
Systematic Review Human Resource Management: Innovation, Knowledge, Compensation, Performance and Employment Relations

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Abstract

Previous research has dedicated significant attention to the analysis of Human Resource Management (HRM) issues, with a specific focus on employee performance. It has been widely acknowledged that employee performance is intricately linked to the HRM process itself. Notably, studies have demonstrated that ineffective planning to maximize employee competence has a detrimental impact on performance, consequently influencing individual outcomes within the organization. Building upon these insights, the present study delves further into the crucial role of the planning process within HRM. Specifically, the research investigates how a manager's cognitive processes, including their knowledge and capacity to identify and establish connections among various performance-related factors, significantly contribute to the overall success and sustainability of a company or organization. By serving as the driving force behind the formulation and implementation of effective HRM strategies, the planning process emerges as a fundamental element in shaping organizational outcomes. This study highlights the critical role played by the planning process in HRM and its profound impact on employee performance and organizational outcomes.

Keywords: Innovation, Knowledge, Compensation, Performance and Employment Relations.

INTRODUCTION

Over the past three decades, there has been a growing consensus within the strategic human resource management (HRM) literature that the focus should shift from individual HR practices to HR systems, as the effects of HR practices often depend on the interaction with other practices within the system. Consequently, Strategic Human Resource Management (SHRM) research is increasingly emphasizing the performance effects of HR systems as a whole, rather than individual practices (Drory & Vigoda-gadot, 2010; Gardenswartz & Rowe, 2010; Koster, 2022).

Numerous studies consistently demonstrate a positive relationship between HR systems and performance, with the concept of complementarity or synergy

between practices within an HR system widely accepted as the theoretical foundation for their effectiveness (Alajlani & Yesufu, 2022; de Amorim et al., 2022; Jamaluddin & Hanafiah, 2018). However, past research has highlighted fundamental issues in how HR system elements are conceptualized. A decade ago, Lepak (2006) noted the existence of various HR systems labeled as high-performance, commitment, or engagement systems, but there is a lack of clarity on how these systems differ in terms of included or excluded practices, how the selected practices contribute to system goals, and why these systems produce different outcomes (Amrutha & Geetha, 2020; Boon et al., 2019; Macke & Genari, 2019). Construct development is a crucial aspect that simultaneously validates theory and action. It requires the consideration of both theory and measurement to improve understanding. Unfortunately, the HR field has given little attention to measuring HR systems, and previous research has not delved deeply into these measures (Brannick & Levine, 2002; Erwin et al., 2018; Garengo et al., 2022; Papa et al., 2020).

Hence, the primary objective of this research is to examine the evolution of research design and measurement techniques employed in HR systems studies over the past five years. This study provides a systematic review of existing empirical studies on HR systems and examines the progression of the field over time (Lulewicz-Sas, Kinowska, & Fryczyńska, 2022). Employing a descriptive approach, it focuses on the decisions made by researchers when planning HR literature studies that directly relate to the conceptualization and assessment of HR systems (Bashir & Venkatakrishnan, 2022; Chilunjika, Intauno, & Chilunjika, 2022; Papa, Dezi, Gregori, Mueller, & Miglietta, 2020). Through this investigation, the study addresses conceptual and empirical issues in the HRM field, aiming to overcome limitations in the current empirical literature. It also discusses the theoretical and methodological advancements required to foster a better understanding of HR systems.

METHOD

The purpose of this study is to undertake an in-depth analysis of the challenges encountered in Human Resource Management (HRM) through the application of the Systematic Literature Review (SLR) method. To ensure rigor and clarity in the research process, the author adopts the PRISMA methodology as a guiding framework. PRISMA (Preferred Reporting Items for Systematic Reviews and Meta-Analyses) is a widely recognized set of guidelines commonly employed in systematic review research and meta-analyses. Its purpose is to minimize the risk of errors and enhance the transparency and coherence of reporting in systematic reviews (Lagu, Goff, Hannon, Shatz, & Lindenauer, 2013). By adhering to the PRISMA guidelines, the researcher ensures a systematic and standardized approach to the review process.

The inclusion criteria (IC) established for this study conform to the review guidelines outlined by PRISMA. These criteria serve as a set of guidelines to determine which studies should be included in the review. They provide specific parameters and characteristics that studies must meet to be considered relevant and

suitable for inclusion in the analysis. The IC are carefully defined and applied to ensure consistency and comprehensiveness in selecting the studies that will contribute to the overall understanding of the research problem. The inclusion criteria (KI) used for the review guidelines are as follows:

IC 1: Research articles must be original research that has been reviewed, written in English, published in 2017-2022, and within the scope of Management research.

