

# Human resource management of small and medium-sized enterprises from the perspective of corporate governance

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**ABSTRACT.** *In the economic environment, the development process of small and medium-sized enterprises has many challenges, how to meet the challenges correctly and seize the opportunity has become a common problem faced by small and medium-sized enterprises. In this regard, enterprise human resources management has played an important role in the future development of small and medium-sized enterprises. This paper analyzes the challenges faced in the process of human resource management from the perspective of corporate governance. This paper focuses on the problems in personnel recruitment, employee training and performance management from the perspective of small and medium-sized corporate governance, and puts forward its own suggestions for improvement, namely, optimizing the organizational structure, strengthening the importance of the human resources department, formulating recruitment plans to standardize the recruitment process, enhancing the targeted and diverse training of employees, optimizing performance appraisal methods, etc., with the aim of allowing small and medium-sized enterprises to better achieve their own strategic objectives in the future economic development, while improving the efficiency of employees and achieving a win-win situation for enterprises and employees.*

**KEYWORDS:** *corporate governance, human resources management, small and medium-sized enterprises, performance appraisal*

## 1. Introduction

In the economic era of rapid development of knowledge and information, human resources have become more and more key factors in the future development of enterprises. This topic is mainly guided by the relevant theory of human resources management, discusses the many problems existing in human resources management from the perspective of corporate governance of small and medium-sized enterprises, combines the actual situation, conducts theoretical analysis, and puts forward the optimization suggestions of small and medium-sized enterprises in human resources management from the perspective of corporate governance. This

suggestion is useful for the modern development of the same type of small and medium-sized enterprises.

## **2. Theoretical analysis and questions put forward**

Human resource diagnosis is the management personnel through the company's human resources management operation of the actual situation, system construction and management effect of investigation and evaluation, analysis of the nature of human resources management, characteristics and existing problems, put forward rational reform programs, so that the integration and management of human resources to achieve the "people" and "things" dynamic adaptation, so as to promote employee growth, the realization of the company's strategic objectives. I take the corporate governance of small and medium-sized enterprises as the perspective of the investigation and research period, carefully analyzed and studied the personnel department (human resources department) staff recruitment, training work and the company's large-scale activities during the external training specialist performance appraisal work. Therefore, in the next problem study, the company governance of small and medium-sized enterprises will focus on the analysis of small and medium-sized enterprises in the recruitment, training and performance appraisal of the three parts of the problem, and put forward optimization recommendations.

### ***2.1 There are problems in personnel recruitment***

#### **(1) The recruitment threshold is low and the randomness is strong**

Research small and medium-sized companies because they are in the initial stage of operation, the demand for employees is relatively large, especially the first-line departments for employees. Lead to the personnel department to recruit employees to reduce the employment standards too much (first-line department recruitment, to the marketing department for example: recruitment without academic requirements, for the candidate's described work experience and skills are not verified, as long as the candidate's will and the company's pay and benefits conditions can be agreed. ), lack of assessment of recruiters and job competence examination (no assessment measures, immediately put into work on the job). Leading to the first-line department high turnover rate and new rate problems, is not conducive to the company's long-term stable development.

#### **(2) Lack of long-term planning for recruitment**

Personnel department recruitment is not from the long-term development point of view of the enterprise, too eager to meet the quantity to ignore the quality of satisfaction (the company recruitment, front-line department leaders for the personnel manager's requirements is the fastest time each department to meet the needs of the number of employees, no other ability and other requirements. ), and the enterprise's development strategy is out of touch, can not consider the actual situation of the company to do a good job of recruitment plan. The recruitment plan

of the personnel department is too short-sighted to be conducive to the stability of the company.

(3) The recruitment process is diverse and lacks norms

There are many forms of recruitment, such as Internet recruitment, newspaper advertising, campus recruitment, television advertising, etc., but when job seekers apply, the personnel department lacks the necessary assessment process. When recruiting employees, only ask for basic identity information and simple communication and dialogue, lack of knowledge and skills for candidates and employee character testing, lack of objectivity, is not conducive to the matching of people.

## ***2.2 There is a problem with employee training***

(1) Training is not targeted and there is a lack of diversity in the way it is conducted

Research small and medium-sized companies personnel department training basically only stay in the employees on the job when the corporate culture introduction, job regulations and basic salary and benefits of the basic on-board training. Moreover, the training method is relatively single, the on-the-job personnel only according to the training specialist to give the entry manual (the general content of the entry manual is: the company's founding process, company culture, basic code of conduct for employees, compensation and benefits, the company's results display) for self-learning, lack of diversity. Moreover, the personnel department and the training department themselves only train the enterprise knowledge and job skills (take the marketing department as an example: the training content focuses on the company's needs for the introduction of capabilities, tele-sales skills, industry terminology, how to improve the relationship with customers, etc.), lack of understanding of the training needs of employees themselves, training is not targeted. The effectiveness of the training is not ideal, and the training that employees really need is not carried out according to the actual situation.

