

Study on Human Resource Management and Enterprise Performance

Liqiong Wang^{1, a}

¹ Xi'an International University, Xi'an, Shaanxi, 710077

^a email

Keywords: Human Resource Management, Enterprise Performance, Market Development

Abstract. Companies born in the emphasis on strategic management and implementation of a new winning era, how to improve management competitiveness is a major challenge facing businesses. Faced with this challenge, build high-performance human resource management system has become the focus of world business leaders of common concern. Since the 20th century the mid-1990s, research on human resources management system in the field has made remarkable development, more and more experts and scholars believe that human resources management system is an important source of business to obtain lasting competitive advantage. However, the demonstration of human resource management and corporate performance relationship, and there are still some controversy; plus the little-explored resource management and corporate performance against human SMEs. Therefore, this study SMEs for the study, in-depth analysis of the relationship between human resource management and enterprise performance.

Introduction

With globalization and market competition intensifies, SMEs rely solely on the monopoly market structure, strategic positioning and the correct property rights to gain competitive advantage, it has been very difficult. Competitive strategy and market positioning between enterprises are gradually transparent, more competitive advantage from the beginning to develop strategies for the implementation rather than strategy. Meanwhile, in worldwide competition, especially compared to some countries in Southeast Asia, China's labor cost advantage is disappearing. China's small and medium enterprises in order to have a future in the global market place, it is necessary to enhance the effective management of the enterprise competitiveness, especially in human resource management competence. Because both companies use the cost strategy, implementation of innovation strategy, quality strategy, service or strategy or other strategies, the strategy ultimately relies on the company's employees to achieve. From the reality of the situation, human resources management has been an unprecedented challenge. Environmental Changes: the operation of the development of economic globalization and information technology, the strength and frequency of increased competitive environment, human resource management under the traditional planned economic system to work as the core, suppressing people's initiative, not facilitate the work of improving the quality and work efficiency. Internal aspects: human resource management faces many difficulties, such as lack of scientific and efficient performance evaluation and incentive systems, not really aware of the importance of employees, inadequate investment in human resource management and waste of resources and so on coexist. Therefore, Chinese enterprises how to foster human resource management through the core competitiveness of enterprises, is a grim reality issue.

Situation of Human Resource Management

A considerable number of SMEs in human resource management is still in the traditional administrative personnel management stage, mainly steward, centered, emphasizing the things ,, single aspect of control and management, management of form and purpose is to control people; the people as as a cost, as a tool to focus only on the use and control; while ignoring the importance of people, as well as the combination of people and things. Since the error of understanding, as well as from the cost savings and other considerations, some SMEs lack of attention to modern human

resource management and planning, human resource management so stagnant.

SMEs, many human resource management functions failed to establish or improve such conflicting or inconsistent between the entire human resources management system in each template, it is difficult to play the overall effectiveness of human resource management. Some companies even establish a human resources management system, the human resource management department positioned too low to co-ordinate the entire company's human resources. Such as HR and other departments to communicate less, difficult to coordinate the work of departments; human resources strategy can not be combined with the company's strategy, play a key role; appraisal system is not perfect, unfair performance appraisal, incentive mechanisms are inadequate and so on.

There are many implementations of modern human resources management business on the surface, there are many problems in designing the remuneration system, incentives to build and so on. For example, do not handle the elements qualifications, position, ability, knowledge, contributions and other relations in the salary distribution system, with the strength to arrange job, get paid based on performance and contribution have not been well represented. Distribution of internal equity, external equity, fair staff appeared disorder, difficult to coordinate the work of staff enthusiasm. Incentive pay and benefits as a business an important incentive, there is no incentive to play its due function, makes it difficult to effectively motivate employees to work hard.

In the new competitive environment, the advanced human resource management ideas into business for characteristics, operational systems and technical means, is one of the SME human resource management problems. SME managers have learned and mastered modern human resource management ideas and concepts, with a certain modern management theories and ideas. But their theory contact practice, the application of advanced management ideas to solve human resource issues, there is a big shortage of human resources management methods and techniques, etc., and thus the performance of human resource management is not high. Since the technology is not mature enough human resources management, workflow beneath norms, lack of work experience, and therefore difficult to form a human resources management information system, electronic system level is relatively low.

SMEs lack of long-standing importance of corporate culture construction of understanding. Small and medium enterprises, especially private enterprises and private enterprises, many uses paternalistic management, lack of clear division of functions and standardized management system, most companies do not form suitable human resource management. In addition, the construction of cultural SMEs not pay enough attention, consciousness, yet profound understanding of the important role of corporate culture in improving the working environment, to meet the spiritual needs of employees, enhance cohesion and enhance the core competitiveness of.

Human Resource Management Optimization Strategies

Different pay system will attract personality traits and values of different people. Those who will pay and individual performance linked enterprises, especially interesting to pursue individualism employees; and those companies pay more attention to the team, the team is more likely to attract employees doctrine of faith. Therefore, the design of the remuneration scheme needs business strategy and human resources management to be coordinated carefully. Compensation management strategy is an enterprise in making compensation decisions respond appropriately to the opportunities and threats in the environment, and with or holistic, long-term development goals and support the organization's direction. By compensation strategy and compensation management system to support competitive strategy and help organizations gain a competitive advantage.

