Journal of Business Studies Quarterly
2013, Volume 5, Number 2 ISSN 2152-1034

Journal of Business Studies Quarterly jbsq.org

Strategic Human Resource Management and Performance: The Universalistic Approach—Case of Tunisia

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Abstract

In a turbulent environment, human resources are ever asked to provide a sustainable competitive advantage. Firms face a challenge and are expected to ensure better management of their human resources.

Essentially based on the human capital theory (Schultz, 1961, Becker 1975) and the resource-based theory (Wernerfelt 1984, Barney, 1986, 1991), the strategic human resource management (SHRM) contributes to improving the firm's performance. However, SHRM cannot fulfill this role in improving performance unless two conditions are met. On the one hand, the human resources function should contribute actively to the development of the overall strategy of the firm, and especially at its implementation. On the other hand, human capital should be a sustainable competitive advantage and should be a strategic business asset. These resources are neither a given nor a variable adjustment but a strategic lever to achieve the business objectives (Ulrich, 1991, Becker, Huselid and Ulrich, 2001, Becker and Huselid, 2006; Kenneth et al, 2006) and to ensure its performance (Arthur, 1992; Huselid, 1995; Barney, 1990; Becker and Gerhart, 1996).

Many researchers have focused on studying the adoption's impact of certain HRM practices on business performance. The literature offers a variety of empirical approaches that are able to explain the relationship between HRM practices and performance such as: the Universalistic approach, the contingency approach and the configuration approach.

In this research, we selected the Universalistic approach. Choosing a quantitative methodological approach, our empirical investigation has led us to conclude that the implementation level of certain strategic HRM practices influences positively the firm's performance.

Keywords: Strategic Human Resource Management, Performance, Universalistic approach.

Introduction

Human resources are a source of sustained competitive advantage, and can therefore determine the competitiveness of organizations by strengthening their ability to innovate and to create.

It appears that human resources are a source of sustainable competitive advantage.

According to Pfeffer (1994) and Ulrich (1991), technology and capital can no longer provide the firm with a sustainable competitive advantage; reasoning based on these resources is a short-term logical (Becker and Gerhart, 1996, Lawler 1995). Recent works in management assume that only human resources can provide the desired competitive advantage (McMahan, Virick and Wright, 1999; Becker and Gerhart, 1996). This implies that a good human capital management would undoubtedly be a key lever of organizational performance. Thus firms are expected to invest in their human resources and to ensure the development, stimulation and preservation.

The human resource management is responsible to manage, mobilize and lead people while targeting a dual purpose. The first purpose consists in motivating people to work, to valuing and allowing them to open up. And the second purpose consists in achieving organizational objectives including the value creation and the obtaining of a sustainable competitive advantage. This second purpose allows firms to differentiate themselves from their competitors in the sense of Becker, and al, (1997). This is a cross-function that acquires a strategic dimension: so, we can now talk about strategic human resource management "SHRM" when linking the HRM with strategic business objectives. Thus the SHRM improves performance and encourage innovation and flexibility (Truss and Gratton, 1994).

This observation brings the HRM at a high level and gives it a strategic dimension in the of organizations' management. So, adopting SHRM renewed practices, can positively impact organizational performance.

Many researchers (Delaney, Lewin and Ichniowski, 1989; Huselid, 1995; Osterman, 1994; Pfeffer, 1994; Guerin, Wils and Lemire, 1997 Delery and Doty, 1996; Youndt, Snell, Dean and Lepak, 1996 ...) have studied the impact of the adoption of certain HRM practices on firm's performance. The literature offers a variety of empirical approaches that are able to explain the relationship between HRM practices and performance such as: the Universalistic approach, the contingency approach and the configuration approach.

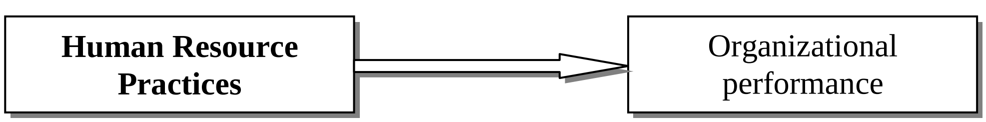
In this research, we selected the Universalistic approach. Thus, we tested the impact of the level of implementation of certain strategic HRM practices on firm's performance.

