

## Strengthening Human Capital Department Roles through Building Collaboration with External Stakeholders

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**Abstract.** *Human capital department is found to have important roles in supporting the business objectives of a company. High competition in the customer goods industry makes the company strengthen its human capital department role because the human capital department becomes a strategic business partner. Most companies enhance their human capital departments internally, but internal resources have limitations in developing human capital department roles. The human capital department needs to look further to external resources that could support their roles. To strengthen human capital department roles through collaboration with external stakeholders needs further examination. This paper aimed to explore the external stakeholders in strengthening human capital department roles in consumer goods companies. Based on qualitative, semi-structured interviews of human capital leaders from five consumer goods companies in Indonesia, we identify six stakeholders based on the human capital department activities leading to human capital department roles. The external factors include outsourcing, vendors, government, business and professional associations, community, and university. Collaboration with these stakeholders strengthen the human capital department roles of consumer goods company.*

**Keywords:** *Collaboration, consumer goods, external stakeholders, human capital department roles, Indonesia*

### 1. Introduction

Over decades, the study of human capital department (HCD) roles has arisen (Hassan, Manso, Rahman, & Kelana, 2015; Yusliza, Choo, Jayaraman, Rimi, & Muhammad, 2019). Previous research portrayed the importance of human capital-related management (Eftimov & Ristovska, 2019; Fenech, Baguant, & Ivanov, 2019; Raeder, 2019; Tasoulis, Kreppa, & Stewart, 2019) through the human capital department in supporting company performance (Long, Wan Ismail, & Amin, 2013; Ulrich, Younger, Brockbank, & Ulrich, 2013). The well-known human capital department roles that have inspired many researchers are the roles of Ulrich (1997): strategic partner, administrative expert, change agent, and employee champion.

The importance of the human capital department cannot be separated from the factors, and stakeholders support the development (Antila & Kakkonen, 2008;

Ulrich & Dulebohn, 2015). These factors come from internal and external of the company. Most previous studies discussed the internal factors in developing human capital department role (Antila & Kakkonen, 2008; Thite, Budhwar, & Wilkinson, 2014), such as top management support, line management support, adoption of HRIS, etc. The mainly discussed internal factors are the top management perception or view on the human capital department roles that determines the top management support (Intarakumnerd, 2017) for the human capital department roles and the involvement of line managers as the closest partner of the human capital department (Hassan et al., 2015; Thite et al., 2014).

Despite the discussion of internal factors to support human capital department roles, some researchers try to explore the external factors (Andreescu, 2004; Kim, Ryu, Kim, & Lepak, 2017) such as normative pressure, environmental uncertainty, and nature of the

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workforce. Furthermore, Ulrich and Dulebohn (2015) and Andreescu (2004) mentioned the importance of human capital department relationship with external stakeholders. Ulrich and Dulebohn (2015) mentioned customer, investor, and community as the external stakeholders, while Andreescu (2004) addressed customer, competitors, and government, specifically government agenda, as the external stakeholders. The involvement of stakeholders, especially external stakeholders, becomes as important as internal stakeholders.

As previous studies have largely focused on internal factors, our understanding of external factors influencing the human capital department roles is limited since only some previous research paid more detail in discussing external factors (Antila & Kakkonen, 2008; Kane & Palmer, 1995). This study aimed to add previous literature and address the research gap by focusing on collaboration with external stakeholders to develop the human capital department role.

This collaboration is part of the ecosystem supporting the development of the human capital department role. The study explored the external stakeholders in strengthening human capital department roles. The study began by providing an analysis of the literature of human capital department roles and external environment that influence them, followed by the background of the consumer goods industry as the research industry. We then outlined our research methodology and developed a framework based on our qualitative data findings identifying human capital department roles in consumer goods company and the external stakeholders that collaborate for their development. We concluded by discussing the outcomes of our study and the implications on the future research agenda.

