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(AIJBES)**[www.aijbess.com](http://www.aijbess.com)**A STUDY OF EMPLOYEE MANAGEMENT IN SMALL AND  
MEDIUM-SIZED ENTERPRISES: A CONCEPTUAL STUDY**Jiqiang Ma<sup>1,2\*</sup>, Nur Izzati Mohamad Anuar<sup>1</sup>, Tan Wai Hong<sup>1</sup><sup>1</sup> Faculty of Entrepreneurship and Business, Universiti Malaysia Kelantan, Malaysia

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**DOI:** 10.35631/AJBES.622002This work is licensed under [CC BY 4.0](https://creativecommons.org/licenses/by/4.0/)**Abstract:**

In an enterprise, employees, as the main body and dynamic force of the enterprise, play a vital role in the operation and management of the enterprise. In small and medium-sized enterprises (SMEs) employee management, old employees may not keep up with enterprise development, and new employees face issues such as difficulty adapting to the working environment, low business ability, and unfamiliarity. These problems are overlooked in human resource management. This paper aims to investigate the employee management problem in small and medium-sized enterprises (SMEs), which focuses on improving employees' adaptability to the enterprise environment and development. The relevant theories of work adaptation in SMEs are reviewed, which summarizes the theoretical achievements related to work adaptation in SMEs, including social cognitive theory, work adaptation theory, organizational socialization theory and other theories. Research on task mastery, interpersonal relationships, role behavior, and cultural adaptation of new employees was conducted in small and medium-sized enterprises in China. This paper conducts an empirical study on the current situation of employees' job adaptation in the company by means of surveys and interviews and has an in-depth understanding of the general situation of the enterprise. The solutions consist of three aspects: pre-guidance, in-process adjustment, and post-feedback, which provide the practical solution to new employees' work adaptation problems. It can provide typical reference and guidance for the improvement of the work adaptation status of new employees in SMEs.

**Keywords:**

SMEs, Employee Management, Talent Management, Job Adaptation, Conceptual Study

## Introduction

The problem of work adaptation of new employees has aroused the interest of many scholars at home and abroad, who have explored the process of work adaptation of new employees, the factors affecting work adaptation from different perspectives, the use of management, organizational behavior (Van Den Heuvel, Demerouti, Bakker, Hetland, & Schaufeli, 2020), psychological theory, and the establishment of a corresponding work adaptation model (Chowdhury, Budhwar, Dey, Joel-Edgar, & Abadie, 2022), and put forward different control and management measures (El-Sabagh, 2021). For example, there are some perspectives, such as the human and environment matching perspective (Van Beurden, Van De Voorde, & Van Veldhoven, 2022) and organizational socialization perspective (Harris, Cooper - Thomas, Smith, & Smollan, 2020). Carillo, et al. developed an epidemic-induced telework adjustment model derived from the theory of work adjustment and the interactional model of individual adjustment. The results demonstrated the superiority of the influence of crisis-specific variables, which are professional isolation, telework environment, work increase and stress (Carillo, Cachat-Rosset, Marsan, Saba, & Klarsfeld, 2021).

Individuals and work environments need to change some of their behaviors to adapt to each other, and the adaptation process will be continuous (Wang, Liu, & Parker, 2020). Andela et al. explored the relationship between person-environment fit and several work-related outcomes (Andela & van Der Doef, 2019). Results indicated that the four dimensions of PE fit were positively related to job satisfaction and negatively associated with burnout and turnover intention. Moreover, Kristof - Brown et al. presented a personal historical review of the person-organization fit (PO) literature (Kristof - Brown, Schneider, & Su, 2023), which provided thoughts on future directions for research on PO fit and practical implications for managers who wanted to maximize the benefits of PO fit. Koopmans et al. conceptualized the conceptual frameworks of individual work performance and integrated these to reach a heuristic conceptual framework (Koopmans et al., 2011). A total of 17 generic frameworks (applying across occupations) and 18 job-specific frameworks (applying to specific occupations) were identified. Dimensions frequently used to describe individual work performance were task performance, contextual performance, counterproductive work behavior, and adaptive performance.

Individuals and work environments interact, and individuals' work personalities, workability, and work goals all respond to specific environmental factors at a particular stage, including family factors, school factors, and socialization factors (Rogers, 2020). When individuals enter the work environment, these three environmental system factors will also continue to affect work adaptation (Crawford, 2020). Moreover, new employees should learn new jobs, establish new interpersonal relationships, clarify the role of individuals in the organization and evaluate their development in the organization (Demerouti & Bakker, 2023). There are four indicators to measure the degree of socialization of employee organizations in the adaptation stage, including engagement, joining groups, defining roles, and evaluating consistency (Gardner, Huang, Pierce, Niu, & Lee, 2022).

