ESG: The effect of important Human Resource Management factors on the sustainability of SMEs: A case study from the Visegrad Four countries

Jaroslav Belas

Alexander Dubček University in Trenčín, Faculty of Social and Economic Relations, Študentská 3, 911 50 Trenčín, Slovak republic, E-mail: jaroslav.belas.st@tnuni.sk

Martin Sramka

Alexander Dubček University in Trenčín, Faculty of Social and Economic Relations, Študentská 3, 911 50 Trenčín, Slovak Republic, E-mail: martin.sramka@tnuni.sk

Armenia Androniceanu

Bucharest University of Economic Studies, Faculty of Administration and Public Management, Piata Romana 6, 040657 Bucharest, Romania, E-mail: armenia.androniceanu@man.ase.ro

Zdenko Metzker

Tomas Bata University in Zlin, Faculty of management & economics, Mostni 5139, 76001 Zlin, Czech Republic, E-mail: metzker@utb.cz

Gabriela Michalec

Eötvös Loránd University, Department of Management and Business Law, Rákóczi út 7, 1088, Budapest, Hungary, E-mail: michalec.gabriela@gtk.elte.hu

Abstract: *Exploring the attributes of sustainable growth is currently a very popular area of scientific research. This area is particularly important for small and medium-sized enterprises (SMEs), due to their significance in economic systems. This paper aims to define the significant factors in the field of HRM and to quantify their impact of these factors on the perception of sustainability in SMEs in the V4 countries. The empirical research was conducted in March 2024 in the V4 countries using the CAWI research method. The total number of respondents from the V4 countries was 1.056. The structure of respondents by nationality was as follows: 26.23% were from the Czech Republic, 25.66% from Poland, 23.86% from the Slovak Republic and 24.24% from Hungary. The defined statistical hypotheses were tested using regression and correlation analysis. According to the results of the research, we can conclude that the application of progressive HRM tools significantly* *contributes to positive attitudes of SMEs towards sustainable growth. Thus, a participative management style within the firm, a high-quality system of employee appraisal and tangible involvement, the use of tools to enhance employees' qualifications and career growth, the provision of various company benefits and attention to employee satisfaction to maintain low turnover represent progressive HRM tools in the context of the ESG concept. The HRM system is an important part of pillar S of the ESG concept. The research has shown that applying this concept can significantly affect SMEs and address some of their challenges.*

Keywords: SMEs, HRM, progressive HRM tools, ESG, SME sustainability

1 Introduction

Small and medium enterprises (SMEs) play a crucial role in the socio-economic development of most countries, and they are the driving force behind growth and the backbone of the economy [1]. According to Batrancea [2], SMEs significantly increase the regional gross domestic product (GDP) across the European Union. Like other businesses, SMEs face numerous challenges today, such as digital transformation [3], competitive, global and technological challenges [4], lack of skilled personnel and organizational structures [5], limited of resources [6], and cybersecurity challenges [7].

Human Resource Management (HRM) is one of the most important activities of SMEs because most of them produce products and services primarily based on human labor, which means that human capital represents the most important asset for these firms.

Environmental, Social, and Governance (ESG) aspects are increasingly used to measure selected aspects of companies' performance, shape investment decisions and provide customers with appropriate information for purchasing products and services in the context of sustainability. ESG maps firm performance across three pillars (E, S, G) and refers to a set of non-financial indicators [8][9]. The main objective of ESG creation and development is to guide firms towards sustainable growth [10].

The application of progressive forms of HRM is an integral part of the ESG concept. On the one hand, it encounters some barriers that are typical for SMEs (less formalization of HRM practices, absence of HRM specialists in the company, informal recruitment practices, lower financial resources for employee training, etc.); on the other hand, efficient and motivated employees are a prerequisite for the competitiveness, performance and sustainability of these companies.

ESG score reporting is mandatory for large firms and SMEs on the stock exchange. ESG disclosure has become a key part of corporate reporting for large firms. The effectiveness of this tool in the SME segment is still under-researched, even though these firms represent the majority of firms worldwide [11].

Given the global trend of promoting corporate sustainability, it can be assumed that in the medium term, ESG score reporting will also be mandatory for other SMEs. In this context, building a robust theoretical knowledge base in this area is necessary. However, limited attention has been paid to the role of HRM practices in shaping sustainability perceptions in SMEs, particularly in the V4 region. Therefore, this research can be considered original.

