

# THE IMPACT OF FLEXIBLE HUMAN RESOURCE MANAGEMENT ON DYNAMIC CAPABILITIES IN CHINESE PRIVATE ENTERPRISES - A CASE STUDY OF NINGBO JUNAN HOLDINGS CO., LTD

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AN INDEPENDENT STUDY SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION GRADUATE SCHOOL OF BUSINESS SIAM UNIVERSITY



# THE IMPACT OF FLEXIBLE HUMAN RESOURCE MANAGEMENT ON DYNAMIC CAPABILITIES IN CHINESE **PRIVATE ENTERPRISES - A CASE STUDY OF NINGBO JUNAN HOLDINGS CO., LTD**

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This Independent Study has been approved as a Partial Fulfillment of the Requirements for the Degree of Master of Business Administration

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### ABSTRACT

Human resource management is ubiquitous and, in the long term, is a factor influencing the dynamic capabilities of private enterprises. The rapid development of society has made the trend towards platformization and networking in management increasingly evident for private enterprises. Exploring how to optimize human resource management practices to help employees quickly acquire the skills needed by enterprises, swiftly adapt to the continuously adjusting organizational structures, and ultimately achieve high-speed growth in dynamic capabilities and performance remains an ongoing exploration for many Chinese private enterprises. This study focused on the impact of flexible human resource management on an organization's dynamic capabilities. Therefore, this study aimed to analyze the effect of internal flexibilityoriented human resource management, external flexibility-oriented human resource management, internal-external flexibility-oriented human resource management and flexible human resource management on the dynamic capabilities of private enterprises.

This study utilized the quantitative method to analyze the dynamic capabilities of a private enterprise, Ningbo Junan Holdings Co., Ltd. A survey questionnaire was distributed to 370 employees of the company to collect relevant data. 348 employees completed the survey, resulting in a response rate of 94.1%. The data were analyzed using SPSS. The following research conclusions were drawn: 1) Internal flexibilityoriented human resource management has a positive impact on the dynamic capabilities of Ningbo Junan Holdings Co., Ltd; 2) External flexibility-oriented human resource management has a positive impact on the dynamic capabilities of Ningbo Junan Holdings Co., Ltd; 3) Internal-external flexibility-oriented human resource management has a positive impact on the dynamic capabilities of Ningbo Junan Holdings Co., Ltd and 4) Flexible human resource management has a positive impact on the dynamic capabilities of Ningbo Junan Holdings Co., Ltd.

Based on the conclusions drawn in this study, the following management strategies were proposed: 1) Establish a scientifically grounded concept of flexible human resource management; 2) Strengthen organizational identification and 3) Establish a flexible human resources planning system.

**Keywords:** flexible human resource management, Chinese private enterprises, internal flexibility-oriented human resource management, external flexibility-oriented human resource management, internal-external flexible-oriented human resource management



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Graduation marks not an end but a new beginning, and I am committed to striving harder to achieve my future goals.



### DECLARATION

I, Yang Miao, hereby certify that the work embodied in this independent study entitled "The Impact of Flexible Human Resource Management on Dynamic Capabilities in Chinese Private Enterprises - A Case Study of Ningbo Junan Holdings Co., Ltd" is result of original research and has not been submitted for a higher degree to any other university or institution.

Miao ang

(Yang Miao) September 2, 2024

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### **Chapter 1 Introduction**

#### **1.1 Background of the Study**

The business environment faced by private enterprises exhibits VUCA characteristics that are volatility, uncertainty, complexity, and ambiguity (Swafford et al., 2006). The outbreak of the COVID-19 pandemic has significantly impacted socioeconomic development, placing greater pressure and challenges on the operations and management of private enterprises. Addressing the uncertainty of the external environment and surviving and thriving amidst sudden crises have become critical issues for today's private enterprise managers (Liu et al, 2020). Changes in the external environment bring a series of challenges to enterprises, such as reduced orders, unpredictable consumer demand, employees' skills failing to meet the changing demands, and high labor costs.

Management practices in enterprises indicate that high-quality development ultimately depends on human efforts. The essence of competition between enterprises is fundamentally a competition for talent and the mechanisms to attract and retain talent. The intensification of economic development and competition has made effective human resource management practices crucial for the survival and growth of organizations (Peng & Zhang, 2019). At the same time, the influx of new-generation employees into the workforce, bringing with them new ideas and demands, has greatly challenged traditional human resource management models (Peng & Guo, 2020). Ye et al. (2020) found that enterprises equipped with flexible responsiveness, adaptability, and flexible management approaches and systems gain competitive advantages in complex and rapidly changing external competitive environments.

In this background, flexible human resource management has emerged, which emphasizes rapid response and adaptable design. Flexible-oriented human resource management practices enable private enterprises to reallocate and reorganize resources at low costs, enhancing their adaptability and maintaining competitive advantages in dynamic environments (Eisenhardt & Martin, 2021). In fact, in response to the COVID-19 pandemic, some enterprises have demonstrated strong capabilities in flexible human resource management to adapt to sudden changes, such as remote work, online recruitment, shared workforce, and home-based offices reflect this flexibility. Furthermore, the rapid development of artificial intelligence, big data platforms, and 5G networks has provided technical support for improving management practices in enterprises. Some private enterprises have already enhanced organizational flexibility and resilience by adjusting their organizational structures to enhance competitive (Liu, 2021).

The rapid development of society has made the trend towards platformization and networking in management increasingly evident for private enterprises. Therefore, exploring how to optimize human resource management practices to help employees quickly acquire the skills needed by enterprises, swiftly adapt to the continuously adjusting organizational structures, fully inspire employees' enthusiasm for work, improve job performance, and ultimately achieve high-speed growth in dynamic capabilities and performance remains an ongoing exploration for many Chinese private enterprises.

### **1.2 Questions of the Study**

An organization with flexible management capabilities can make rapid adjustments in a dynamic and tense environment. Faced with a complex economic environment, private enterprises need to be highly sensitive to changes in the competitive environment, and enhance their adaptability by strategically allocating resources and adjusting internal structures. Flexible human resource management plays a proactive role in enhancing an enterprise's dynamic capabilities.

In the past, it was common practice for enterprises to fix job responsibilities within specific job descriptions or certain knowledge and skills. However, from a long-term perspective of socio-economic development, the drawbacks of such practices are becoming increasingly apparent. Through flexible human resource management, organizations can mitigate these risks to some extent, while also granting employees greater autonomy and flexibility in their work roles. At the same time, the speed of updating employee knowledge and skills, as well as operational efficiency, will be improved and enhanced employee job performance. High-quality flexible human resource management can help enterprises respond quickly to environmental changes, thus enhancing their dynamic adaptability, which is crucial.

