



Conference Paper

Assessing the Disparities Between Strategic Human Resource Management and Conventional Human Resource Management: A Theory-Based Review

Siti Sarah Omar¹*, Nurul Fadzilla Mohd Aris², Syamimi Alias³, Rizaldi Mu'min⁴, and Lawrence Arokiasamy⁵

 ¹Associate Professor, Faculty of Technology Management and Business, Universiti Tun Hussein Onn Malaysia (UTHM)
²Doctorate Candidate, Faculty of Technology Management and Business, UTHM
³Alps Electric (Malaysia) Sdn Bhd

⁴MBA Student, Faculty of Technology Management and Business, UTHM ⁵Associate Professor, Universiti Teknologi Petronas, UTP

ORCID

Siti Sarah Omar: https://orcid.org/0000-0002-2727-5333

Abstract.

Human resource management (HRM) is frequently considered an academic concept that is predominantly concerned with the employees of an organization. HRM generally provides personnel management for the organization by conducting a strategic decision-making function that can make or break the organization's performance. However, today, Human Resources (HR) in modern organizations are constantly changing due to emerging technologies and the economy, which changed conventional HR practices. This study will thus assess the disparities between strategic and conventional HR management to assure the long-term viability of organizational performance based on the current literature. It is specifically based on current literature on strategic HRM practices and the evolution of strategic HR practices from conventional HR activities that impact organizational performance. The literature search was conducted based on articles published from 2014 to 2021. The findings emphasize the importance of integrating strategic HR practices into corporate settings because strategic HR practices allow us to move standard HRM practices in the face of rapid technological and economic developments.

Keywords: Human Resource Management (HRM), strategic HRM, conventional HRM

1. INTRODUCTION

Human resource management (HRM) is frequently considered as an academic concept that is primarily concerned with the employee side of the organization. It used to be all about employing people, developing human resource (HR) policies, supervising

How to cite this article: Siti Sarah Omar*, Nurul Fadzilla Mohd Aris, Syamimi Alias, Rizaldi Mu'min, and Lawrence Arokiasamy, (2023), "Assessing the Disparities Between Strategic Human Resource Management and Conventional Human Resource Management: A Theory-Based Review" in Page 588 International Conference on Environmental, Social and Governance, KnE Social Sciences, pages 588–613. DOI 10.18502/kss.v8i20.14627

Corresponding Author: Siti Sarah Omar; email: fadzillaris@gmail.com

Published 7 December 2023

Publishing services provided by Knowledge E

© Siti Sarah Omar et al. This article is distributed under the terms of the Creative Commons Attribution License, which permits unrestricted use and redistribution provided that the original author and source are credited.

Selection and Peer-review under the responsibility of the ICESG Conference Committee.

KnE Social Sciences



their implementation, and managing the relationship between the organization and the employee. HRM is responsible for employee engagement, satisfaction, training, longterm development, and retention, in addition to recruiting the appropriate individual for the proper role at the right time (Nasir, 2017). The HRM functions as a personnel management function in the organization by making strategic decision-making functions that can make or break the business's success. HRM is concerned with employing the right people, utilizing them efficiently and effectively, minimizing risk, and maximizing return on investment. HR strives to improve individual performance while also impacting organisational performance through employee performance (Uysal, 2017). Thus, effective human capital management assures optimal return on investment, which leads to organizational performance.

Employees are the most valuable assets in any organization, and they are worth investing in. Employees are regarded as essential assets in every organization (Abdul Rahman et al., 2018). This asset determines any organization's success. However, managing and aligning HR at various levels to align with the organization's goals is a complex undertaking. HRM professionals must be multi-skilled since they must execute many functions to meet organization goals. As a result, HRM is the most crucial role of an organization, ensuring that all of the many sections and departments operate in harmony and always drive the organization toward growth and success. HR, or Human capital, is regarded as an organization's most significant asset (Abdallat et al., 2020). As a result, HR management is a challenging task, and only persons with diverse skill sets can prosper in this field.

However, the administration of the organization's HR has changed dramatically throughout the years. This is because, as businesses and markets evolved throughout time, so did the function of HRM. Technology evolution is one of the forces driving the changes. The standardization of various HR services, combined with technological advancements, has led to the storing of vast volumes of measurable and useful human data, which is vital for any industry to ensure that its operations run smoothly. (Sahoo, 2019). In the past, when most managers did not even have access to a computer, the HR manager was seen to be a simple managerial position. HR managers were once expected to be little more than paper pushers, keeping all of an organization's personnel files. It is possible to cut HR time spent on spending and dealing with paper resumes or personal information with technology. Adopting new technology saves time and reduces human errors in organizations, particularly in the HR department (Margherita & Bua, 2021).

KnE Social Sciences



The unanticipated disruption caused by the Covid-19 pandemic is slowing down all corporate activity around the world. The COVID-19 epidemic caused a significant slowdown in global economic activity (Hamouche, 2021). As a result, organizations are attempting to recover from this economic shock; businesses have begun reopening amid this ongoing epidemic under extraordinary constraints and new functions such as physical distance in the workplace. Because no one knows when it will end, this pandemic has created a complex and challenging environment for managers and HRM practitioners who need to find inventive solutions to sustain their organization's business and help their employees cope with the challenges of this unprecedented situation. This unforeseen incident has resulted in considerable organizational changes, posing significant challenges for managers and HRM practitioners (Hamouche, 2021). Keeping the business functioning smoothly during these challenging times is not always easy. Worryingly, with the pandemic outbreak, dealing with workforce concerns, which were already difficult for HRM, has become even more challenging (Sulaiman et al., 2020). As a result, modifications in HR practices are required. To address the changing demands of today's world, a new HR strategy must be developed (Nasir, 2017).

