

# Problems and Countermeasures of Human Resource Management in Small and Medium Enterprises

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**Abstract:** At present, due to the characteristics and advantages of China's small and medium-sized enterprises, such as relatively small scale and flexible operation methods, although the number of small and medium-sized enterprises has decreased after the epidemic, they still occupy a certain proportion in China's market economic competition, and It plays an irreplaceable role in promoting stable economic growth, increasing employment, and encouraging entrepreneurship. In the process of development, SMES also have many problems, the most prominent one is the difficulty of human resources management for SMES. How to solve their own human resource management problems and promote the further development of small and medium-sized enterprises has become an urgent problem for small and medium-sized enterprises. Through the analysis of human resources management of small and medium-sized enterprises, this article specifically introduces the problems and deficiencies in the human resource management of small and medium-sized enterprises, and promotes the better development of small and medium-sized enterprises by putting forward corresponding suggestions and opinions.

**Keywords:** Human resource management, Human capital status and problems, Improvement suggestions.

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## 1. Overview of Human Resource Management

### 1.1. Definition of Human Resource Management

Definition: Human resource management is the policy formulation and practice of personnel management based on the organization's development strategy, the internal and external environment of the organization, and the characteristics of human nature, with the goal of giving full play to the special role of human resources in the organizational resource system. The scientific method is to conduct reasonable training, organization and deployment of manpower combined with certain material resources, so that manpower and material resources can always maintain the best ratio, and at the same time, properly induce, control and coordinate people's thoughts, psychology and behavior, so as to give full play to People's subjective initiative enables people to benefit from things, make the best use of their talents, and make the best use of their talents, so as to obtain the maximum use value of human resources and achieve organizational goals. Human resource management includes human resource strategy and planning, job analysis, personnel recruitment and selection, employee training, career management, performance management, salary management and employee benefits.

### 1.2. Significance of Modern Human Resource Development and Management

Modern human resource development and management is the embodiment of the "people-centered" management idea, an important part of organizational management, and the top priority of organizational management. It not only covers the specific work content of traditional personnel management , but also enables these specific work content to be carried out closely around the organizational strategy and work objectives. Starting from the natural attributes of human beings, it grasps its characteristics that are completely

different from material resources, that is, living, living resources and characteristics such as intelligence, touch, regeneration, and periodicity, and attaches great importance to special features in economic activities. Status and role, research on the mutual adaptability and coordination between people and things in the process of production and operation. Pay attention to grasp the dynamic change information of people and the changes of the internal and external environment of the organization; it regards employees as the scarce resources of the organization, the source of organizational vitality, and the foundation of the organization's competitiveness and success; it starts from caring for people, respecting people, Starting from the development of human potential, we advocate treating employees in a scientific and humane way, caring about their needs and motivations, respecting their personality and choices, and helping them improve themselves and realize their goals and values. Human resource management is the whole process of predicting the human resource needs of the organization and making manpower demand plans, recruiting and selecting personnel and conducting effective organization, evaluating performance, paying remuneration and conducting effective incentives, and combining organizational and individual needs for effective development in order to achieve optimal organizational performance . Facing the new situation of China's current enterprise reform, career reform, and political reform, the role of human resource development and management in the organization is becoming more and more obvious. The organization should adapt to the requirements of the new situation as soon as possible, and scientifically understand the connotation of human resources and human resources On the basis of the rules of development and management, the renewal and transformation of employment strategies are realized. Therefore, it is of great significance to study and develop the development and management of human resources in the organization and give full play to the role of the most active factor in the production factors.

## **2. Problems Existing in Human Resource Management of SMES**

### **2.1. Enterprise Leadership Lacks Understanding of Human Resource Management**

At present, although there are a large number of small and medium-sized enterprises, they are small in scale, relatively weak in technical strength and financial strength, do not have the strength of scale economy, and mostly adopt traditional administrative personnel management. The level of understanding is still in the traditional personnel management stage, and it is only regarded as an enterprise's logistics management department, and the human resource management department] has not really participated in the enterprise's strategic decision-making process and enterprise profit creation process. Most of the human resource management functions of most enterprises are performed concurrently by the general manager's office or other departments. The management model still stays at the traditional personnel management level. Some also take on many other management functions that have little to do with human resource management. The organizational structure is not in place, there is a lack of professional human resource managers, and no standardized and professional human resource management system has been formed.

### **2.2. Marginalization of Human Resource Management Departments of SMES**

Small and medium-sized enterprises have small scale and less investment capital, and generally do not have a human resource management department. The human resource management of most small and medium-sized enterprises often focuses on matters related to internal employees such as recruitment, employee contract management, attendance, salary system, and transfer, but does not pay enough attention to employee motivation, training, and corporate culture construction. Management is backstage, that is, the human resources department, as an internal management department, provides services and support to the business department, but lacks opportunities for in-depth understanding of the company's business operations, lacks insight into the company's development strategy, and cannot communicate with the company's strategy and Foreground combined. Therefore, the management methods adopted by human resources management can only be some repair measures afterwards, and the real manpower planning has become an imagination, which cannot be effectively implemented at all. This kind of management model lagging behind the practice is also doomed that the human resource department cannot become the axis department of an enterprise, and thus inevitably becomes a department that cannot be paralleled with the business department and has equal status.

