

Driving Performance: Unravelling the Power of Strategic HRM in Innovativeness and Risk-Taking

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Abstract

In today's dynamic business environment, understanding the intricate interplay between strategic human resource management (SHRM), innovativeness, risk-taking, and organizational performance is paramount for organizational success. This study delves into this nexus within the Iraqi telecommunications sector, utilizing a sample of 120 employees and employing Structural Equation Modelling (SEM) with Partial Least Squares (PLS) to verify the structural model. The findings underscore the pivotal role of SHRM as a mediator in shaping organizational outcomes. While strategic human resource management demonstrates a significant and positive impact on both risk-taking and organizational performance, its influence on innovativeness is found to be non-significant. These insights shed light on the nuanced dynamics within organizational contexts, emphasizing the multifaceted nature of SHRM's impact. Practical implications derived from our results offer actionable insights for industry practitioners, highlighting the strategic importance of aligning human resource practices with organizational objectives. By fostering a culture conducive to risk-taking and leveraging SHRM practices to enhance organizational performance, telecommunications firms in Iraq can navigate challenges and capitalize on opportunities in today's competitive landscape.

Keywords: Strategic Human Resource Management, Innovativeness, Risk-Taking, Organizational Performance

INTRODUCTION

Many companies grapple with the primary challenge of effectively adapting to the continual shifts in concepts, technology, products, and services brought about by globalization. This necessitates the implementation of internal protocols in modern organizations to remain abreast of entrepreneurial trends and maintain a competitive edge. Hence, companies must consistently enhance their human resources and evaluate organizational performance (Anwar & Abdullah, 2021; Monteiro et al., 2021).

Optimizing employee productivity is crucial for organizational success. Providing attractive benefits and cultivating work environments that appeal to experienced and skilled employees can enhance productivity (Anwar & Abdullah, 2021; Monteiro et al., 2021). Consequently, the ongoing enhancement of internal procedures to align with current entrepreneurial trends and ensure effective utilization of human resources is imperative for telecom companies' prosperity in the current corporate landscape (Choi et al., 2022).

Leadership in telecom companies plays a pivotal role in enhancing operational performance. This entails making decisions, implementing plans, and executing strategies aligned with the organization's goals and objectives (Mehralian et al., 2022). Setting quantifiable objectives derived from up-to-date technological data and research is essential for assessing organizational performance, which significantly influences employee engagement and commitment (Mishra et al., 2021).

Organizational performance is widely recognized as a crucial dependent variable in business and management research, spanning various domains such as human resources, marketing, operations management, international business, strategy, and information systems Armstrong and Taylor (2020). Enhancing profitability and ensuring long-term success are paramount for businesses.

Strategic Human Resource Management (SHRM) plays a pivotal role in amplifying the beneficial impacts of entrepreneurial orientation on organizational outcomes. When SHRM practices are effectively aligned with a company's strategic goals, they can enhance employee skills, motivation, and involvement, thereby translating

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equal opportunity into measurable performance improvements (Al-Khaled & Fenn, 2020). Alignment is especially critical in dynamic and competitive industries like the telecom sector, where innovation and agility are key determinants of success.

However, there remains a dearth of research examining the distinctive characteristics of Iraq's telecom sector, including its unique market dynamics, regulatory challenges, and technological advancements. Consequently, the precise role of SHRM in bridging entrepreneurial orientation and organizational performance remains inadequately explored, despite its potential to inform strategies for gaining a competitive edge (Boon et al., 2019).

The absence of organizational capacity-building strategies has emerged as a warning sign of potential corporate decline (Troth & Guest, 2020). Therefore, failure by SHRM to invest in employee training and development programs may lead to high turnover rates and the loss of valuable talent and expertise, adversely impacting organizational performance and overall success (Khan et al., 2019).

LITERATURE REVIEW

Iraqi Telecommunication Industry

The Iraqi telecommunication industry has undergone significant transformations over the past few decades, marked by substantial developments, challenges, and opportunities. This industry's evolution can be traced back to the early 2000s, when Iraq, emerging from years of conflict and international sanctions, began to rebuild its telecommunications infrastructure. Several key players characterize the Iraqi telecommunication market, including Asiacell, Korek Telecom, and Zain-Iraq. These companies have been crucial in expanding mobile telephony and internet services throughout Iraq. Asiacell, partly owned by Qatar's Ooredoo group, Korek Telecom, with a significant investment from France's Orange Group, is also a major contributor to the industry's growth, and Zain-Iraq, a subsidiary of the Kuwait-based Zain Group, is one of the largest mobile operators in the country.

