COMPETITIVENESS FACTORS IN THE PERSONNEL POLICY OF THE LATGALE DISTRICT COURT

Gunita Kubuka[1], Anda Zvaigzne[2], Aija Cerpinska[3]
[1] Mg.soc.sc. Rezekne Academy of Technologies, Rezekne, Latvia,
e-mail: gunita.kubaka@inbox.lv
[2] Dr.oec., associated professor, Rezekne Academy of Technologies, Rezekne, Latvia,
e-mail: anda.zvaigzne@rta.lv
[3] Mg.soc.sc., lecturer, Rezekne Academy of Technologies, Rezekne, Latvia,
e-mail: aija.cerpinska@rta.lv

Abstract.
Purpose and aim of the study: *to assess factors in the competitiveness of the personnel policy implemented by the Latgale District Court and provide solutions to the enhancement.*
Design / Methodology / Approach: *The research employed the monographic and descriptive methods, document content analysis and conducted an unstructured interview with an assistant to the chairperson of the Latgale District Court. The research also conducted a survey of employees to identify competitiveness factors relating to the internal strengths of and strategic potential for the Latgale District Court and the degree of significance of the competitiveness factors; the expert method and Kendall's W were applied to determine the consistency of expert opinions.*
Main Findings: *The results of the Latgale District Court personnel survey revealed that the remuneration and motivation system, the culture and wellbeing at the organization, and leadership aspects were important factors for the employees. The system of social guarantees provided by the Latgale District Court had been developed in detail, including additional leave, holiday allowances, health insurance, optical vision aids, employer-paid compulsory health check-ups, as well as various benefits. The most important factors in the competitiveness of human resource (HR) policy identified by the expert survey were as follows: stability and sustainability of the job, availability of modern technological equipment, the motivation system, including social guarantees, and the remuneration system, personnel selection and recruitment, the working environment and the organizational culture.*
Originality*: a competitiveness analysis of the personnel policy implemented by the Latgale District Court was conducted for the first time, thereby revealing strengths, neutrals and weaknesses in the personnel policy.*
Implications*: The present research revealed that the personnel policy implemented by the Latgale District Court was competitive; however, there are also aspects that need to be improved to ensure the efficient performance and long-term development of the court.*

Keywords: *competitiveness, competitiveness factors, Latgale District Court, personnel policy.*

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Introduction

Global labour market trends indicate the need for public authorities to learn to use resources efficiently and become more productive while

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consuming less, as well as to have a competitive workforce (OECD, 2021).

Although the public consider public authorities to eb bureaucratic institutions, with strictly defined subordinate structures, and their activities are also governed by the relevant legislation, human resource policies need to evolve in line with the time and requirements. Given that personnel tend to get older, retirement ages are raised and people have to work longer, the development of the personnel also needs to be planned (OECD, 2017).

The Latgale District Court is a court of first instance operating in the territory of the Latgale Regional Court and located in Rezekne, Balvi, Daugavpils, Kraslava, Ludza and Preili. According to the self-service system HOP, it employs 156 personnel, including the chairperson, the deputies, assistants, judges, clerical and archive personnel, assistant judges, court secretaries, interpreters and technical personnel.

The academic literature refers to the terms personnel, employees, human resources and human capital to describe the workforce and its problems. As regards the terms policy and management, various sources refer to human resource management, personnel management and human capital management. Although the definitions and scope of the terms differ, many sources use the terms synonymously rather than as distinct terms (Praude, 2012; Zīlīte, 2013). The present research uses the terms personnel, human resources and employees as similar terms having similar meanings, especially in relation to the performance of public institutions.

The research problem and novelty. New technologies and electronic solutions began to enter the judicial system of the Republic of Latvia long before the pandemic. The personnel policy in the judicial system should be such as to create a competitive advantage over other institutions to hire and retain employees who already have experience and knowledge. Therefore, the intends to examine whether human resource policies implemented by public institutions are competitive by analysing factors in the competitiveness of the human resource policy implemented by the Latgale District Court of First Instance. Moreover, there is a need to define the concept of competitiveness of human resource policy.

The research aims to assess the factors in the competitiveness of the personnel policy implemented by the Latgale District Court and provide solutions to the enhancement.

The research has assessed the factors in the competitiveness of the personnel policy implemented by the Latgale District Court and provides solutions to the enhancement, hypothesising that the personnel policy of the Latgale District Court was competitive because the factors contributed to effective attraction, retention and development of the workforce.

