

The Role of Strategic Human Resources Management in Developing Competitive Advantage: a Systematic Literature Review, synthesis and framework for Future Research

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Abstracts

Purpose - Research examining the role of Strategic Human Resources Management (SHRM) in increasing Competitive Advantage (CA). There are many studies of SHRM and CA, but the role of SHRM is still in doubt and there are various modifications of research variations that test mediating variables and or moderating variables that affect CA, and there are differences in the theoretical basis used in various studies. To address this gap, a literature review of the role of SHRM on CA is presented. **Design/methodology/approach** – Systematic review protocols and content analysis was used to analyze and synthesize insights from 50 empirical studies obtained from two academic databases: Scopus, Google Scholar. **Findings** – Significant diversity in previous research on the role of SHRM on CA is summarized in several themes. There are significant limitations in the conceptualization of the influence of SHRM on CA, including along with a narrow focus on geographic, methodological and contextual foci of prior studies. The authors propose a comprehensive framework and extensive gap-specific research directions to aid future research. **Research limitations/implications** – The SLR is limited in its consideration of empirical studies published in academic journal articles obtained from Scopus, and Google Scholar databases. **Social implications** – The authors reveal the foundation variables, theories that can be used in future research on the influence of SHRM on SCA. **Originality/value** – This study enhances and extends the research on SHRM's influence on CA by utilizing the perspectives of various modal and multidisciplinary variables for further investigation. The use of perspectives can further ascertain the role of SHRM on CA.

Keywords: SHRM, HRM Practices, Competitive Advantage,, Systematic literature review, Thematic analysis.

Introduction

Strategy is a way to win the competition or competition (Grant, 2009) in line with Chandler's (1962) definition, strategy is the determination of the company's long-term goals and objectives by taking a series of actions and allocating resources to achieve the company.

Strategic Human Resource Management (SHRM) aligns Human Resource Management (HRM) activities and policies with several business strategies, to support the achievement of the company's strategic goals. The company's strategy can be carried out effectively requires that the organizational structure, systems and processes in SHRM that shape the behavior and cultural values of the organization must be aligned with the direction of the company's business strategy (Hendry & Pettigrew, 1986).

SHRM focuses on the relationship between HRM systems that are aligned with corporate strategy and firm performance (Becker & Huselid, 2006), based on a review of more than 300 published articles on SHRM showing the significant impact of high-performance work systems & competitive advantage (Becker & Huselid, 2006; Combs et al., 2006 and Paauwe, 2009).

Paauwe (2009), explains that although there are many studies that prove the significant impact of SHRM on company performance, many researchers are still very critical of SHRM in general and SHRM's relationship to performance (Keenoy, 1997 and Keegan & Boselie, 2006). Hesketh and Fleetwood (2006), concluded that empirical evidence showing the relationship between SHRM to performance and competitive advantage (CA) is inconclusive, and lack of relevant and significant theory. In connection with this, if you want to improve understanding of the impact of SHRM on performance and CA, you need a theory about SHRM, a theory about performance and a theory about how the two are interrelated.

How can the contribution of SHRM to a firm's long-term competitive advantage (CA) be explained through logic? Based on recent research in the strategy literature focusing on strategy implementation as a key mediating construct in SHRM, the fit between HRM architecture and the strategic capabilities and business processes of firms that implement strategy is the basis of HRM's contribution to CA. This will require an increasing degree of differentiation of the HRM architecture. (Lepak & Shaw, 2008), both within firms and between firms.

From various studies conducted on SHRM and CA, there are many differences and modifications of research that look at mediating variables and or moderating variables that affect CA, as well as various theoretical foundations used. Holistic research only discusses conceptualization and operationalization and the role of SHRM on CA. This study aims to compare the framework and limitations of current research on the influence of SHRM on CA by using a systematic literature review (SLR). SLR combines existing evidence on a subject to obtain relevant, robust, and thorough information (Tandon et al., 2021 and Shelley Mallett, 2004). Battour et al. 2021, suggest future research to use other variables besides strategic capability as mediating variables in the relationship between HRM strategy and CA, such as organizational effectiveness, organizational commitment and innovation. The current SLR answers three main research questions, this SLR answers three main research questions (RQ):

- RQ1. What is the status of the research profile in the existing literature on the influence of SHRM on CA?
- RQ2. What is the mapping of the different research variables that have been investigated in the previous literature on the role of SHRM on CA?
- RQ3. What are the research gaps, limitations, and recommendations for academics and practitioners related to SHRM influence on CA research for future research?

