Employee Resourcing and Performance of Small Scale Enterprises in Uganda

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Abstract

This study focusing on five HRM practices namely employee resourcing, rewards management, training, performance management and career management, examined the influence of HRM practices on the performance of small scale enterprises in Uganda. The researcher adopted mixed methods approach to collect and analyze data. A descriptive cross-sectional research design was used to collect data from data a sample of 756 selected enterprises across the four regions of Uganda. The study used self-administered questionnaires and in-depth interviews to collect quantitative and qualitative data respectively. The study findings show that employee resourcing among the five HRM practices positively affect small scale enterprise performance. This means that improvement in the employee resourcing process has potential to significantly improvement in small enterprise performance. Therefore, if the employee resourcing process of employees in the small scale enterprises is well done, there is likelihood that small scale enterprises will perform more significantly

Key words: Employee Performance, SMEs

Introduction

Smaller entrepreneurial firms are generally challenged by HRM because the small size of the firm often does not warrant hiring professionals exclusively dedicated to HRM activities (Hornsby and Kuratko, 2003). Hill and Stewart (2000) suggest that smaller firms should be more flexible and informal to be able to cope with the high levels of business uncertainty they usually experience. The practice of HRM in Africa has been based on procedural and administrative tasks such as salary and benefits, employee relations among others (Taylor, 2002). Organizations in Africa appear to adopt a reactive approach to the hostilities in the environment thereby neglecting the knowhow and expertise that HRM practices brings in terms of enhancing performance (Kamoche, 2007).

Uganda experiences one of the high performance failure rates of SMEs despite being ranked as one of the most entrepreneurial countries in the world (Nakamura, 2007; GEM, 2009). Many Ugandans tend to start small businesses enterprises, though many collapse before even completing a year in operation (Thomas et al., 2004; Rooks, Szirmai and Sserwanga, 2009). These small enterprises are mainly agro-processing enterprises, fabricated metal and non-metallic enterprises, wood processers and carpentry enterprises, electrical enterprises, foods and beverages enterprises, mattress, textile fashion and clothing enterprises. The recent evidence from National Business Survey of Uganda (2015) showed that the

majority (69%) of Micro Small and Medium Enterprises (MSMEs) in Uganda are young aged between one and ten years old. Three quarters of these enterprises operate as sole proprietorships and most of them are run and managed by owners.

Nonetheless, the survey also showed that larger MSMEs employ and rely on permanent staff while for micro and small firms the balance of permanent to casual staff is two-to-one and three-to-one respectively. Ocici (2006) argued that Ugandan entrepreneurs lack certain key skills such as problem solving, goal setting, faith and confidence in what they do and above all they lack a business vision which is very important for business success. Many Ugandan small scale entrepreneurs are characterized by poorly managed people. The proprietors of most of these enterprises operate employ relatives as their employees (Ocici, 2006), commonly family business and therefore traditionally managed. Rwakakamba (2011) argues that in terms of human resources, family members constitute the main source of labor in most of small scale enterprises. Therefore, the use of the family labour in the majority of small scale enterprises in the past hindered the use of formal and fully fledged human resource practices in Uganda. Nonetheless, many small scale enterprises feared to adopt formal human resource management because of the legal and tax requirements associated with a formal human resource. However, recently because of the increasing business pressures arising from global and regional competitive shocks, even small scale enterprises in Uganda have adopted a variety of business responses including human resource management practices to remain relevant and competitive.

The above described form of recruitment and selection practices embraced by SMEs in Uganda have elements of subjective judgment inherent in them and huge implications on performance. It is not surprising that National Business Survey revealed that performance of MSMEs in Uganda has been poor for most firms. For example, it is noted that between 2013 and 2014, 38% of micro enterprises reported decrease in monthly sales while 39% of small sized enterprises reported increase in sales. Ekwoaba et al, (2015) argues that documented experience shows that a successful appointment can produce results which impact favourably on the wider aspects of organizational life while a poor one can have damaging effects far outside the organization in which it is made. The extant literature has documented that the success of an enterprise is directly linked to the performance of those who work for that business. By the same token, under-achievement can be a result of workplace failures. The failure to hire the right or failing to anticipate fluctuations in hiring needs, is very costly to a firm and can have dire consequences to performance indicators (Biles & Holmberg, 1980; Djabatey, 2012; Ekwoaba et al, 2015).