The research employed the monographic and descriptive methods, document content analysis and conducted an unstructured interview with an

assistant to the chairperson of the Latgale District Court. The employee survey allowed us to assess competitive factors in the internal strengths of and strategic potential for the Latgale District Court by employing using the SNW (strengths, neutrals, weaknesses) analysis method and the typological group index calculation, while the expert method and Kendall's W were used to identify the degree of significance of the competitive factors and the consistency of expert opinions.

Research results and discussion

The concept of competitiveness is complex and is interpreted differently by various sources. Driņķe and Bunkus describe competitiveness as a set of characteristics of a subject (an organization) that is used to achieve a specific goal at a particular place and time (Driņķe & Bunkus, 2022). Schwab explains that "competitiveness is the set of institutions, policies and factors that determine the level of productivity in an economy, which in turn determines the level of prosperity that the economy can achieve" (Schwab, 2017). Competitiveness is also explained as the ability to do a job better by producing quality goods, and furthermore, in a country as in business, policies, systems and resources should be focused on increasing quality and competitiveness in a coordinated way. The concept of competitiveness is interpreted in organizational, sectoral, national and global contexts, yet it is not defined in terms of HR policy and HR competitiveness (Goetsch & Davis, 2006).

Based on the explanations of the concept of competitiveness, the following definition could be proposed: HR policy competitiveness is a set of HR competitiveness factors, which includes HR management elements and strategies that are used to achieve the organization's goals and enhance the organization's own competitiveness.

A successful HR and business strategy results in the success of the organization. Competitiveness is achieved not only by financial and technological capital, but above all by people – human capital (Mathur, 2015). For public institutions too, one of the most important factors in competitiveness is personnel (Bîrcă et al., 2023). They represent also a sustainable source of competitive advantage, which, if properly managed, produce the best product and the best service. Competitive advantage is the ability achieved by exploiting the characteristics and resources to perform at a higher level than others do in the same industry or market (Mathur, 2015). According to the resource-based perspective, HRM adds value and helps to gain sustainable competitive advantage by strategically developing the scarce, difficult to imitate and substitute human resources for an organization. The success of organizations depends on the quality,

dedication, enthusiasm, knowledge and skills of their employees (Armstrong & Taylor, 2023). Researchers Heath, Rowland and Hoskisson agree that human resources represent the value-generating aspects of an organization's competitive advantage and should be incorporated in a strategy as activities pertaining to recruitment, hiring procedures, training, development and all kinds of reward systems. This applies not only to the private sector but also to employees of public authorities (Hitt et al., 2007). Today, human resources represent a competitive advantage, as their behaviour can affect the success of an organization both positively and negatively.

After analysing the diversity of competitiveness factors (Roman et al., 2012), some researchers proposed to group competitiveness factors according to trends in personnel management at public authorities, which are shaped by the changing world, the introduction of new technologies and digitalization, artificial intelligence tools, the ageing of personnel, the competitiveness of countries overall, as well as efficiency, quality, productivity and sustainability: attracting and selecting personnel, which involves finding the best people for the right job:

- talent identification and management;
- leadership aspects;
- competences, skills and knowledge, including both current education and training;
- motivation systems, including reward systems, appraisal systems and bonus systems;
- organizational culture aspects and employee wellbeing.

An analysis of the courts of first instance in Latgale region over a five-year period revealed that until July 2023, there were two courts in Latgale: Daugavpils Court and Rezekne Court, which were established during the territorial court reform implemented in 2016. (Latgale District Court…, 2023). However, in March 2023, the Council of the Judiciary decided to merge the two courts to form a single court – the Latgale District Court. The purpose of the reform was to make the courts more efficient and reduce the time needed for proceedings (Kalniņa, 2023). As a result of the reform, the number of court personnel was not reduced, as this was not the purpose of the reform, and the locations of court personnel did not change, but remained as before in Rezekne, Balvi, Ludza, Daugavpils, Preili and Kraslava. From 1 July 2023, the Latgale District Court have seventeen judges specializing in civil matters, nine judges specializing in land registry matters, nine judges specializing in criminal matters and three investigative judges (Strategy for the…, 2024).

The internal documents that govern an institution's HR policy already show the groups of factors that shape the competitiveness of personnel.

Although the documents do not explicitly define what is meant by competitive advantage, the actions taken are aimed at raising the quality, efficiency and competitiveness of personnel.