With all of these changes, there is a tremendous amount of strain on today's organizations, mainly the HR function, which has a crucial role in assisting and navigating through evolution. The duty of HRM managers has shifted dramatically and under pressure from just dealing with personal issues to planning and implementing complex organizational initiatives (Nasir, 2017). As a result, HR must boost both its apparent and actual value. This is because HRM is one of the management tasks that has seen dramatic transformations in the new millennium. As a result, changing from conventional HR to SHRM is one of the finest solutions to deal with this problem in today's world to assist the organization in enhancing its performance and staying in business in the long run. SHRM practices can increase organizational performance across the board (Hamouche, 2021). However, to achieve that solution, the definitions of conventional HR and SHRM must be explained in detail so that the organization understands and has faith that SHRM will lead the organization to stay in business in the long run without worrying about another unexpected event occurring in the future. As a result, this study will assess the disparities between strategic HRM and conventional HRM.



2. LITERATURE REVIEW: AIM, OBJECTIVES AND METHODOLOGY

The authors gathered the data subject to analysis using Taylor & Francis Online's web-based search engine, which comprises thousands of academic publications and bibliographic data on their authors, affiliations, and citations. The study focused on publications that were published in journals that fall under the human resource management categories between the years of 2014 and 2021 and that contained the terms "strategic HRM" or "conventional HRM" in the title, abstract, or keywords. This search yielded 446 open-accessed articles. The authors believe that the HRM viewpoints from the aforementioned period provided the appropriate time frame for studying the disparities between strategic HRM and conventional HRM and will be increasingly relevant and useful in the coming years. Table 1 summarizes the documents included in the groundwork of the study.

TABLE 1: Summary of documents selection procedural method	
---	--

Period	2014 - 2021		
Web Engine	Taylor & Francis Online		
Keyword	Strategic HRM	Conventional HRM	
Articles	361	85	
Sources (journals)	230	53	

2.1. Aims and Objectives

In line with the research aims and objectives, a systematic literature review has been assumed to be an integral part of the general research experience. A systematic literature evaluation of the prior research work accomplished over the past seven years is designed to provide insight into the nature and varied components of successful HR management. Subsequently, the secondary data collection method is employed to identify, analyze, and eventually select from a wide variety of research publications in order to achieve the following primary research objectives: (1) to explore and reflect on key factors and variables of strategic and conventional HRM; (2) to indicate theoretical gaps of strategic and conventional HR approaches; and (3) to make reflective and reasonable associations among the reviewed studies; to synthesize and interpret the findings in order to assist in integrating a more dynamic HR system in any organization.



2.2. Methodology

Figure 5 is a schematic representation of the implemented search strategy adapted from Georgiou and Vrontis (2012), consisting of three sequential phases of activity. During the first stage, the exploratory scoping phase was conducted parallelly within Taylor & Francis's electronic database, and numerous publications from reputable sources were discovered. Some of the sources are The International Journal of Human Resource Management, Public Management Review, International Journal of Academic Research in Business and Social Sciences, and many others. The scoping activity produced a list of 446 references that were taken to represent the primary body of literature on the subject. These references were found by conducting a search using the terms (1) strategic HRM and (2) conventional HRM.



Figure 1: Adaptation of secondary research process flow (Source: Georgiou & Vrontis, 2012)

The second step involved a thorough title reading and abstracting procedure to compress the vast body of knowledge into a more focused and manageable number of academic publications. As a result, a number of studies, totalling 356, were disregarded because they veered too far from the central research question, provided insufficient information on the theoretical HRM framework, or were over-specialized in their coverage of a single industry. The titles and abstracts of the remaining 90 references were carefully reviewed a second time, and 45 were eliminated for the same reasons. The remaining 45 references were considered for inclusion; however, some of their titles and abstracts lacked clarity in regard to the topic, philosophy, and technique.

Thus, in the third phase, the filtered 45 studies were finalized using the inclusion and exclusion criteria (Table 2) to determine which ones were the most trustworthy, valid, and generally applicable for the purpose of the systematic review. There are two criteria in which the inclusion and exclusion would consider, the "research topic "and "research type".

Concerning the "research topic" criterion, it is thought that theoretical knowledge is the core of the research understanding; therefore, it was important to include studies



that focused on the definition, key functions, applicability, and unique challenges that the HR process in an organization faces from both a strategic and a traditional point of view. As a result, studies that were either too vague or too far from these focal regions were disqualified. Regarding the "research type" criterion, the focus was primarily on secondary research material from academic journal publications. To reduce the number of references, other types of secondary sources, such as full papers and abstracts published in conference proceedings and PhD/DBA thesis excerpts, are excluded. As the study focuses on theoretical aspects, the authors considered referencing journal papers adequate to obtain the necessary information. A total of 35 papers were selected from the pool of results generated by the systematic literature review and subjected to a full-text read, evaluation, and interpretation.

TABLE 2: Secondary research specific Inclusion/Exclusion Criteria.

Criteria	Inclusion	Exclusion
Research Study	HR study area from strategic and conventional perspectives: Definition Key functions Applicability Difficulties	Articles lacked clarity in
Research Type	Published articles from rep- utable journals written in English	

3. DEFINITIONS OF CONVENTIONAL HRM AND STRATE-GIC HRM

HRM is changing with developments in technology, the economy, government policy, and other factors. Even if the requirement for study and analysis slows the pace of change, it is critical to understand whether the new roles of HRM are compatible with today's world. Thus, the approach to HRM has shifted from conventional to strategic. Globalization and information technology have led to the rise of strategic HRM methods that differ from conventional HR practices (Mellam et al., 2015). Furthermore, there should be significant distinctions in the definitions of conventional HR and strategic HR when it comes to terminology. This is critical because it allows the organization to see the overall description in specific ways so that the organization can make the best decision whether the changes on HRM roles are worth it for their organization to increase organizational productivity and stay in the business structure and surviving



in competition, the organizations must face various obstacles, which forces them to constantly alter and improve their management (Fan & Wang, 2015).

