

THE RELATIONSHIP OF STRATEGIC HUMAN RESOURCE MANAGEMENT
PRACTICES AND BUSINESS PERFORMANCE CONSIDERING THE
MEDIATING ROLE OF RESOURCE BASED VIEW OF THE FIRM

MARYAM BIDMESHGIPOUR

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Universiti Teknologi Malaysia

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DEDICATION

Specially dedicated to my beloved mother
and
those who have guided and inspired me throughout the journey of my education

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ABSTRACT

Implementing Strategic Human Resource Management (SHRM) is of equal importance as designing it because it reflects the functionality of SHRM practices. Until recently, there is no definite classification of SHRM practices specifically related to the competitiveness and innovativeness of firms. Thus, it is not evident which of these practices contribute more to the business performance. This thesis focuses on the classification of the SHRM practices namely, Instrumental and Administrative and an investigation on their relationships with the performance of a business. This classification would enable organizations to act proactively rather than being reactive in their decision-makings. The classification of competitiveness and innovativeness as two qualitative parameters to measure business performance can be used fundamentally for long term planning in comparison to quantitative (financial metrics) classifications that are being used in short term orientations. In a knowledge-based economy, the firms need to manage in the forms of established procedures, patents and resources that are considered valuable, rare, inimitable, and non- substitutable. Advanced human capital as a part of SHRM has these features and is significantly related to business performance. Therefore, the current study integrated the Resource-Based View (RBV) of the firms into the relationship of SHRM practices and business performance and investigates RBV as a mediator in this relationship. The study employs Pearson correlation to test the relationship between SHRM practices and business performance, bootstrapping as well as the Sobel test to test the mediation of RBV. The findings depict strong relationship between the investigated SHRM practices and business performance, as the coefficient was 0.405 and above. In ranking the correlations, recruitment and selection with a coefficient of 0.551 had the strongest relationship with competitiveness and change agent role with a coefficient of 0.619 had the strongest relationship with innovativeness. The results of mediation analysis showing the connection of SHRM practices to RBV (path a) and the mediator to business performance (Path b) based on Tzelgov and Stern, and Cogenr methods tested the RBV as suppressor. Based on the findings, RBV as a suppressor improved the relationship and predictive validity between SHRM practices and business performance.

Abstrak

Melaksanakan Pengurusan Sumber Manusia Strategik (SHRM) adalah sama penting sepertimana pembentukannya kerana ia mencerminkan fungsi amalan SHRM. Sehingga kini, tiada klasifikasi khusus amalan SHRM yang berkait langsung dengan daya saing dan inovasi firma. Oleh itu, bentuk amalan yang menyumbang lebih kepada prestasi perniagaan adalah kurang jelas. Tesis ini memberi tumpuan kepada klasifikasi amalan SHRM iaitu Instrumental dan Pentadbiran dan kajian ke atas hubungan mereka dengan prestasi perniagaan. Pengelasan ini membolehkan organisasi bertindak secara proaktif, bukannya reaktif, dalam pembuatan keputusan mereka. Pengelasan daya saing dan inovasi sebagai dua parameter kualitatif bagi mengukur prestasi perniagaan boleh digunakan secara asasnya untuk perancangan jangka panjang berbanding klasifikasi kuantitatif (metrik kewangan) yang digunakan bagi orientasi jangka pendek. Dalam ekonomi berasaskan pengetahuan, firma perlu menguruskan secara prosedur tetap, paten dan sumber-sumber yang dianggap berharga, kurang biasa, yang tidak boleh ditiru, dan bukan-ganti. Modal manusia terkini sebagai sebahagian daripada SHRM mempunyai ciri-ciri dan sangat berkaitan dengan prestasi perniagaan. Oleh itu, kajian ini menggandingkan Perspektif berasaskan Sumber (RBV) firma ke dalam hubungan amalan SHRM dan prestasi perniagaan dan menyelidik RBV sebagai pengantara dalam hubungan ini. Kajian ini menggunakan korelasi Pearson untuk menguji hubungan antara amalan SHRM dan prestasi perniagaan, *bootstrapping* serta ujian Sobel untuk menguji pengantaraan RBV. Hasil kajian menggambarkan hubungan yang kuat antara amalan SHRM dan prestasi perniagaan, dengan koefisien 0.405 dan ke atas. Dalam urutan korelasi, pengambilan dan pemilihan dengan koefisien 0.551 mempunyai hubungan yang kuat dengan peranan ejen persaingan dan perubahan dengan koefisien 0.619 mempunyai hubungan yang kuat dengan inovasi. Keputusan analisis pengantaraan (menghubungkan amalan SHRM RBV (lalu a) dan menghubungkan pengantara kepada prestasi perniagaan (lalu b)) berdasarkan Tzelgov dan Stern, dan kaedah Cogenr yang diuji RBV sebagai *suppressor*. Berdasarkan dapatan kajian, RBV sebagai *suppressor* meningkatkan hubungan dan keesahan ramalan antara amalan SHRM dan prestasi perniagaan.

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LIST OF SYMBOLS

Rsq	-	Coefficient of multiple determinations
R	-	Multiple correlation coefficients
R ²	-	R Square

LIST OF ABBREVIATIONS

SHRM	-	Strategic Human Resource Management
HR	-	Human Resource
RBV	-	Resource Based View
KM	-	Knowledge Management
HRM	-	Human Resource Management
IHRM	-	International Human Resource Management
HPWS	-	High Performance Work Systems
MNC	-	Multi National Corporation (Companies)
P-E	-	Person Environment
PJ	-	Person Job
PG	-	Person Group
PO	-	Person Organization
CEO	-	Chief Executive Officer
PEST analysis	-	Political, Economic, Social and Technological analysis
SCA	-	Source of Competitive Advantage

IT	-	Information Technology
LMX	-	Leader Member Exchange
ABB	-	Asea Brown Boveri
ELP	-	Expectation Lowering Procedure
PBDI	-	Patterned Behavior Description Interview
ROI	-	Return On Investment
MVA	-	Market Value Added
EFQM	-	European Foundation for Quality Management
SMEs	-	Small and Medium Enterprises
IBM corp.	-	International Business Machines
R&D	-	Research and Development
S&T	-	Science and Technology
OD	-	Organizational Development
EEO	-	Equal Employment Opportunity
GSMEs	-	Growing Small and Medium Sized Enterprises
EU	-	European Union
ISNA	-	Iranian Student's News Agency
GM	-	General Motors

WV	-	Volkswagen
KH	-	Kernam Khodro
M.A.N	-	Maschinenfabrik Augsburg-Nürnberg
SPSS	-	Statistical Package for the Social Sciences
PASW	-	Predictive Analytics Software
V	-	Variable
RQ	-	Research Question
H	-	Hypothesis
ROA	-	Return on Assets

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CHAPTER 1

INTRODUCTION

1.1 Introduction

Rather than a topic that could be classified as a hype, the field of strategic human resource management (SHRM) has developed into becoming an essential domain that reconcile both emergent learning and deliberate control. A plethora of literature (Becker and Gerhart, 1996; Becker and Huselid, 1998, Lepak and Snell, 1999; Wright, Dunford, and Snell, 2001) argues that it is an important and established field of study. Scholars debate that a strategic approach to managing employees is vital for sustaining successful business performance of firms (Barney and Wright, 1998; Dyer, 1993; Huselid, 1995; Pfeffer, 2005) small and medium enterprises have also relate business performance with strategic management of people (Deshpande and Deshpande, 1994; Henmeman, 2000; Hornsby and Kuratko, 2003; Katz, 2000; Marlow, 2000 and Mazzarol, 2005).