Human resource management is ubiquitous and, in the long term, that is a factor influencing the dynamic capabilities of private enterprises. Therefore, taking Ningbo Junan Holdings Co., Ltd as research subject, this study aims to explore the relationship between flexible human resource management and enterprise dynamic capabilities, uncovering patterns to assist private enterprises in mitigating uncertainties in the external environment and deepening understanding of human resources. This research aims to address the following questions:

- 1) Does internal flexibility-oriented human resource management affect the dynamic capabilities of Ningbo Junan Holdings Co., Ltd?
- 2) Does external flexibility-oriented human resource management affect the dynamic capabilities of Ningbo Junan Holdings Co., Ltd?
- 3) Does internal-external flexibility-oriented human resource management affect the dynamic capabilities of Ningbo Junan Holdings Co., Ltd?
- 4) Does flexible human resource management affect the dynamic capabilities of Ningbo Junan Holdings Co., Ltd?

### 1.3 Objectives of the Study

This study focus on the impact of flexible human resource management practices on an organization's dynamic capabilities, with the aim of better understanding the process by which human resource management practices influence an organization's dynamic capabilities. Therefore, this study aims to achieve the following objectives :

- 1) To examine the effect of internal flexibility-oriented human resource management on the dynamic capabilities of Ningbo Junan Holdings Co., Ltd.
- 2) To examine the effect of external flexibility-oriented human resource management on the dynamic capabilities of Ningbo Junan Holdings Co., Ltd.
- 3) To examine the effect of internal-external flexibility-oriented human resource management on the dynamic capabilities of Ningbo Junan Holdings Co., Ltd.
- 4) To examine the effect of flexible human resource management on the dynamic capabilities of Ningbo Junan Holdings Co., Ltd.

### **1.4 Scope of the Study**

To explore the relationship between flexible enterprise human resource management and dynamic capabilities, this study focused on Ningbo Junan Holdings Co., Ltd. Initially, a systematic review of the literature on flexible human resource management and studies on dynamic capabilities are undertaken. This review and analysis help in constructing the conceptual framework for this study and provide a solid theoretical foundation for developing the measurement scales. Through surveys and data analysis, this study aims to reveal the effects of flexible enterprise management on promoting dynamic capabilities.

### 1.5 Significance of the Study

#### **1.5.1 Theoretical Significance**

Firstly, this study provides a new theoretical perspective on the practice of flexible human resource management, deepening the understanding of the impacts of flexibilityoriented human resource management practices. Flexible human resource management emphasizes adaptability in employee skill development, behavior optimization, and management practice flexibility, which are crucial for enterprises to maintain competitiveness in rapidly changing market environments. Theoretically, this study supplements the research on dynamic capabilities and lays the foundation for the further development of flexible human resource management.

#### **1.5.2 Practical Significance**

To better adapt to the highly competitive market environment, an increasing number of private enterprises are focusing on human resource management research. Through the study of flexible human resource management, these enterprises have stabilized their internal structures and invigorated their organizational dynamics. The findings of this research help enterprises understand the formation patterns of dynamic capabilities and emphasize the potential of human resource management. This allows enterprises to continuously gain new sources of sustainable competitive advantage in a dynamic competitive environment by leveraging the connections between flexible human resource management and dynamic capabilities. By improving the level of human resource management, private enterprises can comprehensively enhance dynamic capabilities, thereby increasing sustainable competitive advantage.

### **Chapter 2 Literature Review**

This study thoroughly examines the dynamic capabilities theory, work adaptation theory and flexible human resource management literature to clarify the definitions and dimensions of various variables. Through a systematic investigation of the relationship between the two concepts, this research constructs a conceptual framework, providing a foundation and theoretical support for subsequent empirical studies.

### 2.1 Dynamic Capabilities Theory

#### 2.1.1 Concept of Dynamic Capabilities Theory

The concept of dynamic capabilities was initially proposed by Teece, who defined it as the ability of an enterprise to reconfigure, renew, and redeploy internal and external resources to adapt to unstable internal and external environments (Teece et al., 1997). Zollo and Winter further suggested that dynamic capabilities are stable patterns that can be acquired through organizational learning activities. Additionally, Winter argued that dynamic capabilities involve the development, integration, and creation of collective capabilities (Zollo & Winter, 2002). Eisenhardt and Martin introduced the concept of organizational dynamic capabilities, suggesting that dynamic capabilities are the ability of an enterprise to adapt to or even change its environment through the integration of internal and external resources, organizational restructuring, and efficient resource allocation (Eisenhardt & Martin , 2001). Yu (2022) suggested appropriately allocating a firm's existing strategic resources, maintaining a high sensitivity to risks and opportunities, and seizing opportunities to respond to environmental changes.

The theory of dynamic capabilities leveraged the integration, coordination, construction, and reconfiguration of internal and external resources to gradually form new capabilities (David & Teece, 1997). This framework elucidated how firms created and sustained long-term core competitive advantages through dynamic capabilities. In the analytical framework established, firms used prior paths to help determine their existing resource base, forming the critical element of organizational processes. As "first movers," firms identified and seized innovative opportunities and developed dynamic capabilities, thereby combining short-term competitive advantages with long-term dynamic capabilities to maintain their advantageous position in industry development.

Helfat and Peteraf (2023) mentioned that a firm's capabilities were a necessary prerequisite for maintaining its activities. In essence, for a firm, a capability was either utilized, or the firm lost it. They defined dynamic capabilities as the firm's ability to purposefully create, extend, and modify its resources. These resources included tangible and intangible assets, human assets, and the ability to control or prioritize the use of organizational assets. As Helfat and Peteraf clearly stated, whether specific dynamic capabilities could confer competitive advantage could be tested using resource-based competitive advantage criteria.

#### 2.1.2 Characteristics of Dynamic Capabilities Theory

In highly volatile markets, market changes exhibit nonlinear characteristics, complex boundaries, unclear market organization, and lack predictable patterns. In such markets, effective dynamic capabilities are crucial yet straightforward, requiring low reliance on existing knowledge (Zhang et al., 2021). They necessitate continuous knowledge updating to adapt to rapidly changing market environments and involve breaking away from past experiences and knowledge systems. Dynamic capabilities possess the following characteristics:

#### a. Valuable

The integration and reconfiguration of resources only hold value when they promptly and accurately meet the demands of environmental changes, thereby sustaining or enhancing a firm's competitiveness. The value of dynamic capabilities is assessed by their outcomes, stemming from improvements in resource utilization efficiency following environmental changes (Cui & Zhou, 2021). The more efficiently a firm enhances its resource utilization efficiency post-change, the greater the value of its dynamic capabilities. Dynamic capabilities originate from human resources.

