Management in Small and Medium Size Enterprises in the Republic of Macedonia

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Abstract

Today, Human Resource Management (HRM) functions, practices and procedures are increasingly becoming important, considering the growth of the knowledge based economy. Human resources in any enterprise, whether small or medium constitute an important area of study. Careful human resources management creates good opportunities to ensure efficiency in the production process of goods and services that guarantee a satisfactory level of living in society. If managed effectively and efficiently, human resources can play as an important role in realizing the objectives of the enterprise as an integral source. HRM studies fulfill the need of a businessman to understand the economy, market, organization or any other related area.

Human resource development has a close connection with socio-economic developments in society. The environment creates the opportunity to take important steps to support programs for their effective development and could encourage the company to provide training for employees, informing the labor market for a better assessment of the supply and the demand for work, managing human resources to fulfill human resource development. Accordingly, this has made the investment in human resources a necessity in such a way as to make the enterprise be able to withstand the challenges facing the environment in which they operate. Designing programs and effective human resource policies will allow for the growth of human resource performance and increase the overall business performance. Moreover, as stated above, this has an impact to increase the competitiveness of the enterprise. Relevant institutions should focus on reforming the education system by conforming to labor market demands, while effective enterprise management should focus on professional training of employees.

Apart from the theoretical analysis of the issues mentioned above, the doctoral thesis is further supported by the empirical analysis, in which 150 small and medium enterprises in the Republic of Macedonia are surveyed.

Keywords: Human resource management, effectiveness, small and medium-size enterprises, performance, training, employment
1. Introduction

The paper makes an attempt to study the management and efficient use of human resources in Macedonia during the period of transition and economic reforms in the country, respectively, making these reforms which enabled major changes in the structure of the economy, where SMEs operate as an important pillar. By illustrating a position followed by many economists for a sense of competition and globalization trends, the paper will illustrate human resource management and the dynamics of its development as a key strategy in business development. One such comprehensive reform has made SMEs to face challenges in their functioning, such as the procedure of human resources management (HRM). Such a step, albeit difficult, however, has created a good basis to build mechanisms for the functioning of market economy in Macedonia, this necessity, is imposed to managing and using human resources efficiently.

2. The Role of Human Resources in Small and Medium Enterprises

HRM is concerned with all aspects of employment and management of people in organizations. HRM covers the following activities: strategic human resource management, human capital management, corporate social responsibility, knowledge management, organizational development, securing resources (human resource planning, recruitment and selection, and talent management), management performance, learning and development, compensation management, employee relations, employee welfare, health and safety and the provision of services for employees.

HRM practice has a strong conceptual basis borrowed and based on the science of organizational behavior and strategic management, human capital and theories of industrial relations. This database was built with the help of a large number of research projects by different researchers in the field of management.

The purpose of this paper is to give a general introduction to the practice and concepts of HRM. The paper defines HRM objectives, theories, characteristics, components of HRM systems, development of HRM as a method for managing people, the views expressed in relation to key performers, the context in which it works HRM and ethical dimensions that affect the human resource policy and practice.

Among others the author Ronald R.Sims says "The key to a continued survival and successful organization is not rational or quantitative approaches, but differs significantly in activities of employees and managers that are based on the support and mutual loyalty. The success of the organization today and tomorrow is being seen more and more dependent on the effectiveness of human resource management" (Sims, 2002, p.1).

HRM is a strategic, integrated and coherent approach to recruitment, development and welfare of the people working in organizations. To create better insight about what actually
represents human resource management, some aspects of the definition include: Aspect ratios of the company with the workers. Human resource management involves all management decisions and actions that affect the nature of the relationship between the organization and its employees its human resources. HRM also has to do with the management of the workforce in organizations (Wright and Snell, 1997).

HRM includes a set of policies designed to maximize organizational integration, employee commitment, flexibility and quality of work, or working and people management in achieving desired goals.

Strategic aspect of the action: According to this aspect of HRM has to do with human resources policies, which should be integrated with strategic business planning and used to reinforce an appropriate organizational culture (or to change an inappropriate one). Human resources are the source of competitive advantage, because they can relate more effectively by mutually consistent policies that promote commitment and, therefore, are able to feed to the employees a willingness to act in a more flexible way in the interest of pursuit of excellence "appropriate for the organization." Moreover, the management of human resources is a particular method of employment management which seeks to achieve competitive advantage through the strategic development of a workforce more dedicated and capable, using a variety of techniques integrated cultural, structural and personnel (Boxall et al., 2008; Legge, 1989).

