

ATTITUDES OF SMEs TOWARDS HRM IN THE MOST IMPORTANT BUSINESS SECTORS IN THE V4 COUNTRIES

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Abstract

The main objective of the research study was to formulate the attitudes of SMEs that appropriately characterize the field of HRM. In a second step, these attitudes were compared in the three most important business sectors in the V4 countries. Data collection was carried out by the external agency MNFORCE using the "Computer Assisted Web Interviewing" in June 2022. The sample of 995 respondents consisted of SMEs belonging to the three most important sectors according to the number of respondents in each V4 country. The statistical hypotheses were tested using descriptive statistics and Z-scores at a significance level of $\alpha = 5\%$. According to our findings, SMEs in the V4 countries consider people in the firm as the most important asset, and statistically significant differences were found within the sample set. SMEs confirmed that they consider HRM as the most important area of corporate management. The empirical research showed the existence of statistically significant differences between the assessed sectors. In view of the previous results, the approach to staff performance appraisal and motivation can be considered appropriate. No statistically significant differences within the sample were found. The manufacturing sector demonstrated the best approach to each HRM claim in the V4 countries, followed by the trade and service sectors.

Keywords: SMEs, human capital, HRM, business sectors

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1. INTRODUCTION

Small and medium-sized enterprises (SMEs) are an important part of the economy in all countries of the world (León-Gómez et al., 2022). Many authors therefore emphasize the role of SMEs in the efficient functioning of economic systems (e.g. Antoniuk et al., 2018; Petru et al., 2018). Due to several constraints SMEs (lack of capital, small number of employees, regional market constraints, etc.) are pushed to carry out business activities on a smaller scale. (Małkowska & Uhruska, 2022; Domańska & Zajkowski, 2022; Virglerova et al., 2021). A typical area is human resource management (HRM). SMEs are characterized by a spontaneous approach to human capital management and the absence of HR specialists (Guerrero et al., 2022). SMEs usually have a simple organizational structure with very few management levels, which allows a shorter and faster flow of information (Oláh et al., 2021).

Human capital is the combination of knowledge, skills and other abilities associated with an individual that are utilized in SMEs for the purpose of efficient growth and sustainability of the firm (El Shoubaki et al., 2020; Stratone, 2023; Bratianu et al., 2022; Rustiarini et al., 2023) Cera et al. (2022) summarized that human capital acquisition and the implementation of adequate HR policies and practices that support employee engagement and retention early on are significantly more beneficial to company performance and productivity in the longer run.

Dar & Mishra (2021) argue that education, knowledge, experience and skills are the main dimensions of human capital in SMEs. The authors, who also draw on the results of studies by other authors,

emphasize that SMEs' entrepreneurial activities are critically influenced by human capital because skilled and motivated employees lead firms to success. Guerrero et al. (2022) revealed HR professionals' human and social capital is more closely related to firm performance through the adoption of high-performance work practices in small SMEs than in large ones.

This paper focuses on HRM research in the three most important SME business sectors in the V4 countries.

The main objective of the research study was to formulate the attitudes of SMEs that appropriately characterize the field of HRM. In a second step, these attitudes were compared in the three most important business sectors in the V4 countries.

This study assessed the importance of human capital and the implementation of appropriate human resource management approaches and practices.

The structure of the paper is as follows. In the first section, the scientific views on the issue under study are presented and the research hypotheses are formulated. The second chapter formulates the main objective of the research study, a description of the methodology used and the data that was used. The third chapter presents the results of the research and a brief discussion. The main results of the research study are formulated in the conclusion of the paper.

2. THEORETICAL BACKGROUND

There are many perspectives on the nature and meaning of human capital in theory. Education, knowledge, experience, skills and the willingness of individuals to use these attributes to create firm value are the main dimensions of human capital in SMEs (Dar

& Mishra, 2021; Androniceanu et al., 2021).

