STRATEGIC HUMAN RESOURCE MANAGEMENT: LINKING HUMAN RESOURCE MANAGEMENT STRATEGY TO SUPPORT PERFORMANCE

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Keywords	Abstract
Strategic human resource management, performance, organizational strategy	*Human resource management is crucial for establishing competitive advantage, recruiting, developing, and retaining top talent. Human resource strategy and organizational strategy are key determinants in facing increasingly complex global market challenges. Companies that can adapt and adopt innovative technologies in human resource management can improve operational efficiency, optimize recruitment processes, and provide a positive work experience for employees. Strategic human resource management is not solely the responsibility of the human resources department, but also of organizational leaders. Strong and committed leadership can develop human resources and create a solid foundation for long-term success. This study aims to examine the relationship between human resources and organizational strategy, as well as the inhibiting and supporting factors, and to determine the role of leadership in human resource management practices in improving organizational performance. The research employed a qualitative method, based on relevant previous research findings from the past five years and literature. The analysis revealed a relationship between human resource management practices, namely as a strategic and integrated framework that can enhance the achievement of organizational goals. Supporting and inhibiting factors in HRM practices lie in organizational management and human resource development. Furthermore, the role of leadership is crucial in managing human resources within an organization, as it can determine the direction and shared goals and achieve improved company performance.*

1.   INTRODUCTION

Advances in the era of globalization can have a significant impact on various sectors, including organizational management (Sutrisna & Pauzy, 2019). The conveniences offered by technological developments require adjustments and adaptations of organizational resources (Rois & Suprianto, 2021). Currently, organizations are referring to various modern strategies that can improve the quality of human resources and expand their reach in developing organizational performance

(Farhangnia, 2021). The changes offered by advanced technology require companies to have human resources that are not only effective but also able to adapt to rapidly changing market dynamics (Hrishikeshpote, 2022). The challenges faced are also very different. Therefore, when changes occur rapidly, organizations must survive and even maintain their sustainability. Currently, the challenge for organizations is maintaining their existence in global competition. This requires not only preparing products that meet market demand but also providing superior human resources that can innovate effectively and respond to all existing challenges.

One way for organizations to survive is by adapting to all conditions in the era of globalization, where numerous competitors emerge with far more sophisticated strategies. This can hinder organizations that are slow to adapt, making it difficult for them to grow. The importance of linking human resources to organizational strategy lies in recognizing the role of employees as a key asset. Companies that strategically manage and develop human resources can create a motivating environment that enables employees to contribute optimally.

Human resource management is crucial for establishing competitive advantage, recruiting, developing, and retaining top talent. The interplay between human resource strategy and organizational strategy is a key determinant in facing increasingly complex global market challenges. Companies that can adapt and adopt innovative technologies in human resource management can improve operational efficiency, optimize recruitment processes, and provide a positive work experience for employees. Therefore, human resource strategy must be able to respond to rapid technological changes. Strategic human resource management is not solely the responsibility of the human resources department, but also of organizational leaders. Strong and committed leadership can develop human resources and create a solid foundation for long-term success.

Theoretical Review

Strategic Human Resource Management

Human resource management is a systematic approach or procedure involving strategic planning, organizing, directing, controlling, and developing human resources within an organization. This ensures that the organization has the right number, type, and quality of employees who perform well to achieve company goals effectively and efficiently. This strategy encompasses workforce planning, employee recruitment and

selection, training, and development. Human resource strategy requires identifying workforce requirements to ensure the organization has the right employees in the right positions. Recruitment and selection involve attracting, selecting, and assigning candidates who meet position specifications. Training and development are necessary to improve employee skills, knowledge, and competencies through various relevant training and development programs tailored to the position. Organizational leaders need to conduct employee performance evaluations based on performance achievements. They also need to plan fair pay systems and incentives for employees to increase work motivation. Leaders are concerned about employee welfare, including health, safety, and work-life balance programs, which are part of employee welfare management. Management is a component through which organizations adapt to changes in the external environment and manage internal change by ensuring employee adaptability.

2. RESEARCH METHOD

The methodology used in this research is qualitative, specifically library research, based on the results of relevant previous research within the last five years and books.