#### b. Cost - Effective

The purpose of practicing dynamic capabilities is to maintain and enhance a firm's competitive advantage. The actual costs associated with dynamic capabilities are high, including direct costs, indirect costs, and opportunity costs (Zhang & Wang, 2024). In many cases, dynamic capabilities are closely linked to specific resources, so if a firm does not face environmental risks, these costs may diminish. Furthermore, dynamic capabilities involve costs related to knowledge acquisition and structural updates; integrating resources requires managers to invest significant time and effort. Moreover, if managers have a skewed perception of the market environment and implement

incorrect practices of dynamic capabilities, unnecessary costs may escalate and result in wastage of firm resources.

c. Time - Related

The research and development of dynamic capabilities, along with the evaluation of resource allocation and its outcomes, unfold over time. The assessment of practices and effects may become ambiguous due to time intervals, thereby influencing managerial decision-making (Cheng & Wang, 2023). These instabilities potentially have negative impacts on resource integration and reconfiguration. Therefore, to mitigate risks stemming from changes in the market environment, organizations must enhance their capability to integrate existing resources effectively and improve the efficiency of developing new resources.

### 2.2 Work Adaptation Theory

Harman and Freeman (1977), extensively referencing Darwin's theory of evolution, argued that there is a high degree of similarity between the "organization-environment" relationship in human resource management and the "organism-environment" relationship in evolutionary theory. Organizations that are dependent on their specific environments emerge under different conditions, and like biological evolution, these organizations continuously adapt to environmental changes, resulting in new forms and content. Changes in the social environment can similarly act as a selection mechanism for businesses, with only those capable of adapting to these changes surviving in the market.

Due to the considerable degree of agency possessed by employees, firms could achieve proactive adaptation to the environment through dynamic adjustments (Guo, 2019). This suggested that variation was an intentional strategic approach of organizations rather than a result of blind adaptation. Consequently, he identified three successive stages of organizational environmental adaptation: variation, selection, and retention. The work adaptation theory emphasized the fit between individuals and their work environment, requiring that the work environment met the needs of employees while employees possessed the capabilities to meet the demands of the work environment (Liu, 2021).

When individual characteristics align closely with environmental characteristics, or when an organization effectively meets individual needs, the degree of personorganization fit is high, enhancing positive experiences for individuals. Under flexible human resource management, this alignment can further promote the flexibility and diversity of employee training, enabling employees to effectively adapt to job requirements and improve external satisfaction.

### 2.3 Flexible Human Resource Management

(1) Concept of Flexible Human Resource Management

Flexible human resource management is crucial for helping private enterprises enable employees to adapt to internal and external environments and enhance their market responsiveness. In recent years, the practice of flexible human resource management has garnered increasing attention from the academic community, leading to extensive exploration and discussion.

The Latin origin of "flexible" means changeable or easily adjustable and bendable. In industry, it refers to the ability to adapt and change. Numerous scholars in the field of human resource management have introduced the concept of "flexibility" into management studies. Among them, Milliman et al. (1991) proposed the concept of human resource flexibility, defining it as the flexible utilization of human resource elements, including working hours, the number of employees, and personnel structure. They argued that the essence of human resource flexibility lies in promoting an organization's ability to effectively and promptly adapt to the constantly changing and diverse demands from both the environment and within the company.

Mei (2010) defined the concept of flexible-oriented human resource management practices as organizational management strategies adopted to address strategic changes. These practices include activities such as job rotation, mentoring programs, training, and empowerment, aimed at enhancing employee skills and behavioral agility to meet organizational needs. Li and Zhao (2016) introduced human resource flexibility into private enterprises undergoing economic system reforms, suggesting that it helps businesses effectively cope with changes and achieve development. Ye et al. (2020) proposed that flexible human resource management practices focus on exploring how organizations achieve alignment between employees and the external environment through the design of human resource management systems.

(2) Dimensions of Flexible Human Resource Management

Chang et al. (2013) categorized flexible-oriented human resource management into two dimensions: resource-oriented flexible human resource management and coordination-oriented flexible human resource management. Resource-oriented flexible human resource management involve a series of human resource management activities aimed at acquiring and expanding employee knowledge and skills, such as diverse skills training, job enrichment, and job rotation. Coordination-oriented flexible human resource management, on the other hand, focus on strategically reallocating and redeploying human resources, utilizing participatory management, information systems for management, performance evaluation, and incentive mechanisms to facilitate rapid and effective redeployment of human resources. Bal and De Lange (2015) proposed that the dimensions of flexible-oriented human resource management practices and the actual availability of flexible human resource management practices. Based on this framework, they further categorized each dimension into regular flexibility and irregular flexibility, and used two scales, each containing 7 items, to measure them.

Liu et al. (2019) categorized flexible-oriented human resource management practices into three dimensions: internal flexibility-oriented human resource management, external flexibility-oriented human resource management, and combined internal-external flexibility-oriented human resource management. They developed a 16-item scale based on existing research to measure human resource management practices.

Blyton et al. (1991) categorized flexible human resource management into four dimensions: numerical flexibility, functional flexibility, temporal flexibility, and wage flexibility. Numerical flexibility involved the flexible allocation and adjustment of the quantity and types of human capital to manage fluctuations in workforce size. Functional flexibility referred to the diversification of employee skills and their ability to adapt to different job tasks. Temporal flexibility pertained to the implementation of flexible work schedules by organizations to meet operational changes or employee needs. Wage flexibility involved diverse wage structures.

Table 2.1 summarizes the categorization of dimensions of flexible human resource management.

Variable	Scholars	Dimensions
	Blyton et al.	Numerical flexibility, Functional flexibility,
	(1991)	Temporal flexibility, Wage flexibility
	Chang et al.	Resource-oriented flexible human resource
	(2013)	management, Coordination-oriented flexible human
	(2013)	resource management
Flexible Human	Mei (2010)	Functional flexibility strategy, Skill extension
Resource	Wiel (2010)	strategy, Behavioral flexibility strategy
Management		Flexible human resource practice, Temporary and
Widnagement	Way (2015)	regular employees' skill and behavioral coordination
		flexibility, Practice coordination flexibility
		Internal flexibility-oriented human resource
	Liu et al. (2019)	management, External flexibility-oriented human
		resource management, Internal-external flexibility-
		oriented human resource management

Table 2.1 Dimensions of Flexible Human Resource Management

In summary, this study adopts the perspective of Liu et al. (2019), which posits that the dimensions of flexibility human resource management practices are categorized into internal flexibility-oriented human resource management, external flexibility-oriented human resource management, and internal-external flexibility-oriented human resource management.

#### 2.3.1 Internal Flexibility-Oriented Human Resource Management

Internal flexibility-oriented human resource management emphasizes internal flexibility by ensuring stable employment and job security for permanent employees. It actively promotes extensive and differentiated skills training through methods such as job enrichment, job redesign, job rotation, autonomous teams, empowerment, and employee participation. Besides professional skills training, the enterprise also focuses on soft skills training, including social skills, communication skills, and customer relationship management abilities, to enhance employees' overall skill levels and their ability to combine various skills effectively.

