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An Empirical Study of the Relationship between of Human Resource Management Practices and Job Performances among Employees in Small and Medium Enterprises in Selangor

Priya Darsihni Johnson[1] & Eta Wahab[1,*]

[1]Department of Management & Technology, Faculty of Technology Management and Business, University Tun Hussein Onn Malaysia, 86400, Batu Pahat, Johor, MALAYSIA

*Corresponding Author

Abstract: HRM practices are essential for SMEs in achieving various organizational objectives through improved employee job performance. The objective of this study was to determine the level of job performances among employees in Small and Medium Enterprise (SMEs), to determine the level of the HRM practices among employees in Small and Medium Enterprises (SMEs) and to identify the relationship between HRM practices and job performance among employees in Small and Medium Enterprises (SMEs). The problem is lack of employment practice in smaller businesses. Quantitative study was used in this study. This study used simple random sampling. An online survey was conducted among 320 employees with respondents rate of 83.33% in Selangor. The data was analyzed using both descriptive and Spearman's correlation analysis. This research found that both HRM practices and job performances which at a high level. HRM practices were found to have a relationship with job performances.

Keywords: HRM practices, Employee job performances, SME

1. Introduction

As demands arise, availability for perfect work force at the appropriate location and at the appropriate time is important to the attainment and durability of a given association (Tabouli *et al*., 2016). As a result, it should be possible to concentrate on human resource management (HRM) practices that manage human capital (Emeagwal & Ogbonmwan, 2018). Similarly, organizations with stronger employee execution are more likely to deliver consistently focused yield. Employees' work execution has been studied for a long time.

Affiliation is influenced by a number of internal and external influences (Zafar *et al*., 2018). Human resources management quality, the idea of individuals as more than merely affiliations, employee dedication, workers' satisfaction from the work they do, and their experiences all have repercussions for the profit of the association, passing on organizations to customers, decisive image and recognition, and its longevity (Burke & Kraut, 2016). Given the growing number of variables, the evolution of employee commitment models has resulted in increasingly complex systems (Krajcsák, 2018). According to McEvoy & Buller, (2013), effective human resource management predicts small and medium-sized firm survival. Despite their importance in Malaysia's economy, SMEs' HRM practices have received little study attention. Many academics claim that SMEs' human resource management has been neglected. SMEs have long been seen major sources of employment creation and economic growth (Hijzen *et al*., 2011). Small and medium enterprises (SME) are widely recognized as playing critical roles in national economies and as the backbone of industrial development too. To properly establish this study within the purview of the impact of human resources management (HRM) on job performances among employees in small and medium enterprises (SMEs) in Selangor, a discussion of the study's background is performed.

Human resources have a considerable influence on company performance indicators, according to recent theoretical and empirical breakthroughs. HRM's influence on performance is enticing. According to Tangthong *et al*. (2015) major companies still do HRM research. According to Kok *et al*. (2003) HRM practices in SMEs have gained attention in recent years. According to McEvoy & Buller, (2013) effective human resource management predicts small and medium-sized firm survival. Despite their importance in Malaysia's economy, SMEs' HRM practices have received little study attention. Many academics claim that SMEs' human resource management has been neglected. Small and medium businesses (SMEs) constitute the backbone of Malaysia's industrial growth. Small and medium enterprises (SME) are widely recognized as playing critical roles in national economies and as the backbone of industrial development too. Small and medium businesses (SMEs) are critical to the country's overall production network and economic growth also.

SMEs contribution to Malaysia's economic growth cannot be ignored. In all sectors and activities SMEs give a big contribution to increase Malaysia economy level reported by OECD SME Policy Index for ASEAN explored the governance of SME. SMEs are privately owned businesses that are typically labor intensive and run on a shoestring budget. Such limits necessitate ongoing adaptation and improvement to keep up with ever-changing all sectors demands and remain relevant and competitive. However, small businesses may not be formally implementing human resource practices (Cardon & Stevens, 2004). For example, practitioners remarked that small and medium-sized businesses (SMBs) lack effective human resource management (Sheehan, 2014). Malaysian SMEs' contribution to economic growth is vital, especially for developing nations. Thus, it is critical to manage people through formal HRM practices. Whether using more HRM practices or 'bundles' would improve performance should be carefully evaluated. In addition, previous study found that HRM could enhance the performance of the employees. Thus, this study will investigate the relationship between HRM on job performance among employee in Small and Medium Enterprise (SMEs).

