Strategic human resource development: towards a conceptual framework to understand its contribution to dynamic capabilities

Thomas Garavan, Valerie Shanahan, Ronan Carbery & Sandra Watson

To cite this article: Thomas Garavan, Valerie Shanahan, Ronan Carbery & Sandra Watson (2016): Strategic human resource development: towards a conceptual framework to understand its contribution to dynamic capabilities, Human Resource Development International, DOI: 10.1080/13678868.2016.1169765

To link to this article: http://dx.doi.org/10.1080/13678868.2016.1169765
Strategic human resource development: towards a conceptual framework to understand its contribution to dynamic capabilities

Thomas Garavan\textsuperscript{a}\textsuperscript{*}, Valerie Shanahan\textsuperscript{b}, Ronan Carbery\textsuperscript{c} and Sandra Watson\textsuperscript{d}

\textsuperscript{a}Edinburgh Napier Business School, Edinburgh, UK; \textsuperscript{b}Dublin City University, Dublin, Ireland; \textsuperscript{c}University College Cork, Cork, Ireland; \textsuperscript{d}Edinburgh Napier University, Edinburgh, UK

(Received 31 July 2015; accepted 21 March 2016)

Dynamic capabilities have assumed major importance in the strategy and human resource management literatures. However, discussion of their contribution to strategic human resource development (SHRD) is nascent. We introduce the concept of ‘dynamic’ strategic human resource development capabilities (DSHRDCs) and propose a framework consisting of (a) enabling factors, (b) specific components, (c) underlying processes, and (d) unique SHRD dynamic capabilities. We view a dynamic capabilities approach as a useful lens to understand how SHRD contributes to organizational performance through the development of capabilities. We discuss each component of the framework and propose possible directions for future research and implications for practice.

Keywords: SHRD; dynamic capabilities; multilevel framework; research and practice implications

Introduction

Without doubt, the dynamic capabilities perspective is making a significant impact on the strategy and human resource management (HRM) disciplines (Wang, Senaratne, and Rafiq 2015; Helfat and Peteraf 2015; Teece 2014). However, interest in dynamic capabilities within strategic human resource development (SHRD) is nascent. A relatively recent article by Helfat et al. (2009) emphasized the growth of interest in the dynamic capabilities construct and its potential to inform a multiplicity of disciplines. The gap in theory and research in SHRD on dynamic capabilities stems from a number of interrelated issues. First, there is significant uncertainty as to the precise definition of dynamic capabilities even though there are many theoretical and empirical articles that incorporate dynamic capability concepts. Second, existing theorizing on SHRD is strongly aligned with the resource-based view (RBV). This view argues that the role of SHRD is to develop human capital, that is: (1) valuable [V] in terms of the external environment, (2) rare [R] among a firm’s current and potential competitors, (3) are not easily imitable [I], and (4) non-substitutable [N] where other types of resources cannot be considered functional substitutes. Scholars have begun to re-evaluate the robustness of the RBV as a theoretical foundation for SHRD. Specifically, theorizing on the RBV and SHRD is premised on the assumption that organizations operate in relatively stable external environments (Spicer and Sadler-Smith 2006; Garavan 2007) whereas many organizations operate in highly dynamic external environments. The RBV is also weak in explaining...
the contribution of SHRD to organizational performance and competitive advantage (Kaufman 2015). SHRD models typically in resources rather than capabilities. Investments emphasise SHRD practices enhance the quality of human resources (Ridder, Baluch, and Piening 2012); however, the mechanism through which performance and competitive advantage are enhanced is unclear.

We can better understand the contribution of SHRD to performance and competitive advantage by focusing on dynamic capabilities. We build our proposed framework on the original definition proposed by Teece, Pisano, and Shuen (1997) ‘the ... ability to integrate, build, and reconfigure internal and external competencies to address rapidly changing environments’ (p. 516). This definition emphasizes the challenge for SHRD to contribute to the creation of new capabilities and the renewal and alteration of existing capabilities to respond to dynamic environments and change in the environment (Bowman and Ambrosini 2003; Zollo and Winter 2002). There are significant parallels between the concept of dynamic capabilities and SHRD. Both concepts are underpinned by organizational learning and change, and the development of capabilities. A dynamic capabilities perspective posits that SHRD will therefore contribute to competitive advantage because it contributes distinctive capabilities that allow organizations to make better use of its human resources (Vogel and Güttel 2013; Schilke 2014; Festing and Eidems 2011).

