The Role of Recruitment and Training in SMEs’ Performance Growth in the Republic of Macedonia

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Abstract

Human resources in every enterprise whether small or medium play an important role in achieving their goals. The careful management of labor force creates good opportunities in ensuring its efficiency in the process of production of goods and services that guarantees the welfare of the society. The survival of every enterprise is dependent on the effective management of human resources. Human resources planning estimate the real demand of its workers while seeing the difference between SME’s current number of employees and future personnel need.

In the process of recruiting and selection SME’s need to make sure that right people are on the right place at the right time. The area where enterprises operate is very dynamic and complex. Training and development of employees is necessary. With the increase of employees the number of enterprises that have specific sector of human resources increases as well. The evaluation and performance management of employees has impact on the increase of the effectiveness of the enterprise.

The effective management of an enterprise needs to focus on reforms of educational system and professional development of its workers. Things like that need to make designs of programs and effective policies on the labor market creating of an efficient system of information in the labor market and overtaking steps of growing and development of an enterprise.

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, recruitment, selection, training, performance

1. Introduction

The term human resources management (HRM) that is in massive use that refers to philosophy, politics, procedures and practices linked to management of employees in an organization. In the process of HRM a lot of attention is paid to the needs of employees of SME’s. The intention
of the program of human resources management is to increase the success of the organization and to develop personnel potential in a good way. HRM also says that that kind of planning has to be linked closely and has to serve to the strategic objectives in the best way of the SME's and their plans. There is a number of activities of HRM that will finally influence in the success and thrift of labor in the sector of SME's.

The importance of recruiting, selection, training, development, personnel service in well known to managers of every institution nowadays. HRM and other functions have to work together to achieve success of SME's and to compete in the home market and abroad. The organizational success is described below in terms and criteria such as: legal consent, performance, employee satisfaction, fluctuation, promotion, number of complaints and number of accidents in the labor process. An SME has to achieve reasonable objectives in all of these components in order to be successful.

2. Planning and career development

In the discussion of the ability to develop careers of employees we have to address three issues:

Why do it? To know individual potential and aspirations of employees,

When to do it? Throughout the whole year and have an official discussion, at least once a year.
How to do it? Through discussion between the individual and the manager in order to reach agreement for the employees’ potential and objectives. For most people, the process of discussion is unofficial, while their development plan corresponds with general development plan. An informal process that reviews the potential and career objective of individuals, all the time if needed is filed by the review council of the development of the individual.

What needs to be done? The change of needs of those that want to build a career and those that want promotion, within the position they have. The discussion creates an opportunity to rise to the assignment or parallel shift to another post more appropriate for the employee (http://www.theskillsporal.com/human-resources/articles/425-managing-the-matrix-of-employee-performance.html).

The performance matrix is used to evaluate its management. It presents the development of the employee according to his/her performance and his/her colleagues. The matrix is not a simple "Evaluated category". Its role is to help individuals to concentrate on the fields that they do best and increase their consciousness on the fields that they need to get better.

There are two axis on the matrix: The vertical axis is named "management style" that can be high management style and low management style. The horizontal axis is named "business performance" that can be high performance and weak performance.
It creates a possibility to have an indirect discussion of every individual that the place of work requires, so, not just a superficial discussion about achieved results.

Figure 1-Performance matrix

This gets done through a visual way—the individual is placed in an appropriate position in the matrix referring to the name of the axis. For example, a manager that has the ability to create a good relationship with people but is not very successful in selling will be placed in the upper left square number (1). However, the objective of the performance management is to be relocated in the upper right square (2) that shows a style of high management and at the same time high performance business in sales.

Low performance management. Performance can be improved. The upper mentioned steps can be applied for employees that can achieve high performance or low. In any case, measures have to be taken to face those employees that do not meet their objective of work. For individuals of low performance Charles Handy suggests that we should “applaud their success and forgive their failure” (Armstrong, 2000, p. 93). He suggests that mistakes can be used as a chance to get learn- “results will come only if the mistake has been forgiven truly. The opposite will happen if the lecture is taken as a reprimand and not as an offer of help”.

If employees that struggle are set straight comments made by Howard Risher have to be taken into consideration: “Low performance at work is good to be taken as a problem for which the employer and the way the company is being run are responsible factors. In fact, we can’t say...
that this can’t happen if employers are not managed with effectiveness”. In other words, an old military proverb says: “there aren’t any bad soldiers, there are only bad officers” (Armstrong, 2009, p.90).