## **2. Literature Review/ Hypotheses Development**

### *Human Capital Department Roles*

The typologies of human capital department roles extend from Legge in 1978 until the most-well known Ulrich in 1997 (Yusoff & Abdullah, 2008). Although Ulrich has enriched his works, his four roles have become the most discussed roles in literature. Ulrich divides the roles into a strategic partner, administrative expert, change agent, and employee champion that altogether form business partner role (Ulrich, 1997). Most previous studies on the last 20 years analyzed the human capital department strategic role (Kim et al., 2017; Ulrich & Dulebohn, 2015) since the role is important in supporting the company's business objectives. The second role discussed in the literature is an administrative expert (Rosman, Shah, Hussain, & Hussain, 2013). This role reflected the human capital department's basic activities such as recruitment, payroll, and training & development. Those roles are followed by the change agent (Kim et al., 2017) and the employee champion role (Thite et al., 2014). The four roles altogether are also found in the studies by Hassan et al. (2015, Malik (2014), and Boonleang (2010).

### *External Environment supporting Human Capital Department Roles*

Truss, Gratton, Hope-Hailey, Stiles, and Zaleska (2002) and Kane and Palmer (1995) mentioned the internal and external factors influencing the human capital department. Using the role-set theory, Truss et al. (2002) came up with the various factors influencing the strategic role of an HR department. The prevailing economic climate, as an external context, influences the internal context. Industry or sector, organizational size, organizational culture, workforce characteristics are some mentioned as the internal context within the organization. Within the HR department, the nature of HR leadership, level of expertise, business knowledge are some factors that influence the strategic role played by the HR department.

Kane and Palmer (1995) mentioned that the internal and external environment influence strategic HR management policies and practices. From the study, the ten factors that represent major influences are legislation/regulation, organizational strategy/objectives, industry/sector characteristics, priorities of top management, company size, company structure, changes in technology, priorities of line managers, actions of corporate headquarters, and organizational mission/purpose.

Specifically, Ulrich and Dulebohn (2015) mentioned that stakeholders become “the second component of HRs relationship to the business”. The study mentioned that traditionally, the focus of HR is on employees and line managers as internal stakeholders and the government as an external stakeholder. Government is the partner of the human capital department in terms of compliance. From Ulrich and Dulebohn’s inside/outside perspective, five key stakeholders arise, employee, line manager, customer, investor, and community. Productivity of employee and ability of line manager to execute strategy make the two the internal stakeholders of HR investment. The three external stakeholders are also important. HR investment should align with customer expectation to increase customer engagement. HR investment also increases investor confidence in the company’s ability and company’s reputation within the community (Ulrich & Dulebohn, 2015).

Following that, the study of Latifi & Lim (2019), using network perspective, mentioned that the human capital department collaborates with other departments inside the company and outside organization stakeholders to support the company’s goals and to involve in the decision-making process. Non-profit organizations and international organizations are the outside organization stakeholders involved in supporting the human capital department in making and implementing HR practices.

By focusing on technological upgrading

capabilities, human resources could be developed internally by internal mechanism and/or with external partners’ collaboration through external mechanism (Intarakumnerd, 2017). Suppliers, customers, local universities, business associations are the external partners mentioned. The study by Andreescu (2004) comes up with the environmental context of factors that become important enablers of the HR department strategic role. Government agenda, customers, competitors, available technologies, national interest, increasing operating efficiency, and government funding limitations are included in the environmental context. In studying the private healthcare sector in Pakistan, Rosman et al. (2013) found the internal and external factors that impact the role of HR. The external factors include the small labour market, government interference and other higher authorities, and the trade unions. Bailey (2011) focused on the role of government in terms of policies and laws for the human capital department’s work. Valverde, Ryan, and Soler (2006) discuss the distribution of HR activities among the agents inside and outside the organization. According to the study, the internal agents that involve human capital management besides the human capital department are top management and line management. At the same time, external HR agencies, such as outsourcing providers, acted as external agents.