Al Qershi et al. (2020) defined human capital as the ownership of knowledge, applied experience, organizational technology and professional skills that provide a firm with the desired competitive advantage over its competitors in the market. Other authors add other individual characteristics such as creativity, innovation, talent. Ferreira & Franco (2020), in the context of the work of other authors, emphasize the division of human capital into individual and team capital. Individual capital includes individuals' theoretical and practical knowledge, talent and innovation skills. It is a real source of value growth for the firm. Team capital results in the ability to perform tasks efficiently and effectively, creating satisfaction among team members.

Current trends in the economy are forcing SMEs to increase productivity, expand into new markets, introduce new technologies, develop new products and innovate processes, which means that SMEs must look for opportunities to gain a competitive advantage in the market (Korsakienė et al., 2017; Dvorsky et al., 2018; Machova et al., 2023). In this context, it is important that SMEs use appropriate strategic management tools (Gallo et al., 2023).

Human capital is the key to growing the financial performance of SMEs through innovation and new product development, which translates into revenue growth for the firm. This trend has been confirmed by Al Qershi et al. (2020) in their research, who stated that human capital has a significant impact on the competitive advantage of SMEs and is a mediating link between strategic innovation and competitive advantage. Kamukama & Sulaita (2017) in their study reported that human capital directly influences a firm's competitive

advantage through its impact on the market. According to Al Qershi et al. (2022), human capital is the heart of knowledge, applied experience, technology and customer relationships in a firm and moderates the relationship between Customer Relationship Management and SMEs performance.

The study by Iqbal et al. (2023) highlights two important findings. First, their findings provide clear evidence of a significant relationship between human capital and entrepreneurial orientation and market orientation. Human capital along with Entrepreneurial Orientation and Market Orientation are significant predictors of SME performance. Similar findings are presented by Irwin et al. (2018) in their study, where the importance of using the principles of outsourcing in the field of human resources is also emphasized. In this context, it is possible to initiate efforts to implement the principles of outsourcing, or facility management with all the potential positive effects that can be initiated (Potkany et al., 2021; Sahban, 2019).

Findings by Al Qershi et al. (2021) suggest that "an increase in human capital, i.e., a firm's internal human knowledge, increased strategic innovation; when the differences in investment in strategic innovation and human capital remained constant, knowledge-, labor-, and capital-intensive firms were found to be at the same level of innovation. Finally, a significant relationship was found between strategic innovation and SME performance, with human capital moderating this relationship." Similarly, Dabic et al. (2019) report that higher SMEs firm performance is positively related to higher levels of intellectual capital. Gomezel & Smolčić (2016) emphasize the important role of human capital in the innovation commodity of SMEs.

Based on qualitative research, a scientific hypothesis was defined:

H1: Human capital is the most important form of corporate capital. The attitudes of SMEs within the sample are similar.

Strategic management determines the long-term direction of the firm, specifying long-term goals and policies and allocating resources to implement strategic plans (Abosede et al., 2016). Svatosova (2018) highlights that strategy represents an important factor that contributes to business success from SMEs.

In this context, Tacoglu et al. (2019) emphasise the need to develop adaptive business strategies in order to survive in the market. The authors argue that SMEs understand the need to use effective HRM tools because it helps them to improve their competitiveness in a challenging economic environment. The appropriate combination of innovative activities and strategic management enables to drive SMEs towards high performance (Rigtering et al., 2017). Grimsdottir and Edvardsson (2018) emphasize the importance of SMEs' communication with customers in the strategic planning phase. Within the framework of strategy and its diversification into sub-plans and objectives, increased focus should be given to the issue of controlling reports (Potkany et al., 2022).

Yanes-Estévez et al. (2018) state that SMEs fail to respond strategically to difficult times because they do not use any comprehensive framework to develop strategic planning and do not implement their strategies in a standard way. The findings of our previous study indicate that SMEs feel the importance of strategic management in the firm with considerable intensity, although the use of this tool in the daily business activities is insufficient

(Belas, 2020).

Considering the many technical and managerial difficulties that SMEs face, which stem from their basic characteristics, the successful implementation of sustainable strategies in these enterprises should include intelligent approaches to the HRM sphere in the strategic dimension.