The firm's performance is a multidimensional concept which takes a more global logic than a financial profitability. In fact, it refers to other dimensions (social, organizational ...). In addition, the indicators of performance measurement are various: they are both financial and non-financial. In this research, we chose multidimensional subjective measures of performance. These measures were used and recommended as substitute in case of non availability of quantitative data (Venkatraman and Ramanujan, 1986).

Theory and hypotheses

The Universalistic approach examines the direct relationship between strategic practices of human resource management and the performance of the organization.

Figure 1: Human Resource Practices and Performance



Source: Wright et al, 1999, p. 104

Proponents of this approach state that there are certain HRM practices that are better suited than others to improve organizational performance. This approach is based on works that recognize and identify the "best practices of HRM" (work of Peffer, 1994): It revolves around three principles (Allani Soltan, Arcand and Bayad, 2003):

- Principle of universality and superiority according to which there are some strategic human resources management practices which are better than the other and can be used by any firm. (Delery and Doty 1996).

- Principle of selectivity and superior financial performance reading. Are called best practices of HRM practices that generate the highest financial performance: They are considered as strategic.

- Principle of independence and additivity. The idea is that the effect of HRM practices on performance is the result of the individual effects of each practice even with simultaneous use of several HRM practices.

Since the early twentieth century, several authors have focused their research on the Universalistic approach. Indeed, Taylor presented the "One Best Way", that is to say, the best and only way to do things. Fayol presented universal principles of leadership and Weber supported these ideas with the statement of bureaucratic phenomena.

However, in this research we will focus on SHRM field to study this approach. We know that many studies have supported this approach: Pfeffer (1994, 1998) offers a series of sixteen best practices. Osterman (1994) suggests a set of innovative practices that are likely to make gains for the firm. Other empirical researches have identified a positive relationship between certain HRM practices and performance (Huselid, 1995; Barrette Simeus, 1997 Cook, 1994; Bartel, 1994, Berg, 1999; Terpstra and Rozell, 1993 Delery and Doty 1996). The studies mentioned above have focused on certain practices of HRM. Among these practices, the most mentioned are those related to incentive compensation, employee involvement, training and development of the workforce, job security (Arcand. and al, 2004). Thus, to finish with the Universalistic approach, we can say that some HRM practices, regardless of business context, can improve the way human resources are strategically managed within organizations and, therefore, increase performance of the firm (Pfeffer, 1994, 1998, Pfeffer and Veiga, 1999).

Theoretical Foundations

The Universalistic approach to SHRM is essentially based on two theoretical currents, the human capital theory (Schultez 1961, Becker 1976) and the strategic resources theory (Barney, 1995). Firstly, the theory of strategic resources requires that organizational practices may be subject to certain conditions, a competitive advantage for the firm (Barney, 1991). This approach has an important pillar on which is based the Universalist perspective (Becker and Gerhart, 1996, Ulrich, 1991; MacMahan and Wright, 1992). According to these authors, the HRM has all the prerequisites which make it a strategic resource and to be considered as a rare competitive advantage for the organization (Hamel and Prahalad, 1995; Wright, MacMahan and McWilliams, 1994) and difficult to imitate or to substitute by any other factor of production (Becker and Gerhart, 1996).

Secondly, and according to the theory of human capital, the level of knowledge, skills, abilities and skills of the staff can be an important source of economic value creation for the firm. Schuler and Jackson (1995) argue that human capital can contribute to value creation, as well as other assets if properly managed.

Thus, and based on the two theories mentioned above, proponents of the universalistic approach to strategic human resource management consider that adoption of "High performance" practices of human resources management constitutes an excellent way to increase the human capital value and consequently to increase the organization's efficiency (Wright and Mac Mahan Virick, 1999; Snell and Dean, 1992).

Empirical work on the Universalistic approach

The Universalistic approach to SHRM has been validated through several empirical studies. In the following paragraphs, we will present the main studies to test this approach.

In a survey of 714 firms from various industrial sectors, Betcherman McMullen, Leckie and Caron (1994) found that the HRM practices qualified to be innovative can improve the performance of the hand force and to avoid such phenomenon: voluntary departures, accidents or injuries, complaints or grievances, as well as business efficiency (productivity, unit costs, customer complaints, quality of product or service). No significant effect was found on financial performance.