Therefore, this article represents a starting point for the development of a conceptual framework for ‘dynamic’ strategic human resource development capabilities (DSHRDCs). We take the established parameters of the DCs perspective established in the strategy and HRM literature as a starting point (Barrales-Molina, Martínez-López, and Gázquez-Abad 2014; Maatman, Bondarouk, and Looise 2010). We propose distinct dynamic capabilities that can be linked to SHRD as an organizational function. We also propose the underlying processes, components, and enablers of DSHRDCs. DSHRDCs as unique capabilities developed by SHRD contribute to the renewal, reconfiguration and recombination of human resources in conditions of environmental dynamism (Drnevich and Kriauciunas 2011; Felin et al. 2012).

### Development of an integrated framework to understand DSHRDCs

From the onset, the aim of this article is to develop a framework to understand dynamic capabilities in SHRD. This aim made it challenging to identify the body of literature and the relevant set of keywords for the search process to conduct a literature research. We, therefore, relied on a non-keyword-based reviewing process. Our goal was to identify articles that made a key contribution either conceptually or empirically to addressing dynamic capabilities in SHRD. The starting point was to identify some formative papers that have shaped the discussion and debates on dynamic capabilities. For this, we consulted the list of citations to guide our research. The ISI Web of Science Citation Index was used to identify articles that cited those seminal papers. However, the process of identifying components of dynamic capabilities proved problematic. As a concept, dynamic capabilities are considered elusive and difficult to define (Kraatz and Zajac 2001). We found multiple conceptualizations of dynamic capabilities in the strategy literature including strategic change and learning (Ployhart and Moliterno 2011), learning and innovation (Teece 2007), innovation and adaptation (Anand, Oriani, and Vassolo 2010), ambidexterity (Eisenhardt, Furr, and Bingham 2010), and microfoundations (Lewin, Massini, and Peeters 2011). We speculate on what these various perspectives suggest for SHRD in Table 1. There is also a disagreement as to what dynamic capabilities add to the organization in terms of value and outcomes. Ambrosini and
Table 1. Conceptualizations of dynamic capabilities: implications for dynamic strategic human resource development (SHRD) capabilities.