Therefore, the external stakeholders found to be discussed in previous studies are customers (Intarakumnerd, 2017; Ulrich & Dulebohn, 2015), business associations (Intarakumnerd, 2017), investors (Ulrich & Dulebohn, 2015), competitors (Andreescu, 2004); community (Ulrich & Dulebohn, 2015), university (Intarakumnerd, 2017), government (Andreescu, 2004; Rosman et al., 2013), and outsourcing providers (Valverde et al., 2006). The previous literature mentioned the importance of external factors outside the organizations supporting the human capital department role. By extending the concept from Ulrich and Dulebohn (2015), this study will focus on external stakeholders and

collaboration in strengthening human capital department roles. Based on the literature review, the research questions for our research is: “How does the human capital department collaborate with external stakeholders in strengthening its roles?”

### **3. Methodology**

To address the research question and consider the study's exploratory nature, we employed a qualitative research method with semi-structured interviews. It helps reveal and understand the “how” research question (Saunders, Lewis, & Thornhill, 2009). We used purposive sampling based on our personal and professional network to access the five professional human capital leaders. These selected participants were chosen to help the researcher understand the research question (Cresswell, 2013). The selection of these individuals was based on the criteria that these five human capital professional leaders were subject-matter experts to view human capital department roles. The external stakeholders supported the roles.

This study applied qualitative semi-structured interviews of 5 human capital leaders. The interviewees came from 5 consumer goods companies in Indonesia, where the research and all the interviews took place. We chose consumer goods as a research subject because the consumer goods industry placed in a competitive market. Business in a competitive market, specifically consumer goods, moves fast (Salam & Khan, 2018). The fast-moving company should be supported by reliable human capital management through its human capital department (Hailey, 2001). The role of the human capital department should support the companies’ business (Ulrich & Dulebohn, 2015).

This study was conducted in Indonesia because of the limited number of studies about the human capital department role in a developing country, especially in Indonesia (Mamman & Somantri, 2014). This study

analyzed the consumer goods companies in Indonesia. The companies were chosen because they are consumer goods companies with more than 100 employees since the human capital department will be needed by companies with more than 100 employees, according to Huselid and Becker (1996). The five companies have around 200 to 10.000 direct count employees. Company A has around 500 employees; company B has around 5300 employees; company C has around 2000 employees; company D has around 200 employees; and company E has around 10.000 employees. Those five human capital leaders from five consumer goods companies were contacted and voluntarily joined the research through personal and professional networks.

All five interviews were individual and took at least 60 to 90 minutes. Before the interview, the researcher explained the purpose of the study and obtained permission from participants to record the interviews. Each interview was recorded and transcribed. Initially, the interviews were conducted face-to-face, but due to the COVID-19 pandemic, the companies had a strict rule in accepting guests, including the researcher. The following interviews were conducted through an online platform. We interviewed human capital leaders who served as human capital directors or human capital managers in each company. We used semi-structured interviews covering human capital department structure and functions, human capital department role, and stakeholders that collaborate in human capital activities.

Data analysis was conducted through a coding procedure by Corbin & Strauss, which includes three main steps, open coding, axial coding, and selective coding. The definition of open coding is “an analytical process by which concepts can be explained and their characteristics and dimensions obtained from data” (Corbin & Strauss, 2011). The common theme identified to build the initial set of coding categories. Initially, common theme from the interviews’ transcription were

identified, namely: APINDO; community; consultant; content and design freelancer; executive search agency; external expert; external vendor; government; head hunter; HR community; lawyer; manpower office; outsourcing company; payroll vendor; recruitment vendor; training vendor; university.

The analysis was followed by axial coding, where open coding was extracted into categories. In axial coding, the common theme was categorized into: external environment and external network. The third step in the coding process is selective coding which the output can be seen in supporting the framework. The external factors include outsourcing, vendors, government, business and professional associations, community, and university are the output. According to Strauss and Corbin, the theoretical saturation point is important for the reliability of the qualitative research method. This saturation point would consider the repetition of data.