Underpinning Theory

The Dynamic Capabilities View (DCV) theory, which comes from the field of strategic management, says that in markets that change quickly, companies need to be able to adapt, integrate, and reconfigure their internal and external competencies to stay ahead of the competition (Teece, 2016). This framework emphasizes the proactive nature of organizational adaptation, highlighting the importance of continually scanning the external environment, identifying emerging opportunities and threats, and dynamically adjusting internal resources and capabilities to capitalize on or mitigate these factors.

In the context of strategic human resource management (SHRM), the DCV theory suggests that creating and implementing sophisticated SHRM practices is essential for fostering organizational adaptability. By enabling management to make informed decisions, promoting a culture of innovation, and encouraging calculated risk-taking, these practices contribute to the organization's ability to navigate uncertain and turbulent environments effectively. The dynamic capabilities view further underscores the significance of creating value through practices that are rare, difficult to imitate, and organizationally specific (Choso & Wetaba, 2019). This involves developing unique HRM systems. By using this strategy, firms can establish a long-term competitive advantage that is founded on unique qualities that are challenging for competitors to imitate (Hussein et al., 2021). By embracing the principles of the DCV, organizations can enhance their agility, resilience, and innovation capabilities, thereby positioning themselves for long-term success in dynamic and competitive markets.

Organizational Performance

Organizational performance epitomizes the culmination of a company's endeavors, manifesting in its capacity to meet or exceed its predefined objectives and targets. This multifaceted concept is evaluated through many metrics, providing insight into a company's efficiency and efficacy in realizing its goals. Ahmad et al. (2021) elucidated that assessing organizational performance necessitates comparing actual outcomes and intended objectives, a standpoint echoed by Oginni et al. (2023), who defined organizational performance as the tangible output measured against intended outcomes. Almatrooshi et al. (2021), further refined this definition by

emphasizing performance about set objectives and goals, underscoring the role of open innovation in enhancing various organizational performance facets.

Organizational performance is acknowledged as a comprehensive construct that mirrors an organization's achievement across various dimensions—ranging from financial outcomes to operational efficiency and encompassing softer aspects such as stakeholder satisfaction and innovation (Regin et al., 2023). This multifaceted approach to appraising performance underpins strategic decision-making and stimulates continuous enhancement efforts. Literature posits that Organizational performance is moulded by internal capabilities and external market dynamics, accentuating the strategic synchronization of resources, human capital, and organizational culture toward attaining superior outcomes (Oehlhorn et al., 2020).

In a study conducted by Popa et al. (2022), an organizational performance's success is evaluated through three main typical factors: operational performance, financial performance, and shareholder return performance. Operational performance assesses marketing, customer satisfaction, product quality, and competitive advantage, while financial performance evaluates liquidity, investments, asset returns, and cash flow. Shareholder return performance evaluates shareholder profit growth.

Recent scholarly dialogues have elaborated on the definition of Organizational performance, including sustainability and resilience, advocating for a balanced perspective that integrates economic, social, and environmental considerations (Saeed et al., 2023). This enriched perspective promotes the adoption of practices that not only ensure an organization's long-term prosperity but contribute constructively to societal and environmental well-being, marking a paradigm shift towards more accountable and sustainable business operations.

Innovativeness

Companies continuously seek avenues to establish and maintain competitive advantages in today's intensely competitive business landscape. As Astrini et al. (2020), highlighted, one such avenue involves geographical positioning and efficient data transfer. However, at the core of sustaining competitiveness lies the dimension of innovativeness within entrepreneurial orientation.

Another viewpoint conducted by Lomberg et al. (2017), examined the definition of innovativeness to encompass a company's engagement in research, experimentation, and developing new products, systems, or technologies. This broad perspective on innovativeness as a dynamic process underscores its significance in contemporary business environments, positioning it as a focal point of extensive scholarly interest.

On the other hand, Basco et al. (2020), then narrows the scope by defining innovation as the practical application of these novel ideas, transforming them into tangible, marketable products and services. This pragmatic approach bridges the gap between abstract conceptualization and concrete business outcomes, emphasizing innovation's pivotal role in enhancing business performance.

