

## Strategic Human Resource Development & Support System Characteristics

**Reza Hafidz Dwi Saputro, Pantius Drahen Soeling**

University of Indonesia

Email: rezahafidz20@yahoo.com, pantiusdrahen@gmail.com

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### ABSTRACT

The concept of Strategic Human Resource Management has become a very important and interesting discussion at Pold Bali. A company if it wants to succeed in competition in the global era like today must be able to make a human resource management design that has the ability and is responsive to changes in the business world in the future (strategic). The research aims to explain the concept of strategic human resource management (HRMS) and the characteristics of its support system in an effort to contribute to company performance. This MSDMS research uses a qualitative approach by using a literature review in presenting theories about the research problems being conducted. This study concludes strategic human resource management (HRM) primarily from a process point of view to improve organizational performance. First, analyzing the common features in the definition of HRM clarifies five features (close fit between human resource management (HRM) and management strategy, etc.). Second, approaches that investigate the relationship between strategy, HR practices and organizational performance are reviewed. As a result, best practice approaches have been frequently used and produce comparatively useful results with contingency approaches and configurational approaches. The PSDM system will be considered to have strategic value in the context of public management reform only if it has the ability to develop a supportive environment for learning, where there is a clear link between the PSDM and the government's strategic objectives. national institutions, which in turn have been aligned with the goals of public management reform. Strategic PSDM is a prerequisite for an emerging learning culture and for learning organizations to thrive.

### Keywords

Financial literacy, financial Strategic Human Resource Management, Corporate Performance, Support Systems

## INTRODUCTION

The theory of HRM, developed in the late 1980s, is based on various theories of strategy, systems, human capital, and behavioral science. The re-sourced view of HRM theory not only includes research management strategies and their relationship to HRM, but also includes the strategic use of employees, or the adoption of HRM to management strategies, which are conducive to optimal performance. In this paper, describe the process by which HRM is related to organizational performance and review the theoretical development of HRM. In addition, the paper addresses current challenges with HRM and future development prospects (Sunarsi, 2018)

Strategic human resource management is a method of recruiting, creating, rewarding, and nurturing workers that benefits employees as individuals and the company as a whole. The HR division that implements strategic human resource management does not work separately in one place, but rather works closely with other departments in the company to identify their priorities and formulate plans that align with organizational goals. As a result, the priorities of the human resources department are realized and promote the objectives of the company as a whole . HRM is seen as a participant in the company's performance in relation to the

need for regulatory enforcement or compensation. HRM leverages the strengths and opportunities of the human resources department to make other departments better and more successful (Edison et al., 2017)(Sunarsi, 2018)(Riniwati, 2016)

The characteristics of human resource management (HRM) are as follows: first, the HR system consists of various elements and practices that are subsystems of the management system; second, employees are considered a strategic resource and a source of sustainable competitive advantage; third, HRM is identified as a subsystem of a macro system or organization at large; fourth, HRM must be in accordance with the management strategy and emphasize the importance of matching the HR strategy and system; and fifth, the focus of HRM is on the effects that affect organizational performance.

To explain the strategic role of HRM, HR is defined as a set of strategic and consistent approaches to the management of the most valuable human resources in an organization, with humans considered as the backbone of an organization that collectively contributes to achieving its organizational performance. The concept of HRM gained importance in the 1980s, when the interpersonal relationship between people management and their performance came into focus. HRM continues to evolve in the era of modern management and community development challenges that strengthen its role in achieving managerial excellence in business. According to Dessler, HRM is a human resource management policy and practice that includes recruitment, screening, training, awarding, and assessment (in ). However, the concept of HRM still has an ambiguous perception, and the term "resource" often becomes vague making it difficult to understand (Sunarsi, 2019)(Sinambela, 2021a)(Suwartini, 2017)(Kristiawan, 2016).

