Public Sector Performance and Digital-Governance Effectiveness Predicted by Community Happiness as a Representation of Culture

Aldri Frinaldi[1]
Universitas Negeri Padang, Indonesia

Nora Eka Putri
Universitas Negeri Padang, Indonesia

Muhamad Ali Embi
Universiti Utara Malaysia, Malaysia

Afdalisma
LLDIKTI Wilayah X, Padang, Indonesia

Abstract: The current study focused on community happiness as a representation of Indonesian culture. For that purpose, the influence of work culture and human resource management in public sector institutions for developing and enhancing community happiness was assessed directly using Veenhoven's theory of happiness. In addition, the contingent effectiveness of digital governance and enhancing the valuables influence of work culture and human resource management on public sector performance was examined. The National Agency for Drug and Food Control (NADFC) was used to empirically examine the study's theoretical framework using posts from 691 Facebook, Twitter, and Instagram followers of NADFC. The data were analyzed using SmartPLS 3.3.0. The results revealed the significant direct and indirect impacts of public sector institutions' work culture and human resource management on community happiness via an underlying performance mechanism. Indirect influences were higher than direct ones in creating and enhancing community happiness. These results show the significance of the performance of public sector institutions in bringing happiness to citizens instead of merely having an innovative work culture or best-managed human resources. The results also revealed that digital governance is highly valuable in transmitting the positive influence of work culture and human resource management and enhancing the performance of such institutions.
Keywords: Work culture, human resource management, community happiness, public sector performance, digital governance effectiveness, Veenhoven's Theory.

Happiness has been a dominant area of psychological research for many years globally (Smith et al., 2021). For the last two decades, community happiness has been given attention concerning governance practices of various institutions (Robina-Ramírez et al., 2021; Youssef & Diab, 2021). With the growth of positive psychology, the broader aspect of happiness has

---

[1] Corresponding Author: Department of Public Administration and Center for Policy, Legal and Political Research, Universitas Negeri Padang, West Sumatera, Indonesia. E-Mail: aldri.fis@unp.ac.id

evolved instead of just comparing it with depression. The happiness concept is continuous, presenting subjective mood or hedonic feelings and reflecting a person's set or deep affective state (Alexander et al., 2021). Hence, happiness can be conceptualized as the overall perception of individuals about their own lives based on various external drivers. Besides, community happiness reflects the involvement of the residents in a nation's various events with freedom and independent mindsets (Kasimova, 2022). Research also shows higher citizen satisfaction levels in countries with better governance practices for all institutions (Shin & Jhee, 2021). In this context, the current study extends the existing literature by examining community happenings linked with the work culture, human resource management, and performance of the public sector institutions in developing nations.

The work culture of an organization comprises the shared attitudes, beliefs, rules, and values of doing things and the people's interactions (Aliazas & Elisa, 2021). Every organization has a defined culture that might be formally acknowledged or not. Public sector organizations usually follow a hierarchical culture focusing on internal control and stability with market-focused innovative, flexible rules and regulations/procedures (Ashok et al., 2021). Citizens are heavily dependent on various actions and activities that public sector institutions conduct in multiple fields, and they evaluate the public institutions' performance in fulfilling their needs. Previously, research has shown that individuals who perceive their public sector institutions as responsible and transparent in making several decisions feel more trust in these institutions based on their satisfaction level. This research focuses on the influence of work culture in public institutions in creating and enhancing happiness among the public, extending the existing body of literature,

The practice of hiring, recruiting, employing, organizing, and managing the employees of an organization is termed Human Resource Management (HRM; Vrontis et al., 2022). An HRM in the public sector reflects the principles of those organizations. The organizations recruit, train, and evaluate employees based on the set standards in the public's best interest (Boselie et al., 2021). Research shows that when organizations manage their employees efficiently, people feel happy and satisfied with their functioning (Abun et al., 2021). Hence, the assertation can be made when public institutions manage their employees well and are in a better position to make various decisions in the public's best interest. As a result, people feel more satisfied and are happier with these institutions.

Digital governance concerns using the Internet to conduct public affairs and provide better public services to the community (Hartanto, Agussani & Dalle, 2021a). The main aim of digital governance is to align with citizens' needs and communicate decisions promptly without delays or the involvement of intermediaries. Digital governance facilitates citizens not physically visiting public institutions and waiting for their turn in a queue system to avail themselves of various public sector services that can be enjoyed simply and cost-effectively using digital channels (Seetharam et al., 2020). Hence, the government wants to provide citizens with convenient access to government services and information. The greater opportunity to participate in democratic institutions and processes enhances service quality (Bennett et al., 2019).

The current study was in an Indonesian public sector services context and assessed community happiness with such institutions. Generally, in Indonesia, most citizens physically conduct their public services affairs with the local governments and the state based on various cultural factors (Rahmawati et al., 2021). However, with the advent of information and communication technology in many regions, several advances are linked with citizens' involvement in public service affairs (Dalle et al., 2020; Hartanto, Dalle, Akrim, & Anisha, 2021b). Based on the continuous efforts to change physical services habits to an e-governance system, a shift from the physical mode of availing public services to a digital model of

governess has been reported as a cost-effective and competitive edge for future survival (Adika, 2021).

Previously the provision of digital government services has been linked with the satisfaction and trust of the citizens in various regions, including Indonesia (Hartanto, Agussani, & Dalle, 2021a). In this setting, the current study linked digital intrusion in public sector services with community happiness in the region based on its various advantages regarding the work culture and management of human resources of such institutions. Currently, several society circles are using social media, which aligns with a bureaucracy where public sector employees are provided with advanced digital technologies to facilitate interactions with citizens at large (Aliazas & Elisa, 2021; Frinaldi, 2020). Hence, the objectives of the current study are multifold, aiming to answer the following questions;

- To what extent do public sector institutions' culture and human resource management play roles in developing and enhancing community happiness in the country?
- To what extent can public sector institutions' culture and human resource management predict such institutions' performance?
- Does the public sector institutions' performance mediate the association of these institutions' work culture and human resource management with community happiness?
- To what extent does digital governance effectiveness impact its contingent role in enhancing the impact of innovative work culture and efficient human resource management to boost the performance of public sector institutions?

The current study is a valuable addition to public services research because it assesses factors that can bring happiness to the community. It will add to an understanding of advancements in work culture and strengthen human resources with efficient management in the public sector so that employees can perform their duties efficiently with the best capacity to satisfy the public, leading to community happiness.

Literature Review and Theoretical Framework

The current study was based on Veenhoven's theory of happiness (Veenhoven, 2009), which presents happiness as a broader term involving various forms of states of mind and the satisfaction level of individuals. Following Veenhoven (2009), the happiness of individuals is linked with their quality of life. He further explained how that quality of life depends on various factors across a broader spectrum (Gaucher & Veenhoven, 2021). For instance, in our study context, innovative work culture and human resource management in the public sector institutions based on facilitating citizen engagement and expediting the fulfillment of public services can become a source of high-quality life, making citizens more satisfied with the public sector services and happier. In addition, Veenhoven's theory also explains the critical role of the environment in developing and enhancing a community's happiness level (Pan, 2022).

