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The impact of applying strategic management according to the Armstrong Model on employees' performance at ALFAPIPE Company

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Abstract--This study aims to analyze the impact of applying strategic management according to the Armstrong model on employees performance within the ALFAPIPE company, an Algerian economic enterprise operating in the field of hydrocarbon pipeline production. The study adopted a quantitative approach by distributing questionnaires to a sample of employees and analyzing the data using SPSS software, version 26. The Armstrong model includes five key pillars: individual strategy, the strategic role of human resources, strategic human resource management, strategic choice, and environmental strategic analysis. The analysis results revealed a statistically significant impact of both strategic human resource management and strategic choice on employee performance. In contrast, no statistically significant effect was found for individual strategy, the strategic role of human resources, or environmental strategic analysis.

Keywords--Strategic Human Resource Management (SHRM), Armstrong Model, Employees Performance.

1. Introduction

In light of the rapid changes taking place in the business environment, organizations are increasingly required to adopt modern management approaches that enhance their effectiveness and ensure their ability to adapt to surrounding transformations. Among these approaches, strategic management stands out as an integrated model that contributes to resource allocation and the efficient

achievement of objectives. In this context, Armstrong's model of strategic management is considered one of the contemporary frameworks that combines comprehensive vision with practical application. It focuses on integrating the organization's various functions within a strategic framework that links planning, performance, and outcomes. The importance of this model becomes more evident when it comes to employee performance, as they are the main driver of institutional excellence. The implementation of strategic management based on Armstrong's model can contribute to improving performance levels through goal clarity, empowerment, and motivation, in addition to enhancing the work environment and developing employee competencies. Therefore, this study aims to examine the extent to which the application of this model impacts employee performance at ALFAPIPE, an Algerian economic institution seeking to strengthen its competitive capabilities in a changing environment.

Based on the above, the central issue of the study revolves around the following question: **What is the impact of applying strategic human resource management according to the Armstrong model on employees performance at ALFAPIPE?**

To address the main issue, we will start with a series of sub-questions, which are as follows:

- To what extent is the ALFAPIPE Corporation committed to implementing the pillars of strategic management according to Armstrong's model from the perspective of the study sample participants?
- Is there a statistically significant effect at the ($\alpha \leq 0.05$) level of significance for the application of strategic human resource management pillars on employee performance at ALFAPIPE Corporation?
- Is there a statistically significant effect at the ($\alpha \leq 0.05$) level of significance for individual strategies on employee performance at ALFAPIPE Corporation?
- Is there a statistically significant effect at the ($\alpha \leq 0.05$) level of significance for exercising the strategic role of human resources on employee performance at ALFAPIPE Corporation?
- Is there a statistically significant effect at the ($\alpha \leq 0.05$) level of significance for strategic selection on employee performance at ALFAPIPE Corporation?
- Is there a statistically significant effect at the ($\alpha \leq 0.05$) level of significance for environmental strategic analysis on employee performance at ALFAPIPE Corporation?
- Is there a statistically significant effect at the ($\alpha \leq 0.05$) level of significance for the implementation of strategic management according to Armstrong's model on employee performance at ALFAPIPE Corporation?

➤ **Research Hypotheses**

To address the main research problem and its associated sub-questions, the following hypotheses have been formulated:

- There is an acceptable level of implementation of strategic management pillars at ALFAPIPE Corporation according to Armstrong's model.

- There is a statistically significant effect at the ($\alpha \leq 0.05$) level of significance for the application of strategic human resource management pillars on employee performance at ALFAPIPE Corporation.
- There is a statistically significant effect at the ($\alpha \leq 0.05$) level of significance for individual strategies on employee performance at ALFAPIPE Corporation.
- There is a statistically significant effect at the ($\alpha \leq 0.05$) level of significance for exercising the strategic role of human resources on employee performance at ALFAPIPE Corporation.
- There is a statistically significant effect at the ($\alpha \leq 0.05$) level of significance for strategic selection on employee performance at ALFAPIPE Corporation.
- There is a statistically significant effect at the ($\alpha \leq 0.05$) level of significance for environmental strategic analysis on employee performance at ALFAPIPE Corporation.
- There is a statistically significant effect at the ($\alpha \leq 0.05$) level of significance for the implementation of strategic management according to Armstrong's model on employee performance at ALFAPIPE Corporation.

➤ **The concept of strategic human resource management**

Strategic human resource management (SHRM) is defined as the main strategic objectives of the human resource management policy, it is implemented through a coherent strategy characterized by high employee commitment, high work quality, and task flexibility, additionally, it involves strategic alignment between top management and human resource management functions, these four elements must be fully aligned with the overall business strategy and be fully supported by executive management at all levels in order to achieve high productivity and the organizational goals. ¹

SHRM refers to the pattern of planned human resource deployments and activities intended to enable the organization to achieve its objectives, this concept involves the proactive and integrated selection of HR policies aimed at supporting organizational goals and providing a sustainable source of competitive advantage. ²

SHRM primarily deals with long-term issues, aligning human resources with future needs, and addressing matters related to quality, organizational culture, values, and employee commitment, strategic human resource management is defined as a means of aligning human resource management with the strategic content of the business strategy in a way that actively contributes to its formulation.