However, the narrative further evolved with contributions from Huang et al. (2023), who collectively emphasized innovation's stature as a paramount factor in entrepreneurial success and the most extensively studied dimension within entrepreneurship. This consensus among researchers highlights innovation's paramount importance and reflects its ubiquity and criticality across entrepreneurial endeavors.

Subsequently, Ferreira-Oliveira et al. (2020), contributed to developing and portraying innovativeness as an ardent desire to explore new technologies and engage with fresh ideas. This proactive stance towards innovation encapsulates the dynamic nature of EO, fostering an environment ripe for creativity and adaptation.

Lastly, Masa'deh et al. (2018) offered a nuanced perspective, characterizing innovativeness as a company's readiness to initiate and execute novel ideas, experiment with alternative strategies, and improve existing offerings. This multifaceted view enriches the understanding of innovativeness, illustrating its comprehensive role in shaping organizational dynamics and strategic orientation.

Based on the literature, the following hypotheses are proposed:

H1: Innovativeness has a significant effect on strategic human resource management.

H2: Innovativeness has a significant effect on organizational performance.

Risk Taking

Haider and Khan (2020), laid the groundwork by establishing the strategic significance of risk-taking within entrepreneurial orientation, positing that the willingness of managers and entrepreneurs to allocate substantial resources to opportunities, despite inherent uncertainties, is fundamental to enhancing firm performance and fostering growth. This foundational perspective is crucial for understanding how risk-taking propensity is directly linked to achieving competitive advantage and organizational success.

Building on this foundation, Ibidunni et al. (2019) delved deeper into the concept of risk-taking, describing it as the commitment of resources to ventures with uncertain outcomes. Their analysis reveals that organizations with a pronounced inclination toward risk-taking often surpass their more risk-averse counterparts over the long term, highlighting the intrinsic value of risk-taking in driving sustainable growth and profitability. This view is supported by Oluwatoyin et al. (2018), who further emphasizes risk-taking as a pivotal driver of strategic advancement and market positioning.

Bernoster et al. (2019) expand the discourse by exploring risk-taking beyond conventional decision-making. Focus on bold ventures into new markets, significant financial commitments, and the utilization of invaluable resources under conditions of ambiguity and uncertainty. This expanded perspective underscores the audacious nature of risk-taking and its integral role in entrepreneurial orientation, illustrating how it equips organizations to navigate complex and volatile business environments.

Based on the literature, the following hypotheses are proposed:

H3: Risk-taking has a significant effect on strategic human resource management.

H4: Risk-taking has a significant effect on organizational performance.

Strategic Human Resource Management (SHRM)

Kim (2021) described human resources management as the process that starts with attracting and recruiting employees and then moves on to training and developing them to have the necessary skills and knowledge to perform their jobs effectively. Extending this foundation, Zamanan et al. (2020) identifies five SHRM dimensions, broadening our understanding of human resources management's role in achieving organizational success. Dwivedi et al. (2023) further, elaborate on this by emphasizing the strategic impact of foundational human resources practices on building organizational resilience. Zhou et al. (2022) then introduce the critical role of technology in human resources management, suggesting a paradigm shift towards digitalization in enhancing HRM effectiveness, thereby linking foundational human resources management practices with technological advancements to underscore their strategic significance.

A previous study proposed that human resources management practices have four dimensions: efficiency assessment, human resource planning, professional management, and compensation patterns. Efficiency assessment refers to evaluating the effectiveness of human resources practices to identify improvement areas. Human resource planning involves identifying and addressing the organization's current and future human resources needs. Keding (2021), adds depth to this discussion by focusing on the strategic management of human resources functions, highlighting the importance of professional management strategies.

In conjunction with these perspectives, Mohammed and Fisal (2023), delved into the strategic role of human resources analytics, demonstrating how data-driven approaches can enhance organizational decision-making and performance. McClean and Collins (2019), then examined the impact of strategic human resources leadership on fostering an inclusive and innovative culture, effectively linking strategic leadership with human resources management's operational dimensions.

According to Nataraja and Alamri (2016), the universalistic approach to SHRM is based on the belief that certain human resources practices and policies can positively impact organizational performance, regardless

of the context, organization, or culture. This approach emphasizes the importance of aligning human resources practices with organizational strategy to improve employee satisfaction and retention and ultimately drive organizational performance.

The studies by Zamanan et al. (2020), supported this approach, as they suggest that a fit between human resources systems and the firm's strategic perspective can significantly impact organizational performance, particularly in terms of employee satisfaction and retention. In this context, Jamali and Sagirani (2021), highlighted the importance of considering the fit between human resources practices and organizational strategy to achieve desired outcomes and improve organizational performance.