Low performance management is a positive process that relies on the given feedback throughout the year. Also, it looks into what can be done by workers to overcome the problems and how managers can provide assistance and support.

Five basic steps necessary low performance management at work are (Armstrong, 2009, p.91):

1. Define the problem. Analyze feedback. If possible, make an agreement with employees to determine where things went wrong. Feedback can also be taken from managers, but mainly it is created while working. This is achieved when employees are aware of their targets and standards, know what performance measurement will be used or receive feedback control information automatically or they can use it freely. In this way, they will be able to measure and evaluate their performance. If they are motivated and well trained, they take corrective action itself. So there is a feedback mechanism of self regulated media. This mechanism should be established by managers, more if you keep in mind that prevention is better than correction.

2. Specify the reason or reasons of things not going right. When we ask for reasons for any lameness, managers should not necessarily try to blame someone else. Manager together with the employees have to find the causes of this problem. Just based on this analysis, we can decide on measures to be taken by the individual, manager or both. First we need to define external causes, which are beyond the control of the manager and the employee. Any factor that is under the control of both parties should be taken into account. It is important to determine whether the problem is caused by the employee: Whether he didn’t get the support or appropriate instructions from his manager; he did not clearly understand what to do (lack of ability); could not make it (lack of proficiency); did not like to do it (attitude); decide and agree on the necessary actions.

3. Actions may be taken by the employee, manager or both. These include: the employee will take steps to improve his skills and change behavior; changing employee attitude. He does not do this simply because they have ordered, but he realizes that some changes in his behavior can be useful not only for the company but himself as well; managers give more support or guidance; manager and employee work together to clarify objectives; manager and employee work together to develop skills and competencies. This is a way of cooperating- employees are expected to take steps to develop themselves, and managers offer required assistance in the form of training, coaching and giving experience. For each step taken, both parties must agree on how they will know if they have been successful. One way would be to organize feedback, employees should be encouraged to monitor their performance and conduct further actions, all the time if necessary.

4. Provide resources for action. Provide training, coaching, guidance, experience or the proper tools to create conditions that the action is done.
Monitor and give feedback. As managers employees to monitor staff performance, provide given, taken and analyzed feedback and agree on further actions needed.

3. Human resources planning

In response to these questions, human resource planning is associated with the following activities (Armstrong, 2009, p.485):

- Planning human resource needs. Planning human resource needs is a very important process because it precedes other management activities. This process should be given special attention because as it is known; workers constitute the majority of the cost of an organization. Also, only after the proper planning staff is done, SMEs can plan their personal development or career. For more look: Michael Armstrong, Armstrong’s Handbook of Human Resource Management Practice, 11th Edition, Kogan Page, London, 2009, pp.485-495

In the process of human resources planning in general, SMEs should consider the following questions to answer:

- What is required of new employees and how much will be their number?
- For how long employees are required?
- How many of them are currently employed in SMEs?
- How many of the requirements that the SME has for human resources can be met within it?
- How many of the requirements that the SME has for human resources can be met outside of it?
- What changes have occurred in the labor market that may affect the demand for employees?

Quantitative and qualitative evaluation of personnel that can remain available to SMEs during the period that the planning is done. The analysis should start from the current state of SME staff. This raises some questions that need to be answered:

- What's the category of the staff?
- What is the number for each category?
- How is the distribution by sex and age in each category?
- What skills and qualifications does the staff have?
- How many staff members are eligible for promotions or parallel movements?
- How successful was the enterprise in recruiting staff with specific skills?

SMEs must have registered in the computer system all movements, transfers, and promotions flows that happen in them. This information is necessary to be generally renewed in a certain period of time and made available to the human resources manager and key managers of SMEs.

Evaluation of the difference between personnel demand and available staff personnel. This last stage of human resource planning estimates the real demand of its employees to see the difference between SME employees currently available and it needs, to decide how to proceed in the near and distant future. Once these needs are determined advertised vacancies on SME are published.
Once you define the needs for employees, the next step is to recruit employees. Recruitment and meet staff number. The recruitment process has become a more complex activity than in previous times when the human resources department staff could be based on recommendations made by current employees or to a notice placed at the door of SMEs. The recruitment process is aimed at attracting the most suitable people with the required qualities by providing a list of people who will go later in the selection process. Relevant manager and recruitment specialist are responsible for the implementation of the preliminary procedures and also selecting the most qualified candidates and more convenient, which will then undergo an interview and testing. Applicants for job vacancies can be drawn from domestic or foreign banks, therefore the methods that are used in recruiting vary.

