

AN ANALYSIS OF AGILE HUMAN RESOURCES PRACTICES ON THE PERFORMANCE IN THE SMALL AND MEDIUM ENTERPRISES (SME): A CROSS-SECTIONAL STUDY OF KANPUR INDUSTRIAL UNITS

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Abstract

The aim and objective of this study was to find the effect of Agile human resource practices on the performance of small and medium enterprises in Kanpur Industrial Units. The descriptive cross-sectional research design was used in this research. The significance level was set at 5% for accepting and rejecting hypothesis. The Correlation and regression techniques was applied to check the cause-and effect. The sample size of this study was 90. The SPSS23.0 version statistical software was used for variables creation, data entry, value label, data coding and data analysis. The findings of this study concluded that Agile human resource practices have a significant positive impact on the performance of the small and medium industrial units in Kanpur.

Keyword: Agile Human Resources Practices; Small and Medium Enterprises, Performance

Introduction:

Human resource is most complex and unpredictable in its behavior. There is no cook book formula of guide a manager how to motivate his workers. A manager can buy his worker's time, but he cannot buy their enthusiasm or loyalty. Each individual has his own distinct background which makes each individual unique. This implies that all individuals in an organization cannot be treated alike. Human resources management (HRM) is a management function concerned with hiring, motivating and maintaining people in an organization. It focuses on people in organizations. Human resources management is designed to ensure that human talent is used effectively and efficiently to accomplish organizational goals. This study focused on the performance of small and medium enterprises linked with the agile human resource practices.

Literature Review

The previous researcher studied on the agile human resource practices which was explored to support this research. The national and international journals are explored to get the in-depth knowledge of the said issues. The opinion of previous authors are summaries as: The way an organization manages its human resources has a significant relationship with organizational performance, according to academic research. This is based on examples from academic research regarding the impact of strategic human resource management practices on organizational performance.(Hamid et al., 2017) HR practices had a significant effect on competitive advantage. By comparison, the research findings revealed that the mediator variable had no effect on achieving

competitive advantage for the organizations. (Elrehail et al., 2020) Human Resource contribution to High Performance Work Systems in High Performing Human Resource Off-soring and Business Process Offshoring organizations in India. (Pereira, 2013) Performance of business influenced to competitiveness, meaning the better the performance of the meal will be better competitiveness of small and medium businesses. (Nuryanti & Andreas, 2017) Recruitment and selection in any organization is a serious business as the success of any organization or efficiency in service delivery depends on the quality of its workforce who was recruited into the organization through recruitment and selection exercises.(Ekwoaba, Joy O., Ugochukwu, .U. Ikeije, 2015)

Objectives

The objective of this study is as follows:

- To find the effect of agile human resource practices on the performance of small and medium enterprises in Kanpur Industrial Units.

Hypothesis

The null and alternative hypothesis are as follows:

Null Hypothesis H0: There is no significant effect of agile human resource practices on the performance of small and medium enterprises.

Alternative Hypothesis H1: There is a significant effect of agile human resource practices on the performance of small and medium enterprises.

Methodology

The population of this study was all the industrial units of Kanpur, Uttar Pradesh under small and medium enterprises categories. The sample size of this study was 90 entrepreneurs who have at least 5 years of work experience under SME categories. A structured questionnaire was designed to get the primary data for this study. The stratified probability sampling techniques was applied to get the grouping variable data like type of industrial units, age and gender etc. The cross-sectional descriptive research design was used to test the null and alternative hypothesis. The regression and correlation analysis were used to get the cause and effect between Agile human resource practices and Enterprise performance. The significance level was set in advance at 5%. The regression line was used to get the clear picture between independent and dependent variable. The 5 points

Likert scale was used for the measurement of items under Agile human resource practices and Enterprise performance stating as 1 strongly disagree and 5 strongly agree.

Results

The primary data was analysed using SPSS23.0 version statistical software. The regression model of this study was as under:

Regression Model

Independent Variable- Agile human resource practices
 Dependent Variable- Enterprise performance
 Regression Equation

$$Y (\text{Enterprise performance}) = a + b X (\text{Agile human resource practices})$$

Table 1: Correlations

		Enterprise performance	Agile human resource practices
Pearson Correlation	Enterprise performance	1.000	.877
	Agile human resource practices	.877	1.000
Sig. (1-tailed)	Enterprise performance	.	.000
	Agile human resource practices	.000	.
N	Enterprise performance	90	90
	Agile human resource practices	90	90

Source: SPSS23.0 output

From the correlation table, it is clear that the coefficient correlation is 0.877 which is high correlation between agile human resource practices and enterprise performance, therefore it can be concluded that agile human resource practices and enterprise performance are positively highly correlated.