<table>
<thead>
<tr>
<th>Perspective</th>
<th>Key authors</th>
<th>Key propositions</th>
<th>Dynamic SHRD capabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>SHRD enablers</td>
<td></td>
</tr>
<tr>
<td>Learning and innovation perspective</td>
<td>Kaplan (2008), Teece (2007), Eisenhardt and Martin (2000)</td>
<td>Tensions between building new dynamic capabilities and the use of existing capabilities</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Building dynamic capabilities by building on existing knowledge</td>
<td>SHRD processes and structures</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Cognitive skills of individuals as microfoundations of DCs</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Knowledge assets leveraged into human capital and organizational capabilities through learning mechanisms</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Measuring dynamic capabilities</td>
<td></td>
</tr>
<tr>
<td>Ambidexterity</td>
<td>Eisenhardt, Furr, and Bingham (2010), Tushman et al. (2010), Kang and Snell (2009)</td>
<td>Balancing flexibility and efficiency, stability, change, and incremental and radical innovation</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Exploration of new knowledge domains and exploitation of current ones</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Use of HR and learning strategies to facilitate ambidexterity</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Characteristics of SHRD practitioners</td>
<td>Absorptive capacity and knowledge integration</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SHRD processes and structures</td>
<td>SHRD seizing processes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Alignment and Strength of SHRD Practices</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Absorptive capacity and knowledge integration</td>
<td>SHRD reconfiguration processes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Recalibrations and reconceptualization of SHRD stakeholder relationships</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>SHRD processes and structures</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Absorptive capacity and knowledge integration</td>
<td>SHRD reconfiguration processes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SHRD processes and structures</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Absorptive capacity and knowledge integration</td>
<td>SHRD reconfiguration processes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SHRD processes and structures</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Absorptive capacity and knowledge integration</td>
<td>SHRD reconfiguration processes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SHRD processes and structures</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Absorptive capacity and knowledge integration</td>
<td>SHRD reconfiguration processes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SHRD processes and structures</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Absorptive capacity and knowledge integration</td>
<td>SHRD reconfiguration processes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SHRD processes and structures</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Absorptive capacity and knowledge integration</td>
<td>SHRD reconfiguration processes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SHRD processes and structures</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Absorptive capacity and knowledge integration</td>
<td>SHRD reconfiguration processes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SHRD processes and structures</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Absorptive capacity and knowledge integration</td>
<td>SHRD reconfiguration processes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SHRD processes and structures</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Absorptive capacity and knowledge integration</td>
<td>SHRD reconfiguration processes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SHRD processes and structures</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Absorptive capacity and knowledge integration</td>
<td>SHRD reconfiguration processes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SHRD processes and structures</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Absorptive capacity and knowledge integration</td>
<td>SHRD reconfiguration processes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SHRD processes and structures</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Absorptive capacity and knowledge integration</td>
<td>SHRD reconfiguration processes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SHRD processes and structures</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Absorptive capacity and knowledge integration</td>
<td>SHRD reconfiguration processes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SHRD processes and structures</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Absorptive capacity and knowledge integration</td>
<td>SHRD reconfiguration processes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SHRD processes and structures</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Absorptive capacity and knowledge integration</td>
<td>SHRD reconfiguration processes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SHRD processes and structures</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Absorptive capacity and knowledge integration</td>
<td>SHRD reconfiguration processes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SHRD processes and structures</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Absorptive capacity and knowledge integration</td>
<td>SHRD reconfiguration processes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SHRD processes and structures</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Absorptive capacity and knowledge integration</td>
<td>SHRD reconfiguration processes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SHRD processes and structures</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Absorptive capacity and knowledge integration</td>
<td>SHRD reconfiguration processes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SHRD processes and structures</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Absorptive capacity and knowledge integration</td>
<td>SHRD reconfiguration processes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SHRD processes and structures</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Absorptive capacity and knowledge integration</td>
<td>SHRD reconfiguration processes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SHRD processes and structures</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Absorptive capacity and knowledge integration</td>
<td>SHRD reconfiguration processes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SHRD processes and structures</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Absorptive capacity and knowledge integration</td>
<td>SHRD reconfiguration processes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SHRD processes and structures</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Absorptive capacity and knowledge integration</td>
<td>SHRD reconfiguration processes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SHRD processes and structures</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Absorptive capacity and knowledge integration</td>
<td>SHRD reconfiguration processes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SHRD processes and structures</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Absorptive capacity and knowledge integration</td>
<td>SHRD reconfiguration processes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SHRD processes and structures</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Absorptive capacity and knowledge integration</td>
<td>SHRD reconfiguration processes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SHRD processes and structures</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Absorptive capacity and knowledge integration</td>
<td>SHRD reconfiguration processes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SHRD processes and structures</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Absorptive capacity and knowledge integration</td>
<td>SHRD reconfiguration processes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SHRD processes and structures</td>
<td></td>
</tr>
</tbody>
</table>
|                                    |                                                                             | Absorptive capacity and knowledge integration                                    | Sh...
<table>
<thead>
<tr>
<th>Perspective</th>
<th>Key authors</th>
<th>Key propositions</th>
<th>SHRD enablers</th>
<th>Specific components</th>
<th>Underlying processes</th>
<th>DSHRDCs</th>
</tr>
</thead>
</table>
• Role of pre-existing capabilities in impacting acquisition of new capabilities  
• Role of managerial cognition in shaping innovation | • Characteristics of SHRD practitioners  
• Alignment and strength of SHRD practices | • Absorptive capacity and knowledge integration  
• Recalibration and reconceptualization of SHRD stakeholder relationships | • SHRD reconfiguration processes | • Organizational capacity for change and innovation  
• Organizational learning capability |
| Microfoundations   | Lewin, Massini, and Peeters (2011), Salvato and Rerup (2010), Felin and Foss (2005) | • Dynamic capabilities are founded in routines, processes and collective activities rooted in the intentional behaviour of individuals  
• Management processes influence on strategic decisions and integration activities | • Characteristics of SHRD practitioners  
• Alignment of strength of SHRD practices | • Absorptive capacity and knowledge integration  
• SHRD sensing capabilities  
• SHRD reconfiguration processes | • SHRD sensing capabilities  
• SHRD reconfiguration processes | • Organizational learning capability |
Bowman (2009) suggested that they contribute to sustainable competitive advantage to temporary advantage and competitive parity.

We found that the majority of contribution within the HRM field emphasize micro-foundations (Vogel and Güttel 2013). Microfoundations are conceptualized as underlying individual and group-level actions that shape strategy (Eisenhardt, Furr, and Bingham 2010). However, there is little agreement in the HRM context as what these are. Examples specified in the literature include learning practices (Eisenhardt and Martin 2000), social interaction and relationship processes (Argote, McEvily, and Reagans 2003), and knowledge processes (Lichtenthaler and Lichtenthaler 2009). Our review of the literature revealed that dynamic capabilities are an important and valuable framework to better understand and explore SHRD in organizations. Figure 1 illustrates our proposed framework. Following the presentational approach used by Barrales-Molina, Martínez-López, and Gázquez-Abad (2014), Figure 1 consists of four concentric rings. We conceptualize the outer ring as SHRD enablers. We define this construct as characteristics of SHRD in organizations that trigger the generation of DSHRDCs. We particularly focus on three characteristics: SHRD practices, processes, and structures, and alignment and strength of SHRD. The next ring focuses on specific components of DSHRDCs. We define these as the underlying processes considered essential to the emergence of DSHRDCs (Teece, Pisano, and Shuen 1997). The next ring illustrates three micro-foundations: sensing, seizing, and reconfiguration. The central ring presents three DSHRDCs that SHRD

---

**Figure 1.** Dynamic strategic human resource development (SHRD) capabilities: an integrative framework.
helps to develop. SHRD knowledge, expertise, and know-how contributes to the development of these DSHRDCs: human resource scalability capability, organizational learning capability, and organizational capability for change and innovation.

