The Practice of Human Resource Management by Very Small Business Entrepreneurs

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This paper explores the nature of entrepreneurship in the United States and provides a basic definition and examples. It explores how HRM is practiced by very small business entrepreneurs. The central question underlying this research is what HRM practices help initiate and sustain entrepreneurship. Three questions are examined including the extent to which 17 HRM practices are outsourced or performed internally. How these entrepreneurs obtain their knowledge of HRM is also explored. Finally, the percentage of time entrepreneurs invest in HRM activities is addressed. It was found that very small business entrepreneurs perform most HRM activities in-house. They are self-taught in HRM-related matters and spend approximately 15% of their time engaged in human resource activities. Implications for how HRM can contribute to the success of entrepreneurial firms are discussed.

Keywords: entrepreneurship, human resources knowledge, human resource management, outsourcing, very small business entrepreneurs.

Praktyka zarządzania zasobami ludzkimi przez bardzo małe przedsiębiorstwa

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W artykule przeprowadzono analizę charakteru przedsiębiorczości w Stanach Zjednoczonych oraz podano jej podstawową definicję i przykłady. Analiza obejmuje sposób zarządzania zasobami ludzkimi przez bardzo małe przedsiębiorstwa i jest próbą odpowiedzi na główne pytanie badawcze: jakie praktyki w tym zakresie pomagają w inicjowaniu i utrzymaniu działalności przedsiębiorczej? Zbadano trzy zagadnienia: stopień zlecania 17 czynności związanych z zzl na zewnątrz (outsourcing) i wykonywania ich wewnątrz przedsiębiorstwa; sposób pozyskiwania przez tych przedsiębiorców wiedzy o zzl; odsetek czasu, jaki przedsiębiorcy poświęcają na czynności związane z zzl. Ustalono, że bardzo małe przedsiębiorstwa wykonują większość tych czynności samodzielnie. Same również uczą się zagadnień związanych z tym obszarem i poświęcają około 15% czasu na wyżej wspomniane czynności. Omówiono ponadto implikacje, jakie zzl może nieść dla sukcesu przedsiębiorstw.

Słowa kluczowe: przedsiębiorczość, wiedza o zasobach ludzkich, zarządzanie zasobami ludzkimi, outsourcing, bardzo mate przedsiebiorstwa.

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1. Introduction

The purpose of this paper is to describe the nature of entrepreneurship and to summarize the results of a study focusing on the human resource management (HRM) practices of entrepreneurs based in the United States. The important question to be addressed is which human resource policies, practices and systems are likely to help initiate and sustain entrepreneurship. The term "entrepreneur" will be defined and examples will be furnished. The difference between an entrepreneur and a small business owner will be discussed. Following this introduction, the results of a survey of 323 entrepreneurs having 10 or fewer employees operating in the State of Indiana region will be presented. The study aims to answer three research questions. They are: (1) which traditional HRM activities are performed internally versus being outsourced by entrepreneurs of very small businesses? (2) in what way do entrepreneurs obtain their HRM knowledge? and (3) how much time do entrepreneurs of very small businesses invest in HRM activities?

2. Defining Entrepreneurship

A useful definition is provided by Seth (2014, p. 1), who states that "an entrepreneur is an individual who starts and runs a business with limited resources and planning, taking account of all the risks and rewards of his or her business venture. The business idea is usually a new innovation, product or service, rather than an existing business model." An entrepreneur is one who is willing to put her or his career and financial security at stake to take risks on an idea. She or he is willing to spend time on and invest capital in an uncertain venture. Ventures undertaken by entrepreneurs require individuals to arrange for raw materials, capital, and physical plants. Sales, distribution, and marketing are other important business activities that must be addressed by an entrepreneur. Most importantly, an entrepreneur must recruit, train, and retain skilled employees necessary to manufacture the goods or provide the services offered by his/her business.

In a definition provided by *Business Dictionary*, entrepreneurship is described as "the capacity and willingness to develop, organize and manage a business venture along with any of its risks in order to make a profit. The most obvious example of entrepreneurship is the starting of new businesses." When combined with labor, land, capital, and natural resources, it produces a profit. Entrepreneurship is thought to be an essential element of a country's ability to succeed in an increasingly competitive and changing global marketplace.