### **2.3. At present, Human Resource Management Has Little Role Or Contribution to Small and Medium-sized Enterprises**

Small and medium-sized enterprises take economic interests as the main goal, and the top management of enterprises also lacks human resource planning and management, let alone more capital investment in human resource management departments. The economic benefits of an enterprise are mainly reflected in the profit statement, and

the main person in charge of the enterprise will not pay much attention to the human resource management department. Human resource management activities have little influence or effect on the long-term development of the enterprise, employee performance or enterprise benefits, and the overall competitive advantage of the enterprise. If any department of an enterprise has little effect or contribution to the enterprise, on the one hand, it is difficult to get the recognition of other departments of the enterprise and its employees, and on the other hand, it is difficult to get the attention of the enterprise leaders, which can easily lead to a vicious cycle.

### **2.4. Emphasis on Management, Single Incentive Means, Incorrect Attitude Towards Training and Development**

Most small and medium-sized enterprises put too much emphasis on the formulation of management systems and management procedures in the organization, lack of humanized management, and ignore the establishment and improvement of enterprise incentive mechanisms. Many small and medium-sized entrepreneurs believe that as long as high wages can definitely attract and retain talents, they do not realize that a single incentive method cannot improve employees' enthusiasm for work, so that the use efficiency of employees cannot be satisfied. In terms of training and development, small and medium-sized enterprises lack systematic and long-term development, especially the allocation and recovery of training fees. There is no effective way, which makes the input level of personnel training costs low and the benefits are not significant enough, so that the construction of corporate culture and the improvement of employee quality become Empty talk about building a team of managers cannot make substantive progress.

## **3. Human Resource Management Countermeasures for SMES**

### **3.1. Enterprise Leaders Change Their Concepts and Raise Human Resource Management to Strategic Level**

Economists divide resources into four categories: natural resources, capital resources, information resources and human resources. Among them, human resources are the most active, most extensive, and most far-reaching resources, and are the most important resources among all resources. Due to the particularity and importance of human resources, economists call them the first resource. In the era of knowledge economy, the economic form not only requires the industrialization of knowledge, but more importantly, the industrialization of knowledge. Because the knowledge economy depends on the knowledge and intelligence of workers, human resource is not only the most precious resource in today's society, but also a strategic resource. In the final analysis, the competition among enterprises is manifested as the competition of human resources; this requires that small and medium-sized enterprises, as the main body of the market, must attach great importance to fully realize the value of human resource management. It is necessary to get out of the misunderstanding of human resource management, increase the importance of human resource management, and strengthen the understanding and understanding of human resource management concepts and knowledge by enterprise managers. Secondly, it is necessary

to establish and improve the human resource management organization, and allocate special human resource management personnel. Those who have not yet been equipped with human resource management organization and personnel must be equipped in time, and those that already exist must be further improved, so as to improve the effective performance of human resource management functions.

Provide a good platform to make enterprise human resource management serve the enterprise strategy and vision.

### **3.2. Introduce Talents and Do A Good Job in the Planning of Human Resource Management**

As a small and medium-sized enterprise based on long-term development, it is necessary to establish a sense of talent reserve from a strategic height, to meet the needs of talents in different development stages of the enterprise, to do a good job in the talent reserve in advance, to plan the introduction of talents, and to combine To meet the needs of enterprise strategic development, it is necessary to reasonably introduce the talents and personnel that the enterprise really needs, and it is not possible to introduce randomly without purpose or plan; to establish a scientific and reasonable talent introduction structure, it must have both quantity and quality. Human resources planning must be consistent with the goals and strategic goals of the company, so that it can plan for the company for five years or longer.

### **3.3. Enterprises Increase Human Capital Development Efforts**

In the era of knowledge economy , effective human capital development for employees is the key for enterprises to obtain sustainable competitive advantages. For enterprises, if they do not pay attention to the training and development of personnel, they will not be able to adapt to the challenges of business competition based on human resource competition , nor will they meet the requirements of the people-oriented era. Therefore , enterprises should strengthen the training and development of employees, continuously improve the knowledge level and professional skills of employees , and increase the intensity of human capital development of employees , which can not only improve the efficiency and innovation ability of enterprises , but also help to establish enterprises and employees Good cooperative relationship between employees can enhance employees' sense of belonging and identity to the enterprise , effectively prevent the loss of enterprise talents , enhance the cohesion of enterprises , and improve the team awareness and professionalism of enterprise employees .

### **3.4. Scientifically and Rationally Establish A Vocational Training Mechanism and A Complete Incentive Mechanism**

Establishing a flexible, diverse, scientific and reasonable vocational training mechanism is an effective way to improve the professional skills and overall quality of employees. Regularly or irregularly hire professional technical lecturers and management consulting experts to the enterprise to conduct on-site training for employees, or conduct joint education with large enterprises and universities, etc., so as to effectively improve the professional level and comprehensive

quality of the employees of the enterprise . In addition, enterprises should also establish a sound incentive mechanism , be people-centered, respect personality, give full play to individual potential and creativity, and focus on meeting individual self-realization and needs. While emphasizing strict performance management , it also emphasizes that the work pressure brought about by such strict management should be balanced and released in an environment of material rewards, respect and trust through material incentives, corporate culture and other means, and a good performance evaluation system . Achieve objective and accurate evaluation of various performances of employees , and take corresponding welfare measures, formulate personnel training and promotion plans, etc. Enterprises can also combine the realization of corporate goals with measures such as increasing employee income , improving employee working conditions, and increasing benefits, so as to form a situation in the enterprise where everyone cares about the fate of the enterprise and jointly seeks the development plan of the enterprise. Implement democratic management and decision-making methods to encourage employees to contribute to the development of the enterprise, let employees actively participate in the production and management of the enterprise , and work together to promote the development of the enterprise . Form a community of destiny.

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