To assess the personnel policy of the Latgale District Court, an SNW (strengths, neutralities, weaknesses) analysis was performed; this method assesses the internal strengths of and strategic potential for competitiveness factors, as well as calculates the typological group index, which indicates the strength of internal elements.

The method is universal and is used to assess both business management systems and the management systems c

Table 1 continued

identifies the level of competitiveness of an institution, while assessing its strengths, neutralities and weaknesses by drawing up a list of factors to be examined. The method is effective in assessing potential opportunities. If used by the organization itself, the number of elements of the internal structure could be selected independently to identify and analyse opportunities for further development.

The theoretical literature refers to six groups of HR competitiveness factors and also stresses the internal documents of an institution, focusing on the factors identified. Based on the theory and the documents, 23 elements representing all the groups of competitiveness factors were identified to analyse the personnel situation as well as determine the internal positive aspects and competitive advantages and what still needs to be improved. An electronic survey of Latgale District Court personnel was conducted to assess each element. The personnel were asked to rate each element as a strength, neutral or weakness. The survey was sent to the employees who had an electronic mailbox registered with the court; therefore, the survey did not include technical personnel: cleaners and drivers. Some personnel were absent and could not be reached (based on internal data, 45 personnel were absent and on business trips). A questionnaire was sent to 100 personnel and 46 completed questionnaires were received back. All the questionnaires received were valid. A percentage breakdown of the questionnaire data for each criterion is presented in Table 1.

The SNW analysis of the survey results revealed that the highest ratings were given to the following: strengths: social guarantees 9.09%, neutrals: communication at horizontal level 6.15%, weaknesses: unity in demands 8.82%. The percentage predominance of strength such as social guarantees is a good indication. As regards the neutrals, communication (both horizontal and vertical) dominated, which meant that this area was neither very poor nor very good, i.e. rather moderately rated. However, in relation to the weaknesses, the personnel's unity in demands was most notable, which

could indicate frequent disagreements or confusion over the demands and work responsibilities.

Table 1. SNW analysis results for the HR policy of the Latgale District Court: a percentage breakdown of personnel survey responses ($n = 46$) for each criterion in 2024 (authors' calculations)

No.	**Criterion**	Strengths as a % of total responses	Neutrals as a % of total responses	Weaknesses as a % of total responses
1.	Remuneration	6.75%	3.17%	2.21%
2.	Bonus system	5.19%	2.79%	8.09%
3.	Motivation system	3.12%	4.47%	7.35%
4.	Social guarantees	9.09%	1.86%	0.74%
5.	Job security	8.83%	1.68%	2.21%
6.	Technical equipment	7.01%	2.79%	2.94%
7.	Physical working environment	3.12%	5.96%	1.47%
8.	Reward system	2.86%	4.66%	7.35%
9.	Training opportunities	5.19%	3.91%	3.68%
10.	Career development opportunities	2.86%	4.66%	7.35%
11.	Working arrangements	5.97%	3.72%	2.21%
12.	Travel opportunities	1.82%	5.77%	5.88%
13.	Unity in demands	1.82%	5.03%	8.82%
14.	Personnel cohesion	3.90%	4.28%	5.88%
15.	Clear division of work responsibilities	3.38%	4.47%	6.62%
16.	Innovation at work	2.86%	5.77%	2.94%
17.	Communication at horizontal level	2.60%	6.15%	2.21%
18.	Communication at vertical level	2.86%	5.96%	2.21%
19.	Employer responsiveness	6.75%	3.54%	0.74%
20.	Management style	5.45%	3.54%	4.41%
21.	Team-bonding events	4.42%	4.84%	2.21%
22.	Evaluation system	2.60%	5.21%	5.88%
23.	Integration measures for new employees	1.56%	5.77%	6.62%

The following equation was used to calculate the typological group index, which indicates the strength of an internal element (Forands, 2018):

$$I = \frac{1 \cdot S + 0.5 \cdot N + (-1 \cdot V)}{n} \tag{1}$$

where I – typological group index,
S, N, W – number of respective indicators,
n – number of respondent responses.

The calculation result was as follows:

$$I = \frac{1 \cdot 385 + 0.5 \cdot 537 + (-1 \cdot 136)}{1058} = 0.48$$

The index values ranged from −1 to 1, where −1 meant very weak competitiveness and 1 meant very strong competitiveness. An index value of 0.48 for the typology group indicated that the strength of internal personnel elements was moderately high and that the competitiveness was positive, yet some aspects need to be improved. All the elements were rated by the personnel as mostly strengths or neutrals, with fewer weaknesses.