3. Distinguishing Small Business From Entrepreneurship

There is a difference between an owner of a business and an entrepreneur, according to Post (2017). Although a person can be both, what distinguishes entrepreneurship is a person's attitude. Further, "entrepreneurship is much broader than the creation of a new business venture" (Bachenheimer as cited in Post, 2017, p. 1). It is a way of thinking and acting, a way of imagining how to solve problems and create value. An entrepreneur is an individual with a special mindset. She/he can take any idea about a service or a product, and have the skill set, courage, and will to take extreme risk to do whatever is required to turn that concept into reality, not only bringing it to market, but also making it a viable service or product that people want or need (Gottlieb, 2014).

Buying sizeable lots of liquid body soap at a wholesale price and selling them online or through one's retail shop is not an example of entrepreneurship. But developing and producing one's own innovative body soap made of scented herbs, patenting it, and marketing it online or in a bricks-and-mortar shop qualifies as entrepreneurship. Seth (2014) provides an interesting example of this distinction. He notes that the Africa-based organization called KickStart has been building low-cost, high yield products like a low effort soil press, a machine that processes sunflower seeds into cooking oil, and a manually operated water pump that operates with minimal effort. These products are the result of a small business owner acting entrepreneurially.

Similarly, renting an extra room in your home or on your backyard property is a simple rental business. But building a service based model around this, much like Airbnb, is a fantastic example of entrepreneurship. That firm's owner implemented a mix-and-match entrepreneurial approach to build a network of available places to rent in an area, city, or country and made it available for tourists. The firm does not own a single property, but it has an innovative business model that offers a win-win situation for all parties connected with the organization. Tourists pay a relatively low cost to obtain a secured home away from home. Owners obtain short-term high paying tourist customers instead of long-term low paying renters. Airbnb receives service charges for offering their buyer-seller marketplace model. The company owns and controls the sales channel without owning a single property requiring significant financial investments.

4. Significance of Entrepreneurship to the Economy

According to the U.S. Small Business Administration, the vast majority of businesses in the United States, as much as 99%, are classified as small businesses. They are responsible for approximately half of all private sector workers, highly trained and skilled employees, and new jobs created

(Fox, 2013). Nowhere has the economic impact of entrepreneurial activity been seen more than in the creation of new employment opportunities (Hakobyan, 2016; Henemann, 2000; Katz, Aldrich, Welbourne and Williams, 2000; Reynolds, Hay and Camp, 1999). Entrepreneurship is considered a vital stimulus for economic growth and development. It provides jobs for millions of people, a variety of services and goods, and an increase in national competitiveness and prosperity (Zahra, 1999). According to the U.S. Internal Revenue Service, "Small businesses employ about half of all private sector U.S. workers, and have generated 60 to 80 percent of net new jobs annually over the last decade" (2011, p. 2). The U.S. Small Business Administration's Office of Advocacy states that small businesses pay 43% of the total U.S. private payroll, have generated 65% of the net new jobs over the past 17 years, hire 54% of high tech workers (scientists, engineers, computer programmers, etc.), and produce 16.5 times more patents per employee than large patenting firms (2011, p. 1).

The task of describing and analyzing how human resource management practices are implemented by very small business entrepreneurs (SBEs) is both daunting and important. The difficulty in accurately assessing current practices of SBEs is suggested to be three-fold: (1) manager reluctance to participate in studies due to the time required or due to the impression that HRM practices do not lead to improved performance; (2) researcher preference to publish in mainstream journals that generally pay little attention to SBEs; and (3) enterprise sample size that creates challenges to quantitative data analysis (Heneman, 2000). Furthermore, poor HRM practices can have a significant impact on performance, even leading to the company's failure (Deshpande, 1994). The old view of labor as a factor of production, whose cost should be minimized, is being replaced by the realization that people are "...the key to finding and sustaining a competitive edge" (Bacon, 1996, p. 82). According to Heneman and Berkeley (1999), significantly fewer firms with 50 or fewer employees have HR departments, compared to firms with 50-99 employees. Given this background, we must understand that SBEs likely perform most HRM activities.

This study of SBEs is important because information concerning their human resource management practices is virtually nonexistent. It provides answers to questions about the extent to which SBEs engage in traditional human resource management activities, how SBEs acquire their knowledge of HRM, and the percentage of time SBEs invest in HR decision making. Summers, Pearson, and LaVelle (2002) discuss some of these issues, though they limit the generalizability of their findings to the region of the Texas Panhandle.