Hence, in the current study context, it can be asserted that by providing a proper digital governance facilitation environment, public sector institutions encourage citizens to communicate with the governess bodies without delays and become updated with the work of an institution's culture and human resource management. A positive and innovative work culture and facilities in public institutions motivate employees to perform at their best to serve the community and communicate necessary decisions in the public's best interests. This digital governance system can further create a sense of satisfaction in the community. A digital governance system can make citizens relax and become happy with the innovative and positive work culture in the public sector. Productive human resource management in the public sector

can lead to a higher performance level that can be communicated with the public by resolving their issues and building an adequate infrastructure.

Public Sector Institutions Work Culture, Human Resource Management, and Community Happiness

Happiness has been regarded as a contextual construct that influences political, social, and economic contexts (Woo, 2018). However, most happiness researchers have previously explored and explained the impact of various demographic, personal, and individual factors on happiness (Abbasi et al., 2018; Cain & Trauth, 2022). These factors are divided into personal values, freedom, community, friends' financial situation, and family relationships (Woo, 2018). In contrast, the impact of various organizational-level factors in developing and enhancing the community's happiness level is least explored (Gray et al., 2019; Sujarwoto et al., 2018). Considering the impact of the governance system in a country, differences in happiness among the people of various countries and regions depict the conditions and situations in a governance system (Pavolini et al., 2018). These conditions and situations further influence citizens' appreciation of their life at the community level (Youssef & Diab, 2021).

Happiness varies according to situations and contexts. For instance, citizens are happy if they feel that the people governing their regions of a country are trustworthy (Liu et al., 2020). Woo (2018) showed a significant association between happiness and social capital. Simultaneously, Sujarwoto et al. (2018) asserted the significance of political freedom as a contextual determinant of community happiness.

The prime focus of the current study is the functioning of the public sector institutions/agencies to bring and enhance community happiness. We considered two organizational factors: work culture and human resource management in public sector institutions, as a source of community happiness. For that, following Veenhoven's theory, we postulated that when the public service sector follows an innovative, well-regulated, efficient, and effective work culture while providing ease of working to the employees, they are positively perceived by the citizens based on the fulfillment of their expectations with the public sector services. This satisfaction level and fulfillment of their perceptions make them happy with the public sector institutions. Hence, based on the above arguments, it is hypothesized that;

> **H1a:** Public sector institutions' work culture positively influences community happiness in a country.
>
> **H1b:** Public sector institutions' human resource management positively influences community happiness in a country.

Public Sector Institutions Work Culture, Human Resource Management, and Performance

Work culture in an organization is closely linked with empowerment to perform their duties with freedom based on the necessary availability of resources (Aliazas & Elisa, 2021). Previously, researchers revealed that work cultures are an essential determinant of employees' performance based on creating a higher level of motivation among employees to utilize their abilities in the best possible way and gain the advantages of opportunities their organizations provide (Frinaldi, 2020). Simultaneously, researchers linked employee performance with organizational productivity (Hamid et al., 2020). Therefore, the assertation can be made that an organization's work culture depicts its performance based on its employees' collective productivity. The same can be applied in contacts of public sector organizations where

employees are given the autonomy to perform various functions, considering the public's interests.

Moreover, human resource management in an organization represents the ability of an organization to effectively and efficiently manage its employees and satisfy them with the opportunities available so that they can perform at their best capacity (Boselie et al., 2021). Employee performance can collectively define an organization's productivity. Hence, following this literature support, the assertion can be made that citizens perceive public sector organizations as highly performing when employees are provided a comprehensive and supportive work culture and human resources are managed prudently to expedite their performance level, which defines organizational productivity. Thus following the above arguments, it can be hypothesized that;

H2a: Public sector institutions' work culture positively influences their performance.
H2b: Human resource management positively influences public sector institutions' performance.

Public Sector Institutions' Performance and Community Happiness

Community happiness represents the contentment and pleasure of a nation's citizens based on multiple factors that help them enjoy the freedom of expression and various facilities provided by their governments to serve the citizens (Rosmarin et al., 2009). Previously, researchers reported that citizens feel satisfied with public sector institutions when these institutions perform their duties on time and serve the public's best interests (Beeri et al., 2019). Likewise, researchers also reported that the public assesses the trustworthiness of government institutions and officials based on their performances. For instance, Arshad and Khurram (2020) reported that when government agencies consider the public important in decision-making and keep their interest on priority, citizens display trust in such agencies. Likewise, Hartanto, Dalle, Akrim, and Anisha (2021b) demonstrated a higher satisfaction level of citizens with government agencies' performance based on their transparent and responsive nature. Extending the existing body of literature, the current study postulates that citizens perceptions of public sector institutions higher performances bring happiness among them. Hence, it is hypothesized that;

H3: Public sector institutions' performance is positively associated with community happiness in a country.

Public Sector Institutions' Performance as a Mediator

In addition to the direct impact of public sector institutions' work culture and human resource management on community happiness, the current study also investigated their indirect impact via the mediatory role of public sector institutions' performance. Previously researchers reported the significance of organizational justice (Maham et al., 2020), responsiveness (Hartanto, Agussani, & Dalle, 2021a), transparency (Arshad & Khurram, 2020), e-governance effectiveness, and religious values (Hartanto, Dalle, Akrim, & Anisha, 2021b) as underlying mechanisms to transmit the influence of various organizational factors on citizens satisfaction, trust, and loyalty.

The current study addresses the literature gap regarding the underlying mechanism of public sector institutions' performance in conveying their work culture and human resource management's significance in bringing citizens happiness. Thus, based on Veenhoven's theory which postulates that various contextual and environmental factors linked with institutions and

responsible bodies are the source of happiness among individuals and societies, it is hypothesized that;

> **H4a:** Public sector institutions' performance mediates the association of their work culture and community happiness.
> **H1a:** Public sector institutions' performance mediates the association of their human resource management and community happiness.

Digital Governance Effectiveness as a Moderator

Digital governance has been conceptualized as the application of ICT and, more specifically, the Internet as a tool to achieve government objectives (Youssef & Diab, 2021). Many studies have examined the impact of e-governance and its impact on citizens' perceptions of government institutions and officials' performances. For instance, Arshad and Khurram (2020) reported that government agencies' provisions of quality information on social media act as a signal of transparency and responsiveness of the government towards the citizens resulting in an enhanced level of trust among the citizens. Hartanto and colleagues (2021b) explained that the presence of government officials on SNS presents the government institutions' accountability to the public, creating higher satisfaction and trust among the public.

The current study context considered the moderating role of digital governance to communicate the work culture of the public sector institutions and their human resource management processes and regulations to the public so that they can evaluate the performances of these institutions based on prompt and readily available information on various digital channels. The research shows that work culture in an organization is an essential predictor of an organization's performance based on the collective productivity of the employees (Aliazas & Elisa, 2021).

Hence, it can be postulated that when digital governance practices interact with highly supportive, innovative, well-regulated cultures and well-managed employees, this interaction enhances performance. Citizens can see the enhanced performance by fulfilling their requirements and completing their work linked with such institutions. Therefore, it can be hypothesized that;

> **H5a:** Digital governance effectiveness moderates the association of the public sector institutions' work culture and performance.
> **H5b:** Digital governance effectiveness moderates the association of the public sector institutions' resource management and performance.

