

THE ROLE OF HUMAN RESOURCES COMPETENCE IN CORPORATIONS CASE STUDY ON HR LEADER

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Abstract: This study aims to analyze the role of Human Resources (HR) competencies, particularly at the HR Leader level, in supporting corporate performance and competitiveness. HR competencies are a key factor in navigating the increasingly complex and rapidly changing business environment. This study uses a qualitative approach by systematically analyzing existing literature and utilizing insights from leading scientific journals and reference books published in the last five to ten years. The results show that HR Leaders play a strategic role as drivers of organizational transformation through mastery of technical, managerial, and social competencies. Some challenges faced include limited training budgets and a digital competency gap. Nevertheless, organizations have implemented competency development strategies such as internal coaching and blended learning. This study confirms that strengthening HR competencies not only impacts effective HR management but also contributes to the achievement of overall business goals.

Keywords: Competence, Human Resources, Corporation, HR Leader.

INTRODUCTION

In an era of increasingly intense global competition, the role of human resource management is crucial in determining the success of an entity. In an effort to understand and deepen the importance of human resource management, research and analysis on this topic have also become more in-depth. Thompson and McHugh (2002), as cited in Akmal Umar et al. (2024), stated that "human resource management is not merely the administrative task of hiring and firing employees, but rather a comprehensive strategy for optimizing human potential within an organization."

Over time, human resources (HR) have transformed into a strategic asset that plays a central role in corporate sustainability and growth (Nanang Basuki, 2023). Therefore, HR competency development is crucial. They must possess relevant skills, knowledge, and attitudes to adapt quickly to market changes, innovate, and provide significant added value to the organization.

Human resource competencies that possess competitive advantages are those deemed highly valuable, particularly in relation to their ability to exploit opportunities or neutralize threats from the company's environment (Ahmad Mukhtar et al., 2024). Human resources are the thinkers, planners, and drivers within an agency or organization to achieve predetermined targets or goals. Organizations that are able to effectively manage and develop human resource competencies will have a better ability to adapt to changes in the business environment and achieve strategic corporate objectives (A. Ansari et al., 2022).

In this context, the HR department plays an increasingly vital role. The HR function is no longer limited to administrative matters but has transformed into a strategic partner for management in formulating and implementing business strategies (Sutrisno, 2017). At the forefront of this HR function are Human Resources (HR) Leaders. They hold vital responsibility



for designing, implementing, and evaluating HR policies and practices that align with the organization's vision and mission (Wibowo, 2016).

An HR Leader is a leader in the field of human resources (HR) who has strategic responsibility in managing, developing, and directing HR policies and practices to align with organizational goals (Ahmad Mukhtar et al, 2024). An HR Leader not only plays the role of an administrator, but also as a strategic partner of management, a driver of organizational culture, and a decision maker in talent management (Norawati & Nurmansyah, 2025). In facing these challenges, an HR Leader needs to continue to develop themselves. This involves understanding changing trends and developments in human resource management, such as the use of technology in the HR management process, developing employee procurement and retention strategies, and improving managerial skills in managing diverse work teams (Ahmad Mukhtar et al, 2024).

The competence of an HR leader is a determining factor in the success of HR management within a corporation. Their ability to understand the business landscape, develop innovative HR strategies, build a conducive organizational culture, and effectively manage talent directly impacts the quality and performance of all organizational human resources (Antoni & Takrim, 2021). Without adequate competence at the HR leadership level, corporations potentially face various challenges, including difficulty attracting and retaining top talent, low levels of employee engagement, and suboptimal HR contributions to achieving organizational goals (Akmal Umar et al., 2024).

An in-depth case study of an HR Leader is essential to identify the specific competencies required for success in this strategic role and how these competencies contribute to the success of a corporation.

The study of the role of HR competencies at the HR Leader level in a corporate context still requires further exploration. Therefore, this study aims to comprehensively explore this through a literature review of scientific works that discuss the key competencies possessed by HR Leaders and how these competencies contribute to the achievement of organizational goals.

METHOD

This research uses a descriptive qualitative approach. According to Sidiq & Choiri (2019), qualitative research aims to understand the phenomena experienced by research subjects. The method used is library research. According to Miza Nina et al. (2022), the library research method is a method of collecting data by understanding and studying theories from various literature related to the research. Therefore, this method is used to review and analyze theories and previous research results relevant to the topic of the role of HR competencies in corporations, particularly in the HR Leader position.

According to Zad (in Miza Nina et al. 2022), there are four stages of literature review in research: preparing the necessary equipment, preparing a working bibliography, organizing time, and reading or recording research materials. Data collection involves searching for and constructing sources from various sources, such as books, journals, and previous research. The literature obtained from these various references is analyzed critically and in-depth to support propositions and ideas.