As far as the selection process is concerned, SMEs should pay a special attention because through it the right people are selected, who will work in the right place, so that the work is carried out as well as possible. The selection process is done by a special panel, composed of a minimum of three people. This process is different depending on the source (internal or external) that the candidates that will be recruited and selected come from.

The shaping (training). The above functions are only the first stages of making sure that we have effective staff. Later staff should be trained and continually develop if SMEs will want to use effectively their potential. One of the definitions of formation that is found in literature is:

"Shaping is characterized as a teaching/change moment in terms of a transformation which makes the person aware of his resources, his capacity, for feasible improvements and the use of such resources in a project that exceeds the moment of professional application, and leads to a revision of the experiences of social life" (Castelli, 2009)

Policies to be followed by SMEs in general and especially Human Resources Department consists of providing and selecting qualified personnel with experience and personal skills at all levels of service, in order to support the business needs of all areas where they operate. But there are some areas, especially those directly affected by technological changes, which recently evolved with giant steps, that need training and development, and that’s what human resource managers must have in mind.

Employee training can be accomplished in three ways:

1. Direct training on the job.
2. Within SME training
3. Training outside SME.

Based on the needs and capabilities of SMEs, as well as being based on the effectiveness of any of these forms, the selection of the most appropriate method is available.

What we would like to point out to all current and potential entrepreneurs is that it should be clear that the success of the organization is achieved through effective management of human
resources. As discussed in previous issue, the environment in which SMEs operate has been dynamic changes in recent years. To adapt to these changes, each SME is trying to define and study the factors that will lead to sure success.

Among the factors that is being paid more attention are its employees. Increasingly, they are becoming aware that their success depends largely on the determination of the proper way to get the most out of employees. Their role is increasing permanently, especially in recent years this has impacted heavily on the practice of human resource management. We notice more and more that effective management of human resources in SMEs is the main source for a competitive advantage, and may even be the single most important source for a long-term successful performance.

Business enterprises have begun to realize that their success is closely linked to their ability to attract, train and keep talented employees on the job. This means that top management should anticipate the need for future employees and develop specific plans to recruit and select those types of employees who meet the requirements to achieve a high performance. Only through anticipating and working towards the development of proper type of employees, SMEs can expect to be successful in a dynamic global environment, competitive and ever-changing.

4. Management and performance evaluation

Through this we describe the nature, purposes, characteristics, problems and principles of performance management. Also, here we examine the differences between performance appraisal and its management, referring to the views of a selected group of practitioners.

Work performance management can be defined as a systematic process for improving the performance of a company, through a better organization of work with individuals and work groups. It is a way by which companies, labor groups and individuals achieve greater results at work, while understanding and managing them within a clear platform of purposes, standards and competencies.

The processes that it has requires a thorough understanding on what it takes for the company to be successful, also requires commitment and motivation of employees, so that they reach short-term and long-term objectives. Performance management is implemented and managed by line managers. The following will give some other definitions for performance management such as:

- Performance management means the making of individuals skilled employees and committed to achieving common objectives within a company, and at the same time the company supports and encourages these achievements (Lockett, 1992).
- Performance Management is the process of "management and giving support to workers who engage their best to meet the needs of the company" (Walters, London, 2009).
Performance management is a strategic and comprehensive intervention, which brings success to companies, improves outcomes of employees and develops abilities of working groups or individuals (Armstrong, 2006, p.1).

The main purpose of performance management is the cultivating of good behavior on the job, so that individuals and special working groups take responsibilities to improve business processes, and to develop the skills and contributions of everyone within the platform clearly defined by the steering group. The main purpose of this management is to perform the actions necessary to achieve the objectives.

Performance management is specifically about aligning everyone's goals with company goals, also, with the support of its core values by individuals. Through it we are able definition and calculation of the results of the company based on the responsibilities of individuals, the role that they play values and behavior.

The purpose of this management is to increase the contribution of work to achieve and exceed set targets, at the same time, it aims to ensure maximum efficiency of each individual, this being a factor that would serve the individual and the company itself. Furthermore, performance management enables support and direction that the employees need to develop and improve, to always be available to them.