(2) There is a problem with the staffing of the personnel department

Research small and medium-sized companies Personnel Department did not set up a professional training specialist, new recruiters by the recruiter is also responsible for simple on-board training (i.e., read the employee entry manual). Reflects the personnel department's awareness of training is not enough attention, failed to analyze the training needs of employees in various departments of the company, human resources training there is blindness and unscientific.

(3) The human resources department invests too little in training and the training is subject to the training department itself

Research small and medium-sized companies personnel department for training is very low, in addition to simple on-board training, other training of employees by their own department training, staff training can not be controlled by the personnel department. And the department to carry out their own training, mainly to work

skills, marketing means as the main training content, training content is more repeated, not conducive to the company's progress and development. There is also a real problem is that, in addition to the marketing department design department customer service department such as the first-line department, the second-line department basically does not have its own training, personnel department also has no corresponding training for it.

(4) Team training during the event is not scientific

Research small and medium-sized companies in the organization of large-scale corporate activities, external team training specialists will be the first- and second-line departments mixed, set up the same day, week, overall assessment indicators. Assessment indicators are basically only performance, for second-tier department employees, it is difficult to control their own impact on performance, in many cases can only rely on front-line department employees in the team to achieve assessment, or forced to be arranged not to adapt to their own work. At the same time, for front-line department employees, increased the pressure of their own work, more than five hours of overtime basically throughout the activity period. Team training objectives are unreasonable and lack scientific.

### **2.3 There are problems with the way the team is evaluated**

(1) The day-to-day performance management style of the Administrative Personnel Department is backward

Research small and medium-sized companies In the daily work, the company's senior leadership for the purpose and concept of performance management bias, that performance management is only a way to determine employee compensation, performance management for the company's concept only performance appraisal. In the minds of senior leaders, the purpose of performance appraisal is to serve as the basis for employee compensation, bonuses and promotions. At the same time, the company's daily performance appraisal method is relatively single: only the daily attendance assessment and whether to comply with the staff manual assessment during work. In the daily work, the personnel department through the twice-daily card machine check-in and early meeting of personnel to determine attendance, the administrative department through random inspection of the department's office to determine whether employees in accordance with the company's behavior provisions of the day-to-day behavior. Leadership and employees do not pay enough attention to the usual performance appraisal, personnel departments and administrative departments do not carry out performance management functions.

(2) The performance appraisal index during the company's activities is single, and the reward and punishment measures are unreasonable

When the company holds large-scale events, the performance appraisal method increases the team performance appraisal. The company will be divided into teams, the external trainer will set each team's daily goals and overall goals, the results of the assessment to achieve the goal is the only criteria, the goal is more single, that is, the team signed a single number. At the end of each night's work, the external trainer

will reward and punish the results of the performance appraisal based on the number of signatures signed on the day, take some more primitive and severe penalties (eating raw peppers, mustard, raw eggs, etc.) for the team that has not completed, and will issue an appropriate cash reward (from 50-100 yuan) to the team that meets the criteria. Because the team's distribution method is to mix the first and second-tier departments, so sometimes in order to achieve the goal of performance appraisal, the first-line staff work responsibility is greater, the second-tier departments have no way to help, accept punishment, together accept punishment. This has resulted in a lack of enthusiasm of second-tier department employees, front-line department staff pressure, lack of enthusiasm for work, in order to achieve the goal and mechanical work of reluctant overtime. Before the end of the activity, the company's overall activity sign-off as an indicator of performance appraisal, the results of the assessment will not meet the standards will also use the original punishment method (scratch eyebrows, shave head, etc.) and deduct the salary bonus to punish.

Accept the number of punishments, so that the staff's inner resistance is strong, second-tier department employees lost the heat of work, front-line department employees work pressure and intensity is getting higher and higher. At the same time, the number of days not completed focused on Monday to Thursday, the assessor ignored the customer's own working hours, the assessment objectives set high, not reasonable enough.

This kind of performance appraisal way is rigid and backward, at the same time the appraisal subject is also relatively single, senior leadership does not enter the appraisal, the external trainer neglects the role of the appraisal, does not actively communicate with the employee model, only the appraisal reward and punishment as the motivation to motivate the employee to complete the company's performance. Performance appraisal in all departments has different situations, employees have high negative emotions, work is not active, lack of enthusiasm and motivation. At the same time increase the pressure of front-line department employees, resulting in a high turnover rate of employees, not conducive to the long-term development of the company.