Based on the literature the following hypotheses are proposed:

H5: Strategic Human Resource Management has a significant effect on organizational performance.

H6: Strategic Human Resource Management mediates the relationship between innovativeness and organizational performance.

H7: Strategic Human Resource Management mediates the relationship between risk-taking and organizational performance.

METHODOLOGY

Research Design

The primary research model was developed based on the hypotheses and research questions. Using a quantitative approach, questionnaires extracted from previous studies with robust validity and reliability scores were employed to collect data and conduct statistical analyses. The study's research model, displayed in Figure 1, shows the correlations among these variables of this study.

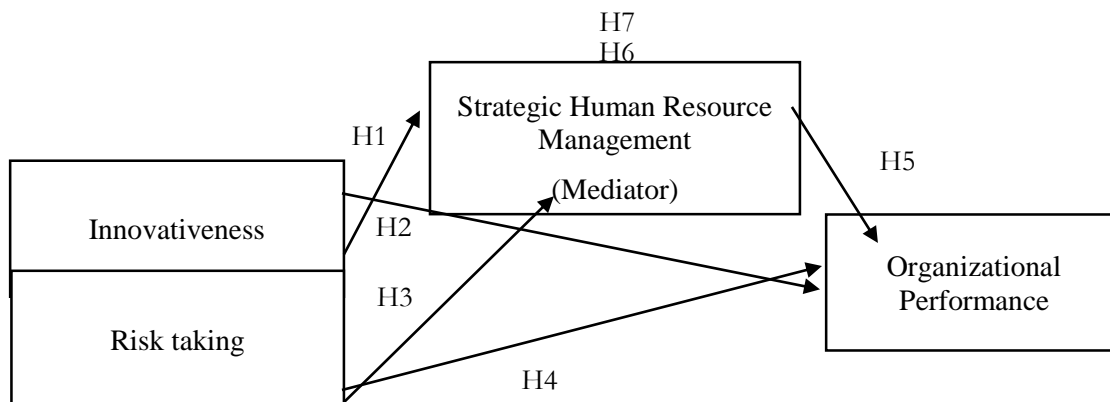


Figure 1: Research Framework

Survey Instrument

The question on innovativeness and risk-taking is derived from the scale developed by Zehir et al. (2016), as indicated in Table 1. The study utilizes a 9-item SHRM index adapted from the study to measure SHRM practices. This index encompasses various dimensions of SHRM practices that are pivotal for aligning human resources with strategic organizational goals. As for organizational performance, it is adapted from Ahmed & Shafiq (2014), which employs a balanced scorecard approach, which includes a financial perspective, customer perspective, internal business perspective, and learning and growth perspective. This research Utilized the 5-point Likert scale to measure the entrepreneurial orientation questionnaire. According to the 5-point Likert scale, all the items were anchored according to the following: strongly disagree, disagree, neutral, agree, and strongly agree.

Table 1: Measurement items

Part	Content	Total Items	Sources
A	Demographic Profile	4	-
B	Innovativeness	4	Zehir et al., 2016
C	Risk-taking	3	
D	Strategic Human Resources Management (SHRM)	9	Zehir et al., 2016
E	Organizational Performance (OP)	18	Ahmed & Shafiq, 2014

Sample and Data Collection

A self-administered questionnaire was used to gather data for hypothesis testing from employees working in telecommunication companies, which include Asiacell, Korek Telecom, and Zain-Iraq. A total of 120 questionnaires were effectively distributed and later retrieved from the respondents. This sample size exceeds the minimum requirement of 62 respondents, as stipulated by G*power, a widely utilized statistical software tool for determining sample sizes in research studies.

Table 2 below provides insights into the demographic characteristics of the survey respondents. Out of 120 respondents, 31.7% are female, and 68.3% are male. The majority of respondents, 64.2%, fall within the age range of 23-36 years, with 30.8% aged between 37-52 years and 5.0% aged 53 and above. In terms of marital status, 48.3% of respondents are single, 50.0% are married, and 1.7% are divorced. Regarding years of experience in their companies, 41.7% have 1-5 years, 31.7% have 5-12 years, and 26.7% have 13-20 years of experience.

