



DEVELOPING DYNAMIC CAPABILITIES IN HUMAN RESOURCE MANAGEMENT TO ADDRESS MARKET DISRUPTIONS

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Abstract

This study examines how organizations develop dynamic capabilities within human resource management functions to face market disruptions. Dynamic capabilities framework identifies three micro processes of sensing, seizing, and transforming. Sensing requires intelligence systems that collect external data from multiple sources and involve line managers in signal interpretation. Seizing demands rapid decision making mechanisms with authority delegated to cross functional teams and strategic partnerships with external institutions. Transforming requires fundamental philosophical shifts about HRM roles, competency upgrades for HR professionals, and new metrics linking HR activities to business outcomes. Top management commitment over long periods and adequate investments in technology and human development determine success of all three processes. Major obstacles include rigid organizational structures, bureaucratic delays, line manager resistance, and gaps between sensing and seizing capabilities. Technology enables but cannot substitute human judgment and interpersonal communication. Dynamic capabilities development requires continuous learning mechanisms refined through evaluation and benchmarking.

Keywords: dynamic capabilities, human resource management, sensing, seizing, transforming

Introduction

The rapid business environment changes occurring in recent decades have transformed how organizations manage their human resources. Digital technology advancements, process automation, and artificial intelligence create disruption waves affecting almost all industry sectors. Companies previously dominant in their markets suddenly lose positions due to emerging new competitors with more efficient and adaptive business models. This condition forces management to rethink various operational aspects including how they manage, develop, and retain competent workforces. Improving human resource quality is a fundamental element in supporting job performance and employee loyalty (Darmawan et al., 2020). Human resource management (HRM) functions cannot operate anymore with traditional administrative and reactive ways. Continuously occurring external changes demand HRM functions to have abilities detecting change signals earlier. Organizations failing to read market shift signs will lag because they continue applying practices already irrelevant with current business needs (Overton, 2017). Technology change speed means skills currently relevant may become obsolete within two to three years. HRM functions must be able anticipating future skill needs and preparing existing workforces through appropriate training and development programs. Innovations in human resource management hold crucial roles for increasing organizational competitiveness in globalization eras (Abdullah et al., 2021).

Dynamic capabilities in HRM refer to organizational abilities to consciously build, integrate, and reconfigure existing human resources to match external environmental changes (Apascaritei & Elvira, 2021). Dynamic capability frameworks developed in strategic management literature identify three interconnected micro-processes: sensing, seizing, and transforming. The sensing process relates to organizational abilities identifying opportunities and threats emerging from external environments. Applying market orientation as work culture for all organizational members becomes foundations for reading these dynamics (Mardikaningsih & Hariani, 2019). In HRM, sensing means abilities detecting changes in skill trends, worker expectations toward workplaces, and labor regulation shifts. HRM departments must have intelligence systems capable collecting information from various external sources like

industry associations, training institutions, and worker satisfaction surveys. Collected information is then analyzed for separating important signals from irrelevant information noise. Deep understanding regarding commodity market and money market interactions and macroeconomic policy implications also helps organizations map external challenges (Jahroni & Darmawan, 2018). Effective sensing processes require combinations between quantitative data analysis and qualitative insights from direct interactions with workers and external stakeholders. Organizations with strong sensing capabilities will be able allocating training resources to most-needed areas before competitors do.