#### 2.3.2 External Flexibility-Oriented Human Resource Management

External flexibility-oriented human resource management tends to achieve a balance between labor cost control and skill requirements through the utilization of external resources. Specifically, private enterprises adopt flexible staffing strategies for most positions: when there is a shortage of certain skilled personnel, they address this need through immediate recruitment and temporary hiring from the market. It is

noteworthy that this employment approach is predominantly used for specialized skill positions and involves configurations such as part-time employees, independent contractors or self-employed individuals, and externally hired experts or consultants (Liu & Li, 2015).

#### 2.2.3 Internal-External Flexibility-Oriented Human Resource Management

Internal-external flexibility-oriented human resource management emphasizes the integration and balance of internal and external flexibility in HR practices. On one hand, it encourages internal employee skill development, knowledge sharing, and cross-team collaboration. On the other hand, it attracts and expands external talent resources by utilizing strategies such as informal employee arrangements, cross-boundary personnel integration, crowdsourcing platforms, internal entrepreneurship, and external alliances. These approaches help establish partnership relationships between the enterprise and both internal and external employees, as well as between organizations.

### 2.4 Relationship between Flexible Human Resource Management and

### **Dynamic Capabilities**

Wright et al. (2009) emphasized the role of organizational routines in the integration and catalysis of corporate human resources, focusing on dynamic organizational capabilities. Therefore, employees needed to be incorporated into the current organizational structure and management processes, establishing appropriate HR management systems that aligned with organizational development. Ghanam and Cox (2021) analyzed the integration of human resources and dynamic capabilities through case studies, primarily focusing on various aspects of human resource management and dynamic capabilities. These aspects included the maintenance of organizational culture, recruitment management, and the integration of human resource management with strategic planning.

Li (2020) categorized dynamic capabilities from a resource-based perspective. He posited that the value-added nature of the resource base in private enterprises continuously improves dynamic capabilities. This allows dynamic capabilities, characterized by renewal and regenerative features, to achieve updates, adaptation, and expansion based on the enterprise's resource foundation. Bie (2018) comprehensively considered each type of resource factor and concluded that human capital management, social capital management, and managerial cognition are the three factors that constitute dynamic management capabilities. The decisions made by managers depend on the

influence of these three factors, which also affect dynamic capabilities. Hou et al. (2014) considered the flexibility of human resources from the perspective of dynamic capabilities. They emphasized the importance of valuing human resources themselves and also highlighted the need for focused attention on effectively allocating and innovatively managing human resources.

Business managers and researchers agreed that human resource management significantly contributed to the realization, maintenance, and development of dynamic capabilities within personalized enterprises, which constituted a fundamental competitive advantage for companies.

### 2.5 Ningbo Junan Holdings Co., Ltd

Ningbo Junan Holdings Co., Ltd. is a large-scale modern and international comprehensive conglomerate integrating bulk commodity operation and management, industrial investment, equity investment, and construction services. Its industries span multiple sectors including import and export trade, petrochemicals, non-ferrous metals, finance, technology, investment, and modern services. It has been recognized as one of the "Top 500 Service Enterprises in China," "Top 100 Comprehensive Enterprises in Zhejiang Province," "Top 100 Comprehensive Enterprises in Ningbo," and a leading foreign trade enterprise in Ningbo. It was among the earliest privately-owned enterprises in Zhejiang Province to obtain national foreign debt quotas. As of 2019, the company achieved an annual revenue of 20 billion RMB, with customs import and export totaling 900 million USD, and has maintained rapid and stable growth at a double-digit rate annually.

Throughout its developmental trajectory, Junan actively constructs mechanisms for employee cooperation, entrepreneurship, innovation, and mutual growth with the enterprise. Within a framework of shared corporate vision, mission, and core values, the company places talent at its foundation, providing employees with funding, services, and developmental platforms to fully utilize their talents in advancing corporate development.

Junan is committed to deepening cooperation with customers, offering higherquality services guided by customer value. By integrating stakeholders in the supply chain such as international renowned corporations, distributors/channel partners, logistics providers, financial institutions, and value-added service providers, Junan collaborates with customers to uphold and build an interconnected, mutually beneficial commercial ecosystem. This collaboration aims to achieve resource sharing and mutual benefits.

### 2.6 Conceptual Framework

This study explores the impact of flexible human resource management (internal flexibility-oriented human resource management, external flexibility-oriented human resource management, and internal-external flexibility-oriented human resource management) on the dynamic capabilities of private enterprises, and on this basis, constructs a conceptual model.

Specifically, internal flexibility-oriented human resource management aims to enhance employees' adaptability and work flexibility within the enterprise through measures such as training and job rotation. External flexibility-oriented human resource management focuses on leveraging the external labor market, such as the use of temporary workers and outsourcing services. The combined internal-external flexibility-oriented human resource management integrates the advantages of both approaches to achieve greater dynamic capabilities. By conducting an in-depth analysis of these management modes, this study examines their specific impacts on dynamic capabilities which include innovation ability, market responsiveness, and resource allocation efficiency, and proposes related hypotheses. This provides a theoretical basis and practical guidance for private enterprises to enhance their dynamic capabilities.

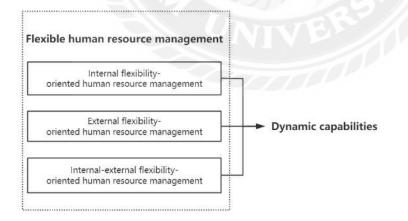


Figure 2.1 Conceptual Framework

### **Chapter 3 Research Methodology**

### **3.1 Research Design**

This chapter describes the quantitative method to systematically collect, integrate, and analyze relevant data in order to validate the proposed conceptual framework. Initially, a scientifically rigorous questionnaire survey was designed to gather data on the practices of private enterprise in flexible human resource management. Subsequently, statistical analysis tool was utilized for in-depth data analysis. Finally, conclusions were drawn based on the analysis results, verifying the impact of flexible human resource management on the dynamic capabilities of enterprises.

### **3.2Questionnaire Design**

Based on the relevant literature and considering the characteristics of private enterprises, this study designed a questionnaire consisting of three parts. The first section aims to gather basic information about the participants. The second section is a flexible human resource management scale, and the third section is a dynamic capabilities scale. Each item in the second and third sections is rated using a 5-point Likert scale, where 1 represents very appropriate and 5 represents very inappropriate, providing a nuanced understanding of the participants' perceptions and experiences.

#### 3.2.1 Human Resource Management Scale

The flexible human resource management scale was adapted from the scale developed by Liu et al. (2019), with minor modifications. Flexible human resource management is measured across three dimensions: internal flexibility-oriented human resource management, external flexibility-oriented human resource management, and internal-external flexibility-oriented human resource management.

The contents of the flexible human resource management scale are shown in Table 3.1.

Variable	Dimension	Items
Flexible	Internal	1. The company offers various training programs
human	flexibility-	for employees to enhance their ability to
resource	oriented human	undertake diverse tasks.