3.1. Strategic Human Resource Management

Strategic HRM is a paradigm that connects people management and development methods to long-term organization goals and outcomes. SHRM is defined as "the pattern planned HR deployment and activities designed to help an organization achieve its goals" (AI Adresi & Darun, 2017). During this time, there has been a change toward a strategic perspective that views workers as 'assets' rather than 'costs.' While conventional HR considered employees to be a cost to enterprises, strategic HR viewed individuals as a valuable asset to the organizations (Masud et al., 2018). Strategic HRM established a well-planned framework for personnel to be hired, managed, and developed in ways that serve an organization's long-term goals. It contributes to ensuring that the many parts of people management collaborate to generate the behavior and climate required to create value and reach performance targets. Strategic HRM specifies an organization's goals and strategies for realizing its business goals through people, which leads to meeting organizational performance goals (Ullah & Zheng, 2014).

Furthermore, strategic HR were reimagined as a crucial source of competitive advantage. This is because strategic HR practices are aligned with organization strategy to achieve superior organizational performance. SHRM is concerned with the effective utilization of an organization's HR to meet the organization's strategic needs (Zehir et al., 2016). As a result, strategic HR is a HR strategy and implementation method that tackles and solves business difficulties while directly contributing to essential long-term business objectives.

3.2. Conventional Human Resource Management

Conventional HRM focuses on primary HR responsibilities such as handling administrative processes connected to hiring and firing personnel and enforcing organization standards. Conventional HRM is defined as the methods and procedures organizations employ to manage people in recruiting, development, benefits, and general organizational climate (Fan & Wang, 2015). It focuses on the critical actions that organizations must take to develop while remaining legally compliant. Furthermore, conventional HR is concerned with HR activities such as supervising administrative chores connected to



recruitment and firing and enforcing business policies. Thus, it covers the fundamental actions that organizations must perform to expand and remain legally compliant. Furthermore, conventional HR has a narrow focus on issues such as fundamental people management and labour relations. Their mission is to look after their staff and keep them happy and satisfied. This is because when their employees are motivated, their productivity rises. Therefore, conventional HR approaches are more focused on efficiency and matching individual skills to the organization's demands (Zehir et al., 2016).

Simply distinguishing between conventional and strategic HR is insufficient to persuade some organizations to continue utilizing the old method. As a result of the development of HR models, it is now possible to go into greater detail about conventional and strategic HR. This is because HR models clarify the role of HR in the business. All HR operations are included in the HRM paradigm (Zehir et al., 2016). HR models assist and demonstrate to organizations what they need to do to get the desired outcome and remain competitive in the business sector in the long term.

4. HRM MODELS AND THEORIES

The goal of developing HRM models is to assist businesses in managing their employees most efficiently and effectively possible to achieve the specified purposes. The HRM model encompasses all HR activities. When these activities are carried out properly, they result in a deserving and motivated workforce that will aid in the achievement of organization goals (Tiwari et al., 2019). HRM is frequently stated as a topic with two possible approaches or forms: hard and soft. Two of the most often used models of HRM are the hard and soft versions (Imna & Hassan, 2015). A harsh approach to HRM is distinguished by its strong emphasis on performance management and the instrumental approach to personnel management. Hard HRM is a type of HRM in which people are essential tools for productivity and nothing more (Azizan et al., 2015). A soft approach to HRM, on the other hand, emphasizes employee empowerment, motivation, and trust, viewing individual contributors as the most valuable resource a business can have. The soft model emphasizes individuals, places commitment and self-direction, confidence, and ethical behavior as strategic importance on employees (Tiwari et al., 2019). HRM models frequently blend soft and hard HRM principles, resulting in four basic models for HRM that serve various goals. Various authors have proposed four models to describe the HRM idea (Thierry, 2018). The general four models are the Harvard model, the Warwick model, the Ulrich David model, and the Guest model.

KnE Social Sciences



4.1. Harvard Model

The Harvard Model focused on the soft side of HRM. This model focuses on Soft HRM, emphasizing the interaction between managers and employees (Azizan et al., 2015). The Harvard model has had a global impact since the core elements of this model have been identified as almost universal HR models. It is created for the overall organizational perspective on HRM choices and applied by various enterprises (Imna & Hassan, 2015). Furthermore, this model has an impact on the long-term well-being of employees as well as organizational effectiveness. The framework was created after researching the need for a more comprehensive, broader framework that provides a strategic perspective in today's emerging working environment to manage the requirements under pressure to work employees for the long term while accepting employees as a potential asset (Imna & Hassan, 2015). This is because this model emphasizes that employees, like any other shareholder, play an equal role in determining organizational outcomes. "The Harvard model," which serves as a strategic road map for all managers in their interactions with employees (Azizan et al., 2015).

The Harvard Model comprises five major components: situational circumstances, stakeholder interests, HRM policies, HRM outcomes, and long-term ramifications of the organization's goals. The model includes the following components: interests, situational circumstances, HRM policy decisions, HR outcomes, long-term implications, stakeholders, and a feedback loop (Olasoji, 2019). Furthermore, the Harvard framework is an HR model that takes a more holistic approach to HR, incorporating many levels of the outcome. Figure 2 depicts a detailed flow diagram of a Harvard Model component.

The Harvard model recognizes that various stakeholders exist inside the organization. These numerous stakeholders include stockholders, different employee groups, the government, and the community (Thierry, 2018). Indeed, the interests of the various groups must be fused and factored in the development of HRM strategies and, eventually, organization plans. Employees are viewed as resources in this concept, according to the Harvard interpretation. This is because employees are essential stakeholders in any organization. They, like other groups such as shareholders and customers, have their wants and concerns.

Following that, the Harvard model framework outlines four HR policy areas: HR flows, reward systems, employee influences, and work systems. This, in turn, resulted in the 'four C's,' or HR policies that must be implemented: Commitment, congruence, competence, and cost-effectiveness are all crucial factors. Thus, when HR achieved positive HR outcomes in terms of a committed workforce, working in harmony with



Source: Thierry (2018)

Figure 2: Framework of Harvard Model.

organizational objectives, and achieving competence and cost-effectiveness, it resulted in favourable long-term consequences, first and foremost organizational effectiveness, and individual and societal well-being.