These research questions were the focus of this research what is the level of job performance among employees in Small and Medium Enterprise (SMEs), what is the level of HRM practices among Small and Medium Enterprises (SMEs) and what is the relationship between HRM practices and job performances among employees in Small and Medium Enterprises (SMEs). In addition, the purpose of this study is to determine how HRM features connect to employee job performance. The key research objectives of the study are as follows to determine the level of job performances among employees in Small and Medium Enterprise (SMEs), to determine the level of the HRM practices among employees in Small and Medium Enterprises (SMEs) and to determine the relationship between HRM practices and job performance among employees in Small and Medium Enterprises (SMEs).

This research scope was an attempt to investigate the relationship between HRM practices on job performance among employees in SMEs. The current study was conducted in Selangor. The study targeted a random sample of employees in different departments in SMEs. A survey was conducted by distributed questionnaires to the respondents. The significance of the study as one of the latest management themes, this research demonstrated the relationship between HRM practices and job performance among employees in Small and Medium Enterprises (SMEs), which delivers vital knowledge to the reader. Academically, this adds to a better knowledge of the current state of human resource management difficulties in society. Educators and practitioners can learn about the function of HRM in a company by examining this research, which focuses on the relationship between job performance and HRM in SMEs. This study will help to improve job performance in HRM. As a result, the purpose of this research was to analyze how HRM has been discovered in empirical investigations related to in terms of employee job performance in SMEs.

2. Literature Review

2.1 Employee Job Performances

According to Al-Omari & Okasheh, (2017), organizations, it is properly claimed, require high-performing personnel to reach their objectives, produce the products and services they specialize in, and ultimately attain competitive advantage. Individual performance is also significant. Low performance and failure to meet goals can be frustrating and sometimes feel like a personal failure. Deliberates that an individual's overall view and judgement for work environment is consider their performance (Sempane *et al*., 2002). According to Islam & Siengthai (2009), state that employee job performance pleasant is emotional state which arises from the individual's job evaluation and employment experience.

2.2 Theory of Employee Job Performances

The quality of a person's work decides whether they do a good job. Employee job performance component of human resources management it consider studied academically as part of industrial and organizational psychology. Performance has a significant impact on organizational outcomes and success.

(a) Equity theory

Workers' internal calculations about the exchange of skills for the advantages of working for a company are reflected in value equity. This entails acknowledging that a person's opinions of what is sacrificed in exchange for what is received are constantly evaluated. When a company increases what employees want while lowering what they must give up, it builds value equity among its employees. Convenience adds to the value of a property.

(b) The social information processing theory

Managers and coworkers, according to the social information process (SIP) hypothesis offer a social framework in which employees construct their impressions of organizational procedures. The SIP theory's central concept is way that people perceive, think about, and act are influenced by the social context they are in and how they process information.

(c) Self-determination theory (SDT)

This theory about what drives people that has been effectively used in many different areas, such as parenting, education, healthcare, sports, mental health treatment, and even in virtual environments. It has also been applied to understand and improve motivation in workplace and in management. (Deci

et al., 2017). As a result, SDT distinguishes between According to this theory, there are different kinds of motivation and each type has unique factors that cause it, accompany it, and result from it.

2.3 HRM Practices

There is no consensus on what defines HRM practices, l*et al*one a set of them that must be followed (Boxall *et al*., 2009). Researchers have offered numerous lists of practices over the years, but there is no consensus on what or which behaviors qualify as a part of HRM (Boselie *et al*., 2005). The study focuses on recruitment or selection, training and development, and employee compensation in HRM literature. The following list of concepts and explanations relevant to this study.