(Farchan, 2016) shows that organizations that set a strategic, integrated HR strategy will be more profitable than those that don't. Therefore, organizations should consider their HR strategies to increase profits and implement company-wide business strategies that can affect the business. To achieve organizational performance and alignment, HR managers must understand business strategies, competitors, technology, and customers with the goal of helping companies gain competitive advantage through HR practices that are connected to business needs. suggested that companies should design a planned set of HR practices and activities to create bonds and linkages with each other, so that HRM can help achieve the company's strategic goals in today's global era.(Kirana & Ratnasari, 2017)

The research aims to explain the concept of strategic HRM and the characteristics of its support system in an effort to contribute to the performance of successful companies in today's global business competition.

## METHODS

In writing about strategic human resource management, a qualitative approach using the literature review method is used. Qualitative research aims to understand an individual's experience in an event. Although there are various approaches in qualitative research, they are generally flexible and focus on maintaining rich meaning when interpreting data. Some common approaches used are basic theory, ethnography, action research, phenomenological research, and narrative research. Despite some similarities, each approach emphasizes different goals and perspectives.(Sundoro et al., 2014)

The qualitative researcher also considers himself an "instrument" in research, so all conclusions, perceptions, and views are interpreted through his personal lens. Therefore, when writing about qualitative analysis methods, it is important to focus on your strategy and provide a detailed description of the choices made in collecting and evaluating data.

This research uses the literature review method to present theories related to the research problem being investigated, namely the concept of HRM and the characteristics of its support system.

## RESULTS

### A. Strategic Human Resource Development Concept (PSDMS)

Strategic Human Resource Development (PSDMS) has undergone a shift from a microscopic focus on individual employees to something more macroscopic, namely systems theory and strategy theory that views HR in relation to organizational performance and final management goals. However, this view can pose a problem when individuals are only considered a source of competitive advantage, so that their human aspect can be ignored. Therefore, modern HR theory emphasizes the importance of the human element and "human respect" in organizations through the QWL (Quality of Working Life) movement.

According to , a firm's capacity to develop resilience comes from a unique combination of organizational capabilities, routines, practices, and processes. These organizational capabilities and routines in turn are derived from individual knowledge, skills, abilities, and other attributes (KSAOs) that are systematically developed and integrated through the company's human resource management system. A number of cognitive factors, such as constructive conceptual orientation, core values, and a sense of purpose and identity, can foster organizational resilience in ways that enable problem solving and adaptive action.(Muhyi et al., 2016)

To achieve the flexibility necessary for companies to move forward, a shared mindset that includes expertise, opportunism, creativity, and assertiveness is needed, which is not too bound by conventional answers or precedents, but still takes into account real constraints. The cognitive foundations needed to achieve resilience require a firm understanding of reality and a desire to constantly question fundamental assumptions, as well as vigilance in considering current expectations and perspectives of functioning. Learned resources, ingenuity, and bricolage are also required to engage in the disciplinary creativity necessary to design unconventional, yet powerful, responses to unprecedented challenges.

To translate thoughts and perceptions into concrete actions, behavioral factors such as learned sense and counterintuitive actions are needed to generate a complex and varied inventory of potential strategic actions that can be taken in emerging situations. Second, useful habits and behavioral readiness create a foundation of trained and familiar expert routines that ensure an organization's initial and intuitive response to any situation creates choices, not constraints.

Four contextual conditions that are essential to support organizational resilience include: psychological security, deep social capital, dispersed power and accountability, and a vast network of resources. These factors encourage interpersonal connections and supply lines of resources leading to the ability to act quickly in emerging conditions that are uncertain and surprising.

## **B. Supporting Characteristics of the Strategic Human Resource Development System**

From a comprehensive analysis of the scientific literature, we conclude that the PSDM system has strategic value in the context of public management reform only if it is able to create a supportive learning environment, which is connected to the strategic objectives of government institutions that have been aligned with public management reform. Therefore, institutional strategies must be expressed in terms of behavior and implemented through a strategic PSDM system that facilitates learning and produces the behaviors and competencies needed to implement the objectives of public management reform in a sustainable manner.

