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# PERFORMANCE EVALUATION OF INDUSTRIAL RELATIONS MEDIATORS BEFORE AND AFTER THE ESTABLISHMENT OF THE REGULATION OF THE MINISTER OF STATE APPARATUS UTILIZATION AND BUREAUCRATIC REFORM NUMBER 17 OF 2021: A QUALITATIVE APPROACH (A CASE STUDY AT THE INDONESIAN MINISTRY OF MANPOWER)

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#### ABSTRACT

Upon the establishment of the Regulation of the Indonesian Minister of State Apparatus Utilization and Bureaucratic Reform Number 17 of 2021, there has been a significant change in terms of the inpassing of industrial relations mediators of the Indonesian Ministry of Manpower. Due to this phenomenon, further analysis regarding industrial relations mediators' performance evaluation is needed to understand the effectiveness of the implementation of the mentioned policy change. The purpose of this study was to determine the performance evaluation of industrial relations mediators before and after the establishment of the Regulation of the Minister of State Apparatus Utilization and Bureaucratic Reform Number 17 of 2021 in the case study of the Indonesian Ministry of Manpower. In addition to the conceptual framework, this paper has explained the research background, literature review, and research methodology. The application of this paper will establish recommendations for developing effective performance evaluations regarding industrial relations mediators in the Indonesian Ministry of Manpower.

#### Keywords:

Performance evaluation, Industrial Relations Mediator, Manpower, Qualitative Approach.

#### INTRODUCTION

Industrial Relations Mediation is the settlement of rights disputes, interest disputes, employment termination disputes, and disputes between trade unions within one company only through deliberations mediated by one or more neutral mediators. It is in this mediation process that the term mediator appears. Industrial Relations Mediator is an employee of a government agency responsible for manpower who fulfils the requirements as a mediator determined by the Minister to be tasked with conducting mediation and has the obligation to provide written recommendations to the disputing parties to resolve disputes over rights, disputes over interests, disputes over the termination of relations work, and disputes between trade unions/labour unions in only one company. It is hoped that the task of the mediator outside the court will not reach the court so that harmonious industrial relations can be created.

In the Regulation of the Minister of Manpower and Transmigration Number 17 of 2014 concerning the Appointment and Dismissal of an Industrial Relations Mediator and Mediation Procedures, it states that the duties of an Industrial Relations Mediator are (1) fostering industrial relations, (2) developing industrial relations and (3) settling industrial relations disputes out of court. These three tasks are the elements that are assessed in awarding credit scores to industrial relations mediator functional officials. Industrial Relations Mediator is an important element in the creation of good Industrial Relations in the world of manpower and makes this Industrial Relations Mediator an important resource for organizations, in this case, the Directorate General of Development of Industrial Relations and Labor Social Security of Ministry of Manpower of the Republic of Indonesia.

In its development, many challenges were found in the management of Human Resources for Industrial Relations Mediators. However, what is most striking to address is of course related to the number of Industrial Relations Mediators which is felt to be less than the number of companies. Ideally, one Industrial Relations Mediator handles one company. In 2022, 387,698 companies were recorded as objects of labour inspection, while Industrial Relations Mediators were recorded at 931 mediators, meaning that the need for mediators is only around 2.4% of what should be. The Ministry of Manpower has made various efforts to meet the ideal number of Mediators in Indonesia through policies produced by the Ministry of Manpower as the Industrial Relations Mediator staffing agency. For this reason, in the context of career development, professionalism and improvement of organizational performance, as well as to meet the needs of functional positions, it is necessary to appoint civil servants who meet the requirements through adjustments/inpassing to ministries/agencies/local governments.

Given the vital function of the Industrial Relations Mediator referred to, on January 28th of 2021, the Directorate of Mediator Development was formed through the Regulation of the Minister of Manpower No. 1 of 2021 concerning Organization and Organizational Work Procedures of the Ministry of Manpower. The Directorate of Mediator Development needs to be established to manage the function of managing the development of mediators, conciliators and arbitrators; proposals for candidate ad hoc judges. The formation of this nomenclature is also to follow up on the mandate of the Regulation of the Minister of State Apparatus Utilization and Bureaucratic Reform Number 29 (PER/06/M.PAN/4/2009) concerning the Functional Position of Industrial Relations Mediator and Its Credit Score, where the Trustee of the Functional Position of Industrial Relations Mediator is the Ministry of Manpower. The Directorate of Industrial Relations human resources through technical guidance, outreach, advanced training, workshops, and the like. With the establishment of the Directorate of Mediator Development, it is hoped that the Industrial Relations Mediator will be able to carry out its functions properly so that, in terms of quality and quantity, the Industrial Relations Mediator can move towards improvement.