The theoretical framework of this research study is derived by combining Veenhoven's Theory with a community happiness perspective, as illustrated in Figure 1.

Methodology

The study's theoretical framework was empirically examined via a case study of the National Agency for Drug and Food Control (NADFC), Indonesia. A quantitative survey was considered appropriate to collect data regarding individuals' attitudes, behaviors, and opinions because this method does not lead to researcher bias and cannot be intervened or manipulated (Arshad & Khurram, 2020). Researchers approached NADFC followers on social media, including Facebook, Twitter, and Instagram, to collect the data via a survey. The social media platforms of NADFC are generally used for disseminating laws and regulations, alerts and news

regarding food and hygiene linked with public knowledge, and communicating their services to the public related to food matters (Pitaloka & Tannady, 2020).

They aim to educate the public about food quality and affiliated health benefits. The NADFC adopted a two-way communication process to disseminate information to the public, get feedback, and receive complaints from the public regarding food availability and food providers (Pitaloka & Tannady, 2020). In addition, a link to the official website of the agency, helpline, office address, and email address is also provided. We selected NADFC for the study based on its continuous and higher activities compared to the other agencies on social media to communicate with the public at large.

For data collection, researchers randomly contacted those followers in September 2021 by requesting them to participate in the survey and providing information on the reason for surveying at the time needed to complete the survey. After eight weeks of initial contact, approximately 730 people agreed to participate in the survey of 1650 who were contacted randomly. They were forwarded the survey questionnaire and ensured the anonymity of their responses. We marked all the questions as essential to avoid missing values in the data. After further scrutinizing the responses, outliers were identified and excluded from the data sets. The remaining 691 questionnaires were included in the analysis.

Figure 1
Theoretical Framework of the Study
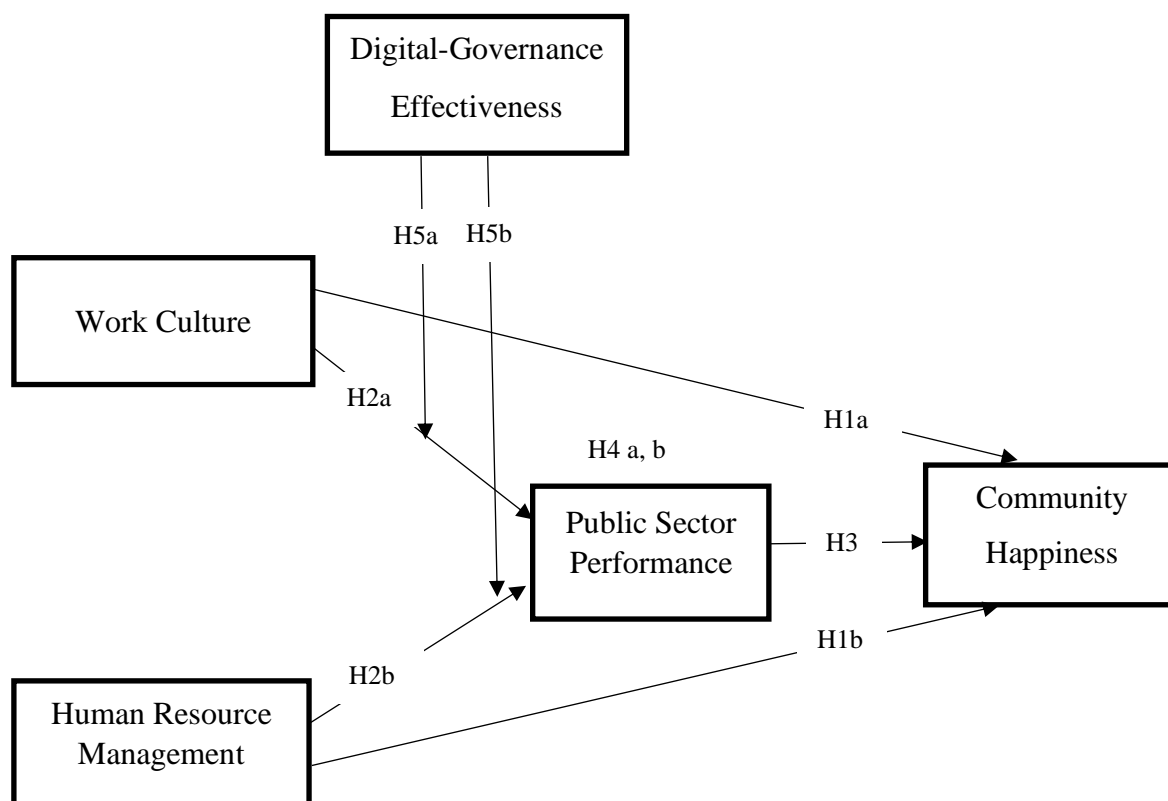
Note. This is a representation created by the author of the theoretical framework guiding this study.

Survey Instrument

The survey questionnaire was written in language and consisted of two parts: (1) demographic characteristics of the respondents, including age, gender, marital status, qualification, occupation, time spent on social media, and intensity of visiting social networking sites of the NADFC; and (2) 38 items linked with the study constructs. Community happiness was measured with four items adapted from Rosmarin et al. (2009). Public sector work performance was measured with 5 items adapted from Gieske et al. (2019). Public sector work culture was measured with 8 items adapted from Sharma and Joshi (2016). Public sector HR management was measured with 9 items adapted from Steijn (2004) (Table 1). Finally, digital governance effectiveness was measured with 12 items from Reddick (2009). A 5-point Likert-type scale with responses ranging from 1 = strongly disagree to 5 = strongly agree assessed the responses.

Data Analysis and Results

Data were analyzed using structured equation modeling in SmartPLS 3.3.0. A simulation analysis was performed to observe the influence of the respondents' demographic characteristics on their happiness levels. The findings showed that respondence qualifications influenced their satisfaction level with the public sector institutions' performance and affected their happiness with the public services. Therefore, we controlled the qualification of the respondents to extract the actual influences of independent and mediatory variables on the dependent construct of the study.

Respondents Characteristics

The respondents' demographics revealed that 47.3% of participants were females, and 52.7% were males. Simultaneously, 44.6% of participants were married compared to 54.4% unmarried. Participants ranged from 19 to 69 years, with an average of 39.7 years and an STD of 1.97. Regarding qualification, 27.1% of respondents reported undergraduate level, 42.3% reported graduate level, and 30.6% reported post-graduate level. Regarding employment, 21.3% of the participants were students, 42.7% were employed in various private and public sector institutions/organizations, 30.9% were self-employed, and the remaining 5.1% marked other occupations. In addition, most respondents (69.3%) reported 7 to 10 hours of use of social media daily compared to others who reported 3-5 hours of usage and 1-3 hours daily. Finally, respondents revealed that, on average, they visited their social media accounts NADFC for 2-3 hours daily.

Analysis of the Measurement Model

The measurement model was applied to assess the validity and reliability of the constructs. Confirmatory factor analysis was performed in SmartPLS 3.3.0 software before hypothesis testing and assessing the structural models. For that purpose, Cronbach's α (CA), Composite Reliability (CR), and Average Variance Extracted (AVE) were calculated (Henseler et al., 2015; Noor et al., 2022). Researchers recommended that a study constructs CA and CR values should be more than 0.70 (Sarstedt et al., 2017).