In the process of designing and implementing of corporate strategies that include human resource (HR), some factors are beyond the control of an organization. For instance, in the case of strategy formulation process, which is influenced by a number of external and internal factors, firms cannot do much to change the external situation. Formbrun (1984) identified technological, economical, socio-cultural and political environment as interrelated external factors that have impact on the strategy formulation of organizations. Nevertheless, in the case of internal strategy implementation, several elements are in the hand and under the control of the organization to get the best results. Among

them, the HR practices (both instrumental and administrative) are functioning as instruments, which help organizations in achieving desired results.

Implementation of SHRM has identical value to designing it. If an organization has designed HR strategies, it has also to explore methods for flawless implementation. Researches on the implementation side of HRM started in line with the shift of HR on organizational experiences (Caliskan, 2010; Darwish, 2009). For the advancement of SHRM, the focus has to be on evaluating the implementation through premium measure, rather than on plain theories. Thus, looking at the HR practices and analyzing the best way of their implementation is essential for the firm. Considering these points, the current study endeavors to attain new schemes for research under implementation-based approach.

Apart from the stage of analysis, various studies have implied the necessity of identifying the process of HR practices that impacts on performance (Becker and Huselid, 1998; Dyer and Reeves, 1995; Hutchison *et al*, 2002; Wright and Gardner, 2002). Considering the development of new models in the studies of Becker and Huselid (1998), Dyer and Reeves (1995), Truss and Gratton (1994), and the latent compound relationships need investigation (Wright and Gardner, 2002). These compound relationships consist of evaluating the linkage of HR practices with corporate strategies and more importantly the practices need to be linked to each other in order to make sure that they are supporting similar goals (Wright and McMahan (1992). In this view, it is critical to investigate the relationship of compensation system with firm performance in order to find out the associated compensations to retain employees. In examining the importance of HR practices and their effect on the organizational outcomes, Huselid and Becker (2000) focused on the actual HR practices that are carried out in the firm, instead of the designed HR policies that might not be entirely implemented. In similar tone other researches such as Gerhart (2000), recommended that it is more rational to evaluate the employees performance as the source of HR practice data.

In the process of SHRM evolution, the challenge would be to fill in gaps in knowledge that have previously been identified, as well as to break new grounds in ever changing and dynamic environments. In the current global business

environment, companies are moving toward sustaining their competitive advantage. This phenomenon leads to introduction of the resource-based view (RBV) of the firms. As Snell (1996) mentions, human capital is valuable but organizations have to learn how to unleash the value. Capabilities arise through the combination of resources (Hall, 1997). Routines in the gap of knowledge in SHRM implementation are organizational capabilities that include tacit knowledge through learning and repetition (Grant, 1991; Helfat and Peteraf, 2003; Winter, 2000, 2003). There have been discussions that resources and capabilities can lead to competitive advantage if they are hard to imitate, that is, if isolation mechanisms exist (Wernerfelt, 1984; Barney, 1991).

The resource-based view is a tool for the organization to determine their strategic resources. The firm tries to make them inimitable and un-mobile in order to use in gaining sustained competitive advantage. Referring to Daft (1983), firm resources include all assets, capabilities, organizational processes, firm attributes, information, knowledge, etc; controlled by it, to enable the firm to conceive of and implement strategies that improve its efficiency and effectiveness. Firms use their resources to enter a competitive market by pushing aside other competitor's resources. This is the case where companies will gain competitive advantage. It is argued that the change among firm performances is the consequence of their assets heterogeneity (Helfat and Pfeffer, 2003) and RBV is primarily dealing with the factors that lead these differences to triumph advantage for the firms (Grant, 1991; Mahoney and Pandian, 1992; Amit and Shoemaker, 1993; Barney 2001 and Lopez, 2005).

As firms are competing in the ever-changing environment, resource-based view in a firm assists it to compete in a different level, where its resources are playing critical role. It is argued that RBV as a whole is used as an economical tool for organizations to determine its resources. In having an overall view to the firm, the resource-based view is the strategic outlook of the company to its resources, which are valuable, rare, inimitable and non-substitutable. Some researchers (King, 2007; Barney, 1991) mention about adding casual ambiguity to the firms resource to increase the barriers for other firms to imitate or copy their resources. The complexity of a competitive advantage increases its sustainability,

because imitators need to imitate the complete resources bundle, which is subject to causal ambiguity (Hall, 1997). This will produce inability for competitors to find out what causes the advanced performance of others. RBV is appropriate in elucidating competitive advantage; based on path dependency (historical conditions that the resources have passed through) and administrative heritage, the specific circumstances that lead resources of the firm to be competitive needs more investigation.

Based on the aforementioned background, the current study aims to examine the relationship of SHRM practices (instrumental and administrative) through resource-based view with the outcome of the organization performance. In this approach, the intersection of SHRM and RBV is reviewed, concisely. The researcher will use automotive companies, both from public and private sector in order to provide generalizable findings, as case companies for the study.

The progression of this chapter leads to identifying the statement of the problem, the objectives, purpose, significance, scope and limitation of the research. In addition, this chapter highlights the definition of terminology used in this research.

1.2 Background of the study

In the early years of HR progress, the prominent notion was to certify that employees had adequate ability and inspiration to accomplish organizational goals. It was vital for the firms to have ample source of workers with particular skills to meet organizational requirements. With the rise of SHRM, this perception transformed to one of human capital contributions, strategic capabilities, and an organization's competitive performance. This transformation indicated a remarkable change in the view toward the role, influences of human resource professionals, and attuned the expectations of HR activities within organizations. Some scholars for instance, Tsui (1987) have asserted that the approach of SHRM has been more toward operational and strategic tasks. Nevertheless, more recently and by taking into account other aspects of SHRM that needs consideration, the

multiple stakeholder approach has received renewed attention (Boxall and Purcell, 2008 and Colakoglu, 2006).

The central principals of SHRM are fundamentally linked to resource-based view of competitive advantage in the strategy field (Barney, 1991; Grant, 1991; Wernerfelt, 1984). Therefore, RBV incorporates in the most researches in the field of SHRM in the past years (Delery, 1998; Wright, Dunford, and Snell, 2001). Resources of the firms consist of tangible and intangible units, through which they produce items that are significant for some market segments. Based on Porter (1991), resources are not valuable in and of themselves, but when they create advantages in particular situations. The taxonomies of the resource always include human capital (Barney, 1991), employee know-how (Hall, 1993) and resource based theorists stress the values of complex inter relationship between the firm's human resource and its other resources: physical, financial, legal, informational etc. (Pearson, 1959; Grant, 1991; Haunt, 1995). In other scenarios, RBV generates strategic capabilities which are valuable, rare, costly to imitate and non-substitutable. According to RBV, resources are not those that are basically accountable in the balance sheets, but all the things that provide the firm with production capability (Haunt, 1995).