The seizing process in HRM dynamic capabilities relates to organizational abilities mobilizing resources for utilizing detected opportunities (Cunha et al., 2020). After HRM departments identify that markets need certain new skills, organizations must be able designing and implementing relevant development programs. Product development processes and quality improvements must constantly be adjusted with market needs so relevance remains maintained (Sinambela & Aprilianti, 2012). The seizing process involves quick decision-making about investments in new learning technologies, external talent recruitment, or forming partnerships with educational institutions. Top management must provide budget support and necessary authorizations so HRM initiatives can run without prolonged bureaucratic hindrances. Speed in seizing processes becomes critical factors because opportunity windows for utilizing market changes are often very narrow. Social network roles also greatly help in facilitating market access for organizations (Lestari & Mardikaningsih, 2012). Organizations slow in taking actions will lose momentum even though they have successfully detected changes earlier. The seizing process also includes abilities stopping programs already irrelevant so resources can be redirected to more productive initiatives. Appropriate strategies for addressing customer loyalty erosion are very important amidst market competition intensity (Sinambela & Aprilianti, 2011). Decisions stopping certain training programs or conducting workforce rationalization require managerial courage not all organizations possess.

The transforming process in HRM dynamic capabilities represents the highest level of organizational adaptation abilities (Lopez-Cabrales et

al., 2017). Transformation involves fundamental changes in how organizations view HRM roles in creating business value. HRM functions must transform from administrative cost centers into strategic partners involved in core business decision-making. This change requires significant cultural shifts where line managers and HRM professionals work together in integrated teams. Situational leadership strategies prove effective for improving change management and team performance (Mardikaningsih & Darmawan, 2022). The transforming process also includes changes in reward and promotion systems for encouraging behaviors aligned with rapid adaptation needs. Traditional performance appraisal systems with annual cycles may no longer suit rapidly changing environments. Organizations need adopting more frequent feedback systems oriented toward learning. The transforming process also requires organizations leaving HRM practices already rooted but proven ineffective in new environments. Additionally, understanding gig economy impacts on worker welfare and labor market stability is important (Ishaq & Darmawan, 2021). Releasing old practices often faces resistance from workers and managers already comfortable with known work methods. Strong leadership is needed for communicating transformation urgency and providing support to those affected.

The first problem organizations face in developing HRM dynamic capabilities is sensing ability limitations caused by rigid organizational structures and convoluted bureaucracies. HRM departments in many companies still operate with procedures designed for stable and predictable business environments (Mishra & Pandey, 2022). Information collection about external changes is often conducted unsystematically and only relies on reports from consultants or industry associations. Lack of structured mechanisms for scanning external environments causes organizations always lagging in detecting new trends. Collected information often fails reaching decision-makers because hindered by long organizational hierarchies. Line managers interacting directly with markets and workers may have valuable insights but lack channels for conveying such information to HRM departments. HRM professionals often lack training in strategic environmental analysis because their educational backgrounds focus more on administrative and legal aspects (Pathirana, 2024). This sensing inability is exacerbated by using outdated technologies

like HRM information systems only capable recording historical data without predictive capabilities. Implementing strategy management through market orientation and technology orientation contributions greatly determines business performance (Darmawan et al., 2023). Organizations continuously react to changes already occurring rather than anticipating changes coming.

The second problem relates to gaps between sensing abilities and seizing abilities in organizations. Many companies have successfully detected external environmental changes but fail taking necessary actions due to various internal barriers. Slow decision-making processes requiring many approval layers cause HRM initiatives delayed for months even years (Miguel & Vera, 2022). Budgets for new skill development are often cut because considered discretionary costs that can be postponed when company financial performance is declining. Line managers may resist training programs prepared by HRM because disrupting their daily operational schedules. Lack of clear metrics for measuring HRM initiative success makes maintaining sufficient resource allocations difficult. Organizations also often lack internal talent possessing skills for designing and implementing development programs matching new needs (Dachner et al., 2021). Developing organizational competitive advantages can be achieved through market orientation strategies and continuous product innovations (Ernawati et al., 2022). External recruitment as alternative solutions requires long time and significant costs. Gaps between sensing and seizing cause frustrations among HRM professionals feeling their strategic insights are not valued by top management. Accumulated failures in seizing processes can reduce motivation for conducting future sensing because considered futile.