The neutrals and weaknesses indicated the factors requiring improvement. The survey results showed that the factors involved the culture and wellbeing of the organization (communication, personnel cohesion and the environment), as well as the motivation and bonus systems, appraisal and development and integration of new employees. In contrast, the weaknesses were dominated by unity in demands and the distribution of responsibilities, also some elements of the motivation system and career development opportunities.

The respondents considered social security, job security, technical equipment and remuneration, employer responsiveness, training opportunities, management style and team-bonding events to be strengths.

The survey results showed that the remuneration and motivation systems, the culture and wellbeing of the organization, as well as leadership aspects were important factors for the employees. The remuneration system was rated as a strength. In 2024, the remuneration system was changed to also focus on factors such as education, length of service and appraisal. The level of remuneration has also increased. The social security system of the Latgale District Court was detailed and included additional leave, holiday allowances, health insurance, optical vision aids, employer-paid compulsory health check-ups and various benefits.

A weakness was the bonus system (8.09% of the total responses). This could be explained by the policy on personnel replacement bonuses, as it provided for a bonus of up to 20% of remuneration for full-time replacement. The motivation system and career development opportunities were also rated as weaknesses. This could be due to the minimal opportunities for the career, as vacancies were not occupied, and there was no need for assistant judges and the Latgale District Court had a low personnel turnover rate.

The research also included an expert survey conducted in May 2024, with five court experts being interviewed to rate the significance of competitiveness factors for the personnel policy of the Latgale District Court and on a scale of 1 (most important factor) to 11 (least important factor). The five experts worked in the field of HR for the Latgale District Court and were also working before the reform until July 2023, see Table 2.

Table 2 Characteristics of the experts (authors' own compilation)

Expert (coded)	**Position**	Length of service	Education
A	Chair of a court	23 years in the judicial system, 12 years as a judge and 4 years as a chair	Master's degree in law
B	Assistant to the chair of a court in Daugavpils	25 years in the judicial system, 18 years as an assistant to the chair	Professional Master's degree in law
C	Assistant to the chair of a court in Rezekne	29 years in the judicial system	Bachelor's degree in law
D	Head of a Land Registry office	9 years and 3.5 years with personnel	Master's degree in law
E	Deputy head of a Land Registry office	20 years	Professional Bachelor's degree in law

Based on the expert survey, Table 3 shows the experts' ranks (ratings) of the HR policy factors and also the calculation results for the consistency of expert opinions.

Table 3 Ratings of factors in the competitiveness of the HR policy implemented by the Latgale District Court by its personnel in 2024 (authors' own compilation)

Factors (criteria rated)	Experts					Rank summa L_i	$d_i = L_{vid} - L_i$	d_i^2	Place (L_i rank)
	A	B	C	D	E				
	Rank/R_i								
Personnel selection and recruitment	5	3	9	3	4	24	6	36	4.
Motivation system, including social guarantees and the remuneration system	6	4	3	1	7	21	9	81	3.
Working environment and organizational culture	2	2	6	8	9	27	3	9	5.
Level of education required and opportunities for development (training, build-up of competences, learning to innovate)	8	5	8	4	3	28	2	4	6.
Talent identification and management	10	11	10	11	11	53	-23	529	9.
Leadership, management aspects	11	10	11	10	8	50	-20	400	8.
Prestige, reputation and image of the organization	3	8	7	9	1	28	2	4	6.
Job location, region	7	7	2	7	5	28	2	4	6.
Work and life balance (flexible working hours, possibility to work remotely)	9	9	4	5	10	37	-7	49	7.
Modern technological equipment (digital tools, systems, databases, IT infrastructure)	4	1	5	2	6	18	12	144	2.
Stability and sustainability of the job	1	6	1	6	2	16	14	196	1.
$n = 11$	$m = 5$					$\sum L_i = 330$	0	$S = 1456$	

The sequence of the calculation:
L_i – sum of the ranks of the HR policy criteria rated, based on the expert opinions;
L_{vid} – average rank of the criteria rated calculated by the equation:

$$L_{vid} = \frac{\sum L_i}{n} \tag{2}$$

where n – number of HR policy factor criteria rated.
d_i – difference calculated by the following equation:

$$d_i = L_{vid} - L_i \tag{3}$$

${d_i}^2$ – difference squared,
S – sum of the differences squared,
W – coefficient of concordance (Kendall, 1955), calculated by the following equation:

$$w = \frac{12\,S}{m^2 n(n^2-1)} \tag{4}$$

where m – number of experts.