#### 4. Findings and Discussion

##### *Individual Characteristics*

The respondents in this study were five human capital leaders from consumer goods companies in Indonesia. All companies have more than 150 employees each, which require an established human capital department. Company A and E are engaged in food production, company C and D in household appliance production, and company B in both food and body care products. Their work experience was various but mostly had experience in human capital matters and in consumer goods companies. Also, one participant in the interview had a master's degree and the other participants a bachelor's degree.

##### *External Stakeholders in Strengthening Human Capital Department Roles*

HC leaders in the companies mention the importance of external partners. External parties are sharpening HC strategy and

initiative made by the human capital department. External parties are also important to gain an external perspective on HC knowledge and activities, such as employee engagement, talent management, compensation and benefit, industrial relation, corporate social responsibility (CSR), and training. The findings of this study were grouped into five stakeholders with which the human capital department collaborated. They were outsourcing and vendors, business and professional associations, community, government, and university.

##### *Outsourcing and Vendors*

The human capital departments are helped by other vendors and outsourcing company to provide HC service for the company. Outsourcing companies and vendors supported HC activities technically in terms of administrative and strategic. The administrative includes payroll, recruitment, and training vendors, while the strategic includes external expert, consultant and lawyer mentioned. The quotations below support it.

*(in recruitment) for some levels and finance, the interviews are usually conducted by the psychology bureau. (HC Manager Company A)*

*... if it is related to employee engagement, we surely have cooperation with certain parties. Related to talent management or compensation and benefit, or industrial relation, we cooperate with expert external parties.. or when related to CSR, we have cooperation with vendors in community service... we have payroll vendor, for recruitment we have head hunter or executive search agency, for cooperate communication we have content and design freelancer.. (for) industrial relation we have a lawyer working with us in tenor basis. (HC Directors, Company C)*

*We have an outsource helping in services like payroll. We outsource (activities) related to administration. (HC Directors, Company D)*

*We could not handle a market survey, so for the talent reward, we cooperate with third parties, from Mercer, by joining salary survey.*

*We use consultant, freelancer, .. including software development.*

(HC Manager, Company E)

The human capital department collaborated with other companies in the form of vendors and outsourcing companies. Outsourcing parties also mentioned the interviews: lawyer, consultant, external expert and content and design freelancer. Companies needed the presence of a lawyer, especially when companies are facing problems related to law. The human capital department needed when the problem is related to industrial relation and manpower law. The lawyer is important to validate the law understanding of the company through industrial relation manager. Consultant and external expert needed when the human capital department faced strategic problems such as salary survey for talent reward, talent management, compensation and benefit, and industrial relation.

The external vendors with which companies collaborated are recruitment vendors, including head hunters, to select the companies' talent; payroll vendor to help the human capital department administer the automatic payroll for the employees; training vendors and external vendors to support the CSR program. Companies send their employees to external vendors or invite external training vendors to equip the human capital department professionals with the human capital and business competencies needed. Vendors to support the CSR program are needed to find the targeted community according to the CSR program of the company. A company could focus on the company's output according to the company's mission. Quotes from the interview are:

*Sometimes we use an external trainer or invite an external speaker or guest to update the external world. We also send our staffs not only to internal training but also to external training.* (HC Directors, Company D)

*We called training vendors.. we collaborate with some (training) vendors..* (HC Manager, Company E)

One of the interviewees said that the external training vendors gave new and different insight which could impact the business. Therefore, aside from the internal training company, collaboration with external training vendors enriches human capital and business skills and knowledge. By having external parties like outsourcing and vendors, the human capital department could focus on the strategic outcome of HC activities instead of handling the administrative tasks.

#### *Business and Professional Associations*

HC leaders agreed that having business and professional association helps them to keep informed about the world of human capital. A business association like Indonesian Employers Association (APINDO) has a policy that companies should obey. The policy includes the rule about labor wages.