Table 3.1 Flexible Human Resource Management Scale

	400.011755	2 The component provides and statistics the
management	resource	2. The company provides extensive training to
	management	employees that is not directly related to their
		current duties, enabling to gain diverse job skills.
		3. The company offers job rotation opportunities
		to employees, enabling to acquire diverse job
		skills.
		4. The company enriches the job responsibilities
		of employees, such as engaging them in diverse
		tasks, to help them acquire a variety of job skills.
		5. The company prioritizes diversity in skills and
		experience when recruiting and selecting key
		employees, aiming to develop candidates' ability
		to handle various tasks.
	External	6. The company emphasizes external flexibility in
	flexibility-	human resources management to balance labor
	oriented human	
		costs and skill requirements.
	resource	7. The company employs immediate recruitment
	management	strategies to address skill shortages in key
	1 8 10 P	positions.
		8. The company hires part-time employees to
		effectively manage fluctuations in skill demand.
	00	9. The company engages independent contractors
		and freelancers to supplement employees'
		specialized skill needs.
		10. The company frequently hires external experts
		or consultants to meet specific skill requirements.
		11. Flexibility in personnel deployment is a key
		strategic approach for managing skill shortages in
		the company.
	Internal-	12. The company has established platforms for
	external	knowledge and information exchange.
	flexibility-	13. The company actively promotes
	oriented human	entrepreneurial activities to foster innovation and
	resource	develop internal talent.
	management	14. The company actively utilizes non-permanent
		staffing arrangements, such as freelancers and
		contractors, to enhance workforce flexibility.
		15. The company frequently implements cross-
		functional integration among personnel from
		different departments or disciplines.
		16. The company establishes strategic alliances
		with external partners to expand the scope and
		effectiveness of talent recruitment.

#### **3.2.2 Dynamic Capabilities Scale**

In highly uncertain environments, sustaining competitive advantage no longer relies on maintaining singular strengths; instead, new competitive advantages are constantly evolving. Private enterprises operating in hyper-competitive fields must adjust by mobilizing their continuity to adapt to changing circumstances, rather than relying on outdated, non-imitable competitive advantages. The core operational goal of dynamic capabilities is to sustain and develop competitive advantages amidst unclear conditions.

The dynamic capabilities scale used in this study was adapted from the scale developed by scholar Li (2019), with appropriate modifications to fit the current research context, This scale consists of six items. As depicted in Table 3.2.

Variable	Items
Dynamic	1. The company has a keen sensitivity to environmental changes
capabilities	2. The company can accurately predict industry development
	trends.
	3. The company can quickly adjust its organizational structure in
	response to strategic changes.
	4. The company frequently revises its established strategies to
	stay aligned with its current resources.
	5. The company regularly develops new products or services that
	are readily accepted by the market.
	6. The company has a conducive environment for innovation.

Table 3.2 Dynamic Capabilities Scale

### **3.3 Hypothesis**

H<sub>1</sub>: Internal flexibility-oriented human resource management affects the dynamic capabilities of Ningbo Junan Holdings Co., Ltd.

H<sub>2</sub>: External flexibility-oriented human resource management affects the dynamic capabilities of Ningbo Junan Holdings Co., Ltd.

H<sub>3</sub>: Internal-external flexibility-oriented human resource management affects the dynamic capabilities of Ningbo Junan Holdings Co., Ltd.

H<sub>4</sub>: Flexible human resource management affects the dynamic capabilities of Ningbo Junan Holdings Co., Ltd.

### **3.4 Population and Sample**

This study aimed to explore in depth the relationship between flexible human resource management and dynamic capabilities in private enterprises. Ningbo Junan Holdings Co., Ltd. was selected as the research subject due to its operating environment characterized by rapid changes and high demands for dynamic capabilities.

The enterprise currently has 370 employees. A survey questionnaire was distributed to 370 employees of the company to collect relevant data. Through the analysis of these survey responses, the study seeks to provide effective management strategies and recommendations for enterprises facing fast-paced market environments.

#### **3.5 Data Collection**

This study distributed questionnaires to 370 employees of Ningbo Junan Holdings Co., Ltd. to investigate the relationship between flexible human resource management and dynamic capabilities. Ultimately, 348 employees completed the survey, resulting in a response rate of 94.1%.

### 3.6 Data Analysis

The data were analyzed using SPSS to explore this relationship. Descriptive statistics were initially employed to understand the sample characteristics and variable distributions comprehensively. Subsequently, correlation analysis was conducted to examine the association between measures of flexible human resource management and dynamic capabilities. Furthermore, multiple regression analysis was employed to investigate the specific impact of flexible human resource management on dynamic capabilities.

#### 3.6.1 Questionnaire Reliability Analysis

Reliability refers to the consistency or stability of measurements, where a

reliable measure yields consistent or stable results when the same or similar conditions are repeated (Meng, 2010). This study aims to assess the internal reliability of the questionnaire using Cronbach's  $\alpha$ . Generally, a Cronbach's  $\alpha$  greater than 0.9 indicates high reliability of the scale; if the coefficient falls between 0.6 and 0.9, the reliability of the scale is considered acceptable; and if the coefficient is less than 0.6, it suggests issues with the scale's design that require revision (Jiao & Wei, 2008).

The reliability analysis results in Table 3.3 indicate that the coefficients for all variables are above 0.75. This suggests that the validity testing has been effective, and the scale meets the requirements of this study.

Table 5.5 Questionnaire Renability Analysis Results			
Variables	Cronbach's α	Ν	
Internal flexibility-oriented human resource management	0.782	5	
External flexibility-oriented human resource management	0.814	6	
Internal-external flexibility-oriented human resource	0.834	5	
management			
Dynamic capabilities	0.778	6	

Table 3.3 Questionnaire Reliability Analysis Results

#### 3.6.2 Questionnaire Validity Analysis

The validity of measurement refers to the extent to which measurements reflect the true meaning of a concept. It concerns whether the variables to be measured and the results of the measurement approximate the true value. This study assesses the validity of the scale based on KMO and Barlett's test . The validity analysis results in Table 3.4. The KMO values all exceeded 0.8, and the Bartlett's test of sphericity yielded a significant level of 0.000, which is less than 0.05. These results indicate that the scale structure chosen for this study demonstrates good construct validity. The KMO measure assesses the adequacy of sample size for factor analysis, with values above 0.8 indicating that the variables are sufficiently correlated. Similarly, the significant Bartlett's test confirms that the correlations between variables are sufficiently strong for factor analysis to be appropriate and valid.