In this study, we investigate the effect of the application of progressive tools on shaping SMEs' attitudes towards sustainability. This research is unique in that we present the findings of a robust empirical survey carried out in the Visegrad Four (V4) countries.

The structure of the paper is as follows… The theoretical part presents important findings in the HRM field within the SME segment. The next section introduces the research aim, statistical hypotheses, methodology, and data used in the study. The next section presents the research results and the evaluation of the statistical hypotheses. This is followed by a short discussion. In the final section, the main conclusions are presented.

2 Theoretical Background

In recent years, SMEs have been focusing on HRM, which represents one of the main competitive advantages of enterprises. HRM is a fundamental element of organizational success [12]. HRM is very important for SMEs [13], and interest in HRM in SMEs has increased significantly in recent years [14-17]. Human capital is considered the most valuable asset; therefore, for SMEs to thrive, they must adopt a strategic approach to HRM [18]. This will enhance their competitiveness and responsiveness to market changes. On the other hand, there is a lack of research on HRM in SMEs [19]. Bilan et al. found that HRM practices in small and medium-sized businesses in Ukraine are primarily implemented chaotically, lacking analysis of their impact on resource efficiency and failing to connect with the overall economic efficiency of enterprises [20]. Nam and Luu argue that knowledge regarding the impact of HRM practices on the success of SMEs is still limited. They also found that the adoption of HRM procedures facilitates labour productivity and value addition [21]. Heilman et al. claim that it is crucial to focus on agile, innovative, and productive HRM practices that can foster profitability and growth among SMEs [17]. Ho et al. discussed the benefits of adopting strategic HRM in SMEs to improve dynamic capabilities and foster innovation. The authors suggest this approach can lead to positive business outcomes [22]. The study of Al-Tal and Emeagwali suggests that knowledge-focused HRM practices may have a beneficial impact on enhancing the capacity for knowledge management, intellectual capital, and innovation in both products and processes in SMEs [23].

In the contemporary global business environment, most organizations face evolving and competitive market conditions that necessitate adaptation and effective resource management to achieve a sustainable competitive advantage. One of the most pivotal factors influencing the competitiveness of SMEs is their capacity to manage human resources effectively. HRM in these enterprises encompasses a comprehensive approach to addressing employee issues, encompassing recruitment, development, motivation and workforce retention. These aspects of HRM are fundamental elements of the strategies that influence the image and ability of SMEs to compete in the marketplace. The HRM system directly and significantly influences employees' capabilities, motivation and opportunities to participate in company management through a high degree of autonomy [24].

The performance of an enterprise is a crucial determinant of its competitiveness and depends on several factors. As one of the factors, HRM is primarily the responsibility of line managers and HR professionals [25][26]. Pombo and Gomes [27] analyzed the association between HRM and organizational performance. Aslam et al. found that innovative HRM practices significantly impact labour productivity and various forms of innovation, including product, process, and marketing [28]. Viitala et al. found that managers' attitudes towards HRM impact the performance of SMEs [29]. Regarding HRM practices, incentives, compensation and teamwork are significant factors for firm performance [30]. HRM policies can significantly impact the marketing strategies and overall performance of SMEs [31]. Hidayat et al. analyzed the effect of HRM competencies on the financial performance of SMEs and found a significant influence between the variables [32]. According to Alkhalaf and Al-Tabbaa, adopting HRM practices influences organizational performance and innovation in SMEs [33]. Al Qaydi et al. summarized HRM practices factors that impact SMEs performance – training and development, employee compensation, HR planning, ethical climate [34].

HRM is the key to gaining a competitive advantage in today's global world. To achieve effective HR management, it is vital to have competent staff to carry out HR-related activities. HRM systems are the most important mechanism by which companies develop their intellectual capital and achieve competitive advantage [35]. This is confirmed by Spahi et al., who found that SMEs with owners with greater formal HRM experience have more efficient and well-managed human resources, contributing to their competitiveness. [36].