RESULT AND DISCUSSION

1. The Role of HR Competence in Modern Organizations

Competence is a specific ability/skill that must be possessed by human resources, and through this competence, human resources can become better. The definition of competence is essential in both public and private organizations, especially to meet organizational demands,



where there is very rapid change, highly complex and dynamic development of problems, and uncertainty about the future in the social order. Competence as a characteristic of an individual is related to effective performance in a job or situation (A. Ansari et al., 2022).

The results of analysis from various literatures indicate that human resource (HR) competence is the main foundation in supporting organizational success. As stated by Guruh and Iva (2024), in the modern era, HR competence that has expertise in technology, analytical skills, creativity, and the ability to learn quickly can help organizations adapt to rapid technological changes. Meanwhile, Ahmad Mukhtar et al., (2024) stated that one important aspect in human resource management is HR competency development. Because through training and HR competency development, they will be able to improve their knowledge and skills. This is not only beneficial for HR individually, but also for the organization as a whole. Skilled and qualified HR will make a better contribution to achieving the goals of modern organizations.

Competence encompasses not only technical skills but also behavioral aspects, leadership, and strategic thinking. In a corporate context, high HR competency is a crucial asset for creating competitive advantage. This is supported by Wibowo (2016), who stated that competency is the foundation for developing a comprehensive HR system, from recruitment and training to career development to performance evaluation. In the context of HR leadership, according to Avery's theory (as cited in Nanang Basuki, 2023), HR leaders must be able to engage in long-term decision-making, support systematic innovation, create a committed team of staff, and provide high-quality products, services, and solutions.

2. The Strategic Role of HR Leaders in Developing HR Competencies

The role of HR Leader in today's organizations has shifted from an administrative function to a strategic role. The HR Business Partner model introduced by Ulrich (1997) describes HR Leaders as strategic partners of management, agents of change, protectors of employees, and administrative experts (www.hrponds.co.id). HR Leader plays a role in identifying competency needs, developing training strategies, and aligning HR development with the company's business direction (www.ppmschool.ac.id)

Analysis of the reviewed literature also shows that HR leaders play a crucial role in creating an organizational culture that supports innovation, productivity, and cross-functional collaboration. The National Civil Service Agency (BKN) report (2020) emphasizes the importance of strategic HR roles in transformative leadership, change management, and mastery of digital technology.

In the context of strategic human resource management, HR leaders play a central role in driving organizational success through the continuous development of HR competencies. As the role of HR functions shifts from administrative to strategic, recent literature emphasizes the role of HR leaders as strategic business partners, agents of change, and facilitators of learning and development (Djoko Soelistya, 2021).

HR leaders are required to not only understand current competency needs but also project future competency needs in line with organizational transformation and technological advancements. This involves competency mapping, competency gap analysis, and designing training programs that are relevant and adaptive to the changing context of the organization's external and internal environments (Angelina Sofya, 2024).

Within the framework of organizational learning, HR leaders play a crucial role in building a culture of continuous learning that encourages each individual to improve their capabilities, both independently and collectively. This approach is reinforced by the use of learning technologies such as Learning Management Systems (LMS) and data-driven development, which enable objective, real-time tracking of competency achievement (Noe et al., 2017).

Furthermore, the literature also shows that effective HR Leaders are able to align HR development strategies with the organization's long-term goals, as well as involve line managers

in the employee development process through their roles as mentors and coaches (Irawan et al., 2024).

Thus, strengthening the strategic role of HR Leaders in developing HR competencies is key to increasing organizational competitiveness sustainably amidst global challenges and the era of digital disruption.

3. HR Leader Core Competency Dimensions

From various references analyzed, it was found that HR Leader competencies can be grouped into three main dimensions:

- a. Technical Competencies, such as mastery of HR information systems, personnel data analysis, and understanding of employment law (Djoko Soelistya, 2021). MHR competency refers to a deep understanding of core HR functions, such as recruitment and selection, training and development, performance management, compensation systems, and the use of HR technology (such as HRIS and LMS). This competency is essential for HR leaders to design HR policies that are effective, efficient, and compliant with applicable labor regulations. Without strong technical expertise, the HR function will lose its support for organizational operations.
- b. Managerial Competencies, including the ability to develop HR strategies, conflict management, and performance planning and evaluation. HR leadership relates to the ability to strategically plan, organize, direct, and control HR activities (Irawan et al., 2024). HR leaders are required to develop talent development strategies, design adaptive organizational structures, manage change, and bridge HR needs with the organization's business direction. This role positions HR leaders as strategic partners in the long-term decision-making process.
- c. Interpersonal Competencies, including leadership, empathy, communication, and the ability to build healthy working relationships (Egabetha., 2020). Interpersonal competencies encompass not only communication skills and empathy, but also the ability to build working relationships and mediate conflict. These competencies are key to creating a collaborative, harmonious, and culturally positive work environment. HR leaders with high emotional intelligence are able to serve as effective liaisons between management and employees (Enny Diah et al. 2023).