(a) Recruitment and selection

The process of finding and hiring employees for an organization involves two steps: attracting a group of qualified candidates and choosing the most suitable ones from the pool of applicants. The first step is called recruitment and the second is selection. Selection involves using certain methods to pick the best candidates based on the organization's goals and following legal guidelines (Hamza *et al*., 2021). The recruiting and selection process consider the most of essential HRM responsibilities because it is the point of entrance into most businesses and where they attract people to drive their goals and interests.

(b) Training and development

Training is a structured and organized way of changing behavior through education, instruction, personal growth opportunities, and planned experiences (Armstrong, 2006). Depending on the requirement, training might be on-the-job or off-the-job. Appropriate training is essential for a variety of reasons, including problem solving, performance enhancement, and human resource development.

(c) Employee compensation

Compensation is the monetary awards given to employees in exchange to services. Base salary, compensation, bonuses, and/or commission may all be included. Total remuneration includes both monetary awards and any additional benefits provided by the employer. Employees who are in the same job classification may receive the same pay, or their pay may differ based on factors such as their performance, length of time with the company, expertise, ability, and other considerations. The difference in pay between employees can be significant or minimal. The pay structure may be hierarchical, with top executives receiving the most pay and lower-level employees receiving less (Gupta & Shaw, 2014).

2.4 Theory of HRM Practices

The term "human resource theories" refers to human resource management involves the actions and plans of business owners and leaders to oversee personnel policies and practices. Theories in this field explain how the way a company is managed and organized can affect employee behavior in positive or negative ways. By understanding and applying principles of organizational behavior and human resources, small business owners can improve the performance and innovation of their employees and reduce employee turnover.

(a) Strategic contingency theory

The second theory for human resource management is also called strategic contingency theory. This theory is based on two ideas: the concept of "contingency" and the "strategic" aspect of contingency. The name of the theory reflects these concepts. A contingency is a requirement for a subunit's specific actions in an organization that affect the work of other subunits. When other subunits start controlling more contingencies and grow more influential in an organization, this contingency becomes strategic.

(b) General systems theory

Systems theory is a field of study that looks at systems across different disciplines and is often used in the field of human resource management. It is one of the theories that are applied in HRM. A system is an interconnected and interdependent collection of pieces that might be natural or man-made. Every system is characterized by its structure and purpose, is influenced by its surroundings, and is expressed by its functioning. According to (Jacobs, 2014), the purpose of system theory is to understand things as systems and the interactions of their constituent pieces, whether natural or manmade.

2.5 The Relationship between HRM Practices and Employee Job Performances

There have been few studies looking into the link between HR procedures and employee job performance. The results showed a positive connection between HR practices and employee job performance. The paper discusses three specific HRM practices: recruitment and selection, training and development, and employee compensation. A study among academic staff found that receiving training within the business can improve their job performance by enhancing their teaching and administrative skills. This demonstrates a positive relationship between training and performance among academic staff. It can be reinforced by the findings of Nadarajah *et al*. (2012), which show that academic staff training and development improves their skills and attitudes. Furthermore, according to Johansson *et al*., (2017), academic staff training could be advantageous in the workplace and improve their performance. Investing in training for academic staff can increase their motivation, morale, and commitment, which will ultimately lead to better job performance.

The compensation package that academic staff receive while executing their duties in the organisation is thought to have a direct impact on their job performance. Compensation has a substantial correlation with employee performance. Compensation has also been mentioned as a factor. As it involves the monetary and nonmonetary reward scheme, this is a major factor that could influence academic staff promotion. This theory is further confirmed by a study from Vlachos (2019), which claims that, compensation is linked to job performance in a substantial way. The relationship between human resource practices and employee job performance is becoming a hot topic in human resource management HRM is thought to fulfil employees' needs, which boosts positive attitudes and, as a result, improves performance outcomes (Kuvaas, 2008). This is in line with social exchange theory (SET), which claims that HRM practices lead to beneficial employee-employer exchange interactions especially when individual worker needs are considered and that employees reciprocate with positive attitudes and conduct (Gould-Williams & Davies, 2005). HRM methods like training and development, recruiting and selection, compensation, empowerment, rewards, work enrichment, and employment stability, according to (Luna-Arocas & Camps, 2008). As a result of the preceding literature analysis, the current study was created to investigate the link between HRM practices and employee job performance. Well, the following hypothesis is formulated.