Based on the aforementioned points, currently, the resource-based view of a firm is perhaps the most prominent structure in studying strategic management. Barney (1991) discusses the implications of linking the RBV to the neoclassical microeconomics and evolutionary economics literatures. Previous studies have positioned RBV in neoclassical microeconomics to tackle concerns on pertaining equilibrium analysis in resource based view analyses. In this way, they have investigated different characteristics of resources.

RBV has turned into implicit pattern in the majority of strategic management studies (Barney and Wright, 2001). It can be claimed that many of the current researches in the field of strategic management, such as knowledge based view of the firms (Grant, 1996), dynamic capabilities (Teece, Pisano, and Schuen, 1997), and intellectual capital stem from RBV. In addition, the resource based view has created theoretical foundation in empirical studies on whether HR

practices influence firm performance. Arthur conducted one of the first studies in this relationship in 1994 on a sample of steel mini-mills. His findings depict that explicit set of HR practices are in significant relationship with business performance through lower scraps rates and lower turnover. The landmark study of Huselid (1995), exhibits that using defined HRM practices symbolizing "high performance work system", is in positive relationship with lower turnover but higher profits and market value for studied firms. The study of McDuffie (1995), focused on automobile manufacturing plants, depicts that different bundles of HR practices result in higher performance. Moreover, he expressed that integrated HR system is more influential in higher performance comparing individual practices. In a similar way, a sample of banks studied for the impact of HR practices on firm performance by Doty and Delery (1996). This is how the investigation of SHRM implementation is linked to the investigation of the HR practices in both aspects of it (the instrumental and the administrative). An overall view on the previous researches, the next phase is the development of regulations in the field of HRM. Therefore, there is this necessity to find new approaches to investigate the relationship of HRM and firm performance (Guest, 2001; Becker and Huselid, 2006; Wright and Kehoe, 2007). Evaluating the effect of HR practices and the outcomes that it brings for the firm will help the organization to evaluate and revise the previous strategies in their human resource management. Thus, studies need to lessen the space between academic researches and move them forward to practitioners' reality. In this way, researches are required to emphasize on the practical side of the studies.

1.3 Statement of the problem

Within the pace of fast changing business landscape of the 21st century, issues of performance reflect sustainability of any entity. This is much crucial for profit-based entities. Earlier threads of empirical work on business performance largely bank on quantitative measures, ranging from financial performance to organizational outcomes (Boswell, Wright and Snell, 1998, 2001; Overhault and Garnell, 2002; Pauwee and Boseli, 2005). Nonetheless, at this juncture, an inquiry

is raised: Can those financial measures dynamically meet circumstances of the changing business landscape? Is the growth trajectory for profit entities in the knowledge economy only relies on traditional financial measures? Yeung (1999) and Walsh (2010) generate a new understanding of measuring business performance as they invoke constructs of 1) competitiveness and 2) innovativeness. Nonetheless, their studies focus on the tourism industry in European settings and selected Asian countries. Further applications of both constructs in defining business performance into bridging theoretical gaps within this specific knowledge area merit critical attention.

Along the thread of extracting the knowledge gaps of competitiveness, Prahalad and Hamel (1990) stressed on the core competencies of the firms that involve the contribution of people. However, there is a need to re-study this issue. First, the study has been done more than a decade ago. We need to move the center of attention to new approaches and go beyond financial measurements to achieve knowledge and innovative goals. Second, they studied the developed nations. Empirical evidence in developing nations such as Iran remains obscure.

These developing nations need to be aware of their human capital and their ability to bring their organizations to competitive edge. Such a state of prominence requires the human capital's ability to create and innovate. Until to this date, Iranian organizations have been dependent on tangible resources such as oil (Nili, 2006). However, the focus needs to be shifted to the importance of their human resources to incorporate their capabilities toward creativity and innovativeness (Marimuthu, Lawrence and Arokiasamay, 2009). Lack of insufficient means to innovate is precisely what remain the nations undeveloped, especially those oil and gas producers like Iran (Barry and Kevin 2009; Rahman, 2010). Therefore, the contribution of human capital is undeniable in the innovativeness process as it is the inimitable, non-substitutable and rare source for the organizational innovativeness.

The current study centers on the business performance through their competitiveness and innovativeness in order to show the contribution of their human resources. Business performance is referred as the function of

innovativeness and competitiveness as the studies depict that innovation significantly affects the business performance (Najib and Kiminami, 2011). Competitiveness and innovativeness increase a firm's capacity to achieve competitive position in the market while ascertain the long term viability of the organizations comparing the short term financial measurements.

The notion of human resource management has altered over the years, from its invention time. Since then, different series of definitions are developed. Different concepts that focus on HR system in demand of business strategy (Miles and Snow, 1984) and the structure of HR practices attempt to facilitate achievement of organizational goals (Wright and McMahan, 1992). The former is the reactive (it is a tool to implement strategy) while the latter is proactive which itself can create strategy. Based on the current situation of organizations, the proactive aspect of strategic human resource management needs to be investigated. In the same line, the leadership style in the organizations has also requires analysis and evaluation, in order to investigate whether they are adaptive to the new style of management based on the technological and environmental changes in the whole world or they stick to the old perspectives. HR professionals exclusively helped leadership to foster next generation of leaders, evaluating the current deficiencies of leaders and investigating requisite for future leaders (Ulrich and Brockbank, 2005). HR leaders effectively attempt to support their organizational goals with their resources. In order to construct shareholder's value, maintain corporate strategies and contour corporate image, HR has to make a great organization that constitutes several small parts. In such an organization in every business component, HR concentrates on strategic objectives, categorize and provide services to target customers, generating wealth in the market and convey employee proposition. Recent studies depicts on the development of the leaders, as an element to lead them to superior financial success (Wyatt, 2003). These developmental programs equip organizations with capabilities to profoundly support long-term changes.

HRM conception in Iranian organizations does not have a long and deep history. In recent four or five years, the hope for developing this aspect of management established, as managers claim that human resource is the most

precious asset of their organization. The reason for late implementation of SHRM is the economic dependence on oil. Ranking in the second place of oil producer in the world, most of the companies have not yet felt the necessity of SHRM. In other scenario, organizations need to consider this fact that in case Iran remains as an oil-dependent economy; it keeps its status as a 'dependent state', that derive all or a substantial portion of its national revenues from the rent of indigenous resources to external clients (Nili, 2006). To persuade the implementation of SHRM in the organizations, there is the necessity of budget, time and energy insertion. However, in this process the promising point is the increase of understanding SHRM concepts among managers. As in the knowledge based companies, for instance in the automotive industry, due to the partial existence of knowledge management, developing managers' understanding on SHRM practices might be more accessible. On the other hand, lack of HR department cooperation in the strategic decisions of the organizations is observed, as the managers' point of view regarding their HR managers is finding them as peripheral concepts.

These days by the evidence of statistics, Iran is going to become one of the most significant car producers in the Middle East, and the Iranian car factories are going to export their products to many other countries like Azerbaijan, Turkmenistan, Venezuela, etc. (Foruzan, Miasadollahi, 2005). Depending too much on the oil industry may pose challenges for the country in the future. There is inevitable external environment such as the embargos on oil export that should make Iran shift its focus to new industries.

