

Developing Ecosystem Based Human Capital Department Roles: A Literature Review

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ABSTRACT. In the era of competitiveness and changes in economic, social, political, technological, and business issues, companies are forced to adapt in order to be competitive, survive and sustain themselves. The strategy of company in achieving performance leading to its competitive advantage has an impact on human capital department. This drives growing interest in the research of human capital department role in company. However, the research on human capital department role mostly focused on the role itself. Therefore, this paper explores the human capital department role with the stakeholders support it on ecosystem concept through a literature review study. We analysed 76 articles and identified the knowledge and methodological gap in the context of developing ecosystem based human capital department roles. We found that ecosystem theory has high potential to fill the knowledge gap. Afterwards, we build a conceptual model based on the ecosystem theory to enhance our view on developing human capital department role. We also found that most of the research in human capital department role employed the quantitative approach. Therefore, we also suggested using the mixed-method approach to obtain further evidence and establish better knowledge.

Keywords: *ecosystem, human capital department, human capital department role, literature review, stakeholders*

1. INTRODUCTION

Since the introduction and widely known of the human capital department role by [51], human capital department role has evolved to become something important for the human capital department in a company from traditional perspectives to strategic assets [5]. The four role of human capital roles in Ulrich's term [51] focusing on the role of human capital department as the strategic unit in supporting the management in order to have a company's performance and competitive advantage. The four roles of human capital role are namely: strategic partner, administrative expert, employee champion, and change agent. This role has evolved in recent years into more roles in order to emphasize the importance of human capital department's role in the company.

The shifting from personnel department into human resource department to human capital department has an impact of the role of the human capital department's role. The need of business partner from top management to human capital department arises because the value brought up by the concept of human capital. Human capital values employees as assets of the company and with them the company work together to achieve

success. The importance of human capital department is followed by the development of the department. The concept of ecosystem in developing human capital department role is proposed to have a whole perspective from all stakeholders.

The purpose of this paper is therefore to capture the state of the art within the concept of developing ecosystem based human capital department role as well as to document notable development of human capital department role through a literature review. This approach helps the authors to identify the proper knowledge and methodological gap to suggest different future research agenda in the context of developing human capital department roles. The methodology includes targeting relevant publications database, searching these using a wide range of keywords and phrases associated with human capital department role and then reviewing each paper identified.

2. METHODS

The search of literature in defining research gap plays an important role in providing a strong research background and determining future research agenda. Identifying research gaps on specific topic can be obtained through the

literature review process. A literature review is defined as "the selection of available documents (both published and unpublished) on the topic, which contains information, ideas, data and evidence written from a particular standpoint to fulfil certain aims or express certain views on the nature of the topic and how it is to be investigated, and the effective evaluation of these documents concerning the research being proposed" [19]. Past evidence collection from previous research

and research gaps could be obtained through literature review process [56,19,40]. Therefore, to identify existing research gaps and propose future research agenda, researchers often use the literature review approach.

2.1 Search Strategy

The searching result through Scopus, ProQuest, Emerald, Google Scholar are 973 papers related to human capital department role (see FIGURE ure 1).