IC 2: Research article aims to explain various Human Resource Management

By employing the SLR methodology and adhering to the PRISMA guidelines, this study aims to provide a comprehensive assessment of the difficulties encountered in HRM. The systematic approach allows for a rigorous examination of the existing literature, ensuring that all relevant studies are considered and evaluated. Ultimately, this research endeavors to contribute to the existing body of knowledge in HRM by synthesizing and critically analyzing the empirical evidence, shedding light on the challenges faced and proposing recommendations for future research and practice. The keywords/search strings that are selected or commonly used are as follows: TITLE-ABS-KEY ("human resources development") AND PUBYEAR > 2017 AND PUBYEAR < 2022 AND (LIMIT-TO (SUBJAREA , "BUG")) AND (LIMIT-TO (DOCTYPE , "ar")). By applying the PRISMA method in this research, a search of the selected databases provides a total of 1993 journal articles written in Scopus indexed English within the limits between 2016 and 2022 and matching the keywords that need to be analyzed. Then the articles were filtered based on title, abstract, and keywords, so that the remaining 1077 articles. A total of 916 research papers were discarded because they did not meet IC 2. The next stage of the 916 articles was refined based on the contents of the entire article, resulting in 797 articles. The remaining 119 articles were discarded because they did not meet IC 2. Finally, 749 articles were selected in the review without additional articles scanned by the reference list. A total of 794 articles were selected according to IC 1 and IC 2.

RESULTS AND DISCUSSION

In this study, an analysis utilizing the VOSviewer software was conducted on a dataset comprising 749 Scopus indexed International Journals from the past five years (2017-2022). The focus of the analysis was on exploring the implementation of Human Resource Management (HRM) within the published literature. The dataset was generated by exporting the search results obtained through the following query: TITLE-ABS-KEY ("human resources development") AND PUBYEAR > 2017 AND PUBYEAR < 2022 AND (LIMIT-TO(SUBJAREA, "BUSI")) AND (LIMIT-TO(DOCTYPE, "ar")). The results of this analysis shed light on the co-authorship patterns across different countries in relation to research on HRM implementation. The unit of analysis in this aspect was the countries involved in the research collaborations. The findings indicate that the United States has been the most active country in terms of conducting research on the implementation of HRM, contributing a total of 320 articles during the period

of 2017-2022. Following the United States, India and the British Commonwealth countries also demonstrated significant involvement in similar studies, with 76 and 74 articles respectively (Figure 1).

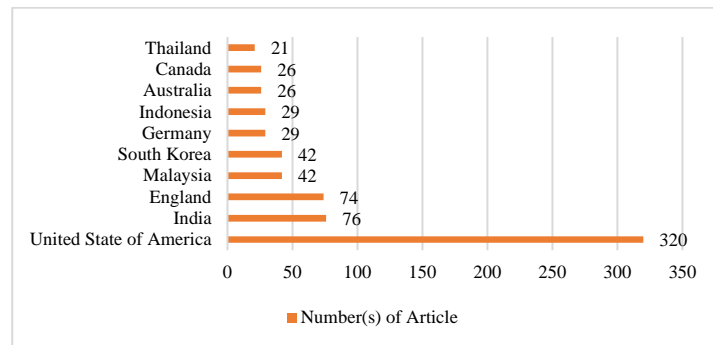


Figure 1. Number of Articles by Country

Figure 1 also highlights the research efforts on HRM conducted in Indonesia, which emerged as the 7th most active country in this domain, trailing behind Germany. Over the past five years, Indonesian researchers have published a total of 29 articles on HRM implementation, showcasing the growing interest and contributions from the Indonesian academic community in this field. By employing the VOSviewer software and analyzing the Scopus indexed international journals, this study provides valuable insights into the global research landscape surrounding HRM implementation. The findings not only highlight the leading countries in terms of research productivity but also emphasize the involvement and contributions of other countries, such as Indonesia, in advancing the understanding and practices of HRM. This analysis serves as a foundation for further exploration and collaboration among researchers, enabling a more comprehensive and inclusive understanding of HRM implementation worldwide.