There is no doubt that for an enterprise to build and sustain its competitive advantage, proper staffing is critical (Djabatey, 2012). Thus, recruitment and selection of employees on a timely basis, in sufficient numbers and with appropriate qualifications and it impact performance has attracted research interest. Therefore, this study sets to examine the effect of employee resourcing on performance SMEs in Uganda. In order to achieve this objective, we then hypothesized that:

> HO.   *Employee resourcing practice has no influence on the performance of small scale enterprises in Uganda*

Literature Review

The theoretical discussion on the relationship between human resource management and performance has been growing for many years (Gratton et al., 1999; Guest, 2007; Paauwe, 2009; Wood, 2009; Armstrong, 2014; Sajeevanie, 2015). However, evidence shows that earliest researchers on HRM practices and firm performance had significant theoretical and empirical challenges. Theoretically, there was no consensus regarding the ways in which HRM might impact firm outcomes (Wright and Gardner, 2000). McMahan, Virick, and Wright (1999) argued that despite the growing importance HRM, there is paucity of good theoretical or empirical work specifying the processes or mediating variables that form the linkage between HRM practices and firm performance.

However, empirical studies exploring the relationship between HR and firm performance using RBT within the family of strategic human resource management (SHRM) is growing in popularity. Wright (1992) has argued that the resource-based theory of the firm has become almost the universally embraced meta-theory among SHRM researchers, largely because of both its popularity in the broader strategic literature, and its ability to articulate why HRM could be linked to the economic success of firms (Wright, 2005; Sajeevanie, 2015).

Resourcing is all about attracting and retaining high-quality people and therefore employee resourcing practice relates to obtaining the right workforce endowed with the appropriate qualities, skills, knowledge and potential for future training. The selection and recruitment of workers best suited to meeting the needs of the organization ought to form a core activity upon which most other HRM policies geared towards development and motivation could be built (Armstrong, 2010). The first step in the employment process is to identify the need for a particular position, followed by the recruitment and ultimately hiring of qualified individuals (Cain and Kleiner, 2002). Attracting the most qualified applicants with the right skills and abilities during the recruitment process is an important element for business success, but the placement process is by far the most critical element that may influence the performance of the business.

Matching the applicant's skills and educational background to the job description and job specification is the first step in the placement process. If there is a match, then an interview may be scheduled to get more information about the applicant. The skillfulness applied in doing this allows attraction of personnel that improves the performance of the business (Brown, Hamilton and Medoff, 2010). Ogunyomi and Ojikutu (2014) study on employee resourcing and performance small and medium enterprises in Lagos State in Nigeria using a sample of 257 owners/managers of SMEs was drawn found out that although there was a mild association between employee resourcing and performance, the association was not strong enough to predict the performance of the sampled SMEs. Findings from the qualitative interviews the owners/managers revealed that retaining employees was one of their greatest challenges but not strong enough to determine the level of their performance as they have always envisaged that some of their staff can leave the organization. Many studies have documented that employee resourcing has the key to success for any organization because it ensures that the right personnel with necessary skills, competencies, knowledge, training, attitude, ethics and values are recruited which spur performance (see Kavoo-Linge and Kiruri, 2013; John, 2008; Karemu et al., 2014).

