

## **A NEW ROLE FOR HRM: DRIVER OF DYNAMIC CAPABILITIES.**

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### **Abstract.**

The purpose of this paper is to analyse the antecedents to the development of dynamic capabilities from a HRM perspective, considering the leading role of CEO leadership styles and their potential impact on the orientation given to HRM practices and firm capacities. We design an empirical study in a sample of 108 Spanish industrial firms, asking HR, Production and Marketing managers to assess the CEO's transactional vs. transformational style, the skill based or job based orientation given to HRM practices applied in their organizations and the level of sensing, seizing and reconfiguration dynamic capabilities. The different hypotheses are tested by using regressions analyses. Our results suggest that skill based HRM practices mediate the relationship among transformational leadership and sensing-seizing capabilities, while a job-based orientation mediates in between transactional style and reconfiguration dynamic capability. These results highlight the necessity of developing ambidextrous CEOs who are able to combine transactional and transformational leadership behaviours. In such a way, they can design and apply different orientations of HRM practices in order to obtain the full range of necessary dynamic capabilities.

**KEYWORDS:** Dynamic Capabilities; Strategic Leadership; HRM Practices.