4.2. Ulrich Model

Next, an HRM model, namely Ulrich's HR Model (1997), as shown in Figure 3.2, explains the evolution from conventional HR to strategic HR. Figure 3 shows Ulrich's HR Transformation Model (Wai et al., 2021).

Ulrich's 1997 model specifies the relevant HR transformation in many global organizations today. In his book, Ulrich (2016) noted that this model is built on four roles that reflect HR functions: strategic, people, operational, and processes (in clockwise order). When these segments match the needs of the adjacent part, they will form attribute quadrants that describe the following HR behaviours: i) strategic partner, ii) change agent, iii) employee advocate and iv) administrative expert (Ulrich, 2016).

According to Long (2015), this quadrant explains the function of HR in positively influencing the organization's image and reputation by recognizing necessary top talents and disseminating their knowledge throughout the organization. Furthermore, as a strategic partner, HR works to boost efficiency and encourage innovation through developing people (Long, 2015). Moreover, the HR in this function is concerned with sharing organization objectives with internal clients and integrating HR goals into the daily agenda (Long, 2015). Next is HR as a change agent. Long (2015) defined this HR





Source: Wai et al (2021)

Figure 3: Ulrich's HR Transformation Model.

function as the obligation of communicating changes internally and gaining employees' trust. Furthermore, the HR department plans training programs to provide employees with new skills and knowledge required for a changing role (Long, 2015). In addition, HR will occasionally confer with employees about changes in job descriptions to assist them in overcoming their work habits (Long, 2015).

Moreover, being an employee advocate is an essential part of the HR role. HR should represent employees, safeguard their interests, and ensure that strategic goals are well balanced (Long, 2015). Long (2015) was also concerned with the welfare and well-being of personnel inside and outside the organization (so long they are still employed). Last but not least, HR as an administrative expert. Long (2015) emphasized this function as transactional HR; nonetheless, it is vital to accept this conventional HR side to execute strategically as an expert. As a result, to become an administrative expert, the HR department must implement current HRIS solutions and eliminate manual data entry (Long, 2015).

4.3. Warwick Model

The Warwick Model comes next. Two researchers from the University of Warwick named this model. Two researchers from the University of Warwick, Hendry, and Pettigrew (thus the name Warwick model) (Thierry, 2018). The Warwick model revolves around five elements: outer context, inner context, business strategy content, HRM context, and HRM content. External context (macro-environmental forces); Inner context (organization-specific or micro environmental factors); Business strategy content; HRM context; and HRM content are the five parts of the Warwick model (Thierry, 2018). Figure 4 depicts the Warwick Model's illustration structure.



Source: Olasoji, 2019

Figure 4: Framework of Warwick Model.

The Warwick model considers business strategy and HR practices in both the external and internal contexts in which these activities occur and the process by which such changes occur, including interactions between changes in both context and content. The model's strength is that it identifies significant environmental influences on HRM. Furthermore, it examines how HRM adjusts to changes in the context by mapping the relationship between external and environmental factors.

Those organizations that establish alignment between the external and internal environments will, without a doubt, achieve performance and growth. As a result, attain organizational performance and growth necessitates a lack of alignment between the external and internal settings (Olasoji, 2019). This paradigm improves organizational performance by providing a better atmosphere for their personnel. This paradigm



emphasizes Hybrid, which improves organizational performance by creating a better atmosphere and enhancing employee performance (Azizan et al., 2015).

4.4. Guest Model

David Guest developed the Guest model in 1997, claiming it to be the best of all models (Olasoji, 2019). This paradigm is a synthesis of characteristics that resemble both a hard and a soft approach to HRM. This paradigm, based on the Harvard framework, is a synthesis of both the soft and hard approaches to HRM (Imna & Hassan, 2015). This is because Guest's Model focuses on individual requirements rather than the entire workforce, allowing businesses to build power and flexibility. Flexibility refers to an organization's and its employee's ability to adapt to changing business and work environments, as well as its ability to handle innovation (Thierry, 2018). As a result, this model includes both hard and soft HRM. Following that, the model incorporates HRM strategies that result in more extraordinary individual and organizational performance. This paradigm emphasizes excellent individual creativity and outstanding organizational performance by enhancing the quality and lowering costs (Azizan et al., 2015). As a result, the Guest Model contains six aspects of analysis: strategy, practices, outcomes, behaviour outcomes, performance outcomes, and financial outcomes. HRM strategy, HRM practices, HRM outcomes, behavioural outcomes, performance outcomes, and economic outcomes are the six dimensions of analysis in the Guest model of HRM (Thierry, 2018). Figure ?? depicts the six dimensions of the Guest Model.



Source: Thierry (2018)

Figure 5: 6 Dimensions of Guest Model.

Furthermore, the guest model differs from the rest of the HRM models. It places a greater emphasis on strategic management than other HRM models, which set a greater



focus on personal growth and leadership. With the central seven policies of recruitment, selection, and socialization, workforce flow, reward systems, appraisal, training and development, communication systems, and organizational job design, this model is relevant to the study because it is significantly different from conventional personal management models that place a greater emphasis on strategic management (Imna & Hassan, 2015). As a result, via the strategic direction of an organization, the Guest Model seeks commitment to corporate goals. With all of these HR models, it is possible to detect numerous contrasts between conventional HR and Strategic HR in general.

5. DISPARITIES BETWEEN CONVENTIONAL HRM AND STRATEGIC HRM

HR as a professional activity has evolved over the years in response to changes in the economy and new technology. HRM has become increasingly complex due to changes in the workforce's demographic profile, the effects of external and internal factors on the corporate environment, and the emergence of the virtual economy (Chan et al., 2017). For example, when the economy is solid and new technology is available, employees have more leverage in deciding where and who they want to work for, making HR more critical for organizations wishing to stay competitive. In addition, the majority of innovations result from global competition and solving global issues, which has a significant impact on HR, necessitating the acquisition of new skills for future needs (Masud et al., 2018). As the economy evolves, so will the consensus among business owners and managers on the role of HR. As a result, HR had to modify how they performed business to survive in today's corporate environment (Fan & Wang, 2015).