Research Methodology

This study uses the Systematic Literature Review (SLR) approach, which is a process that allows for the collection of relevant data on a particular topic that meets predetermined eligibility criteria and to find answers to formulated research questions. This technique helps generate data from various qualitative and quantitative studies. Systematic reviews aim to find and synthesize related research thoroughly using structured, clear, and repeatable procedures at each step of the process (Mengist et al., 2020 and Anderson et al., 2011)

2.1. Data collection and selection

The process of reviewing the literature and reporting systematic reviews and meta-analyses of studies evaluating the effect of SHRM on CA was conducted using the PRISMA (Preferred Reporting Items for Systematic Reviews and Meta-Analyses) Statement method, which is a reporting guideline designed to increase the transparency of systematic reviews and meta-analyses Prisma, (Liberati et al., 2009). PRISMA consists of a flowchart and checklist, is an evidence-based guide designed to assist authors who want to write SLRs and meta-analyses.

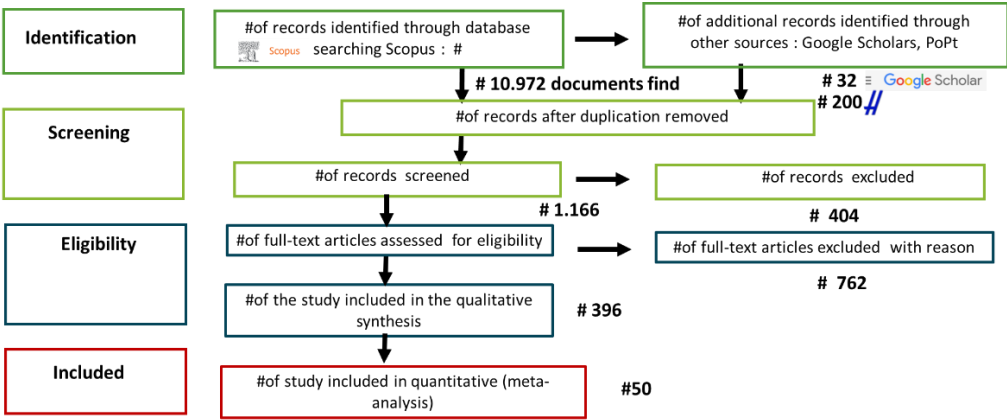


Figure 1: The Prisma Statement for reporting systematic reviews and meta-analyses of studies that evaluate impact SHRM to VA

Source : Liberati et al., 2009

2.2. Inclusion Criteria and Exclusion Criteria

This research was conducted by searching articles indexed by Scopus, with the key "Strategic Human Resources Management" OR "SHRM" AND "Competitive Advantage" OR "CA", in the initial stage obtained results of 10,972 Scopus, titles, abstracts and keywords, then these results were filtered using inclusion criteria and exclusion criteria according to Table 1 below:

Tabel 1. Inclusion Criteria and Exclusion Criteria

Inclusion criteria (IC)		Exclusion criteria (EC)	
IC#1	Articles only	EC#1	Abstract, title or keywords do not include
IC#2	Published between 2013 and 2023	EC#2	Study irrelevant for study objective (does not focus on SHRM & CA
IC#3	Empirical analysis inclusive 'SHRM', "CA" and "Bank Performance"	EC#3	Exclude conference papers, reviews, book chapters, magazine articles and dissertations
IC#4	Studies published in the English language	EC#4	
IC#5	Studies published terindex scopus	EC#5	

Inclusion Criteria and Exclusion Criteria Results Based on Table 1, there were 762 irrelevant studies and those in the form of conference papers, reviews, book chapters, magazine articles and dissertations, then the researcher obtained 396 studies in the form of articles published between 2013 and 2023 indexed by Scopus in English which were downloaded and checked for different inclusion and exclusion criteria that were adapted. The search results reviewed were considered for inclusion if (a) they were published in a Scopus indexed journal, (b) included one of the search terms in the keywords or abstract and (c) included SHRM & CA in their empirical analysis. Search results were not included if (a) SHRM & CA were not empirically investigated in the article; (b) the article was published as a conference paper, review, thesis, book/chapter, dissertation, in a magazine or trade journal or (c) the article was published in a language other than English. After the removal of duplicate articles, the final sample of this study was 50 articles that were the focus of the SLR.

The review process concluded by conducting forward and backward citation searches to resolve feedback and confirm that appropriate studies were included in the final SLR sample (see Table 1) (Webster & Watson, 2002). The review process was conducted by two researchers independently to ensure a robust sample and a strong and unbiased sample (Kumar Behera et al., 2019 and Mehta & Pandit, 2018)

Research profile

3.1. Research profile

Research profile of reviewed articles The first part of our analysis was the creation of a research profile to determine the research trends for each period. Although 10,972 publications were retrieved from four databases (Scopus, Google Scholar) using our defined set of keywords, a systematic search of this research found only 50 articles focusing on SHRM and Competitive Advantage.