A synergy of several factors and activities, including HRM, is a fundamental aspect of sustainability for enterprises. Sustainable enterprises operate continuously and maintain liquidity, ensuring a stable and dynamic balance with their environment [37]. All the aforementioned contexts of HRM in SMEs, including the impact on performance, image, reputation and competitiveness, significantly determine and impact the sustainability of SMEs. Sustainable strategies for SMEs were analyzed by Pallapu and Andrews [38]. According to Stubbs et al., qualities such as resilience, hardiness, elasticity, flexibility, adaptability, and willingness to adapt and fail enable SMEs to operate successfully in times of uncertainty and fast change in the external environment and to respond to current demands by changing their business models [39]. Sustainable HRM encompasses three fundamental dimensions: environmental, social and economic sustainability [40]. HRM is essential for sustainability, mediating the complex relationship between HR performance and business performance and enabling organizations to tailor strategies for sustainable competitive advantage [41]. HRM is a crucial factor in sustainability, as it mediates the intricate relationship between HR performance and firm performance. This relationship is influenced by many factors, including firm size, age, and life cycle stage. By grasping these factors, organizations can tailor their HR strategies to align with their needs, thus contributing a sustainable competitive advantage and organizational success [32].

In light of the significance of HRM as a competitive advantage, SMEs are increasingly adopting strategic and innovative HRM practices, including e-HRM, to enhance sustainability and business performance. Effective HRM improves performance and impacts organizational image, reputation, and talent retention. This highlights the critical role of HRM in sustaining competitiveness and fostering growth in SMEs. The progressive HRM tools in this research included the following factors: participative management style, development of employees' skills and career growth, providing corporate benefits to employees, and an emphasis on employee care and satisfaction.

In the context of modern business, sustainability plays a growing role SMEs because it refers to the ability to operate in an environmentally and socially responsible manner while achieving economic viability. Research illustrates that SMEs are increasingly adopting sustainability frameworks to enhance operational efficiency and engage with the community [42].

The relationship between HRM, CSR, and ESG frameworks is crucial for promoting sustainable practices within SMEs. Effective HRM practices serve as mediators that enhance the implementation of CSR initiatives, leading to improved organizational performance [43]. Furthermore, ESG have been identified as beneficial tools for SMEs, enabling them to benchmark sustainable practices and drive strategic improvements [44]. Consequently, a cohesive approach integrating HRM, CSR, and ESG can significantly influence an SME’s capacity to achieve long-term sustainability goals while responding to market pressures [45].

3 Aim, Methodology and Data

The paper aims to define the significant factors in the field of HRM and to quantify the impact of these factors on the perception of sustainability in SMEs in the V4 countries.

Empirical research was conducted in March 2024 in the V4 countries as part of cooperation between the European Center for Economic and Social Research (ECESR) and the external agency MN Force. The ECESR scientific team prepared the research questionnaire. The professional agency MN Force collected the data using the CAWI research method. MN Force ensured a random selection of respondents and a representative sample. The questionnaire could be completed by the owner or senior manager of a small or medium-sized enterprise (SME, hereinafter referred to as the "respondent"). The questionnaire consisted of 21 questions, six of which were designed to obtain basic information about the company. The second part of the questionnaire measured the attitudes of SMEs towards defined ESG statements, sustainable growth, and business ethics issues. Each respondent had the option to choose one of the following answers: strongly agree, agree, no opinion, disagree and strongly disagree.

The total number of respondents from the V4 countries was 1,056. The structure of respondents by country was as follows: 26.23% in the Czech Republic (CR), 25.66% in Poland (PL), 23.86% in Slovakia (SR), and 24.24% in Hungary (HU). The structure according to company size was as follows: 50.28% were micro-enterprises, 27.56% were small enterprises, and 22.16% were medium enterprises. In terms of length of business, the structure was as follows: 32.67% of the firms have been in business for five years or less, 30.02% for more than five years and up to 10 years, and 37.31% for more than ten years. Regarding gender, 50.57% were male, and 49.43% were female.

Based on the results of research studies [40][41][43], four significant independent variables in HRM and one dependent variable in sustainability were defined. These variables were formulated as statements to which SMEs were asked to take a position.

Independent variables:

- x1: Participative management style is applied in the company. We use a quality system of evaluation and tangible employee involvement.
- x2: We have plans to upskill our employees and ensure their career development.
- x3: We provide various company benefits to our employees.
- x4: It is important that employees are happy in the company and have no clear interest in leaving for another company. Turnover in our company is less than 10% per year.

Dependent variable:

y: Sustainable growth should pursue the companies' economic interests and the positive impact on the social system and environmental aspects. We apply this view in our day-to-day business activities.

Following the selection of the independent variable and the dependent variable, the following statistical hypotheses were defined:

H1: Applying a participative management style and a good employee evaluation and material involvement system positively influences SMEs' attitudes towards sustainable growth.
H2: Ensuring employees' up-skilling and career development positively influences SMEs' attitudes towards sustainable growth.
H3: Providing corporate benefits positively influences SMEs' attitudes towards sustainable growth.
H4: Ensuring employee satisfaction positively influences SMEs' attitudes towards sustainable growth.