A study conducted by Liouville and Bayad (1995) within 271 French manufacturing firms was used to examine the causal links between the HRM practices and the social, organizational and economic performance. Tested firms were divided into five different classes according to the importance degree that leaders gave to HRM concerns. The first results show that firms that adopt a strong "qualitative" HRM are the ones who make a better economic performance. Qualitative orientation considers the individual as a resource and encourages investment linked to skills development, compensation, motivation, information, participation, recruitment and performance evaluation. In a second step, Liouville and Bayad tried to observe the existence of specific relationships between various performance indicators for each business class. Their results indicate that economic performance (profitability, sales growth) is dependent on organizational performance (productivity, quality, innovation). The latter is conditioned by the social performance (turnover, absenteeism and employee satisfaction).

In another study conducted by Delery and Doty (1996), with 192 U.S. banks, results show that investment in formal performance evaluation, profit sharing, training, participation, job security and expansion of tasks, is an important lever of the financial efficiency of U.S. banks.

Barrette and Simeus (1997) conducted a study with 36 human resource managers of Canadian high-tech companies. They found that investment in compensation activities is significantly affecting the level of productivity, the profit margin of the firm and the stock performance. However, activities related to the formation explain only slightly increased levels of productivity.

Measuring the effect of certain HRM practices (team work, participation in decision making, communication, training, compensation, job security), Berg (1999) found a positive relationship between the implementation of autonomous work teams or semi-autonomous and employee satisfaction. No significant effect was found for practices related to incentive compensation, communication and job security.

In a study within 46 financial services firms, Arcand and al. (2002) establish a positive relationship between the adoption of certain HRM practices of and various performance indicators (employee satisfaction, efficiency of human resources, overpayments and return on investment). More specifically, the results of these authors show that when the HRM practices are introduced simultaneously, they are significantly associated with each of the four business performance indicators.

The study by Welbourne and Andrews (1995) within 132 firms is an important support for the Universalist approach. The researchers tried to prove that the level of development of certain HRM practices can be a key factor in the organizations' survival. To perform their study, the authors identified 132 firms that have a first exchange listing. For each of these companies, the authors measured through two scales, the investment level made in certain HRM practices. The first level concerns the investment in practical skills development (training, communication and participation). The second level measures the investment related to the employees' motivation (wages).

Batt and Applebaum (1995) validated the principle of Universalistic approach. These authors attempted to verify whether the presence of practices of HRM (individual participation, training and development, management and career planning, incentive compensation, job security and labor relations) may be positively related to some performance criteria (satisfaction, organizational commitment and the quality of product service). The results of this study show that some practices, particularly those that improve the quality of relationships at work can be an important determinant of business performance. Other practices appear to be positively related to performance, such as compensation activities, participation and career management.

Guerin, Wils and Lemire (1997) also validated the hypothesis that certain practices of human resource management are valuable determinants of firm performance. More specifically, these authors have attempted to verify whether the presence of certain HRM can have an effect on the reduction of worker's dissatisfaction.

The results reported in this study show that there is a set of practices that, regardless of the organizational context, can provide a competitive advantage for the firm. Indeed, firms which have invested more in practices such as, training and skills development, participation in decision-making, improved working conditions, job dissatisfaction have an average of 0.75%. As against, the firms which didn't develop these practices, the job dissatisfaction have an average of 3.41%.

In order to validate the Universalistic approach, Huselid, Jackson and Schuler (1997) conducted a survey within 293 U.S. firms. These authors sought to determine if the investment in certain practices of human resource management can provide a competitive advantage to the firm.

They grouped the HRM practices in two separate sets. The first set includes technical HRM practices (selection activities, salaries, etc.). In the second set, there are strategic HRM practices (employee participation, succession programs.). These authors found that the technical work had no significant effect on the firms' results. However, strategic practices had a positive impact on business performance. Firms that have invested more in these practices have achieved a level of sales up 5.2% compared to other firms, a higher profitability of 16.3% and Tobin's Q 6% higher.