In the sections that follow, we first provide an overview of the key constructs in the proposed framework. We then discuss the research (including methodological implications) of our framework. Finally, we discuss the practical implications of our framework.

**Key dimensions of our theoretical framework**

*Enablers of DSHRD capabilities*

Consistent with theorizing on DCs, generally DSHRDCs are embedded, historically determined, and path dependent (Felin and Foss 2005; Ployhart and Hale 2014). We propose three SHRD-related enablers central to triggering the generation of DSHRDCs.

**SHRD practitioners**

The abilities, cognitions, networks, and agency of SHRD practitioners facilitate the development of DSHRDCs; however, they are subject to significant heterogeneity (Mäkelä et al. 2012). SHRD practitioner’s experience is both context specific and path dependent. Firm-specific business experience will help SHRD practitioners to make more effective and swift decisions. In turbulent and fast changing environments, practitioners are required to make decisions decisively and rapidly (Carlsson and El Sawy 2008). Firm-specific experience is beneficial in helping practitioners to make connections between performance of the role and the organizational context. Firm-specific experience also enhances the agency of the practitioner (Evans, Björkman, and Pucik 2011). The social capital and networks of practitioners help them to understand stakeholder requirements and make more strategically aligned decisions (Gubbins and Garavan 2009). Social networks help practitioners to acquire tacit knowledge and learn from others (Mäkelä et al. 2012). This helps them to make more strategically focused decisions that contribute to the development of DSHRDCs (Levin and Cross 2004). Bjorkman et al. (2009) highlighted the value of cognitive social capital in providing practitioners with insights and perspectives on what enhances organizational effectiveness.

**SHRD processes and structures**

We make the following theoretical distinction between processes and structures. Processes include a multiplicity of attributes, such as ongoing communications, tacit and team processes, decision-making, problem solving, and trial and error learning processes (Srikanth and Puranam 2010). In contrast, structures focus on the constraints within which practitioners make decisions. Both processes and structures help the development of long-term relationships and ensure robust delivery processes and monitoring mechanisms. They affect the capacity of SHRD to adapt to changing environmental conditions. Schleimer and Pedersen (2013), for example, found that in MNCs that structures influenced the relationships between a headquarter and subsidiary, and the extent of centralization or decentralization. These in turn influenced knowledge flows, knowledge absorption, the locus of decision-making, the extent of discretion for action, the diversity of knowledge structures, and the modes of engagement with stakeholders. Where SHRD practitioners have more decision rights, they can tap into different knowledge sources to inform
decision about SHRD practices. They have more scope to interact with and collaborate with business partners, and as a consequence they learn more and make better decisions. Hoopes and Postrel (1999), for example, found that matrix type structures enabled SHRD practitioners to share knowledge, to process information and to develop capabilities. Processes and structures facilitate the delivery of new capabilities and make the SHRD function more nimble, flexible, and tuned into business needs. Lengnick-Hall, Lengnick-Hall, and Rigsbee (2012) used the term ‘proximity’ to describe structural closeness of a function within an organization. Close proximity with internal customers facilitates better interaction, a greater understanding of needs, more effective service delivery, and more effective exchange and sharing of knowledge. Structures are particularly valuable to the development of SHRD practitioners’ social capital including networks with executives, customers, strategic partners, and line managers (Wang 2003; Uen et al. 2012; Cialdini et al. 2006).

Alignment and strength of SHRD practices

Alignment and strength of SHRD practices are important enabling conditions for the development of DSHRDCs. Wognum (2001) suggested that alignment emphasizes information (data needed to inform a decision on which SHRD practices are appropriate) formulation (information gathering processes), participation (involvement of SHRD stakeholders in decision-making), and the strategic choices made. SHRD should align strategies and practices with HRM strategies and align with each other. Therefore, for example, extensive job training will be most valuable when combined with opportunities to utilize new skills and career advancement opportunities. Where organizations invest in the skills of high potential employees and implement practices, such as job rotation and international job assignments, these will contribute to greater human capital value. Jiang et al. (2012) highlighted the need for SHRD practices to be consistent within the HR policy domains of ability, motivation and effort, and opportunity to contribute. Strength is conceptualized as the ‘presence, frequency of use, coverage, and extensiveness of development of HRD practices’ (Delmotte, DeWinne, and Sels 2012). A particular area of complexity concerns the gap between intended and implemented SHRD practices. Garavan (2012), for example, found a significant gap between the rhetoric and the reality of global talent management practices in MNCs. Employees may lack awareness of the existence of specific SHRD practices. The degree of consistency between intended and implemented SHRD practices will affect dynamic capability development (Khilji and Wang 2006).