Among different industries, auto production has got rooms to improvements based on its capacity and governmental aids. Besides, according to Autofact (2005-Q3) the growth of Iranian vehicle assembly and production has been and will be exceptional in the region in the future years. Figure 1.1 and 1.2; demonstrate the predicted growth of Iran automotive industry. Therefore, the focus of the current study is on the Iran automotive industry's competitiveness and innovativeness. These measurements of performance allow them to compete globally in the near future, as the knowledge economy requires the companies to be innovative and competitive.

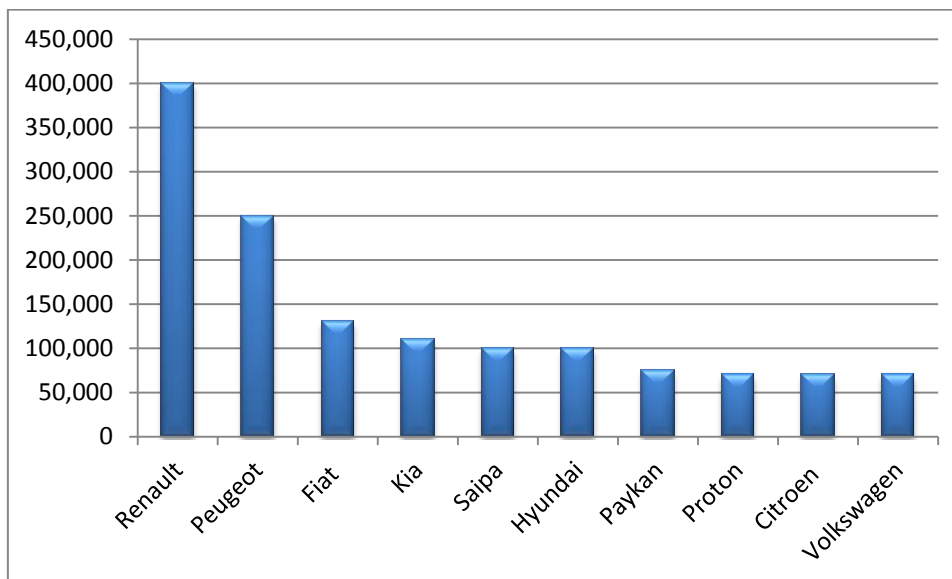


Figure 1.1: Top-ten brands-light vehicle assembly.

Source: Auto facts 2005 Q3.

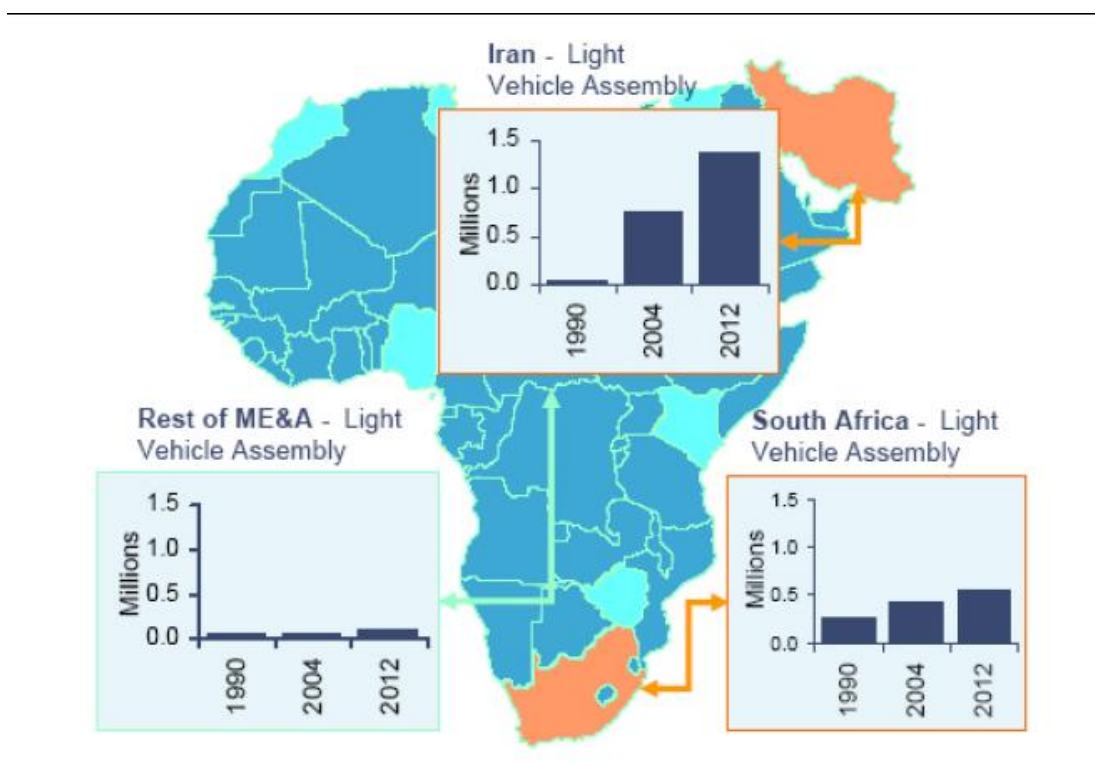


Figure 1.2: Iran vehicle assemble forecast.

Source: Auto facts, 2005 Q3.

This part of the study discusses the major challenges Iranian organizations encountered in the way of SHRM implementation. The challenges consist of:

- ✓ Inappropriate managers' selection methods for the organizations, particularly human resource manager. The selection of managers is mostly based on political relations rather than procedures and competencies, related to succession planning.
- ✓ Presiding on traditional and ideological perspective over management professionalism in the country. Managers are mostly not open to learn new development on management methods. They prefer to stick to what they are currently implementing and try to avoid new paradigms.

The substantial challenges are the inappropriate management methods, which is governed by ideological and traditional viewpoints rather than professional, technical methods. The other factor that produced as a result of this mismanagement is the ambiguity and lack of understanding of human resource and manager's behavior with this issue in an adverse manner. For instance, absorbing the human resource is not in contingency with maintaining them in the organization. In many organizations, they put a lot of money and energy for absorbing the professional employees, while they have problems in maintaining them in the organization. This ambiguity is also evident in the higher level of management in the organization. The management may have general knowledge about SHRM and RBV. Yet, if we enquire them on further deliberations, implementation and monitoring their answers are not specific. This is also due to the lack of literature on the human resource management and there is the necessity in focusing on practical side of SHRM.

In investigating the SHRM implementation, there are different debates concerning the elements that influence the practical side of SHRM and its contribution to business performance. The following Table 1.0 contains the summary of some of those debates.