The overall goal of human resource management is to ensure that the company will be able to achieve success through people. HRM aims to increase the effectiveness and organizational skills, which means the ability of an organization to achieve its goals using the available resources in the best way possible. Some authors in their studies have found that HRM systems can be the source of firms' organizational capabilities that allow one to learn and benefit from new opportunities. But HRM has an ethical dimension, which also means that one should be concerned for the rights and needs of people in organizations through the exercise of social responsibility (see: Beer et al., 1984; Grimshaw and Rubery, 2008; Guest, 2008; Storey, 2007; Ulrich and Lake, 1990).

Dyer and Holder (1988) analyzed the objectives of human resource management from a different perspective, taking into consideration the given input concept (what kind of behavior is expected of employees?), the composition (what is the percentage of staff and skills mixture ratio?), the competence (what is the overall level of desired capacity?) and the commitment (what is the level of engagement and identification of employees?).

3. Human Resource Management System

HRM is a system in itself, open, which aims at integration. An open system is dependent on the input environment, which are transformed during turnovers that are exchanged in an environment. Wright and Snell defined an open system HRM as a model of competence of organizations. Capacities and skills are treated as inputs from the environment; behaviors of
employees are treated as part of the turnover; while satisfaction and performance of employees is treated as outputs.

**Figure 1 - Human resource management system**

From the literature review, HRM in traditional form can be seen as a collection of multiple discrete practices with no clear or obvious connection between them. While modern treatments see HRM as an integrated and coherent package of practices that reinforce each other. Kepes and Delery comment that a defining characteristic of HRM is that HRM systems are a source of competitive advantage, not its individual practices. "Coherent Systems sorted internally form strong connections that create positive synergistic effects on the results of the organization" (Armstrong, 2009, p.13).

As shown in Figure 1 an HRM system brings together human resources philosophies that describe inclusive values and guiding principles adopted in managing people, human resource
strategies that determine the direction of targeting HRM, human resource policies that provide guidelines defining how these values, principles, and strategies should be implemented and applied in certain areas of HRM, human resource processes, including formal procedures and methods used to make it possible to take effective strategic plans and human resource policies, practices related to human resources consisting of methods used in managing people, and human resources programs, which enable the implementation according to the strategic planning, human resource policies and practices.

4. Effective Role in Human Resource Assessment

Assessment of human resources management refers to the procedures and processes by which is measured, evaluated and communicated to the value added of human resource management practices applied in the enterprise. In other words, the evaluation of human resource management contributes to the identification of the financial contribution of HRM in the company's final score, or index return realized investment (ROI) that HRM functions realized in achieving the highest levels enterprise performance.

Best practices or practices with high performance work systems and methods are described in HRM which have positive effects, universal add-on enterprise performance. Best management practices developed, implemented with the view that through their rise to higher overall performance level of employees in the enterprise, ultimately they lead to higher levels of performance of the enterprise.

Work environment plays an important role in improving the effectiveness of human resources. A secure job, healthy, pleasing, makes the individual feel comfortable in the company. Each of these elements with the importance of providing security for the individual and gives them the motivation and incentive to stay in the enterprise. This situation is usually evidenced through surveys, questionnaires through which internal answers reveal whether enterprise employees are satisfied and if they are not satisfied with what they feel should change.

Employees in an enterprise do not want to be found uninformed of what is happening in the company, so do not want to find themselves in a situation of informative darkness. They feel motivated and enthusiastic only when the management of the company is open to relations with them on the development of policies and procedures, know the salary, clients, contracts, goals and objectives of the enterprise. Such a situation of open management encourages active participation in management. Asking employees for ideas they have to make changes in the enterprise will stimulate their creative judgment. Management open to any element relating to the performance of the enterprise will help in establishing credibility and motivation of individuals in the enterprise.

Any good performance in the execution of duties by individuals in the enterprise can be estimated several ways, from verbal praise, until the award of bonuses or giving different payments. Enterprise through these forms encourages individuals so that they are more
effective in performing tasks and simultaneously opens prospects for their moral growth for a much longer period. Incentives for increased performance can be applied for every individual and for every team. But care should be taken in any bonuses to be given from, should be based on a reason given and made transparent.