Specific components of DSHRDCs

Dynamic capabilities theory highlights important components that stimulate the underlying processes considered fundamental to the emergence of dynamic capabilities (Ployhart and Hale 2014). We propose three specific components in the context of DSHRDCs (Way and Johnson 2005; Ambrosini and Bowman 2009).

Recalibration and reconceptualization of SHRD stakeholder relationships

The capacity of SHRD to coevolve, recalibrate, and reconceptualize relationships is an important specific component. In dynamic environments, new actors or stakeholders may become more important or of higher priority. In the context of SHRD, they may include
both external and internal relationships. External relationships include, for example, strategic alliance partners, regulatory agencies, and funding agencies, such as training bodies and other national funders of SHRD practices. Internally, these stakeholders may include new business units, new management teams, and new relationships. In highly dynamic environments, the development of stakeholder relationships represents a continuous routine, and it requires the capability to be dynamic and responsive. The SHRD function may encounter difficulties due to rigid and outdated relationship structures (James and Jones 1976). Eisenhardt and Martin (2000) proposed that coevolving includes routines through which managers reconnect webs of collaborations among various parts of an organization to generate new and synergistic resource combinations. Therefore, SHRD will focus on developing new capabilities with strategic business partners rather than developing an existing partner into a better partner. Practitioners will undertake progressive transformations in strategic partner relationships resulting in new dynamic capabilities emerging (Ketkar and Sett 2010) and the enhanced capacity of SHRD to recalibrate and reorient practices to meet different organizational human capital requirements (Ployhart and Moliterno 2011). The reconfiguring process will involve the development of new bundles of SHRD practices, the re-bundling of existing practices, and moving SHRD resources towards new priorities.

SHRD practices can contribute to individual, team, and organizational outcomes. Individual outcome-focused SHRD practices enable employees to work effectively in different environmental contexts and produce a multiplicity of skill, behavioural, and attitudinal outcomes that provide employees with the flexibility to respond to different environmental conditions. SHRD practices can be used to develop skills, flexibility, and willingness to change (Costen and Salazar 2011). They can enhance innovation and responsiveness where there is an emphasis on group learning, the use of developmental feedback tools and emphasis on what employees are capable of, rather than what training can do for a specific role (Muñoz Castellanos and Salinero Martín 2011). Second, it is important that SHRD practices lead to team-level outcomes. Team-level human capital is more difficult to replicate than any one individual’s human capital because of team-level human resource capability emergence processes (Ployhart and Moliterno 2011). They enable new knowledge structures to become embedded at the level of the team. The DCs perspective argues that team-level human capital stock will facilitate organizations to adapt to environmental turbulence. Team-focused SHRD practices help develop capabilities, such as knowledge sharing, peer training, and enhanced adaptive capacity.

Third, SHRD practices should contribute to organizational-level outcomes. The development of an organizations capacity to learn from the past, adapt to the present, envision, and create the future is important to the development of DSHRDCs. SHRD practices, such as knowledge communities, collaborative project activities, and action learning can create organization learning capability (Buller and McEvoy 2012; Levin, Walter, and Murnighan 2011). These practices help create common knowledge among employees and stimulate higher organizational performance. Organizations with more effective learning routines are better able to absorb and apply knowledge (Hartmann, Feisel, and Schober 2010). Greater organizational learning capabilities help SHRD to engage in new forms of collaboration and engagement with strategic partners. Recalibration and reorientation may be inhibited by over commitment or over-reliance on particular practices (Garavan 2012). SHRD practitioners and internal customers may not possess the skills to develop new SHRD practices and to implement new configurations of existing practices. Senior level management may also lack the administrative capabilities to monitor progress and manage implementation problems effectively.
Absorptive capacity and knowledge integration

A third specific component involves the absorptive capacity and knowledge integration capability of SHRD. Ambrosini and Bowman (2009) and Easterby-Smith and Prieto (2008) suggest that both absorptive capacity and knowledge integration help SHRD to access external knowledge and integrate/disseminate that knowledge throughout an organization. Omidvar Tehrani (2013) highlights three dimensions of absorptive capacity. The first dimension concerns the recognition of the value of external knowledge. SHRD may be less effective in recognizing the value of external knowledge due to attachment to existing competencies and capabilities. Therefore, where practitioners act as boundary spanners and recognize new knowledge, transfer it, and present it in a form that is understandable, this influences the extent of recognition. The second dimension focuses on the ability of SHRD to analyse, process, make interpretations, and achieve understanding. Knowledge requires transformation to ensure its assimilated (Todorova and Durisin 2007). Gherardi and Nicolini (2000) suggested that assimilation requires SHRD to have the capabilities to transform prevailing practices. This process of transformation may lead to conflicts in identity and where there is a lack of alignment, it halts the transformation processes (O’Mahony and Bechky 2008). The third dimension focuses on application or use of knowledge to make it part of the daily life of SHRD. Making it part of daily life requires SHRD to be effectively networked and to possess skills to integrate knowledge into day-to-day practice and routines. These specific components of DSHRDCS are linked to three underpinning processes that we consider in the next section.