	- (	5 5		
Scale	Number of KMO	The Sphericity Test of the Bartlett		
	Sampling Suitability	Approximate chi-	df	Sig.
	Quantities	square		
Flexible human	0.851	1893.888	42	0.000
resource				

Table 3.4 Questionnaire Validity Analysis Results

management				
Dynamic	0.823	2161.100	35	0.000
Capabilities				



### **Chapter 4 Findings**

In this chapter, comprehensive descriptive statistical analysis was conducted on the collected data to assess the characteristics and distributions of sample demographics. Subsequently, correlation analysis was performed to explore the relationship between measures of flexible human resource management and organizational dynamic capabilities. Furthermore, multiple regression analysis was employed to delve deeper into how flexible human resource management specifically impacts organizational dynamic capabilities. Through this analytical approach, the aim is to gain a thorough understanding and uncover how organizations enhance their adaptability and competitiveness through flexible responses and innovation in HRM practices, thereby providing strategic guidance and practical recommendations for long-term organizational development.

### 4.1 Descriptive Analysis of Sample

After obtaining the sample data, a detailed analysis was conducted on the demographic characteristics of the research subjects, including gender, age, educational background, position level, working experience, and job category. This specific analysis aimed to thoroughly understand the basic characteristics and distribution of the sample group, providing essential background and foundational data for subsequent research. Through these analyses, insights into the potential impacts of different demographic variables on the study variables can be revealed, thereby offering theoretical support and empirical groundwork for further exploration of the relationship between flexible human resource management and organizational dynamic capabilities.

Items	Classification	Ν	Percentage (%)
Gender	Male	189	54.3
	Female	159	45.7
Age	Under 22 years old	59	17.0
	23-30 years old	72	20.7
	31-40years old	121	34.8
	Above 40 years old	96	6.8
Educational	Below bachelor's degree	84	24.1
background:	Bachelor's degree	195	56.3
	Master's degree or above	69	19.6

Table 4.1 Demographic Profile

Position level	General staff	265	76.1
	General management staff	42	12.1
	Middle management staff	30	8.6
	Top management	11	3.2
Working experience	Less than 1 year	46	13.2
	1-3 years	116	33.3
	3-5 years	121	34.8
	5-10 years	65	18.7
Job category	Technology research and	79	22.7
	development		
	Administrative services	62	17.8
	Marketing	75	22.4
	Manufacturing	132	37.9

According to the data presented in Table 4.1, there were 189 males in the sample, accounting for 54.3%, and 159 females, accounting for 45.7%. This indicates a close proportion between males and females in the study, with a slight predominance of males. Among these, there are 121 employees aged between 31 and 40 years old, accounting for the highest proportion at 34.8% of the total sample. This indicates that employees in the middle-aged group dominate the sample, highlighting their significant presence in this study.

There are 84 employees with educational backgrounds of below a bachelor's degree, accounting for 24.1% of the sample. Those with a bachelor's degree number 195, representing the majority at 56.3%. Additionally, 69 employees hold a master's degree or higher, constituting 19.6% of the sample. These figures illustrate that employees with a bachelor's degree dominate the sample, while those with a master's degree or higher are relatively fewer in number.

The distribution of different position levels in the sample is as follows: general staff comprises 265 employees, accounting for 76.1%; general management staff includes 42 individuals, representing 12.1%; middle management staff consists of 30 individuals, making up 8.6%; and top management comprises 11 individuals, constituting 3.2%. General staff members constitute the largest group by number, representing the majority, while top management personnel are relatively fewer. This distribution pattern may influence the organizational decision-making hierarchy and management structure, and it holds significant implications for studying internal communication, decision efficiency, and employee engagement within enterprises.

Employees with 1-5 years of work experience constitute the majority, accounting for 68.1% of the total sample, while those with less than 1 year and over 10 years of experience are relatively fewer.

Manufacturing positions are the most numerous, comprising 37.9% of the total, followed by positions in technology research and development, marketing, and administrative services. This indicates a strong reliance on human resource support from the manufacturing sector in the enterprise's operations. The high percentage in manufacturing positions reflects that the business is likely predominantly manufacturing-oriented, necessitating a substantial workforce for production and operational roles to support its core activities.

### 4.2 Relationship between Flexible Human Resource Management and

### **Dynamic Capabilities**

Dimension	Internal	External	Internal-external	Dynamic
	flexibility	flexibility-	flexibility-oriented	capabilities
	-oriented	oriented	HRM	
	HRM	HRM		
Internal				
flexibility				
-oriented			23/1	
HRM		UNT		
Internal				
flexibility	.684**			
-oriented	.004			
HRM				
Internal				
flexibility	.711**	.741**	1	
-oriented	./11	./41	1	
HRM				
Dynamic	.722**	.734**	.684**	1
capabilities	.122**	./34**	.004	1

Table 4.2 Correlation Analysis Results

Note: HRM means Human Resource Management

The correlation analysis results of this study are presented in Table 4.2. Overall, the study finds a significant positive correlation between internal flexibility-oriented human resource management and firm dynamic capabilities, with a specific correlation coefficient of r = 0.722, p < 0.01. This indicates that within organizations, employing flexible human resource management strategies can significantly enhance their dynamic capabilities.

Similarly, external flexibility-oriented human resource management also demonstrates a significant positive correlation with firm dynamic capabilities, with a specific correlation coefficient of r = 0.837, p < 0.01. This suggests that effective interaction with the external environment and flexible resource allocation enable firms to better respond to market changes and competitive pressures, thereby elevating their level of dynamic capabilities.

Furthermore, the combined internal-external flexibility-oriented human resource management approach shows a significant positive correlation with firm dynamic capabilities, with a specific correlation coefficient of r = 0.684, p < 0.01. This underscores that considering both internal and external factors and emphasizing flexibility in human resource management practices can comprehensively promote the enhancement of firm dynamic capabilities, offering theoretical support and practical guidance for firms to maintain competitive advantage in a fiercely competitive market environment.

After obtaining the data, multiple regression analysis was conducted to further explore the specific impact relationships between different variables.

# 4.3 Impact of Flexible Human Resource Management on Dynamic Capabilities

	-Stand Coef	lon lardized ficient Standard Error	Standardized coefficient Beta	t	Sig.	VIF	F	DW
(Constant)	4.206	1.143	_	8.132	0.000			
Internal flexibility- oriented HRM	0.148	0.274	0.263	4.211	0.014	1.214		
External flexibility-oriented HRM	0.157	0.124	0.141	3.225	0.019	1.147	122.30 2**	1.872
Internal-external flexibility-oriented HRM	0.254	0.112	0.421	4.574	0.011	1.241		
R <sup>2</sup>	0.568	5	1 dr		d)			
Adjusting R <sup>2</sup>	0.564	200	40P		10			

Table 4.3 Multiple Regression Analysis Results

Note: HRM means Human Resource Management

The multiple regression analysis indicates that the model has highly significant statistical significance (F = 122.302, p < 0.01), and the adjusted R-squared value of 0.564 suggests that the independent variables in the model can explain 56.4% of the variance in the dependent variable. The Durbin-Watson (DW) statistic of 1.872, close to 2, indicates independence among the residuals. The Variance Inflation Factor (VIF) is used to assess multicollinearity among the independent variables. In this analysis, the VIF values for Internal flexibility-oriented HRM, External flexibility-oriented HRM, and Internal-external flexibility-oriented HRM are 1.214, 1.147, and 1.241, respectively, indicating the absence of multicollinearity issues among the variables.