Methodology

The study adopted a mixed method approach to collect both quantitative and qualitative data from cross sample of SMEs. According to Leech & Onwuegbuzie (2009), mixed methods research represents research that involves collecting, analyzing, and interpreting quantitative and qualitative data in a single study or in a series of studies that investigate the same underlying phenomenon. Evidence shows that the use of quantitative and qualitative approaches in combination provides a better understanding of research problems that either approach alone (Creswell and Clark, 2007; Cameron, 2009). Specifically, in this study qualitative approach were adopted to supplement and strengthen the quantitative findings and to provide an opportunity for the researcher to observe the application of HRM practices within selected enterprises. Quantitative data was collected using survey questionnaire with likert scale type of questions (1=Strongly disagree (SD); 2=Disagree (D); 3=Not sure (NS); 4=Agree (A) and 5= Strongly Agree (SA)) on employee resourcing and performance variables. The qualitative data was collected using key informant interviews.

The study was carried out in Central, Western, Eastern and Northern region of Uganda for representative purposes. Uganda. The level of analysis was an enterprise and unit of analysis was the selected employee of the selected enterprise in Uganda. In the management research on HRM practices, there are debates on the source of information of HRM practices (Wright et al., 2003). Following the work Huselid and Becker (2000) who suggested that in many cases single respondents (i.e, senior HR executives) were the best placed, and perhaps the only ones qualified, to provide HR practice information across a number of jobs. Therefore, to obtain the most valid and reliable information on HRM practices in selected enterprises, a senior employee in the Human resource department or management was sought to answer the questionnaire on the behalf of the enterprise. According to recent statistics from Uganda Bureau of Statistics (UBOS), Census of Business Establishments 2010/2011, Uganda has 428, 100 legally registered small businesses in Uganda (UBOS, 2011).). This therefore formed the target population of the study.

Based on Yawane sample size formula, 400 SMEs would qualify to participate in the study. However, because studies of this nature are usually associated with low response rates (Osunsan, et al., 2015), the sample size was doubled and hence 800 questionnaires were sent out to the respondents. Indeed, in management survey research were response rates are usually below 100% due to a number of reasons such as lost questionnaires and uncooperative subjects, oversampling between 40%-50% has been recommended (Hashim, 2010; Salkind, 1997). The following table 1 presents the number of firms randomly selected from each region.

Table 1: Sample size determination

Region	Target Population	Sample Size
Eastern Region	96,332	180
Central Region	197,996	370
Western Region	58,864	110
Northern Region	74,918	140
Total	**428,100**	**800**

Source: Primary Data

Statistical Package for the Social Sciences (SPSS) version 22 was used for the analysis of quantitative data, where descriptive data in form of frequencies, percentages, mean and standard deviations was obtained, while inferential statistics (correlations and regression) were used to establish relationships and influence among the independent variables and the output. The study used content and thematic analysis for qualitative data.

The following multiple linear regression model was used to examine the nature and magnitude of relationships and test the hypothesized relationship between employee resourcing and firm performance, controlling for other human resource practices.

$$FP = \beta_0 + \beta_1 ER + \beta_2 CM + \beta_3 ET + \beta_4 RM + \beta_5 PM + \varepsilon \dots\dots\dots\dots\dots\dots\dots\dots(1)$$

Where;

FP is Firm Performance

ER-Employee resourcing

CM-Career Management

ET-Employee training

RM-Reward management

PM- Performance management

E-Error Term, that represent the influence of other factors not included in the model

The coefficient $\beta0$ is the constant while $\beta1, \beta2$, $\beta3$, and $\beta4$ are slope coefficient

To establish the nature and magnitude of the relationships between the variables and to test the hypothesized relationships at 95% level of confidence, regression analysis was needed. However, the fact that both the dependent and independent variables are likert scale items, the regression factor scores generated after factor analysis. To ensure that the results of the multiple linear regression analysis are reliable, several diagnostic tests on the basic regression assumptions were conducted such as normality, linearity, multicollinearity and heteroscedasticity tests.