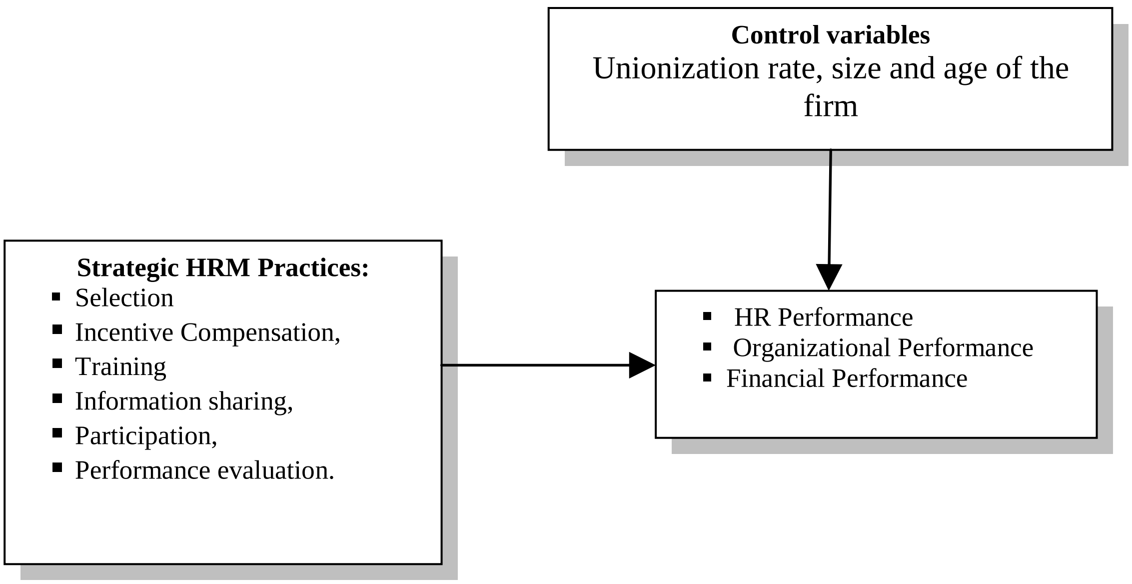
Model and research hypothesis

Model

In light of our previous theoretical analysis, we were able to build a conceptual model that includes an interrelation between strategic human resource practices and performance.

Our model includes strategic human resource practices (independent variables), the performance of the firm (dependent variable) and the control variables.

Figure 2: Research Model



Hypothesis

The level of implementation of the strategic HRM practices is positively related to business performance.

Sample

The research is based on a judgment sample into 114 selected industrial firms. The choice of this sample is based on criteria which are relevant with our research objectives.

The construction of our sample is a process of selection. A set of criteria was used to select the sample firms. The criteria that were chosen are:

- The firm is certified ISO 9001
- The age of the firm is more than three years
- The firm must not be totally exporting.

Measures of variables

The independent variables

The independent variables of this research are the SHRM's practices of selected in this work namely human resources, selection, training, incentive compensation, the sharing of information, participation in decision-making and evaluation performance.

The selection

This practice was measured using seven items ($\alpha = 0.92$) and adapted from the work of Snell and Dean (1992) and Arcand, G (2007).

Training

The scale used to determine the formation contains seven items ($\alpha = 0.74$) inspired from work of Snell and Dean (1992) and Arcand (2007).

Participation in decision-making

This practice was measured using a scale work inspired by Arthur (1992), Lawler (1992) and Fabi et al., (2007). ($\alpha = 0.84$).

The Incentive Compensation

The scale used to measure this variable is inspired by instruments developed by Gomez-Mejia (1992), Lawler et al., (1992), Tremblay (1994) and includes a set of seven items ($\alpha = 0.74$). For each item the respondent gave his perception on a Likert response scale of five categories.

The sharing of information

To measure the sharing of strategic information, we opted for a scale used by Simard et al., (2005). This scale consists of six items ($\alpha = 0.88$).

The performance evaluation

The scale used to determine the performance evaluation contains eight items ($\alpha = 0.89$) inspired from work of Snell and Dean (1992) and Delery and Doty (1996).

The dependent variables (to explain)

We chose in this research a multidimensional approach of subjective measures of performance, the latter having been used and recommended as a substitute in case of non availability of quantitative data (Venkatraman and Ramanujan, 1986).

Subjective measures have been widely used in research in human resource management. In fact, most studies have shown a strong convergent validity between subjective and objective measures such as measures in financial reports (Venkatraman and Ramanujam, 1987).

On the performance criteria chosen in our research, we have introduced at the level of performance measurement, twelve items used in previous research. Huselid (1996) and Arcand (2007) have adopted a similar approach to measure performance.