Internal flexibility-oriented human resource management significantly positively influences dynamic capabilities within enterprises, with a standardized coefficient (Beta) of 0.263 (t = 4.211, p = 0.014 < 0.05). Hence, Hypothesis 1 is supported.

External flexibility-oriented human resource management also exhibits a significant positive impact, with a standardized coefficient (Beta) of 0.141 (t = 3.225, p = 0.019 < 0.05). Therefore, Hypothesis 2 is supported.

Moreover, internal-external flexibility-oriented human resource management demonstrates a significant positive influence, with a standardized coefficient (Beta) of 0.254 (t = 4.574, p = 0.011 < 0.05). Thus, Hypothesis 3 is supported.

Since all three dimensions of flexible human resource management show significant positive effects on dynamic capabilities within enterprises, Hypothesis 4 is also supported.



### **Chapter 5 Conclusion and Recommendation**

#### 5.1 Conclusion

This study analyzed and explored the impact of flexible human resource management on the dynamic capabilities of private enterprises based on the dynamic capabilities theory and work adaptation theory. The research hypotheses were validated, and the results were empirically supported. It is evident that the application of flexible human resource management is highly effective in enhancing the dynamic capabilities of enterprises. In today's rapidly evolving, highly competitive, and turbulent market environment driven by the knowledge economy and artificial intelligence, flexible human resource management can significantly enhance the dynamic capabilities of private enterprises, thereby providing them with a better competitive advantage.

### 5.1.1 Internal Flexibility-Oriented Human Resource Management Has a Positive Impact on the Dynamic Capabilities of Ningbo Junan Holdings Co., Ltd

This study found that internal flexibility-oriented human resource management has a positive impact on the dynamic capabilities of private enterprises. This management approach facilitates rapid adaptation to new job demands through extensive skills training, enabling employees to learn, master, and apply new technologies and methodologies. It not only enhances employees' versatility and adaptability but also improves the organization's flexibility and responsiveness in rapidly changing market environments. By providing continuous learning and development opportunities, internally flexible-oriented HR management effectively strengthens the innovative capabilities and competitiveness of enterprises. Therefore, this approach not only enhances employees' personal development but also establishes a solid foundation for the dynamic capabilities and long-term success of enterprises.

Private enterprises should establish a comprehensive training mechanism that caters to the training needs of employees. It is essential to accurately grasp employees' training requirements and provide them with practical training scenarios or job roles for practice. The training should commence with theoretical knowledge acquisition, followed by practical application in specific job positions, to prevent superficial training sessions. Validating learning outcomes through actual work scenarios enhances employee satisfaction and motivation. The content of the training should focus on challenges commonly encountered in practical work settings and requiring urgent resolution. This approach strengthens communication and collaboration among employees from different departments, stimulating their creativity and innovation. It lays a solid foundation for accommodating flexible management systems within the enterprise, ensuring that employees do not become dissatisfied or inadequate due to job rotations. Concurrently, enterprises should enhance the design of internal mobility support mechanisms. For instance, fostering a harmonious training atmosphere where each employee experiences growth and improvement encourages enthusiasm for training and contributes to mutual growth and progress with the enterprise.

### 5.1.2 External Flexibility-Oriented Human Resource Management Has a Positive Impact on the Dynamic Capabilities of Ningbo Junan Holdings Co., Ltd

This study found that external flexibility-oriented human resource management has a positive impact on the dynamic capabilities of private enterprises. This signifies that external-flexible human resource management emphasizes acquiring talent externally, such as extensively hiring external experts and technical personnel to engage in temporary work for private enterprises through projects or business collaborations. This approach facilitates the transfer of new information, sharing and communication of new technologies and work processes, thereby continuously updating the knowledge base of private enterprises. Consequently, it greatly enhances the skill extension capability of the workforce, enabling companies to effectively tackle complex challenges and apply emerging technologies.

Furthermore, outward-flexible management stimulates internal employees' learning motivation and innovation awareness, fostering the exchange and integration of knowledge both internally and externally. Therefore, effective external-flexible human resource management not only provides flexible talent support for enterprises but also creates favorable conditions for employees' career development and enhances the dynamic capabilities of the organization.

Private enterprises can conduct regular assessments of external collaborations to effectively optimize management strategies. The assessment process should encompass multiple aspects, aiding in identifying and reinforcing successful factors while also pinpointing potential areas for improvement and challenges. Based on the evaluation results, enterprises should promptly adjust management strategies to ensure alignment between external collaborations, skill development, and strategic objectives. This ongoing assessment and adjustment process helps enterprises maintain agility in highly competitive markets, thereby enhancing their leadership position within the industry.

### 5.1.3 Internal-External Flexibility-Oriented Human Resource Management Has a Positive Impact on the Dynamic Capabilities of Ningbo Junan Holdings Co., Ltd

This study found that internal-external flexibility-oriented human resource management has a positive impact on the dynamic capabilities of private enterprises. This implies that internal-external oriented human resource management needs to balance frequent interactions and mutual influences between internal and external aspects of private enterprises. This approach not only emphasizes the training and development of internal employees to preserve and pass on specialized core knowledge and skills but also focuses on maintaining informal employment groups and partnerships based on business contracts. Under this management model, enterprises can achieve flexible permeation, flow, and distribution of human resources at any time, stimulating internal and external employees to identify their skill gaps, absorb and complement new skills, and organically integrate them with existing knowledge. This helps private enterprises gain autonomy in turbulent environments and explore new development opportunities, enhancing the dynamic capabilities of the organization between continuity and evolution, thereby enabling continuous innovation.

Private enterprises can establish effective collaboration mechanisms by developing robust frameworks for engaging external experts and technical personnel. This involves ensuring open communication channels and efficient knowledge integration processes to maximize the transfer and application of external information and technologies. Simultaneously, setting up innovation platforms encourages employees to propose and experiment with new ideas, supporting them in exploring novel solutions and technologies introduced through external collaborations. These integrated efforts not only enhance organizational agility but also cultivate a culture of continuous improvement and adaptive innovation within the enterprise.

# 5.1.4 Flexible Human Resource Management Has a Positive Impact on the Dynamic Capabilities of Ningbo Junan Holdings Co., Ltd

According to the research results, the three dimensions of flexible human resource management: internal flexibility-oriented human resource management, external flexibility-oriented human resource management, and internal-external flexibilityoriented human resource management all positively impact the dynamic capabilities of private enterprises. Consequently, a new model of human resource management, characterized by flexibility, can positively influence the dynamic capabilities of private enterprises.