Findings and discussion

The respondents were required to rate their level of agreement or disagreement with the statements pertaining to employee resourcing of small scale enterprises on a scale of 1 to 5. The variable employee resourcing was measured in terms of knowledge, abilities, skills and experience. The results in Table 2 present the descriptive findings. The results show that the overall aggregate mean score for employee resourcing stands at 3.45 and the standard deviation at 1.13. This implies that on average the small scale enterprises included in the study had put in place recruitment practices and criteria that would enable them get the knowledgeable, talented, experienced professional, qualified and skilled employees. Individually, respondents agreed to the statements;

> *My company looks at employees an employee's knowledge and the experience applied with that knowledge when recruiting employees (ER2), In my company applicants qualifications are given the highest priority (ER4), Employees innovative skills are considered as the highest priority (ER5), My company emphasizes employee specialized skills in the recruitment process(ER6), My company emphasizes specific abilities for each employee (ER7), Individual personal talents are highly regarded by the organization(ER8), and My company places much emphasis on recruitment of experienced employees (ER9).*

This implies that small scale enterprises in the selection and recruitment of employees consider employees knowledge, experience, qualifications, innovative skills and abilities, and talents.

Notwithstanding the quantitative results, the qualitative information obtained from key informant interviews with the managers and directors on recruitment and selection revealed the following results on how employee resourcing is conducted in small scale enterprises. Most of key informants interviewed revealed that when recruiting employees both informal and formal approaches are conducted depending on need and type of the employee needed. For instance, one Manager of a hardware company interviewed had this to say about when to use formal or informal recruitment approaches:

> *"The selection processes vary depending on the nature of the job. The technical jobs like the accountants and those who mix the paint we look for qualified people and we also administer to them a technical written and practical interviews, those who lift and load merchandise on trucks we give them practical by loading at least one truck as we observe. So, we do the selection in this case basing on one's ability to lift heavy materials".*

The major informal employee resourcing approaches used by small scale enterprises included using informal contacts with colleagues or networks, and social media using whatsapp platform. The following excerpts from the interviews can illustrate how small scale enterprises informally recruit employees as it was said by hardware workshop manager:

> *"Recruitment and selection in this company is mainly done through our informal personal contacts with colleagues using the word of mouth. We tell them to get for us employees in case there is need. Sometimes we recruit using the social media like whatsapp in there is a vacancy to be filled."*

Another manager of a beauty saloon added that;

> *Recruitment and selection in this saloon is done through our informal networks in the rural areas and employee referrals and recommendations by colleagues from the surrounding saloons*

While a manger of a fabrication small scale enterprise stated that;

> *"Sometimes I use the social media like the whatsapp to recruit and when those interested in working with us come here I do interview the m and select those that I think will be able to perform well."*

Formally, it was revealed that small scale enterprises advertise for job applicants, conduct formal oral and written interviews and other recruit through on job training. It was noted that whether employee recruitment and selection is formal or informal, employers of small scale enterprises main objective is to select the best candidate who will perform with the required skills, abilities, experience, knowledge and character. However, it should be noted that all the key informants' interviewed echoed the importance of background checks in recruitment and selection to avoid employing people with criminal records and bad characters. The following excerpts from the interviews demonstrate the considerations employers have when recruiting and selecting employees:

> *In all cases, we interview all the interested applicants are subjected to both oral and practical interviews. We also try to carry out background checks on the character and credibility of the applicants*

> *For selection, we first administer some oral and practical interviews. We also carry out some background checks to ensure that we don't hire people with criminal records in our garage (Manager Motor garage).*

One of the respondents from a primary business revealed that; In this school, to recruit employees, we first advertise on our website page and sometimes over the radio. After that we receive the applications we then choose the candidates for shortlisting. For selection, we administer several tests especially written and oral to the shortlisted candidates and this helps us to select the best candidates from the applicants. (Director, Primary School)

For recruitment and selection, we use several methods. We usually advertise, use employee referrals and personal contacts in recruitment. We also administer tests and interviews to applicants to enable us choose and select the best human resource. Background checks are also conducted on all employees to ensure that we get employees who are credible without criminal records

We recruit employees here using the social media and individual contacts. People bring in applications, we shortlist and conduct interviews. We administer three interviews the first one is internal here, the second one by our doctor and the third one by top management. Interviews are normally oral and practical. So, selection is based on the satisfactory passing of all the three interviews. We also carryout background checks on all successful candidates before selecting and appointing them in the various positions" (Director, Medical Centre).