The establishment of the Directorate of Industrial Relations Mediators has similarity to the issuance of the Regulation of the Minister of State Apparatus Utilization and Bureaucratic Reform Number 28 of 2019 concerning the Equalization of Administrative Positions into Functional Positions, which was then refined with the Regulation of the Minister of State Apparatus Utilization and Bureaucratic Reform Number 17 the Year 2021 concerning Equalization of Administrative Positions into Functional Administrative Positions into Functional Positions. Through this regulation, the Minister of State Apparatus Utilization and Bureaucratic Reform has mandated all Ministries/Institutions to carry

out an independent assessment of the mapping of administrative positions that will be equated with functional officials. The restructuring was carried out on the grounds of creating a more dynamic and professional bureaucratic climate. Government policy to simplify the bureaucracy or equalize its status aims to create a more dynamic and professional bureaucracy. This is an effort to increase effectiveness and efficiency in supporting the administration of government services to the wider community.

So far, the bureaucratic work system is considered ineffective and inefficient due to the long bureaucratic paths that must be passed. Therefore, the president saw the need for equalization of positions. The regulation was one of the bases for the inpassing/adjustment from structural positions to functional positions.

Equalization of administrative positions into functional positions is intended to cut the bureaucratic flow which initially consisted of four or even five positions (initially consisting of echelon 1 to echelon 4 officials) into two levels of positions, namely "Pratama" high leadership positions (echelon 1 and 2). ). As a rule, following the Regulation of the Minister of State Apparatus Utilization and Bureaucratic Reform Number 17 of 2021 concerning the Equalization of Administrative Positions into Functional Positions, it is conveyed that the scope of equalizing administrative positions in government agencies includes administrator positions, supervisory positions, and executive positions which are echelon 5.

The above regulations encourage inpassing the functional position of Industrial Relations Mediator so that from year to year the number of Industrial Relations Mediators throughout Indonesia has increased, although not significantly, recorded in the last 3 (three) years the increase includes: in 2020 there were 810 Industrial Relations Mediators, in 2021 there will be 828 people, and in 2022 there will be 931 Industrial Relations Mediators. Since the implementation of this regulation, as many as 46 administrative officials at echelon level 3 and level 4 within the Ministry of Manpower have passed and become Industrial Relations Mediators.

It is necessary to study further whether the increase in the number of mediators is based on an understanding and awareness of the functional position of Industrial Relations Mediator or simply because of the logical consequences of the implementation of the Regulation of the Minister of State Apparatus Utilization and Bureaucratic Reform Number 17 of 2021 concerning Equalization of Administrative Positions into Functional Positions.

## LITERATURE REVIEW

#### Performance

According to Bambang Kusriayanto in Mangkunegara (2010: 9), performance is a comparison of work results with the participation of labour with a unit of time (usually per hour). Gibson (1996) argues that: "A person's performance is determined by the ability and motivation to carry out his work. It is said that the implementation of work is determined by the interaction between ability and motivation.

From some of the opinions above, it can be concluded that performance is the result of work in quality and quantity that will be achieved by an employee following the work given to him. Whereas the performance of human resources is work performance, or work results (output) both in quality and quantity achieved by HR per unit period in carrying out their work duties under the responsibilities given to them.

Achieving organizational goals is how to realize organizational work programs in the form of performance or execution of tasks from routine, general, and development tasks. The ability to achieve states that human beings essentially have the ability to excel above the abilities of others. **Evaluation** 

The term evaluation can be equated with appraisal, rating, and assessment. Performance evaluation is very important to assess organizational accountability in producing public services. According to William N. Dunn, the term evaluation has a meaning, namely: "In general the term evaluation can be equated with appraisal, rating and assessment, words that express efforts to analyze policy results in the sense of a unit value... in a more specific sense, evaluation relates to the production of information regarding the value or benefits of policy outcomes" (Dunn, 2003:608). The definition above explains that evaluation is the result of a policy which has a value from the results of the goals or objectives of the policy. The final part of a work process is

performance evaluation. Performance evaluation helps leaders to make decisions in a policy, the value generated from the evaluation makes a policy useful for public services.

