

Research Article

Mapping HR Management Roles: Management Expectation and Employee Perception

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Abstract: *The study addresses the mapping of management expectations with employee expectations in a coal transportation company, focusing on Ulrich's HR roles. The research aims to enhance the strategic role of People & Organization (P&O) within the organization to support the company's transition through strategic planning, roadmaps, and digitalization. Employee complacency is identified as a significant issue, necessitating opportunities for reskilling, upskilling, and transitioning to alternative employment pathways to mitigate the social impact of industry changes and ensure workforce sustainability. The study's objectives include understanding management expectations and employee perceptions of P&O roles and defining the strategic role of P&O in solving business issues. It discusses how digital tools can be used to solve business problems while strengthening the role of P&O in talent management. The study applies the Ulrich model, which classifies P&O roles into Strategic Partner, Administrative Expert, Employee Champion, and Change Agent, to guide the investigation. This study conducts a literature review, interviews, and questionnaires to explore the practical application of the Ulrich model in coal transformation companies. The sample was taken from 70 participants from different departments. It is divided into 60% in Samarinda and 40% in Jakarta. Results indicate that the gap exists between management expectations and employee perceptions, where employees rate the strategic role of P&O more than management. The study concludes that the most crucial step for an improvement in a company's competitive advantage in an ever-evolving industry landscape is the increasing management's perception of the strategic role played by P&O.*

Keywords: *Dave Ulrich, Digitalization, P&O Strategic Roles, Talent Management.*

I. INTRODUCTION

The COVID-19 pandemic has significantly impacted global business operations, including the shipping industry, which plays a critical role in transporting essential goods. Organizations must adapt to unprecedented challenges, including economic volatility, geopolitical instability, and rapid technological changes. The pandemic has accelerated shifts in work models, with many organizations adopting hybrid work arrangements. Additionally, the importance of applied AI, employee well-being, and diversity, equity, and inclusion (DEI) has increased. HR functions have evolved from traditional roles to actively shaping organizational policies and objectives.

Shipping company, established on January 10, 2007, is a domestic investment company listed on the Indonesia Stock Exchange. The company specializes in ocean freight services, primarily transporting coal. It has expanded its operations to include various commodities and international routes. Its vision is to exceed expectations consistently, and its mission is to deliver integrated and innovative logistic solutions. The company has successfully diversified its business, serving multiple industries and expanding its market reach.

Its operations are divided into three categories: transshipments, interisland shipments, and international shipments. The company participates in tenders for transportation services and enters into contracts with customers. The transportation process involves loading at the port, sailing, and unloading at the destination port. The company ensures timely and efficient cargo handling to maintain customer trust and long-term cooperation.

The organization structure includes various departments responsible for different functions. The People & Organization (P&O) structure supports the P&O Director in recruitment, employee administration, payroll, and other HR functions. The P&O structure includes roles such as P&O Operations, Payroll, Admin, HRBP, and Learning and Development. Each role has specific responsibilities to support the organization's HR needs. P&O Operations: Supports recruitment, employee administration, benefit claims, and training; Payroll: Manages salary payments, compensation, and benefits; Admin: Coordinates support team, manages facilities, and assists in onboarding; HRBP: Ensures alignment of P&O policies with business needs, leads P&O team, and manages talent programs; Learning & Development: Creates training programs, identifies development needs, and manages employee events.



The company's workforce is categorized by status, age, position, and education level. The data helps in understanding the composition of employees and planning HR strategies.

The company faces several business challenges, including the volatility of the coal market, the need for strategic transformation, and the integration of AI to enhance operational efficiency. The company is transitioning from an operating company to an investment company, requiring a fundamental change in its business model. The CEO expects P&O to play a more proactive role in adding value to support the company's development. Key issues include employee complacency, low attrition rates, the need for continuous training, succession planning, and managing manpower costs.

The study aims to answer the following research questions: What are management and employees' perceptions of P&O roles in the company? What strategies can optimize the strategic P&O role to add value in solving business issues in the company?

The study focuses on internal organizational aspects and does not consider external conditions such as economic or political factors. It provides literature references to propose strategies for enhancing P&O roles, with implementation results depending on the company.

II. LITERATURE REVIEW

Organizations today recognize the critical importance of attracting, developing, and retaining top talent in a competitive business environment. The HR value proposition, as outlined by Ulrich and Brockbank (2005), is divided into five key elements: Knowing External Business Realities: HR professionals must understand external factors such as technology, economic conditions, globalization, and demographics to anticipate changes and adapt HR practices accordingly. Serving Internal and External Stakeholders: HR must cater to both internal stakeholders (employees, managers, executives) and external stakeholders (customers, suppliers, investors) to foster relationships that contribute to overall business success. Crafting HR Practices: This involves designing and implementing HR strategies, policies, and procedures that align with organizational goals, covering areas like people, performance, information, and work. Building HR Resources: Establishing a robust HR function involves defining HR strategy, assessing skills, structuring the HR organization, developing policies, and nurturing talent and leadership. Defining HR Roles: Clear delineation of HR roles such as HR Business Partner, Administrative Expert, Employee Champion, and Change Agent is crucial for effective HR function and value addition to the organization.