Strategic HRM involves the design and implementation of a set of proactive HR policies and practices that ensure the organization's human capital contributes effectively to the achievement of its goals, it emphasizes the proactive

¹ David E. Gues, **Human Resource Management And The American Dream**, Journal of Management Studies, Vol. 27.4, 1990, p378.

² Peter Boxall, John Purcell, and Patrick Wright, **The Oxford Handbook Of Human Resource Management**, Oxford University Press, 2007, p36.

and interactive nature of the HR function and its critical role in organizational success.³

The definition of Strategic human resource management revolves around the effective implementation of business strategy, as well as integration and adaptability, SHRM focuses on ensuring three key elements:⁴

1. Human resource management is fully integrated with the organization's strategic needs .
2. There is consistency between HR policies and other organizational policies.
3. HR practices are adapted, accepted, and actively used by line managers and employees as part of their daily work routines.

SHRM is the process of ensuring that key HR issues are addressed in a strategic manner to support the achievement of organizational goals, this approach involves identifying what needs to be done now and in the long term by integrating HR strategies with the overall business strategy, as well as with each other, and then ensuring effective execution. SHRM can be seen more as a way of thinking rather than a set of prescribed techniques or commands, It involves the selection, alignment, and integration of an organization's HR management system in a way that allows its human capital to contribute most effectively to strategic business goals, it also encompasses all activities that influence individual behavior in their efforts to formulate and implement the organization's strategic needs.⁵

From what has been discussed above, it is clear that the concept of SHRM is essentially based on viewing organization's people as a source of long-term, sustainable, and hard-to-imitate competitive advantage, it links HR practices with the business strategy to achieve this Competitive advantage.

Thus, the organization must consider human resources as strategic partners and key contributors in the formulation of organizational goals-whether in designing strategic policies or determining plans for HR functions. It is also evident that all definitions share a common focus on strategic integration between the HR strategy and the overall organizational strategy, there is also a focus on internal consistency between different strategies within the HR function itself.

➤ **Different approaches to formulating a human resources strategy**

A proper and comprehensive integration of all functions is crucial, It is essential to ensure consistency between all organizational activities and human resource management, so that HR policies support the achievement of the organization's goals, clearly, organizations will face shortcomings when attempting to implement new strategies with outdated HR systems, additionally, challenges will arise when trying to implement new strategies with inadequate HR systems, therefore, the

³ Jolly Sahni, Trilok Kumar Jain, **A Study Of Modelling Strategic Human Resource Management Practices** , International Journal of Engineering, Management & Medical Research (IJEMMR), V01, 2015, p05.

⁴ Randall S.Schuler, **Strategic Human Resources Management: Linking the People with the Strategic Needs of the Business**, Organizational Dynamics, v21, 1992, p18.

⁵ Michael Armstrong, **Armstrong's handbook of strategic human resource management: improve business performance through strategic people management**, 07 edition, British Library, London, 2021, P35.

primary task of senior management is to align the formal structure with HR systems, ensuring that strategic goals drive the work and consequently, provide strategic alignment and consistency between the goals and objectives of human resource management and those of the organization.⁶

The Human Resource System within an organization must demonstrate a high degree of strategic flexibility, optimal operation of HRM emphasizes the ability to manage and adapt to emerging changes in both internal and turbulent external environments, in a dynamic and competitive marketplace, rapid response to customer needs and accurate forecasting of external environment trends become essential. Therefore, organizations must adopt Strategic human resource management to enhance their core competitive capabilities, accordingly, special attention should be given to the following key aspects:⁷

- SHRM is consistently oriented toward achieving the organization's strategy and objectives.
- All HRM activities must contribute added value to the organization.
- It is essential to foster a culture that empowers individuals and encourages the development of their potential.
- Development processes involve employee engagement and contribution to the organization's vision and goal
- Motivating individuals to engage in continuous learning and development.

There are various perspectives and approaches that organizations may adopt in formulating an appropriate human resource strategy, several key dimensions influence the strategy formulation approach-whether it is a deliberate process resulting from long-term planning or an emergent and adaptive response to change, whether it is internally or externally oriented, and the extent to which organizational context elements shape it, based on these dimensions, four broad schools of thought have evolved regarding strategy formulation.

The traditional approach emphasizes the importance of long-term planning in strategy formulation, It is formal and analytical, focusing on analyzing the external environment and assessing the internal resources of the company in order to provide a range of strategic options for Executive Management Team to choose from, the aim is to maximize profitability through aligning internal plans with external conditions and implementing them via executive management, this approach is characterized by a separation between operational practices and strategy formulation, however, it has been criticized for its overly simplified view of the strategic process and its inflexibility, as it concentrates heavily on long-term objectives and is less suited to complex and rapidly changing business environments.