A professional association is viewed as a community in developing human capital knowledge and competencies. Human capital department professionals could gain information and insight about the new update of human capital knowledge in a professional association. They could also discuss, share, and brainstorm with other professionals about cases around human capital matters. Cooperation with members of the professional association also helps the human capital department deliver faster service, such as meeting freelancers in need quickly. This condition is illustrated in the following interview quotes:

*We have (several) professional associations.. (from there) we could gain new information and insight, and keep update especially about the employment.. we also could do brainstorming with other professionals about employment or labor case.*

(HC Manager Company A)

*An external network (in the forms of a professional association) could give us market information, and it will be a platform for having a discussion, gaining information and sharing. Different from the business association, like APINDO, it has mandatory regulation that every company should follow.*

(HC Directors, Company B)

*(professional) the association is the place for sharing the experiences.. APINDO gave insight for HR policy (because) APINDO knows the challenge from the employers.. if there is a new rule, APINDO could be a good channel to gain the information.*

(HC Directors, Company C)

*There is Future HR...We have to develop ourselves through (professional associations).*

(HC Directors, Company D)

Business and professional association gave broad knowledge human capital department needed to support human capital activities, specifically in employment and labour-related matters.

#### *Community*

Community is discussed by HC leaders to be involved in human capital department activities. The community could be located around the company area and could be a targeted location company to hold events, such as CSR or fairs. The collaboration with the community helps build the company's image, which is important for the company's business. A company could hire employees from a community nearby. Community is also present when the human capital department has events for the community on behalf of the company. From the interview, corporate social responsibility (CSR) is how the human capital department collaborates through vendors to reach the need of the targeted community. The community also becomes the focus of the company to have an external engagement for the company. Holding fairs for the community is hoped increasing external engagement from the community. Some quotes mentioned as follows:

*We have community or external engagement through fairs.. we could not be separated from the community. ... (we want that) our CSR is relevant to our goals and the community's needs.* (HC Directors, Company C)

*(We have) CSR to schools. We also build schools, and we review the curriculum, sometimes we give used computers assets to them.*

(HC Manager, Company E)

#### *Government*

In a company, industrial relation dealt with workers, union, and government. Concerning that, the Indonesian government has a labor law that mediates the relationship between those parties. In terms of manpower office, government becomes an external environment related company, while the company has an attachment with the manpower office in connection with Indonesian labor law. The company has a regular report to the manpower office in connection with labor and union. This situation is further reflected in the quote below.

*(International Relation) coordinates with legal, with manpower (office), etc.*

(HC Directors, Company B)

*Industrial Relation (IR) is the expert related to labor law. ... If there is a dispute which has to be brought to the manpower office, Industrial Relation will go there.* (HC Directors, Company C)

*Industrial relations role (has a relationship with) union, manpower office, or Indonesian Employers Association (APINDO).* (HC Directors, Company D)

Aside from labor law, government plan such as certification also becomes a discussion among HC leaders. HC leaders view certification as tools to enhance basic HC competency to help the human capital department run its activities.

#### *University*

Human capital leaders said it is important to have collaboration with academicians in university and school. The collaboration appeared in human capital activities, such as recruitment, training, and internship. For recruitment, the company usually contacted the career development center in the university or attended a job fair or campus engagement program held by the university to get new hire or talent they need for certain positions.