As shown in Table 2, the results revealed that all the CR and CA values of the current study constructs were in the prescribed ranges. Likewise, the AVE values of all the study variables were in the suggested range of >0.50, with all factors significantly loading on their respective constructs. However, for digital governance effectiveness, two items, i.e., DGE5 and

DGE9, had sector loadings less than 0.7 with prominent effects on the app values. Hence, both items were excluded from further analysis to establish the reliability of the measures (Sarstedt et al., 2017). In addition, Figure 2 shows the factor loadings of the study items.

Table 2
Factor loadings, Reliability, and Validity

Construct/indicators	Factor Loadings					AVE	CR	CA
	1	2	3	4	5			
Work Culture						0.564	0.912	0.801
WC1	0.784							
WC2	0.703							
WC3	0.775							
WC4	0.767							
WC5	0.783							
WC6	0.731							
WC7	0.726							
WC8	0.732							
Human Resource						0.529	0.919	0.806
HRM1		0.722						
HRM2		0.721						
HRM3		0.729						
HRM4		0.714						
HRM5		0.795						
HRM6		0.720						
HRM7		0.712						
HRM8		0.703						
HRM9		0.728						
Public Sector Performance						0.499	0.825	0.734
PSP1			0.758					
PSP2			0.788					
PSP3			0.782					
PSP4			0.726					
PSP5			0.774					
Community Happiness						0.616	0.865	0.778
CH1				0.788				
CH2				0.752				
CH3				0.761				
CH4				0.836				
Digital-Governance						0.550	0.924	0.820
DGE1					0.771			
DGE2					0.726			
DGE3					0.721			
DGE4					0.720			
DGE6					0.739			
DGE7					0.760			
DGE8					0.784			
DGE10					0.763			
DGE11					0.708			
DGE12					0.723			

Note. AVE=average variance extracted, CR=composite reliability, CA=Cronbach's alpha

In addition, researchers have recommended establishing the discriminant validity of the constructs before proceeding to the regression analysis for hypothesis testing. For that purpose, several scholars recommended the Heterotrait-Monotrait (HTMT) ratio as the most appropriate approach to establish the discriminant validity among the latent variables (Henseler et al., 2015). They also proposed that the values of the HTMT ratio should not exceed 0.90 to avoid multicollinearity issues among the constructs. The current study results revealed that the HTMT values for all the study variables were under the prescribed range (Table 3). Hence, all the variables were found to be discriminated against each other regarding their characteristics and measures.

Table 3

Heterotrait-Monotrait Ratio

Construct	Mean	STD	1	2	3	4	5
WC	3.87	1.15	**0.750**				
HRM	3.90	1.10	0.510	**0.727**			
PSP	4.09	0.92	0.460	0.628	**0.706**		
CH	4.06	0.97	0.425	0.631	0.400	**0.784**	
DGE	3.92	1.03	0.392	0.502	0.465	0.578	**0.741**

Note. The square roots of AVEs of the constructs are shown in bold in diagonal.
Where: WC = Work Culture, HRM = Human Resource Management, PSP = Public Sector Performance, CH = Community Happiness, DGE = Digital-Governance Effectiveness.

Figure 2

Full Measurement Model
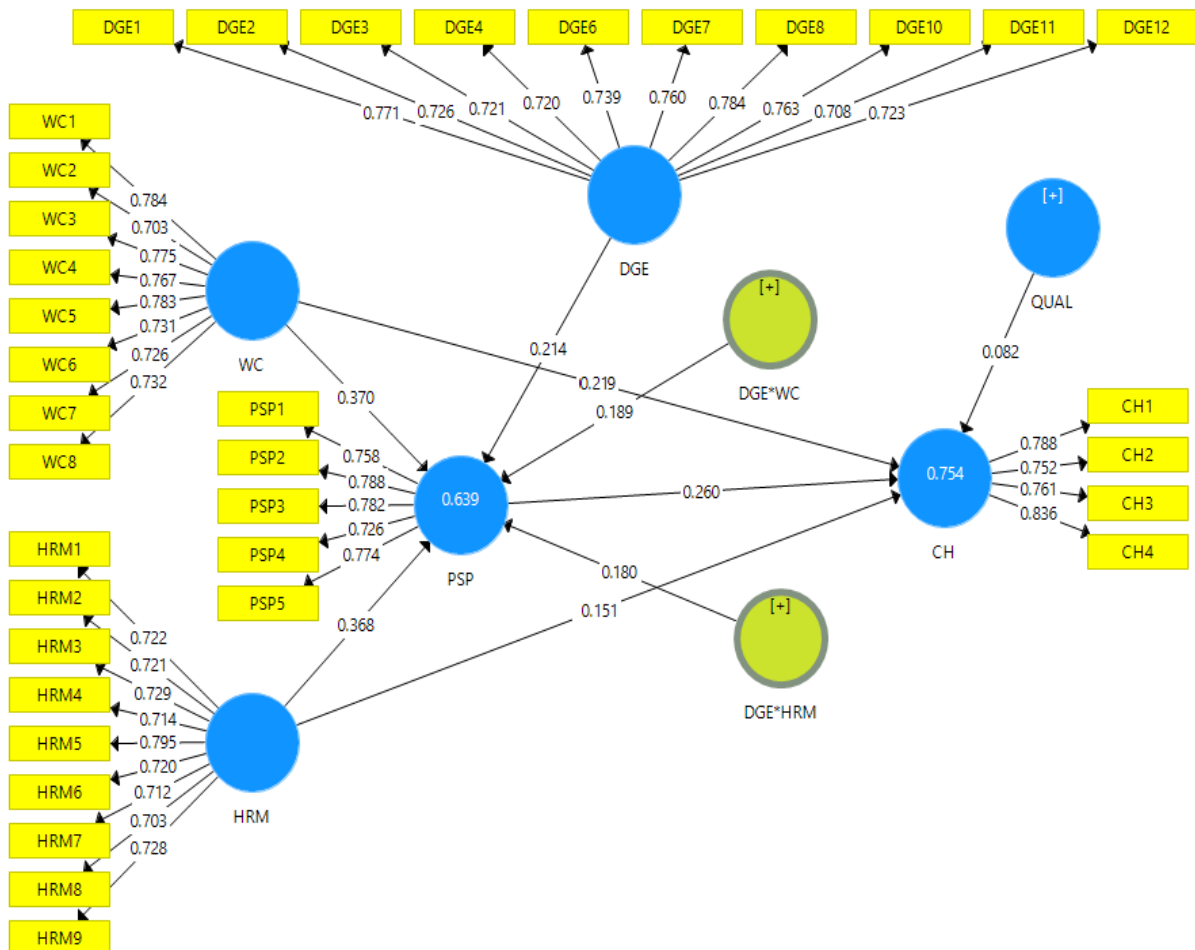
Analysis of the Structural Model

After assessing the measurement model, we calculated the structural model to evaluate the proposed links empirically. For assessing the structural model bootstrapping technique was applied with 5000 subsamples in SmartPLS 3.3.0 software. We also considered the values of the ß-coefficient p-value and t-value to present the regression results of the study (Shmueli et al., 2019). The Coefficient of Determination (R2) was also determined for calculating overall model fitness. The values of R2 revealed a 63.9% variance in community happiness and a 75.4% variance in public sector institutions' performance based on the work culture and human resource management and its interaction with the digital governance effectiveness in the public sector institutions. These results show good model fitness for the current study.