The first five items refer to the human resources performance ($\alpha = 0.8$). The following four items relate to organizational performance ($\alpha = 0.87$) and the last three are related to financial performance ($\alpha = .84$). Performance HR appreciates the results of social action and organizational performance related to the production activity of the enterprise (Igalens et al., 2003). Performance measure used is subjective and perceptual, as the responsible for human resources will give their opinions on the performance of their business.

Control variables

To check the possible influence of certain organizational variables on business performance, we chose to monitor three variables recognized in the literature as being able to exercise such influence: variables namely, the size of the firm, the age of the firm and the union presence.

To measure the size of firms, three types of indicators or parameters are typically used: social capital, turnover and number of employees by the firm. As part of this study, we used the third indicator for reasons of availability of information on staffing. Therefore, size is measured here by the number of employees, converted on a 5-point scale.

Regarding the age of the firm, this variable will be operationalized by the date of creation. As for the union presence, we chose a variable percentage to measure the rate of unionized employees in the firm.

Approach to hypothesis testing research

To check the Universalistic approach, we conducted six multiple regressions on each of the three dependent variables (a total of 18 statistics that measure the gross effects of the variables).

Each of the six regressions was conducted in two stages. The first step consisted only on introducing the control variables block into the linear equation was to introduce the linear equation only the power of control variables (age, size and unionization). The objective of this first step is to check the effect of these variables on the dependent variable.

The second step consisted on inserting into the equation one by one each of the six SHRM practices used in this research. This step will examine the effects of SHRM practices individually on the three levels of performance.

Results and discussion

This research could lead to results advocating the Universalistic approach. Indeed, one of the objectives of our work is to test the effect of certain HRM practices on performance in its three aspects (financial, organizational and human resources). The results for this approach shows that companies are required to adopt five HRM practices namely selection, investment in training, employee participation in decision-making, incentive compensation and the sharing of strategic information. These practices, taken individually, would be strongly related to the three levels (financial, organizational and human resources) performance.

We believe that performance is multidimensional in order to avoid the pitfalls associated with the complexity of the concept. A reductionist view of the performance as one-dimensional concept of financial, organizational or social, provides biased results as highlighted Quinn and Rohrbaugh (1983) and De La Villarmois (2001).

The results for each variable in our model can be summarized and compared to international practices as follows:

The link between the selection and business performance

We verified the existence of a significant relationship between the implementation level of the selection and the three types of performance. Terpstra and Rozell (1993) and McDuffie (1995) also found a positive relationship between selection and performance. Joined in Universalistic logic, selection as HR practice is beneficial in itself regardless of the strategy. This activity consisting on finding the " rare pearl" is the starting point for the acquisition of qualified personnel with an interesting experience especially with personal characteristics such as easier integration, sociability, opening on outside ... These qualities will not be alone the key to business success, but their absence could lead to problems such as interpersonal conflicts, cultural shock, failure of negotiations, dissolution of work teams.

The selection takes all its importance because it is a means to ensure a 'fit' between what the candidate can do what he wants to do and what the organization seeks. Thus, the selection managing to achieve congruence candidate organization can affect the performance of the firm. Improving the selection process, a firm can reduce the gap between the candidate skills and the position requirements and thus lead to a good candidate’s placement.

Note to this effect, some firms multiply bonuses, develop training programs to improve productivity. Such actions are certainly promising, but cannot achieve the desired results because of the lack of skilled employees. Also, early action would ensure the success of the selection process and contribute to business performance. The positive and significant relationship between selection and performance can only get closer to the results of some studies on the subject (Pfeffer, 1994; Youdt et al., 1996; Arcand et al., 2002).

Boudreau et al. (1999) emphasizes the importance of selection and stated that the selection of qualified employees like an investment in a bank. Therefore it is important for HR managers to improve the selection process for individuals with the qualifications required by the position in question.

Table 1: The selection and performance of the firm

	the selection		
	Coefficient	**F**	**p-value**
HR performance	0,43	5,192	000
Organizational performance	0,292	3,207	0,002
Financial performance	0,345	4,332	000

$p \leq 0{,}01$

The link between investment in training and performance of the firm

Our results show a positive and significant relationship between the HR practice and performance with three types. They go in the same direction as those of Arthur (1994), Simens and Barrette (1997), Delery and Doty (1996). Thus, any firm wishing to shine and compete knows it's important to rely on skills and on the collective intelligence. Therefore, one important feature of human resources is that the more we explore humans and the more they are enriched, the more firms invest on training programs and the more the staff's potential and employability improve. Indeed, individuals who experience change are constantly trying to adapt to learn train and enrich their knowledge. In addition, the introduction of new technologies, new processes, and new ways require training and expertise that will be instilled in employees in the firm. And thanks to the training and learning a firm can cope with the changes and ensure its survival and sustainability.