The expert responses were evaluated according to the degree of consistency of their opinions. The coefficient of concordance varied in the range $0 \leq W \leq 1$. $W = 0$ if there is no correlation between the ranks, $W = 1$ if all experts have ranked the criteria equally. A coefficient of concordance of $W \geq 0.50$ means that the expert consensus is considered to be sufficiently high (Kendall, 1955).

For the expert survey aimed at identifying the significance of factors in the competitiveness of the HR policy implemented by the Latgale District Court, the six main competitiveness criteria for the HR policy described above were selected and supplemented with criteria that could be significant for the competitiveness of the HR policy both for potential employees considering working at the court and for current employees. The criteria proposed for identifying the significance were as follows: personnel selection and recruitment, the motivation system, including social guarantees and the remuneration system, the working environment and organizational culture, the level of education required and development opportunities, talent identification and management, leadership and management aspects, prestige, reputation and image of the organization, the location and region of the job, a work and life balance, availability of modern technological equipment, as well as stability and sustainability of the job.

The coefficient of concordance was $W = 0.53$. This result indicated that the experts surveyed were unanimous in their opinions. The most significant factors for the competitiveness of HR policies were as follows: stability and

sustainability of the job, availability of modern technological equipment, the motivation system, including social guarantees and the remuneration system, personnel selection and recruitment, as well as the working environment and organizational culture. Particular attention should be paid to the mentioned criteria, as a sense of security regarding the sustainability of the job is important for the employee, and a well-organized motivation system, social guarantees and remuneration are also essential. Less important factors, according to the experts, were the level of education required, the reputation and prestige of the institution, the location of the job and the work and life balance. Leadership and management aspects, and talent identification and management were unanimously ranked as the least important factors, although the experts' opinions differed significantly on some criteria.

Conclusions and suggestions

1. The Latgale District Court is a court of first instance operating in the territory of the Latgale Regional Court, merging two courts: (Daugavpils Court and Rezekne Court) from 1 July 2023 and employing 156 judges and personnel.
2. The internal documents of the Latgale District Court, which govern the institution's personnel policy, already reveal the groups of factors in the competitiveness of the personnel. Although the documents do not explicitly define what is meant by competitive advantage, the actions taken are aimed at raising the quality, efficiency and competitiveness of the personnel.
3. The SNW analysis of the survey results revealed that the highest ratings were given to the following: strengths: social guarantees 9.09%, neutrals: communication at horizontal level 6.15%, weaknesses: unity in demands 8.82%. The percentage predominance of a strength such as social guarantees a good indication. As regards the neutrals, communication (both horizontal and vertical) dominated, which meant that this area was neither very poor nor very good, i.e. rather moderately rated. However, in relation to the weaknesses, the personnel's unity in demands was most notable, which could indicate frequent disagreements or confusion over the demands and work responsibilities.
4. The SNW analysis of the survey of Latgale District Court personnel found an index value of 0.48 for the typology group, which indicated that the strength of internal personnel elements was moderately high and that the competitiveness was positive, yet some aspects need to be improved. All the elements were rated by the personnel as mostly strengths or neutrals, with fewer weaknesses. The neutrals and weaknesses indicated the factors requiring improvement. The survey results showed that the

factors involved the culture and wellbeing of the organization (communication, personnel cohesion and the environment), as well as the motivation and bonus systems, appraisal and development and integration of new employees. In contrast, the weaknesses were dominated by unity in demands and the distribution of responsibilities, also some elements of the motivation system and career development opportunities.

5. Based on the expert survey, the coefficient of concordance for the significance of factors in the competitiveness of the personnel policy implemented by the Latgale District Court was found at $W = 0.53$. This result indicated that the experts surveyed were unanimous in their opinions. The most significant factors for the competitiveness of HR policies were as follows: stability and sustainability of the job, availability of modern technological equipment, the motivation system, including social guarantees and the remuneration system, personnel selection and recruitment, as well as the working environment and organizational culture.
6. The hypothesis proved to be true: the HR policy of the Latgale District Court was competitive because the factors included contributed to effective recruitment, retention and development of the workforce. This was proved by the analysis of the factors identified, which involved a review of internal documents, an interview with an assistant to the chair of a court, an SNW analysis and the calculation of the typological group index, a survey of experts to identify the degree of significance of competitiveness factors and the consistency of expert opinions. However, there were also elements to be improved and developed in each group of factors.

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