Table 2: Variables Entered/Removeda

Model	Variables Entered	Variables Removed	Method
1	Agile human resource practices ^b	.	Enter
a. Dependent Variable: Enterprise performance			
b. All requested variables entered.			

Source: SPSS23.0 output

Table 3: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.877 ^a	.769	.766	.13913	.769	292.509	1	88	.000
a. Predictors: (Constant), Agile human resource practices									

Source: SPSS23.0 output

Table 4: ANOVAa

Model	Sum of Squares	df	Mean Square	F	Sig.	
1	Regression	5.663	1	5.663	292.509	.000 ^b

Residual	1.704	88	.019		
Total	7.366	89			

a. Dependent Variable: Enterprise performance

b. Predictors: (Constant), Agile human resource practices

Source: SPSS23.0 output

Table 5: Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	-1.965	.344		-5.718	.000	-2.647	-1.282
	Agile human resource practices	1.496	.087	.877	17.103	.000	1.322	1.669

a. Dependent Variable: Enterprise performance

Source: SPSS23.0 output

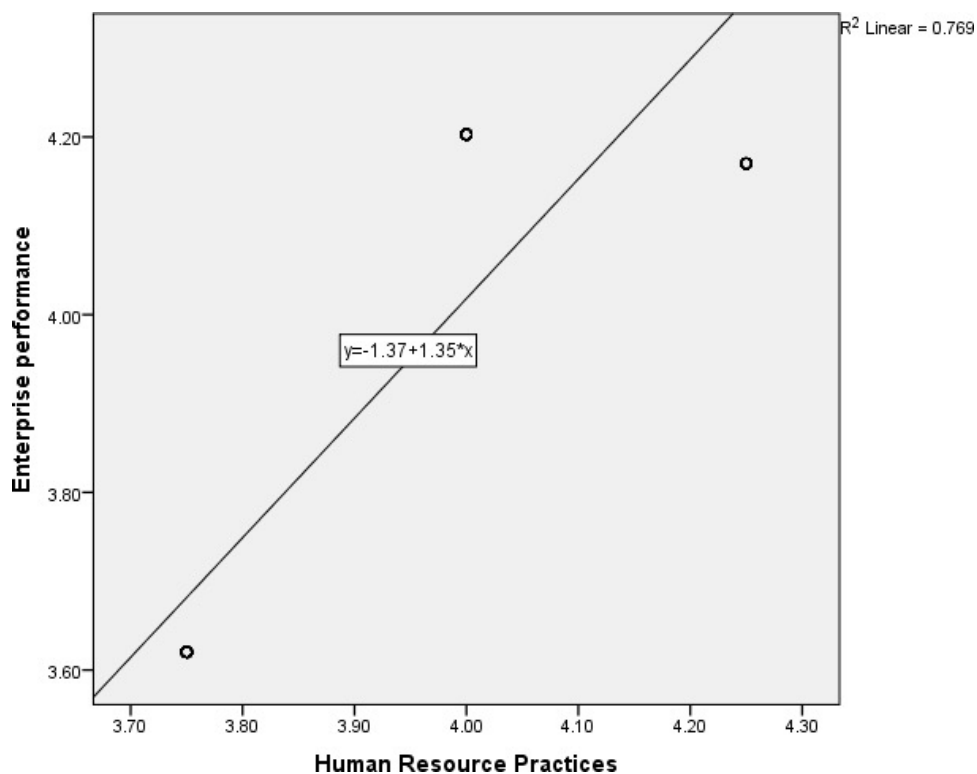


Figure 1: Regression Line between Agile human resource practices and Enterprise performance

Source: SPSS23.0 output

From the model summary table, the R² was 0.769 means it explained 76.9 % of the variance that means good enough to select the model. From the ANOVA table, F=292.509 & Sig Value p value=0.000 less than 0.05 hence the model was highly significant. From the coefficient table Agile human resource practices (Sig value 0.000 <0.05) was significant at a 5% significance level, hence reject the null hypothesis; therefore, it can be concluded that there is a significant effect of agile human resource practices on the enterprises performance small and medium industrial units in the Kanpur, Uttar Pradesh. The regression equation would be in this case is Y (Enterprise Performance) =-1.965+(0.877) (Human Resource Practice) and it can be concluded that if there is an increase of one unit in the parameters of human resource practice than there is an increase of 0.877 unit in the performance of small and medium enterprises provided other variables are constant.

Conclusion

Based on the analysis, it can be finally concluded that agile human resource practices and enterprise performance are positively highly correlated and it is also found that there is a significant effect of agile human resource practices on the enterprise's performance small and medium industrial units in the Kanpur, Uttar Pradesh.

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