3.2. Research trends, countries, types of research

Research on the influence of SHRM on competitive advantage in the last 20 years has continued to increase consistently (see Figure 2). We also noted a significant increase in 2017 and 2021. In Figure 2 above, researchers conducted a search for research trends on SHRM and CA in Scopus with the results that during the last 20 (twenty) years, namely 2003-2023, research on SHRM and CA has an increasing trend, due to the black box role of SHRM on CA which is still in doubt (Mc Evoy, 2012) so that it attracts the interest of many researchers, with the highest research in 2020, namely 300 studies. although there was a decline in 2011 and the number of publications fluctuated from 2017 to 2021.

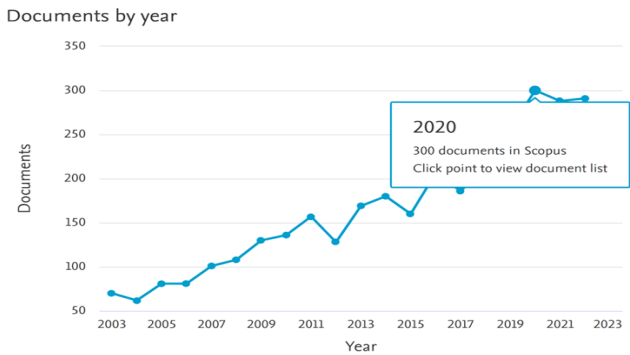


Figure 2: SHRM Research Trends, CA last 20 years
Source : Scopus

Based on Figure 3, in the last 20 years, research on the influence of SHRM on competitive advantage has been dominated by the International Journal of Human Resources Management with a fluctuating trend and increasing in 2011 and 2013 and decreasing in 2014, but still dominant above the Journal of Business Research, Journal of Employee Relations.

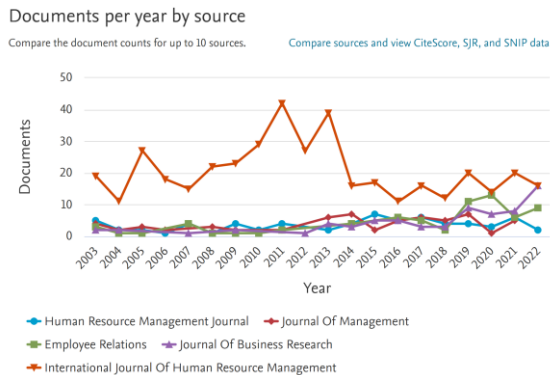


Figure 3: Documents per Year by Source

The largest source of research on SHRM and CA in the last 20 (twenty) years is the International Journal of Human Resource Management with the largest number of studies in 2011, namely 41 studies.

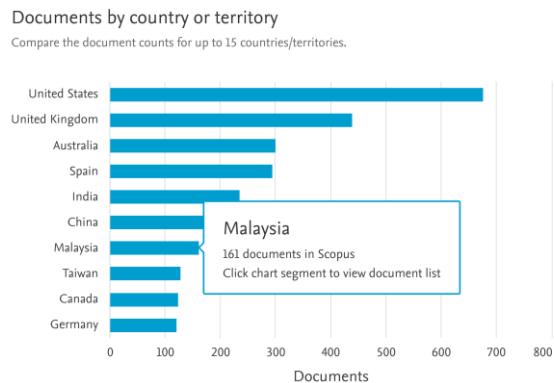


Figure 4: Documents by Country or Territory

Source : Scopus

In Figure 4, researchers checked SHRM and CA research in various countries in the world. It was found that researchers from the United States had the most research on SHRM and CA in Scopus, while for ASEAN countries, it was occupied by researchers from Malaysia, namely 161 SHRM and CA studies in Scopus.

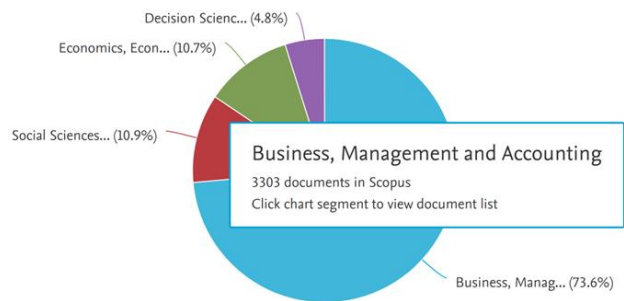


Figure 5: Document Segmentation in Scopus.

