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THEME:

**PERFORMANCE AND MANAGEMENT OF HUMAN RESOURCES IN  
SMES**

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## **CONTENT**

### First Chapter

Introduction

Definition of research problem

Purpose of the study

Methodology of the study

Brief content of the paper

Main hypothesis

Scientific importance of the study

### Second Chapter

Theoretical concept on SMES

Role and importance of SMES in economic growth

Characteristics of small and average enterprises

Problems with which are faced the SMEs in contemporary society

Development of SMEs in Kosovo

Environment/Circumstances of SMEs

Governmental policies in the development of SMEs

Role of agencies in supporting SMEs

Role of non-governmental organizations and associations of the business in the development of SMEs

Development of municipal centers business capacities

Qualification improvement of individual consultants of businesses and service providers for business

Construction of information systems and their role in Kosovo enterprises

### Third Chapter

Management of human resources

Environment for the management of human resources

Why are human resources important?

Human capital and human resources

Factors affecting in the management of human resources

Planning of human resources

Analysis of work places

Recruitment and Selection

Training and development

Performance

Compensation and remuneration

Motivation

Human relations

Management of human resources and entrepreneurial performance

Management of human resources and the performance of SMEs

Fourth Chapter

Disclosure of the results from the conducted research

Implementation of the study plan

Methodology of study

Sample of the survey

Data analysis

Fifth Chapter

Conclusions and Recommendations

Recommendations

Literature

Appendix

## Survey questionnaire

### First Chapter

#### Introduction

Management of human resources every day more is shown as very important not only in the development of small and medium enterprises but in all institutions. The economy of the market stimulates a competitive market, where only the best can survive therefore this brings to expression the management of human resources in such a way to be competitors in the market. Managing of human resources should be viewed as a continues process which is reflected in the performance of every enterprise, regardless of their size.

The study aims to know the actual situation in performances and the management of human resources in SMEs in Kosovo and the research of relation of human resources in the performance of the enterprise. Results of the study are based in analyzing the collected data through survey questionnaires to which have responded managers with different responsibilities from 20 small and medium invested enterprises in different cities of Kosovo, and 155 small and medium enterprises surveyed with their responsible persons. The result of our research shows the relation between the management of human resources and the entrepreneurial performance in small and medium enterprises in Kosovo.

The result of our study shows that the management of human resources has a positive impact in the productivity, innovations and the profit of small and medium enterprises in Kosovo.

In summary, this paper will provide answers in the real presentation of the actual state of the performance and management of human resources in small and medium enterprises in Kosovo. At the same time it will provide conclusions and recommendations for the improvement of managing the human resources in SMEs in Kosovo.

## **FIFTH CHAPTER**

### **CONCLUSIONS AND RECOMMENDATIONS**

The purpose of this paper has been to show the management of human resources in small and medium enterprises and how is reflected the management of human resources in the entrepreneurial performance. Theoretical part of the theme shows how are divided the small and medium enterprises and for the role and importance that they have for the economic development of a country, that undoubtedly present the main engine in the development of every economy. We have been focusing especially in the management of human resources while underscoring the main fields of the management of human resources and the huge impact in the development and performance of small and medium enterprises. General data resulting from the study of small and medium enterprises in Kosovo show that the small and medium enterprises in Kosovo pay special attention to the management of human resources for a better performance, starting from the construction of plans of human resources to their practical implementation.

By the research conducted in 20 small and medium enterprises it results that the process of recruitment and selection, to a certain extent is made according to the best practices starting from the announcement of job vacancies and the application of a certain number that affects the increase of the level of competition in the selection of employees, but this practice is not performed entirely to all small and medium enterprises because to a certain number of practices , the process of recruitment of employees is made by not announcing job vacancies and without being subjected to the procedure of testing and application of principles for selecting the best candidates. Regarding the training, a part of small and medium enterprises believe that for a better performance the actual knowledge that employees in enterprises possess must be improved while not always are provided training for the employees in cases of advancement in office or taking new responsibilities. Most of the small and medium enterprises is not practiced the signatory of special contracts for specialized or expensive training that are provided to employees, that if within the certain period they quit the job they must pay the specified amount of the cost of training. Also most of the small and medium enterprises do not have a special department that cares for the training and development of employees in enterprises which would be a very appreciated asset in providing training in necessarily size and quality commensurate with the nature of work of the enterprise.

Our findings conclude that in some small and medium enterprises there doesn't exist an approved adequate forms for written evaluation of the entrepreneurial performance, respectively of the innovations applied in the enterprise, but in many enterprises it is used the assessment of performance of the effectiveness at work and identification of needs for training that increase this effectiveness but not the evaluation of skills, entrepreneurial knowledge as a rare resource in the enterprise. Also the majority of small and medium enterprises for their employees do not provide health care, regardless how dangerous their jobs might be in a non-friendly environment for the employees. The main part from our research is the systematic relaxation of human relations

practicing differentiated forms of entertainment for employees, frequent occurrence in many investigated enterprises. Stated as outlined small and medium enterprises are partly satisfied with the objectives that they have achieved against to those they have set, but most of them are happy with the achieved objectives. Many of the small and medium enterprises are characterized with the deficient diversity in the execution of entrepreneurial activities, because besides that they want to continue with the actual business, a part of them has in focus of their vision the beginning of a new business that reflects adjustment in the conditions of competition and economic dynamism in the concrete business environment. What is known is undoubtedly the fact that the human factor is viewed as a crucial competent in the good performance of the enterprise and in the advanced management of human resources that is reflected in the establishment of the business results of the enterprise.