Pandemics forced organizations to adopt remote work on large scales within very short timeframes without adequate preparations (Marcus et al., 2022). Companies previously never considering flexible work suddenly had to design effective remote work policies. This experience showed that rapid adaptation abilities are no longer choices but necessities for organizational survival. Waves of massive resignations or quiet quitting phenomena occurring in various countries show that worker expectations toward workplaces have changed fundamentally. Comprehensive entrepreneurship education becomes keys for preparing young generations

entering modern work markets (Zahid et al., 2023). Young worker generations enter work markets with different expectations about work-life balance, work meaning, and flexibility. Organizations unable adjusting HRM practices with these new expectations will struggle recruiting and retaining best talents (Amirtham, 2016). Systematic literature reviews are needed for identifying best practices in developing HRM dynamic capabilities. Results from these reviews will help HRM practitioners in designing targeted interventions.

The research problem in this study is how organizations can develop dynamic capabilities within the HRM function, encompassing the abilities of sensing, seizing, and transforming to face market disruptions. The objective of this study is to explain the mechanisms for developing dynamic HRM capabilities through these three micro-processes: sensing, seizing, and transforming. This explanation includes the identification of specific practices that organizations can adopt for each of these processes. This study also aims to map the relationship between dynamic HRM capabilities and organizational performance in volatile environments. The theoretical contribution of this study is the enrichment of strategic human resource management literature by integrating the concept of dynamic capabilities. The practical contribution is a framework that can be used by HRM practitioners to conduct self-evaluations and design internal capability development programs.

Method

This study applies a qualitative literature study approach to explore the development of dynamic capabilities within the human resource management function. Baronov (2015) explains that library-based research aims to synthesize existing knowledge from various written sources without primary data collection through interviews or observation. This method is consistent with the study's objectives because the topic of dynamic HRM capabilities has been extensively discussed in literature on strategic management, organizational behavior, and labor economics. Scheurich (2014) posits that literature studies in social research allow researchers to identify consistent patterns across various organizational and industrial settings. This approach helps the researcher draw generalizations regarding universal principles that govern the

relationship between dynamic HRM capabilities and organizational performance. The data sources for this study consist of human resource management textbooks, Scopus-indexed journal articles on dynamic capabilities, research reports from global management consulting firms, and case studies of HRM transformation in various companies. May and Perry (2022) emphasize that the success of a literature study depends heavily on the depth of the researcher's analysis in comparing findings from various sources that may have different perspectives. The analysis procedure in this study is carried out through three stages: document collection based on relevant keywords, data reduction using criteria of recency and source reputation, and the presentation of synthesis results in the form of a coherent argumentative narrative. All sources used were selected based on the author's credibility and direct relevance to the topic of dynamic HRM capabilities.

The analytical technique used in this study is thematic content analysis, which focuses on grouping statements from various sources into specific thematic categories. Thematic analysis in a literature study allows researchers to identify consensus as well as debates among authors regarding a particular issue (Ibrahim, 2019). The thematic categories established in this study include sensing mechanisms in HRM, successful seizing practices across various industries, and transforming strategies that alter the fundamental functions of HRM. The validity of conclusions in a literature study depends on the researcher's transparency in selecting sources and the clarity of the inclusion and exclusion criteria for documents (Bryce & Forrester, 2024). Researchers must be aware of publication bias, where studies with positive results are more likely to be published than studies with negative or neutral results (DeVito & Goldacre, 2019). This awareness encourages researchers to actively seek sources that report failures in the development of dynamic HRM capabilities. The sources used in this study were selected based on the criteria of publication recency within the last ten years to ensure relevance to contemporary HRM practices, the reputation of the publisher or internationally indexed journals, and rigorous research design. All collected documents were then analyzed repeatedly to ensure an accurate interpretation of the original authors' statements. The

bibliography listed at the end of this document contains all the references cited during the analysis process.