Carried out in the enterprise employee career management, can reduce the cost of employee turnover caused conducive to improve their overall performance. As can be seen from the empirical analysis in Chapter IV, employees opportunities for advancement within the company a lot of factors, the impact on business performance is very important. Therefore, SMEs should pay attention to the management of staff career.

Post structure of the enterprise can affect the growth of staff, if there is no reasonable internal job promotion system, the selection of personnel to bring in more from the outside, it will be a heavy

blow outstanding work of the staff motivation and loyalty to the company, resulting in talent drain. Enterprises to develop career management, we must first set up a scientific and rational post structure, develop job rank promotion rules established for staff development career path. For example, according to the actual business, set up management positions and professional positions Series Development Gateway Development Gateway series, based on the employee's ability and expertise to help employees to gradually achieve self-growth. Enterprise set up a mature sound job promotion mechanisms, not only to motivate employees to continue to surpass themselves, and strive to work for the enterprise, reduce the rate of brain drain; and can save the cost of human resources, to avoid some of the risks of external recruitment.

Performance management helps communicate corporate culture and values between the enterprise and its employees, it is a good target employees' work activities and organizations linked. Clear job responsibilities and tasks, in which people can work in accordance with established standards and requirements, but also help enterprises to rule-based performance evaluation, performance appraisal to achieve fair and reasonable. SMEs should establish a sound system of performance management, job design statement of work, strict rules tasks in various positions, job duties, working relationships and work standards. Of course, companies should not only have a complete and rigorous performance management system so that employees can follow; should also establish accurate data in the daily management system, so that employees can conduct timely and accurately record a complete information as management basis. Also, according to production and business activities of the new situation and new experience, and constantly improve the existing performance management system, the only way to institutional and corporate realities.

The purpose of the training is to master the training program for staff emphasized that knowledge, skills and behaviors, and the training to learn the knowledge and skills to their daily work. In recent years, it has been widely recognized that in order to gain competitive advantage through training, training can not be confined to the development of basic skills .. Through long-term investment in training, SMEs can develop a market economy to adapt to the requirements of outstanding management personnel and professional and technical personnel, creating high-quality, high-skill, high input of staff, will also form a very comprehensive staff training system .

Management system is not perfect is a problem faced by many SMEs training, therefore, SMEs should start leadership, attention to establish and improve the training system. He headed by the chairman or general manager of the leadership training group responsible for approving and modify enterprise training management system and policies, decisions and training strategy annual training plan, check the effectiveness of training and coordinate training-related issues. Set up staff training in the relevant departments, is responsible for the preparation of a single department or annual training plan, organize and implement leadership entrusted part of the training activities, coordination of training arrangements for the staff, and with the leadership or training centers for training and evaluation of the effect of feedback.

Conclusion

Corporate values is the core and foundation of corporate culture, it provides a common ideas for employees, beliefs and codes of conduct. Companies need to identify with the company's values and goals, and the company as their own thing to do, and selfless dedication for the company employees, but not easy to recruit such employees, whether employees loyal to the company for the service, depending on whether the key is identity corporate values, whether they can adapt corporate culture of the organization. Establish the correct philosophy, it is an important task of enterprise culture. Business philosophy has a lot of categories, such as market concept, the concept of competition, efficiency ideas, innovative ideas, the concept of long-term, ecological concepts, the concept of democracy and so on. Firm-specific knowledge and attitudes of these concepts are enterprises engaged in production and business activities of the basic guiding ideology, directly affects all aspects of daily behavior of employees. As a result of business conditions in terms of human, material and financial aspects of the different, facing different environments, so each

enterprise chosen philosophy is inconsistent. This combined with the actual needs of the company, in the analysis of the formation of their business philosophy based research business development goals and ways on and penetrate into the depths of the thought of employees into employees daily work habits, work together thinking the way.

References

- [1] Adkins, C. L., Russell, C. J. & Werbel J.D, Judgments of fit in the selection process, the role work-value congruence. *Personnel Psychology*, 1994. (47).605-623.
- [2] Arijantunen, K. P., et al. Entrepreneurial Orientation. Dynamic Capabilities and International Performance. *Journal of International Entrepreneurship*, 2005, (3), 223-243.
- [3] Arthur, J. B. Effects of human resource system on manufacturing performance and turnover. *Academy of Management Journal*, 1994,(37),670-687. Baird, L., & Meshoulam. Managing two fits of strategic human resource management. *Academy of Management Review*, 1988, (13),116-128.
- [4] Barney, J. Firm resources and sustained competitive advantage. *Journal of Management*, 1991,(17), 99-12L
- [5] Barney, J. Looking inside for competitive advantage. *Academy of Management Executive*. 1995,(9),49-61.
- [6] Barney, J. B., & Wright, P.M. On become a strategic partner, the role of human resources in gaining competitive advantage. *Human Resource Management*. 1988. (37), 31-46.