HR practitioners have begun to distinguish between conventional and strategic HR in recent years. After 2000, the paradigm switches from conventional HR methods to strategic HR practices (Mellam et al., 2015). As organizations battle for limited market shares, agility, speed, and innovation are more critical than ever. All of which is jeop-ardized in the absence of dynamic and resilient HR strategies. This has resulted in the adoption of strategic HR techniques. In today's world, strategic HRM is critical for all organizations in adjusting to the changing roles of the government, economy, and technology (Gituma & Beyene, 2018). To determine whether strategic HR can assist HRM in the future, the contrasts between them must be examined. This is because when conventional HRM is comparing these two terms, several dimensions serve as the foundation for the disparities between conventional HR and strategic HR. It



comprises ten indicators: planning and strategy development, authority/control, HR responsibility, scope/focus, decision making, integration, roles, job design, essential factors/key investment, and accountability (Sampras, 2019) as discussed below:

5.1. Planning and Strategy Formulation

Conventional HR is concerned with developing a short-term strategy. Conventional HR is more likely to have a short time frame (Sampras, 2019). This is because the short term is often focused on a strategy that allows for stability and quick victories and more regular target and goal achievement. It offers more specific goals and objectives, as well as more regular realization and rewards. For example, if an employee completes the job on the same day, the manager may thank the employee with a present or allow the person to go early. As a result, the project was completed more rapidly, and the organization's goal was attained sooner. It can be concluded that employees will complete specific duties till they are completed without knowing if their tasks are beneficial or not for the future of the organization; the most important thing is that they have done what they were assigned to do. The organization that implemented conventional HR would let their employees work exclusively on their regular tasks without being educated on how the organization functions for prospects (Purdue University, 2019).

Strategic HRM is concerned with building a long-term strategy. This is because it allows HR to follow the results and make any necessary adjustments for its future success. Therefore, strategic HRM is focused on the future (Fan & Wang, 2015). When HR is looking to employ for a position, for example, they analyze its future growth estimates and goals. In addition, HR hires and trains people to adapt to digital media at work, as it can dominate future work media due to its effectiveness (Gigauri, 2020). As a result, as a long-term strategy that leads to long-term organizational performance, it encourages employee loyalty, engagement, dedication, enthusiasm, and connection to the organization's vision and goals. According to Vardarl*i*er (2016), strategic management is the total of decisions and activities that specify and identify an organization's long-term success.

5.2. Authority

To control personnel, conventional HR deploys bureaucratic methods. The use of formal systems of rules, roles, records, and rewards to influence, monitor, and assess employee performance is broadly defined. Limitations set behavioural expectations and work



procedures. HR, for example, provide the guidelines that the employee must follow for the task to be done. Suggestions to amend the instructions are not permitted, even if they result in a better conclusion. According to Rogers (2017), a bureaucratic system in organizational structure decreases the decision-making process. It means that HR use their abilities and potential to fulfil organizational goals and regulate their employees' creativity. Controlling staff can establish sales goals and product quality standards (Vardarlier, 2016).

Strategic HR adopted organic HR, which resulted in cost savings by reducing the size of HR activities. One example is eliminating inefficient use of salary and training dollars. In addition, it will boost performance by connecting the employee with the effort needed to ensure the organization's success. In other words, organic HR will go to any length to ensure the organization's long-term prosperity. For example, HR will hire people who will benefit them and fire them if they cannot perform the job. This form of HR prohibits anyone working for this organization from bringing poisonous energy to the workplace to fulfil the organization's aim.

5.3. HR Responsibility

Conventional HR, unlike other departments inside the firm, is concerned with employee training, skills, and expertise (Vardarluer, 2016). The management did not take part in the new employees' training. For example, if an employee has a query about executing a task, they will go directly to the HR department to fix their problem. Manager's only give employee's directives after HR have taught them.

Because they are responsible and have a superior understanding of how to achieve the organization's goals, all line managers are HR managers in strategic HR. For example, if an employee does not understand the scope of their job, they can seek help from any line manager to remedy their problem. This action saved the employees the time and energy they would have spent looking for professional staff to fix their problems. Line managers' involvement in HR resulted in greater staff effectiveness. As stated by (Iqbal, 2017), HRM, which includes line managers, can affect numerous jobrelated actions of employees, which is beneficial in producing favourable attitudes about the job. Employee work satisfaction should improve as a result of organizational line managers taking on additional HR duties. Line managers who adopt more organisational HR procedures on the work floor have a high degree of HR implementation and employee outcomes (lgbal, 2017).



5.4. Focus

Employee relations are the emphasis of conventional HR. conventional HRM is concerned with employee relations, but strategic HRM involves internal and external relations (Sampras, 2019). Ensuring employee motivation and compliance with applicable employment regulations aids in the creation and maintenance of a positive relationship with employees. For example, the employee's skill to complete the assignment is required to fulfil the organizational goal. HR must establish a favourable relationship with the employee not to feel compelled to quit the organization. HR experts are responsible for resolving employee issues, managing labour relations, and keeping their staff satisfied.

The emphasis in strategic HR is on developing solid relationships with both external and internal customers. A person not directly related to your organization other than through purchasing your product or service is referred to as an "external customer." HR, for example, ensure that their interactions with employees and the organization's goods are beneficial. Employees deal with internal customers regularly as part of their tasks and responsibilities. HR, for example, hire personnel only when the organization's demands are met. As a result, employees arrive at work with upbeat dispositions and the desire to perform a good job. As a result, the organization's aim can be realized while employee performance is improved.