In contrast, the evolutionary approach focuses on strategy as a response to the unpredictability of competitive environments, it emphasizes the need to adapt to the organization's Task Environment conditions, accordingly, rationally planned

⁶ Ashok Chanda and Jie Shen, **HRM Strategic Integration and Organizational Performance**, SAGE Publications, India, 2009, p14

⁷ Guiyao Tang ·Li-Qun Wei, **Strategic Human Resource Management**, World Scientific Publishing Company ,1 edition, 2025, p29.

strategies are seen as offering only temporary advantages tailored to specific circumstances.

The processual approach highlights complexity and uncertainty, suggesting that strategy formulation is often fragmented and adaptive, strategy is not fully designed from the outset but instead evolves incrementally, this perspective recognizes that organizations consist of conflicting interests and objectives that can impact strategic implementation and should be considered in the formulation process. It thus involves a broader range of stakeholders beyond top management and focuses on the company's internal policies, and sees strategy as a pattern of emergent behavior rather than a set of fully deliberate and conscious plans, meanwhile, the systemic approach emphasizes an organization's capacity for forward planning, with strategic choices influenced not only by Task Environment conditions but also by cultural and institutional factors, this approach admits the political and legal dimensions and asserts that strategic decision-makers operate within an interconnected social system, it highlights the broader external context of the organization, extending beyond the competitive environment to include societal norms and institutional frameworks.⁸

SHRM focuses on the alignment or fit between an organization's overall strategy and its human resource strategy, the organization's overall strategy—often referred to as the business strategy or competitive strategy—is composed of multiple functional strategies that cover various departments such as marketing, operations, finance, and human resources, this business strategy represents a system of critical choices made by the organization, it may be well-integrated and aligned with the organization's core priorities, or it may contain inconsistencies and breakdowns that hinder strategic coherence, in this context, the alignment between the HR strategy and the business strategy is essential for ensuring organizational effectiveness and achieving long-term competitive advantage.⁹

➤ **The importance and characteristics of strategic human resource management**

Strategic human resource management generally centers on the principles of integration and adaptability, it aims to ensure the full alignment of HR management with the organization's overall strategy and strategic objectives, while maintaining policy consistency across all hierarchical levels, this alignment is operationalized through the active acceptance and daily application of HR practices by both line managers and employees.¹⁰

Several scholars have emphasized five key components in defining the principles of SHRM, these include human resource planning, work system design, recruitment processes, development and training policies, and performance management systems, in addition, strategic HRM seeks to eliminate obstacles

⁸ Nick Wilton, **An Introduction to Human Resource Management**, SAGE Publications, London, 4th Edition, 2019, p64.

⁹ Paul Boselie & Beatrice van der Heijden, **Strategic Human Resource Management: A Balanced Approach**, McGraw-Hill Education, UK, 3rd edition, 2024, p28

¹⁰ Randall S. Schuler, **Strategic Human Resources Management: Linking the People with the Strategic Needs of the Business**, Organizational Dynamics, v21, 1992, p18.

that hinder its strategic direction, promote long-term strategic thinking over short-term performance-oriented mindsets, and recognize the strategic role of HR in driving organizational success, it also involves viewing human resources as a source of competitive advantage, rather than as high-risk costs or investments.¹¹

The core principles underlying Strategic human resource management include the following:¹²

- Emphasizing the integration of personnel policies with one another and with overall business planning;
- Recognizing that the responsibility for personnel management lies not only with specialized HR professionals but also with executive leadership;
- Shifting from an individualistic approach to a more collective one in managing relationships between management and labor unions, as well as between management and employees;
- Focusing on commitment and loyalty by creating opportunities for initiative across all levels, with managers assuming the role of delegators.

Strategic human resource management is an approach to managing people that focuses on how organizations achieve their goals through integrated HR strategies, policies, and practices, it is built upon the following key foundations:¹³

- Strengthening the strategic role of HR by adopting a structured approach to the planning and implementation of HR strategies aligned with organizational goals;
- Supporting the integration and alignment of HR strategies and plans with overall business strategies and planning processes;
- Ensuring that the organization possesses talented and skilled human capital, positioning it as a key source of competitive advantage;
- Promoting employee well-being as key stakeholders, while maintaining positive employee-management relations through fostering trust and recognition for effective and efficient performance;
- Contributing to a culture of performance excellence by investing in employee training and development to build a highly competent and experienced workforce;
- Fulfilling social responsibility by aligning the organization's values with those of its surrounding environment.

It is evident across all perspectives that SHRM comprises a variety of interrelated components and characteristics, including policies, organizational culture, core values, and practices, these elements are designed to connect, integrate, and align across all organizational levels—whether implicitly or explicitly—with the ultimate aim of optimizing the use of human resources in addressing the organization's strategic objectives.

¹¹ Mello Jeffrey, **Strategic human resource management**, fourth Edition, Cengage Learning,USA, 2006, P162.