To recruit employees through employee referrals or recommendations, unsolicited applications and sometimes we advertise. We normally receive applications, shortlist, conduct interviews and select the most suited person(s) for the job. We also conduct security checks on all the applicants before making the final selection. We don't select persons with criminal track records (Manager, Car wash station).

The above description echoes that small scale enterprises give importance to employee recruitment and selection through formal and informal employee resourcing. It is interesting to note that the use of social media is mentioned as one of the new ways small scale enterprises recruit employees. Nonetheless, the qualitative findings concur with quantitative results that recruiting employees with experience, skills, talents, qualification and abilities is given great importance in employee resourcing. Nonetheless, it is noted from the interviews that in addition to the conventional attributes managers look for during recruitment and selection (skills, qualification and abilities); the issue of character was much emphasized as a lasting attribute most managers and employers of small scale enterprises look for before selecting the employee.

Table 2: Descriptive results for IV: Employee resourcing (ER)

S/No	Measurement Statement	N	Strongly disagree (SD) %	Disagree (D) %	Not sure (NS) %	Agree (A) %	Strongly Agree (SA) %	Min.	Max.	Mean	SD	Interpreting the Mean
ER1	The company employs the most knowledgeable in a particular field of specialization	756	8.1	27.9	6.5	44.6	13.0	1	5	3.26	1.22	Not sure
ER2	My company looks at employees an employee's knowledge and the experience applied with that knowledge when recruiting employees	756	7.1	21.3	6.5	49.6	15.5	1	5	3.45	1.19	Agree
ER3	Professional knowledge is highly emphasized in recruitment	756	6.3	23.9	9.8	44.3	15.6	1	5	3.39	1.19	Not sure
ER4	In my company applicants qualifications are given the highest priority	756	5.6	24.2%	14.9	40.7	14.6	1	5	3.35	1.16	Not sure
ER5	Employees innovative skills are considered as the highest priority	756	3.3	16.5	17.9	43.9	18.4	1	5	3.58	1.07	Agree
ER6	My company emphasizes employee specialized skills in the recruitment process	756	3.0	19.7	15.1	47.9	14.3	1	5	3.51	1.06	Agree
ER7	My company emphasizes specific abilities for each employee	756	2.5	15.9	12.3	57.1	12.2	1	5	3.61	0.98	Agree
ER8	Individual personal talents are highly regarded by the organization	756	4.4	16.3	19.7	44.3	15.3	1	5	3.5	1.07	Agree
ER9	My company places much emphasis on recruitment of experienced employees	756	5.2	20.9	11.2	44.6	18.1	1	5	3.5	1.16	Agree
ER10	My company emphasizes the number of years working in a particular field for a new employee	756	5.2	25.3	11.8	40.3	17.5	1	5	3.4	1.19	Not sure
	Global Mean and Average Standard Deviation									3.45	1.13	Agree

Source: Primary Data, 2018

Correlational analysis results show that employee sourcing had a significant positive relationship with Performance of Small Enterprise (r = 0.285, P<0.01). Correlation analysis was extended to ascertain the association of the constructs of employee resourcing and SME performance. Employee resourcing had three constructs (employee knowledge, employee skills and employee experience) and the dependent variable performance of small scale enterprises had two (2) variable outcomes; profitability and enterprise growth. The results showed that all the three employee resourcing dimensions had a statistically significant relationships with profitability dimension of small scale enterprise performance.

The regression results in appendix 1 & 2 on the influence of employee resourcing practice on the performance of small scale enterprises in Uganda show that among the construct of employee resourcing, only employee skills dimension had statistically significant positive influence on the profitability dimensions of small scale enterprise performance (P=0.004). However with respect to enterprise growth dimension of small scale enterprise performance, the results showed that employee knowledge and employee skills construct of employee resourcing had statistically significant positive influence on enterprise growth (p=0.0047 and p=0.006 respectively).