5.5. Decision Making

In conventional HR decision-making, only top managers are permitted to make suggestions and comments on the organization. This is because extra lines of communication and the possibility of inconsistent decision-making are downsides of employee engagement systems. When more employees have input and decision-making power, more contact is required to ensure that choices are uniform across the organization. This consistency is necessary for brand identification and consistency. In addition, managers may find it challenging to supervise employees' actions and activities to prevent harmful repercussions and limit the potential for chaos. Finally, given the inherent survey/rate biases and mistakes, the standard HR model is not particularly useful in strategic decision-making (Sahoo, 2019).

Strategic HRM involves top management in the decision-making process, but it also involves employees. Employees, for example, gain a professional and personal stake in the organization and its general success when they participate in decision-making.



This dedication leads to higher productivity since employees are actively involved in numerous elements of the organization and want to see their efforts successful as a whole. Employees at all levels of management are expected to undertake extensive quantitative analysis of corporate data and engage in decision-making and other management responsibilities (Ulrich, 2016). Not only that, but participation in decision-making allows each employee to voice their ideas and share their knowledge with others. While this strengthens the manager-employee connection, it also fosters a strong sense of teamwork among employees. The voicing of opinions enables interaction among coworkers, with each employee bringing their unique abilities to a project.

5.6. Integration

In conventional HR, the HR professional works reactively. According to Vinesh (2014), conventional approaches to training are reactionary, driven by tactical delivery of technical skills in bricks and mortar, classroom instruction, and where training is perceived as an event-oriented activity. Because this is a reactive position, things may need to be rushed from time to time. This is because reactive HR wait for problems to emerge before acting; there is no proactive action or a backup plan. Waits for someone to resign before selecting a replacement or training for that replacement, for example. Furthermore, even though reactive HR waits for a problem to emerge, they nevertheless assist their employees whenever they require it. For example, according to the research conducted by Chakraborty & Saha (2017), when an employee experiences a natural disaster, the reactive HR will provide compensation in the form of a contribution. As a result, conventional HR initiatives are delayed and dispersed.

Strategic HR managers take a proactive approach to their profession. Developing techniques to assist employees in accomplishing the organization's goals and solving difficulties is one example of strategic HRM. It anticipates requirements or issues and works hard to avoid them. That is, they are quick to solve difficulties because they can already recognize and forecast the kind of problems that may develop in the future and the remedies that will be required. If a problem emerges at work, for example, the employee can fix it creatively as long as it does not negatively influence the organization. In summary, they can solve their problems since HR trained them to recognize the issues and predict solutions. As a result, staff effectiveness increased. In organizations, proactive HRM has led to minor increases in employee quality of life at work (Alinno, 2020). For example, suppose the reactive HR donates to the employees affected by the tragedy, while the proactive HR anticipates the disaster that may occur to their



employees by providing insurance. In that case usually the organization does not need to make another donation (Chakraborty & Saha, 2017).

5.7. Roles of Human Resource

The conventional HR function has shifted to one of transactional leadership. This sort of leadership directs the organization and instructs followers of their duties (lqbal, 2017). It is defined by control, organization, and short-term planning. Leaders who utilize this style use a system of rewards and punishment to encourage their followers. The conventional HR responsibility is to change the employee's behaviour by disciplining the employee to get the job done. Furthermore, HRs' responsibility is to respond to senior management commands. For example, suppose employees are unsuitable for the task or orders. In that case, HR must intervene to change their behaviour by recruiting and training them to be consistent with the organizational working culture and the task at hand.

Strategic HR are responsible for guiding the organization to tremendous success through transformational leadership. According to Sahu et al. (2018), transformational leadership is one of the most sought-after approaches to a leader's behaviour since it alters and motivates followers to be more beneficial to the organization. HR, for example, choose a leader as the organization's initiator, then use their power and function to engage employees as a team to identify essential change and build a vision to guide the transition through inspiration. This suggests that strategic HR are more effective at altering leaders' behaviours than employees' behaviours. As a result, if leaders engage more time and energy in their employees, people will invest more time and energy in their employees. As a result, strategic HR play a crucial part in the organization's performance.

5.8. Job Design

In conventional HR, tightening the division of labour is vital since it promotes productivity. In other words, HR hire individuals that specialize in a single task. HR, for example, hired assembly-experienced workers. Thus, that individual is allocated to the manufacturing process's assembly line. As a result, the task got more efficient and speedier. Furthermore, it emphasizes autonomous job performance to ensure that each person is practical and motivated to finish the task. Human resources must guarantee that job designs are enjoyable and that there is an openness workplace environment.



HRM must also be more imaginative in their method to job design in order to enhance employee engagement (Chan et al., 2017).

More cross-training is one of the work designs in strategic HR. Cross-training is the technique of preparing individuals to work in numerous jobs, which includes executing activities outside of their typical responsibilities. Employee A, for example, could be trained to do task employee B, and vice versa. As a result, employees were more aware of the organization's roles and functions and their ability to fulfil the organizational goal. According to Eneh & Awara (2017), an organization's success is dependent on the efforts of its personnel. It also allows managers more latitude in controlling their personnel to complete the task at hand. For example, if one employee is absent on that particular day, the manager may delegate the duty to another employee. As a result, organizational teamwork improves. Working as a group facilitates the development and allows the group to overcome hurdles that might have stalled an individual, as well as share the workload to reduce fatigue. In addition, employees' mental health may improve if workplace burnout is decreased.

5.9. Key Investment

Conventional HR is concerned with capital and product, but strategic HRM is concerned with people and knowledge (Sampras, 2019). Therefore, conventional HR will concentrate on training their employees to maximize the capital source and production rate. To achieve this, they expand their product investment to obtain more capital. In other words, investors buy items for the prospective capital gains and income distributions.