H1: There is a relationship between recruitment and selection, and employee job performance.

H2: There is a relationship between training and development, and employee job performance.

H3: There is a relationship between employee compensation and employee job performance.
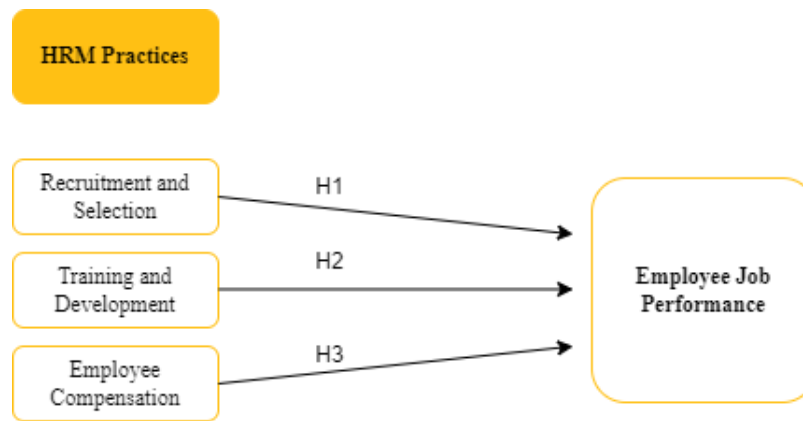
Figure 1: Conceptual framework

3. Research Methodology

The technique and methods utilized to gathered information to obtain sufficient data for this study were covered in research methodology. This section outlines the research methods used in this study to determine the relationship between HRM practices and job performances among employees in Small and Medium Enterprises (SMEs).

3.1 Research Design

This study used quantitative research methods and a questionnaire to gather data. The questionnaire was given to employees in small and medium-sized enterprises (SMEs) online.

3.2 Research Flow Chart

Figure 2 shows flow chart the study process to examine the relationship between HRM practices on job performances among employees in Small and Medium Enterprises (SMEs). There are 9 steps in this research.
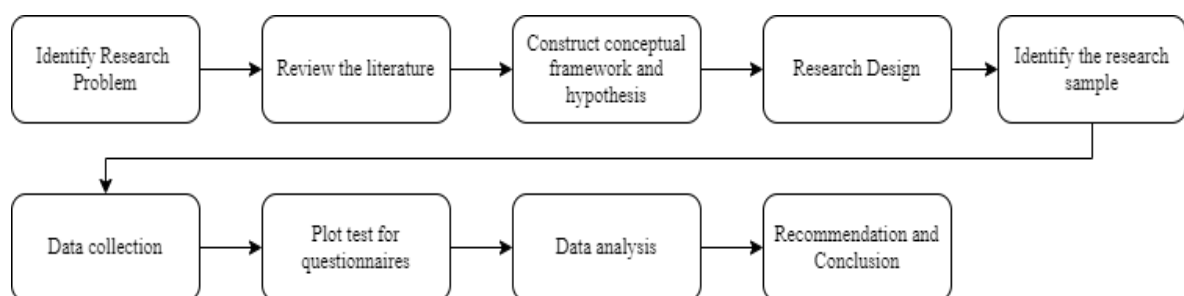

Figure 2: Research flow chart

3.3 Data Collection

This study data collection and information from both primary and secondary sources.

(a) Primary Data

In this study, primary data was collected using an online survey distributed to employees in small and medium-sized enterprises (SMEs) in Selangor. Besides that, questionnaires will be spread to the respondents using an online survey which is Google Form.