The management of SMEs should pay close attention to strategic and operational HRM. Several researches claim that SME owners/managers neglect mainly the strategic management area and spend most of their time on operational management of the companies.

Strategic HRM has an important position in the corporate management system (Atkinson et al., 2022; Lee, 2021) because a system of long-term HRM practices will be directed towards an organizational climate of care and concern for employees, which will cause employees to show an increased level of interest in the company they work for (Saks, 2022) or bring about improvements in employee performance (Alsafadi & Altahat, 2021), which is an essential precondition for the growth and sustainability of the firm. Strategic innovation has a significant impact on the competitive advantage of SMEs and a positive and significant impact on human capital (Al Qershi et al., 2020). In this context, Kramar (2022) emphasizes that the goal of sustainable HRM is to achieve positive results not only in the economic sphere, but also to take care of the social sphere and the environment at the same time. Similar findings are obtained by Bhattarai et al. (2023) with stress on managers training within HRM practices aiming at the achievement of the organizational goals. The ethics of social consequences as a version of non-utilitarian consequentialism emphasizes the role and importance of the short-term and

long-term prevalence of positive social consequences resulting from our actions, including HRM actions (Gluchman, 2005).

Atkinson et al. (2022) point out the specific features of SMEs, namely that they operate in different ways, in particular there is a merging of ownership and management (unlike in large firms), and there is usually an absence of HRM specialists. Nevertheless, there is growing evidence that strategic HRM can be effective even in small firms in the context of digital transformation of the business environment (Androniceanu, 2023).

Lee (2021) adds that strategic HRM largely focuses on tactical rather than strategic issues. The author proposes changes to the organisational approach in SMEs and suggests that HRM executives should be turned into strategic generals. Strategic management should provide the firm's long-term response to changes in the firm's competitive and market environment.

H2: SMEs consider HRM as an important area of corporate management. The attitudes of SMEs within the sample are similar.

Regular employee performance appraisal and employee motivation are important factors that determine the success of SMEs. The results of Santhosh (2021) show that human capital improves revenue growth and therefore it is important to seek market opportunities and skilled human resources (Al Qershi et al., 2022). Skilled and motivated employees lead firms to success (Dar & Mishra, 2021; Samoliuk et al., 2021). A system of caring HRM practices significantly influences the organizational climate of care and concern for employees, to which employees respond with increased care for the organization, which they will realize through higher engagement (Saks, 2022; Lulewicz-Sas et al., 2022). In this context, Alsafadi & Altahat (2021) that the

proper application of HRM practices has a positive impact on employee performance as well as job satisfaction, which prevents unwanted employee attrition. These facts are also realized by many SME managers.

Salimi & della Torre (2020) investigated the effect of individual and collective forms of employee compensation and their impact on SMEs innovation. The authors found that employees with higher levels of human capital prefer individual incentives because they feel that they have the necessary skills, knowledge and abilities required to successfully complete their tasks, and incentives based on individual performance allow them to earn higher pay, which in turn increases their job satisfaction. On the other hand, employees with lower human capital prefer collective monetary incentive systems to individual ones, because their lower competences and knowledge reduce their confidence in individual performance and they feel more motivated when their salary is also affected by the performance of their higher-performing colleagues.

H3: The level of regular performance appraisal and motivation of staff to innovate working practices is at an appropriate level. The attitudes of SMEs within the sample are similar.

The most important investments in human capital are education and training of employees. Enterprises that invest in human capital are on average more profitable than enterprises that do not have good quality human capital (Al Qershi et al., 2020). Human capital is a major source of performance therefore, firms need to provide employees with incentives, training, and skill development that support firm growth (Al Qershi et al., 2021).

To develop human capital with strategic importance, SMEs should facilitate

individual learning opportunities for individuals, organize training activities, education and skills development to promote knowledge, experience and know-how sharing among employees (Ferreira & Franco, 2020). In fostering a culture of innovation, SMEs need to conduct employee development training (Muafi et al., 2020). In this context, Khan et al. (2022) point out that SMEs should make investments in human capital with caution as they have limited financial resources.

