

Comparison of HRM Practices between Small Enterprises and Medium Enterprises

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ABSTRACT

Human Resource management is the proficient utilization of employees in accomplishing two key objectives within an organization. The intention is to commendably make use of the capacities and capabilities of employees to attain the operational objectives that are the eventual aspire of the organization. The scope of the study was restricted to the states of Punjab and Haryana . The study was based on primary data. The data was collected from 762 respondents employed in different small and medium scale enterprises through the convenient sampling method. It is found that the highly existing variable in HRM team support at SEs are HR team is supportive in my career development (2.927) and HR team takes care of department chores' (2.831). The highly existing variables in HRM team support at MEs are HR team is supportive in my career development (3.213) and HR team takes care of department chores (3.100).

1. Introduction

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.

As firms grow, there is a need to administer the HR function. HRM department is considered responsible for executing all HR function in best interest of the firm. Human resource functions can be defined as the way all tasks and responsibilities regarding HRM are organized within organizations. HR-functions include all roles, tasks and responsibilities from the staffing process, to the training and development via the performance planning and appraisal to remuneration and other rewards to finally the termination of employment.

The HR mantra of any industry are: 1) an employee should feel happy to come to work; ii) an employee should be happy and productive while at work; iii) at the end of the day, the employee should return home in a relaxed frame of mind and spread happiness; and iv) to improve is to change, to become more effective, change has to happen often. The human resource strategies of the SMEs are based on the concept that the employees should feel cared for. They believe that employees' empowerment is the key word in industry. It is imperative to analyse what the employees feel about the HRM practices in order to formulate employee friendly HRM practices at SMEs.

2. Objectives of the Study

- 1) To study the demographic profile of respondents employed in SMEs.

- 2) To make comparison of HRM Team Support between Small Enterprises and Medium scale Enterprises.

3. Research Methodology

The scope of the study was restricted to the states of Punjab and Haryana . The study was based on primary data. The data was collected from 762 respondents employed in different small and medium scale enterprises through the convenient sampling method. For obtaining the responses, a five point Likert scale has been used. In the present study, descriptive statistics was applied with the help of SPSS.

4. Analysis of the Study

One of the important profiles of the respondents is their level of education. It may be associated with their view on various aspects of HRM in SMEs. Hence it is included in the present study. The level of education among the respondents in the present study is given in table 1.

Table 1: Level of education among the respondents

Sl. No.	Level of Education	Number of respondents in		Total
		SE	ME	
1.	Up to under graduation	103	129	232
2.	Post graduation	71	79	150
3.	Professional Education	83	139	222
4.	Diploma Holders	67	8	75
5.	Others	72	11	83
Total		396	366	762

The above table shows that among the respondents from SEs 26.01 per cent holds education qualification up to under graduation 17.93 per cent passed post graduation 20.96 per cent are having professional education, 16.92 per cent are diploma holders. In case of MEs, among the respondents 35.25 per cent holds education qualification up to under

graduation 21.58 per cent passed post graduation, 37.98 per cent are having professional education and 2.19 per cent holds diploma. That means majority of the respondents in SEs have education up to under graduation. In case of MEs majority belongs to professional education.

5. Personal income of the Respondents

It represents the income of the respondents during a period of one month. Since the personal income of the respondents may be associated with their view on the existence of HRM systems at SMEs and also the rate of implementation of HRM practices at there, it is included as one of the profile variables. The details are given below.

Table 2: Personal income of the Respondents

Sl. No.	Personal income	Number of respondents in		Total
		SE	ME	
1.	Up to 10,000	162	92	254
2.	10,000 – 20,000	131	174	305
3.	20,000 – 30,000	63	70	133
4.	More than 30,000	40	30	70
Total		396	366	762

The above table shows that among the respondents from SEs 40.91 per cent of the respondents have income up to 10,000, 33.08 per cent have an income between 10,001-20,000, 15.91 per cent have income between 20,001-30,000 and 10.10 per cent have income between Above 30,000. In case of MEs, the above table shows that 25.13 per cent of the respondents have an income of up to 10,000. 47.04 per cent have income between 10,001-20,000 19.13 per cent have an income between 20,001-30,000 and 8.2 per cent have an income of above Rs.30,000. That means majority of the respondents from SEs belongs to the income group of up to 10,000. In case of MEs majority of the respondents belongs to the income group of 10,001-20,000.