Result and Discussion

Developing sensing capabilities in HRM begins with establishing intelligence systems capable collecting data from various external sources systematically (Singh, 2023). Organizations need assigning special teams responsible for scanning external environments including technology developments, labor regulation changes, workforce demographic shifts, and HRM practice trends in similar industries. These teams must consist of professionals with diverse backgrounds including industrial psychology, economics, and information technology to interpret signals from various domains. Collected data needs storing in centralized knowledge bases accessible by all relevant managers. Knowledge management implementation and work life quality improvements become determining factors in strengthening employee commitments toward organizational goals (Eddine et al., 2023). Modern HRM information systems must be equipped with business intelligence modules capable conducting predictive analysis based on historical and external data. Beyond formal data sources, organizations also need utilizing informal data sources like conversations with former employees moving to other companies, discussions with peers in industry associations, and observations of competitor companies' HRM practices through public annual reports. Sensing processes cannot run effectively without organizational culture support encouraging openness toward new information and willingness questioning established assumptions. Top managers must provide examples by actively seeking negative feedback about organizational performance and not punishing bad news bringers. Regular brainstorming sessions between line managers and HRM professionals need scheduling for discussing external change implications toward workforce skill needs.

Strong sensing capabilities must be followed by analysis mechanisms capable separating important signals from irrelevant information noise (Ball, 2023). Not all external changes require responses from HRM functions because some are temporary or only affect small portions of organizational operations. HRM professionals

need developing abilities assessing potential impacts of each change toward current and future workforce readiness. Gap analysis becomes important tools in this process for comparing competencies possessed by current workers with competencies needed in the future. Efforts creating and protecting core expertise are fundamental steps for maintaining sustainable competitive advantages for companies (Putra et al., 2014). Analysis processes must involve line managers because they most understand daily job details and challenges faced by their subordinates. Delphi methods involving internal expert panels can be used for reaching consensus about skill development priorities. Organizations also need developing metrics measuring how far external signals have been acted upon into concrete actions. Without clear metrics, sensing processes can become attractive intellectual activities yielding no changes. Reporting frequency of sensing results to top management should occur monthly for strategic topics and quarterly for operational topics. Too-frequent reports can cause analysis fatigue while too-infrequent reports make organizations lose response momentum. Balances between analysis depth and reporting speed need achieving according to each organization's industry characteristics.

The seizing process in HRM dynamic capabilities requires fast and flexible decision-making mechanisms without compromising analysis quality (Ajgaonkar et al., 2021). Organizations need delegating HRM initiative decision-making authorities to lower hierarchy levels so processes are not hindered by long bureaucracies. Citizen political participation in electoral democracies and civil society movement dynamics also provide important perspectives regarding how social environments and public policies can affect internal governance (Rojak et al., 2021). Cross-functional teams consisting of HRM, finance, operations, and information technology representatives must be formed for each strategic initiative. These teams receive authorities allocating budgets up to certain limits without needing approvals from executive committees. The seizing process also includes abilities quickly recruiting external talent when needed skills are unavailable internally. Traditional recruitment processes with layered interviews and lengthy psychological tests may not suit urgent needs. Organizations need developing external talent networks activatable within short timeframes through short-term

contract or consultation mechanisms. For skills extremely scarce in labor markets, organizations may need considering acquiring small companies possessing such talents rather than attempting individual recruitment. Talent acquisitions or acqui-hiring become common practices in technology industries where company values are greatly determined by engineering team qualities. The seizing process also requires abilities stopping initiatives proven ineffective without shame or blaming specific individuals. Amid tight competition, companies must have resilient strategies for addressing customer loyalty erosion (Sinambela & Aprilianti, 2011). Organizational cultures considering failures as learning opportunities will facilitate faster and less painful stopping processes.