Underlying processes of DSHRDCs

Underlying processes are central to conceptualizations of dynamic capabilities (Teece, Pisano, and Shuen 1997; Pavlou and El Sawy 2011). They are conceptualized as micro-foundations that enable dynamic capabilities to emerge. In the interest of parsimony, we focus on the three microfoundations proposed by Teece (2007): sensing, seizing and reconfiguration.

SHRD sensing capabilities

The capacity of SHRD to sense opportunities before they fully materialize is a critical component necessary for the development of the three dynamic capabilities specified in our framework. Sensing is defined as ‘the ability to spot, interpret and pursue opportunities in the environment’ (Pavlou and El Sawy 2011, 26). Environmental scanning is an important component of the sensing process. Eisenhardt and Martin (2000) proposed that dynamic capabilities involve both creating change as well as reacting to it. Therefore, SHRD needs to be alert to changes, be focused on particular changes and possess the capacity to make sense of them. Effective sensing processes help SHRD to make sense of events and changing environmental conditions, initiate plans, capitalize on opportunities, and configure existing operational capabilities on them.

SHRD seizing processes

Seizing processes help SHRD to respond to opportunities detected in the external environment. In the context of SHRD, seizing processes may involve the design of new models.
of SHRD delivery, the development of problem-solving capabilities, and tapping into organizational knowledge or resources to address the needs of customers. The effective design of new models to deliver SHRD introduces significant challenges in areas, such as strategic fit, ensuring complementarities across various components of SHRD delivery, and the commitment of resources to realize new ways of doing things.

**SHRD reconfiguration processes**

The third leg of the dynamic capability underlying processes triad focuses on combining and reconfiguring SHRD. For SHRD, this will involve making particular changes, taking specific actions, and coping with resilience to change. These processes if successful will enable the effective reconfiguration of resources, roles, tasks, and actions to redeploy operational capabilities. Examples of reconfiguring processes include the assignment of resources to tasks (Ridder, Baluch, and Piening 2012), the assignment of the most appropriate SHRD practitioners to undertake particular tasks, the identification of complementarities and synergies among tasks and resources, and the use of processes necessary to orchestrate collective actions (Eisenhardt and Brown 1999). SHRD will utilize reconfiguring processes to develop conceptual schema about what SHRD is about and help it to develop DSHRDCs that enhance organization level dynamic capabilities.

**Dynamic SHRD capabilities**

To this point, we have specified the underpinnings necessary for DSHRDCs to emerge. We specify three DSHRDCs that SHRD knowledge and expertise contributes to developing: human resource scalability capability, organizational capability for change innovation, and organizational learning capability.

**Human resource scalability capability**

SHRD makes a direct contribution to enhancing human resource scalability capability making it an important DSHRDC. Dwyer and Edwards (2009) define human resource scalability as ‘the capacity of an organization to keep its human resources aligned on an ongoing basis by constantly transitioning from one human resource configuration to another and another, ad infinitum on a timely basis and in a seamless way’ (p. 11). Nijssen and Paauwe (2012) emphasized that scalability concerns workforce fluidity and workforce alignment. It also includes employee flexibility (Camps et al. 2015). Fluidity emphasizes the speed to which an organization’s human resources can move from one aligned configuration to another one. Alignment emphasizes competency elements that are in the right place and can perform the desired task to the required standard. Employee flexibility is defined as the extent to which employees possess skills and behavioural repertoires that can provide a firm with options to pursue strategic alternatives (Beltrán-Martín and Roca-Puig 2013, 648). Camps et al. (2015) proposed that flexible employees have the capability to implement different strategies appropriate to diverse competitive and turbulent environmental conditions. Therefore, SHRD through its knowledge and expertise helps develop human resource scalability capability. Dyer and Ericksen (2005) emphasizes the capability of an organizational function to perform both reactive and proactive adaptations of how it is configured to cope with internal and external uncertainties. Examples of SHRD practices that contribute to human resource scalability capability include development practices aimed at creating a shared mind-set, competence-based
training and development, training and development activities aimed at developing a broad and flexible skillset, career development, and horizontal career paths (Hopp and Oyen 2004; Sumukadas and Sawhney 2004).