Source : Scopus

In the Scopus research segmentation, research on Business, Management and Accounting is ranked first, namely 3303 studies or 73.6%, this is the basis that research on Business, Management and Accounting is still a hot topic to discuss, according to Figure 5.

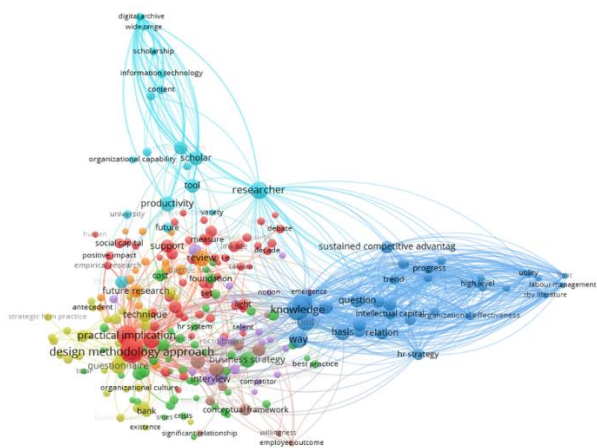


Figure 6: Network Visualization VOS viewer for RIS Scopus Data.

Source: VOS Viewer

The research used VOS Viewer to find out the network visualization of RIS Scopus data with the keywords "Strategic Human Resources Management" AND "Performance" OR "Competitive Advantage" the results were 643 items or 7 clusters namely; design methodology approach, practical implication, knowledge, business strategy, researcher and future research.

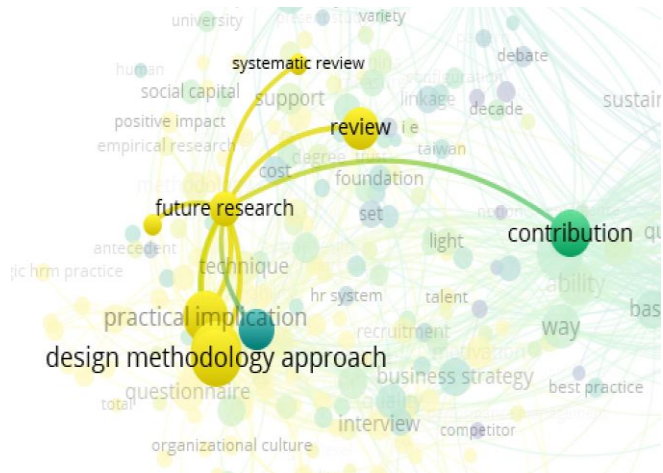


Figure 7: Future Research (source VOS Viewer)

Researchers use VOS to find out Future Research from SHRM and CA research, the results if we look at the future research cluster, there are several items such as contribution, design methodology approach, practical implication, systematic review. This can be an alternative for future research on SHRM and CA.

Results And Discussion

Based on our evaluation of 50 articles related to SHRM and, we can conclude as follows:

4.1. Theory Underlying and Future Research Role of SHRM on Competitive Advantage

The theories underlying research on the role of SHRM in gaining competitive advantage provide important insights into the use of these theories. We identified several theories used in studies of the role of SHRM in gaining competitive advantage (see Table 2). The most popular theory in the articles reviewed in this study was the Resources Based View (RBV) theory. Resource-based theory is a popular framework used in international business to explain why some firms successfully enter and compete in foreign markets while others struggle or fail. The theory states that a firm's unique resources and capabilities, including tangible and intangible assets such as technology, brand reputation, and skilled human resources, provide a sustainable competitive advantage that enables it to succeed in international markets (Barney, 2001).

Strategic management studies focus on creating sustainable competitive advantage. Company resources and sustainable competitive advantage are related to each other. To obtain sustainable competitive advantage, companies can use empirical indicators such as having valuable, rare, non-imitable, and non-substitutable resources (Barney, 1991).

According to Emad Ali Kasasbeh (2017), contingency theory is one of the well-known theories in the discourse on organizational performance and management. According to this behavioral theory, there is no ideal method of leadership or organizational cooperation, but rather emphasizes dependence, or contingency, as a determinant of this output. The technology sector, suppliers and distributors, customers and competitors, consumer interest groups, government and unions provide examples of this important component. According to Fiedler (1966)], the first theory of contingency states that for effective leadership, it must be aligned in a way that is in accordance with the characteristics and responsibilities of employees. The focus of this theory is the environment as a strong factor that influences leadership. This theory focuses on environmental factors as a strong variable that influences leadership.