¹² Mike Millmore and all, **Strategic Human Resource Management Contemporary issues** , 07 edition , British Library, London, 2021, P77

¹³ Michael Armstrong, **Armstrong's Handbook of Human Resource Management Practice**, British Library, England ,15 edition ,2020 p07

The formulation and implementation of strategy are essential for achieving strategic alignment between human resource management and the organization's overall strategy, decision-makers must understand how impending changes may impact their business activities and proactively plan for the organization's human resource needs, this planning process is a critical component of strategic management, involving a forward-looking approach to analyzing and determining the demand and availability of human resources to meet organizational goals.

This begins with identifying the strategic direction needed to achieve both short- and long-term objectives-linking workforce planning to the organization's strategic plan, annual performance targets, work plans, and required business activities, following this, workforce analysis is conducted to identify skill gaps by defining the sources, qualifications, types, numbers, and locations of employees and managers necessary to fulfill the organization's strategic requirements, gaps between current and future workforce needs are then assessed.

Subsequently, an action plan is developed, outlining strategies to bridge those gaps, implementation plans, and performance metrics to evaluate strategic progress, the action plan is then executed, ensuring that both human and financial resources are in place, roles are clearly understood, and communication and coordination efforts are effectively managed to achieve strategic goals.

Finally, the process involves monitoring, evaluation, and review, with continuous improvement and plan adjustments made to correct course and address emerging workforce challenges.¹⁴

Strategic human resource management is essential for the following reasons:¹⁵

- SHRM enables organizations to acquire a highly competent workforce at a lower cost, thereby providing a sustainable competitive advantage.
- A flexible SHRM approach allows organizations to effectively and promptly respond to evolving customer demands.
- Through continuous environmental scanning and proactive opportunity exploitation, SHRM empowers organizations to anticipate competitor actions.
- SHRM supports organizations in setting goals and maintaining a forward-looking perspective by aligning business strategy with HR practices.
- It provides a structured platform for planning and implementing organizational change effectively, resulting in positive employee outcomes.
- SHRM ensures optimal utilization of organizational resources by identifying internal strengths and capitalizing on external opportunities.
- It facilitates the development and management of employee knowledge and skills, increasing the organization's capacity to maintain a strategic advantage over competitors for an extended period.
- SHRM enhances coordination between functional departments and top management, while also identifying and addressing performance deviations in a timely manner.

¹⁴ Joan E. Pynes, **Human resources management for public and nonprofit organizations a strategic approach**, Library of Congress Cataloging-in-Publication Data, United States of America, 04 edition, 2013, p 46

¹⁵ Joginder Singh Grewal ·Vikrant Verma, **STRATEGIC HUMAN RESOURCE MANAGEMENT: e-Book for MBA**, Thakur Publication Private Limited, 1st Semester, 2024 ,p17 .

- It requires the establishment of mechanisms to evaluate the effectiveness of various HR policies and practices within the organization.
- SHRM contributes to employee motivation and improves organizational productivity by offering diverse incentive systems.

➤ **Michael Armstrong's Model of Strategic Human Resource Management**

The fundamental principle underlying Strategic human resource management lies in the foundational concepts that shape the development and implementation of human resource management (HRM) approaches within the organization, these approaches must take into account the organization's strategic plans, priorities, and the dynamic external environment in which it operates, SHRM is also expected to provide comprehensive and integrative frameworks that are flexible and responsive to a wide range of contingencies, however, the studies on SHRM conducted by Armstrong and Brown (2018) indicate that the concept remains largely an academic construct rather than a practical reflection of how strategy is formulated and executed within organizations, strategic HRM, while academically significant, tends to have limited practical relevance, it becomes truly impactful only when executive managers and HR professionals engage collaboratively in the joint practice of both HRM and strategic management—developing and implementing strategies that align with workforce needs, organizational goals, and the challenges facing the enterprise.¹⁶

The primary objective of Strategic human resource management is to ensure the development of organizational capabilities by equipping the organization with skilled, committed, and motivated employees who can contribute to achieving a sustainable competitive advantage, several scholars have noted that SHRM is fundamentally about managing employment relationships in a way that maximizes their contribution to the organization's overall goals, strategic HRM aims to achieve three main objectives, ensuring vertical alignment between HR strategies and business strategies, and horizontal alignment among various HR strategies to ensure internal consistency and strategic coherence, providing clarity in a turbulent work environment by developing and implementing cohesive and practical HR policies and programs that address both organizational needs and the individual and collective needs of employees, and Contributing to business strategy formulation — by highlighting how the organization can leverage the strengths of its human resources to gain strategic advantage and improve performance outcomes.¹⁷

It is also important to recognize that SHRM is fundamentally a strategic mindset—one that becomes tangible only when it gives rise to actions and responses that can be deemed strategic, these may manifest as either broad or specific HR strategies, or as strategic behavior exhibited by HR professionals working in close partnership with executive leadership.