Every enterprise should have its own system of evaluation of its employees. But we should emphasize that a better system of assessment should mutually link individual performance with priority goals of the enterprise. Sharing knowledge is a very good strategy which helps to spread and improve knowledge among workers which contributes to a better realization of the tasks in the workplace. For example, if an individual in the enterprise has implemented training and knowledge gained from it can be used to train other employees. Moreover, the publication of better performance can positively affect motivating employees. Every enterprise has more individuals who are distinguished from others in many ways. Precisely these individuals should be identified visibly through various forms of publication. This will serve as an example for other individuals in the enterprise. Experts in the field suggest stimulation of discussions in the enterprise. Successful enterprises in business continuously feed; throw different ideas for discussion on the progress of work in the enterprise. They know that individuals who are presently working in the company and who know the nature of its business being involved in discussions can provide many different ideas that are both different and better. Managers need to organize better these discussions to attract more thoughts. Through discussion, they can identify talented employees and they can support to gain further training. Further, surprises play an important role in motivating and improving the effectiveness of the employees. However, even if seen as less important, surprises, when done in the right time in the right place have their role. Who does not want a good surprise, which feels valued and satisfied? Surprises can be accomplished with many different forms. We underscore that surprises should not only be carried out to individuals who are the best and highest performers at work, but also others. They will serve as a motivating factor for the future.

5. Efficiency and effectiveness of human resources and the ratio between them.

Although the literature in the field of human resources and in general management concisely describe the content and meaning of words efficiently and effectively in everyday life are often referred to as synonymous, respectively made use of their right blend. This reflects the need for clarification of the terms efficiently and effectively.

Efficiency means qualitatively high results achievement, with minimal use of resources and in the least time possible. Efficiency means to act in such a way that does not misuse resources. Managers are efficient in their work when they invest funds and do not leave their jobs or when receiving monetary funds with a small interest in the bank; when there is almost always plans to put people to work in every situation or to use it information rationally which has certain resources spent.
Put simply, effectiveness refers to doing the right things, whereas efficiency refers to doing things properly.

Effectiveness is the ability to select appropriate goals and means for their achievements. Effectiveness means doing things that should done properly at the right time. For effectiveness, Drucker noted that "The point is not to make things right, but how to find the right things to do and then concentrate forces and tools to them" (http://tsg3.us/tngs_lib/pldc_school/off_basic/st_7000_materials/lesson_3.pdf).

In Figure 2 we have shown graphically the relationship to efficiency and effectiveness or their possible exchange.

As shown in the figure there are four logical results that take into account effectiveness and efficiency. In quadrant I, we see high effectiveness and low efficiency, in quadrant II we see high effectiveness, and high efficiency, in quadrant III we see low effectiveness and low efficiency, in quadrant IV we see low effectiveness, and low efficiency. The logical interpretation of these possibilities, depends on the relative importance given to efficiency and effectiveness.
There is no doubt that effectiveness is much more important than efficiency, despite the fact that both of these are desirable. If it is accepted, it is seen that quadrant I (effective, but inefficient) in the figure is a better place than pane IV (efficient but ineffective). The more efficient use of available resources that the business enterprises, in an effort to be effective, the more profitable it will be. In the ratio of efficiency-effectiveness, undoubtedly the dominant is effectiveness.

Thus, an enterprise can be very efficient in producing a product, but the market has low demand and high demand for another product that another company produces, but its production is not very efficient. In this situation, the first company managers are not effective in their work and this will be reflected in the balance of its sales will provide a range of other negative consequences. As Drucker has said, "Although efficiency is important, effectiveness is vital," is the final comment that may be the issue (http://www.dailyblogtips.com/effective-vs-efficient-difference/).

There are a number of factors that increases the effectiveness in work, among which the most important is to identify talent within the company. There is a very large financial and time cost to recruit young people. There is also a need to develop talent within the company and put the right people in positions where they can do their best.

There should be a defined career program for company employees who serve to enhance their performance at work, for higher motivation, a greater responsibility in their assignment and duty to serve as an external impetus to the fulfillment of their aspirations.

Another important factor is to improve the conditions of employees and being updated with new technological changes. Also ensuring financial sustainability is a very big boost to the effective of the employees. Moreover, another important factor to raise effective is by providing premiums and various awards in relation to the performance of the data or promotions in the form of increased duty to motivate more employees. Other strategies include increased employee self evaluation for himself and for the company where he works and allow to development of social ties within the enterprise.