HR leaders who possess these three competency dimensions tend to be able to carry out their roles optimally, both as facilitators of employee development and as strategic advisors to company leaders.

4. Findings of Consistency across Literature

There is consistent finding between academic literature and institutional reports regarding the importance of competencies in shaping organizational performance. For example, A. Ansari et al, (2022), Wibowo (2016), Djoko Soelistya, (2021), Irawan et al., (2024), Angelina Sofya, (2024) and the BKN (2020) report generally states that HR competencies must be developed sustainably and systematically. In fact, in several electronic publications such as www.hrponds.co.id And www.ppmschool.ac.id, Adaptive and competent HR Leaders are said to be the key to success in facing the dynamics of the VUCA (Volatility, Uncertainty, Complexity, Ambiguity) era.

When discussing the role of HR leaders in conjunction with HR competency development, several consistent lines of evidence are found in the literature that reinforce the validity of this topic. First, most of the literature emphasizes the importance of three dimensions of HR leader competency: technical, managerial, and interpersonal. For example, Djoko Soelistya (2021) states that an ideal HR leader not only masters technical aspects such as HR management and compensation systems, but also possesses managerial skills in strategic decision-making and interpersonal skills in building effective cross-functional relationships.



Consistency is also evident in the view that HR leaders play a strategic role in driving organizational transformation. Literacy, as proposed by Storey and Lawler & Boudreau, in Akmal Umar et al, (2024) stated that the active involvement of HR Leaders in business planning and talent development is a crucial element in achieving competitive advantage.

Furthermore, numerous journals emphasize that HR competency development is inextricably linked to the HR Leader's ability to create a culture of learning and innovation. Consistency emerges from various studies highlighting the importance of the HR Leader's role as a change agent capable of bridging organizational needs with individual potential within the organization.

These findings suggest that the role of HR Leader is not merely administrative, but also strategic and transformative, a common thread found consistently across the scientific literature.

5. Implications and Relevance for Corporate Practice

These findings demonstrate that corporations need to prioritize strengthening HR competencies as a long-term investment. The role of HR leaders is crucial in designing HR development strategies, enabling companies to adapt quickly to market and technological changes. Therefore, strengthening HR leadership competencies is a crucial strategy for enhancing organizational competitiveness.

Findings from various literature on the strategic role of HR leaders in developing HR competencies have significant implications for modern corporate practices. First, companies need to position HR beyond merely an administrative function, but rather as a strategic partner in organizational decision-making. This means HR leaders must be actively involved in developing business strategies, particularly in talent needs planning, leadership development, and long-term performance management.

Second, a direct implication arises in the form of the need to increase the capacity of HR leaders themselves. Corporations must ensure that HR leaders are equipped with strong technical competencies, strategic managerial thinking, and strong interpersonal skills to manage complex human resource dynamics.

Third, from an organizational perspective, these findings are relevant for driving work culture transformation. HR leaders act as catalysts for change, fostering a culture of learning, cross-functional collaboration, and continuous innovation. This relevance is evident in today's era of digital disruption, where employee adaptability and competency development are key to corporate competitiveness.

Ultimately, this relevance demands that companies adopt a data-driven approach to HR management, with HR leaders as the primary drivers. Therefore, the literature underlying this discussion provides a crucial foundation for corporate practice in reimagining HR's role as a driver of organizational value.

CONCLUSION

This study aims to describe the role of human resource (HR) competency in supporting organizational performance, specifically through an examination of the role of HR leaders. Based on the analysis of various literature sources, it can be concluded that competency is a fundamental element in achieving work effectiveness and organizational competitive advantage.

HR competencies encompass not only technical skills but also behavioral, managerial, and strategic skills. These competencies form the basis of various HR management processes such as recruitment, training, career development, and performance evaluation. In this context, HR leaders have a significant responsibility to ensure that HR development is directed and sustainable.



The role of the HR leader has evolved from a mere administrative function to a strategic partner for the organization. HR leaders must be able to develop HR management strategies aligned with the company's vision and goals, while also facilitating change and fostering an adaptive work culture. The HR Business Partner model clearly illustrates this shift in function.

The three main competency dimensions required of HR leaders are technical competency (HR systems and policies), managerial competency (decision-making, evaluation), and interpersonal competency (communication, leadership, empathy). Mastery of these three dimensions enables HR leaders to maximize their role in supporting organizational transformation.

Thus, it can be concluded that organizational success depends heavily on the HR Leader's ability to strategically manage and develop HR competencies. Strengthening the role of HR Leaders is a crucial investment in building an adaptive and highly competitive organization.

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