Katou & Budhwar (2015), states that the AMO theory is a domain of Human Resources Management policy. The ability of employees to perform, motivate to perform, and provide opportunities to perform well. The HRM process will produce employee skills, employee attitudes, and employee behavior, which then affect the company's performance (Lepak & Shaw, 2008 and Kooij & Van De Voorde, 2015).

Some other theories found in this literature review include Job Design Theory, Dynamic Capabilities, and upper echelon theory. Meanwhile, upper echelon theory suggests that manager personality has a significant influence on organizational outcomes and strategic decisions. Hambrick and Mason, 1984, stated that leaders' values and cognitive reflect the strategies they choose.

According to Hambrick & Mason, 1984, executive management brings thoughts and experiences from previous careers. According to upper echelon theory, outcomes such as chosen strategies and performance levels are influenced by the nature of the leader. Factors such as age, work experience, education, socioeconomic status, and others are included in these leadership

characteristics. One of the advantages of this theory is that it makes it easier to predict the characteristics of top management that affect organizational performance. Policy makers can use this theoretical basis to select top management who will lead the organization by considering demographic characteristics such as age, education level, educational background, and experience.

Another benefit that can be taken from this theory is to see the demographic characteristics of top management of more advanced competing organizations, whether they are led by older or younger top management and other demographic characteristics and suggests integrating these theories to gain a more comprehensive understanding.

Table 2. Theories & Future Research used

No.	The theory used	Journal	Future Research
1	RBV, SHRM, SCA	(Alfawaire & Atan, 2021) (Delery & Roumpi, 2017) (Hamadamin & Atan, 2019) , (Tawfig & Kamarudin, 2022) .(Shamout et al., 2022c) (Shehadeh & Mansour, 2019) (B. E. Becker & Huselid, 2010) (D'Oria et al., 2021) (Donate et al., 2016) (B. Becker & Gerhart, 1996), (Cayrat & Boxall, 2023)	Includes other variables such as innovation, digitalization, cultural profile, Generalization in other sectors, broader coverage. Emphasis on contingencies & differentiation Longitudinal study Measuring competitive advantage.
2	SHRM, RBV, AMO Theory, Job Design Theory	(Buller & McEvoy, 2012a) (Delery & Roumpi, 2017) (Katou & Budhwar, 2015) (Elidemir et al., 2020)	Multi Level Study Including other variables such as innovation, digitalization, cultural profile, SHRM & the importance of Mediation for performance
3	RBV, Contingency Teori, Behaviour Theory	(Emad Ali Kasasbeh, 2017) (Battour et al., 2021) (Luo et al., 2020) (Farouk et al., 2016)	empirically validate the conceptual constructs and test the suitability of the proposed model. Dynamic Relationship of Models with Longitudinal Designs.
4	RBV, Organization Fit Theory, Expectancy Theory, Psychometric Theory	(Elrehail et al., 2020)	Longitudinal studies and multilevel analytical approaches.
5	RBV , SHRM, Agency Theory, Psychometric theory Stakeholder Theory	(Darwish & Singh, 2013), (Jan et al., 2019) (Jardon & Martos, 2012)	SHRM alignment of Organizational Culture and other Countries.
6	RBV & The Dynamic Capability, Contingency Theory	(Battour et al., 2021)	Desain longitudinal. & menggunakan variabel lain selain ketangkasan strategis
7	RBV, Dynamic Capabilities, Upper Echelon's Theory	(Collins, 2021)	Leadership Capability
8	Social Exchange Theory	(Salaman et al., 2005)	Outcomes indicators are further developed. Expansion of research objects.

4.3. Gap Methodology

Quantitative research on the influence of SHRM on previous competitive advantages has been conducted in the banking sector including; Saudi Arabian banks (Tawfig & Kamarudin, 2022), Islamic banks operating in Turkey (Zehir, Üzmez, et al., 2016), banks operating in Jordan (Shehadeh & Mansour, 2019) and (Rowland et al., 2017), empirical studies at the National Bank of Egypt (Fahim, 2018), Ghanaian banks (Duho & Onumah, 2019).

Qualitative review of literature in the banking sector was conducted by Emad Ali Kasasbeh (2017), and Malaysian Islamic banks ((Jan et al., 2019), UAE banks (Farouk et al., 2016), banks in Palestine (Sarwar Shafique, 2020), literature research on 139 journal publications Human resource management in banking (Kuchciak & Warwas, 2021a). Exploratory research of two large banks in Australia (Blount et al., 2005).