Satisfaction in the workplace has a correlation to effectiveness of employees, and thus the more satisfied employees are in the workplace, the more effective they will be as employees. Training will be offered to employees in the workplace or outside it are also key factors for increasing work efficiency. Training in the workplace is more pleasurable after employee adoption of the work process, becoming simple, and thus will not encounter major problems.

In the Republic of Macedonia as in many other places, communication plays a major role and is definitely one of the key elements in increasing work efficiency. When guidelines and instructions of communication are clear, understandable and specialized, employees have a better notion of behavior. Work efficiency and employee motivation will increase depending on how democratic and liberal leaders of companies will be. The leader must be simultaneously a
visionary and not just think about the present or the near future but for the longterm, since this effects employee safety and conformity.

It is worth mentioning that the practices, procedures, processes and human resource management functions in most SMEs are not applicable, although it is known that individuals within the company are the most important source of production in the enterprise. Like all other resources an employee in the enterprise: 1) is an asset, 2) is limited in supply, 3) can increase its value over time, and 4) can make competitive differentiation between different enterprises.

6. The Importance of Human Resources in the Success of SMEs (Small and Medium Size Enterprises)

The SME sector is a manufacturing and services sector and performance assessment generally depends on the performance of the staff employed in them. A highly qualified, motivated and happy staff is the main factor for the success of SMEs. Good customer service remains the main factor to distinguish from one SME to another SME and the competitiveness of each market. There are several reasons for this:

- Good service is a key factor that explains why a potential customer chooses a particular SME or why existing customers stay or leave an SME.
- Best impressions of a service, expressed from a friend or relative, effects in choosing a SME. Moreover, a bad impression on service will send customers to other competing firms.
- High customer service gives all SMEs sustainable and long term competitive advantage. This service will be difficult to duplicate and surpassed by competitors in the short term. Good service is not reached immediately; it takes many months, if not years, of investment in the training and dedication to achieve it.

7. Research methods

In order to measure the above stated objectives, specific research methods have been utilized. The paper focuses on a theoretical and descriptive analysis, comparative and synthetic methods for the purpose of identifying and analyzing the factors that determine the need for changes in human resource management. Moreover, the paper uses the following methods: the method of induction and deduction, surveys through interviews and questionnaires, and comparative methods to illustrate the above mentioned analysis.

The paper will be based on the results of the survey conducted in human resources in all regions of Macedonia. The survey includes 150 SMEs that operate in the whole territory of Macedonia.
Methods that are used for data processing include cross tabulation of variables. By using the statistical program SPSS, cross tabulation allows gathering information of the relationship of multiple variables. In addition, a regression analysis is conducted, allowing the identification of relationships between variables. A correlation method will be used to determine how and to what extent the two variables are related in a linear fashion. Also, in the framework of statistical techniques will be used ANOVA test to distinguish between different groups within the population, as well as T-test, which is the same ANOVA test, but there are only differences in the method of calculation.

8. Analysis of Results of Research

The survey included 150 SMEs and was conducted during the period 15 May to 22 July 2011 by utilizing a team of colleagues, friends and students of the Faculty of Business and Economics within the South East European University. The research was carried out using the technique of direct contact with respondents, by mail and email. Direct interviews polled 96% of companies, while 3% (5 companies) of the respondents were contacted via postal mail and only 1% (2 companies) via email.

H1. There is a link between employee involvement in developing the strategy and effectiveness in the enterprise.

Table 1 - Involvement of employees in the development of the strategy and effectiveness of enterprise

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effectiv</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Decrease</td>
<td>50</td>
<td>50</td>
<td>80</td>
<td>20</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>1.5</td>
<td>1.5</td>
<td>3</td>
<td>0.7</td>
<td>0</td>
</tr>
<tr>
<td>Constant</td>
<td>50</td>
<td>50</td>
<td>48.8</td>
<td>51.2</td>
<td>52.4</td>
</tr>
<tr>
<td></td>
<td>19.2</td>
<td>19.2</td>
<td>15.7</td>
<td>16.4</td>
<td>23.7</td>
</tr>
<tr>
<td>Increase</td>
<td>51.3</td>
<td>48.7</td>
<td>51.2</td>
<td>48.8</td>
<td>56.5</td>
</tr>
<tr>
<td></td>
<td>30</td>
<td>28.5</td>
<td>32.8</td>
<td>31.3</td>
<td>28.1</td>
</tr>
<tr>
<td>Total</td>
<td>50.8</td>
<td>49.2</td>
<td>51.5</td>
<td>48.5</td>
<td>51.8</td>
</tr>
</tbody>
</table>