Resource allocations for seizing processes must be based on clear priorities established through annual strategic planning processes (Bazhenova et al., 2021). Employee development budgets should not be set as fixed percentages of total labor costs because training needs can fluctuate significantly from year to year. Organizations need adopting zero-based budgeting approaches for HRM functions where every program must justify its benefits each budget period. This approach prevents accumulations of outdated programs continuously receiving funding only because they always exist in previous year budgets. Aligned with this, product development processes and quality improvements must always be oriented toward answering market needs (Sinambela & Aprilianti, 2012). The seizing process also includes abilities building strategic partnerships with educational institutions and external training providers. These partnerships can include joint degree programs, student internships, or certification programs adjusted with specific organizational needs. Joint program development costs are usually lower compared with developing internal programs from scratch. In challenging digital eras, optimizing fair business competition principles and supervisor roles are crucial for creating equitable economies (Wibowo et al., 2023). Additionally, partnerships with educational institutions provide access to latest research about effective learning methods. Organizations also need considering sharing training program development costs with other companies in the same industry through associations or consortia. Legal protection and fairness aspects for franchise business actors from legal perspectives also need attention so

business operations continue running within proper corridors (Wibowo et al., 2024). This cost sharing is very useful for general skill training not providing competitive advantages if possessed by only one company. Law effectiveness in handling cross-border business competition becomes complementary elements in ensuring every organizational development step complies with international regulations (Zulkarnain et al., 2024). However, for skills constituting company differentiation strategy cores, internal development remains the best choice.

The transforming process in HRM dynamic capabilities requires fundamental changes in philosophies underlying human resource management practices (Pardeep, 2019). Transformations begin with viewpoint shifts about workers from mere production factors becoming partners in value creation. This philosophy changes how organizations design reward systems, career paths, and decision-making mechanisms. It is important to remember that individual personality characteristics, like Big Five models, have significant influences on job performance ultimately determining transformation success (Darmawan, 2017). Traditional reward systems based on seniority and working hours need replacing with systems based on contributions toward measurable business results. Workers able adapting quickly and developing new skills must receive greater appreciation compared with workers relying only on past experiences. Linear and predictable career paths need replacing with network-shaped career paths where workers can move laterally across functions for developing new skills. These changes require talent management systems capable tracking skills possessed by each worker and recommending appropriate development experiences. Organizations also need changing decision-making mechanisms from top-down models to participative models where workers are involved in decisions affecting their work. Worker involvement in decision-making increases ownership feelings and commitments toward implementing those decisions. These philosophical changes are difficult achieving in short timeframes because involving values and habits already rooted in organizational cultures.

HRM function transformations require changes in HRM professional competencies themselves from administrators becoming system designers and internal consultants (Bailey et al., 2018). Traditional HRM professionals are accustomed to routine work like

processing payroll, managing employee archives, and ensuring compliance with labor regulations. In adaptive organizations, this role can largely be automated using information technology. In facing industrial era 4.0, HRM professionals must be able mapping challenges and opportunities for sustainable human resource development (Oluwatoyin & Mardikaningsih, 2024). Future HRM professionals need mastering data analysis skills, employee experience design, and change management. These competency changes require major investments in retraining existing HRM professionals or recruiting new talent with different profiles. Many organizations choose conducting dual tracks where senior HRM professionals continue performing administrative roles while new HRM professionals are hired for strategic roles. This approach can create tensions between both groups due to status and compensation differences. A better alternative is conducting intensive reskilling programs for existing HRM professionals by providing incentives for those successfully mastering new skills. Reskilling programs must include real project assignments relevant to business transformations so learning becomes more meaningful. Additionally, effective social network utilization can help organizations obtain market access and necessary talents for supporting such transformations (Lestari & Mardikaningsih, 2012). This cross-functional experience is very valuable when HRM professionals return to their roles because they can speak in the same language as their business partners.