According to a study by Deschênes (2023), not all SMEs implement a learning culture in the same way. According to the author, a higher learning culture is associated with a particular set of characteristics such as firm size (having more than 100 employees), sector (being part of the manufacturing and public service sectors) and union organisation. These SMEs are better equipped to manage talent and knowledge. Onkelinx et al. (2016) indicated that firm-level investments in employee human capital are critical for the labor productivity and internationalization. Agostini et al. (2017) determined those SMEs disclosing a higher strength of intellectual capital, in terms of human capital, innovation capital and relational capital, exhibit a significantly higher radical and incremental innovation performance. Do & Van Vu (2020) studied the relationship between formalization and investment in human capital. They revealed that formalization has a positive effect on workers' welfare, including an improvement in value added and a reduction in the amount firms spend on bribes.

H4: The level of investment in upskilling of employees of SMEs is at an adequate level. The attitudes of SMEs within the sample are similar.

3. METHODOLOGY AND DATA

The SMEs attitudes survey was conducted in June 2022 in the V4 countries. This research was carried out by the external agency MNFORCE in the form of a "Computer Assisted Web Interviewing". The respondent was either a business owner or a top manager.

In the Czech Republic, 347 respondents completed the questionnaire. Most SMEs were engaged in the service sector (39.8%), followed by manufacturing (20.7%), then trade (17.3%).

322 questionnaires were completed in the Slovak Republic. Most of the respondents were in the service sector (40.1%), trade (24.5%) and manufacturing (13.0%).

In Poland, the total number of respondents was 381. The largest number of respondents were engaged in tourism (28.9%), manufacturing (20.5%) and trade (14.7%).

In Hungary, 348 questionnaires were completed. Most respondents were in the tourism industry (31.6%), followed by trade (19.8%) and services (14.9%).

The research population that was the focus of this research study consisted of a whole sample of 995 respondents.

These respondents' attitudes were examined:

ST1: I consider people in the company as the most important capital.

ST2: I consider human resource management to be the most important area of corporate management.

ST3: I regularly evaluate the performance of my employees and motivate them to innovate their working practices.

ST4: I am investing a lot of money in upskilling our staff.

Respondents expressed their attitude to

the following statements using a 5-point Likert scale with the following wording: 1 - strongly agree, 2 - agree, 3 - neither agree nor disagree (N/A), 4 - disagree, 5 - strongly disagree.

The scientific hypotheses stated in the previous chapter will be tested through descriptive statistics and Z-scores at a defined significance level of $\alpha = 5\%$. If the criterion value is greater than or equal to 0.05, the null hypothesis is confirmed. Otherwise, the null hypothesis will be rejected. Software freely available on the internet (Z Score Calculator, 2023) will be used to calculate the p-value. If the frequency of p-values less than 0.05 is greater than 30%, the null hypothesis is rejected.

4. RESULTS

The following tables present the results of the research including the verification of

each scientific hypothesis.

In Czechia, the following results were reported in the area of ST1 (I consider people in the company as the most important capital) acceptance: 77% approval attitudes in trade, 88% in services and 93% in manufacturing. In Slovakia, different results were obtained in the area of ST1 acceptance: 88% in trade, 91% in services and 92% in manufacturing. Results in Poland: 92% in tourism, 93% in trade, and 100% in manufacturing. Hungary: 88% in tourism, 93% in trade, and 98% in services.

The average level of agreement of SMEs in ST1 ranged from 86% (the lowest value was measured in the Czech Republic) to 95% (this highest value was measured in Poland). In Slovakia and Hungary, the average value was 90% and 93% respectively.