From the research carried out by using the intersection of tables (crosstabulation) we tested the hypothesis that a connection exists between employee involvement in the development of strategies and the effectiveness of the enterprise. Results from the survey showed that companies that do not involve their employees in the development of enterprise strategies were 5% in 2008, 10% in 2009, and 12.5% in 2010 which decreased in achieving the objectives of companies, compared with only 0% in 2008, 3.6% in 2009, and 6.9% in 2010, on average for the past three years comes to an average of 9.1% of enterprises that do not involve...
employees in the development of strategies have a decrease in the effectiveness of enterprises compared with only 3.5% of the enterprises that involve their employees in developing their strategies. While in companies that have constant motion and increase their effectiveness there is a difference but it is small compared to companies that have reduced their effectiveness. When analyzing the above table it can be concluded that there is no link between the involvement of employees in the development of the strategy and effectiveness of the enterprise, thus we can conclude that we can not accept H1.

**H2. There is a difference in having special sector of human resources between SMEs and large enterprises**

**Table 2 – The difference between SMEs and large enterprises on the HR sector**

<table>
<thead>
<tr>
<th>Model Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
</tr>
<tr>
<td>-------</td>
</tr>
<tr>
<td>1</td>
</tr>
</tbody>
</table>

\(^a\) Predictors: (Constant), number of employees

Table 2 shows that R illustrates a strong linear correlation of 0.183 positive. Meanwhile, R Square shows the result of the effect of R\(^2\) is 3.4% of the variance of having sector specific human resource depends on the number of employees in the enterprise (this effect is very strong).

**Table 3 – The difference between SMEs and large enterprises on the HR sector**

<table>
<thead>
<tr>
<th>ANOVA(^b)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
</tr>
<tr>
<td>-------</td>
</tr>
<tr>
<td>1</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

\(^a\) Predictors: (Constant), Number of employees

\(^b\) Dependent Variable: Who plays the role of human resources manager in your company?

In order to see the effect of regression we use the ANOVA test where F will be significant when its value would be 0.05, but not less. From the analysis where there is regression to highlight the difference between the number of employees in the enterprise (company size) and having particular sector of human resources in the enterprise, it can be concluded that there is a statistical significance since, F(1,147) = 5.115, p = .025. The following table will also see that associated with the regression coefficients, which means that by increasing the number of
employees (company size), increase the number of enterprises that particular sector of human resources.

Table 4 – The difference between SMEs and large enterprises on the HR sector

<table>
<thead>
<tr>
<th>Coefficient</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>1.034</td>
<td>.191</td>
<td>5.414</td>
<td>.000</td>
</tr>
<tr>
<td>Number of employees</td>
<td>.190</td>
<td>.084</td>
<td>.183</td>
<td>2.262</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Who plays the role of human resources manager in your company?

Table 4 gives the results of a regression in which we estimate the impact that the existence of separate HR sector with the number of employees (or the size of the enterprise). According to the data in the table, these two variables are negatively associated. However higher the variable unit-sector is, the higher will be the number of employees in the enterprise. T test shows a significant coefficient. It can be concluded that T value associated with having special sector human resources is significant at the same level of F (this will happen if you have only one variable 1 X variables). Regression equation would be: $\hat{Y} = 1.034 \times .190X$.

**H3. Increased employee performance increases the effectiveness of the enterprise.**

Table 5 – Employee Performance and effectivity of the enterprise

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Have labor force skills increased in your enterprise during the last 2 years?</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Decrease</td>
<td>85,2%</td>
<td>14,8%</td>
<td>85,0%</td>
<td>15,0%</td>
<td>71,4%</td>
</tr>
<tr>
<td>Constant</td>
<td>95,7%</td>
<td>4,3%</td>
<td>93,7%</td>
<td>6,3%</td>
<td>95,2%</td>
</tr>
<tr>
<td>Increase</td>
<td>94,4%</td>
<td>5,6%</td>
<td>94,8%</td>
<td>5,2%</td>
<td>93,0%</td>
</tr>
<tr>
<td>33,3%</td>
<td>20,0%</td>
<td>45,0%</td>
<td>40,0%</td>
<td>45,4%</td>
<td>30,0%</td>
</tr>
<tr>
<td>49,6%</td>
<td>40,0%</td>
<td>42,0%</td>
<td>30,0%</td>
<td>50,8%</td>
<td>50,0%</td>
</tr>
</tbody>
</table>