Overall, the results that ignored the dimensionality in human resource practices and SME performance (appendix 3) show that coefficient of employee resourcing is positive statistically significant at p-value <0.01. Thus the study fails to reject the null hypothesis at p-value <0.01 level of significance. Therefore the study concludes that employee resourcing practices in Ugandan small scale enterprises significantly influence the performance of small scale enterprises.

The observed positive significant relationship between employee resourcing and small scale enterprise performance implies that that the way in which the employee resourcing process is managed in terms of whether employees have the right knowledge to perform the required tasks, whether employees have the right abilities to perform the required tasks, whether employees resourced have the right skills and experience that are required, significantly influences small scale enterprise performance. In other words, the manner in which employee resourcing aspects are managed and handled in the small scale enterprises can significantly influences the performance of the enterprise in terms of profitability and enterprise growth or expansion. The beta coefficient of 0.176, implies that an increase in employee resourcing practice by 100%, would significantly lead to improvement in small enterprise performance by 18%, other factors being constant.

During the qualitative interviews, we also explored with enterprises managers and directors about the effect of employee resourcing particularly recruitment and selection on the performance of enterprises. It was revealed that recruitment and selection of employees has an important role it plays as far as performance is concerned. For example it was noted that when company select skilled, committed and competent employees, performance is boosted. The extracts from the interviews are illustrative of positive influence of recruitment and selection of employees in an enterprise:

> *Recruitment and selection do affect and influence the performance because if incompetent workers are recruited and selected, they end up producing substandard products which chase customers (Construction Manager).*

Yes, employee recruitment and selection affect and influence the performance of the company. If you recruit and select hardworking, committed and competent employees, you can even serve six customers at ago. The good service and customer care enables the company to retain and attract more customers leading to improved firm performance and growth (Manager, Hardware shop)

Yes, employee recruitment and selection influence the performance of the company. If executed properly; you get committed and trainable employees who will contribute to the company's growth (Manager, Beauty Salon).

Good recruitment and selection of employees helps the company to get skilled and committed workers who provide good services that attract customers. Attracting more businesses from customers leads improved company performance (Manager, Car wash enterprise)

Discussion of Findings

The results showed that among the construct of employee resourcing, only employee skills dimension had statistically significant positive influence on the profitability dimensions of small scale enterprise performance. In respect to enterprise growth dimension of small scale enterprise performance, the results showed that employee knowledge and employee skills construct of employee resourcing had statistically significant positive influence on enterprise growth.

Overall the regression results revealed a positive significant relationship between employee resourcing and small scale enterprise performance. This implies that the way in which the employee resourcing process is managed in terms of whether employees have the right knowledge to perform the required tasks, whether employees have the right abilities to perform the required tasks, whether employees resourced have the right skills and experience that are required the required tasks and this greatly influences the performance of the institution. The manner in which these aspects are managed and handled in the organization greatly influences the nature of performance of the enterprise in the long run, in terms of its sales volumes, profit levels and its general growth rates. This finding relates to Hornsby and Kuratko, (2010) who explain that in human resource management, employee resourcing, placement, and reward management are important aspects of HRM, particularly the staffing process required by all types of organizations.

In the employee resourcing, how employees' abilities are selected, how their knowledge, talents, and experience are selected largely determine how the enterprise is likely to perform in the long run. Cain and Kleiner, (2002) discussed that way in which the employee resourcing is handled determines the quality of staff in place and this largely determines the nature of performance likely to be obtained by the business in the long run. Regression analysis results revealed that employee resourcing in the human resource management process of small scale enterprises significantly explains variation in enterprise performance among selected small scale enterprises. This is consistent with many studies that have concluded that employee resourcing has potential to spur performance and growth of SMEs (Armstrong, 2010; Brown et al, 2010). This means that improvement in the employee resourcing process has potential to significantly improvement in small enterprise performance in by 13%. Therefore if the

employee resourcing process of employees in the small scale enterprises is well done, there is likelihood that small scale enterprises will perform more significantly. The findings resonates well with many studies that have concluded employee resourcing has the key to success for any organization because it ensures that the right personnel with necessary skills, competencies, knowledge, training, attitude, ethics and values are recruited which spur performance (Ogunyomi and Ojikutu,2014; Kavoo-Linge and Kiruri, 2013; John, 2008; Karemu et al, 2014; Brown et al, 2010).