Research on the influence of SHRM on competitive advantage in Asia-Indonesia was conducted by Hernita et al., (2021) with the object of research being SMEs in Makassar. Widyanty et al., (2020) studied 174 construction companies in Indonesia. Other research objects were 13 shipping companies listed on the Indonesia Stock Exchange (Ricardianto et al., 2023) and 350 MSME respondents in 15 sub-districts in Makassar city (Menne et al., 2022), with various research methods and variables and recommendations for expanding research objects in the future so that they can be generalized.

4.2. Variables used

SHRM is an independent variable used in the study of the role of SHRM on CA, in its name SHRM or HRM Practices, HR Planning but the same variable construct. In other studies SHRM is used as a mediator variable. Other independent variables used consist of HWPS, Business Strategy, Human Capital Index & Social Capital Index, Institutional Mechanism, Human Resources Recruitment Strategy, Diversification Strategy (according to Table 3).

Table 3: Summary of State of the Art Independent Variable

No.	Findings	Journal	Implications
1.	SHRM, in its name SHRM or HRM Practices, HR Planning but with the same variable construct.	(Alfawaire & Atan, 2021), (Hamadamin & Atan, 2019),(Tawfig & Kamarudin, 2021a)(Zehir et al., 2016),(Widyanty et al., 2020),(Shamout et al., 2022a), (Shehadeh & Mansour, 2019) , (Fahim, 2018) ,(Zehir, Yıldız, et al., 2016) (Vivares-Vergara et al., 2016) , (Elrehail et al., 2020), (Darwish & Singh, 2013), (Buller & McEvoy, 2012), (D'Oria et al., 2021), (Greve et al., 2010), (Battour et al., 2021), (Alam & Kashem, 2022), (Rowland et al., 2017), (Farouk et al., 2016), (Katou & Budhwar, 2015) , (Knezović et al., 2020), (Salaman et al., 2005)	The results of the SHRM research show a positive and significant influence and can be used as a reference for independent variables.
2	HWPS Independent Variables	(Delery & Roumpi, 2017),(Emeagwal, 2018), (Donate et al., 2016), (Collins, 2021), (Salaman et al., 2005), (B. Becker & Gerhart, 1996), (Sarwar, 2020)	
3	Business Strategy, e-Business Strategy, e Commerce Strategy	(Ismail, 2022), (Becker & Huselid, 2006), (Emad Ali Kasasbeh, 2017), (Jan et al., 2019) , (Harrison	

		& Bazzi, 2017), (Jardon & Martos, 2012), (Menne et al., 2022), (Setyadharma et al., 2020)	
4	Others : Human Capital Index & Social Capital Index		
	Institutional Mechanism	(Coolen et al., 2023), (Chen et al., 2016)	
	Human Resources Recruitment Strategy	(Aloqaily, 2023)	
	Perception of : Technology's Impact, Digital skills, Job Substitution, multitasking worker, soft Skills, new worker way	(Kuchciak & Warwas, 2021)	
	Diversification Strategy	(Duho & Onumah, 2019)	

The dependent variable in the study of the role of SHRM on CA is Competitive Advantage (CA) or Sustainable Competitive Advantage (SCA), with almost the same variable construct. Other dependent variables used consist of Firm Productivity, Financial Performance, Individual Productivity, Innovation Performance, Corporate Goal, Employee Retention (according to Table 4).

Table 4: Summary of State of the Art Dependent Variable

No.	Findings	Journal
1.	Competitive Advantage (SCA), Sustainable Competitive Advantage (SCA), with almost the same variable constructs. Competitive Mechanisms	(Alfawaire & Atan, 2021), (Hamadamin & Atan, 2019),(Tawfig & Kamarudin, 2021a), (Zehir et al., 2016),(Widyanty et al., 2020),(Shamout et al., 2022a), (Emeagwal, 2018)(Shehadeh & Mansour, 2019) , (Ismail, 2022)) (Vivares-Vergara et al., 2016) , (Elrehail et al., 2020), (Emad Ali Kasasbeh, 2017) (Greve et al., 2010), (Battour et al., 2021), (Alam & Kashem, 2022), (Rowland et al., 2017), (Jardon & Martos, 2012), (Collins, 2021) (Elidemir et al., 2020), (Aloqaily, 2023),(Kuchciak & Warwas, 2021), (Menne et al., 2022) (Cayrat & Boxall, 2023),(Chen et al., 2016)
2	Firm Productivity, Financial Performance Sustainable business performance Individual Productivity	(Delery & Roumpi, 2017) , (B. Becker & Gerhart, 1996), , (Katou & Budhwar, 2015) (Darwish & Singh, 2013), (Buller & McEvoy, 2012b), (D’Oria et al., 2021) ,(Salama et al., 2022), (Ricardianto et al., 2023) . (Farouk et al., 2016) (Menne et al., 2022) . (AlQershi et al., 2022) (Greve et al., 2010)
3	Innovation Performance Inovasi Technology	(Zehir, Üzmez, et al., 2016) (Kurzahls et al., 2020)
4	Employee Retention HR Outcome Corporate Goal	(Fahim, 2018) (Sarwar, 2020) (Ichsan & Nasution, 2022)