The linear regression model (LRM) and correlation analysis (CA) methods were used to test the statistical hypotheses at α = 5% significance level. Regression analysis examines the causal relationship between dependent variables and independent variables. Linear regression was applied due to the use of a five-point Likert scale. Positive attitudes toward the independent variables linearly and positively determine the dependent variable.

4 Results

Table 1 presents the basic results of descriptive statistics:

Table 1:
descriptive statistics

	y	**x1**	**x2**	**x3**	**x4**
Mean	2.0275	2.1127	2.0606	2.2150	2.0786
Std. Error	0.0278	0.0297	0.0288	0.0314	0.0301
Std. Deviation	0.9019	0.9656	0.9359	1.0212	0.9777
Sample Var.	0.8135	0.9323	0.8759	1.0428	0.9559
Kurtosis	0.7657	0.3631	0.7731	0.1744	0.5754
Skewness	0.8391	0.7479	0.8592	0.7161	0.8604
Count	1056	1056	1056	1056	1056

Testing values of kurtosis and skewness demonstrated that the data are normally distributed (α = 0.05).

Table 2 summarizes the results that were obtained from the correlation analysis.

Table 2:
Correlation analysis

	y	**x1**	**x2**	**x3**	**x4**
y	1				

x1	0.6234	1			
x2	0.6066	0.7571	1		
x3	0.6018	0.7012	0.7371	1	
x4	0.5866	0.5900	0.6557	0.6638	1

The dependent variable y is strongly and positively correlated with variables x1 to x4 (Pearson correlation coefficient c = <0.5866; 0.6234 >).

Table 3:

Linear regression model results

Regression		**ANOVA**	**df**	**SS**	**MS**
Multiple R	0.6948	Regression	4	414.3366	103.5841
R sqr.	0.4828	Residual	1051	443.8670	0.4223
Adj R sqr.	0.4808	Total	1055	858.2036	
Std. Err.	0.6499	F	245.2693		
Observed	1056	**p-value**	**<0.0001**		
	Coeff.	**Std. Error**	**t Stat**	**p-value**	**VIF**
Intercept	0.4687	0.0537	8.7306	<0.0001	-
x1	0.2614	0.0336	7.7696	<0.0001	2.637
x2	0.1196	0.0377	3.1700	0.0016	3.112
x3	0.1395	0.0323	4.3199	<0.0001	2.716
x4	0.2171	0.0291	7.4639	<0.0001	2.019

In Table 3 it is shown that the regression model is statistically significant (p-value <0.001). This model predicts 48% (Adjusted R sqr.) of the effect of x1-x4 on y. All the independent variables significantly influence SMEs' attitudes towards sustainable growth. The independent variables (x) are moderately correlated.

The regression model is presented in Table 4:

Table 4

Hypothesis results and regression model [C = confirmed; R = rejected]

	H1	***H2***	***H3***	***H4***
V4	*C*	*C*	*C*	*C*
y = 0.4687 + 0.2614 x1 + 0.1196 x2 + 0.1395 x3 + 0.2171 x4				

Table 4 summarizes that the statistical hypotheses H1, H2, H3 and H4 are confirmed.

5 Discussion

The study identified four progressive factors in HRM that positively influence SMEs' attitudes towards sustainability.

The first factor was the application of participative management system, a high-quality appraisal system, and tangible employee involvement. The research showed that applying this HRM system positively influences the formation of SMEs' attitudes towards sustainability. The findings are consistent with the conclusions of studies by several authors, such as [46][47]. Coffeng et al. reported that in this management system, managers encourage team members to make suggestions for the firm's decision-making [48]. Transformational leadership focusing on employees' personal development, motivation, and individual care positively influences ESG performance in SMEs.

The second significant factor classified as progressive HRM tools is use of tools to enhance employee qualifications and career development. The research results are compatible with the findings of Dar and Mishra [49], who emphasize that the most important human capital investments are the education and training of employees and other authors such as [25][26] who have examined these attributes in the context of SMEs performance, labour productivity and organizational performance. The results of Su and Lin's study show that the better the ESG performance of enterprises, the higher the efficiency of human capital investment [50].