### **3. The optimization and improvement of human resources management**

#### ***3.1 The company's organizational structure to adjust***

As previously proposed, "Research small and medium-sized companies organizations exist functions are too decentralized, the general manager is difficult to take into account the multi-department, is not conducive to the general manager command and dispatch situation." This proposal should be made to adjust the organizational structure, so that the functions of the organization of centralized management, unified command and leadership. Optimize and consolidate some organizations to enhance the corporate position of the personnel department. At the same time can also make the company's operation more concise and smooth, easy to deal with the company's things, and truly achieve the efficient operation of all

departments of the enterprise, while simple and efficient organizational structure can also provide a guarantee for the smooth operation of the company.

Research small and medium-sized companies belong to the sales-oriented small and medium-sized enterprises, smooth, simple and efficient organizational structure can make the company's business run efficiently, coordination and coordination of various departments more convenient. In order to facilitate the company's external business development, enhance the company's economic efficiency, to ensure the company's stability and long-term development.

### ***3.2 The role of the human resources department change***

With the deepening of the country's opening up, China's economic system is also carrying out continuous reform, small and medium-sized enterprises have become an indispensable part of the country's economic development, but also an important driving force for economic development. The role of human resources management in modern enterprises is becoming more and more prominent, the task of personnel department has also changed significantly, and the status of department has been significantly improved. As a modern enterprise seeking long-term development, research small and medium-sized companies in human resources management should make the following improvements:

#### **(1) In managing content**

Research small and medium-sized companies to change the traditional personnel management content and functions of the understanding of the function of personnel management can not only stay in the simple recruitment and file management, compensation statistics and distribution, daily attendance and other functions. In modern human resources management, things do not become the center of personnel management, employees become the management center of personnel department. Modern human resources management pays attention to the development and utilization of people, and how to fully develop the ability and potential of employees, stimulate the creativity and vitality of employees, so that employees with a positive and enthusiastic attitude to participate in the task assigned by the enterprise. The people as a resource for the optimization of the integration and utilization, so that it can give full play to the maximum effectiveness of people.

#### **(2) In the way it is managed**

Research small and medium-sized companies in human resources management should abandon the outdated way and means of enterprise human resources management, abandon the attempt to control the thinking of employees and force employees to carry out work tasks of unscientific human resources management means. Boldly introduce modern human resources management methods and methods, from the perspective of employees, fully consider the personality of employees, emotions, self-esteem and their own values. To achieve the employee's own core, people-oriented, less punishment criticism and more praise incentive methods, so as to motivate each employee to give full play to their own value, with a

positive work attitude and full of enthusiasm for work so as to contribute to the enterprise's own strength.

### ***3.3 The development of recruitment plans to standardize the recruitment process***

Staff recruitment is extremely important for research into small and medium-sized companies such as sales-oriented enterprises. The personnel department through the enterprise's job description and enterprise future development planning to find suitable for the enterprise development concept and competent employees in the enterprise position, and from a large number of eager employees to select the most suitable employees for the company. The job is so complex and difficult that to meet recruitment goals, it is necessary to find a broader recruitment channel and design a more scientific approach to employee on-the-job testing. For enterprises, the most important evaluation index of recruitment completion is whether the employees can adapt to the needs of enterprises and complete the tasks of enterprise work.

(1) Find the most suitable recruitment channel for your business development among the many recruitment channels

In modern society, there are many ways to recruit, and the demand for recruitment is increasing. But the human resources department should avoid blindly widening the recruitment channels. Enterprises such as research small and medium-sized companies should adopt Internet recruitment, newspaper advertising, campus recruitment-based recruitment channels, to avoid in order to recruit people and seek various channels leading to confusion of employee sources. In order to meet the company's recruitment needs, for the company's talent pool to make a positive contribution.

(2) The human resources department should strengthen the links with the demand department when recruiting

Personnel department in the recruitment, should take the initiative to contact the employee demand department, get the job description of the demand position, understand the department for the job demand for what kind of personnel. Through the job description for the recruitment of personnel screening, design department personnel demand table, looking for suitable job needs and interested in joining the department's employees. In this way, the on-the-job staff will be more in line with the needs of the department's work tasks, can be more quickly integrated into the department's work environment, thereby improving the recruitment efficiency of the personnel department, to avoid the recruitment of personnel is not suitable for the department's needs phenomenon, but also to reduce the turnover rate, is the long-term development of the enterprise more stable.