In Table 5, explains the Moderator Variables in the research on the role of SHRM on CA, which consist of: Organization Innovation, Global Capability, Perceive Usefulness & Of Use, Demographic & Professional, HRM Strategy, Governance, Organizational Culture, Environment Strategy, knowledge Sharing. Mediating Variables consist of: Organizational Capability, Dynamic Capabilities, SHRM, Employee Commitment, Strategic Leadership, Organizational

Culture, Safety Culture, Productivity, Company performance, High-Performance Works, Innovation & Creativity, User Satisfaction & Usage Information, Knowledge Generation sharing, Digitalization, HR Architecture, Intellectual Capital, Employee Satisfaction, Employee turnover, Human Capital & Social Capital, Strategic Agility, HRIS.

Table 5: Summary of State of the Art of Mediation and Moderation Variables

No.	Findings	Journal
1.	Moderator :	
	a) Organization Innovation	(Alfaware & Atan, 2021).
	b) Capability Global	(Zehir, Yıldız, et al., 2016).(Zehir, Yıldız, et al., 2016)
	c) Perceive Usefulness & Of Use	(Shamout et al., 2022b)
	d) Demographic & Professional	(Fahim, 2018)
	e) HRM Strategy	(Emad Ali Kasasbeh, 2017)
	f) Governance	(Jan et al., 2019)
	g) Organizational Culture	(Harrison & Bazzzy, 2017)
	h) Environment Strategy	(Salaman et al., 2005)
	i) Knowledge Sharing	(Chen et al., 2016)
2.	Mediation:	
	a) Ability, Motivation & opportunity (AMO), Organization Capabilities	(Delery & Roumpi, 2017) (Jardon & Martos, 2012), (Li et al., 2022b)
	b) Organizational Capability	(Li et al., 2022a)
	c) Dynamic Capabilities	(Collins, 2021)
	d) SHRM	(Blount et al., 2005)
	e) Employee Commitment	(Hamadamin & Atan, 2019)
	f) Strategic Leadership	(Tawfig & Kamarudin, 2021b)
	g) Organizational Culture	(Tawfig & Kamarudin, 2021)
	h) Safety Culture	(Widyanty et al., 2020)
	i) Productivity	(Widyanty et al., 2020)
	j) Company performance High-Performance Works	(Ichsan & Nasution, 2022), (Li et al., 2022b) (Elidemir et al., 2020)
	k) Innovation Behavior & Employee Creativity Organization Innovation	(Emeagwal, 2018), (Elidemir et al., 2020) (Farouk et al., 2016)
	l) User Satisfaction & Usage Information	(Shamout et al., 2022b)
	m) Knowledge Generation, sharing & application	(Shehadeh & Mansour, 2019)
	n) Digitalisasi	(Ismail, 2022)
	o) HR Architecture	(B. E. Becker & Huselid, 2006c)
	p) Intellectual Capital	(Duho & Onumah, 2019)
	q) Job or Employee Satisfaction	(Vivares-Vergara et al., 2016), (Elrehall Hamzah, n.d.)
	r) Employee turnover	(Darwish & Singh, 2013)
	s) Human Capital & Social Capital	(Buller & McEvoy, 2012a), (Greve et al., 2010), (Donate et al., 2016)
	t) Strategic Agility	(Battour et al., 2021)
	u) HRIS	(Alam & Kashem, 2022)

Summary of the framework and variables used, both independent, dependent, mediation and moderation variables in the research on the role of SHRM on CA as depicted in Figure 8 below.