A strategic PSDM system refers to an organization that is strategically mature in terms of HRM, has the capacity to learn and use knowledge effectively, and shapes organizational strategy. The PSDM system is not only limited to training, but also facilitates and supports the learning process in organizations, including informal and incidental learning. Learning is seen as a normal part of daily work, and work is considered a rich source of learning. (Larasati, 2018)

However, for the emergence of a strategic PSDM system, several characteristics must be present that facilitate the strategic PSDM process. The presence or absence of these characteristics will affect the maturity level of PSDM in government institutions and will affect the successful implementation of public management reforms. Here are the Supporting Characteristics of the Strategic Human Resource Development System:

- a. To ensure coherence and coordination in the system and provide guidance for the implementation of HR policies in a decentralized human resource management environment, supportive national policies in the HR field are essential. The importance of human resource development in the context of overall national development must be emphasized.
- b. The civil service model influences the development and implementation of PSDM policies and strategies. Traditional civil service systems that are career-based can limit the flexibility of HR policies. Civil servants are hired on the basis of bachelor's degrees, academic credentials, and/or civil service examinations with little possibility of lateral entry and a strong emphasis on career development. The position-based system is more flexible and resembles the tradition of employment in the private sector, where focus is placed on selecting the most suitable candidate for each position.
- c. PSDM plays a role in shaping organizational strategy. The role of HR in government agencies must be proactive in shaping institutional strategy development PSDM specialists must be involved not only at the implementation stage of strategy development, but also in the formulation stage of strategy development. The most strategic government institutions have learning processes that improve the nature and quality of organizational strategy. (Hill et al., 2017).
- d. Senior management leadership plays a role. PSDM policies and strategies must be "owned" and valued by leadership, who are actively involved in the development and committed to the implementation of PSDM policies and strategies (Sinambela, 2021b)
- e. A supportive learning environment is essential in a period of rapid change associated with the implementation of public management reforms. The consequences of challenges and changes mean that public servants must be more flexible and undertake continuous learning rather than relying solely on periodic training. Facilitation of learning and development can only occur in a supportive environment where there is a clear link between PSDM and institutional strategy, and learning is embedded in the life of government institutions.
- f. The integration of HRM and strategic partnerships with HRM are an important part of the broader package of HR activities. PSDM must be integrated with HR activities, insofar as they are viewed as a

single entity. PSDM generates the necessary competencies and behaviors, but it is very important to maintain and strengthen them with the help of other HR domains such as selection, assessment, reward, and communication.

- g. The PSDM specialist should be an organizational change consultant. Today, training is no longer the primary responsibility of HR specialists, and HR is the shared responsibility of line management, employees and HR specialists. Therefore, PSDM specialists must play an innovative and strategic role and facilitate change. They must be proactive rather than reactive and see themselves as central and strategic players rather than as peripheral and operational players.
- h. The strategic partnership between the line manager and the PSDM specialist is considered essential to carry out the actual PSDM activities by the line manager, while the PSDM specialist provides assistance and advice. This can help to close the gap between individual and organizational performance, and thus improve the quality of PSDM interventions ((Maarif & Kartika, 2021)(Purnaya & SE, 2016)
- i. Cost-effectiveness evaluations of PSDM interventions need to be conducted to discuss whether the strategic objectives and needs of government agencies have been met and whether organizational performance has improved through learning interventions. The evaluation should also provide mechanisms that can be used to strengthen cooperation between senior managers, line managers, and HR specialists. If senior management can see HR specialists as business partners because they speak the same language and can prove that their contribution is worthwhile, then strategic PSDM will emerge and thrive.

## CONCLUSION

The results of this study conclude that strategic human resource management (HRMS) is important to improve organizational performance, especially in the context of processes. First, the study analyzed the common features in the definition of HRM and clarified five features, including the close fit between human resource management (HRM) and management strategies. Second, approaches that explore the relationship between strategy, HR practices, and organizational performance are examined. As a result, best practice approaches are often used and produce useful results compared to contingency approaches and configuration approaches.

The PSDM system will have strategic value in the context of public management reform if it can develop a supportive environment for learning and there is a clear link between the PSDM and the strategic objectives of the government and national institutions. Strategic PSDM is a prerequisite for the emergence of a learning culture and organizational progress in learning.

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