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## **Causal and Mediating Roles of Strategic Human Resource Management and Entrepreneurial Orientation in the Performance of Insurance Companies Listed on the Tehran Stock Exchange**

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### **Extended Abstract**

#### **Objective**

This research aims to investigate the relationship between strategic human resource management and firms' performance with the mediating role of entrepreneurial orientation in insurance firms listed in the Tehran stock exchange. Previous researches show that strategic human resource management has great impact on organizational outcomes. Therefore, in present study, it is assumed that implementing strategic human resource management within insurance firms may enhance different dimensions of firm performance. Also, this effect may be mediated by entrepreneurial orientation.

#### **Methodology**

By purpose, this research is an applied survey and methodologically is a descriptive study. The statistical population consists of the senior human resource experts, managers, and supervisors of insurance firms listed in the Tehran stock exchange. Research data was collected through standard questionnaires distributed straight- randomly among a sample of 117 respondents. The reliability of research tools was examined according to the Cronbach coefficient and composite reliability coefficients for each construct. Also, the construct validity of the research tool was

tested through confirmatory factor analysis. Research conceptual framework and hypotheses were analyzed according to structural equation modeling via XLSTATE PLS.

### **Results/Findings**

Findings indicate that there is a positive and significant relationship between strategic human resource management and insurance firms' performance in its three dimensions as internal performance, job performance, and performance against competitors. In addition, the findings of the present study showed that the impact of strategic human resource management on the internal performance dimension of the company is slightly more than its impact on the dimensions of performance against the competitors and employees' job performance. Also, the mediating role of entrepreneurial orientation in the relationship between strategic human resource management and insurance firms' performance in all of the three dimensions was confirmed. The important point is that the mediating role of entrepreneurship orientation in the impact of strategic human resource management on the firm's performance against competitors is more than other aspects of the firm's performance. Meanwhile, the positive and significant effect of entrepreneurial orientation on performance dimensions was confirmed as well.

### **Conclusions**

Based on the research findings, it can be concluded that strategic human resource management can lead to improved company performance, both directly and through an entrepreneurial orientation. This effect exists on all three dimensions of performance. It can be concluded that the dimensions of horizontal and vertical integration of strategic human resource management can provide the necessary ground for the formation and strengthening of the characteristics of the entrepreneurial approach. These features in turn can affect the activities of the company and its functional dimensions. Regarding the impact of entrepreneurial orientation on performance, it can be concluded that if companies act proactively, they will encourage innovation, risk-taking and competition, and try to provide more independence for employees and organizational members. With the change that occurs in systems, methods and work attitudes, the firms' performance will be improved in accordance with the requirements of their dynamic work environment. Paying attention to the alignment of goals and functions of human resource management with firm's strategies, emphasizing the position of the company's human resources unit and focusing on horizontal integration in the implementation of human resource management functions is among the most important measures to establish strategic human resource management. To create and strengthen the entrepreneurial orientation within the organization, it is necessary to pay attention to its various dimensions, including innovation, proactiveness, strategic organizational transformation and risk-taking.

**Keywords:** Insurance Firms' Performance, Strategic Human Resource Management, Entrepreneurial Orientation.

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