Table 1.0: Debates on influential elements in SHRM implementation

Researcher	Year	Influential elements in SHRM implementation
Sharplin	1985	Structure, Policies, Directives, resources, Commitment, Leadership, Motivation, Power, Politics
Boseman	1985	Structure, Human resource , reward , culture
Comford & Callaghan	1985	Structure, HR, Rewards, Power
Guest	1987	Combining pertinent employees' function into corporate strategies and policies, organizational structure, professional staff and internal process to gain premium products, finest desirable employee commitment to organizational goals and practices.
Thomas	1988	Structure, culture, functional policies, organizational developments
Ansoff & McDonnel	1990	Structure, Management skills, management mentality, culture, Power, systems
Certo & Certo	1991	Structure, culture, management skills
Truss & Gratton	1994	Culture, dominant coalition, internal stakeholders, HR department and HR expertise
Mabey & Salaman, Storey	1999	Corporate strategy, culture, structure, personnel
Mello	2001	Competition, market trend, technology, government regulation
Jadhav	2011	Understanding and realization of business strategy/plan in totality, <ul style="list-style-type: none"> - Gauge HR in terms of business results - Build relationships with the top line executives - Be determined in building alliances - Get savvy about business change - Branch out for support

Based on Table 1.0, all the mentioned elements are influential in practicing SHRM and their contribution toward business performance. However, there is no clear classification based on the external and internal elements that influence the implementation of SHRM. Therefore, this study makes the classification based on the external environment, business strategy, internal strategy (HR strategy/ individual HR practices) and as an evaluation of the influential elements it comes to the outcome level, which will investigate the results that SHRM has brought for

the organization. The study aims to provide a clear understanding about the role of SHRM implementation to business performance (particularly competitiveness and innovativeness) through this classification. In this investigation, it will examine competitiveness and innovativeness, defined as business performance in selected organizations practicing SHRM with RBV perspective.

Below is the summary of the elements proposed by the current study, which intervenes in the process of SHRM implementation:

- 1) External environment: This will include the political, governmental, and cultural factors. In the external environment, factors that affect SHRM implementation the coercive mechanism (including labor legislation and governmental support) are playing important roles in designing strategies. The stakeholders, media and competitors are among the factors that need investigation in strategic planning for human resource management. National culture is among the vital elements for SHRM implementation. There are major differences in the perception of concept in different national culture. For instance in U.S, the teamwork means that there is no difference in the ranking position of particular team members, but in Dutch culture, it means supportive linkage among multi skilled team members, that mutually feel the duties for a certain task.
- 2) Business strategy: The corporate strategy of the organization is the headline, based on which and in support of this, the human resource strategies need to be developed.
- 3) Internal strategy of organizations: The organizational context, dominant coalition, the organizational culture, internal stakeholders (employee management and HR department) is the factors that need consideration. Dominant coalition for instance, entails in constructing HR policies and practices. Integrating the resource-based view in designing the corporate strategy will support the strategic cooperation of HR managers and on the other hand resulting in sustained competitive advantage of the firm.
- 4) HR strategy : (Instrumental practices/Administrative practices)
In instrumental practices the firms need to have the fundamentals to design influential HR strategies, these fundamental that the current study investigates

include knowledge management (to base all activities on knowledge creation and knowledge transfer), leadership (to get the best result from the motivated human resource) and change management (to build proactive rather than reactive position for the firm toward the environmental changes).

- 5) Outcome of SHRM: In the process of SHRM, the organizations need to make sure about the results of their strategic plans. Therefore, the SHRM outcomes need measuring. For instance the level of innovation, turnover and employee presence and loyalty affected by the firm's human resource need investigation.

1.4 Research questions

Based on the statement of the problem, below are the research questions of the current study:

- R.Q 1: What is the relationship of instrumental HR practice (KM, Leadership and change management) and competitiveness?
- R.Q 2: What is the relationship of instrumental HR practice (KM, Leadership and change management) with organizational innovativeness?
- R.Q 3: What is the relationship of administrative HR practices (recruitment and selection training and performance management) and competitiveness?
- R.Q 4: What is the relationship of administrative HR practices (recruitment and selection training and performance management) and Innovativeness?
- R.Q 5: What is the relationship of RBV, business performance (competitiveness and innovativeness) and SHRM implementation?

Based on the research questions, below are the research objectives:

- 1) To investigate the relationship of instrumental practices (knowledge management, leadership and change management) with the business performance, namely competitiveness of the organization.

- 2) To investigate the relationship of instrumental practices (knowledge management, leadership and change management) with the business performance namely innovativeness of the organization.
- 3) To examine the relationship of administrative HR practices (recruitment and selection, Training and performance management) with the business performance, namely competitiveness of the organization.
- 4) To examine the relationship of administrative HR practices (recruitment and selection, Training and performance management) with the business performance, namely innovativeness of the organization.
- 5) To develop framework for SHRM implementation in automotive industry by taking into account the significance of the resource based view of the firm.

1.5 Purpose of the study

The purpose of this research is to examine the practice of SHRM in the automotive industry and its relationship with business performance, by applying resource-based view. In this process, the study analyzes the two aspects of SHRM practices (instrumental and administrative). In the instrumental section the practices of knowledge management, leadership style and change management in the selected automotive organizations is evaluated. Knowledge management is selected as it is among the necessary fundamental for practicing SHRM, which also exists in the best practices SHRM in the world in different industries. Competencies of leaders include skills and behaviors that provide them with superior performance. HR practices are viewed by Roussear (1995) acting out through social interactions, constructing leadership methods is a noteworthy feature of an organization. The interaction of employee leaders is among the factors that influence the degree of motivation of employees to result in more productivity. On the other scenario, literature encounters substantial knowledge

deficiency concerning the joint influence of leadership style and the organization's HR practices on the formation (Flood, Ramamurthy, McDermott, and Conway, 2008).

The change management practice is among the selected SHRM practices. This is due to the nature of dynamic environment in which the business is taking place. In all aspects of management in the organization, the managers and leaders have to be able to work as a change agent, in order to perceive the necessity of changes and be able to implement that in the organization's strategies and be able to convince employees regarding the benefits of those changes for them. External consultants or change agents can also assist the organizations in clarifying links between mission and organizational activities so the relevance of immediate challenges can be understood in terms of larger organizational values. Change agents have the strategic skills to help the organizations to link the mission with the day-to-day activities.

In the administrative part the recruitment and selection, training and performance management are the selected practices that will be investigated. Recruitment and selection is chosen to be evaluated, as it is among the primary fundamentals that needs revision in the Iranian organizations and has to be adjusted with the comprehensive practices in the successful firms. This will help the selected Iranian automotive organization for this study and in broader aspect other industries in Iran to recognize the significance of recruitment and selection for an organization and implement an effective recruitment and selection process. Through a suitable recruitment process, the organization will be able to attract a pool of appropriate candidates, avoid application of unsuitable candidates and crafting a positive image of the organization.

As the next HR practice, training is chosen. Great bunch of analysts have argued about the effective management style and staff development as primary means for the firms to gain sustained competitive advantage (Lowe, 2002; Caligiuri, 2005). The amount of money that an organization invests for training and development indicates the extent to which the firm's human resources are regarded as an investment central to organizational success. Training and

development are not well organized among departments in the selected firms of this study. They are not long-term oriented and there is the lack of classified plan for training in line with the corporate strategy. Moreover, the training is just focused on new workers; therefore, the necessity to look for benchmark training practices with the successful ones practiced in the world for Iranian automotive industry is important.

The next practice to investigate is performance management. Performance management is referred as central concerns in the field of HRM that reflects the management style of the firm in broader perspective. Performance management is considered as significant aspect of organizational effectiveness (Cardy, 2004). It is also considered as the central process through which work is accomplished. It is referred as the “Achilles Heel” of managing human capital (Pulakos, 2009) and should therefore be a top priority of managers (Lawler, 2008). It also portrays the strategic approach of employees’ management and corporate culture. Moreover, it is viewed as core element in the management of those managerial and professional categories leading organizations to achieve international competitive advantage. Performance management is among the practices that are in direct relationship with the employee’s production, their satisfaction and loyalty to the organization. Similar to the other two practices, performance management needs work and enhancement in greater extent in the Iranian organization. In the following stage of this research, the outcome of the instrumental and administrative HR practices for the organization is investigated through its relationship with business performance and innovation. Innovation will be investigated, as it will be the necessary success factor for the selected automotive organizations in the coming years to stay in better position comparing to its other competitors in the region. In this case, the corporate strategy and HR strategies relationship with the business performance will be evaluated.