Table 2: Respondent Profile

Demographic Variable	Characteristics	Frequency (n =120)	Percentage (%)
Age	23-36	77	64.2
	37-52	37	30.8
	53 and above	6	5.0
Gender	Female	38	31.7
	Male	82	68.3
Marital status	Single	58	48.3
	Married	60	50.0
	Divorce	2	1.7
Years of experience	1-5 years	50	41.7
	6-12 years	38	31.7
	13-20 years	32	26.7

Data Analysis

The research technique began with thorough data cleaning and screening to detect and handle missing data and outliers. Afterwards, descriptive statistics were calculated to provide a summary of the characteristics of the variables in the study. Correlation analysis was used to investigate the relationships between these variables. The hypotheses were evaluated using Smart-PLS 4.0 by applying Partial Least Squares Structural Equation Modelling (PLS-SEM). The selection of PLS-SEM was based on its capacity to handle complex models and its robustness in dealing with deviations from normality. The analysis consisted of two primary stages: the examination of the measurement model and the evaluation of the structural model.

FINDINGS

Measurement Model Assessment

The reliability and validity of the measurement model were rigorously assessed to ensure the accuracy and consistency of the study's findings. Both Cronbach's alpha and composite reliability (CR) were employed to evaluate the reliability of the scales, with a threshold of 0.70 or higher considered sufficient (Cohen et al., 2013; Hair et al., 2017; Peterson & Kim, 2013). Table 3 presents a comprehensive overview of the reliability and

validity measures obtained from the survey instrument. Notably, all items in the study met the reliability criteria, surpassing the recommended Cronbach's alpha threshold of 0.70. Additionally, the CR coefficient for each variable exceeded the acceptable threshold, further confirming the reliability of the measurements.

Indicator reliability was assessed through factor loadings, with values exceeding 0.60 indicating substantial loadings, as suggested by Hair et al. (2019). This analysis revealed that the related indicators demonstrated high consistency within their respective constructs. Convergent validity was evaluated using the average variance extracted (AVE), which measures the extent to which a measure correlates positively with other measures of the same construct. The AVE values obtained in this study, all greater than 0.50, indicate strong convergent validity (Bagozzi & Yi, 1989). This underscores the reliability and accuracy of the measurement model in capturing the intended constructs effectively.

Table 3: The convergent validity, and reliability of each construct in the model

Variable/ Items	Statement	Loading	Cronbach Alpha	Composite Reliability	AVE
Innovativeness					
IN1	Our business seeks out new ways to do things	0.86	0.88	0.92	0.74
IN2	Our business is creative in its methods of operation	0.88			
IN3	Improvements and innovations in our business	0.86			
IN4	Our work requires a great understanding and awareness of things	0.84			
Risk Taking					
RT1	People are encouraged to take calculated risks with new ideas	0.89	0.86	0.92	0.78
RT2	Risk taker is considered a positive attribute for people	0.91			
RT3	Emphasizing on exploration and experimentation for opportunities	0.86			
Strategic Human Resource Management					
SHRM1	HR practices are integrated to be consistent with each other	0.84	0.92	0.95	0.51
SHRM2	HR strategies' integration with organization's strategy	0.85			
SHRM3	Matching characteristics of managers to strategic plan	0.78			
SHRM4	Identifying necessary managerial characteristics in the long term	0.74			
SHRM5	HR personnel are a key influence in setting HR strategy	0.73			
SHRM6	Development programmers are designed to support strategic changes	0.81			
SHRM7	Modifying compensation systems to encourage managers	0.82			
SHRM8	Evaluating key personnel based on their potentials	0.72			
SHRM9	Job analyses are based on what the job may entail in the future	0.76			
Organizational Performance					
OP1	Overall, my company is performing well	0.66	0.94	0.93	0.61
OP2	I understand the company's financial	0.69			
OP3	In general, our company has good relationships with our customers relative to our competitors	0.73			
OP4	My company's customers are satisfied with us products/services	0.60			
OP5	I understand the importance of system integration, multi-vendor open systems, services, and maintenance	0.72			
OP6	Overall, my company is productive	0.80			
OP7	In general, my co-workers are happy and proud to be working for my company	0.72			
OP8	I believe that my service to the company and the contributions that I have made are appreciated	0.86			
OP9	Compared with other companies in the industry, my company has lower employee turnover	0.67			
OP10	I am satisfied with my pay	0.63			
OP11	I am satisfied with the benefits program	0.68			
OP12	The people I work with have the appropriate skill set to contribute to the firm's success.	0.75			