(b) Secondary Data

In this study, secondary data was obtained from previous research articles and journals. The information was gathered from the Tunku Tun Aminah Library website, which has many platforms with articles and journals such as Emerald, Science Direct, SpringerLink, and others. Besides that, this study also used Google Scholar and other online databases as a data sources reference.

3.4 Population and Sampling

The target population of this study is employees of SMEs in Selangor. This location was selected due to the high number of SMEs in the area. The total sample size for this research is 1 000 000 employees. In this study, simple random sampling was used to collect the data of survey questionnaire. The simple random sampling method has been used in this study because this method is easy, inexpensive, and fast to conduct. Using a simple random sampling method, the researcher sent a link to individuals who are working in SMEs in Selangor. Based on Krejcie & Morgan (1970) table the sample size for this study is 384 employees.

3.5 Instrument

The instrument that had been used in this research was provide questionnaire. The questionnaire of the study consists of three sections. Section A requires background information of the respondents. While Section B consists of questions that are related to HRM practices proposed by Aoin (2017). The response format was on five-point Likert scale and the answer for the questionnaire categories ranged from "strongly disagree" to "strongly agree". Section C consists of questions that related to job performances will be measured using the ten-item scale of Li *et al.* (2019). The response format was on five-point Likert scale and the answer categories from "strongly disagree" to "strongly agree.

Table 1: Questionnaire

Section	Variables	Sources
Section A	Demographic	
Section B	HRM Practices	(Aoin, 2017)
Section C	Employee Job Performances	(Li *et al.*, 2019)

3.6 Pilot Study

A pilot test was conducted prior to the main data collection to evaluate the reliability of the research instrument. In addition, this study had selected 30 employees for the pilot study to determine the reliability and validity of the questionnaires.

3.7 Data Analysis

The data had been analyzed SPSS version 26.0 using descriptive analysis and correlation analysis.

(a) Descriptive analysis

In this study, descriptive analysis was used to summarize the background information collected in section A of the questionnaire. Descriptive statistics, such as mean, standard deviation, percentage, rate, count, and range, were used to describe the data. This analysis was also used to assess the level of HRM practices and employee job performance.

(b) Response rate

This study was collected among employees in Small and Medium Enterprises (SMEs) in Selangor. A total of 384 respondents were required to answer the questionnaire of this study. However, only 320 respondents answered all the questions. Based on that, the response rate of this study is 83.33%.

(c) Correlation analysis

This study used correlation analysis to examine the relationship between HRM practices and job performance in SMEs. Spearman's Rank and Pearson's Coefficient were used to determine the strength and direction of this relationship.

4. Results

4.1 Reliability Analysis

Table 2 displays the reliability test results for each variable in the study. The Cronbach's Alpha values for all variables are above 0.7, which indicates that the study is reliable.

Table 2: Reliability test (Actual study)

Variable	Cronbach's Alpha	N-Items in Scale	N-Respondents
Recruitment and Selection	0.710	4	320
Training and Development	0.762	4	320
Employee Compensation	0.727	4	320
Employee Job performances	0.832	10	320

4.2 Descriptive analysis

Table 3 presents a summary of the results of the demographic analysis. This analysis includes five questions on gender, age, level of education, monthly salary, and number of years working, as indicated in Table 3 reliability test.

Table 3: Summary of demography analysis

Item		Frequency	Percentage (%)
Gender	Male	201	62.8
	Female	119	37.2
Age	18-30 years old	92	28.7
	31-40 years old	138	43.1
	41-50 years old	57	17.8

Level of Education	Above 50 years old	33	10.3
	Secondary school	40	12.5
	STPM/Diploma/ Matriculation /Foundation	61	19.1
	Bachelor's Degree	145	45.3
	Master's Degree	56	17.5
	Others	18	5.6
Monthly Salary	Less than RM 1,999	57	17.8
	RM 2,000 – RM 2,999	124	38.8
	RM 3,000 – RM 3,999	94	29.4
	Above RM 4,000	45	14.1
Number of years working	Less than 4 years	114	35.6
	5-9 years	120	37.5
	More than 10 years	86	26.9

Table 3 shows that demographic information in this study included five questions about gender, age, level of education, monthly salary, and number of years working. The majority of respondents were male (62.8%), while the remainder were female (37.2%). The largest age group among respondents was 31-40 years old (43.1%), and the most common level of education was a bachelor's degree (45.3%). Besides that, most of the respondents received salary between Rm 2,000-Rm2,999 (38.8%) and have between 5-9 years of working experience (37.5%).