Following are some of the goals of performance management in several companies as follows (IRS, 2003):

- Authorization, motivation and rewarding employees to do their best.
- Concentration of employees in appropriate activities and guidance necessary to implement them successfully. Approximation of every employee goals with company goals.
- Active administration and development of work performance against the responsibilities and objectives taken.
- The link of the performance with the results achieved by the company's medium-term strategies and customer service.
- Alignment of individual goals with plans of the working group, department and company. Presentation of objectives with clearly defined goals, using numerical methods or other methods. Monitoring performance and continuous determination of tasks.
- Everyone is aware of what has to be achieved and standards expected. At the same time knowing how these standards help in the company's achievements, taking regular and accurate feedback, everyone is trained and motivated to work as well, in order to achieve their goals.
- Systematic intervention of the leaders in performance planning, it brings together individual responsibilities with their goals and activities.
- Process and methods how managers guide their employees' performance, influence the company to achieve high results.
Increasing the performance of each employee and labor groups, increasingly focusing on their objectives.

5. Performance management through training, supervision and feedback

Managing performance through training, supervision and feedback should be done to help employees to contribute to their maximum potential in the enterprise. This activity should be carried at all times, through informal conversations or formal review meetings, always when they are needed. Performance management should be undertaken as part of everyday life, by analyzing the performance of each employee:

- Based on observations, training and feedback given by the manager and colleagues,
- The unwritten in the paper, where the emphasis is placed on continuous dialogue between the individual and manager for the performance.
- Documented by managers through inspection.

In the end, experts suggest that we should acknowledge performance and to provide an appropriate response.

6. 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.

7. 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 relationship between employee abstention and the effectiveness in the enterprise

Table 1– Employee abstention and effectiveness

<table>
<thead>
<tr>
<th>Effectiveness</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>41.3</td>
<td>57.1</td>
<td>50</td>
<td>50</td>
<td>60.7</td>
</tr>
<tr>
<td>No</td>
<td>25</td>
<td>2.1</td>
<td>2.8</td>
<td>7</td>
<td>11.6</td>
</tr>
<tr>
<td>Decrease</td>
<td>2.3</td>
<td>2.9</td>
<td>0.7</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>Constant</td>
<td>52.9</td>
<td>48.8</td>
<td>58.7</td>
<td>53.1</td>
<td>46.8</td>
</tr>
<tr>
<td>Increase</td>
<td>44.9</td>
<td>41.6</td>
<td>54.7</td>
<td>59.3</td>
<td>58.3</td>
</tr>
<tr>
<td></td>
<td>32.3</td>
<td>27</td>
<td>27.5</td>
<td>24.5</td>
<td>28.6</td>
</tr>
</tbody>
</table>

A part of the research attempts to see whether there is a connection between the abstention of employees at work and effectiveness in enterprises. Results showed that the enterprises which have had abstentions have 2.3% decrease in effectiveness compared with 0.8% of enterprises who have not had abstained in 2006, 2.9% in 2007 have had a decrease of effectiveness where there were abstentions and 0.7% of companies that had not abstained, results in 2008 showed that 2.8% of enterprises have had decrease of effectiveness where there were abstentions, compared with 2.1% of enterprises which had an increase of effectiveness and which did not have abstentions, in 2009 the reduction was the same and 7% enterprises that had abstentions and the ones which had not abstained, while in 2010 11.6% of enterprises that had abstentions had decrease of effectiveness in comparison with 7.5% of those who had no abstentions. Further analysis of the results in the table above presents that we cannot accept H1, which means that there is no relationship between abstention and effectiveness in the enterprise.

H2. There is a relationship between employees’ promotion and effectiveness in enterprise

Table 2 – Employee promotion and effectiveness

<table>
<thead>
<tr>
<th>Year 2010</th>
<th>Employee Promotion</th>
<th>1-2 years</th>
<th>2-4 years</th>
<th>4-6 years</th>
<th>6-8 years</th>
<th>More than 8 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effectiveness</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increase</td>
<td></td>
<td>4.2 %</td>
<td>25.0 %</td>
<td>12.5 %</td>
<td>8.3 %</td>
<td>45.8 %</td>
</tr>
<tr>
<td></td>
<td></td>
<td>.8 %</td>
<td>5.0 %</td>
<td>2.5 %</td>
<td>1.7 %</td>
<td>9.2 %</td>
</tr>
<tr>
<td>Constant</td>
<td></td>
<td>46.2 %</td>
<td>20.5 %</td>
<td>25.6 %</td>
<td>.0 %</td>
<td>7.7 %</td>
</tr>
<tr>
<td></td>
<td></td>
<td>15.1 %</td>
<td>6.7 %</td>
<td>8.4 %</td>
<td>.0 %</td>
<td>2.5 %</td>
</tr>
<tr>
<td>Decrease</td>
<td></td>
<td>42.9 %</td>
<td>30.4 %</td>
<td>19.6 %</td>
<td>3.6 %</td>
<td>3.6 %</td>
</tr>
</tbody>
</table>
Table 3 – The difference between SME's and big enterprises in HR sector

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.183&lt;sup&gt;a&lt;/sup&gt;</td>
<td>.034</td>
<td>.027</td>
<td>.622</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), number of employees

The table shows that the second column has a strong linear correlation of 0.183 positive. Meanwhile, the next column shows the result of the effect of R2: 3% of having a specific sector of human resources depends on the number of employees in the company (here the effect is very strong).