Organizations have to add to their training action a motivation program. Motivated employees are those who believe in their own effectiveness, they adhere to training especially when the training program is rich and varied and can involve several areas and not only focused on narrow and limited issues.

Finally, we can move forward, as well as for the selection process, it is appropriate to consider carefully all stages of training to pass the training .Starting with the identification of real training needs, through the choice of methods of training and ending with the evaluation of the training. This last step also concerns the assessment of knowledge, but also the assessment of attitudes and behaviors of individuals after training.

Table 2: Training and Performance of the firm

	Training		
	Coefficient	**F**	**p-value**
HR performance	0,430	6,178	000
Organizational performance	0,290	3,157	0,002
Financial performance	0,326	3,889	000

$p \leq 0,01$

The link between participation in decision-making and performance of the firm

For the third HR practice, our empirical results have highlighted the positive and significant relationships between participation in decision-making and performance of the business relationship. Arthur (1992), Pfeffer (1994), Kato and Morishima (2002) and Li (2004) found similar results. Always starting from a universal logic, we can say that this practice affects performance regardless of the context or industry. This is the principle of universality which justifies the idea of a-contextualization: Involving employees in decision making requires a delegation of authority and employees empowerment. Autonomous and responsible employees are more motivated and therefore more productive employees.

The results of our research connect a positive and meaningful participation in decision making with performance. Thus, it should be noted that involving employees in decision-making is of great importance in this regard. This reflects the respect for employees and granting them some power to act. In addition, decisions in consultation with employees are more likely to be accepted and implemented when decisions are made unilaterally. The fact of involving employees in the decision only increases their sense of belonging to their business and their identification with organizational goals. (Lee and Koh, 2001)

Finally, note that a simple consultation in decision-making to convince employees of the decision utility cannot be equated with participation (Rojot 1992). Involve employees in decision making is a motivation source and a kind of catalyst for individual and collective efficiency in one way or another, a source of improved business performance .

Table 3: Participation in decision-making and performance of the firm

	Participation in decision-making		
	Coefficient	**F**	**p-value**
HR performance	0,267	3,103	0,005
Organizational performance	0,197	2,700	0,039
Financial performance	0,292	3,120	0,002

$p \leq 0{,}01$

The link between incentive compensation and performance of the firm

Incentive compensation is significantly and positively related to firm performance. These same results were found in the study of Locke and others. (1980).These authors found that the incentive compensation has a positive effect on productivity. Similarly, Welbourne and Cable (1995) tested the significativity between incentive compensation and job satisfaction. Most firms tend to pay premiums and bonuses as encouraging means for their employees. They tend to demonstrate a positive attitude reflecting employee satisfaction and appreciation toward this practice and especially if they perceive justice in the premiums and bonuses distribution in question. This attitude justifies a positive behavior that is hard work and willingness to invest more, thus increasing productivity.

Based on our results, it appears that the incentive compensation principle is a motivator and an effective way to improve performance. Note, however, that one cannot access to such results if the concerned employees are convinced that they are undergoing a fair and equitable treatment. Thus, the greater the incentive system is transparent, clear and understandable and bonuses and bonus play the role of catalyst to unleash the employees’ enthusiasm and "boost" their efforts and hard work.

In the end, we can say that our results relating to these practices (investment on training, incentive compensation and participation) and related to their effect on performance go with the work of Appelbaum et al., (2000) and Huselid (1995).

Table 4: the Incentive compensation and performance of the firm

	Incentive compensation		
	Coefficient	**F**	**p-value**
HR performance	0,308	4,639	0,002
Organizational performance	0,291	2,954	0,003
Financial performance	0,271	2,570	0,006

$p \leq 0{,}01$

The link between strategic information sharing and performance of the firm

For sharing strategic information, we could verify the existence of a positive and significant relationship between the practice and performance of the firm. This result is close to the results found by Ichniowski et al., (1996), Lawler (1986), Morishima (1991) and Marchington et al., (1994). Also, we can say that providing strategic information to employees may give them the power to act and to release the weight of the ignorance that surrounds them. The challenge today is not simply to execute out but to solve problems and think. And to do so, employees should have some information to take (or) good (s) decision (s). Firms cannot succeed in continuing to strengthen the division between those who think and those who reflect.