Ulrich (1997) introduced four principal HR roles: Management of Strategic Human Resources: HR should evolve from administrative tasks to being strategic business partners, aligning HR initiatives with business goals. Management of Firm Infrastructure: HR professionals must be adept in HR administration and operations, ensuring compliance and efficient HR processes. Management of Employee Contribution: HR should act as employee champions, advocating for employee needs and fostering engagement and satisfaction. Management of Transformation and Change: HR professionals should drive and facilitate organizational change, fostering a culture of innovation and adaptability. Lawler (2005) further categorized HR roles into Basic Administration Services, Business Partner Services, and Strategic Partner Roles, emphasizing the need for HR to contribute to business strategy and organizational capabilities.

The conceptual framework for this study integrates concepts, empirical research, and relevant theories to advance knowledge about HR roles. The framework aims to explore HR roles based on Ulrich's model and propose recommendations to improve or close the gap between management and employees' perceptions in a shipping company. The study involves understanding the typical roles of HR through literature research, acquiring management perceptions through executive interviews, and measuring employees' perceptions through surveys. SWOT analysis is used to highlight the strengths, weaknesses, opportunities, and threats of each HR role. The goal is to offer ideas to enhance HR roles that have significant gaps between management and employees' perceptions and propose strategies to solve business issues through HR functions.

The literature review highlights the evolving role of HR in organizations, emphasizing the need for HR to transition from administrative functions to strategic partners. By understanding and applying the HR value proposition and Ulrich's model, organizations can enhance HR's contribution to business success. The study aims to explore these roles within the context of a shipping company, using qualitative research methods to gather insights and propose strategies for improvement. The ultimate goal is to align HR practices with business objectives, leveraging digital tools and fostering a culture of innovation and agility.

III. RESULTS AND DISCUSSION

The study aimed to investigate the management perception of HR roles in a shipping company and identify gaps between management and employee perceptions. The research involved in-depth interviews with the management team and a survey using 40 questions from Ulrich's HR role-assessment tool. The sample comprised 70 participants, with 60% from Samarinda and 40% from Jakarta. The majority of employees had less than five years of service (46%), followed by those with 5-10 years (44%) and more than 10 years (10%). The most significant department sample was Technical (23%), while the smallest was Crewing (1%). Location-Based Results, the perception of HR roles was slightly higher in Jakarta compared to Samarinda, but the difference was

not significant. Years of Service-Based Results: employees with more than 10 years of service had the lowest perception of HR roles compared to those with less tenure. Department-Based Results: The commercial department had the highest perception of all HR roles, while the Executive or Management department had the lowest perception of the strategic partner role. Crewing had the lowest perception of the employee champion and change agent roles, and HSSE had the lowest perception of the administrative expert role.

Management and Employee Perception: Administrative Expert, this role was seen as the most dominant by management, responsible for day-to-day HR operations and compliance. Employee Champion: Management recognized this role as important for employee engagement and well-being. Change Agent: This role was also seen as significant due to the company's need for flexibility and adaptability in a growing and transforming business environment. Strategic Partner: This role was perceived as the least significant by management, influenced by the company's culture and leadership style. Strategic decision-making did not heavily involve HR, and talent management was not prioritized as much as sales and commercial functions.

The management's aspirations for P&O (People & Organization) were outlined through workshops and discussions. The P&O aspirations included creating a talent ecosystem, transforming the workforce, and aligning the organization with a well-being mandate. The P&O Interaction Model detailed activities related to talent acquisition, assessment, employer branding, organizational planning, rewards strategy, and more. The P&O Target Operating Model emphasized agility, management coaching, process orientation, and technology integration. The Quadruple Organization model includes hierarchy, strategic management projects, communication culture community, and external parties. It aims to transition into a flexible structure while leveraging AI to enhance operations and decision-making processes. Cultural transformation is also a key focus, aiming to empower individuals, teams, and the collective to realize their full potential. Quantum Leaders participate in various programs to enhance leadership capabilities, strategic thinking, and decision-making skills. They focus on personal growth, emotional intelligence, and well-being, leading by example and fostering a positive work environment. The organization is actively working towards fostering a well-being culture through culture surveys, leadership development, enhancing the physical work environment, organizing events, promoting sustainability initiatives, and supporting employees with dedicated initiatives that integrate mind, body, and spirit.

The Target Operating Model principles provide a framework for defining how the organization will operate in the future to achieve its strategic objectives. The principles emphasize agility, management coaching, process orientation, and technology integration. The connection between P&O aspirations and TOM principles lies in how TOM principles provide a framework for P&O to operationalize its strategies and goals, ensuring alignment between strategic objectives, operational processes, and the development of a supportive and innovative organizational culture.

The management coach serves as an enabler by empowering individuals to unlock their potential, develop skills, and overcome challenges. They provide guidance, support, and resources to help individuals grow, learn, and achieve their goals. The management coach is result-focused, directing attention towards achieving specific outcomes, setting clear objectives, and measuring progress. The core focus of P&O with the management coach is to deliver the P&O strategy with the support of other P&O sub-functions, initiate management coaching with employees at the JG11 level and above to enhance leadership skills, improve managerial effectiveness, and align individuals with the organization's well-being mandate and management model.