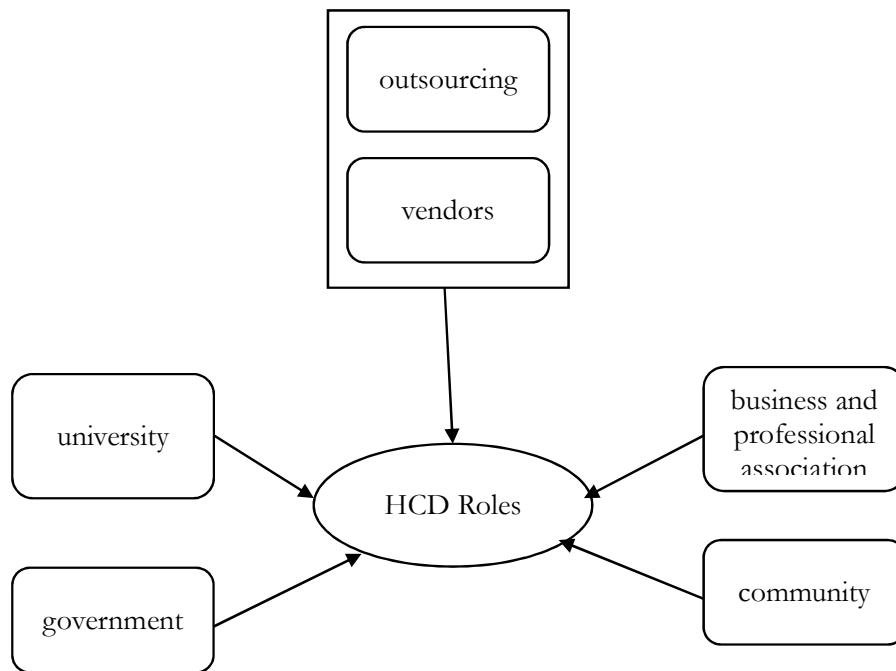
*We (collaborate) for recruitment, for new hire.. for instance, we need for quality (control).. usually from technic, chemical technic, biology, ... (HC Manager Company A)*

*(Collaboration with universities) usually for hiring and employer branding, how we introduce (our company) as an organization.. For instance, we have graduate intake, management trainee. Also, we have a campus engagement next month, and we join the guest lecturer program (at some universities). Sometimes when we post a job advertisement, we cooperate with the universities so that the information could reach out to the alumni (HC Directors, Company C)*

The company also had programs that collaborated with the university to match the human capital knowledge and the practice in the industry. One company said that its development center collaborates with the university in developing the materials for internal training.

*Why we collaborate with the university? To do cross-check.. (the university provides) methodology, theoretical, ... we know the implementation. (Our) development center had cooperation with the university as well as with the consultant. (HC Manager, Company E)*

Factors supporting the role of the human capital department has been discussed in previous research. Most of the factors come from the company internally. However, the discussion about the external factors influencing the development of the human capital department role is limited. This research aimed to fill this gap. Our qualitative interview findings summarize the conceptual framework outlining the external factors of human capital department roles in consumer goods company (see Figure 1). The figure is followed by table explaining role of each external stakeholder (see Table 1).



*Figure 1.*  
The Framework Of External Stakeholders’ Collaboration In Strengthening HCD Roles In Consumer Goods Company.



Table 1  
*Roles of External Stakeholders*

External Stakeholders	Roles
Outsourcing and Vendors	Support the administrative and strategic HR in daily activities, such as payroll, recruitment, training, industrial relations
Business and Professional Associations	Enhance knowledge and capability of HR professionals in terms of human capital, business, and policy knowledge
Community	Support the HR activities in increasing company's image and engagement from community
Government	Support the HR activities in labor-related matters with employees and with union in industrial relations
University	Support the HR activities such as recruitment, training, internship, and knowledge development

The human capital department plays five roles: strategic, administrative, change agent, employee champion, and industrial relation. This finding strategic role is shown by a representative of HC in the board management, which involves strategic decision-making and human resource business partner (HRBP) as the strategic position that dealt with each business function. Administrative role dealt with the administrative function of the human capital department in recruitment, payroll, and appraisal processes. The role of the change agent was also helped by the HRBP, who assists the change directly through the discussion with the line manager in each business function. By developing the employees through training, mutation and rotation are realized by the companies. The companies also have a channel for employees to speak their voices. The human capital department plays an industrial role in maintaining the relationship between employees, the company, and government regulation.