4.3 Descriptive Analysis for HRM practices

Table 4: Descriptive analysis for HRM practices

Variables	Mean	Standard Deviation	Level
Recruitment and Selection	4.478	.707	High
Training and Development	4.443	.723	High
Employee Compensation	4.490	.683	High
Overall	4.470	0.704	High

Table 4 shows the summary for human resources management practices wvhich consists of recruitment and selection, training and development, and employee compensation. Based on the table, the highest value of mean is employee compensation which is 4.490. Next, recruitment and selection is 4.478, followed by training and development mean 4.443 is lowest value. This reflects human resources management practices among employees in SMEs is at high level.

4.4 Descriptive Analysis for Employee job performances

Table 5: Employee job performances

No.	Item	Mean	Std. Deviation	Level
1.	I always complete the duties specified in my job description.	4.446	.584	High
2.	I meet all formal performance requirement of the job.	4.556	.610	High

3.	I fulfill all responsibilities required by my job.	4.393	.560	High
4.	I never neglect aspects of the job that my is obligated to perform.	4.475	.694	High
5.	I am often able to perform essential duties.	4.396	.629	High
6.	I am proud and happy to do my work.	4.528	.612	High
7.	I have tools and resources I need to do my job.	4.443	.645	High
8.	Working hours that allow me enough time with my family and time to pursue other strong interest.	4.462	.814	High
9.	In my job, I am satisfied with how often I take part in problem solving.	4.425	.662	High
10.	High level of organization management actively listens to my issues and suggestions.	4.431	.739	High
	Total	4.456	0.656	High

Table 5 shows the mean and standard deviation for employee job performance. The table indicates that all 10 items for employee job performance received high scores. The highest mean value was 4.556 for the statement "I me*et al*l formal performance requirements of the job." The lowest mean value was 4.393 for the statement "I fulfill all responsibilities required by my job." Overall, the total average mean and standard deviation for employee job performance was 4.456 and 0.656 respectively, indicating a high level of performance.

4.5 Normality test

Table 6: Normality test

	Kolmogorov-Smirnov			Shapiro-Wilk		
	Statistic	df	Sig. c	Statisti c	df	Sig
Recruitment and Selection	.257	320	.000	.753	320	.000
Training and Development	.238	320	.000	.774	320	.000
Employee Compensation	.281	320	.000	.715	320	.000
Employee Job performances	.225	320	.000	.757	320	.000

a. Lilliefors Significance Correction

Table 6 displays the results of a normality test using Kolmogorov-Smirnov to assess whether the data in the study follows a normal distribution. This test was conducted on 320 respondents. The results of the normality test show that the data for the independent variables (recruitment and selection, training and development, and employee compensation) and the dependent variable (job performance) are not normally distributed because the significant values are below 0.05. Therefore, it is assumed that all variables in the normality test are not normally distributed and the Spearman test was used.

4.6 Correlation Analysis

Table 7: The correlation between variables of HRM practices and job performances

Independent variable		Dependent variable
		Employee Job Performances
Recruitment and Selection	Spearman Correlation	0.558**
	Sig. (2-tailed)	0.000
Training and Development	Spearman Correlation	0.451**
	Sig. (2-tailed)	0.000
Employee Compensation	Spearman Correlation	0.544**
	Sig. (2-tailed)	0.000

**.Correlation is significant at the 0.01 level (2-tailed).

Table 7 shows the Spearman correlation between HRM practices and employee job performance. The results show that the Spearman's rho correlation for recruitment and selection is r = 0.558 with a significant value of p < 0.01, indicating a positive and moderate relationship between recruitment and selection and employee job performance. The significant value for training and development is 0.451** (p < 0.01), indicating a weak positive relationship between training and development and employee job performance. The value of the correlation analysis for employee compensation is r = 0.544** and the significant value is 0.000 (p < 0.01), indicating a positive and moderate relationship between employee compensation and job performance.