Direct Hypothesis

The regression analysis results conducted in the SmartPLS 3.3.0 software revealed that H1a and b, which posited the positive impact of the work culture and human resource management in public sector institutions, positively impacted community happenings. Thus, the hypotheses were supported. Public sector institutions' work culture (ß = 0.219**, t = 4.934) and human resource management (ß = 0.151**, t = 3.433) positively influenced community happiness.

Likewise, the study results supported hypotheses H2 a and b, which posited the positive and significant influence of the work culture and human resource management in public sector institutions and enhancing the performance of such institutions. Hence, the results showed that work culture (ß = 0.370***, t = 7.470) and human resource management (ß = 0.368***, t = 7.233) positively influenced their performances.

The results also supported hypothesis H3, which posited a positive association between public institutions' performance and community happiness in the country. The results show a positive and significant impact of the public sector institutions' performance on community happiness (ß = 0.260***, t = 6.011). Table 4 below presents the results of the hypothesized relationships, with detailed impact size and significance values.

Mediation Hypothesis

The results also supported the underlying mechanism of the public sector performance between work culture (*ß = 0.286**, t = 6.563*) and human resource management (*ß = 0.301***, t = 6.889*) with community happiness, supporting hypotheses H4 a and b.

Moderation Hypothesis

To assess the moderating role of digital governance effectiveness in transmitting the impact of work culture and human resource management in the public sector institutions to create and enhance community happiness, two moderating terms, including DGE*WC and DGE*HRM, were created using the product indicator approach in SmartPLS 3.3.0 software. The results showed that including moderation terms increased the explanation power of PSP by 16.2%, from 0.477 to 0.639. Figure 3 below presents the full structural model with hypothesis parts and t-statistic values.

Table 4
Hypothesis Testing Results

	Hypothesis	Std. Beta	*t*-Value	*p*-value	Supported
H_{1a}	WC→ CH	0.219	4.934	0.002	Yes
H_{1b}	HRM →CH	0.151	3.433	0.011	Yes
H_{2a}	WC→ PSP	0.370	7.470	0.000	Yes
H_{2b}	HRM → PSP	0.368	7.233	0.000	Yes
H_3	PSP→ CH	0.260	6.011	0.000	Yes
H_{4a}	WC→PSP→CH	0.286	6.563	0.000	Yes
H_{4b}	HRM → PSP→CH	0.301	6.889	0.000	Yes
H_{5a}	DGE*WC→ PSP	0.189	4.268	0.007	Yes
H_{5b}	DGE*HRM→PSP	0.180	4.002	0.009	Yes

Figure 3
Full Structural Model
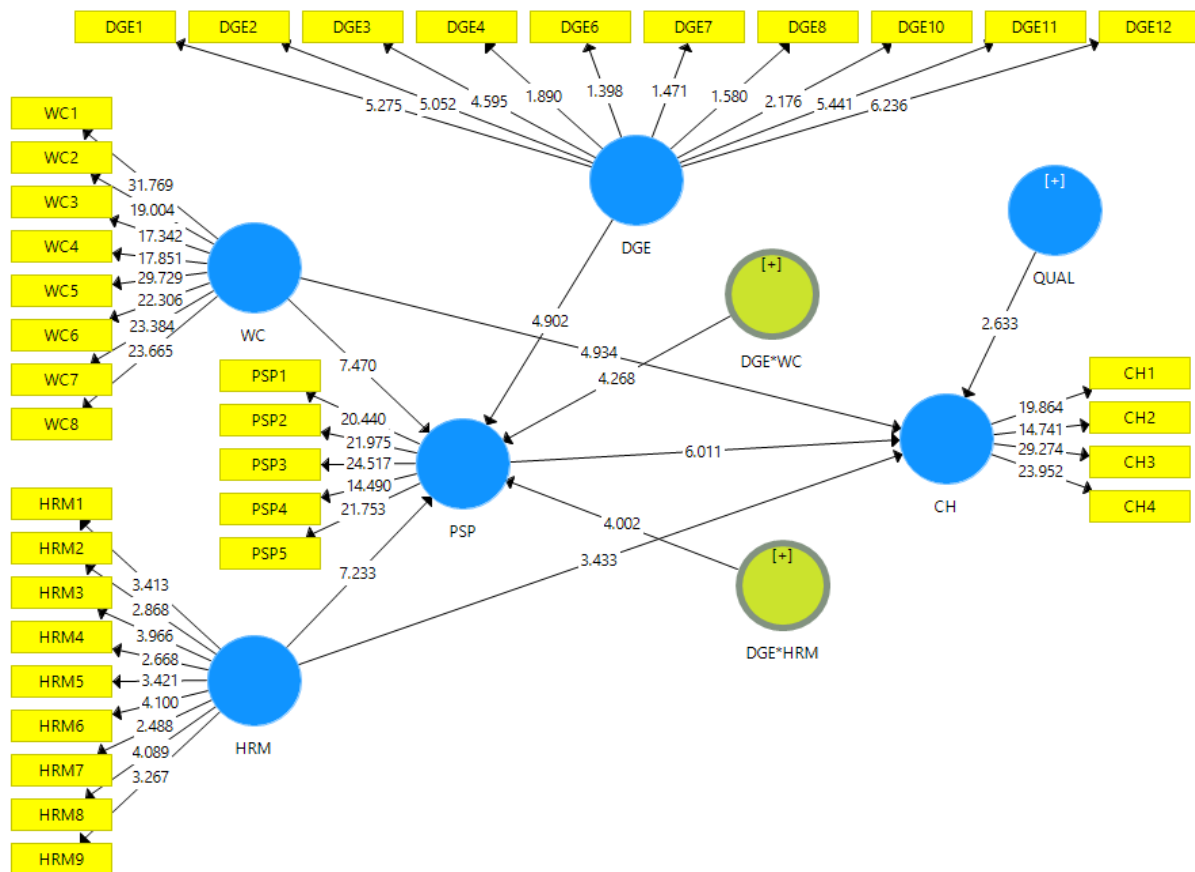
Discussion and Conclusion

The current study examined the extent to which work culture and human resource management at public sector institutions facilitate community happiness. Additionally, the study considered the underlying mechanism of public sector institutions' performance to fulfill the expectations of the individuals regarding their government institutions/representatives, which, in turn, satisfies them with their functioning and, as a result, makes them feel happy. The regression analysis revealed that public sector institutions'/agencies' work culture is positively associated with community happiness in a country. It further reflects that when public

institutions follow an innovative work culture, employees have equal chances of presenting their skills and performing their assigned duties efficiently and effectively. These results can be related to the previous studies, which asserted that when public sector employees are provided with the ease of performing their duties in the public's best interest, they tend to behave similarly (Sharma & Joshi, 2016). This attempt to perform at their best capacity satisfies citizens with the public sector workers and the work culture, resulting in a sense of happiness and contentment.