**Organizational capacity for change and innovation**

SHRD makes a direct contribution to the organizational capacity for change and innovation. Therefore, it is appropriate to consider this as a DSHRDC. Shipton, Budhwar, and Crawshaw (2012) define organizational change capability, as ‘the dynamic resource bundle comprised of effective human capital at varying levels of a business with cultural predispositions towards innovation and accountability and organizational systems that facilitate organizational change and transformation’ (p. 781). SHRD activities are central to developing organizational capacity for change and innovation. Shipton, Budhwar, and Crawshaw (2012) criticize traditional SHRD approaches that reinforce the status quo, place too much emphasis on one best way, and SHRD practices with an exploitative learning focus. They highlight the value of job rotations, project work, exposure to new experiences, and explorative learning processes. SHRD practices that enable the development of an innovative culture and climate enhance the capacity of an organization to innovate. Firms with a strong adaptive innovation culture are in a better position to capitalize on the ability of employees to solve problems more effectively and acquire a broader range of skills (Wei and Lau 2010). The enhanced responsiveness of employees to cope with change and be innovative enhances firm performance. Beltran-Martin et al. (2008) suggested that SHRD practices, such as training, development, and knowledge sharing contribute to innovation within the firm. Enhanced skills contribute to the capacity of employees to respond more effectively to new and novel situations. SHRD practices help employees to engage in improvisation, to generate new ideas, question issues, reflect on actions and achieve a greater understanding from their actions. SHRD practices that promote personal growth, and create conditions where employees are better prepared to cope with changes also contribute to this capability (Van Dam and Thierry 2000; Ball et al. 2002).

**Organizational learning capability**

Organizational learning capability is another DSHRDC that SHRD can help develop. In conditions of high environmental turbulence, organizational learning capability help organizations to tackle new challenges and respond to rapidly evolving environmental conditions (Chiva, Alegre, and Lapiedra 2007). Organizational learning capability goes beyond organizational learning in that rather than simply focusing on developing and applying new knowledge, it emphasizes the capacity to develop the capability to learn and convert that learning into new knowledge. Organizational learning capabilities are an important source of organizational dynamic capabilities (Easterby-Smith and Prieto 2008).

**Discussion, research and practice implications**

Scholars and practitioners have highlighted the unprecedented pace of change, which SHRD is facing in organizations. An important outcome of this change is a major increase in the level of competition facing businesses (D’Aveni, Dagnino, and Smith 2010). These changes provide significant challenges for SHRD. We propose a dynamic capabilities framework for SHRD as a way of responding to these changes. Our analyses of dynamic
capabilities unique to SHRD focuses on individual, functional practices, and organizational underpinnings that lead to their development. We identified three specific sets of enablers/components and processes that underpin three DSHRDCs. These DSHRDCs focus on human resource scalability, organizational learning capability, and capability for change and innovation. We deemed these DSHRDCS appropriate to SHRD due to the important role that SHRD knowledge and expertise play in their development. Our proposed framework is speculative and incomplete. However, we believe it provides a useful starting point for future research. To date, SHRD theory has highlighted the primacy of human capital to organizational performance (Ostroff and Bowen 2000; Garavan 2007) and used RBV thinking to argue that firm-specific human capital will result in sustainable competitive advantage (Wright and McMahan 1992). The DCs perspective helps in explaining how in conditions of environmental dynamism, SHRD will need to engage in a continual renewal of its capabilities if it is to contribute to organizational performance.

**Research implications and future research**

Remarkably, despite the proliferation of research on dynamic capabilities in the strategy field and to a lesser extent in HRM, there is a total absence of contributions on the types of dynamic capabilities that SHRD can contribute to developing. The fundamental argument that we make here is that SHRD can, through its practices structures and processes develop unique dynamic capabilities that enhance the capacity of organizations to be competitive in turbulent business environment. Human resources create value where an organization and in particular, SHRD has the capabilities to deploy them in ways matched with the needs of the environment. We present our framework in the form of a series of concentric circles. We do not propose causal directions among the various components of the model, nor do we propose testable propositions. We specify the various layers of influence moving from the broad in the outer circle to the specific DSHRDCs in the central circle. We are conscious of the absence of empirical research and, therefore, suggest a number of avenues for future research.