¹⁶ Michael Armstrong, **Armstrong's handbook of strategic human resource management: improve business performance through strategic people management**, 07 edition, British Library, London, 2021, p63

¹⁷ Armstrong, M., & Taylor, S, **Armstrong's Handbook of Human Resource Management Practice**, 13 edition, KoganPage, 2014, P19

As illustrated in the figure 1 , SHRM is concerned with both the formulation of people strategies—whether broad or specific—and the strategic management activities carried out by HR professionals, there is always a strategic choice regarding the design and implementation of these strategies, as well as the extent of the strategic role of HR within the organization, such choices are fundamentally informed by the outcomes of strategic analysis, which helps define the organization's direction and its future human capital requirements.¹⁸

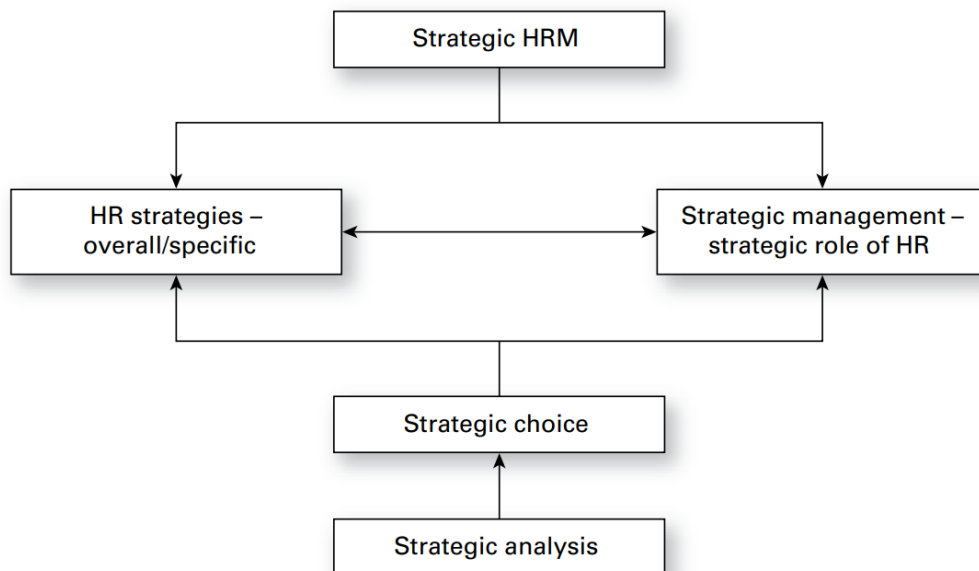


Figure 1: Michael Armstrong's Model of Strategic Human Resource Management

2. Applied Aspect

Study Population and Sample:

The study population consisted of employees of *ALFAPIPE*, a company specializing in the manufacture of gas pipeline systems operating in the Ghardaia Province, Algeria. The study sample included the company's executives, including department heads, division managers, and senior administrative staff. A total of 75 questionnaires were distributed and all were returned; of these, 68 were deemed valid for statistical analysis.

➤ Study Variables:

The independent variable of the study was represented by the dimensions of the strategic human resource management (SHRM) model based on Armstrong's framework, as reflected in the first section of the questionnaire. This section consisted of 30 items (numbered 1 to 30) distributed across five (05) dimensions as follows:

- **Dimension 1:** Strategic HRM, represented by items 1 to 6.

¹⁸ Michael Armstrong, *Armstrong's handbook of strategic human resource management: improve business performance through strategic people management*, 05 edition, British Library, London, 2011, p63

- **Dimension 2:** People strategies, represented by items 7 to 12.
- **Dimension 3:** Strategic role of human resources, represented by items 13 to 18.
- **Dimension 4:** Strategic selection, represented by items 19 to 24.
- **Dimension 5:** Strategic environmental analysis, represented by items 25 to 30.

The dependent variable was employee performance, as represented in the second section of the questionnaire through 12 items, numbered from 31 to 42. To measure these variables, a five-point Likert scale was used to assess the intensity of responses, coded as follows:

(1 - Strongly Disagree, 2 - Disagree, 3 - Neutral, 4 - Agree, 5 - Strongly Agree)

➤ Reliability Testing of the Instrument

Table (01): Questionnaire Reliability Assessment

Study Variables	Number of Items	Cronbach's Alpha
Independent Variable: Pillars of Strategic HRM (Armstrong Model)	30	0.767
Dependent Variable: Employee Performance	12	0.742
Overall Reliability	42	0.838

Source: Prepared by the researchers based on outputs from SPSS version 26.

The results presented in Table (01) indicate that the reliability coefficient for the independent variable—"Pillars of Strategic HRM according to Armstrong's Model"—was 0.767. The reliability coefficient for the dependent variable—employee performance—was 0.742. Moreover, the overall reliability of the questionnaire reached 0.838, a high value approaching 1, indicating a very high level of reliability. Therefore, the questionnaire can be confidently used for testing the study hypotheses and analyzing the results.

➤ Measurement of Central Tendency and Sample Dispersion

Table (02): Means and Standard Deviations of Study Sample Responses Regarding the Study Variables

Study Variables	Mean	Standard Deviation
Dimensions of the Independent Variable (Pillars of Strategic HRM according to Armstrong's Model)		
Strategic Human Resource Management	3.612	0.650
People Strategies	3.747	0.542
Strategic Role of Human Resources	3.715	0.535

Study Variables	Mean	Standard Deviation
Strategic Selection	3.531	0.528
Strategic Environmental Analysis	3.602	0.649
Overall Independent Variable	3.642	0.324
Dependent Variable (Employee Performance)	3.615	0.468

Source: Prepared by the researchers based on SPSS version 25 outputs.