The third significant factor that should have a statistically significant impact on shaping SMEs' positive attitudes towards sustainability was the provision of various corporate benefits such as recreation, social insurance contributions, organizing corporate events, sporting activities, and cultural events. It can be assumed that when SMEs can invest funds in this area, which positively influences employee satisfaction and loyalty, they perceive their company as having strong future prospects.

The fourth factor was the concern for employee satisfaction, intending to maintain a low turnover rate, which should not exceed 10% per annum. Research has shown that this factor is statistically significant in shaping SMEs' positive attitudes towards sustainability. SMEs need to keep staff turnover to a minimum as high turnover rates increase their costs or may decrease revenues. These aspects reduce the financial performance of SMEs and also lead to lower levels of competitiveness. The research results are compatible and follow the results of several authors who deal with HRM issues. Human capital is not only knowledge, skills and experience but also the willingness of individuals to use these attributes to create value for the organization [51], which can be achieved through employee satisfaction, commitment and loyalty. According to Saks, HRM and management systems positively affect employee engagement. The author emphasizes that appropriate HRM practices will result in an organizational climate of care and concern for employees, resulting in employees being more committed to achieving corporate goals. SMEs should focus on building an appropriate HRM system, by which the author means activities such as employee training and development, flexible working conditions, work-life balance, participation in decision-making, health and safety, career development, and health and wellness programs [52]. This approach has been confirmed by the results of our previous research [53].

Nielsen and Villadsen point out that the ESG doctrine emerged as a response to the limitations of the Corporate Social Responsibility (CSR) concept. According to the authors, ESG, unlike CSR, represents an opportunity to present consistent and representative data on a business's environmental and social attributes on a regulatory basis [10]. At this point, it should be emphasized that much of the potential of modern firms is found primarily in human capital [49], and corporate managers must know and use motivational theories to improve both individual and firm-wide performance [54].

Betakova et al. investigated the field of CSR in the V4 countries. Their results confirmed some differences between the V4 countries, respectively, when comparing according to the size of the companies and the education of the respondents [55]. Our previous research confirmed that SMEs' positive attitude towards the environment positively influences entrepreneurs' attitudes towards CSR concepts in the V4 countries [56].

The main objective of the ESG concept is the sustainability of economic growth in the world. Therefore, companies must address this area and prepare a comprehensive system of care for their economic development and the social and environmental aspects of their business activities. Research by Khan et al. has shown that SMEs in the V4 countries are seriously addressing the issue of sustainable economic growth. In this research, SMEs in the V4 countries demonstrated that they understand this concept and agree that sustainable growth should not only pursue the economic interests of firms but also positively impact the social system and environmental aspects of business [57]. Our research results largely confirmed these SMEs' attitudes in the V4 countries. They provided evidence that nurturing human capital is an appropriate way for SMEs to strengthen their orientation towards sustainable economic growth.

6 Conclusions

This paper aimed to define the significant factors in the field of HRM and to quantify the impact of these factors on the perception of sustainability in SMEs in the V4 countries. This study focuses on understanding how modern HRM approaches can contribute to these enterprises' sustainable growth.

According to our results, the application of progressive HRM tools contributes significantly to the positive attitudes of SMEs towards sustainable growth.

All the defined progressive HRM tools have shown statistically significant positive impacts on shaping SMEs' attitudes towards sustainability. The application of participative management style and a quality system of employee appraisal and material involvement, the use of tools to increase the qualifications and career growth of employees, the provision of various company benefits such as recreation, social insurance contributions, the organization of company events, sports activities and cultural events, and the care for employee satisfaction to keep turnover low are progressive HRM tools in the context of the ESG concept that shape the positive attitude of SMEs towards the sustainability of economic growth.

Companies that apply progressive HRM tools positively perceive that SMEs should not only emphasize the economic attributes of their business, but should also evaluate non-economic attributes, which may include, in particular, social and environmental impacts of their business.

The HRM system is an important part of the social pillar (S) of the ESG concept. Research has shown that applying this concept can bring significant effects to SMEs and presents certain challenges.

The research highlighted the need to formulate new theoretical insights into the implementation of the ESG concept in the SME segment. This is a new challenge facing the scientific field. The research results can provide valuable inspiration for economic policymakers and motivate SMEs to use progressive HRM tools more extensively and adopt a systematic approach to HRM.

This research was conducted in the V4 region, which represents a regional limitation. On the other hand, the research methodology allows for similar research to be conducted in any region. The formulated scientific findings can inspire further research in the field of ESG in the SME sector.