Liao et al. pointed out that the study was conducted to analyze the influence of new employees' organizational socialization on team innovation performance via the mediating effect of employee voice behavior and the moderating effect of servant leadership (Liao, Zhou, & Yin, 2022). The cross-level results indicated that organizational socialization directly enhances new employee voice behavior and, accordingly, promotes team innovation performance. Moreover,

servant leadership plays a moderating role between organizational socialization and prohibitive voice behavior but has no moderating effect on the relationship between organizational socialization and promotive voice behavior. Furthermore, Nguyen et al. examined the relationship between organizational socialization tactics (context, content, and social tactics), employees' work engagement and their proactive behaviors (relationship building, positive framing and self-management) (Nguyen, Bui, & Nguyen, 2021). Results indicated a partially mediating role of work engagement in the relationship between social tactics and proactive behavior, and a fully mediating role in the relationship between context, content tactics, and proactive behavior.

Domestic scholars' research on job adaptation started late, and most of them studied it from the perspective of organizational socialization, which is influenced by the more in-depth research on organizational socialization in foreign countries (Omanović & Langley, 2023; Ortlieb & Ressi, 2022; Traeger, Haski-Leventhal, & Alfes, 2022). Since the research on organizational socialization in China is also in the beginning stage, there are fewer research results on job adaptation. For instance, Haueter et al. developed a primary measure of newcomer socialization that addresses shortcomings with a prior scale (Haueter, Macan, & Winter, 2003). Results showed scale reliability, factor structure, convergent and discriminant validity, and correlations with criterion variables. Tolentino et al. examined the psychometric properties of the Career Adapt-Abilities Scale (CAAS) and its relation to adaptivity (i.e., learning goal orientation, proactive personality, and career optimism) among Australian university students (N=555) (Tolentino et al., 2014). The multidimensional and hierarchical model of career adaptability resources supported confirmatory factor analysis.

K Na-Nan et al. developed an instrument to measure employee work adjustment (EWA) for small- and medium-sized enterprises (SMEs) in Thailand (Na-Nan, 2019). The study was conducted in three stages to develop a measurement scale for EWA. It extended and broadened the EWA concept to provide theoretical support for the adjustment of intelligence research. Moreover, Narasimha et al. investigated the moderating effects of prior related work experience and professional education on the relationship between organizational socialization tactics and newcomer adjustment. The study was conducted with a sample of new graduates from an Asian university (Kowtha, 2018). It was shown that prior related work experience and professional education moderate the effects of socialization tactics on newcomer's role clarity, role conflict and organizational commitment.

### **Literature Review and Conceptual Framework**

Employees are unable to adapt to the environment and work arrangements at the beginning of their working life, so they find it challenging to complete their work tasks and become anxious (Khan et al., 2024). Some of them have the idea of leaving their jobs, while the majority of SMEs have not further improved their staff training system (Bilan, Mishchuk, Roshchyk, & Joshi, 2020). Secondly, employees are insecure about their professional future, and they do not have a clear plan for their career development path, not to mention the analysis of their strengths and weaknesses. They cannot give better play to their abilities, so the workplace work situation is very worried about, resulting in a great deal of pressure. Thirdly, small and medium-sized enterprise wages and benefits for some of the external talent staff may not be much, but the talent staff can bring more value to the enterprise talent staff due to the contribution of the enterprise for small and medium-sized enterprises their requirements on the issue of treatment (Na-Nan, 2019).

Fourthly, due to the lack of an internal selection of talent incentive mechanism, the enterprise staff purely focus on the difference between education and experience (Zhuang & Shi, 2024). If the enterprise does not have a perfect selection system, then it will not be able to find talent. Fifthly, the big difference between the enterprise and the position of the staff is that the enterprise did not pay enough attention to the feelings of the staff, ignoring the character of the staff. Most of the staff mainly used the command, but it was not humane, so the staff lost their enthusiasm for work. Sixthly, due to the lack of exchange of ideas between employees, senior leaders cannot timely and effectively understand the difficulties and needs of grass-roots employees, resulting in some work not being coordinated work progress, and deviation reduces the efficiency of the work (Yang, 2024). The incentive mechanism of the enterprise is that management methods are not perfect for the enterprise, even if a small incentive will motivate employees to bring more economic benefits to the enterprise (Manzoor, Wei, & Asif, 2021). Seventhly, the recruitment content and the actual deviation, the real work of the staff and the recruitment of the work promised by the content, as well as pay and treatment, primarily affect the enthusiasm of the staff.