This is because flexible human resource management, which emphasizes humanization and personalization, can tap into employees' potential and provide a platform for them to demonstrate creativity. Within a well-structured management system, employees can better interact, share knowledge, and innovate. Team collaboration enhances cooperative capabilities and work efficiency, while a flexible organizational management structure fully stimulates innovation. Therefore, the flexible human resource management model continues to play a crucial role in enhancing dynamic capabilities.

Flexibility does not imply arbitrariness; instead, it imposes higher demands on system makers to continually seek a balance between the interests of the enterprise and those of its employees amidst ongoing changes, aiming to enhance employee job satisfaction and promote the long-term development of the enterprise. Creating a conducive work environment and making efforts to improve work interactions and cooperation can foster better teamwork and work efficiency. Simultaneously, strengthening guidance on workplace culture and cultivating interpersonal relationships requires not only individual efforts but also alignment with corporate culture. The practice of flexible human resource management may result in changes in employee leadership relationships, work content, time, and location. Enhancing employee satisfaction should extend beyond mere compensation to encompass caring for and assisting employees.

#### **5.2 Recommendation**

Flexible human resource management, as an innovative management approach, enhances the dynamic capabilities of enterprises. Therefore, private enterprises need to emphasize the concept of flexible human resource management. Based on the conclusions drawn in this study, the following management strategies are proposed.

1) Establish a scientifically grounded concept of flexible human resource management

Establish a "people-oriented" corporate management philosophy: The "peopleoriented" management philosophy is proposed as an alternative to traditional personnel management approaches, emphasizing respect for employee needs, caring for employee growth and development, and valuing employee participation, viewing people as the center of production management and as key stakeholders in the enterprise. On one hand, it creates an open environment for employees, fostering a sense of respect and enhancing their sense of belonging. On the other hand, it emphasizes human development, focusing on aspects such as career advancement, training, communication, and involvement, which contribute to cultivating a positive corporate culture and facilitating innovative activities within the organization.

Emphasizing the alignment of human resource management design: Practical research indicates that many enterprise managers have shortcomings in their understanding and implementation of HR alignment, manifested in tendencies towards blind imitation, direct replication, and insufficient corrective measures. Organizational management activities have demonstrated that changes in human resource management must align with other areas of the enterprise to maintain competitiveness in new business environments. Therefore, private enterprises must prioritize the alignment of flexible human resource management design, considering regional contexts and adjusting HR management strategies accordingly based on actual business circumstances, to ensure the systematic and consistent functionality of HR management activities.

### 2) Strengthen organizational identification

Establish a service-oriented human resources management department: By dispelling the traditional notion that HR departments solely conduct employee performance evaluations, and recognizing the increasing knowledge levels of employees in today's enterprises, the concept of service-oriented departments has become ingrained. Human resources departments should enhance their service levels to internal employees within their scope of responsibilities, providing practical holiday benefits and other forms of assistance that reduce employees' time spent on logistical tasks. This approach can further enhance employee satisfaction and organizational identification.

#### 3) Establish a flexible human resources planning system

When establishing a human resources planning mechanism, enterprises need to focus on the following three aspects:

Firstly, it should be guided by strategic objectives. All enterprise planning should be based on innovation goals and strategies. Initially, clarify the overall goals and strategies of the enterprise, then determine specific functions and departmental goals and strategies, and make overall arrangements for the steps, timing, budget, etc., of planning implementation.

Secondly, it needs to be dynamic and flexible. After flexible human resources planning is formulated, it should be adjusted appropriately according to changes in the internal and external environments.

Thirdly, performance evaluation of the planning is essential. In practice, enterprises often focus only on the formulation and implementation of human resources planning, neglecting evaluation and feedback on the results of the planning. Evaluation feedback on human resources planning is necessary.



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### Appendix

Dear Sir/Madam,

Thank you for participating in this questionnaire survey. The purpose of this survey is to investigate the relationship between flexible human resource management and organizational dynamic capabilities. There are no right or wrong answers in this survey. The data collected will be used solely for academic research purposes, and confidentiality measures will be strictly followed to protect the data and information provided in the questionnaire. Please rest assured that your responses are highly valued and will remain confidential.

Please choose the most appropriate answer for each question in the survey, as each question is a single-choice item. Your independent and thoughtful completion of the survey is greatly appreciated.

Section	1: Personal background information
Gender:	() Male
	() Female
Age:	() Under 22 years old
	() 23-30 years old
	() 31-40 years old
	() Above 40 years old
Educational background:	() Below bachelor's degree
	() Bachelor's degree
	() Master's degree or above
Position level	() General staff
	() General management staff
	() Middle management staff
	() Top management
Working experience	() Less than 1 year
	() 1-3 years
	() <b>3-5</b> years
	() 5-10 years
Job category	() Technology research and development

Thank you for your cooperation!

() Administra	tive services
() Marketing	
() Manufactu	ring

**Section 2:** Below are the items from the flexible human resources scale. Please select the option that best fits your personal situation.

5 represents Very appropriate;

4 represents Appropriate;

3 represents Not sure;

2 represents **Inappropriate**;

1 represents Very inappropriate;

Items	5	4	3	2	1
1. The company offers various training programs for key employees to enhance their ability to undertake diverse tasks.					
2. The company provides extensive training to employees that is not directly related to their current duties, enabling to gain					
diverse job skills.					
3. The company offers job rotation opportunities to employees, enabling to acquire diverse job skills.	K .				
4. The company enriches the job responsibilities of employees, such as engaging them in diverse tasks, to help them acquire a variety of job skills.					
5. The company prioritizes diversity in skills and experience when recruiting and selecting key employees, aiming to develop candidates' ability to handle various tasks.					
6. The company emphasizes external flexibility in human resources management to balance labor costs and skill requirements.					
7. The company employs immediate recruitment strategies to address skill shortages in key positions.					
8. The company hires part-time employees to effectively manage fluctuations in skill demand.					
9. The company engages independent contractors and freelancers to supplement employees' specialized skill needs.					
10. The company frequently hires external experts or consultants to meet specific skill requirements.					
11. Flexibility in personnel deployment is a key strategic approach for managing skill shortages in the company.					
12. The company has established platforms for knowledge and					

information exchange.			
13. The company actively promotes entrepreneurial activities			
to foster innovation and develop internal talent.			
14. The company actively utilizes non-permanent staffing			
arrangements, such as freelancers and contractors, to enhance			
workforce flexibility.			
15. The company frequently implements cross-functional			
integration among personnel from different departments or			
disciplines.			
16. The company establishes strategic alliances with external			
partners to expand the scope and effectiveness of talent			
recruitment.			
17. The company has a keen sensitivity to environmental			
changes			
18. The company can accurately predict industry development			
trends.			
19. The company can quickly adjust its organizational structure			
in response to strategic changes.			
20. The company frequently revises its established strategies to			
stay aligned with its current resources.			
21. The company regularly develops new products or services			
that are readily accepted by the market.			
22. The company has a conducive environment for innovation.	$\lesssim 1$		