5. Discussion and Conclusion

5.1 Research Question 1: What is the level of job performances among employees in Small and Medium Enterprises (SMEs)?

The results indicate that the level of job performance among employees in SMEs is high. The overall average mean and standard deviation for job performance are 4.456 and 0.656, respectively. These results show employees in Small and Medium Enterprises (SMEs) believe that employee job performances important factor in organizational productivity and success. Organizations that have employees who perform their duties effectively and efficiently are more likely to achieve their goals and objectives. Employee Job performance refers to how well an individual performs their job duties and responsibilities. Job performance is influenced by a range of factors, including the employee's personal characteristics and skills, the work environment, and the resources and support provided by the organization. Poor working conditions and high levels of stress can have negative impacts on employee job performances, while supportive and well-designed work environments can help to enhance employee job performances.

In addition, other factors that can impact employee job performances include motivation which is employees who are motivated to perform well are more likely to be productive and achieve good job performances. Factors that can influence motivation include job satisfaction, a sense of purpose or meaning in the work, opportunities for growth and development, and recognition and rewards. Moreover, leadership and management practices of an organization can have a significant impact on

the level of employee job performances among employees. Managers who are supportive and empowering, and who foster a positive work environment, may see higher levels of employee job performances. Overall, employee job performances is an important aspect of workplace productivity and safety, and can be influenced by a variety of individual, organizational, and environmental factors. The results support the idea that employees in small and medium-sized enterprises (SMEs) need some motivation to help them overcome challenges related to their job performance.

5.2 Research Question 2: What is the level of HRM Practices among employees in Small and Medium Enterprise (SMEs)?

In HRM practices, there is 3 HRM characteristics consists of recruitment and selection, training and development and employee compensation. The total average of mean for recruitment and selection is 4.415 which reflect high level. The results indicate that respondents agree that recruitment and selection is important in SMEs and that they have been given opportunities to gain exposure and skills in their jobs. The level of training and development among employees in SMEs in Selangor is high, with a mean of 4.375 and standard deviation of 0.7225. This suggests that most respondents believe that training and development is important and that it leads to increased efficiency in evaluating the quality of their work. The average mean and standard deviation for employee compensation is 4.39 and 0.683 respectively, indicating that it is at a high level. This shows that employees in small and medium enterprises (SMEs) feel that their company has appropriate practices related to employee compensation. The combination of salary, wages, and benefits that employees receive in exchange for their work can encourage them to be more motivated and loyal.

5.3 Research Question 3: What is the relationship between HRM practices and job performances among employees in Small and Medium Enterprises (SMEs)?

(a) Relationship between recruitment and selection and EJP

The coefficient value of r=0.558 indicates that there is a positive and moderate relationship between recruitment and selection, and employee job performances. The result reflects that when employees in Small and Medium Enterprises (SMEs) proceed high recruitment and selection, they are more willing to enhance potential and talent which in turn demonstrates job performances. Previous study is also found support recruitment and selection to job performances (Naz *et al*., 2016). The first step in obtaining human resources management practices for every well-intentioned firm is recruitment and selection, which is essential for the employee's employee job performances. The study discovered that by sustaining dedicated, motivated, and high-performing team members, employees will performance increases as people with the appropriate abilities, knowledge, and attitudes are present.

(b) Relationship between training and development and EJP

This study found a positive relationship between training and development, and employee job performances. The value of Spearman's correlation coefficient is r=0.451. There is a relationship between training and development, and employee job performances. Overall, training and development are related in that they both involve providing employees with opportunities to learn and grow. Training is typically more focused on job-specific skills and knowledge, while development is more focused on broader skills and competencies that can support career advancement and personal growth. Training and development helps to ensure that employees have the necessary skills and knowledge to perform their job duties effectively, which can lead to higher levels of job performance. It can help to improve employee job performances, increase job satisfaction and motivation, and support the long-term growth and development of employees.