Table 4 – The difference between SME's and big enterprises in HR sector

ANOVA<sup>b</sup>

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>1</td>
<td>1.980</td>
<td>5.115</td>
<td>.025&lt;sup&gt;a&lt;/sup&gt;</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>147</td>
<td>.387</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>148</td>
<td>58.872</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Number of employers
b. Dependent Variable: Who plays the role of human resources manager in your company?

To see the effect of regression will use ANOVA where F will be significant when its value will be 0:05, but not when is 0:01. From the analysis of the regression where will put focus on 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 statistically significance because, $F (1,147) = 5 .. 115, p = .025$). In the table below we will see that the coefficients associated with regression, which means that by increasing the number of employees (firm size), the number of enterprises that have particular sector of human resources rises as well.
Table 5 – The difference between SME's and big enterprises in HR sector

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td></td>
<td></td>
<td></td>
<td></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?

H3. Is there a relationship between having a specific sector of HRM and effectiveness?

Table 6– Employee's performance and effectiveness in an enterprise

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase</td>
<td>25,9 %</td>
<td>31,6 %</td>
<td>68,4 %</td>
<td>100,0 %</td>
<td>80,0 %</td>
</tr>
<tr>
<td></td>
<td>18,4 %</td>
<td>16,7 %</td>
<td>12,4 %</td>
<td>6,7 %</td>
<td>3,9 %</td>
</tr>
<tr>
<td>Constant</td>
<td>68,1 %</td>
<td>31,9 %</td>
<td>21,9 %</td>
<td>24,2 %</td>
<td>20,9 %</td>
</tr>
<tr>
<td></td>
<td>29,9 %</td>
<td>47,6 %</td>
<td>38,9 %</td>
<td>44,8 %</td>
<td>33,3 %</td>
</tr>
<tr>
<td>Decrease</td>
<td>77,5 %</td>
<td>32,2 %</td>
<td>27,6 %</td>
<td>28,2 %</td>
<td>26,4 %</td>
</tr>
<tr>
<td></td>
<td>51,4 %</td>
<td>40 %</td>
<td>44,4 %</td>
<td>48,6 %</td>
<td>62,7 %</td>
</tr>
</tbody>
</table>

A. There is a specific person and/or unit-sector responsible of human resources
B. This role is done by owner/manager of the enterprise

Meanwhile, there was a decline in the effectiveness of 15.5% of the enterprises that have particular sector HRM compared to companies that do not have specific sector HRM, where 84.5% of the enterprises have had decrease of their effectiveness. 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 H1 accepted.
9. Conclusions

1. During researches conducted in enterprises we can see that abstention of employees from work has not had any noted impact in the effectiveness of the enterprise. However, during interviews with managers directly, they emphasize that abstention of employees are taken into account in the achievement of the objectives of the enterprise.

2. From the analysis of the above data we can conclude that there is a positive correlation between employment promotion and enterprise efficiency. This means that if the promotion of employees is performed more often then we will have steady increase of the effectiveness of the enterprise.

3. During the processing of the results it is concluded that there is a strong positive linear correlation of 0.183 and where the effect of R2 is 3% of the option of having a separate human resources sector, depends on the number of employees in the enterprise. Which means that by increasing the number of employees (company size) increases the number of enterprises that have sector specific human resource?

4. According to the survey, we also conclude that there is a relationship between enterprises that have particular sector of HRM and effectiveness of an enterprise. Results have shown that companies that have a special sector HRM have increased effectiveness, while the companies that had no specific sector of HRM is observed a slight increase of effectiveness.

5. When analyzing the data on empirical research carried out in the enterprise, we conclude that there is a connection between the increase of employee’s performance and effectiveness of the company. According to the results of the research companies that have improved skills of their employees had a much greater increase in their effectiveness, as opposed to companies that had not improved skills of their employees.

References

6. IRS (2003), Employment Trends, IRS.