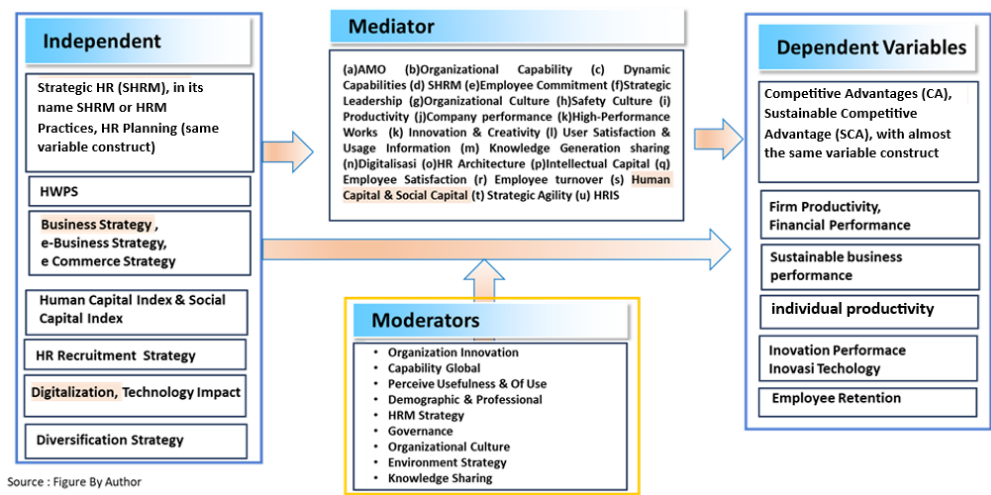


Figure 8: Mediator/moderator framework

The variables suggested in future research include digitalization according to suggestions from (Hamadamin & Atan, 2019; Luo et al., 2020; Kurzhals et al., 2020; Menne et al., 2022), so that research on the role of SHRM in competitive advantage further includes other constructs, such as innovation and technology and so that it can be generalized,

Battour et al. (2021), suggests future research to use other variables besides strategic capabilities as mediating variables in the relationship between the role of SHRM and competitive advantage, such as organizational effectiveness, organizational commitment and innovation.

Research by Elrehail et al., (2020), proves that technological advances, organizational habits, market structures, and government policies have undergone significant transformations worldwide (Collins & Smith, 2006). All areas of production are becoming increasingly competitive, and businesses face intense competition with other companies in the industry. Strategic planning and resource optimization are critical to a company's success in today's market (Ahlvik et al., 2016). To achieve success and sustainability in the industry, a company must strengthen itself through innovative business policies based on digitalization in order to continue to have a competitive advantage.

Hamadamin & Atan (2019), examined the effect of SHRM on competitive advantage in the banking sector and suggested further research to include other constructs, such as innovation and technology. (Tawfig & Kamarudin, (2022), studied employee commitment and motivation contributing to competitive advantage in the banking sector and suggested future research to examine other performance metrics besides innovation performance and expand & generalize the research results in the financial sector. Further research can be applied and generalized to the

entire financial and banking sector as a whole as recommended by Zehir, Üzmez, et al., (2016), future research should also explore the qualitative aspects of issues surrounding diversification and intellectual capital (Duho & Onumah, 2019).

Conclusion Future Research & Limitation

5.1. Conclusion & Future Research

The current study uses SLR methodology to collect and combine previous research on the impact of SHRM on CA from Scopus database, and Google Scholar. A total of 50 empirical studies on the impact of SHRM on CA were selected based on the article selection criteria.

In this study, we aim to review, categorize, summarize, synthesize, and assess the increasing research on the role of SHRM in achieving competitive advantage. This study attempts to comprehensively investigate the profile of previous research, underlying variables and theories, and potential future research directions. The results of the analysis of the research article profile found that the number of article publications fluctuated, indicating an increasing trend in the role of SHRM on competitive advantage by being published in various reputable journals by well-known publishers. The reviewed articles also showed various research methods, both quantitative (survey) and qualitative (systematic literature review) methods. Asia-Pacific is also the most researched geographic region, thus opening up research opportunities in other geographic regions.

This research study identifies various theories underlying the role of SHRM in creating competitive advantage, such as resource-based theories, contingency theories and AMO frameworks and suggests integrating these theories to gain a more comprehensive understanding.

The results of this study also suggest that in the future research on the role of SHRM and CA includes the scope of contribution, design methodology approach, practical implication, systematic review. The research object is in various industries and expanded in various countries so that it can be applied and generalized to all industrial sectors. Future research should also explore qualitative aspects of issues around innovation, digitalization, diversification, using variables other than dynamic capability, intellectual capital, and longitudinal design.

5.2. Limitation

There are limitations to the SLR Study of the influence of SHRM on CA. First, the SLR only accepted empirical studies published in international journals indexed by Scopus. Second, the SLR only accepted studies published in journals. Third, studies published in other important databases such as Conference papers, qualitative reviews, and thesis publications were ignored, such as ProQuest and MEDLINE. In the future, the SLR should include articles and results from additional databases. In addition, the current study did not look at practitioner journal articles discussing SHRM & CA. More practice-focused research would benefit from specific interventions for SHRM & CA. Despite these limitations, the current study demonstrates a systematic, comprehensive body of knowledge.

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