(c) Relationship between employee compensation and EJP

In this study, it is shown that employee compensation has a positive relationship between employee compensation and employee job performances. The results for correlation coefficient indicate that the relationship between employee compensation and employee job performances is 0.544. This mean that, employee compensation has a positive and moderate relationship between job performances. Therefore, hypothesis three was supported which agrees with findings on past studies (Aoin, 2017). Pay for performance, as a motivator for increased performance, is slowly permeating systems for remuneration and rewards. According to these findings, Small and Medium Enterprises (SMEs) profit sharing and bonus payment given to the employee could motivate employee to enhance their job performances. They are more likely to be driven to show up for work each day and do their tasks to the best of their ability, which will improve their employee job performances.

5.4 Contribution of Research

The results of this study are expected to help to some extent information about HRM practices and job performances among employees in Small and Medium Enterprises (SMEs). In addition, this study can also help to understand the importance of HRM practices and employee job performances. Through application the element of HRM practices will also affect the job performances in achieving the vision and mission of the company or organization.

In addition, based on the research conducted, researchers hope can contribute to literature studies in the future. Through this study researchers can increase the number of studies done on HRM practices and job performances among employees in Small and Medium Enterprises (SMEs). Moreover, through the study doing this is also expected to increase knowledge and understanding on the HRM practice and job performances among employee in Small and Medium Enterprises (SMEs) in Selangor. Next, researchers also hope this study can help researchers outside especially in Selangor to make the study a reference because the study is within the scope of HRM practices and job performances among employee in Small and Medium Enterprises (SMEs) like this is still not carried out too much in Selangor.

5.5 Limitation of Research

This study has various limitations that were encountered. The primary drawback was the online questionnaire utilized as the data gathering technique. The study's questionnaire was completed in a simple and affordable manner. However, a minor percentage of respondents decline to respond, which lowers the response rate. There were other deadlines for data collecting.

Secondly, due to the time constraints, the research was conducted with a limited sample size, which prohibited the researcher from enlarging the capacity to find respondents from other geographic backgrounds. This could result in inaccurate data gathering findings.

The correctness of the results is another factor limiting this investigation. According to their thoughts and experiences with the statement extracted from the questionnaire, the respondents were surveyed. As a result, the respondents may have rated reality differently on purpose. The data that is gathered may be biased to some extent as a result. In other words, it is challenging to guarantee that the respondent's real behavior is based on the surveys they filled.

5.6 Recommendation of Study

There are a multitude of suggestions that might be made in this study to further bolster the conclusions. First, to increase response rates, the study's data collecting period might be expanded. This is due to the researcher's ability to include more participants or responders in the study. More samples may be created from the survey participants' responses, which would mean that the results would benefit from greater variety.

In addition, future studies must be repeated in various states or regions. The results of the data acquired in this study cannot be extended to other studies because it exclusively focused on Selangor. To strengthen the validity and trustworthiness of the data acquired, future researchers should make every effort. Future researchers can expand their scope by conducting their research in different types of sectors.

Finally, it is advised that future research blend qualitative and quantitative methods in their methodology. The quantitative approach used in this study solely uses numerical data for the questionnaire, which explains why. However, a qualitative approach may deal with more subjective language. The respondents will have the opportunity to express their own views on the research when the future researcher uses a qualitative approach like an interview. In summary, using a variety of methods can help the researcher uncover more nuance and useful data.

5.7 Conclusion

As a conclusion, this study determined the relationship between two variables. Besides that. this study has been carried out to achieve the objectives of the study as required by researchers to determine the relationship between HRM practices and employee job performances. In overall, 3 hypotheses been supported. Moreover, recruitment and selection, training and development, and employee compensation have a significant relationship between employee job performances. Hence, it can be concluded that HRM practices could influence employee job performances among employees in SMEs.

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