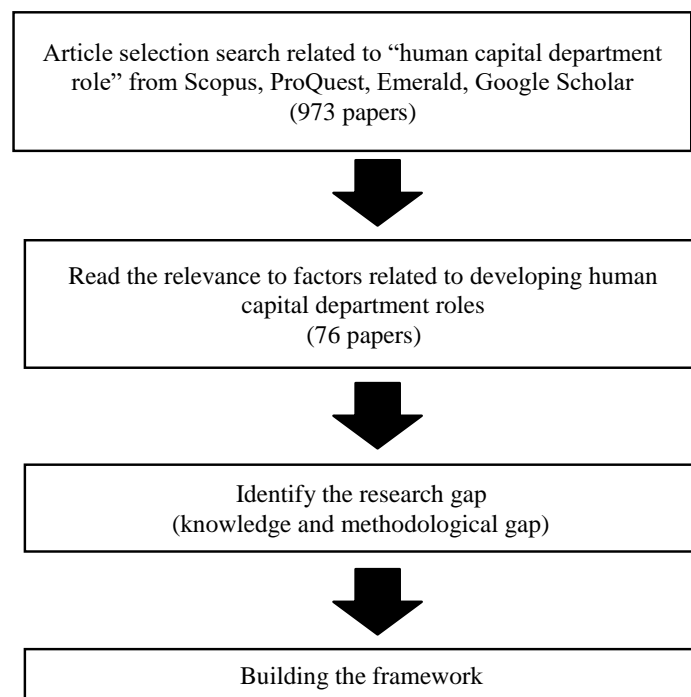


FIGURE 1. Flowchart of study selection process

2.2 General Description of the Studies

FIGURE ure 1 showed the stages of study selection for the literature review in this paper. The first stage involved searching the keyword related to human capital department role in Scopus, ProQuest, Emerald, and Google Scholar. As a result, 973 papers were identified. After reading the title and abstract, we found 76 papers relevance to factors related to developing human capital department roles. Seventy-six papers were identified that presented a conceptual framework of developing ecosystem based human capital department roles. Six factors affecting human capital department roles were used to categorize those papers. According to those papers, we tried to identify the knowledge and methodological gap

from the discussion about human capital department roles. It was found that the ecosystem theory has not been discussed in viewing human capital department role development. Therefore, this paper tried to build the framework based on ecosystem concept.

3. RESULT AND DISCUSSION

3.1 Factors related to human capital department roles

In this study, we analyzed 76 papers that related to factors influence human capital department roles. According to [3], there are six factors affecting the role of human capital manager which cannot be separated from the role

of human capital department itself. The factors are namely: (1) the orientation of top management to people management, (2) line managers' expectations, (3) skills, competencies, and activity of human capital professionals, (4) characteristics of the human capital function, (5) internal factors, and (6) external factors. Top management support which applied in the attitude of top management in viewing people management defines the human capital department role. Line managers are the human capital manager in their own areas, so the line manager expectation of human capital department function will help them to perform as supporting agent for human capital department. Human capital professionals inside the human capital department need certain skills and competencies to perform their roles. They also must have activities to improve their skills and competencies. The resource, structure and support system of human capital department has also define the role of human capital department. The company's size, structure and culture are some internal factors define human capital department role. The external factors are the factors outside the company which cannot be controlled.

From previous studies, some papers discussed about top management [50,3,24,47,43,11,39,58,17,54,6,14,9,45,23] had been found. While the discussion about line manager has also been brought up [53,50,3,24,49,47,48,18,26,7,20,55,54,33,28,57,32,22,37,14,4,27]. The skills, competencies, and activity of human capital professionals were discussed by several authors [3,47,11,30,10,16,52,12,29,41,31,46,8,6,42,21,2,35,1]. [3] and [54] discussed about characteristics of the human capital function in supporting human capital department role. The internal and external factors were discussed by [3] and [49] for internal factors and by [3,49,44] for the external one.

3.2 Identifying the Knowledge Gap and Methodological Gap

For the analyzed papers, we categorized the papers based on the six categories of factors in supporting human capital department roles. Those previous researches have fragmented discussion about factors supporting human capital department role. This study uses ecosystem theory in developing human capital department roles. The ecosystem approach could be an option to support

human capital department in more structured way. Ecosystem, according to [34] is entities that interacts and have dependency on each other's activities. In ecosystem, interactions and collaboration are the key. Human capital department should collaborate with internal and external stakeholders to develop human capital department role needed by the company. From 76 papers, Ulrich's human capital department roles theory [20,15,10,38,28,57,31], role-set theory [49,13,36,2], institutional theory [25,16,1], contingency theory [25,16,1], constituency/stakeholder [50,14,27] are some theories used. Therefore, the use ecosystem theory in viewing the human capital department role development will fill in the gap of knowledge from previous study.