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Appendix 1: Model 1 OLS results on Influence of HRM Practices on Performance of small scale enterprises: Profitability

Variables		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		Beta	Std. Error	Beta		
	(Constant)	5.022E-017	0.035		0.000	1.000
Employee resourcing	Employee knowledge	0.061	0.037	0.061	1.642	0.101
	Employee skills	0.109	0.037	0.109	2.920	0.004**
	Employee experience	0.028	0.036	0.028	0.785	0.433
Reward management	Non-financial rewards	0.026	0.041	0.026	0.635	0.526
	Financial rewards	0.112	0.037	0.112	3.024	0.003**
	Incentives	0.127	0.037	0.127	3.454	0.001**
Employee training	Training involvement	0.003	0.038	0.003	0.090	0.929
	Skill training	0.057	0.038	0.057	1.510	0.131
	Knowledge training	0.013	0.038	0.013	0.353	0.724
Performance management	Performance appraisal	-0.024	0.038	-0.024	-0.635	0.525
	Performance improvement	0.034	0.038	0.034	0.894	0.372
Career management	Career & talent management	-0.079	0.037	-0.079	-2.125	0.034**
	Career planning and development	-0.123	0.039	-0.123	-3.191	0.001**

R	0.319[a]
R Squared	0.102
Adjusted R Squared	0.086
F change	6.470
Sig	0.000

*Note: "**" Significant at 5% level of significance; "*" Significant at 10% of level of significance*

Appendix 2: Model 2 OLS results on Influence of HRM Practices on Performance: Enterprise growth

Variables		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		Beta	Std. Error	Beta		
Employee resourcing	(Constant)	-2.544E-017	0.035		0.000	1.000
	Employee knowledge	0.074	0.037	0.074	1.990	0.047**
	Employee skills	0.103	0.037	0.103	2.776	0.006**
	Employee experience	0.034	0.036	0.034	0.960	0.338
Reward management	Non-financial rewards	-0.080	0.041	-0.080	-1.945	0.052*
	Financial rewards	0.062	0.037	0.062	1.670	0.095*
	Incentives	-0.034	0.037	-0.034	-0.919	0.358
Employee training	Training involvement	0.094	0.038	0.094	2.522	0.011**
	Skill training	0.145	0.037	0.145	3.847	0.012**
	Knowledge training	-0.058	0.038	-0.058	-1.522	0.000**
Performance management	Performance appraisal	0.020	0.038	0.020	0.535	0.128
	Performance improvement	0.101	0.038	0.101	2.727	0.593
Career management	Career & talent management	-0.102	0.037	-0.102	-2.125	0.007**
	Career planning and development	-0.123	0.038	-0.123	-2.667	0.008**

R	0.327a
R Squared	0.107
Adjusted R Squared	0.092
F change	6.853
Sig	0.000

Appendix 3: Multi Regression Model ignoring dimensionality of independent variables

Model	Variables	Un-standardiz Coefficients		Standardiz Coefficient	t	Sig.
		Beta	**Std. Error**	**Beta**		
	Employee Sourcing	.142	.031	.176	4.603	**.000**
	Reward Management	.095	.034	.113	2.766	**.006**
	Employee Training	.113	.031	.144	3.619	**.000**
	Performance Manage	-.011	.029	-.014	-.371	**.711**
	Career Management	-.064	.029	-.085	-2.220	**.027**
R		.366[a]				
R Square		**.134**				
Adjusted R Squ		.128				
F Change		23.252				
R Square Chan		.134				
Sig.		**.000**				

Source: Primary Data