OP13	Relative to other companies, my company is an enjoyable place to work	0.75			
OP14	Overall, I am satisfied with the financial and non-financial rewards given by my company	0.71			
OP15	My manager seeks other people’s input to evaluate our work	0.60			
OP16	My manager’s manager is accessible and visible	0.60			
OP17	My manager’s manager creates an environment that supports empowerment and risk-taking	0.76			
OP18	My manager’s manager is an effective leader	0.69			

In order to assess discriminant validity, Henseler et al. (2015), suggest utilizing the heterotrait–monotrait ratio (HTMT) of correlations derived from the multitrait-multimethod matrix. The HTMT values for the constructs in this investigation were all below 0.9, indicating strong discriminant validity. This information can be found in Table 4. In summary, the findings of the construct assessment indicate that the discriminant validity is acceptable.

Table 4: Discriminant validity

	Innovativeness	Organizational Performance	Risk Taking	Strategic Human Resource Management
Innovativeness				
Organizational Performance	0.77			
Risk Taking	0.71	0.79		
Strategic Human Resource Management	0.56	0.77	0.75	

Structural Model and Hypotheses Testing

The structural model analysis revealed a moderate positive relationship (path coefficient = 0.37) between innovativeness and organizational performance ($\beta = 0.37, t = 4.00, p < 0.000$); Hypotheses 1 (H1) is accepted. The relationship between innovativeness and strategic human resource management appears relatively weak ($\beta = 0.14, t = 1.49, p > 0.05$). The relationship does not reach statistical significance; thus, Hypotheses 2 (H2) is rejected. Hypotheses 3 (H3) for the relationship between risk-taking behaviour and organizational performance is accepted with ($\beta = 0.22, t = 2.44, p < 0.05$). A notable finding emerges regarding the relationship between risk-taking and strategic human resource management. The analysis reveals a strong positive relationship for Hypotheses 4 (H4) ($\beta = 0.59, t = 7.76, p < 0.000$). Lastly, for Hypotheses 5 (H5), the analysis uncovers a moderate positive relationship between strategic human resource management and organizational performance ($\beta = 0.39, t = 3.89, p < 0.000$).

Table 5: Direct effect - Hypotheses testing.

Hypotheses	Path Coefficient	Standard deviation	T statistics	P values	Decision
H1: Innovativeness -> Organizational Performance	0.37	0.09	4.00	0.000	Accepted
H2: Innovativeness -> Strategic Human Resource Management	0.14	0.09	1.49	0.14	Rejected
H3: Risk Taking -> Organizational Performance	0.22	0.09	2.44	0.01	Accepted
H4: Risk Taking -> Strategic Human Resource Management	0.59	0.08	7.76	0.000	Accepted
H5: Strategic Human Resource Management -> Organizational Performance	0.39	0.1	3.89	0.000	Accepted

Mediating Analysis

The bootstrapping results presented in this study offer valuable insights into the mediating pathways linking Innovativeness, Risk Taking, Strategic Human Resource Management (SHRM), and Organizational Performance (Figure 2). While both hypotheses (H6 and H7) aimed to explore these relationships, the findings reveal distinct patterns.

For Hypotheses 6 (H₆), the analysis suggests a weak positive relationship between Innovativeness and Organizational Performance through the mediation of SHRM. The relationship was not statistically significant despite the positive coefficient of 0.05 ($t = 1.34, p > 0.05$). In contrast, Hypotheses 7 (H₇), indicate a moderate positive relationship between Risk Taking and Organizational Performance through the mediation of SHRM. The coefficient of 0.23 was not only statistically significant ($p < 0.05$) but also demonstrated a stronger effect compared to Innovativeness ($t = 3.53$).

Table 3: Indirect effect – Mediating analysis

	Path Coefficient	Standard deviation	T statistics	P values	Decision
H6: Innovativeness -> Strategic Human Resource Management -> Organizational Performance	0.05	0.04	1.34	0.18	Rejected
H7: Risk Taking -> Strategic Human Resource Management -> Organizational Performance	0.23	0.07	3.53	0.000	Accepted