The P&O roles include Innovator, Management Coach, Data Visualizer/Analyst, Business Capability Builder, and Culture Curator. These roles require the ability to foster innovation, provide guidance for organizational efficiency, utilize data analytics, transform operating models into workforce skills, and create compelling employee experiences. The strategic objectives consist of establishing a talent ecosystem that is in line with the well-being mandate, converting the workforce into 'general managers' who adhere to well-being principles, and aligning with the well-being mandate to foster a culture of well-being and inclusivity.

To increase the strategic value contribution of HR, the following points are emphasized: transformation of HR from a Transactional Role to a Strategic Partner. The new target operating model requires reorganizing the structure to include roles such as CCC and Management Coach while maintaining P&O Operations focusing on Rewards and Digital aspects. The future structure aims to streamline operations, enhance talent management, and introduce new functions to support the organization's strategic objectives—devolution of HR Function to Shared Partnership with Line Managers. HR aims to empower line managers with an increased understanding of their role in HR throughout different areas. The collaboration aims to increase staff engagement, communication, and organizational performance. Barriers include resistance from line managers due to inadequacy in skills or those who have too much workload to handle—new Competencies of HR Sustaining Strategic Agility. HR professionals must gain competencies like business awareness, strategic thinking, change management, resilience, conflict resolution, and professional integrity. Those competencies are obligatory for an HR strategic partner to align the strategies of HR with business goals, make strategic decisions, build relationships, and contribute to organizational success. Integration of HR and Business Strategy. The alignment of practices within the HR department with the business strategy is essential for

organizations. HR must be fully engaged in planning and implementing a strategy to express strategic value-added from HR. OKR - Objectives and Key Results will also be one of the tools to aid in the synchronization of HR's activities with the business outcome. Eliminating perceived lack of strategic value in HR. HR needs to clear the usual perceptions and prove its strategic worth by being aligned with organizational objectives, measuring competencies, and adding to the bottom line of the business. These are essential steps to invest in HR capabilities, provide data-driven insights, and leverage digital tools.

There are three aspects of the HR roadmap that increase HR strategic roles: structure, people, and process. The implementation plan includes evaluating the organization structure and developing a comprehensive HR plan on talent acquisition, talent management, competency management, and management coaching. Digitalization initiatives such as HR dashboards, learning management systems, e-personal files, and onboarding processes are also part of the plan.

IV. CONCLUSION

Shipping company faces unique challenges and opportunities in aligning its HR functions with its strategic goals. The company's values emphasize not only wealth creation but also the well-being of its employees, which differentiates it from other shipping companies. The study aimed to assess the management's perception of the HR roles within the organization and identify gaps between management and employee perceptions.

The key finding on the least significant role is that the strategic partner role of HR was perceived as the least significant by management. This perception is influenced by the company's culture and leadership style, where strategic decision-making does not heavily involve HR, and talent management is not prioritized as much as sales and commercial functions. There are significant opportunities to enhance HR's strategic role to align with the company's overarching goals. By fostering a deeper understanding and appreciation for HR's potential as a strategic partner, the organization can unlock value in areas such as talent management, employee engagement, and organizational development.

Strategies for enhancement are aligning HR Initiatives with Business Objectives: Demonstrating how HR strategies directly contribute to achieving organizational goals can reinforce HR's strategic relevance in the eyes of management. Some tools are very effective for achieving alignment through talent management, competency management, and coaching. Target Operating Model for HR: Target operating models try to make processes, systems, and capabilities within the human resource arena fit in with organizational strategic objectives. These steps may involve identifying organizational strategic objectives, diagnosing the existing operations of human resources, formulating a preferred future, the capabilities needed, and designing the roadmap. Constant monitoring and evolution must be ensured to keep the operating model in line with strategic goals. Transition to Self-Managed Organization: Management coaching can empower leaders, which gives room for HR to be more strategic and provide ideas on talent management. Transition, therefore, is all about decentering and cultivating a culture of autonomy and accountability. Data-Driven Insights: The use of data analytics to provide actionable insights on workforce trends, performance metrics, and the ROI of HR initiatives can demonstrate the strategic impact of HR decisions. Tools such as OKR (Objectives and Key Results) and HR digitalization initiatives, including HR dashboards, learning management systems, e-personal files, and onboarding processes, can support this effort. Investing in HR Capabilities: Equipping HR professionals with the necessary skills and competencies to operate as strategic partners enhances their credibility and effectiveness in driving organizational change and transformation.

New behaviors, thinking, and working would have to be instilled for HR to take a more strategic role. This is achieved through consistency, discipline, and high engagement with all stakeholders. Strategic alignment could ensure that contributions from HR help the organization attain its goals. OKR can be used in tracking performances. Developing leaders for a strategic mind shift in communication will see to it that the strategic role of HR is successfully delivered.

In brief, through the alignment of HR practices to business objectives, digital tool utilization, and a continuous improvement culture, the company is poised to bring more strategic value to its HR functions and drive long-term organizational performance success.

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