3. RESULTS AND DISCUSSION

Relationship between Human Resource Management Practices

The relationship between human resource management and human resource management has various policies and procedures in managing a company's human resources. This relationship can shape healthy and productive performance. Important relationships between human resource management include (Gu et al., 2023): Recruitment and selection with employee development focuses on selecting suitable individuals for certain positions. Its relationship with employee development ensures that after being recruited, employees receive appropriate training and development to improve their performance skills (Yang & Li, 2023). Performance evaluation and compensation (Ahmad et al., 2023): Performance evaluation helps assess employee achievement against certain goals and standards. Compensation includes salary and benefits, must be in line with performance evaluation to encourage employees to have good work performance. Performance management and training must involve employee performance management and performance breakdown, training plays an important role in improving employee skills and knowledge that can help in supporting

human resource management performance (Park & Kim, 2023). Work-life balance is an important aspect of human resource management. These practices may involve work flexibility policies, leave, and support for employee well-being (Yahia et al., 2024). Employee relations involves fostering positive relationships between management and employees. Effective internal communication can assist in conveying organizational information and supporting communication (Sakib et al., 2023). Performance management can involve goal setting, feedback, and performance evaluation. Career development is an organization's effort to achieve its vision and ensure employee well-being (Agarwal & Kapoor, 2023).

Inhibiting and Supporting Factors

Supporting factors include (Tran, 2023): 1) A clear understanding of the organization's vision, mission, and values can help develop policies and practices consistent with organizational goals. 2) Effective leadership can provide support for policies and practices and motivate employees to achieve organizational goals. 3) Clear policies and procedures can assist in the consistent management of aspects such as recruitment, selection, training, and performance evaluation. 4) Technology and systems: the use of digital and modern information systems can increase efficiency in employee data management, performance tracking, and employee needs analysis. 5) Employee participation in Decision-making and career planning processes can improve employee motivation and satisfaction.

Inhibiting factors (Al Dabouba et al., 2023):

1) Rapid organizational change can make it difficult for human resource management to adapt policies and practices quickly.

2) Economic uncertainty can impact budgets, limiting resources for activities such as training and development.

3) Legal inconsistencies can lead to changes in employment laws or industry regulations. 4) Lack of competent human resources due to a lack of training can hinder effective policy planning and implementation.

5) Frequent employee turnover makes it difficult to maintain operational continuity and plan employee development.

6) Employee resistance to change can hinder the implementation of new policies or development programs (Pahuja et al., 2024).

Therefore, it is important to understand the organizational context, implement appropriate policies, and consistently implement good practices to support organizational growth and success (Montalvo-Falco et al., 2023).

The Role of Leadership

Leaders play a key role in human resource management, determining human resource needs to achieve organizational goals and ensuring that the organization has the right number, type, and skills to support business strategies (Khan et al., 2024).

First, leaders play a role in recruiting and procuring qualified human resources (Younis & Hussain, 2023). They must ensure this process is transparent, fair, and aligned with the organization's needs.

Second, leaders play a role in employee development, identifying employee training and development needs and ensuring that employees have the skills and development necessary to achieve optimal performance so they can contribute to achieving organizational goals (Kokkaew et al., 2022).

Third, performance management leaders play a role in establishing and managing work expectations and must provide constructive feedback, set realistic goals, and ensure regular performance evaluations (Huang et al., 2023).

Fourth, leaders play a role in setting realistic goals and ensuring regular employee performance evaluations. This is needed to manage and monitor Employee performance management can be used to improve employee performance and emphasize performance management as a guideline for sound resource management to achieve organizational goals (Nawaz et al., 2024).

Fifth, leaders must pay attention to employee well-being, including physical and mental aspects (Gu et al., 2023).

Sixth, leaders are involved in setting salaries, bonuses, and other benefits and must ensure that compensation schemes support employee retention and encourage motivation (Yang & Li, 2023).

Seventh, leaders possess the skills to inspire, motivate, and guide employees to achieve organizational goals. This includes developing an organizational culture that supports productivity and innovation (Ahmed et al., 2023).

Eighth, legal and ethical compliance must be in accordance with applicable laws and ethical standards (Park & Kim, 2023).

Therefore, it can be concluded that leaders have a role in managing human resource strategies in an organization. The right leader is needed, has a broad scope, is creative, innovative and continues to focus on organizational goals and can improve human resources (Yahia et al., 2024). It is hoped that through this role, leaders will contribute to the formation of a productive work environment, motivate, and maintain organizational sustainability. Overall, the role of leaders in human resource management is very important for achieving long-term success and growth for an organization (Shaifiulalam, 2024).

4. CONCLUSION

The conclusion of this research is that human resource management requires a strategy from leaders who are responsive to change to address the challenges of globalization, including in recruitment and employee development. Organizations need to implement management that has greater capabilities to face the challenges of globalization and gain a competitive advantage. Organizations need to adopt strategies and practices that build an adaptive culture, develop competencies using technology, strengthen leadership, and encourage employee participation. By doing this, organizations can improve employee performance, increase satisfaction, and gain a competitive advantage.

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