Our analysis from the qualitative interviews identified six external stakeholders who collaborated with the human capital department to strengthen its roles by supporting human capital department activities. The stakeholders grouped into outsourcing and vendors; business and professional associations; community;

government; and university. Vendors and outsourcing company help mostly in administrative tasks of the human capital department. Recruitment, payroll, and training are activities vendors and outsourcing involved. External expert and lawyer support the strategic and industrial relation role of the human capital department. This finding is in line with the study by Valverde et al. (2006), which analyzes the role of external HR agencies as one of the agents involved in managing people in organizations. Furthermore, HR outsourcing has become another discussion topic that two of the latest are brought by Glaister (2014) in his comparison study between HR outsourcing and in-house HR. Patel, Budhwar, Witzemann, & Katou (2019) in case-study approach in German subsidiary of a US multinational company. Government, in terms of regulation and institution, is important stakeholders for the human capital department. The labor law as regulation manages the relationship between the human capital department and the company, employee, and union. A manpower office as a government institution becomes mandatory factors for the human capital department to organize and manage its labor well. The discussion of external organization factors such as government plan influenced its internal company factors, especially for HR members and HR Director, brought by Andreescu (2004).

Business and professional associations helped the human capital department gain information and knowledge about business and human capital insight. The associations become the community of business and professional. A business association like Indonesian Employers Association (APINDO), which has mandatory regulation, plays a reference for a company to decide for internal human capital regulation. Professional association in human capital scope becomes the discussion platform for human capital professionals to exchange information and improve human capital knowledge. This human capital department network is realized by Kim et al. (2017) in the context of normative pressure.

A company utilizes university as the source of local talent to find the best talent to work. This condition is also convinced by the discussion brought by Intarakumnerd (2017) in his study about the external mechanisms to develop human capital. Human capital department activities that involve the community, such as CSR and fair, are also held to build an image for the company. This finding is also in line with Ulrich and Dulebohn (2015) expectation that the human capital department could participate in social responsibility and community service activities. The purpose of being involved is to increase the company's reputation within the community.

Based on the above analysis, our study has developed a framework (see Figure 1) about the collaboration with external stakeholders in strengthening human capital department roles. This study fills in the gap from the previous literature where the discussion about the external stakeholders in supporting the human capital department role is minimal. Most of the factors discussed in developing the human capital department role are internal factors from inside the company. Moreover, the most discussed external stakeholder is outsourcing. Other stakeholders' perspectives, such as government, business and professional association, university, and community, have not been discussed. Our

study is unearthing the importance of collaboration with external stakeholders, namely: outsourcing, vendors, government, business and professional associations, community, and university in strengthening human capital department roles.

## **5. Conclusion**

The study of factors supporting the human capital department development has been discussed in previous literature. The factors discussed mostly are the internal factors, although some studies tried to explore more. This study fills in the gap by adding to the literature about human capital department roles but still limited when discussing the collaboration of external stakeholders in strengthening the roles. From the analysis of qualitative interview, the study finds six stakeholders that the human capital department should collaborate in strengthening its role. The stakeholders are outsourcing, vendors, business and professional associations, community, government, and university.

These external stakeholders have roles in strengthening human capital department roles by supporting the roles through collaborating in some HC activities (see Table 1). Supporting and collaborating with HC department in HC daily activities were done by outsourcing and vendors. This could enhance the administrative and strategic HC roles. Business and professional associations support HC department in enhancing HR professionals' knowledge and capability in human capital, business, and policy. This capability helps HC professionals in HC department play more strategic role. By collaborating with community, HC department could help company to increase its image and gain engagement from the society. This placed HC department in more strategic role because HC involves in company's business. The involvement of government in supporting HC department in labor-related matters could increase the HC industrial relation role of HC department.

Collaboration with university in some HC activities such as recruitment, training, internship, and knowledge development supports the role of HC department in employee champion and change agent roles. By exhibiting the roles mentioned, the HC department altogether plays as business partner role for the company.

Our study expands on previous research on human capital department roles and factors supporting its development. Specifically, our study adds the literature about the collaboration with external stakeholders in strengthening human capital department roles. Our study will help a company through the human capital department identify and decide the external stakeholders to be collaborated with to strengthen its human capital department. We acknowledge the limitations of our research. The data collected from the interviews were solely from human capital leaders and one industry, consumer goods, in one country. Nevertheless, we believe that our analysis makes a useful contribution to the human capital department role with these limitations. We believe that our findings could be further examined across other industries with larger and diverse samples. To further test the framework is needed to invite more generalizable conclusions.

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