The current study findings also supported the hypothesis positing the positive influence of human resource management in a public sector institution on community happiness. These results can be related to the rationale that public sector organizations that manage their human resources in the best possible way encourage employees to perform their duties with freedom. Employees behave and perform their duties while considering the public interest. When citizens are assured of the sincere functioning of the public sector institutions based on the responsible nature of the human resource owing to the facilities available, they feel happy and satisfied with the public sector services (Frinaldi, 2020). These results further follow the previous study findings, signifying the importance of efficiently managing individuals in an organization to bring happiness and satisfaction to all the stakeholders linked with such organizations (Woo, 2018; Youssef & Diab, 2021).

In the countries like Indonesia, where most individuals depend on public services, they expect more from public sector institutions, and such institutions are highly dependent upon their human resources (Kadarisman et al., 2022). Thus, when human resources are well managed, employees perform at their best capacity individually to enhance the institution's performance as a whole. This performance satisfies the citizens with public sector services resulting in overall community happiness.

These results follow previous studies that reported the significance of employees' performance in public sector institutions for satisfying the citizens of a country (Gieske et al., 2019; Hamid et al., 2020). The current study extended the existing knowledge by empirically testing the influence of public sector institutions' performance in bringing and enhancing community happenings in a developing nation like Indonesia.

The current study results are valuable additions to the existing literature by presenting the significant mediatory role of public sector institutions' performance in associating their work culture and human resource management with community happiness. These results can be related to the previous studies, which presented the underlying mechanism of institutions' transparency, credibility, and responsiveness to transmit their work culture to community satisfaction (Arshad & Khurram, 2020; Hartanto & Siregar, 2021; Mansoor et al., 2022). Likewise, organizations that manage their human resources labor properly are in better positions to reflect the productivity of their organizations as a signal of their credibility and authenticity to satisfy the public with their services.

Finally, the current study revealed that digital governance, if utilized effectively, can help to transmit the innovativeness, properly managed, well-regulated features of the work culture at public sector institutions. Digital governance further enhances employee productivity in such institutions resulting in the high performance of the institutions as a whole. Likewise, the results also showed that when digital governance effectively interacts with the public sector institutions' human resource management practices, citizens perceive them as high performing. These positive citizens' perceptions regarding higher performances are based on the continuous two-way communication between the public sector institutions and citizens facilitated by digital technologies (Khanra & Joseph, 2019).

This finding can also be related to the previous knowledge that presents the significance of decision-making processes based on the cultural values of the institutions and their way of managing their human resources to transmit their skills into performances (Hooda & Singla,

2020). When such performances are well communicated with the public promptly and more frequently utilizing digital technologies, citizens perceive such institutions as highly performing ones. Hence, when public service sector institutions use digital technologies in their routine functioning and communicate the same with their citizens, citizens consider them high-performing institutions. As a result, citizens trust the governance system of the country.

Implications of the Study

The current study is valuable for academicians, policymakers, and governing bodies in multiple ways. First, the current study is unique because it utilizes theory to present a framework consisting of community happiness based on citizens' perceptions of public service sector institutions' work culture, human resource management, and performance. Previously, researchers reported various factors of public sector services to satisfy the citizens with their functioning and performances (Arshad & Khurram, 2020; Hartanto, Agussani, & Dalle, 2021a; Hooda & Singla, 2020). However, the work cultures and human resource management were given scant attention to be considered a source of happiness among the citizens for the services provided by the public sector institutions. Hence, the current study's findings can be utilized by public service sectors to positively amend their work culture to facilitate their employees to perform in the best possible ways so that citizens feel that public sectors are providing them with the best and most efficient services.

Public sector institutions should focus on managing their human resources as they are the key to the performance of the institutions, which the citizens continuously evaluate. For this purpose, if necessary, the policies and regulations should be revised at constitutional levels to create an innovative and productive work environment in public sector institutions. In addition, the current study revealed the significance of digital governance intrusion, considering ICT's continuous evolution in public affairs. This digital governance facilitates two-way communication between government agencies and citizens to eradicate communication barriers with an efficient and cost-effective display of their service performance in the country's citizens' best interest. These digital governance practices can also be utilized on all platforms as they provide instant feedback from the public, whose happiness is the key to the prosperity of a country because if the citizens are happy, they follow the rules and regulations, participate in the public affairs, and take an interest in activities beneficial for the country.

Finally, the current study was conducted in the Indonesian public sector by considering the case of a critical agency NADFC whose performance is regarded as one of the crucial predictors of citizens' trust and satisfaction in the governance system. Based on the results, it can be asserted that an accountable, well-regulated, and responsive culture of the NADFC is a predictor of its performance and that performance further makes citizens happy with the functioning of NADFC. At the same time, NADFC is a very sensitive agency as it deals with the laws and regulations of a country's food industry (Pitaloka & Tannady, 2020). Therefore, its efficient and effective functioning is vital for a healthy and prosperous nation for which the work culture and human resource management should be prioritized. Therefore, this study provides valuable insights to policymakers to strengthen such organizations/agencies further to satisfy the public.

Limitations and the Future Research Directions

The current study has uniquely assessed the real-time case of NADFC, Indonesia, to analyze the community happiness based on the citizens' positive perceptions of evaluating the positive work culture and human resource management at the agency to perform and fulfill the requirements of the citizens. However, some limitations provide guidance for future studies.

First, the current study is based on the followers' perceptions of a single public sector service institution/agency, NADFC. In the future, researchers can compare the results of multiple institutions/agencies for differential levels of happiness among the citizens (if it exists) based on the nature and functioning of the agencies.

Second, the current study used a cross-sectional data collection procedure where the followers of Facebook, Twitter, and Instagram of NADFC were contacted at one point to record their responses linked with the study constructs. Future researchers can adopt a time-lagged study methodology where the citizens' perceptions can be measured at Time 1, and their satisfaction level and happiness can be assessed at Time 2 to avoid the potential common method bias issues.

Finally, the current study considered the mediatory role of public sector institutions' performance to translate the work culture and human resource management to bring citizens happiness. Future researchers can explore other variables like an institution's credibility, capital structure, and responsiveness as mediatory mechanisms of transmitting the effectiveness of the public sector institutions' internal factors to citizens' happiness.

References

Abbasi, P., Timareh, M., Ziapour, A., & Kianipour, N. (2018). A study of the components of happiness and the role of demographic variables among the students at Kermanshah University of Medical Sciences. *Journal of Postgraduate Medical Institute, 32*(2), 173–178.