HI was been partially confirmed. The research showed that SMEs consider human capital as the most important form of business capital. The results showed that SMEs' perceptions of ST1 are not identical

Table 1. Results of the ST1 survey according to the most important sectors in the V4 countries

ST1: I consider people in the company as the most important capital.	CR	SR	PL	HU
	S/M/Tr 138/72/60	S/Tr/M 129/42/79	T/M/Tr 110/78/56	T/Tr/S 110/69/52
1. I completely agree	71/36/25	66/27/45	64/59/36	70/47/32
2. I agree	50/31/21	51/10/28	37/19/16	27/17/19
Total 1+2	121/67/46	117/37/73	101/78/52	97/64/51
Percentage of positive responses	88/93/77	91/88/92	92/100/93	88/93/98
Mean	86	90	95	93

Note: Czech Republic - CR; Slovak Republic - SR; Poland - PL; Hungary - HU; services - S; trade - Tr; manufacturing - M; tourism - T
Source: own research

Table 2. Statistical calculations of ST1 by major sectors in the V4 countries

Z score: p-value:			
CR: S/M; S/Tr; M/Tr	0.2263	0.0500	0.0076
SR: S/M; S/Tr; M/Tr	0.6241	0.6672	0.4295
PL: T/M; T/Tr; M/Tr	0.0096	0.8103	0.0164
HU: T/Tr; T/S; Tr/S	0.3222	0.0366	0.1802

Source: own research

across the selected sectors. The frequency of p-value less than 0.05 (Table 2) is more than 30%.

We found this trend in the Czech Republic when comparing manufacturing and trade (93%:77%), in Poland when comparing tourism and manufacturing (92%:100%), and when comparing manufacturing and trade. In Hungary, this trend was found when comparing tourism and services (88%:98%). In the Czech Republic, the p-value was at the 0.05 criterion level when comparing services and trade (88%:77%), which is also a clear indication of a trend of significant differences in attitudes in these sectors.

The results of the ST2 research are as follows. Czech Republic: 75% approval for services and trade, 87% for manufacturing. Slovakia: 88% services, 90% manufacturing and 91% trade. Poland: 80% trade, 85% tourism, 95% manufacturing. Hungary: 82% tourism, 88% trade and 94% services.

The average level of agreement of SMEs in ST2 ranged from 79% (the lowest value

was measured in the Czech Republic) to 90% (this highest value was measured in Slovakia).

H2 was partially confirmed. The research showed that SMEs consider HRM as an important area of corporate management (the first part of the scientific hypothesis) and at the same time the results showed that SMEs' perceptions of ST2 are not identical across the selected sectors (the second part of the hypothesis). The frequency of p-values less than 0.05 (Table 4) is greater than 30%.

A comparison of services and manufacturing (75%:87%) showed non-identical attitudes of SMEs in the Czech Republic. The comparison of manufacturing and trade also significantly approximates the criterion value (p-value = 0.0643). In Poland, a similar trend was observed when comparing tourism and manufacturing, and manufacturing and trade. In Hungary, this trend was found when comparing tourism and services. In Slovakia, firms' attitudes were very similar.

Table 3. Results of the ST2 survey according to the most important sectors in the V4 countries

ST2: I consider human resource management to be the most important area of corporate management.	CR S/M/Tr 138/72/60	SR S/Tr/M 129/42/79	PL T/M/Tr 110/78/56	HU T/Tr/S 110/69/52
1. I completely agree	40/24/13	42/18/29	36/44/26	45/21/22
2. I agree	64/39/32	71/20/43	58/30/19	45/40/27
Total 1+2	104/63/45	113/38/72	94/74/45	90/61/49
Percentage of positive responses	75/87/75	88/90/91	85/95/80	82/88/94
Mean	79	90	87	88

Source: own research

Table 4. Statistical calculations of ST2 by major sectors in the V4 countries

Z score: p-value:			
CR: S/M; S/Tr; M/Tr	0.0385	0.9601	0.0643
SR: S/M; S/Tr; M/Tr	0.6171	0.4295	0.9045
PL: T/M; T/Tr; M/Tr	0.0394	0.4009	0.0085
HU: T/Tr; T/S; Tr/S	0.2380	0.0349	0.2713

