

New Paradigm: HR Professional Transformation in Manufacturing Company

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Abstract

This study aimed to optimize the line managers performances in the human resources (HR) division in answering the role of the HR management function problem in Medan City Manufacturing Company. The novelty proposed is a concept of HR management called "Human Resources Professional Transformation". Specifically, this concept discussed the ability of HR division line managers to make adaptive changes to the company's business-oriented functional divisions with managerial competence, commitment, innovation capability, and readiness for changes towards work performance. The population of this research was the line manager of the HR division, totaling 185 respondents. The sampling technique used a probability sampling approach with simple random sampling through the slovin formula, totaling 126 respondents. The analytical tool used is structural equation software through the SmartPLS application program. The results showed that managerial competence, commitment, innovation capability had a positive and significant effect through the HR professional transformation on the performance of line managers in the HR division. Meanwhile, readiness for change has a positive and insignificant effect on the HR Professional Transformation. Readiness for change also has a positive and insignificant effect on the Line Managers Performances in the Human Resources Division through HR Professional Transformation. Based on the suitability test of the research model, it proved that the HR Professional Transformation can answer the problem of the role of the management function to improve the line managers performances in the HR division with managerial competence, commitment, innovation capability, and readiness for change of 0.907.

Keywords: Managerial Competence; Commitment; Innovation Capability; Readiness for Change; HR Professional Transformation; HR Division Line Manager Performance.

1. Introduction

The industrial revolution era 4.0 is the digitalization of technological processes to create new value into corporate practice. This implementation can be done by systematizing the manifestation of digitalization, calculating risks and hazards, developing appropriate corporate policy measures and creating innovative transformations in the company (Morkovkin, et al., 2020). HR Division line managers can transform HR functions which can improve efficiency and cognitive technology by automating HR functions. Companies that implement the automation of HR functions will simplify and make the work of HR managers more effective. The active involvement of functional managers in the HR division can integrate personnel management processes into business processes, both in making decisions based on the HR system and conducting job analysis dynamically, (Sotnikova., et al, 2020). Torraco (2020), added that HR transformation has a direct contribution to the growth and development of business strategies. The implications of HR transformation are related to operations and business dynamics as well as company performance. Successful HR transformation will be beneficial for the implementation of decisions in terms of skill

development, creativity, collaboration, technology use, artificial intelligence, and job automation as a form of professional HR development. This perspective became the basis that changes in HR are needed for the company as a form of transformation for the future. According to Purba, et al (2020), skills can also be interpreted as an ability and capacity obtained through systematic and ongoing efforts in a smooth and adaptive manner in carrying out complex activities or job functions that involve ideas or cognitive skills, matters or technical skills, and interpersonal skills. Fu, et al., (2020) suggested that the responsiveness of line managers when doing work on the implementation of HR management will provide more flexible working conditions. The line manager's performance will become an effort and ability to do the work that can be seen from the implementation of the resulting resources. Line managers who have high work performance will have a positive impact on the company. Bag and Pretorius (2020) added, I4.0 technology can be a valuable asset for managers (including line managers in the HR division) in making quality decisions to achieve superior performance. The company will fail to achieve the desired level of performance if it does not acquire the resources to implement the I4.0 technology.

According to Vallina, et al (2021), HR management orientation from the performance of line managers in the HR