Organizationally, this paper is divided into four sections. The first presents a review of the literature on the three research questions articulated above. The second section provides a description of the methodology used to collect the survey data, which will provide a basis for answering the three

questions posed. The third section presents the results of a simple analysis of the data. The last section discusses the basic findings and implications of the study.

5. Literature Review

HRM Activities Performed In-House or Outsourced by SBEs

In general, SBEs perform most business activities themselves or directly supervise the performance of these activities (Timmons, 1999 as cited in Kotey and Slade, 2005). Thus, SBEs take direct responsibility for employee training and teach their preferred methods of doing things. Training conducted in very small firms has been described as informal and on the job, with little or no provision for management development (Kotey and Slade, 2005).

Outsourcing is the practice of using outside firms to handle work normally conducted within the company (AllBusiness Editors, 2017). It has been a vital feature in many organizations. Increasingly, it is playing a larger role within very small businesses as well. Various HRM functions have been outsourced in large organizations in areas such as payroll, benefits, recruitment, and selection. It appears that SBEs outsource because of necessity, whereas large companies do so to lower costs and thereby achieve a competitive advantage. When an entrepreneur is not skilled in handling an HRM activity, it is likely that it will be outsourced.

Frequently SBEs are engaged in all of the functions of HRM. The employment of HRM professionals would be atypical for a very small business. Hornsby and Kuratko state that small business owners with 50 or fewer employees assume the role of the HRM professional (2005). This leads to conducting day-to-day operations of the business. The close relationship between the SBEs and their employees reduces the need for controls, documentation, and accountability. In addition, the unwillingness of SBEs to trust subordinates with HRM functions may also be part of the reason (Kotey and Slade, 2005).

In most cases, small firms show an indifference to HRM. Most small companies consider HRM less important than marketing, finance, and operation functions (Deshpande and Golhar, 1994). HRM is examined only when there is a problem. It is rarely used for contingency plans to resolve potential problems. This attitude stems from the view that cooperation is expected and the SBEs are always right and not to be countered (Wilkinson, 1999).

Recent studies attempting to link HRM practice and entrepreneurship take a significantly different position. HRM practices that impact workers have been found to enhance levels of innovation, creativity, and entrepreneurial behavior (Hayton, Hornsby and Bloodgood, 2013). By designing

HRM systems that support and provide incentives for innovation and creative behavior, firms can enhance innovation and entrepreneurship (Nadler, Nadler and Tushman, 1997). In a Dutch study by Beugelsdijk (2008), it was found that changing six HRM practices involving task autonomy and working hours generated increased levels of product innovation. Messersmith and Guthrie (2010) corroborated this finding in a study of small U.S.-based firms in which a positive association was reported between HRM practices and both organizational and product innovation.

Although informal HRM practices and procedures lead to inconsistencies in HRM practices, it does afford SBEs some advantages. These advantages include the ability to quickly change policies and procedures to adapt to a new or changing business environment (Hakobyan, 2016). The informal relationship between SBEs and employees provides the advantage of quickly correcting substandard performance. Informal HRM practices such as onthe-job-training and recruitment can be cheaper and more controlled by SBEs. Vague job descriptions allow employees to create their own jobs and to become multi-skilled (Kotey and Slade, 2005).

Unfortunately, there is a disadvantage to informal HRM practices. What SBEs may see as flexibility the employees may see as unfair treatment. SBEs are also more likely to lose cases for unfair dismissal claims compared to firms that have formal HRM practices and procedures, due to the lack of supporting documentation (Wilkinson, 1999). Unclear job descriptions can lead to employee conflicts and the loss of employee accountability. There is also a positive relationship between formal HRM functions and the company's performance. Although most SBEs are characterized as using informal HRM practices, there is a growing amount of research that suggests that formal HRM practices are necessary to support the growth of small companies (Kotey and Slade, 2005). Informal HRM practices within small companies can lead to dissatisfaction and turnover among employees. Some studies have shown that inefficient HRM practices cause small companies to fail (Deshpande and Golhar, 1994).

Source of SBEs' Knowledge of HRM

It has been suggested that the best way to involve SBEs in management education is to provide a forum where experienced and successful entrepreneurs can share small business advice with less experienced entrepreneurs. SBEs are more likely to listen to someone who has small business experience, rather than a developer who has large company experience or a consultant who voices concepts of large organizations (Ryan and O'Dwyer, 2000).