Strategic HR foster an environment and culture where employees desire to contribute their skills, ideas, and energy freely. Employee knowledge and skills help in information acquisition, development, and distribution while also competitive advantage. A strong organizational structure begins with developing an employee by viewing the person as a crucial asset, resulting in better success and increasing the value of the firm overall (Thoman & Lloyd, 2018). Not only the organization but also leaders should constantly improve employees' knowledge and skills. HR, for example, invest more in how to update or locate people with technology era skills so that they may transfer their knowledge to others. Employees share and learn from one another's knowledge, and knowledge sharing is appreciated and rewarded. Organizations concentrate their efforts on maintaining worker talent and expertise, minimizing employee turnover, and protecting ability (Eneh & Awara, 2017). The HR department also works hard to provide appealing advantages to employees, minimizing the risk of knowledge loss.



5.10. Accountability

Cost centres are used in HR since their primary job is to track spending. A cost centre focuses on cost reduction and is measured by the amount of money it spends (Hayes, 2021). The HR department was deemed a cost centre because it is the only department that generates neither revenue nor profit. This function only costs the organization money to run. Historically, the HR department was unable to make cash directly due to their responsibilities within the organization (Long, 2015). As a result, HR is in charge of maintaining expenditures within or below budget. HR, for example, monitor and regulate spending, and all expenses are documented and filed in a specific cost centre so that HR know how much a particular unit costs and how resources are used. The cost centre is the perfect instrument to use because conventional HR is focused on producing a significant profit for the organization.

The investment centre is the principal point of contact for strategic HR. In other words, they utilize their own money to make money for the organization. The investment centre evaluates a department's performance by examining the assets and resources given to that department and determining how effectively those assets were used to produce money. HR analysts, for example, evaluate investment centres depending on the amount of return on capital used. HR, in other words, is concerned with the department's return on investment. This type of mind-set is advantageous to corporate growth. HR can determine a percentage of return on investment based on the amount of capital invested and increase the invested capital to increase the returns. Centres that perform poorly will be closed or have their capital amounts lowered. The choice made by HR determines it. Ulrich (2016) noted that through modernization, scholars discovered ways to improve the HR department's tasks and functions, allowing it to indirectly create significant revenue and profit. Table 2 shows disparities between strategic HR and conventional HR.

6. CONCLUSION

In today's world, HR in modern organizations is constantly evolving due to emerging technologies and the economy, which upset conventional HR practices. Thus, the distinction between conventional HR and strategic HRM is critical because it allows the organization to see the broad definition in specific ways, allowing the organization to make the best decision as to whether the changes on HRM roles are worthwhile or not for their organization to increase organizational productivity and remain competitive in the business world. Furthermore, by developing HRM models, organizations may



Dimension	Strategic HRM	Conventional HRM
Planning & Strat- egy Formulation	Participate in formulating an overall organizational strategic plan and align- ing HR functions with company strategy	
Authority	Flexible – whatever is necessary to succeed	Bureaucratic role, policies and procedures
HR Responsibility	Line managers	Staff specialists
Focus	Partnership with internal (employees) and external costumers	Employee relations
Decision Making	Involves in making strate- gic decisions	Made operational deci- sions only
Integration	Fast, proactive and fully integrated with other organizational functions e.g.: finance, production, purchasing, marketing, etc.	Slow, reactive and fragmented organization. Less integration with other organizational functions. Mostly, activities done are not related to other departments
Roles	Transformational, change leader and initiator	Transactional, change fol- lower and respondent
Job Design	Broad, flexible, cross – training and team management	
Key Investment	People, knowledge	Capital, product, services
Accountability	Revenue (Investment) centre	Cost centre

TABLE 3: Disparities between strategic HR and conventional HR.

manage their employees most efficiently and effectively, allowing them to meet their goals. HRM is frequently defined as a concept with two possible methods or forms, hard and soft. HRM models often blend soft and hard HRM principles, resulting in four basic models for HRM that serve various goals. The four models are the Harvard model, the Warwick model, the Ulrich David model, and the Guest model.

HR practice has evolved. As organizations battle for limited market shares, agility, speed, and innovation are more critical than ever. This has resulted in the adoption of strategic HR techniques. However, to determine whether strategic HR can assist HRM in the future, the contrasts must be highlighted in general. In today's business environment, the decision between conventional and strategic HRM can be predicted to result in an inevitable trend of organizations receiving a long-term benefit by employing strategic HR. On the other hand, in other cases, management should think more about balancing conventional and strategic HRM. This is because it served as a warning



to organizations that conventional HRM cannot be neglected due to its irreplaceable effects on organizational growth.

In conclusion, HRM with a conventional system differs from HRM with a strategic approach. The key differences can be seen by using the indicators mentioned above. On one hand, conventional HR tends to focus on specialization, follower control, response to change, procedure emphasis, short-term concern, and others. In contrast, on the other hand, strategic HR focuses on integration, forming leaders, initiating changes, being more flexible, long-term problems, and others. In the end, it is impossible to say whether conventional HR or strategic HR is better; it all relies on the situation of the business and whether a conventional HR system or a strategic HR system is better suited to the organization. The primary goal of this separation is to determine the concern of each HR system rather than to determine which is the best.

ACKNOWLEDGEMENT

Communication of this research is made possible through monetary assistance by Universiti Tun Hussein Onn Malaysia and UTHM Publisher's Office via Publication Fund E15216.

References

- [1] Abdallat Y, Suifan T, Oklah K, Sweis G, Sweis R. The impact of human resource management practices on organizational performance in construction companies in Jordan. International Journal of Business Innovation and Research. 2020;1(1):1.
- [2] Abdul Rahman A, Ab Hamid K, Mustaffa J. Human resource management practices and performance in Malaysian SME: A proposed conceptual framework [GBSE]. Journal of Global Business and Social Entrepreneurship. 2018;4(10):24621714. Available from: www.gbse.com.my
- [3] Al Adresi A, Darun MR. Determining relationship between strategic human resource management practices and organizational commitment. International Journal of Engineering Business Management. 2017;9:1–9.
- [4] Alinno FC. Proactive human resource management and improved employee quality of worklife: Incident from organizations in southern Nigeria. International Journal of Academic Research in Business and Social Science. 2020;10(4):232–53.
- [5] Chakraborty T, Saha R. Proactive and reactive role of human resource professionals in an aftershock management. International Journal of Training and Development.