During research conducted in order to see the link between growth performance and effectiveness of enterprise employees, the results show that, on average in the past five years only 8% of companies that had improved skills of their employees have had reduction in their effectiveness, compared to 20% (average of five years) of companies which had not improved skills of their employees, have marked reduction in effectiveness. As far as increasing the
effectiveness, the results have shown that, on average, 93% of enterprises which have seen an increase in the performance of employees, have noticed an increase in effective, compared with only 7% of companies that have not increased performance, but have noticed an increase in their effectiveness. By analyzing the results we can conclude that we can accept the hypothesis above that there is a strong positive relationship between performance and effective of the enterprise.

During research conducted in order to test the hypothesis that a relationship exists between undertakings having special sector HRM and enterprise efficiency, the results show that companies that had a particular sector of the HRM, in five years have recently increased the average efficiency of 73.8%, while companies that had no sector specific HRM was observed to have increased an average of 26.2%.

**H4. There is a connection between having a particular sector HRM and effective**

**Table 6 – HR Sector and Effective in the Enterprise.**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Decrease</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A</td>
<td>25,9%</td>
<td>74,1%</td>
<td>31,6%</td>
<td>68,4%</td>
<td>,0 %</td>
</tr>
<tr>
<td>B</td>
<td>18,4%</td>
<td>18,7%</td>
<td>16,7%</td>
<td>12,4%</td>
<td>,0 %</td>
</tr>
<tr>
<td><strong>Constant</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A</td>
<td>68,1%</td>
<td>31,9%</td>
<td>78,1%</td>
<td>21,9%</td>
<td>75,8%</td>
</tr>
<tr>
<td>B</td>
<td>29,9%</td>
<td>39,5%</td>
<td>47,6%</td>
<td>38,9%</td>
<td>44,8%</td>
</tr>
<tr>
<td><strong>Increase</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A</td>
<td>77,5%</td>
<td>22,5%</td>
<td>72,4%</td>
<td>27,6%</td>
<td>71,8%</td>
</tr>
<tr>
<td>B</td>
<td>51,4%</td>
<td>42,1%</td>
<td>40 %</td>
<td>44,4%</td>
<td>48,6%</td>
</tr>
</tbody>
</table>

A. There is a special person and/or unit responsible for the human resources sector
B. The task performed by the owner/manager of the company

Meanwhile, the decline in the effectiveness had 15.5% of the enterprises that particular sector HRM compared to companies that do not have specific sector HRM, where 84.5% of the enterprises have reduced the effectiveness of them. From the above data we can conclude that there is a positive correlation between the possession of a special department of human resources and effectiveness in the enterprise, where we can conclude that the hypothesis is accepted.
9. Conclusions

1. By examining the data, we can conclude that there is strong correlation between the involvement of employees in the development of the strategy and effectiveness of the enterprise, which, from the outset presented a dilemma.

2. During the processing of the results it is concluded that there is a strong positive linear correlation of 0.183 and the effect of R² is 3.4% of the option of having a separate human resources sector, depends on the number of employees in the enterprise.

3. Regression analysis with the goal of predicting whether there is a difference in the number of employees in the enterprise (company size) with having a special sector of human resources in the enterprise, it can be concluded that there is a statistical significance, which means that by increasing the number of employees (company size) the number of enterprises with a particular sector of human resources increases. During this analysis and t-test where, the higher the variable unit-sector is, the higher will be the number of employees in the enterprise.

4. When analyzing the data on empirical research carried out in the enterprise, it is observed that there is a connection between an increased employee performance and effectiveness of the company. While, in terms of increased effective, the results have shown that on average 93% of the enterprises which have increased employee performance, also, have noticed and increase in effective compared to only 7% of companies that have not had performance increase observed increase in their effective.

5. According to the survey, we also conclude that there is a connection between those enterprises that have an HR sector and effectiveness of enterprise. From the above data we conclude that there is a positive correlation between having sector specific human resources and effectiveness in the enterprise.

References