We also analyze the method used by the previous authors in discussing human capital department roles. It was found that previous researchers widely used quantitative method, followed by qualitative, conceptual, and mixed methods. The literature review has not been found in the area discussing human capital department roles. This whole study will implement mixed-method approach so that the research could provide more evidence in answering research questions that cannot be answered by either quantitative or qualitative method alone. For this paper, the literature review method will fill in the gap that has not been found from previous studies as well as to find the research gap.

3.3 A Future Research Agenda: Exploring the Factors in Developing Human Capital Department Roles using Ecosystem Concept

Based on previous research, it can be concluded that the use of ecosystem theory in viewing the human capital department role development has not been explored. Therefore, it suggests that future research explored the human capital department role development from ecosystem concept. In ecosystem concept, human capital department collaborates with all stakeholders from the internal and the external company. Therefore, the framework of developing ecosystem based human capital department roles are built (see FIGURE ure 2).

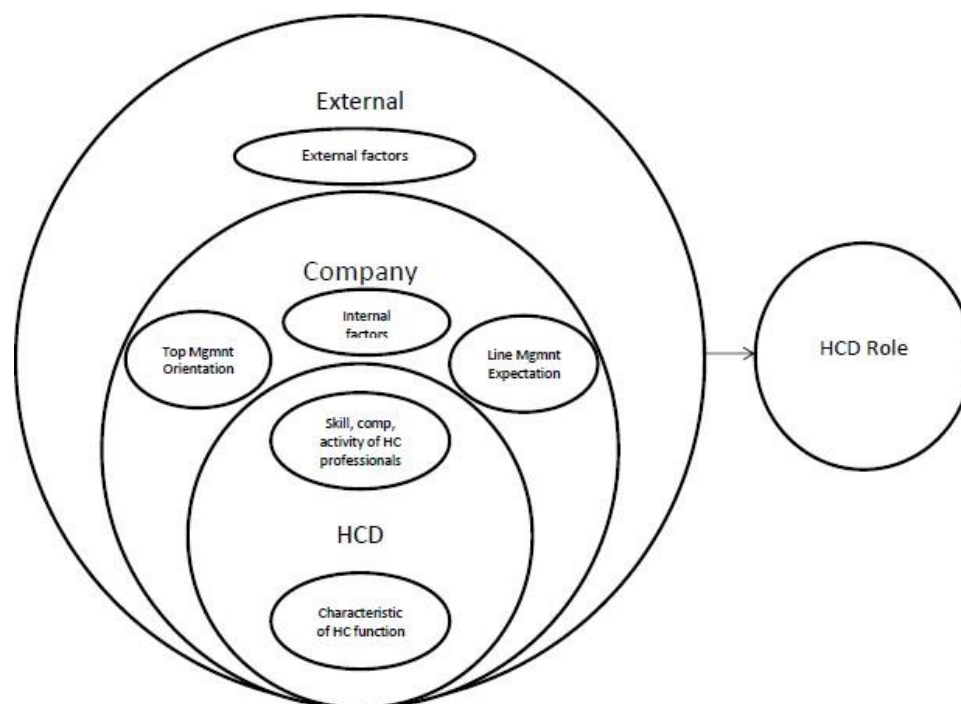


FIGURE 2. Framework of Developing Ecosystem Based Human Capital Department Roles

4. CONCLUSIONS

Based on the findings above, it can be concluded that the concept of ecosystem has not been explored in viewing the developing human capital department role. Subsequently, this paper builds a framework with the ecosystem concept with all the stakeholders collaborate in it. It was also found that the most common methodology employed in the human capital department role research is the quantitative approach. This shows that the mixed-method approaches becomes the method which should be employed in discussing human capital department roles.

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