2017;8(1):1.

- [6] Chan J, Lian K, Tourism B. Embracing changes in human resource practices and transformative approaches in managing multi-generational workforce. Proceedings of International Conference on Economics. 2017:324-333.
- [7] Eneh SI, Awara NF. Strategic human resource management practices and organizational growth: a theoretical perspective. Global Journal of Social Sciences. 2017;15(1):27.
- [8] Fan B, Wang H. Evaluation of traditional and strategic human resource management. International Conference on Engineering Management, Engineering Education and Information Technology, Emeeit. 2015:242–245.
- [9] Georgiou T, Vrontis D. Wine sector development: A conceptual framework towards succession effectiveness in family wineries. 5th Annual Conference of the EuroMed Academy of Business. October 2012:689–709.
- [10] Gigauri, I. Implications of COVID-19 for human resource management. 2020;7(11), 25-33. https://doi.org/10.14445/23939125/IJEMS-V7I11P104
- [11] Gituma M, Beyene T. Strategic human resource management practices and organizational performance: A case of national insurance corporation of Eritrea (Nice). Global Journal of Management and Business Research. Administrative Management. 2018;18(1).
- [12] Uysal G. Impact of human resource management on economy: Firm management perspective. Management Studies. 2017;5(4):308-11.
- [13] Hamouche S. Human resource management and the COVID-19 crisis: Implications, challenges, opportunities, and future organizational directions. Journal of Management and Organization. 2021:1-16.
- [14] Hayes A. Investment center. Investopedia. 2021. https://www.investopedia.com/ terms/i/investment-center.asp
- [15] Imna M, Hassan Z. Influence of human resource management practices on employee retention in Maldives retail industry. International Journal of Accounting and Business Management. 2015;4(2):50-80.
- [16] Iqbal K. Line managers' HR implementation level and work performance: Estimating the mediating role of employee outcomes. Pakistan Journal of Commerce and Social Sciences. 2017;11(3), 959-976.
- [17] Long CS. The vital roles of human resource professional: A study on the manufacturing companies in Malaysia. January 2015.



- [18] Margherita EG, Bua I. The role of human resource practices for the development of operator 4.0 in industry 4.0 organisations: A literature review and a research agenda. Businesses. 2021;1(1):18–33.
- [19] Masud H, Daud WN, Zainol FA, Rashid N, Afthanorhan A. Past and future of human resource functions: Are we done? International Journal of Academic Research in Business and Social Science. 2018;8(11):1149–71.
- [20] Mellam AC, Rao PS, Mellam BT. The effects of traditional and modern human resource management practices on employee performance in business organisations in Papua New Guinea. Universal Journal of Management. 2015;3(10):389–94.
- [21] Nasir SZ. Emerging challenges of HRM in 21st century: A theoretical analysis. International Journal of Academic Research in Business and Social Science. 2017;7(3):216–23.
- [22] Olasoji OS. Challenges of human resource management in regards to organizational effectiveness. International Business. 2019:1–51.
- [23] Rogers M. Bureaucratic structures and organizational performance: A comparative study of Kampala capital city authority and national planning authority. Journal of Public Administrative Policy Research. 2017;9(1):1–16.
- [24] Sahoo MB. People analytics and disruptive technologies are transforming human resources roles. Southwestern Business Administration Journal. 2019;18(1):4.
- [25] Sahu S, Pathardikar A, Kumar A. Transformational leadership and turnover: Mediating effects of employee engagement, employer branding, and psychological attachment. Leadership and Organization Development Journal. 2018;39(1):82–99.
- [26] Sampras A. Difference between HRM and SHRM. WordPress. 2019. https://www.hrmexam.com/2019/08/01/difference-between-hrm-and-shrm/
- [27] Sulaiman MA, Ahmed MN, Shabbir MS. Covid-19 challenges and human resource management in organized retail operations. Utopia y Praxis Latinoamericana. 2020;25(Extra12): 81–92. https://doi.org/10.5281/zenodo.4280092
- [28] Tarnima WA, Ridzuan D, Azlinna A. Western trends of human resources management: Theories and practices. International Journal of Information Management. 2015.
- [29] Thierry AZ. Modelization of HRM and perspectives for the Cameroon public administration. International Journal of Research Science & Management. 2018;5(8):74–87.
- [30] Thoman D, Lloyd R. A review of the literature on human resource development: Leveraging HR as strategic partner in the high performance organization. Journal of International & Interdisciplinary Business Research. 2018;5(1):147.
- [31] Tiwari V, Srivastava S, Kumar P. Adoption of HRM practices: A practical model- case study of a hotel. IOSR Journal of Business Management. 2019;21(4):59–63.



- [32] Ullah A, Zheng C. The impact of strategic human resource management practices on Australian dairy farm performance. Work Organization and Human Resource Management. 2014;08(1):55–72.
- [33] Ulrich D. HR at a crossroads. Asia Pacific Journal of Human Resources. 2016;54(2):148–64.
- [34] University What P. Strategic vs. traditional HR management is the differences? Krannert School of Management. 2019. https://www.krannert.purdue.edu/masters/news-and-media/blog/traditional-vsstrategic-hr-management.php
- [35] Vardarl*i*er P. Strategic approach to human resources management during crisis. Procedia Social and Behavioural Sciences. 2016;235(October):463–72.
- [36] Vinesh. Role of training & development in an organizational development. International Journal of Management and International Business Studies. 2014;4(2):213– 220. http://www.ripublication.com
- [37] Wai CK, Sagadavan R, Teck TS, Hong Ng AH, Hoo WC, Sam TH. Measuring human resource competencies, towards effective business partnering, a proposed framework. International Journal of Academic Research in Business and Social Science. 2021;11(3):1132–42.
- [38] Zehir C, Gurol Y, Karaboga T, Kole M. Strategic human resource management and firm performance: The mediating role of entrepreneurial orientation. Procedia Social and Behavioural Sciences. 2016;235:372–81.