception of Romanian and Hungarian employees on HRM practices in local public administra-

tion institutions in Bihor county (Romania) and Hajdu-Bihar county (Hungary) are rather minor, this could be explained by cultural differences.

Concretely, the differences between the responses from the two samples refer to the motivational levels, as the Hungarian subordinates declare in a significantly higher percentage that they are motivated to achieve their tasks (the first dimension of our study).

This result is directly linked with the second dimension regarding the evaluation system where significant differences were also reported, namely that it is perceived as less fair in the Romanian case. These findings indicate that the Hungarian public system, at least as reflected in our sample, adheres to a greater extent to the principles of New Public Management, as the professional performance assessment, the systems of rewards and consequently employees' motivation are better developed. As stated in the analysis section, these differences can be explained also as a consequence of the 'masculinity' that characterizes the Hungarian organizations, a culture that focuses on equity, competition and performance. Referring to the human resources strategies and policies, the problems already identified in the literature are persistent: the employees of public institutions confirm the need for the elaboration of personnel recruiting and selection policies in order to ensure the employment of people which prove real abilities and motivation for a career as a public servant. Employees are not sufficiently motivated in caring out their tasks; there is no correlation between the level of awards received from the organization and results or performances achieved. Nevertheless, our research highlights the fact that regarding performance evaluation improvements were made, increasing the level of objectivity of this process. This positive outcome demonstrates that efforts are made with good results in improving the management of human resources in the public system, based on the principles of New Public Management.

The final conclusions regarding the decisional process, the fourth dimension under study, are somewhat optimistic as over 50% of employees from Romanian and Hungarian public institutions from both counties declare that autonomy and flexibility characterize their work. However, managers reflect a higher involvement of subordinates in the decisional process than the reported percentages from employees.

The result of our research also shows that the managers and subordinates from the Romanian and Hungarian public institutions consider that the policies in their institutions are focused on winning the employees' trust and fellow-feeling which constitute the foundation of the organizational culture oriented towards employees.

The main limits of our research are derived from the low representativeness of our data, as this was conducted as a pilot study. Consequently most of our results should be tested on larger samples, including both more respondents from the same institution as well as more public institutions. Nonetheless, our data bring more insight in an area of study which is still under development.

The main conclusion of our study is that in the field of human resources the public system has still to put in consistent efforts, towards: (1) the creation of mechanisms

which will allow the real exercise of managerial function of motivation, (2) setting a fair correlation between rewards and performances, as well as (3) the conception of directions regarding the management of individual and organizational careers etc. All these proposals reflect the principles of a professional human resources management. Consequently, the solutions can be found in the development within public institutions of a managerial culture based on performance, and the implementation of a critical analysis mechanism for the public administration.

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