Abun, D., Menor, R. I., Catabagan, N. C., Magallanes, T., & Ranay, F. B. (2021). Organizational climate and work engagement of employees of divine word colleges in Ilocos Region, Philippines. *International Journal of Research in Business and Social Science, 10*(1), 107–121. https://doi.org/10.20525/ijrbs.v10i1.1017

Adika, S. (2021). Improving the digital governance to facing the new normal life in Indonesia. *Advances in Economics, Business and Management Research*, 191, 444-447. https://10.2991/aebmr.k.210928.083

Alexander, R., Aragón, O. R., Bookwala, J., Cherbuin, N., Gatt, J. M., Kahrilas, I. J., Kästner, N., Lawrence, A., Lowe, L., Morrison, R. G., Mueller, S. C., Nusslock, R., Papdelis, C., Polnaszek, K. L., Richter, S. H., Silton, R. L., & Styliadis, C. (2021). The neuroscience of positive emotions and affect: Implications for cultivating happiness and wellbeing. *Neuroscience & Biobehavioral Reviews, 121*, 220–249. https://doi.org/10.1016/j.neubiorev.2020.12.002

Aliazas, V. M., & Elisa, N. (2021). Work culture and learning organization practices in promoting work productivity among public elementary school teachers. *International Journal of Educational Management and Development Studies, 2*(3), 39–60.

Arshad, S., & Khurram, S. (2020). Can government's presence on social media stimulate citizens' online political participation? Investigating the influence of transparency, trust, and responsiveness. *Government Information Quarterly, 37*(3), Article 101486. https://doi.org/10.1016/j.giq.2020.101486

Ashok, M., Al, M. S. M. A. B., Madan, R., & Dzandu, M. D. (2021). How to counter organisational inertia to enable knowledge management practices adoption in public sector organisations. *Journal of Knowledge Management, 25*(9), 2245–2273. https://doi.org/10.1108/JKM-09-2020-0700

Beeri, I., Uster, A., & Vigoda-Gadot, E. (2019). Does performance management relate to good governance? A study of its relationship with citizens' satisfaction with and trust in Israeli local government. *Public Performance & Management Review, 42*(2), 241–279. https://doi.org/10.1080/15309576.2018.1436074

Bennett, N. J., Di Franco, A., Calò, A., Nethery, E., Niccolini, F., Milazzo, M., & Guidetti, P. (2019). Local support for conservation is associated with perceptions of good governance, social impacts, and ecological effectiveness. *Conservation Letters, 12*(4), Article e12640. https://doi.org/10.1111/conl.12640

Boselie, P., Van Harten, J., & Veld, M. (2021). A human resource management review on public management and public administration research: stop right there… before we go any further…. *Public Management Review, 23*(4), 483–500. https://doi.org/10.1080/14719037.2019.1695880

Cain, C. C., & Trauth, E. M. (2022). The pursuit of tech degrees for Black Men in the United States: Belonging and happiness, an individual differences study. *Technology in Society, 69*, Article 101835. https://doi.org/10.1016/j.techsoc.2021.101835

Dalle, J., Siyoto, S., Astika, N. D., Negara, D. J., Chandra, T., & Anam, K. (2020). Moderating role of IT adoption and mechanism of dynamic capabilities on Indonesian pharmaceutical firms performance. *Systematic Reviews in Pharmacy, 11*(9), 982–992. https://doi.org/10.31838/srp.2020.9.142

Frinaldi, A. (2020). *Work culture, digital governance and employees happiness in Pariaman City* [Paper presentation]. Proceedings of the 1st Tidar International Conference on Advancing Local Wisdom Towards Global Megatrends, TIC 2020, 21–22 October 2020, Magelang, Jawa Tengah, Indonesia. http://dx.doi.org/10.4108/eai.21-10-2020.2311469

Gaucher, R., & Veenhoven, R. (2021). What is in the name? Content analysis of questionnaires on perceived quality of one's work life. Quality & Quantity, 56, 1045–1072. https://doi.org/10.1007/s11135-021-01165-z

Gieske, H., Van Meerkerk, I., & Van Buuren, A. (2019). The impact of innovation and optimization on public sector performance: Testing the contribution of connective, ambidextrous, and learning capabilities. Public Performance & Management Review, 42(2), 432–460. https://doi.org/10.1080/15309576.2018.1470014

Gray, P., Senabe, S., Naicker, N., Kgalamono, S., Yassi, A., & Spiegel, J. M. (2019). Workplace-based organizational interventions promoting mental health and happiness among healthcare workers: A realist review. International Journal of Environmental Research and Public Health, 16(22), Article 4396. https://doi.org/10.3390/ijerph16224396

Hamid, H., Haming, M., Semmaila, B., & Bijang, J. (2020). A mediation effect of new public management on the relationship between intelligence, leadership, HR quality and performance of local government employees in Indonesia. Management Science Letters, 10(7), 1401–1408. https://doi.org/10.5267/j.msl.2019.12.028

Hartanto, D., Agussani, A., & Dalle, J. (2021a). Antecedents of public trust in government during the COVID-19 pandemic in Indonesia: Mediation of perceived religious values. Journal of Ethnic and Cultural Studies, 8(4), 321–341. https://doi.org/10.29333/ejecs/975

Hartanto, D., Dalle, J., Akrim, A., & Anisah, H. U. (2021b). Perceived effectiveness of e-governance as an underlying mechanism between good governance and public trust: a case of Indonesia. Digital Policy, Regulation and Governance, 23(6), 598–616. https://doi.org/10.1108/DPRG-03-2021-0046

Hartanto, D., & Siregar, S. M. (2021). Determinants of overall public trust in local government: Meditation of government response to COVID-19 in Indonesian context. Transforming Government: People, Process and Policy, 15(2), 261–274. https://doi.org/10.1108/TG-08-2020-0193

Henseler, J., Ringle, C. M., & Sarstedt, M. (2015). A new criterion for assessing discriminant validity in variance-based structural equation modeling. Journal of the Academy of Marketing Science, 43(1), 115–135. https://doi.org/10.1007/s11747-014-0403-8

Hooda, A., & Singla, M. (2020). Core-competencies–A key to future–oriented and sustainable e-governance implementation: A mixed method research. Transforming Government: People, Process and Policy, 15(1), 80–107. https://doi.org/10.1108/TG-12-2019-0122

Kadarisman, M., Wijayanto, A. W., & Sakti, A. D. (2022). Government agencies' readiness evaluation towards Industry 4.0 and Society 5.0 in Indonesia. Social Sciences, 11(8), Article 331. https://doi.org/10.3390/socsci11080331

Kasimova, Z. (2022). The role of spiritual and ideological education in shaping the socio-spiritual image of unorganized youth. Journal of Pedagogical Inventions and Practices, 4, 56–61.