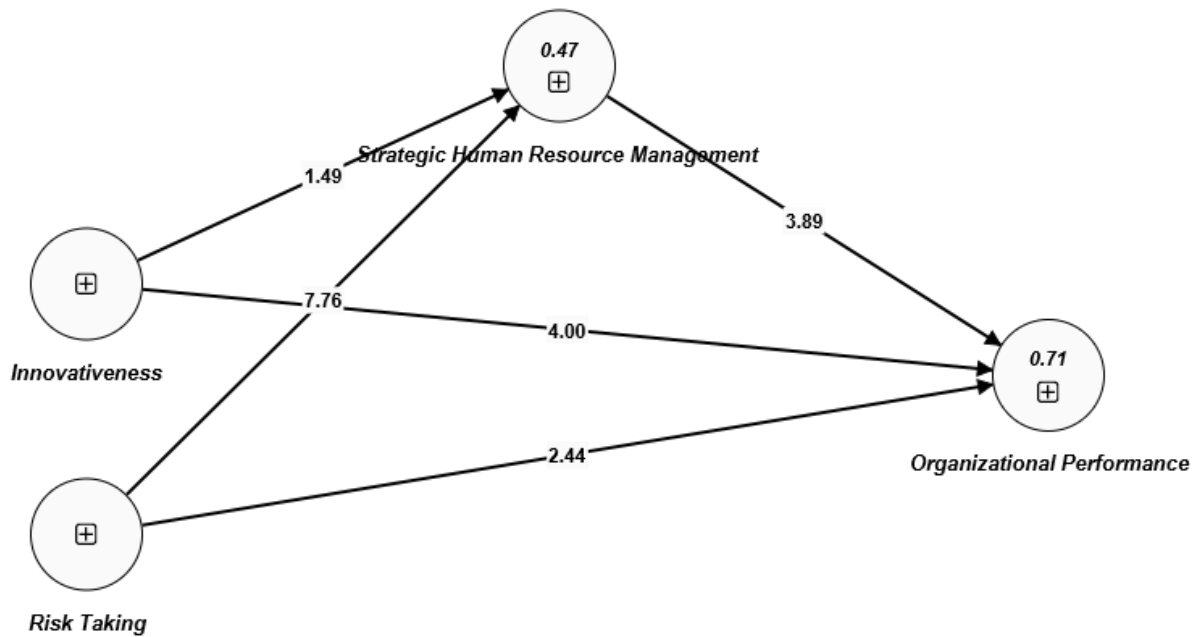


Figure 2: Structural Model

DISCUSSION

The structural model analysis provides robust evidence supporting a moderate positive relationship between innovativeness and organizational performance ($\beta = 0.37, t = 4.00, p < 0.000$), confirming Hypothesis 1 (H₁). This finding underscores the critical role of innovation in driving organizational success, aligning with existing literature emphasizing the importance of fostering a culture of innovation within companies. Contrary the analysis reveals a relatively weak relationship between innovativeness and SHRM ($\beta = 0.14, t = 1.49, p > 0.05$), leading to the rejection of Hypothesis 2 (H₂). While surprising, this result is consistent with recent studies highlighting the complex relationship between innovation and human resource management (Choi & Rainey, 2021; Lee & Chen, 2022). This result suggests that while innovation may be essential for organizational performance, its linkage to strategic HR practices may be less pronounced in the studied context.

Hypothesis 3 (H₃) is supported, indicating a positive relationship between risk-taking behaviour and organizational performance ($\beta = 0.22, t = 2.44, p < 0.05$). This finding highlights the importance of fostering a culture that encourages calculated risk-taking behaviour as a means to enhance overall organizational performance. A notable finding emerges concerning the relationship between risk-taking behaviour and SHRM. The analysis reveals a strong positive relationship ($\beta = 0.59, t = 7.76, p < 0.000$) for Hypothesis 4 (H₄), indicating that organizations with a higher propensity for risk-taking may be more likely to adopt strategic HR practices.

Consistent with expectations, the analysis uncovers a moderate positive relationship between SHRM and organizational performance ($\beta = 0.39$, $t = 3.89$, $p < 0.000$), supporting Hypothesis 5 (H5). This finding underscores the importance of strategic HR practices in driving organizational effectiveness and achieving performance outcomes. The bootstrapping results shed light on the mediating pathways linking Innovativeness, Risk Taking, SHRM, and Organizational Performance. While Hypothesis 6 (H6) regarding the relationship between Innovativeness and Organizational Performance through the mediation of SHRM was not statistically significant, Hypothesis 7 (H7) indicates a moderate positive relationship between Risk Taking and Organizational Performance through the mediation of SHRM, demonstrating a stronger effect compared to Innovativeness.