6. Age of the respondents

Age is one vital profile of the employees which shows their level of maturity and understanding capacity on their job. Four age categories were considered for the study. The distribution of respondents based on their age in given in table.3

Table 3: Age of the respondents

Sl. No.	Age	Number of respondents in		Total
		SE	ME	
1.	Up to 30 years	91	55	146
2.	31-40	162	198	360
3.	41-50	95	105	200
4.	Above 50	48	8	56
Total		396	366	762

The above table shows that in SEs 22.98 per cent of the respondents belongs to the age category of 21-30. 40.90 per cent are in the 31-40 categories. 23.99 per cent are in 41-50 categories and 12.12 per cent is in the 51-60 categories. In case of MEs 15.02 per cent of the respondents belongs to the

age category of 21-30, 54.09 per cent are in the 31-40 categories, 28.69 per cent are in 41-50 category and 2.18 per cent is in the 51-60 categories. That means majority of the respondents are in the age group of 31-40.

7. Marital Status of the respondents

Marital status mentions whether the respondents are married or not. The state of being married or unmarried affects the performance of employee diversely. The marital status of the respondents is given in table.4

Table4: Marital Status of the respondents

Sl. No.	Marital Status	Number of respondents in		Total
		SEs	MEs	
1.	Unmarried	135	99	234
2.	Married	261	267	528
Total		396	366	762

The above table shows that in SEs 34.09 per cent of the respondents are unmarried and 65.9 per cent are married. In case of MEs 27.05 per cent of the respondents are unmarried and 92.95 per cent are married. It indicates that majority belongs to the married category in both.

Table 5: Comparison of HRM Team Support between SE and ME

Sl. No.	Variables in HRM Team Support	Mean score in		t-value
		SEs	MEs	
1.	HR team support in work activities	2.346	2.617	-2.796*
2.	HR team takes care of department chores	2.831	3.100	-2.522*
3.	HR team is providing psychological support	2.558	2.950	-3.791*
4.	HR team is having a sense of empathy	2.612	2.888	-2.995*
5.	HR team is supportive in my career development	2.927	3.213	-3.053*
6.	HR team interacts with me	2.762	3.017	-2.648*

* Signification at 5 per cent level.

The highly existing variable in HRM team support at SEs are 'HR team is supportive in my career development' (2.927) and 'HR team takes care of department chores' (2.831). The highly existing variable in HRM team support at MEs are 'HR team is supportive in my career development' (3.213) and 'HR team takes care of department chores' (3.100). The significant difference among the SEs and MEs has been noticed in case of all 6 variables in HRM Team support since their respective t-values are significant at 5 per cent level.

8. Management Support at SMEs

Management support is essential to ensure the successful completion of the ideas. Organizational goals can clarify the management expectations and it helps to design the programs. Periodical reviews and revision of goals are unavoidable in continuous management support. The level of existence of management support at SMEs are measured with the help of five variables. The respondents are asked to rate these

variables at five point scale. The mean score of variables in management support at SEs and MEs have been computed separately along with its 't' statistics. The results are shown in table.

TABLE 6: Comparison of Management Support between SE and ME

Sl. No.	Variables in Management Support	Mean score in		t-value
		SEs	MEs	
1.	My HR department ensures proper support from top management	2.208	2.567	-3.359*
2.	My HR team ensure that management helps me at the crisis	2.646	2.892	-3.188*
3.	My HR authorities have a role in the emotional support given by top management	2.396	2.800	-4.101*
4.	The current HR system provide chances to have interaction with my management whenever it is required	2.838	3.058	-2.211*
5.	I always have positive energy source from management side supported HR department	2.500	2.896	-4.079*

* Signification at 5 per cent level.

The highly existing variable in management support at SEs are 'the current HR system provide chances to have interaction with my management whenever it is required' (2.838) and 'my HR team ensure that management helps me at the crisis' (2.646). The highly existing variable in management support at MEs are 'the current HR system provide chances to have interaction with my management whenever it is required' (3.058) and 'I always have positive energy source from management side supported by HR department' (2.896). The significant difference among the SEs and MEs has been noticed in the case of all 5 statements since their respective t-values are significant at 5 per cent level.

9. Conclusion

The management of people in an organization is an important factor of the HRM. The attainments of organizational and personal goals are probable through the assistance and collaboration of people and organizations. The need for organized HR practices is well realized by most SMEs today and they are even ready to implement HRM into their organizations. It is found that the highly existing variable in HRM team support at SEs are HR team is supportive in my career development (2.927) and HR team takes care of department chores' (2.831). The highly existing variable in HRM team support at MEs are HR team is supportive in my career development (3.213) and HR team takes care of department chores (3.100).

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