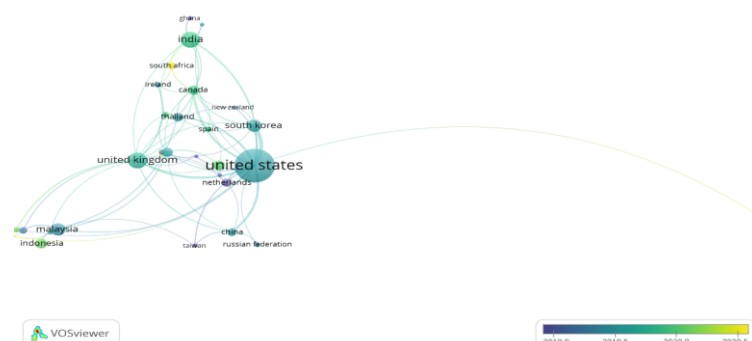


Figure 2. Country Correlation

Moreover, conducting a co-occurrence analysis using the allkeyword analysis unit, which comprises both author keywords and indexed keywords, of the

749 articles, revealed insightful patterns. The analysis revealed that the term "Human Resource Management" was frequently associated with keywords such as Innovation, Knowledge, Performance, and Work Engagement (Figure 3). These findings demonstrate that research conducted between 2017 and 2022 in the field of Human Resource Management frequently explored the interplay between HRM and concepts such as Innovation, Knowledge, Performance, and Work Engagement.

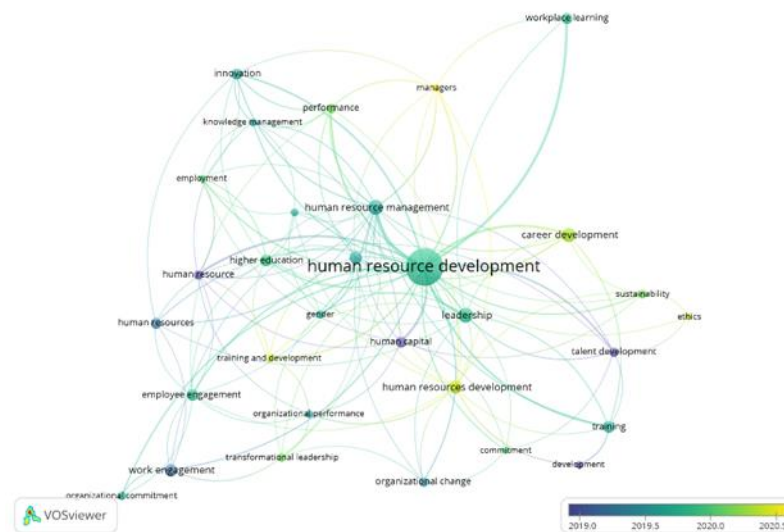


Figure 3. Overlay Visualization Of All Keywords

Figure 3 visually represents the interconnectedness of these keywords within the context of HRM research. The co-occurrence analysis highlights the prevalent discourse surrounding the interrelatedness of Human Resource Management, Innovation, Knowledge, Performance, and Work Engagement during the period under investigation. These findings contribute to a deeper understanding of the research landscape and shed light on the key themes and concepts that have garnered attention within the field of HRM.

Within the realms of human resource management and organizational dynamics, the notions of innovation, knowledge, remuneration, performance, and employment relations are inextricably linked. The process of introducing new ideas, processes, goods, or services that result in positive change within an organization is referred to as innovation. Knowledge is essential for fostering innovation since it serves as the foundation for creating innovative ideas, problem-solving, and adjusting to changing market conditions. Inadequate or unfair compensation, on the other hand, can demotivate employees and have a detrimental impact on their performance. Employment relations are the interactions and connections that exist between employers and employees, and they include features such as communication, cooperation, and conflict resolution.

CONCLUSION

Based on the comprehensive literature review conducted, Human Resource Management (HRM) emerges as a vital component within organizations and companies. HRM holds a key position in ensuring the sustainability and success of a company. This is primarily due to the multifaceted nature of HRM, encompassing various activities that shape the functioning and operations of a company. Given the significance of HRM, it becomes crucial to examine how to measure the maturity of HRM within organizations and companies, which remains a subject of ambiguity in recent research. Previous studies have primarily focused on reviewing HRM issues by emphasizing employee performance, which is intricately linked to the HRM process itself. It is evident from past research that suboptimal planning to maximize employee competence leads to poor employee performance, subsequently impacting overall organizational outcomes. Recognizing this, the current study concludes that the planning process in HRM plays a pivotal role in ensuring sustainable performance and success. This planning process is influenced by the cognitive abilities of managers or leaders, including their knowledge and capacity to identify and connect performance-related factors.

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