The idea of obtaining HR information from other SBEs is not a trend found by Summers, Pearson and Mills (2002). In their study of SBEs in the Texas Panhandle, they found that 65% of the owners surveyed taught themselves the basic principles of HRM. They noted that very few own-

ers obtained their knowledge of HRM from college degree programs or formal HR certification.

Percentage of Time Invested in HRM Activities

While it is clear that SBEs recruit, hire, train, and compensate their employees, information on how much time they and their employees invested in these HRM activities is nonexistent. Hornsby and Kuratko (2005) indicate that small businesses having 50 or fewer employees assume the role of the human resource manager. In fact, the likelihood that companies having fewer than 50 employees will have an HR department is significantly diminished as compared to companies having between 50 and 99 employees (Heneman and Berkeley, 1999). The question of how much time SBEs and their employees invest in HR matters is taken up in this study. This finding will make a significant contribution to the literature on entrepreneurship and human resource management.

Overall, there is considerable uncertainty about whether SBEs perform the functions of HRM in-house or whether they outsource them. There is also uncertainty about how they learned the technical aspects of HRM. Lastly, there is an absence of information on how much time SBEs invest in HRM activities and decision making. As such, this study is designed to provide answers to these three questions. More importantly, it will reinforce the value of HRM to initiate and sustain entrepreneurship.

6. Methods

Sample

Several mailing lists consisting of the names and addresses of the SBEs in the Northwest Indiana region were obtained from local Chambers of Commerce. They included members and non-members. The mailing lists contained the names of 951 businesses situated in Lake County, Indiana and southern Cook County, Illinois. Two criteria were used to determine which SBEs would be included in the study: (1) having ten or fewer employees and (2) not being part of a larger firm. The final sample consisted of 323 SBEs.

Questionnaire

The questionnaire consisted of four major sections. The sections contained questions related to (1) firm and HRM employee demographic data, (2) human resource management functions, (3) sources for SBEs to obtain HRM knowledge, and (4) percentage of time invested in human resource management activities. The demographic data included firm size as measured by number of employees, type of employees, number of years in business, and approximate dollar volume of business.

Procedure

The respondents were contacted by telephone or in person by a trained interviewer. When interviewed, the respondents were asked to indicate whether 17 traditional HRM activities were performed by their firm, outsourced, or not performed by the firm. If the activity was outsourced, the respondent was asked to estimate the percentage of the activity outsourced. The 17 activities were clustered around four major HRM categories. They included (1) staffing, (2) job specifications, evaluation, and compensation, (3) training and development, and (4) administrative matters.

In another portion of the questionnaire, the respondents were asked to indicate the source of their knowledge of HRM. There were seven sources listed that allowed the respondents to select more than one.

Finally, the respondents were asked to provide a quantitative estimate of the percentage of their and their employees' work time spent on human resource management activities and decision making.

7. Results

Survey Characteristics

A total of 323 SBEs situated in the Northwest Indiana region responded to the survey, representing a 34% response rate. The mean number of full-time employees was 3.14 (SD = 2.42) and the mean number of part-time employees was 1.83 (SD = 2.03). The SBEs surveyed had been in business an average of 15.2 years (SD = 16.5). Their median number of years in business was 10 (N = 307, Range = 1 month to 103 years). Their mean number of years of HR experience was 13.49 (SD = 10.90). Their median number of years of HR experience was 10.00 (N = 313, Range = 1 year to 57 years). The SBEs had a median approximate yearly dollar volume of business of \$300,000 (N = 154, Range = \$10,000 to \$42,000,000).

Types of HRM Activities

The data summarized in Table 1 address the question of whether SBEs perform 17 HRM activities in-house or outsource them.