First, we suggest a number of content research areas. These include a greater understanding of the SHRD enablers of DSHRDCs including the cognitions of SHRD practitioners and actors, the role of strategic alignment and the strength of SHRD in contributing to the development of DSHRDCs, and how processes and structures help their development. There is scope to understand how different enablers are linked to specific DSHRD capabilities and which enablers most benefit particular DSHRDCs. Specific questions that can be investigated include; how do SHRD practitioner’s interpretations of their environment shape the responses of the SHRD function? What cognitive, motivational, and behavioural characteristics of SHRD practitioners shape DSHRDCs development? What are the specific micro-origins of DSHRDCs? Where do DSHRDCs originate? How do absorptive capacity, knowledge sharing, and integration mechanisms influence DSRDCs? There is scope to investigate the relationships between the specific components highlighted in our framework and to extend our framework. The content of the framework is influenced by DCs and SHRD literatures. Other dimensions of SHRD, such as HRD orientation could enhance our understanding of DSHRDCs.

Second, we suggest there should be a focus on researching the context of DSHRDCs. Differences in business strategy, product/service portfolio, manufacturing and service industry differences, customer expectations, regulatory influences, and the number and location of HRD practitioners and actors can affect how DSHRDCs emerge. In general,
insufficient attention has been given to context issues in HRD, and it is important to focus on context to achieve a deeper understanding of DSHRDCs. Contexts where SHRD actors and units have significant scope and focus on customization will serve as strong contexts supporting DSHRDCs. Similarly, contexts where employees’ behaviours are prescribed and where there is less discretion in respect of SHRD practices and a heavy use of highly structured job-focused SHRD practices will provide a more challenging context for the development of DSHRDCs. Specific questions that can be addressed in this context include: how does industry context affect the criticality of SHRD for firm-level DCs? What are the characteristics of high and low performing SHRD functions and DSHRDCs? Are there unique organizational, situational, and contextual factors that shape the actions of SHRD actors? Are DSHRDCs more likely to emerge in particular industry and service contexts?

Third, we suggest that research on DSHRDCs requires novel and multilevel research designs. Aguinis and Molina-Azorin (2015) highlight the complexity of researching DCs and in particular microfoundations due to their inherent multilevel nature. They require research designs that capture this complexity. We recommend the use of truly longitudinal designs with repeated measures over time. Given the dynamic nature of DSHRD capabilities, there is a need for repeated measures of phenomena from the same units over time. Longitudinal studies can establish the directionality of the concepts proposed in our framework and understand both the short and long-term effects of DSHRDCs in organizations. We also recommend the use of triangulation with different methodologies to capture the complex, holistic and contextual nature of DSHRDCs. There is scope to combine qualitative and quantitative designs to obtain in-depth understandings of DSHRDCs while also contributing to greater generalizability. Aguinis and Molina-Azorin (2015) proposed the careful use of mixed methods and the selection and implementation of these methods to address specific research questions.

Implications for SHRD practice

A dynamic capabilities perspective on SHRD challenges the traditional roles that it plays in organizations. Our framework suggests practical lessons for SHRD practitioners that wish to ensure that SHRD contributes to organizational performance and competitiveness in dynamic environments. First, involving a large number of stakeholders during the management of SHRD creates valuable knowledge that will stimulate SHRD to think differently about its role and help it sense, seize, and reconfigure what it does to contribute important DSHRDCS to organizations.

SHRD practitioners need to be aware that the dynamic capabilities that they develop need to be deployed at multiple points in time. The capacity to deploy these capabilities requires that SHRD practitioners have a clear view of the role of SHRD in organizations and understand the skills required to sense, seize and reconfigure. Neglecting to develop these skills may lead SHRD to spend too much time and resources on the wrong activities that may not be relevant to the development of DSHRDCs. Our framework particularly emphasizes the role of SHRD practitioner cognitions, beliefs, values and skills and their specific skills to interpret the external environment, to make decisions in situations of uncertainty and turbulence, to network both inside and outside the organization and to be skilled to engage in sensing, seizing and reconfiguration activities.

Finally, our framework demonstrates the pivotal role of SHRD practices in contributing to DSHRDCs. Where previously SHRD practitioners tended to focus on practices directed at individuals, the depth of practices under consideration becomes deeper when
the development of DSHRDCs is the focus of what SHRD does. Indeed, given the salience of SHRD practices, SHRD practitioners need to focus on the strength of these practices in terms of coverage and extent of implementation.

Conclusion
In a pioneering theoretical contribution, Teece (2007) challenged scholars and practitioners to move away from the analysis of an organization’s external environment and focus instead on internal capabilities and resources. This contribution has triggered much research in the strategy and HRM fields; however, to date there is very little in the HRD field. Consistent with fundamental DC concepts we propose a framework that defines DSHRDCs based on the accepted generic DCs view. We conceptualized the role of DSHRDCs through human resource scalability capability, organizational capability for change and innovation, and organizational learning capability. Our article’s overall contribution is its focus on specifying DSHRDCs, which we believe, offers potential for future SHRD research and practice.

Disclosure statement
No potential conflict of interest was reported by the authors.

ORCID
Sandra Watson http://orcid.org/0000-0002-5800-5731

References