The necessity of SHRM implementation was discussed in the previous section. The major problem of Iranian companies is inexistence of strategic human resource management. There are several factors that may lead result in the lack of practicing SHRM in Iranian companies. This study aims to explore a fit model that may enhance the implementation of SHRM. Moreover, the resource-based view

will be applied on strategic planning of HRM in order to enhance the desired model. We regard human resource as the most valuable asset of the company. Therefore, it is critical to get the most out of the human resource of the organization, while simultaneously develop it effectively. Furthermore, RBV is investigated to mediate the SHRM relationship with competitiveness and innovativeness. Hopefully, this study provides a perspective for organizations in Iranian automotive industry to increase their effectiveness and efficiencies in managing their employees. By exploring the SHRM model that are applied in automotive industry, the Iranian organizations will have a comprehensive application system that supports the core values and vision of the organization, while concurrently leads them to achieve their innovativeness and competitiveness.

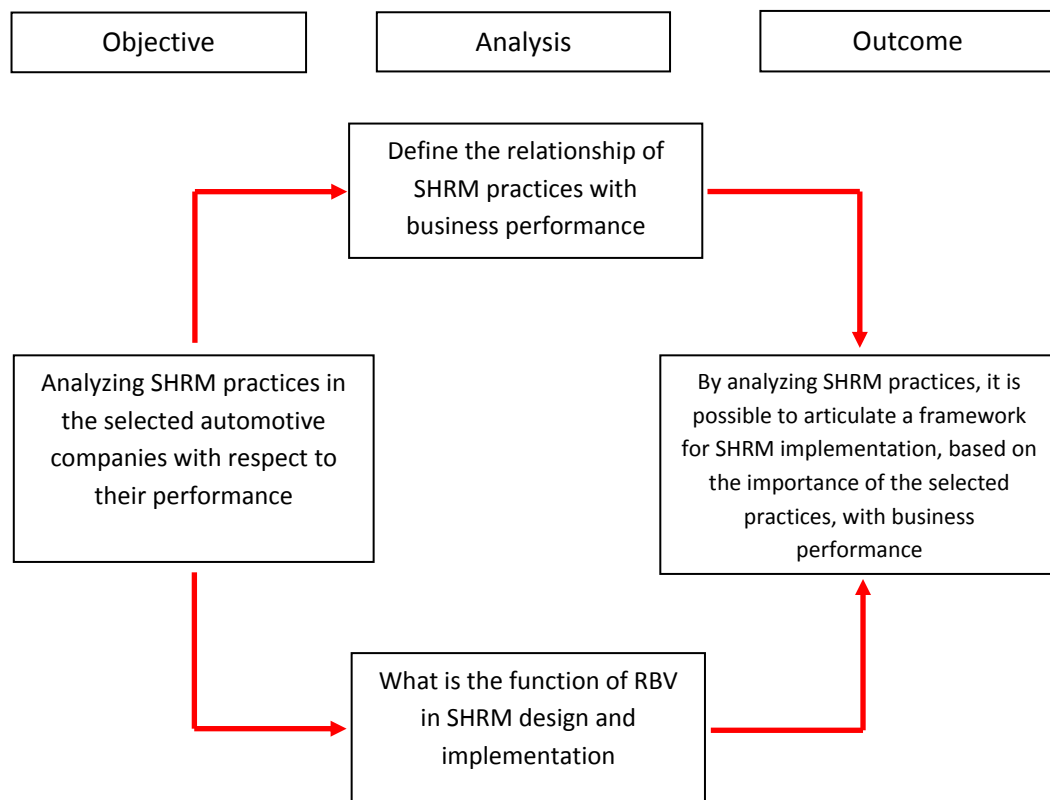


Figure 1.3: Research Process Design

1.6 Selection of HR practices

In order to establish competitive advantage through HR, organizations are required to concentrate on the practices that influence the excellence of these assets. Literature review shows researches that express significant relationship between HR practices measures and firm profitability (Delery and Doty, 1996; Guthrie, 2001; Huselid, 1995). Therefore, researchers are bound to find appropriate measure of the criterion, which is called GPM (general performance measure). These factors were used in different researches afterwards (see Viswesvaran, 2005 for a review). In many cases, the approaches drawn from RBV perspective depicts on the involvement of individuals in achieving organizational goals, particularly sustained competitive advantage (Barney, 1995, 2001). Literature show that the focus of administrative HR practices has been on recruitment and selection, training and performance management. In the similar stream, the study of Jennings (1995) depicts that practices including training, participation, results-oriented appraisals, and internal career opportunities are considered as the “core” of strategic HRM in Chinese enterprises because they are common in explaining variance in the two performance indices. The significant impact of training on both product/service performance and financial performance confirms previous studies that training and development is perceived as an important strategic HRM practice by managers (Jennings *et al.*, 1995).

Organizations are required to update their strategies based on the market requirements and try to act uniquely (Zajac, 2000). Consequently, the future trend on SHRM as discussed earlier will focus on the implementation side. To achieve this trend providing alternative measures will not be sufficient. These measures must be selected based on the strategic objectives of the organizations, and provide a pattern to practically examine the theory of the firm that involves the relationship of human resource and organizational performance (Boudreau and Ramstad, 1997; Becker and Huselid, 1998). In order to evaluate the effectiveness of corporate strategy on the HR practices this study has chosen the below administrative HR practices investigation in the studied organizations.

1.6.1 Recruitment and Selection

Recruitment and selection forms a core part of the central activities underlying human resource management: namely, the acquisition, development and reward of workers. Recruitment and selection, as defined here, can play a pivotally important role in shaping an organization's effectiveness and performance (French and Rumbles, 2010). If the HRM function is to remain effective, there must be consistently good levels of teamwork, plus ongoing co-operation and consultation between line managers and the HR manager. This is the case in recruitment and selection as specialist HR managers (or even external consultants) can be an important repository of up-to-date knowledge and skills, for example on the important legal dimensions of this area Mullins (2010).

The primary impact of HR practices to gain employees' commitment contemplating that organizations need to concentrate more on selection and staffing. Once the organization selects skillful staff, it begins to construct an environment replete with high qualifies workers. Such an environment provides synergy for the co-workers in their co-operations. As the employees do not have to frequently cover up for their colleague mistakes. Below is the example of the effect of well-managed recruitment and selection for the organizations:

- When HR activities are engaged in the process of selecting suitable people and allocating them right position, it provides the firm with greater market value, while lowering the negative impact on turnover (Huselid, 1995).
- Cautions selection of employees is significantly related to market performance (Delaney and Huselid, 1996).
- Organizations that invest more in recruitment and selection will gain more benefit in their labor productivity (Koch and McGrath, 1996).
- Appropriate selection is in positive relationship with marker share and received profit, while it is in negative relationship with turnover of the employees (Verburg, 1998).