The results presented in Table (02) indicate that the mean values for the study variables and their corresponding dimensions ranged between 3.531 and 3.747. These findings suggest that the application of the principles of strategic management at ALFAPIPE, according to Armstrong's model, is considered highly acceptable, as reflected by the overall mean score of 3.642. The standard deviation of 0.324 for this variable indicates limited variation in the respondents' views. Similarly, the mean score for the employee performance variable was 3.615, with a standard deviation of 0.468, reflecting moderate consensus among respondents.

➤ **Testing the Study Hypotheses**

Testing the First Hypothesis:

Null Hypothesis (H0): There is no significant level of implementation of the strategic management pillars according to Armstrong's model at ALFAPIPE, from the perspective of the study sample.

Alternative Hypothesis (H1): There is a significant level of implementation of the strategic management pillars according to Armstrong's model at ALFAPIPE, from the perspective of the study sample.

To verify the validity of this hypothesis, a One-Sample T-Test was conducted, given the normal distribution of the data concerning the strategic management pillars based on Armstrong's model. The test compares the theoretical mean value of agreement (3) with the actual mean responses of the study sample regarding this variable. The following table presents the results obtained:

Table (03): One-Sample T-Test Results for the Variable " the strategic management pillars according to Armstrong's model at ALFAPIPE "

Variable	T-Test Value	Significance Level (Sig)
Strategic Management Pillars according to Armstrong's Model	16.023	0.000

Source: Prepared by the researchers based on SPSS v26 output.

As shown in Table (03), the One-Sample T-Test value is (11.078), with a significance level (Sig) of 0.000, which is statistically significant at the 0.05 level. Therefore, the null hypothesis is rejected, and the alternative hypothesis is accepted, indicating that ALFAPIPE demonstrates an acceptable level of

implementation of the strategic management pillars according to Armstrong's model, as perceived by its managerial staff. This is consistent with the descriptive statistical analysis, which reflected a general agreement among the sample responses.

Second Hypothesis Testing:

H₀: There is no statistically significant effect at the significance level ($\alpha \leq 0.05$) of applying the pillars of strategic human resource management on employee performance at the ALFAPIPE company.

H₁: There is a statistically significant effect at the significance level ($\alpha \leq 0.05$) of applying the pillars of strategic human resource management on employee performance at the ALFAPIPE company.

Table (04): Results of Simple Linear Regression and ANOVA for Testing the Application of Strategic Human Resource Management on Employee Performance at ALFAPIPE

Independent Variable	Correlation Coefficient (R)	Coefficient of Determination (R ²)	Regression Coefficients	Constant Value	F Value	Significance Level (Sig)	T Value of Regression Coefficient	Significance Level (Sig)
Strategic Human Resource Management Practices	0.849	0.720	0.611	1.406	169.798	0.000	13.031	0.000

Source: Prepared by the researchers based on the outputs of SPSS software, version 26.

From Table (04), we observe that the correlation coefficient (R) is (0.849), which is a positive value indicating a strong direct relationship between the practice of strategic human resource management and employee performance at the ALFAPIPE company. Additionally, the coefficient of determination (R²) is (0.720), meaning that strategic human resource management practices explain approximately **72%** of the variance in employee performance. The remaining **28%** is attributed to other factors not included in the current model.

We also note that the calculated F-value is **169.798**, which is statistically significant at the 0.05 level, given that the significance value (Sig) is **0.000**. Accordingly, we reject the null hypothesis (H₀) and accept the alternative hypothesis (H₁), which states that there is a statistically significant effect at the ($\alpha \leq 0.05$) level for the application of strategic human resource management pillars on employee performance at ALFAPIPE.

Testing the Third Hypothesis:

H₀: There is no statistically significant effect at the ($\alpha \leq 0.05$) level of individual strategies on employee performance at ALFAPIPE.

H₁: There is a statistically significant effect at the ($\alpha \leq 0.05$) level of individual strategies on employee performance at ALFAPIPE.

Table (05): Results of the Simple Linear Regression and Variance Analysis for Testing Individual Strategies in Employee Performance at ALFAPIPE

Independent Variable	Correlation Coefficient	Model Coefficients	Variance Analysis	Significance of Parameters
	R	R ²	Regression Coefficient β_1	Constant Value
Individual Strategies	0.127	0.016	0.110	3.205

Source: Prepared by the researchers based on the outputs of SPSS software, version 26.

From Table (05), we observe that the correlation coefficient (R) is (0.127), indicating a very weak positive correlation between the practice of individual strategies and employee performance at ALFAPIPE. Furthermore, the coefficient of determination (R²) is (0.016), meaning that the contribution of individual strategies explains only **1.60%** of the variance in employee performance. The remaining **98.40%** is attributed to other factors not included in the current model.