Our future research will focus on other relevant areas that influence SMEs' attitudes towards sustainable growth. We will explore the financial and ethical aspects of shaping firms' attitudes in this area and the key determinants of the concept of CSR in the context of ESG.

References

[1] Pham, T. V. A.: The Relationship Between Entrepreneurial Orientation and Performance of Vietnamese Small and Medium Enterprises. Journal of Organizational Behavior Research, 2023, 8(2), 216-225

[2] Batrancea, L. M.: Determinants of Economic Growth across the European Union: A Panel Data Analysis on Small and Medium Enterprises. Sustainability, 2022, 14(8), 4797

[3] Bradač Hojnik, B., Huđek, I.: Small and Medium-Sized Enterprises in the Digital Age: Understanding Characteristics and Essential Demands. Information, 2023, 14(11), 606

[4] Prasanna, R., Jayasundara, J., Naradda Gamage, S. K., Ekanayake, E., Rajapakshe, P., Abeyrathne, G.: Sustainability of SMEs in the Competition: A Systemic Review on Technological Challenges and SME Performance. Journal of Open Innovation: Technology, Market, and Complexity, 2019, 5(4), 100

[5] Åkesson, J., Sundström, A., Johansson, G., Chirumalla, K.: How the characteristics of small and medium-sized enterprises influence product-

service systems design challenges. International Journal of Manufacturing Research 2023, 18(4), 434-453

[6] Mthiyane, Z. Z. F., Van Der Poll, H. M., Tshehla, M. F.: A Framework for Risk Management in Small Medium Enterprises in Developing Countries. Risks, 2022, 10(9), 173

[7] Shaikh, A. A., Anuj K., Asif, A. S., Mohammed, Z. S.: A Two-Decade Literature Review on Challenges Faced by SMEs in Technology Adoption. Academy of Marketing Studies Journal, 2021, 25: 1-13

[8] Asif, M., Searcy, C., Castka, P.: ESG and Industry 5.0: The role of technologies in enhancing ESG disclosure. Technological Forecasting & Social Change 2023, 195 (2023) 122806

[9] Liu, M., Luo, X., Lu, W. Z.: Public perceptions of environmental, social, and governance (ESG) based on social media data: Evidence from China. Journal of Cleaner Production 2023, 387, 135840

[10] Nielsen, H., Villadsen, K.: The ESG Discourse Is Neither Timeless or Stable: How Danish Companies 'Tactically' Embrace ESG Concepts. Sustainability, 2023, 15, 2766

[11] Gjergji, R., Vena, L., Sciascia, S., Cortesi, A.: The effects of environmental, social and governance disclosure on the cost of capital in small and medium enterprises: The role of family business status. Business Strategy Environment; 2021, 30: 683-693

[12] Potgieter, I. L., Mokomane, S. E.: Implementation of human resource management functions in selected small manufacturing companies in Ga-Rankuwa industrial area, Gauteng, South Africa. SA Journal of Human Resource Management, 2020, 18

[13] Harney, B., Gilman, M., Mayson, S., Raby, S. (2022). Advancing understanding of HRM in small and medium-sized enterprises (SMEs): Critical questions and future prospects. The International Journal of Human Resource Management, 2022, 33(16), 3175-3196

[14] Guenther, C., Lehnen, S., Rilke, R. M.: Formalization of annual performance feedback and employees' job satisfaction in the SME context. Journal of Small Business Management, 2024, 1-32

[15] Martínez Llaneza, D., Lucero, J.: La gestión del talento humano con base en la innovación y con influencia de la cultura organizacional empresaria. El caso de las PyMES de Río Gallegos. Informes Científicos Técnicos - UNPA, 2023, 15(1), 144-164

[16] Fazal, S.: Frugal Innovations of HRM Practices in SMEs: V M. N. Tunio & A. B. Memon (Ed.), Advances in Human and Social Aspects of Technology (pp. 52-66), 2022, IGI Global.