Bratton and Gold (2007) differentiated the two terms while establishing a clear link between them in the following way: Recruitment is the process of

generating a pool of capable people to apply for employment to an organization. Selection is the process by which managers and others use specific instruments to choose from a pool of applicants a person or persons more likely to succeed in the job(s), given management goals and legal requirements. The current study does not separate recruitment and selection and takes them into account under one SHRM administrative practice.

1.6.2 Training

Training and development is among the practices that shows the degree of HR investment for organizations. In a cross-cultural study of managerial attitudes about HRM practices, Jennings, Cyr, and Moore (1995) found that training and development is perceived as the most important strategic HRM practice by managers. The significant impact of training on both product/service performance and financial performance confirms previous studies that training and development is perceived as an important strategic HRM practice by managers (Jennings et al., 1995).

Below are examples of outcome of training for firm:

- Proper Training programs provide positive effects on organizational performance in terms of the quality of the products, developing them, growth of organization in the market and fostering sale (Kalleberg and Moody, 1994).
- Furthering training investment, results in superior profits (Kalleberg and Moody, 1994; d'Arcimoles, 1997).
- The higher is the training investment the lower is the turnover (Arthur, 1994)
- Training positively influence the relationship of management and employees they supervise (Kalleberg and Moody, 1994).
- Organizational performance is in positive relationship with training programs (Delaney and Huselid, 1996).
- Advancing management methods results in higher profit (Leget, 1997).

- As for the recruitment and selection, Verbung (1998) believes that training is in significant relationship with profit and market share and affects the future investments.
- Organizational performance is under positive influence of training programs (Harel and Tzafrir, 1999).

1.6.3 Performance management

Last but not the least, HR practice that is measured in this study is the performance management relationship with competitiveness and innovativeness of the organization. Revealing positive relationship of exact sets or bundles of HR practices and business performance has attracted many researches over the past years (Guest, 1997). Moreover, applicable management performance methods and financial motivations to cultivate performance, has led the employees to observe the result of their behaviors. This approach shapes an environment that reflects fair judgment on the employees' efforts. A performance management system should link employee activities with the organizational goals. One of the primary ways strategies are implemented is through defining the results, behaviors, and to some extent, employee characteristics that are necessary for carrying out these strategies, and then developing measurements and feedback systems that will maximize the extent to which employees exhibit the characteristics, engage in behaviors, and produce the results. Performance management is also critical to execute talent management strategies that assist the organization to actively engage in the process of creating unique human capital (Noe, Hollenbeck, Gerhart, Wright, 2010).

The current study selects performance management as a control system for every function in the firm. Even though, there might be great pile of investment, without proper outcome evaluation, several problems might repeat each time. Knowledge is considered as necessary tool in turbulent environment. Therefore, it needs special care. Organizations need to find out appropriate methods of creation, communication, consumption and storage of it. The organization environment

should support the knowledge, while inserting it in organizational culture. Current study does not divide the knowledge management to soft and hard knowledge management in order to provide generalizable findings to every type of the industry.

It is not far from expectations to believe that efficiency of the firm and employee spirit are significantly associated with the managers' leadership style. Even an inappropriate movement or an insight of being wrong, will result in employees' faith loss about their managers' capabilities is supervising them. Leaders are playing a crucial connectivity role for the employees to relate them to the established vision of the organizations. Leaders create systems that identify and communicate gaps between the committed vision and what will predictably happen, that is failure – which, in turn, drive innovation. Employees need to believe that they are part of the organization success and this will not happen unless managers perform their leadership role, successfully.

Managers have to face continuous changes. In this process, they have to respond reactively or proactively. Apart from current circumstances, an agent of change predicts the firm's future necessities and uses them to act proactively in front of future changes. Relatively, a change agent is not satisfied with ongoing procedures, as she/he has vivid ideas about the future. Lacking the future constrain, change agents will not remain on the right track. Change is believed to concentrate on people. Even though, everything is changed but managers do not have a plan to change people, they fail to act as a successful agent of change. People need to feel the change. Consequently, change is a package including sale, therapy and support. Facing changes every day, organization need to focus of the practices made by their change agent to speed up their development, therefore the study selects the change agent role among the important instrumental SHRM practices.

1.7 Significance of the study

This current study attempts to provide a different perspective on SHRM through investigating the HR (instrumental and administrative) practices using RBV consideration of the firms regarding their intangible resources. Considering RBV as a mediator plays crucial role in this relationship.

As the debates on SHRM are more toward its practical side, the prevention of test-retest approach is crucial. The current study will equip Iran automotive industry and in broader aspects the other industries in Iran to achieve their competitive advantage and innovative goals through their human resources, the source, which is scarce, inimitable and not substitutable. There are barriers in SHRM implementation in Iranian automotive industry, the approach that is investigated in this study, will make the structure, and environment that an organization needs in practicing successful SHRM and that is having resource-based approach in their strategic decision-makings. Based on Drucker (1954) and Stewart (1996), over the time, HR department has constantly encountered difficulties in validating its vital role for the organizations. The initiation of the sub category of strategic human resource management (SHRM) relies on discovering HR's function in supporting corporate strategy, through which it could express its significance for the firms. Fostering perception of the internal resources substantial role in bringing firms to the competitive position, made HR more legitimate as they were believed to strategically assist in firms' accomplishments. Therefore, it is not beyond expectations to incorporate RBV of the firm into SHRM literature, as there is this necessity to theoretically validate the value of HR from one side and recognizing the inclination for SHRM field to borrow concepts from extensive strategy literature from the other side. There are several debates on resources of organizations such as casual ambiguity, social complexity, and path dependency that are argued to make the resources to lead the organization to its sustained competitive level (Barney, 1991; Becker and Gerhart, 1996). These debates have led the RBV to become more complex, rather than resulting to a simple and efficient method that helps the organization to make its strategic human resource planning.

By extending RBV to SHRM, this research hopes to contribute in enhancing strategic decision making in the whole organization. In investigating the HR practices and parameters that are implemented in best practices of SHRM in the automotive industry, the level of RBV integration in the decision-makings of the organization is examined. The study examines RBV concept through investigating complete model in which HRM will provide firms with competitive position or excels its performance. The outcome of the research would be practical model for Iranian automotive organizations and foster enhancement in practical aspect of SHRM implementation in this organization. The focus is on the relationship of SHRM practices in creating competitive edge for the organizations and achieving their innovative goals. Findings of the current study may also be useful in investigating barriers existed in the way of SHRM implementation in Iranian automotive industry.

1. 8 Scope and limitation of the study

1. 8.1 Scope

The scope of the current study is on investigating the relationship of HR practices (both instrumental and administrative) with the business performance that for this study constitutes innovativeness and competitiveness of the organization. Through this approach, the resource-based view of the selected organizations toward their intangible assets is investigated. As mentioned, SHRM implication is investigated through classifying SHRM practices into two categories:

- 1) Instrumental practices (knowledge management, leadership, change management)
- 2) Administrative HR practices (selection, recruitment, training, performance management)

1.8.2 Limitations

There are several limitations in this study. First of all the research is applied on the automotive industry and this will limit the scope of the study. Further studies are needed to investigate the findings of this study in other industries. Secondly, due to the confidentiality of some resources in the selected organization in the public sector, the researcher may not have full access to the whole information needed. In addition, the public organizations will remain anonymous during the study.