	Frequency In-house	Frequency Outsourced	Percent Outsourced	Not Per-formed
Staffing				
Who determines the number and type of persons hired	309 (95.7%)	2 (0.6%)	30%	11 (3.4%)
Who identifies or recruits potential job applicants	301 (93.2%)	7 (2.2%)	67%	12 (3.7%)

continued Tab. 1

	Frequency	Frequency	Percent	Not Don formed	
XX/I14I£:1	In-house	Outsourced	Outsourced	Per-formed	
Who makes the final employment decision	313 (96.9%)	2 (0.6%)	50%	6 (1.9%)	
Job specifications, performance evaluation and compensation					
Who decides on the knowledge, skills, and abilities for each job	309 (95.7%)	3 (0.9%)	25%	11 (3.4%)	
Who evaluates the performance of each employee	303 (93.8%)	1 (0.3%)	na	17 (5.3%)	
Who determines the hourly rates for hourly employees	297 (92.0%)	3 (0.9%)	100%	21 (6.5%)	
Who determines the salary for salaried employees	278 (86.1%)	5 (1.5%)	55%	37 (12%)	
Who determines the benefits for employees	246 (76.2%)	10 (3.1%)	69%	63 (20%)	
Who administers the benefits program for your firm	214 (66.3%)	22 (6.8%)	85%	80 (25%)	
Training and development					
Who conducts the orientation for new employees	270 (83.6%)	7 (2.2%)	43%	42 (13%)	
Who conducts the training for new employees	291 (90.1%)	10 (3.1%)	57%	17 (5.3%)	
Who conducts the training for current employees	271 (83.9%)	25 (7.7%)	53%	26 (8.0%)	
Who mentors employees about advancement opportunities	243 (75.2%)	4 (1.2%)	18%	70 (21.7%)	
Who helps employees develop their knowledge, skills, and abilities	267 (82.7%)	23 (7.1%)	41%	32 (9.9%)	
Administrative HR matters					
Who communicates HR information to employees	286 (88.5%)	6 (1.9%)	52%	28 (8.7%)	
Who maintains the employee records at your firm	289 (89.5%)	16 (5.0%)	57%	16 (5.0%)	
Who ensures employee health and safety	274 (84.8%)	10 (3.1%)	42%	38 (12%)	

na: Data not available.

Tab. 1. Type of HR Activities and Method of Practice. Source: Compiled by the author.

Table 1 indicates that most firms perform the 17 HRM activities analyzed in this paper as an in-house pursuit. Conducting training for current employees (7.7%), facilitating employee development (7.1%), and administering the benefits program (6.8%) were the activities most outsourced by SBEs. Eight HR activities were performed in-house by more than 90% of the respondent SBEs. The remaining six HR activities were performed in-house by 75–89% of the respondent SBEs. The data also reveal that 24.8% of the SBEs did not administer benefits programs; 21.7% did not mentor employees about advancement; and 19.5% did not determine benefits for employees.

The SBEs did not typically outsource any of the 17 HRM activities analyzed in this study. The small number of SBEs that did outsource HRM activities indicated that between 18 and 100 percent of those activities were outsourced. The greatest amount of outsourcing was for determining salaries for hourly employees (100%), administering benefits programs (85%), determining employee benefits (69%), and recruiting job applicants (67%).

Source of SBEs' Knowledge of HRM

The data in Table 2 address the question as to how SBEs obtained their knowledge of HRM. The data reveal that SBEs are primarily self-taught when it comes to their knowledge of human resource management (76.9%). The data also reveal that much smaller percentages of the SBEs obtained their knowledge of HRM from seminars (24.3%) or continuing education courses (19.0%). An even smaller percentage of SBEs obtained their knowledge of HRM from college degrees, college courses, or HR certification programs.

Sources of Knowledge	Frequency	Percent*	
Self-taught	247	76.9	
Seminars	78	24.3	
Continuing education	61	19.0	
Company training	56	17.4	
College degree	54	16.8	
College course	40	12.5	
HR certification	5	1.6	

N = 321

Tab. 2. SBEs' Source of HRM Knowledge. Source: Compiled by the author.

Percentage of Time Invested in HRM Activities

The data in Table 3 address the question as to how much time SBEs and their employees invested in human resource management activities

^{*} Percentages sum to more than 100% because SBEs answered affirmatively in more than one response category.

and decision making. The data reveal that SBEs invest an average of 15.0 percent of their work hours in human resource management concerns. For employees, the percentage of work time invested in HRM activities and decision making is somewhat smaller. Employees of SBEs invest an average of 11.1 percent of their work time.

Type of Individual	Percentage of Time Spent	S.D.	N
SBE	15.0	17.0	293
Employees	11.1	16.9	203

Tab. 3. Mean Percentage of Work Time Spent on HRM Activities. Source: Compiled by the author.