[17] Heilmann, P., Forsten-Astikainen, R., Kultalahti, S. (2020). Agile HRM practices of SMEs. Journal of Small Business Management, 2020, 58(6), 1291-1306

[18] Knezović, E., Bušatlić, S., Riđić, O.: Strategic human resource management in small and medium enterprises. International Journal of Human Resources Development and Management, 2020, 20(2), 114

[19] Wuen, C. H., Ibrahim, F., Ringim, K. J.: The Impact of Human Resource Management Practices on SMEs Performance: An Exploratory Study in Brunei Darussalam. International Journal of Asian Business and Information Management, 2020, 11(2), 68-87
[20] Bilan, Y., Mishchuk, H., Roshchyk, I., Joshi, O.: Hiring and Retaining Skilled Employees in SMEs: Problems in Humna Resource Practices and Link with Organizational Success. Business: Theory and Practice, 2020 21(2), 780-791
[21] Nam, V. H., Luu, H. N.: How Do Human Resource Management Practices Affect Innovation of Small- and Medium-sized Enterprises in a Transition Economy? Journal of Interdisciplinary Economics, 2022, 34(2), 228-249
[22] Ho, M., Soo, C., Tian, A., Teo, S. T.: Influence of strategic HRM and entrepreneurial orientation on dynamic capabilities and innovation in small- and medium-sized enterprises. International Small Business Journal: Researching Entrepreneurship, 2023, 02662426231201761
[23] Al-Tal, M. J. Y., Emeagwali, O. L.: Knowledge-based HR Practices and Innovation in SMEs. Organizacija, 2019, 52(1), 6-21
[24] Almutawa, Z., Muenjohn, N., Zhang, J.: The Effect of Human Resource Management System on Employees´ Commitment: The Mediating Role of The AMO Model. The Journal of Developing Areas, 2016, Volume 50, No., pp. 17-29
[25] Lakshmi Narayan, B. N., Sowmya, K., Nandini, B., Hamsavath, P. N.: Tracking Methodology for Fast Retrieval of Data and Its Feasibility Study. V V. Suma, J. I.-Z. Chen, Z. Baig, & H. Wang (Ed.). Inventive Systems and Control, pp. 565-571. 2021, Springer Singapore
[26] Margaret, R.: European Human Resources Management. In G. Széll (Ed.), European Labour Relations (1st ed., pp. 68–81), 2020. Routledge.
[27] Pombo, G. N. B. A., Gomes, J. F. S.: The association between human resource management and organisational performance: A literature review. International Journal of Intellectual Property Management, 2020, 10(3), 266
[28] Aslam, M., Shafi, I., Ahmed, J., De Marin, M. S. G., Flores, E. S., Gutiérrez, M. A. R., Ashraf, I. (2023). Impact of Innovation-Oriented Human Resource on Small and Medium Enterprises' Performance. Sustainability, 2023, 15(7), 6273
[29] Viitala, R., Vesalainen, J., Uotila, T. P.: SME managers' causal beliefs on HRM as success factor of the firm. Journal of Small Business Management, 2022, 60(6), 1379-1403
[30] Hooi, L. W.: SME performance: Does organizational learning capability really matter? International Journal of Organizational Analysis, 2021, 29(5), 1093-1116
[31] Dehghan, M., Ahmadi, H., Rajabpour, E.: The Application of HRM Policies for Marketing Managers: Emphasis on Marketing Strategies and Organization Performance in SMEs. New Marketing Research Journal, 2021, Volume 11, pp. 146-129
[32] Hidayat, C. W., Sulistyo, S., Wilujeng, S., Chrismardani, Y., Wahab, W. (2022). Human resource competencies, supply chain management, and