There are several reasons for choosing SHRM investigation in Iranian automotive industry. Firstly, among the other non-oil based industries in Iran, the automotive industry is the one which is pursuing recent changes in the management science and therefore, there is a basis for SHRM implementation. Secondly, the organizations are among the limited few number of companies which are making joint ventures with western car producers and is also among the limited few car manufacturers in Iran, which have production plant in other countries. In both cases, strategically managing human resource plays a crucial role. Thirdly, this industry has developed during the recent years and getting the right approach in its human resource management will help it to gain its sustained competitive advantage.

1.9 Definition of key terms

Definitions applicable to the frequent used words in the study are as follow. Principally, these definitions endeavor to portray the main variables of this study in a simple and clear way.

1.9.1 Resource based view

RBV is referred as a financially viable tool to verify the accessible strategic resources to a firm. RBV's primary principle stems in this belief that competitive advantage of a firm is devoted to the applicability of the firms' valuable resources (Wernerfelt, 1984; Rumelt, 1984). This perspective intervenes in the value that firms provide to the implementation of SHRM. As argued by Barney (1991, 1995), the RBV stipulates that firms are endowed with heterogeneous bundles of resources and that competitive advantage accrues if, and only if, a resource (or bundle of resources) is rare and valuable. In this study, RBV refers to resources that firm utilize to attain competitive and innovative advantages.

1.9.2 Strategic human resource management (SHRM)

SHRM is identified as a linkage between human resources and strategic goals that consequently excels business performance and expands organizational culture in fostering innovation and agility and will lead the firm to gain competitive advantage (Boxll, Purcell, 2008). Strategic HRM practices are those that are theoretically or empirically related to overall organizational performance (Delery and Doty, 1996). In this study it refers to management of human capital of the firm in line with the defined corporate strategy.

1.9.3 Leadership

Leadership in this study is defined as the character, performance, authority, communication, relationship and employment of managerial position (Daft, 1999). Leadership has been defined as the process by which an individual determines direction, influences a group, and directs it toward a set of specific performance (Society of human resource management, 2010). In this study, it refers to the

leader's belief about the organizational goals and enthusiastically persuading employees in achieving them.

1.9.4 Knowledge management

Knowledge management in this study is identified as the set of procedures that presides over the formation, distribution and deployment of knowledge (Addicott, Rachael; McGivern, Gerry; Ferlie, Ewan 2006). It is the process of creating, acquiring, sharing and managing knowledge to augment individual and organizational performance. In the current study it refers to effective open and honest environment through which the employees share their knowledge through data bases and communication with each other.

1.9.5 Recruitment and selection

Set of HRM activities entails in obtaining appropriate person for the suitable position, which will result in superior productivity and market value of the organization. In addition based on Huselid (1995) it brings the firm minor negative impact on turnover. Recruitment is the process of generating a pool of capable people to apply for employment to an organization. On the other hand, selection is the process by which managers and others use specific instruments to choose from a pool of applicants a person or persons more likely to succeed in the job(s), given management goals and legal requirements (Bratton and Gold, 2007). In this study it refers to attract the appropriate pool of candidates and hire them for the current and possible future needs of the organization.

1.9.6 Training

Training is the field concentrates on the organizational actions pursuing the excellence of individual and group performance. It may be called as employee advancement, HR expansion and learning and growth (Rosemary Harrison, 2005). For the purpose of this study, training is referred as the most appropriate intervention to address a performance problem. In the current study it refers to continued learning to enhance employees' skills and direct them toward customer's satisfaction.

1.9.7 Performance management

Performance management is the process of crafting a work environment that facilitates people performance based on their excellent abilities. It is a complete system, commencing with job identification based on the requirements and terminates up on the departure of employee from the organization. It is considered as significant aspect of organizational effectiveness (Cardy, 2004). It is also referred as the means through which managers ensure that employees' activities and outputs are congruent with the organizational goals (Noe, Hollenbeck, Gerhart, Wright, 2010). In this context; it refers to determining compensation based on the employees' performance, fair incentive payment to the innovators and utilizing the result of the appraisals.

1.9.8 Change management

Change management is regular approach that deals with change, from the viewpoint of an organization and individual. Relatively, change agent is a person who modifies human potential or organizational structure in order to conquer superior productivity (Stevenson, 2008). It also guides the negative reactions to change and conflict to appropriate and effective communication (Asoh, 2004; Locke and Tarantino, 2006; Powell, 1987; Williamson, 1991). In the current study,

it deals with the managerial role to resolve the conflicts and facilitate changes that are inevitable to the firm due to the environmental changes. The change agent for the current study might be an outsider who tries to apply changes for an organization and gain acceptance for himself to do his or her work or a newcomer who attempts to help the organization move from its present state to a new synthesis of the “old” and “new”.

1.9.9 Innovativeness

Innovativeness is defined as “the degree to which an individual or other unit of adoption is relatively earlier in adopting new ideas than the other members of a system” (Rogers, 1962). A procedure through which an idea or creation is transformed into products or services that people find it valuable. The idea needs to be reproducible with an economic cost and must suit explicit needs. Innovation include purposeful application of information and thoughts the projects obtaining value from resources and covers all procedures through which original ideas are produced and transformed into functional products. In business, innovativeness is produced from the functionality of a technical idea in order to reduce the gap between requirements of target market and presentation of a firm’s goods and services. In the current study, innovativeness refers to disseminate the message for developing new ideas throughout the organizations and establish set of innovative goals, truing novel ideas to new marketable products. It also creates metrics to measure the effectiveness of the employees’ initiatives.

1.9.10 Competitiveness

Competitiveness manifests on the perceived virtue of a firm’s products and services to convene expectations of local and international market on the quality standards, which have sufficient returns on the used resources in producing them. Competiveness of a firm relies on its actions in an industry or market to create

economic value when few competing firms are engaging in similar actions. In this process, the company obtains above-normal performance when it generates greater-than-expected value from the resources it employs (Barney, 2002). In this context, competitiveness refers to the competitive economic position of the organization due to its productivity comparing with other competitors and evaluating the ability of the firm to sustain good profits. This occurs by low rate of staff thinking about quitting the firm.

1.10 Summary

Previous studies by Dunford, Snell, and Wright, P. M. (2001) and Boselie, Paauwe, and Jansen, P. (2001) integrates the resource-based view to strategic human resource management require further investigation. In most of the studies on the resource-based perspective, there has been mentioned about the tautological aspect or self-verifying aspect of this concept. The studies are not focused on in-depth practical side to analyze successful implementation of strategic human resource management. Furthermore, there are gaps in studying SHRM implementation on the Iranian industries. Therefore the current study will pave the way for further studies in this field and also the results might be useful for other organizations in Iran.

This introduction chapter provides the overview of this study. It mainly explains the background of the study, defining the problem statement and discusses the significance as well as contributions. This chapter develops a preamble in exploring how resource-based view and strategic human resource implementation is away to gain the competitive advantage by looking at the value, rarity, inimitability and non-substitutability of human capital. This will produce a barrier to prevent the firms' strategies being copied by other firms. Chapter two focuses on the literature review on the mentioned concepts in this chapter. Subsequently, chapter three describes the research methodology. Chapter four analyzes the findings of the study gained based on the quantitative fieldwork activities. Chapter five describes the major findings of the quantitative and qualitative probe and elaborates the implications and application of this study.

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