Overall, the findings of this study underscore the multifaceted relationships between innovativeness, risk-taking behaviour, SHRM, and organizational performance. By understanding these dynamics, organizations can tailor their strategies to leverage innovation, encourage risk-taking, and implement effective HR practices to enhance overall performance outcomes. However, further research is warranted to explore the underlying mechanisms and contextual factors that influence these relationships in different organizational settings.

Implication

This study significantly advances the existing body of literature by offering empirical evidence concerning the intricate relationships between innovativeness, risk-taking behavior, strategic human resource management (SHRM), and organizational performance. By delving into these connections, the findings contribute to a deeper theoretical understanding, enriching scholarly discourse within the field.

Moreover, through mediating analysis, the study unveils invaluable insights into the underlying mechanisms through which innovativeness, risk-taking, and SHRM impact organizational performance. This enhances theoretical comprehension of the processes driving organizational effectiveness and competitiveness, providing a nuanced understanding for scholars and practitioners alike.

Practically, the study offers actionable guidance for organizational leaders and managers in making strategic decisions pertaining to innovation management, risk-taking, and HRM practices. Leveraging these insights, organizations can devise tailored strategies that optimize innovation processes, foster a culture conducive to calculated risk-taking, and align HR practices with overarching organizational objectives.

Central to these strategies is the recognition of the imperative to align HRM practices with organizational goals and strategic priorities. By integrating HRM practices supportive of innovation and risk-taking, such as promoting idea generation, facilitating experimentation, and acknowledging innovative behaviour organizations can bolster employee engagement, enhance talent retention, and drive overall performance outcomes.

Lastly, the study highlights the importance of aligning HRM practices with organizational goals and strategic priorities. By integrating HRM practices that support innovation and risk-taking, organizations can enhance employee engagement, talent retention, and overall performance outcomes. It can be done by developing and implementing HRM practices that foster innovation and risk-taking, such as encouraging idea generation, providing resources for experimentation, and recognizing innovative behaviours. Organization can also regularly review and assess the effectiveness of HRM practices, adapting and refining strategies based on feedback and performance indicators to ensure continuous improvement and alignment with organizational goals.

Limitation and Future Study

The study identified several limitations that could guide future research endeavours. One notable limitation is the study's restricted generalizability, stemming from its focus on specific companies within the Iraqi telecommunications sector. To address this limitation, future research could consider examining the impact of organizational culture on the relationships between innovativeness, risk-taking behaviour, strategic human resource management (SHRM), and organizational performance. Scholars could assess how different leadership styles, such as transformational vs. transactional leadership, moderate the relationships between innovativeness, risk-taking, SHRM, and organizational performance. By considering these suggestions, future research

endeavors could address the limitation of restricted generalizability, thereby enriching the understanding of the dynamics underlying innovativeness, risk-taking behavior, SHRM, and organizational performance across diverse contexts.

Another limitation lies in the study's sample size and selection process, which may introduce bias and affect the robustness of the findings. Future studies could mitigate this limitation by Utilizing multiple sampling sources, such as companies from different industries or regions, would ensure diversity and reduce potential biases. Other than that, researcher could also stratifying the sample based on relevant characteristics, such as company size or industry sector, would ensure representation of different subgroups within the population. By incorporating these sampling strategies, future research endeavors can address the limitations associated with sample size and selection process, thereby enhancing the robustness and validity of their findings.

Additionally, the cross-sectional nature of the study design limits its ability to establish causal relationships between variables. To overcome this limitation, future research could employ longitudinal or experimental research designs, allowing for a more comprehensive understanding of causal mechanisms and temporal dynamics. By addressing these limitations and pursuing suggested avenues for future research, scholars can enhance the validity and applicability of their findings, thereby contributing to the advancement of management theory and practice in the field of organizational behaviour.

CONCLUSION

In conclusion, this study sheds light on the relationships between entrepreneurial orientation, strategic human resource management, and organizational performance in the Iraqi telecommunications sector. While innovativeness influenced organizational performance positively, its link with strategic human resource management was weaker. Risk-taking behaviour positively impacted both organizational performance and strategic human resource management. Effective HR practices were shown to enhance organizational performance. However, the study's scope was limited to specific companies, and the sample size was constrained. Future research should explore these relationships in broader contexts and longitudinal studies to provide deeper insights. Understanding these dynamics can inform strategies to improve organizational outcomes in the telecommunications industry and beyond.

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