In conclusion, evaluation is an activity carried out to measure and compare the results of the implementation of activities that have been achieved with the results that should be according to the plan, so that information is obtained about the value or benefits of policy results, and improvements can be made if deviations occur. Evaluation has characteristics that distinguish it from other methods of policy analysis, namely:

1. Focus on values

Evaluation is different from monitoring, which is focused on assessing the need or value of a policy or program.

- Fact-Value Interdependence Evaluation demands depend on both "facts" and "values".
- Present and Past Orientation Evaluative demands, in contrast to advocate demands, are directed towards present and past results, rather than future results.
- Duality of values
   The values that underlie evaluation demands have a dual quality because they are seen as both ends and means. (Dunn, 2003:608-609).

#### **Industrial Relations Mediator**

According to Law Number 2 of 2004 concerning Settlement of Industrial Relations Disputes, an Industrial Relations Mediator, hereinafter referred to as a mediator, is an employee of a government agency who is responsible in the field of manpower who fulfils the requirements as a mediator determined by the Minister to be tasked with carrying out mediation and must provide written advice to the disputing parties to resolve disputes over rights, disputes over interests, disputes over the termination of employment, and disputes between trade unions/labour unions in only one company. Meanwhile, according to the Regulation of the Minister of State Apparatus Utilization and Bureaucratic Reform Number 83 of 2020 concerning the Functional Position of Industrial Relations Mediator, the Functional Position of Industrial Relations Mediator is a position that has the scope, duties, responsibilities, authorities and rights to carry out industrial relations dispute resolution. Industrial Relations Mediator Functional Officer, hereinafter referred to as Industrial Relations Mediator, is a civil servant who is given full duties, responsibilities, authorities, and rights by an authorized official to carry out industrial relations development, industrial relations development, and mediation of industrial relations development, industrial relations development, and mediation of industrial relations development, industrial

Industrial Relations Mediators play a role in settling industrial relations disputes. Industrial disputes are differences of opinion that result in conflicts between entrepreneurs or groups of entrepreneurs and workers/labourers or trade unions/labour unions due to disputes regarding rights, disputes over interests, disputes over the termination of employment, and disputes between trade unions/labour unions within one company.

Article 6 of the Minister of State Apparatus Utilization and Bureaucratic Reform Number 83 of 2020 states that the Functional Duties of the Industrial Relations Mediator are to carry out Industrial Relations Development, develop Industrial Relations, and mediate the settlement of Industrial Relations Disputes. Industrial Relations Mediators are divided into 4 (four) levels, including:

- 1. First Expert Industrial Relations Mediator
- 2. Young Expert Industrial Relations Mediator
- 3. Middle Expert Industrial Relations Mediator
- 4. Main Expert Industrial Relations Mediator

The roles and function of the Industrial Relations Mediator are defined as the duties of the Industrial Relations Mediator following Article 6 of the Minister of State Apparatus Utilization and Bureaucratic Reform Regulation Number 83 of 2020 concerning Functional Position of Industrial Relations Mediator, Functional Position of Industrial Relations Mediator is a position that has scope, duties, responsibilities, authority, and rights to carry out industrial relations development activities, industrial relations development, and mediation of industrial relations dispute settlement.

#### QUALITATIVE APPROACH

Based on the research background in the introduction and the theoretical review of the literature review, this research will be conducted in a descriptive qualitative approach. Based on its type, this research will conduct interviews and analyze record data correlating to this research. The analysis in this study is descriptive, namely describing objects with qualitative analysis without testing the hypothesis.

#### METHODOLOGY

In this descriptive qualitative study, data sources were obtained through informants and archival documents. The subjects of this research will be Industrial Relations Mediators at the Ministry of Manpower that is affected by the establishment of the Regulation of the Minister of State Apparatus Utilization and Bureaucratic Reform Number 17 of 2021.

Data will be collected through direct interviews with informants and documentation studies. After the data is collected, the data will be analyzed based on the stages of data analysis from Miles & Huberman in Sugiyono (2017), namely data reduction, data display, and conclusion drawing.

### CONCLUSION

This paper was created to develop a conceptual model. The purpose of this study was to determine the performance evaluation of industrial relations mediators before and after the establishment of the Regulation of the Minister of State Apparatus Utilization and Bureaucratic Reform Number 17 of 2021 in the case study of the Indonesian Ministry of Manpower. In addition to the conceptual framework, this paper has explained the research background, literature review, and research methodology. The application of this paper will establish recommendations for developing effective performance evaluations regarding industrial relations mediators in the Indonesian Ministry of Manpower.

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