Source: own research

Table 5. Results of the ST3 survey according to the most important sectors in the V4 countries

ST3: I regularly evaluate the performance of my employees and motivate them to innovate their working practices.	CR S/M/Tr 138/72/60	SR S/Tr/M 129/42/79	PL T/M/Tr 110/78/56	HU T/Tr/S 110/69/52
1. I completely agree	43/30/19	41/16/33	32/41/23	54/37/30
2. I agree	54/33/27	56/21/32	53/25/23	40/24/18
Total 1+2	97/63/46	97/37/65	85/66/46	94/61/48
Percentage of positive responses	70/87/77	72/88/82	77/85/82	85/88/92
Mean	78	81	81	88

Source: own research

Table 6. Statistical calculations of ST3 by major sectors in the V4 countries

Z score: p-value:			
CR: S/M; S/Tr; M/Tr	0.0054	0.3576	0.1031
SR: S/M; S/Tr; M/Tr	0.0784	0.2340	0.4009
PL: T/M; T/Tr; M/Tr	0.2113	0.4654	0.7039
HU: T/Tr; T/S; Tr/S	0.5755	0.2150	0.4777

Source: own research

Table 7. Results of the ST4 survey according to the most important sectors in the V4 countries

ST4: I am investing a lot of money in upskilling our staff.	CR S/M/Tr 138/72/60	SR S/M/Tr 129/42/79	PL T/M/Tr 110/78/56	HU T/Tr/S 110/69/52
1. I completely agree	21/21/9	28/10/20	37/36/31	36/30/22
2. I agree	52/34/24	51/15/34	43/30/12	44/29/19
Total 1+2	73/55/33	79/25/54	80/66/43	80/59/41
Percentage of positive responses	53/76/55	61/59/68	73/85/77	73/85/79
Mean	61	63	78	79

Source: own research

Table 8. Statistical calculations of ST4 by major sectors in the V4 countries

Z score: p-value:			
CR: S/M; S/Tr; M/Tr	0.0009	0.7872	0.0093
SR: S/M; S/Tr; M/Tr	0.8415	0.2983	0.3320
PL: T/M; T/Tr; M/Tr	0.0536	0.5755	0.2501
HU: T/Tr; T/S; Tr/S	0.0455	0.4009	0.3371

Source: own research

Table 9. HRM sector scores

	ST1 CR+SR+PL+HU	ST2 CR+SR+PL+HU	ST3 CR+SR+PL+HU	ST4 CR+SR+PL+HU	Total points	Average value
S	2+1+0+3	1+1+0+3	1+1+0+3	1+1+0+3	21	1.75
M	3+1+3+0	3+2+3+0	3+3+3+0	3+1+3+0	31	2.58
Tr	1+3+2+2	1+2+1+2	2+2+2+2	2+3+2+3	32	2.00
T	0+0+1+1	0+0+2+1	0+0+1+1	0+0+1+1	9	1.12

Note: services - S; trade - Tr; manufacturing - M; tourism - T; 3 points were assigned for the highest proportion of positive answers, 2 points were assigned for the second highest proportion of positive answers, 1 point was assigned for the lowest proportion of positive answers in each V4 country.

Source: own research

The average level of favourable opinions for ST3 varied from 78% (the lowest value was measured in the Czech Republic) to 88% (this highest value was measured in Hungary).

H3 was confirmed. The research showed that the level of regular performance evaluation of employees and their motivation to innovate working practices is at an adequate level. At the same time, we found that when evaluating ST3, the views of SMEs are similar across the sample of respondents. The only difference was shown in the Czech Republic when the manufacturing and service sectors were compared (87%:70%).

The average level of agreement of SMEs in ST3 varied from 61% (the lowest value was measured in the Czech Republic) to 79% (this highest value was measured in Hungary).