The transforming process also includes changes in metrics used for evaluating HRM function performance (Bailey et al., 2018a). Traditional metrics like vacancy filling time, employee turnover rates, and HRM cost ratios toward total labor costs remain important but are insufficient for assessing HRM strategic contributions. Organizations need developing metrics connecting HRM activities with business results like productivity, innovation, and customer satisfaction. Metrics like training return on investment, value added created per worker, and technology change adaptation speeds become more relevant indicators. Implementing good faith principles in employment contract executions becomes important legal foundations for maintaining performance integrity in every business agreement (Irfansyah et al., 2024). Developing these metrics requires close

collaborations between HRM and finance functions for ensuring valid and auditable calculation methodologies. Data for these metrics must be collected real-time through information systems integrated with company operational systems. Visual dashboards displaying HRM metrics real-time need developing for facilitating top management monitoring transformation progress. Regular reports about HRM metrics must be presented in board of director meetings with frequencies equal to financial reports and sales reports. When HRM metrics receive attention equal to other business metrics, signals sent throughout organizations are that HRM is considered important for company success. These metric changes also encourage HRM professionals to think in business result frameworks not merely procedural compliance.

The largest barriers in transforming processes often originate from line managers feeling their autonomy in managing subordinates will decrease if HRM functions become more strategic (Keegan & Francis, 2008). Line managers are accustomed making decisions about promotions, compensation, and employee development based on their own subjective assessments. Risk management in global supply chain applications becomes very crucial, where strategic approaches are needed for identifying, evaluating, and managing potential disruptions (Mardikaningsih et al., 2024). When HRM functions introduce more structured and data-based systems, line managers may feel losing control. Resistance to these changes can be overcome by involving line managers in new system designs from the beginning. Protections against operational standards, including implementing criminal regulations regarding hazardous material usage in distributions, also need attention as part of management responsibilities toward safe work environments (Noor et al., 2023). Participation in designs provides ownership feelings and ensures resulting systems truly meet line manager needs. Intensive training about using new systems is also needed for building line manager confidence. Organizations need appointing champions or change agents in every business unit who will become success examples of new system usage. Initial successes from these champions are then communicated throughout organizations for building change momentum. Incentive systems for line managers also need adjusting for rewarding effective new system usage. Line managers successfully developing their subordinates

using new systems should receive public recognition and larger annual bonuses. With systematic and patient approaches, resistance to transformations can be overcome within two to three year timeframes.

Technology roles in supporting HRM dynamic capabilities are very important yet often misunderstood as instant solutions that can replace human abilities (Singh, 2023). Artificial intelligence-based talent management systems can assist in sensing processes by analyzing external data on large scales impossible to perform manually. Machine learning algorithms can detect pattern relationships between certain training programs and future employee performance improvements. However, final interpretations of analysis results still require human assessments understanding organizational culture nuances and unique business contexts. Technology usage in seizing processes can accelerate recruitment processes through application screening automation and interview scheduling. However, final decisions about organizational culture fit must still be made by humans conducting direct interviews. In transforming processes, technology serves as enablers allowing new work models like remote work and virtual teams. Digital collaboration platforms enable workers from various locations to work together real-time without geographic distance limitations. Technology instrument utilization needs accompanying with deep understandings regarding main factors increasing overall organizational effectiveness (Darmawan, 2024). However, technology cannot replace needs for trust and effective interpersonal communications in virtual teams. Organizations need investing sufficient resources for technology usage training alongside soft skill training necessary for working in digital environments. Balances between technology investments and human development investments are HRM transformation success keys.

HRM dynamic capability development successes heavily depend on consistent top management commitments in long terms. Many HRM transformation initiatives begin with high CEO enthusiasm yet lose momentum after several months due to shifting business priorities (Apascari & Elvira, 2021). Top management needs allocating sufficient resources for HRM transformation teams for at least three to five years because cultural changes cannot be achieved in short timeframes. CEOs must actively communicate HRM transformation