### **Contribution of the Variable on the Management in SMEs**

Employee management in place is the primary key to enterprise development. Employee management in the management of small and medium-sized enterprises occupies an essential position for the staff management of a series of problems faced, which puts forward the following solutions (Meng, Lu, & Shen, 2021).

#### ***Optimization of the Employee System***

For inexperienced new employees or old employees to adjust to new positions, SMEs can find experienced employees or managers to guide them. That is training and spotting the new work, which can reduce the pressure on employees as well as the anxiety of the new job, as soon as possible through the work discomfort zone, to find their sense of belonging, and faster to adapt to the work environment.

#### ***Strengthening Job Training for Employees***

The staff of the enterprise is responsible for corporate culture, corporate background, corporate characteristics, corporate spirit, corporate organizational structure, and other systematic training so that employees have a clear understanding of corporate culture (J. Zhang, 2021). The post-training for employees can let employees have a particular understanding of the corporate image so that employees can more quickly adapt to the entire corporate environment. It can find the corporate centripetal force and sense of belonging to help employees better understand the management system. Organizational structure can enhance the cohesion of the company and the economic returns.

#### ***Establishing the Mechanism for the Treatment of External Talents***

The talent type of excellent staff is the main source of enterprise innovation power, the driving force of the future development of enterprises, the establishment of external talent staff treatment mechanisms, and timely recruitment to meet the enterprise demand for talent. Moreover, timely understanding of the innovative ideas and needs of talented employees, as far as possible to help them solve the needs of timely listening to innovative suggestions of talented employees so that the enterprise system is constantly improving, accelerate the forward development of enterprises and improve the company's economic returns in favour of the entire enterprise (G. Zhang & Zhao, 2024).

***Clarify the Mechanism for Selecting and Allocating Talents within the Enterprise***

In the competitive market, retaining talent is the primary task of small and medium-sized enterprises. Talent management in the development of small and medium-sized enterprises is an indispensable factor but also an essential factor. In order to retain talent and promote the development of enterprises, enterprises must develop a precise internal talent selection mechanism to improve the enthusiasm of the staff (M. K. Hu & Kee, 2022). It can use a combination of material incentives and spiritual rewards, and you can use "according to the work of the salary increase, more work, more pay" as a way to promote the staff's work enthusiasm to improve corporate earnings. At the same time, the corresponding spiritual rewards are also indispensable (C. Hu, 2023).

***Endeavouring to Create a Favourable Working Atmosphere***

A comfortable and harmonious work environment full of love and tolerance will minimize the discomfort of the working relationship between the staff and ease their anxiety. Working in an excellent working atmosphere in the environment can be in the migration of fuzzy let the staff accept the company's corporate culture so that the new staff can establish the correct values, reduce the work error rate, and improve the economic efficiency of the enterprise (Newman & Ford, 2021).

***Constructing a Feedback and Incentive Mechanism for Employee Opinions***

Some employees may not be in their preferred positions, which causes a psychological gap. Managers can listen to the staff's fundamental ideas through the feedback mechanism in a timely manner to clarify the staff's needs, as far as possible on the basis of the implementation of the coordination, as far as possible to meet the needs of the staff and through the establishment of reasonable incentives to improve the enthusiasm of the staff to reduce the staff's turnover rate, improve work efficiency (Park, Ha, & Kim, 2024).

***Regulating the Rules of Corporate Recruitment***

Enterprises in recruitment should be in line with the principle of fairness, justice and openness in the announcement of the recruitment information, to be truthful, not to boast. Meanwhile, it can broaden the recruitment channels and use the public number, the website and other ways to release the recruitment information, not nepotism, to select the virtuous and talented so that the enterprise will thrive (Rong, Liu, Huang, & Zhang, 2020).

***Conclusion***

Employee management in SMEs is a complex management process that includes employee job matching, talent recruitment and selection, working environment, and employee recruitment. Small and medium-sized enterprises, in order to promote the development of enterprises, should aim at a large number of staff management factors, especially the talent management aspects of a comprehensive and serious study and adjustment, careful arrangements, and put into practice. They should analyze the various situations that occur in employee management and propose reasonable and effective management strategies to enhance the efficiency and satisfaction of the employees and to promote the sustainable development of the enterprise.

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