financial performance. Uncertain Supply Chain Management, 2022, 10(2), 471-476
[33] Alkhalaf, T., Al-Tabbaa, O.: The effect of ability, motivation and opportunity (AMO) on SMEs' innovation performance. Creativity and Innovation Management, 2024, 33(1), 21-38
[34] Al Qaydi., Salem, E. M., Aris, A.: Model of Human Resources Management (HRM) Practices Factors Affecting Small and Medium Enterprises (SMEs) Performance. International Journal of Sustainable Construction Engineering and Technology, 2021, 12(5)
[35] Adle, A. A., Akdemir, Ö.: Achieving Competitive Advantage in Technology Based Industry? How Developing Intellectual Capital Matters. International Journal of eBusiness and eGovernment Studies, 2019, 11(2), 89-103
[36] Spahi, J., Shala, V., Limaj, D.: Formal experience of SME owners in the field of HRM: A case study in Kosovo as a country with an emerging economy. Journal of Governance and Regulation, 2021, 10(2, special issue), 343-351
[37] Tuktarova, L. R.: Economic Aspects of Enterprises' Sustainable Development. In V. Mantulenko (Ed.), Proceedings of the 2nd International Conference Engineering Innovations and Sustainable Development, 2023, Vol. 378, pp. 434-441. Springer International Publishing
[38] Pallapu, A. V., Andrews, K.: Investigating Sustainable Strategies for Small and Meduim Enterprises in the USA. Sustainable Development and Planning XII ,2022, pp. 177-186
[39] Stubbs, W., Farrelly, M., Fabianke, K., Burch, S., Ramesh, P.: Sustainable business models in 'lighthouse' small to medium enterprises. Journal of Management & Organization, 2023, 1-24
[40] Subramanian, N., Suresh, M.: Economic sustainability factors influencing the implementation of sustainable HRM in manufacturing SMEs. Environment, Development and Sustainability. (2023)
[41] Emeagwal, L., Ogbonwan, K. O.: Mapping the perceived role of strategic human resource management practices in sustainable competitive advantage. Academy of Strategic Management Journal, 2018, 17(2)
[42] Saman, N., Mahmud, N., Nor, N., & Kamaludin, M.: Sustainability performance of small and medium enterprises (smes) within the service sector. Insight Journal, 2025, 12(1), 13-29
[43] Ghafoor, M., Sultana, N., & Patras, W.: Effect of csr on corporate performance: the mediating role of human resources management., 2024, 3(1), 153-166
[44] Murè, P., Giorgio, S., Antonelli, V., & Crisafulli, A.: "ASG score" vs. "ESG rating": a conceptual model for the sustainability assessment and self-assessment of european SMEs. Frontiers in Environmental Economics, 2024, 3
[45] Wang, Z., Makhbul, Z., & Alam, S.: Green human resource management in practice: assessing the impact of readiness and corporate social responsibility on organizational change. Sustainability, 2024, 16(3), 1153.
[46] Pestoff, V., & Hulgard, L.: Participatory Governance in Social Enterprise. International Journal of Voluntary and Nonprofit Organizations, 2016, 27(4), 1742-1759

[47] Barrena-Martínez, J., López-Fernández, M., Romero-Fernández, P. M.: Socially responsible human resource policies and practices: Academic and professional validation. European Research on Management and Business Economics, 2017, 23(1), 55-61
[48] Coffeng, T., Van Steenbergen, E. F., De Vries, F., Steffens, N. K., Ilemers, N.: Reflective and decisive supervision: The role of participative leadership and team climate in joint decision-making. Regulation & Governance, 2023, 17(1), 290-309
[49] Dar, I. A., Mishra, M.: Human Capital and SMEs Internationalization: Development and Validation of a Measurement Scale. Global Business Review, 2021, 22(3): 718-734
[50] Su, J., Lin, X.: ESG Performance, Demographic Trend, and Labour Investment Efficiency in China, Applied Economics Letters, 2023, 1-7.
[51] Saks, A. M.: Caring human resources management and employee engagement. Human Resource Management Review, 2022, 32 (3): 1-15
[52] Zvarikova, K., Dvorsky, J., Belas, J. Jr., Metzker, Z.: Model of Sustainabiliy of SMEs in V4 Countries. Journal of Business Economics and Management, 25(2): 226-245
[53] Tešić, D., Delibašić, B., Božanić, D., Lojić, R., Pamučar, D., Balassa, B. E.: Application of the FUCOM-FUZZY MAIRCA Model in Human Resource Management. Acta Polytechnica Hungarica, 2023, Vol. 20, No. 3, pp. 231-249
[54] Baša, K., Machová, R., Baša, P., Veronika Doležaiová, V.: Comparative Analysis of the Workplace Expectations of Generations Y and Z. Acta Polytechnica Hungarica, 2023, Vol. 20, No.3, pp. 211-230
[55] Betakova, J., Pietrzak, M. B., Iglinski, B.: Effect of demographic characteristics of enterprises on the implementation of corporate social responsibility in SMEs context. Journal of Business Sectors, 2023, 1 (1), 53-62
[56] Metzker, Z., Zvarikova, K., Slepecky, J., Dvorsky, J.: The Perception of CSR from the Point of View of the Environmental Pillar of V4 SMEs. Transformations in Business & Economics, Vol. 22, Issue 3
[57] Khan, K. A., Akhtar, M. A., Vishwakarma, R. K., Hoang, H. C.: A sectoral perspective on the sustainable growth of SMEs. Empirical research in the V4 countries. Journal of Business Sectors, 2023, Number 1, Issue 1, pp. 10-21