We also note that the F-value is **1.077**, which is not statistically significant at the 0.05 level, as the significance value (Sig) is **0.303**, which is greater than 0.05. Therefore, we accept the null hypothesis (H₀), which states that there is no statistically significant effect at the ($\alpha \leq 0.05$) level of individual strategies on employee performance at ALFAPIPE.

This result can be explained by the fact that Algerian public institutions, like the one in this study (ALFAPIPE), do not recruit employees based on the institution's needs for qualified human resources. Instead, recruitment is often influenced by prevailing social conditions aimed at reducing unemployment or satisfying certain groups at the expense of the actual needs of the institutions. Additionally, recruitment processes in these institutions are not based on competence and merit but are subject to multiple bureaucratic complexities. Legally, recruitment in Algeria must first go through employment offices, which reduces the opportunities for directly recruiting qualified talent. Other factors include the reliance of public institutions on providing allowances, incentives, and rewards to all employees rather than linking them solely to performance levels and merit.

Testing the Fourth Hypothesis:

H₀: There is no statistically significant effect at the ($\alpha \leq 0.05$) level of practicing the strategic role of human resources on employee performance at ALFAPIPE.

H₁: There is a statistically significant effect at the ($\alpha \leq 0.05$) level of practicing the strategic role of human resources on employee performance at ALFAPIPE.

Table (06): Results of the Simple Linear Regression and Variance Analysis for Testing the Strategic Role of Human Resources in Employee Performance at ALFAPIPE

Independent Variable	Correlation Coefficient	Model Coefficients	Variance Analysis	Significance of Parameters
	R	R ²	Regression Coefficient β_1	Constant Value
Strategic Role of Human Resources	0.010	0.000	0.009	3.649

Source: Prepared by the researchers based on the outputs of SPSS software, version 26.

From Table (06), we observe that the correlation coefficient is (0.010), which indicates no relationship between the strategic role of human resources and employee performance at ALFAPIPE. Additionally, the F-value is **0.007**, which is not statistically significant at the 0.05 level, as the significance value (Sig) is **0.933**, which is greater than 0.05. Therefore, we accept the null hypothesis (H_0), which states that there is no statistically significant effect at the ($\alpha \leq 0.05$) level of the strategic role of human resources on employee performance at ALFAPIPE.

This result can be explained by the absence of the strategic role of human resources at ALFAPIPE on employee performance due to several factors, the most important of which are the weak communication of the strategic vision and the lack of employee involvement in it, which causes them to lose a sense of belonging and loyalty. Additionally, bureaucracy and a culture of resistance to change contribute to creating a rigid environment that hinders the achievement of goals. Furthermore, the absence of performance-linked incentives and the lack of continuous training at the institution under study exacerbate the situation.

Testing the Fifth Hypothesis:

H₀: There is no statistically significant effect at the ($\alpha \leq 0.05$) level of strategic selection on employee performance at ALFAPIPE.

H₁: There is a statistically significant effect at the ($\alpha \leq 0.05$) level of strategic selection on employee performance at ALFAPIPE.

Table (07): Results of the Simple Linear Regression and Variance Analysis for Testing Strategic Selection in Employee Performance at ALFAPIPE

Independent Variable	Correlation Coefficient	Model Coefficients	Variance Analysis	Significance of Parameters
	R	R ²	Regression Coefficient β_1	Constant Value
Strategic Selection	0.676	0.457	0.599	1.500

Source: Prepared by the researchers based on the outputs of SPSS software, version 26.

From Table (07), we observe that the correlation coefficient is (0.676), which indicates a moderate positive relationship between the strategic selection of ALFAPIPE and the performance of its employees. Additionally, the R^2 value is (0.457), meaning that the contribution of strategic selection explains (45.70%) of the variance in employee performance, while the remaining (54.30%) is due to other factors not included in the model under study.

We also observe that the F-value is **55.453**, which is statistically significant at the (0.05) level, as the significance value (Sig) is **0.000**. Therefore, we reject the null hypothesis (H_0) and accept the alternative hypothesis (H_1), which states that there is a statistically significant effect at the ($\alpha \leq 0.05$) level of strategic selection on employee performance at ALFAPIPE.

The significance of the effect of strategic selection on employee performance can be explained by the fact that ALFAPIPE relies on a focus strategy as a competitive choice in its business environment. The company focuses on a specific market, namely the fuel market, by producing pipes for gas and oil transportation. As a result, the goals and strategies become more specific and clear, which helps its employees understand their roles more efficiently and expertly. This enhances the chances of focusing on delivering better performance on the one hand, while reducing the risks of dispersion on the other hand.

Testing the Sixth Hypothesis:

H₀: There is no statistically significant effect at the ($\alpha \leq 0.05$) level of environmental strategic analysis on employee performance at ALFAPIPE.

H₁: There is a statistically significant effect at the ($\alpha \leq 0.05$) level of environmental strategic analysis on employee performance at ALFAPIPE.