8. Discussion

This paper analyzed the HRM practices of SBEs whose firms had 10 or fewer employees. Their firms were situated in the Northwest Indiana region. Three questions were addressed.

Question 1 - HRM activities performed in-house or outsourced

The data indicate that all the traditional HRM activities corresponding to staffing, job specification, performance evaluation, compensation, training, development, and administrative matters are performed by SBEs in-house. A small percentage of SBEs did not administer benefits programs (24.8%); did not mentor employees about advancement (21.7%); and did not determine benefits for employees (19.5%). It could be that these were businesses having too small a number of employees to warrant engaging in those activities. An alternative explanation related to the finding on benefits might be that these SBEs chose not to provide benefits as a component of their employees' total compensation package. In general, SBEs performed most of their HRM activities in-house.

The data also indicate that a very small number of SBEs, in the range of 0.3% to 7.7%, chose to outsource their HRM activities. It could be that SBEs do not have the resources necessary to outsource HRM activities that they feel they could perform in-house, even if less than optimally. The most outsourced activities dealt with conducting training for current employees (7.7%), employee development (7.1%), and benefits administration (6.8%). The few SBEs that outsourced their HRM activities typically had outside firms perform between 18% and 100% of those activities. Perhaps the reason underlying the outsourcing of certain HRM activities is that SBEs lacked the in-house ability to perform those activities.

The major finding is that most SBEs perform the traditional HRM activities in-house. They feel that all of the activities are important for their firms and choose to perform them within their respective organizations.

They feel that they have the expertise to perform the major HRM activities. Perhaps this is related to the fact that the respondents in the current study have been in business an average of 15.2 years and have accumulated the knowledge and experience to perform most of the traditional HRM activities themselves. This would corroborate Hornsby and Kuratko's (2003) notion that very small business owners typically assume the role of the HRM professional. Overall, the findings of this study are consistent with those of Summers, Pearson and Mills (2002).

Question 2 - Source of HRM knowledge

Another question addressed in this study relates to how SBEs obtained their knowledge of HRM. The data indicate that most SBEs are self-taught in the area of human resource management. A large percentage of respondents (76.9%) learned principles of HR on their own, while much smaller percentages of SBEs learned these principles from technical seminars (24.3%), continuing education courses (19.0%) or company sponsored training programs (17.4%). It is likely that the respondents coupled their knowledge from several sources. The low percentages of SBEs that obtained their HRM knowledge from established sources of information are somewhat troubling because the legal aspects of HR practice can be complicated and technical. It is thought that the heavy reliance on self-learning to obtain HR knowledge can lead to suboptimal decision making. The reason is that self-learning does not provide veridical feedback from knowledgeable instructors and peers, which enhances a learner's understanding of technical material.

Question 3 - Time invested in HRM activities

The last question addressed in this study relates to how much time SBEs and their employees invested in human resource management activities and decision making. The data show that SBEs spend a moderate percentage of their work time (15.0%) in HR related concerns and employees spend 11.1%. This is advantageous to the extent that it includes time spent on employee training in HR procedures and the career development of front line managers, which helps avoid costly litigation and frees up time for SBEs to do more strategic value-added work (Caudron, 1999). According to Stevens (2003), the more employees are educated to take responsibility for their career development, the more likely they are to develop into self-resilient employees – ones who embrace, rather than fear, change in their work world. Training employees in HR functions creates a situation beneficial to both employees and SBEs.

Limitations

This study examined the HRM activities of SBEs situated in the Northwest Indiana region. It complements earlier work that focused on businesses in the Texas Panhandle and provides a greater understanding of how SBEs generally practice human resource management. A limitation of this study is that the sample contains firms located in a region comprised of only two states. Future research should be designed to include businesses randomly distributed across the U.S. Alternatively, a state-based approach that included data from several geographically separated locations in the northern, southern, eastern, and western sections of the U.S. would enhance the generalizability of the current findings.

Implications

Research illustrating the effectiveness of HRM practices for SBEs is promising. As such, it is important for educators to advance the knowledge of how the effective management of human capital can help initiate and sustain entrepreneurship. By understanding how best to practice the functions of human resource management, SBEs can maximize their returns on investment, profits, and sales. Interestingly, this has an impact on innovation and workers' job satisfaction. The ultimate consequence of engaging in strategic and focused HRM practice is the achievement of entrepreneurial competitive advantage.

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