H4 was confirmed. The research showed that the level of investment in skills upgrading of SME employees is at an adequate level. We also found that there are some differences in the attitudes of SMEs towards ST4 in the Czech Republic (services 53% versus manufacturing 76%, and manufacturing 76% versus trade 55%) and in Hungary (tourism 73% versus trade 85%). However, the ST4 scores were lower than the defined criterion for rejecting the null hypothesis in the methodology section.

Based on the data in Table 9, it can be concluded that the manufacturing sector has shown the best approach to each HRM claims in the V4 countries. The average score in our rating was 2.58. This was followed by the trade sector (average score of 2.00) and the service sector (average score of 1.75). The tourism sector showed the lowest average point value, although it had the lowest number of occurrences across the V4 countries.

5. DISCUSSION

SMEs in the V4 countries positively evaluate the importance of human capital (Table 1). The average level of agreement with ST1 for all V4 countries is 91%. SMEs in the V4 countries assigned a high level of agreement to the statement that human capital is the most important capital in a company. These findings are supported by the studies Gaganis et al. (2019) and El Shoubaki et al. (2020).

The results of the empirical research conducted in the V4 countries confirmed (Table 2) the findings presented by Dar & Mishra (2021) that SMEs' entrepreneurial activities are critically influenced by human capital because skilled and motivated employees lead firms to success. Guerrero et al. (2022) also confirmed the significant relationship between human capital and SMEs performance. The importance of human capital is that it represents a significant competitive advantage (Al Qershi et al., 2020; Kamukama & Sulait, 2017) and a source of higher performance for SMEs (Al Qershi et al., 2021).

It can be concluded that SMEs in the V4 countries pay adequate attention to HRM. This area is considered the most important in corporate management by 86% of respondents. The conclusions are also compatible with previous studies dealing with HRM (Al Qershi et al., 2021; Guerrero et al., 2022; Gaganis et al., 2019).

These results follow and to some extent confirm the conclusions of studies that highlight the importance of strategic HRM (Atkinson et al., 2022; Lee, 2021; Alsafadi & Altahat, 2021; Tacoglu et al., 2019) and are not compatible with the conclusions reported by Yanes-Estévez et al. (2018).

The average value of positive responses to

ST3 for all V4 countries is 82% (Table 5). At this point, the respondents had to agree with the statement that they regularly evaluate the performance of their employees and motivate them to innovate their working practices. In terms of effective HRM, it can be opined that the average value of positive responses of SMEs should be slightly higher as employee evaluation and motivation are a significant source of growth for SMEs (Dar & Mishra, 2021; Alsafadi & Altahat, 2021; Salimi & della Torre; 2020).

The lowest average proportion of positive responses was recorded for ST4 (Table 7). For this statement, SMEs were asked to agree with the statement that they invest money to improve the skills of their employees. The average of positive responses to ST4 for all V4 countries was 70%. Although several authors stress the necessity of investing capital in increasing the skills of employees (Al Qershi et al., 2021; Ferreira & Franco, 2020; Al Qershi et al., 2020) this empirical research rather confirmed the findings according to Khan et al. (2022) who point out that SMEs should make investments in human capital with caution because they have limited financial resources.

The empirical research confirmed that the manufacturing sector demonstrated the best approach to the various HRM claims in the V4 countries (Table 9). This trend can probably be explained by the fact that this sector needs human capital with more knowledge and experience due to the specific transformation process (different compared to other sectors). The higher skill level of employees in the manufacturing sector compared to the trade and services sector is consequently reflected in the attitudes of SMEs engaged in manufacturing activities. Our research shows that it is the

manufacturing sector that pays the most attention to the evaluation of employees and their motivation to innovate working practices, as well as the importance of HRM in the management system of the company.

In the context of HRM in the SMEs segment, Guerrero et al. (2022) come up with a stimulating and inspiring idea by conducting quantitative research on a sample of 174 SMEs in Canada. According to the authors, on the one hand, HRM specialists in SMEs have been ignored in academic research, but their research has shown that in small firms (within SMEs) the interaction between the human and social capital of HRM professionals with firm performance through the use of high-performance work practices is stronger than in larger firms, which represents a significant competitive advantage in the context of resource scarcity.