Table (08): Results of the Simple Linear Regression and Variance Analysis for Testing Environmental Strategic Analysis in Employee Performance at ALFAPIPE

Independent Variable	Correlation Coefficient	Model Coefficients	Variance Analysis	Significance of Parameters
	R	R^2	Regression Coefficient β_1	Constant Value
Environmental Strategic Analysis	0.029	0.001	0.021	3.69

Source: Prepared by the researchers based on the outputs of SPSS software, version 26.

From Table (08), we observe that the correlation coefficient is (0.029), which indicates that there is no relationship between environmental strategic analysis (both internal and external) and employee performance at ALFAPIPE. We also observe that the F-value is **0.054**, which is not statistically significant at the (0.05) level, as the significance value (Sig) is **0.817**, which is greater than 0.05. Therefore, we accept the null hypothesis (H_0), which states that there is no statistically significant effect at the ($\alpha \leq 0.05$) level of environmental strategic diagnosis (both internal and external) on employee performance at ALFAPIPE.

This result can be explained by the fact that despite the importance of environmental strategic diagnosis in both its internal and external aspects in strategic thinking, the study findings revealed no effect of this diagnosis on employee performance at ALFAPIPE. This is because the strategic analysis conducted by the company takes place at the senior management level and is not translated into practical actions that reach the employees at the operational level.

Testing the Seventh Hypothesis:

Null Hypothesis H_0 : There is no statistically significant effect of applying strategic management according to the Armstrong model on employee performance at ALFAPIPE at the (0.05) significance level.

Alternative Hypothesis H_1 : There is a statistically significant effect of applying strategic management according to the Armstrong model on employee performance at ALFAPIPE at the (0.05) significance level.

To test the validity of this hypothesis, we will rely on simple linear regression analysis to assess the effect between the independent variable, represented by strategic management according to the Armstrong model, and the dependent variable, which is employee performance. We will also present and analyze various statistical tests that highlight the degree and nature of the relationship between them.

Table (09): Results of Simple Linear Regression Analysis for the Effect of Strategic Management According to the Armstrong Model on Employee Performance

Variables	Correlation Coefficient	Regression Equation	ANOVA (Variance Analysis)	Significance of Model Parameters
Independent Variable	Dependent Variable	R	R ²	Regression Coefficient
Strategic Management According to Armstrong Model	Employee Performance	0.588	0.346	0.851

Source: Prepared by the researchers based on the outputs of SPSS software, version 26.

From the table above, we observe that the correlation coefficient is **0.588**, which is a positive value indicating a moderate direct relationship between the independent variable, strategic management according to the Armstrong model, and the dependent variable, employee performance. Additionally, the coefficient of determination (R^2) is **0.346**, meaning that strategic management according to the Armstrong model explains **34.60%** of the variation in employee performance, while the remaining **65.40%** is attributed to other factors not included in the study model.

The results also indicate statistical significance, as the F-value is **34.95** with a significance level (Sig F) of **0.000**, which is less than the significance level of **0.05**. Therefore, we reject the null hypothesis (H_0) and accept the alternative hypothesis

(H₁), which states that there is a statistically significant effect of applying strategic management according to the Armstrong model on employee performance at ALFAPIPE at the (0.05) significance level.

Furthermore, the results show that the regression coefficient is **0.851**, which is statistically significant, as the T-test value associated with it is **5.912** with a significance level (Sig T) of **0.000**, which is less than the significance level of **0.05**. Thus, the regression equation is as follows:

Employee Performance = 0.851 * Use of Strategic Management According to Armstrong Model + 0.517

3. Conclusion

Despite the effectiveness of using the Armstrong model for strategic management, this study revealed that its application did not result in a tangible impact from all its pillars on employee performance within ALFAPIPE. This suggests the existence of potential gaps in implementation or a weak adaptation of the model to the organizational context of the company. Additionally, the study reached a number of findings and proposed several recommendations that we consider important, summarized as follows:

Findings:

- The study found an acceptable level of practice in applying the pillars of strategic management according to the Armstrong model at ALFAPIPE, from the perspective of the study sample.
- The statistical analysis results confirmed the existence of a significant effect of both strategic human resource management and strategic choice on employee performance at ALFAPIPE.
- The statistical analysis results also showed that there was no significant effect of individual strategies, the strategic role of human resources, and environmental strategic analysis on employee performance at ALFAPIPE.
- The study concluded that there is an effect of applying the pillars of strategic management according to the Armstrong model on employee performance at ALFAPIPE.

4. Recommendations:

- It is essential to raise the level of use of the pillars and requirements of strategic management at ALFAPIPE to higher levels by adopting clear and systematic policies.
- There is a need to re-evaluate individual strategies at ALFAPIPE by reviewing mechanisms for recruitment, training, and employee development, while linking employees to strategic goals, motivating them, and adopting a participatory approach.
- We recommend enhancing the strategic role of human resources by transforming the HR function from its traditional administrative role to a strategic partner in planning and decision-making processes, ensuring that HR practices are linked to the organization's performance.

- The company should improve and strengthen the processes of diagnosing internal and external environmental variables by using modern analytical tools and linking the results of such analysis to practical action plans that positively impact employee performance.

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