Khanra, S., & Joseph, R. P. (2019). Adoption of e-governance: The mediating role of language proficiency and digital divide in an emerging market context. Transforming Government: People, Process and Policy, 13(2), 122–142. https://doi.org/10.1108/TG-12-2018-0076

Liu, H., Gao, H., & Huang, Q. (2020). Better government, happier residents? Quality of government and life satisfaction in China. Social Indicators Research, 147(3), 971–990. https://doi.org/10.1007/s11205-019-02172-2

Maham, R., Bhatti, O. K., & Öztürk, A. O. (2020). Impact of Islamic spirituality and Islamic social responsibility on employee happiness with perceived organizational justice as a mediator. Cogent Business & Management, 7(1), Article 1788875. https://doi.org/10.1080/23311975.2020.1788875

Mansoor, M., Awan, T. M., & Paracha, O. S. (2022). Sustainable buying behaviour: An interplay of consumers' engagement in sustainable consumption and social norms. International Social Science Journal, 72(246), 1053–1070. https://doi.org/10.1111/issj.12372

Noor, U., Mansoor, M., & Shamim, A. (2022). Customers create customers!–Assessing the role of perceived personalization, online advertising engagement and online users' modes in generating positive e-WOM. Asia-Pacific Journal of Business Administration. Advance online publication. https://doi.org/10.1108/APJBA-11-2021-0569

Pan, H. (2022). Effect of the ecological environment on the residents' happiness: the mechanism and an evidence from Zhejiang Province of China. Environment, Development and Sustainability, 25, 2716–2734. https://doi.org/10.1007/s10668-022-02163-3

Pavolini, E., Kuhlmann, E., Agartan, T. I., Burau, V., Mannion, R., & Speed, E. (2018). Healthcare governance, professions and populism: Is there a relationship? An explorative comparison of five European countries. Health Policy, 122(10), 1140–1148. https://doi.org/10.1016/j.healthpol.2018.08.020

Pitaloka, E., & Tannady, H. (2020). Analysis of citizen satisfaction on National Agency of Drug and Food Control of Republic Indonesia (NADFC). Technology Reports of Kansai University, 62(03), 1069–1075.

Rahmawati, R., Sularso, R. A., Susanto, A. B., & Handriyono, H. (2021). Determinants of competency, work behavior and work effectiveness of government apparatus: A case study in Indonesia. The Journal of Asian Finance, Economics and Business, 8(5), 211–219.

Reddick, C. G. (2009). Factors that explain the perceived effectiveness of e-government: a survey of United States city government information technology directors. International Journal of Electronic Government Research (IJEGR), 5(2), 1–15. https://doi.org/10.4018/jegr.2009040101

Robina-Ramírez, R., Medina-Merodio, J. A., Estriégana, R., & Jimenez-Naranjo, H. V. (2021). Money cannot buy happiness: Improving governance in the banking sector through spirituality. Corporate Governance, 22(3), 546–561. https://doi.org/10.1108/CG-05-2021-0189

Rosmarin, D. H., Pargament, K. I., & Mahoney, A. (2009). The role of religiousness in anxiety, depression, and happiness in a Jewish community sample: A preliminary investigation. Mental Health, Religion & Culture, 12(2), 97–113. https://doi.org/10.1080/13674670802321933

Sarstedt, M., Ringle, C. M., & Hair, J. F. (2017). Partial least squares structural equation modeling. In C. Homburg, M. Klarmann, & A. Vomberg (Eds) Handbook of market research (pp. 1–40). Springer.

Seetharam Sridhar, K., Gadgil, R., & Dhingra, C. (2020). Good governance in the transparency, accountability, public participation and capacity (TAP-C) framework. In Paving the way for better governance in urban transport (pp. 1–18). Springer.

Serikbayeva, B., & Abdulla, K. (2021). Good governance matters for well-being: the case of Kazakhstan. Transforming Government: People, Process and Policy, 16(1), 140–164. https://doi.org/10.1108/TG-02-2021-0030

Sharma, D., & Joshi, U. (2016). A comparative study of work culture, job performance, and subjective well-being of private and public sector banks. Metamorphosis, 15(2), 102–108. https://doi.org/10.1177/0972622516675958

Shin, G., & Jhee, B. K. (2021). Better service delivery, more satisfied citizens? The mediating effects of local government management capacity in South Korea. Asia & the Pacific Policy Studies, 8(1), 42–67. https://doi.org/10.1002/app5.316

Shmueli, G., Sarstedt, M., Hair, J. F., Cheah, J.-H., Ting, H., Vaithilingam, S., & Ringle, C. M. (2019). Predictive model assessment in PLS-SEM: Guidelines for using PLSpredict. European Journal of Marketing, 53(11), 2322–2347. https://doi.org/10.1108/EJM-02-2019-0189

Smith, B. W., Ford, C. G., Erickson, K., & Guzman, A. (2021). The effects of a character strength focused positive psychology course on undergraduate happiness and well-being. Journal of Happiness Studies, 22(1), 343–362. https://doi.org/10.1007/s10902-020-00233-9

Steijn, B. (2004). Human resource management and job satisfaction in the Dutch public sector. Review of Public Personnel Administration, 24(4), 291–303. https://doi.org/10.1177/0734371X04269187

Sujarwoto, S., Tampubolon, G., & Pierewan, A. C. (2018). Individual and contextual factors of happiness and life satisfaction in a low middle-income country. Applied Research in Quality of Life, 13(4), 927–945. https://doi.org/10.1007/s11482-017-9567-y

Veenhoven, R. (2009). How do we assess how happy we are? Tenets, implications and tenability of three theories. In A. K. Dutt & B. Radcliff (Eds.), Happiness, economics and politics (pp. 45–69). Edward Elgar Publishing.

Vrontis, D., Christofi, M., Pereira, V., Tarba, S., Makrides, A., & Trichina, E. (2022). Artificial intelligence, robotics, advanced technologies and human resource management: A systematic review. The International Journal of Human Resource Management, 33(6), 1237–1266.

Woo, C. (2018). Good governance and happiness: Does technical quality of governance lead to happiness universally in both rich and poor countries? Journal of International and Area Studies, 25(1), 37–56.

Youssef, J., & Diab, S. (2021). Does quality of governance contribute to the heterogeneity in happiness levels across MENA countries? Journal of Business and Socio-economic Development, 1, 87–101.

Notes on Contributors

Aldri Frinaldi is currently Head of the Department of Public Administrations at Universitas Negeri Padang. He is also a lecturer in Universitas Negeri Padang, West Sumatra. He is well-known and active as a public policy analyst and Head researcher at Policy, Law, and Political Research Centre. He received Bachelor of Law in Andalas University at 1995 , Magister of Humaniora in Universitas Hassanuddin at 2001, and In 2014, He received Ph.D. from the College of Law, Government and International Studies, University Utara Malaysia.

Nora Eka Putri, received Bachelor of Political Science in 2007, Magister of Studies Local Politics and Regional Otonomy in 2011 and also received a Doctoral of Development Studies Andalas University, West Sumatra in 2023. She is a lecturer at the Department of Public Administration at Universitas Negeri Padang, West Sumatra. She is well-known and active as a researcher and member of the Policy, Law, and Political Research Centre.

*Muhamad Ali Em*bi is a Professor at UUM College of Law, Government and International Studies at the University of Utara Malaysia. In 1992, He received Bachelor of Public Administration in University Utara Malaysia, Magister in Public Administration in 1995 at University of Southern California, USA and received Ph.D. in 2004 in Public Administration at the University of Sains Malaysia.

Afdalisma is a Head of Lembaga Layanan Pendidikan Tinggi Wilayah X. She is well-known active in carrying out facilitationto improve the quality of higher education administration in West Sumatra, Riau, Riau Islands, and Jambi Province. She received Bachelor of Law in 1995 from Universitas Bung Hatta, Magister of Education in 2005 at Universitas Negeri Padang and currently a Doctoral Student in Faculty of Economy and Business of Universitas Batam.

ORCID

Aldri Frinaldi, https://orcid.org/0000-0003-1354-5061
Nora Eka Putri, https://orcid.org/0000-0001-5119-2872
Muhamad Ali Em, https://orcid.org/0000-0002-0354-1473