importance in every company forum starting from employee meetings to annual shareholder reports. In modern market dynamics, competitive advantages must be strengthened through combinations of appropriate service marketing strategies (Darmawan & Grenier, 2021). CEO presence in HRM training events and employee development programs sends strong signals that this topic is serious. Top management also needs evaluating line manager performances based on how well they support HRM transformation initiatives. It is also important reviewing legal implications of labor regulations, like work creation laws, regulating concepts and responsibilities of sole proprietorship companies (Hardyansah et al., 2023). Line managers resistant to changes need intensive coaching or transferring to other roles if resistance continues. Executive committees must receive monthly reports about HRM transformation progress and discuss faced obstacles. When top management shows consistency in supporting transformations, entire organizations will follow automatically. Conversely, if top management commitments are only half-hearted, transformation initiatives will fail even though perfectly designed by best consultants.

HRM dynamic capability development does not stop at reaching certain levels because business environments continue changing every moment. Organizations need building continuous learning mechanisms enabling HRM functions to continuously refine their practices based on experiences and feedback (Saha, 2021). Post-implementation evaluations must be conducted for every major HRM initiative to identify what works well and what needs improvement. Lessons obtained from these evaluations must be documented in organizational knowledge bases and socialized throughout all HRM teams. Organizations also need conducting regular benchmarking against other companies' HRM practices in the same industry and different industries. In broader contexts, understandings regarding dark market meanings, law enforcement, and compliance formation become elements needing attention in maintaining socio-economic stability (Purwanto et al., 2024). Participation in industry surveys and HRM professional discussion forums becomes important channels for learning from other organizations' experiences. Additionally, awareness of populist ethno-religious nationalism challenges is very necessary in navigating global

governance and domestic social integration (Fariz, 2021). Cross-internships or temporary employee exchanges with partner companies can also become effective ways for transferring knowledge about successful HRM practices. Deep analyses regarding hindering factors in civil lawsuit submissions by copyright holders also provide valuable insights for organizational legal departments in protecting their intellectual assets (Hardyansah et al., 2021). This continuous learning cycles ensure that HRM dynamic capabilities remain relevant even though external environments continue changing. Organizations stopping learning will immediately lag behind competitors continuously refining their adaptation abilities.

Conclusion

The development of dynamic capabilities in HRM requires the systematic integration of three micro-processes: sensing, seizing, and transforming. Sensing capabilities are built through intelligence systems that collect external data from various sources and involve line managers in the analysis process. Seizing capabilities require rapid decision-making mechanisms with delegation of authority to cross-functional teams as well as strategic partnerships with external institutions. Transforming capabilities demand a change in the fundamental philosophy regarding the role of HRM, an increase in professional HRM competencies, and the development of new metrics that link HRM activities to business outcomes. The success of these three processes depends heavily on the long-term, consistent commitment of top management and adequate investment in technology and human development. The main obstacles often encountered are rigid organizational structures, convoluted bureaucracy, line manager resistance to change, and the gap between sensing and seizing capabilities. Technology serves as an enabler but cannot replace human judgment and effective interpersonal communication. The development of dynamic HRM capabilities is continuous in nature and requires learning mechanisms that are constantly refined based on evaluation and benchmarking.

The implications of this study for HRM practitioners are the need to conduct an honest self-evaluation of the sensing, seizing, and transforming capabilities currently possessed by the organization. The

suggestion for top management is to allocate sufficient resources for the development of dynamic HRM capabilities within the company's long-term strategic plan. Organizations are advised to start with pilot projects in a single business unit before implementing changes across the entire company. Pilot projects allow the organization to learn from mistakes on a small scale and build evidence of success that can be used to convince other stakeholders. For HRM professional associations, it is suggested to develop specific certification programs focused on dynamic HRM capabilities. This certification will help HRM professionals measure their competencies and plan their career development. Further research is needed to develop valid and reliable instruments for measuring dynamic HRM capabilities. Longitudinal studies are also required to examine the causal relationship between dynamic HRM capabilities and organizational performance in the long term. Collaboration between academics and practitioners in this research will yield findings that are more relevant to real-world needs.

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