Dwikat et al. (2023) determined among others that SMEs need to implement efficient managerial tools that enhance sustainable performance, including investment in competent human capital. As human capital provides organizations with a basic knowledge platform, managers should strengthen strategic alliances and formal mechanisms to preserve and institutionalize this knowledge to increase the potential of human capital in the long run (Ferreira & Franco, 2020). In this process, the uniqueness of the intrinsic characteristics of SMEs (Deschênes, 2023), the need of quality financial management (Belas & Rahman, 2023) and sustainability of the firm (Khan et al., 2023) should be taken into account.

6. CONCLUSION

The main objective of the research study was to formulate the attitudes of SMEs that

appropriately characterize the field of HRM. In a second step, these attitudes were compared in the three most important business sectors in the V4 countries.

SMEs in the V4 countries indeed consider people in the firm as the most important capital, and statistically significant differences within the sample set were found. This attitude is also reflected in another area. SMEs confirmed with high intensity that they consider HRM as the most important area of corporate management. The empirical research showed the existence of statistically significant differences between the assessed sectors. In view of the previous results, the approach to employee performance evaluation and motivation can be considered appropriate. In this context, the research did not reveal statistically significant differences within the sample. Our research confirmed the results of previous research which highlighted that SMEs invest in skills upgrading of their employees to a limited extent due to resource constraints. In this area, we did not find statistically significant differences within the sample.

The manufacturing sector showed the best approach to each HRM claims in the V4 countries, followed by the trade and service sectors. The tourism sector demonstrated the lowest average score.

This research has some limitations that should be noted. The research was carried out in four Central European countries and therefore suffers from regional limitations. However, it can be stated that similar research can be carried out in any country in the world as the research methodology is replicable. Each research is carried out in a specific economic and political situation. This research was conducted in a tense political environment and a deteriorated

economic situation, therefore the results of the same research at a different time may be slightly different. On the other hand, it can be assumed that the results of the research could contribute to the debate on this issue.

Future research will be focused on exploring the impact of implementing appropriate HRM tools on sustainability in the context of the Environmental, Social and Governance (ESG) concept.

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СТАВОВИ МСП-А ПРЕМА УПРАВЉАЊУ ЉУДСКИМ РЕСУРСИМА У НАЈВАЖНИЈИМ ПОСЛОВНИМ СЕКТОРИМА У ЗЕМЉАМА ВИШЕГРАДСКЕ ГРУПЕ (В4)

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Извод

Главни циљ истраживања био је формулисање ставова малих и средњих предузећа који адекватно карактеришу област управљања људским ресурсима. У другом кораку, ти ставови су упоређени у три најважнија пословна сектора у земљама Вишеградске групе (В4). Прикупљање података спровела је спољна агенција MNFORCE коришћењем метода „Компјутерски Потпомогнуто Веб Интервјуисање“ у јуну 2022. године. Узорак је обухватио 995 испитаника, који су били представници малих и средњих предузећа из три најважнија сектора према броју испитаника у свакој од В4 земаља. Статистичке хипотезе тестиране су уз употребу дескриптивне статистике и Z-скора на нивоу значајности од $\alpha = 5\%$. Према нашим налазима, мала и средња предузећа у В4 земљама сматрају да су људи у фирми најважнији ресурс, при чему су утврђене статистички значајне разлике у оквиру узорка. МСП су потврдила да управљање људским ресурсима сматрају најважнијом облашћу корпоративног менаџмента. Емпиријско истраживање показало је постојање статистички значајних разлика између испитиваних сектора. С обзиром на претходне резултате, приступ процени радног учинка и мотивације запослених може се сматрати одговарајућим. Нису утврђене статистички значајне разлике унутар узорка. Производни сектор је показао најбољи приступ у односу на сваку тврдњу о управљању људским ресурсима у В4 земљама, након чега следе трговински и услужни сектори.

Кључне речи: МСП, људски капитал, управљање људским ресурсима, пословни сектори

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