Today, the emphasis is on intelligence of all, it is the collective knowledge that distinguishes one firm from another. The employee feels a full member in the firm. If we give him information, that means we recognize his skills and abilities and then he becomes more productive. In addition, share strategic information is considering others with respect it is considering the employee as a part of the firm stakeholder that is trustworthy and able to think and make good decisions. The vision of the working man is constantly renewing itself, the individual has every day a decisive role in the organization and he is expected to solve complex problems and perform tasks more wide and rich. Our empirical results show, so to speak, a strong positive and significant correlation between information sharing and business performance, it leaves a shadow of a doubt about the strategic position occupied by the individual within its organization.

Table 5: The sharing of information and the performance of the firm

	sharing of information		
	Coefficient	**F**	**p-value**
HR performance	0,373	4,284	000
Organizational performance	0,392	5,512	000
Financial performance	0,324	3,731	0,001

$p \leq 0{,}01$

The link between performance evaluation and performance of the firm

Our results show the existence of non-significant relationship between performance appraisal and performance of the firm. Note, however, that this relationship is positive while not significant it means that there is no dependency relationship between these two variables. This result is contrary to the results found by Delery and Doty (1996), Beatty (1989), Youndt, Snell Lepack and Dean (1996). These authors found significant differences between the performance evaluation and performance bonds. The theoretical and empirical investigation highlights the role of performance evaluation in improving the performance. Yet, our results concerning the Universalistic approach analysis do not support this idea. It is therefore necessary, while recognizing the importance of the Universalistic approach, not to exclude the coexistence of the contingency approach (Delery and Doty, 1996) to explain the variation in business performance.

Table 6: Evaluation of the efficiency and performance of the firm

	performance evaluation		
	Coefficient	**F**	**p-value**
HR performance	0,207	1,207	0,085
Organizational performance	0,174	1.409	0,075
Financial performance	0,180	1,437	0,097

$p \leq 0{,}01$

Conclusion

Many researchers such as Delaney, Lewin et Ichniowski, 1989 ; Huselid, 1995 ; Osterman, 1994 ; Pfeffer, 1994 ; Guérin, Wils and Lemire, 1997…, and while relying on the universalistic approach, have asserted that there is some HRM practices which are better than others to ensure a better performance. Thereby firms have to adopt these special practices called "best practices" whatever their context is.

In the same vein as these researches, we find results advocating the universalistic approach. Indeed, among the objectives of our work is to test the effect of certain HRM practices on performance in its three aspects (financial, organizational and human resources).

More precisely, we have tried to test the effect of six HRM practices namely: selection, investment in training, employee participation in decision-making, incentive compensation, strategic information sharing and performance evaluation, on the three distinct levels of performance.

Firstly, we have tested the effect of these special practices on the financial performance. This latter is based on the accounting and market approach and measured on the basis of accounting documents and market indicators.

Secondly, we have tested the effect of these same HRM practices on the organizational performance. This performance depends on the quality of internal resources and on the manner these resources are managed.

Thirdly, and regarding the HR performance, we also have attempted to test the impact of the selected HRM practices. This performance relate to behaviors in the workplace and their corresponding indicators.

The results of the statistical regressions show that the implementation level of certain SHRM practices can influence the performance of the industrial business in Tunisia. Indeed, our analysis shows results that highlight the direct links between SHRM implemented practices and the three dimensions of performance used in this research.

At the managerial level, our study provides relevant results for Tunisian managers and especially for HR professionals. Indeed, these results allow managers to know the HRM practices that impact positively the firm's performance.

Despite the contributions of this research, it is not without a number of limitations which we can mention: The obtained results are specific to the industrial sector and therefore cannot be generalized to other sectors.

Finally, we can say that our study opens up a number of areas for future research such as:

- The generalization of the research results on other samples such as the service sector
- Target other populations as human resources managers and leaders. Indeed, the employees' feedback could allow us to measure the variables used in this research and especially the HRM practices because employees are best placed to assess these variables.

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