(3) Pay attention to the on-the-job assessment

Research small and medium-sized companies personnel departments should pay attention to the screening of employees, do a good job of employees on-boarding assessment. In the recruitment, the personnel department should design a rigorous

on-the-job assessment, to understand all aspects of new employees. Not only pay attention to their job skills, but also should examine the quality of their character and other aspects of the situation, so as to help reduce the turnover rate of employees, improve the quality of employees, improve the efficiency of enterprises. At the same time, it is recommended that the personnel department do a good job of human resources development planning for new employees, so that employees realize their bright future, which will help to stimulate the enthusiasm and creativity of employees, so as to better promote the stability and long-term development of the enterprise.

(4) Design a long-term plan for human resources needs

Research small and medium-sized companies in the recruitment of personnel pay too much attention to short-term interests, did not achieve long-term planning, lack of long-term strategic vision, did not achieve talent pool. From the perspective of modern human resources management, according to the Group's development strategy objectives, the formulation of long-term strategic planning of human resources is an indispensable task. Therefore, research small and medium-sized companies should be in accordance with the needs of departments in the medium and long term, design long-term planning of human resources, do a good job of talent reserves, to prevent enterprises from appearing from time to time needs, for the future development of enterprises to make a forecast of talent needs, to achieve modern human resources management forward-looking and predictable.

### ***3.4 Enhance the relevance and diversity of staff training***

Training is the process of imparting to experienced or inexperienced trainees the mental cognition, basic knowledge, and skills necessary to accomplish a particular behavior. In order to improve the employee's job skills and enhance the employee's personal ability and other aspects of the effect, but also to enhance the employee's sense of belonging to the company, improve the employee's enthusiasm and work efficiency. Through the investigation of small and medium-sized companies, it is recommended that the following improvements be made in the training of personnel department employees:

(1) Improve the position of personnel department in employee training and set up training specialists

Research small and medium-sized companies should promote the position of personnel departments in employee training, the rest of the departments to staff short-term training programs and long-term planning design rights transferred to the personnel department. The personnel department should draw special personnel to set up the post of training commissioner, mainly responsible for the daily training plan design and long-term training plan of employees. The content of the training should be designed professionally according to the needs of various departments, so as to improve the relevance of the training, so that the training does not stop at the basic on-the-job training. At the same time, the training of various departments should be led by the personnel department, responsible for the training of various

departments, which will make the training more professional and reasonable. At the same time, the training content should not only stay in vocational skills, but also pay attention to the multi-angle training and development needs of employees, so that employees enhance the sense of belonging to the enterprise, mobilize enthusiasm and enthusiasm for work, and better complete the tasks assigned by the department.

(2) Strengthen the department's training needs analysis and understand the individual training needs of employees

Research small and medium-sized companies Personnel Department training specialists should start from the beginning of the staff to design training programs from the beginning of on-board training, to understand the training needs of employees, regular department and staff training needs analysis. At the same time, it is possible to ensure the reasonable effectiveness of the source of information and avoid false information affecting the judgment of demand. Coupled with the analysis of employees' own skills and other factors, design employees' own short-term and medium- and long-term training programs. Departmental training can take into account the corporate culture, department status quo and other factors to design, so that department training more targeted, so that training can achieve the desired results.

(3) Reasonable optimization of team training methods during corporate activities

Training needs should not only meet the actual development of the enterprise itself, but also take into account the long-term enterprise development planning. Training plan should take full account of the differences between different departments, positions, and even between each employee there are differences, according to their own characteristics and actual situation, from person to person, from work to work, from ability to ability, targeted design. Can not be under the banner of team training, will be different departments to carry out systematic uniform training, this training method exists unscientific and unreasonable, failed to achieve the fundamental purpose of training. Suggested that small and medium-sized companies in the future to hold large-scale activities, team training teachers should design a more reasonable grouping, design multiple assessment objectives, so that the team training to achieve full coordination and cooperation between different departments of the enterprise, for the company during the event to better create the company's sales performance.

### ***3.5 optimize the performance appraisal method***

Performance appraisal refers to the process and method of using specific criteria and indicators to evaluate the employee's work behavior and performance under the established strategic objectives, and using the results of the evaluation to give positive guidance to the employee's future work behavior and performance. Through the investigation of small and medium-sized companies, it is recommended that the following improvements be made in the performance management of personnel departments:

(1) Optimize the daily performance appraisal method

Personnel departments in the past usually only pay attention to the daily attendance commute whether miners and other circumstances, it is recommended that the personnel department design performance appraisal form, in the table to put forward the content of the assessment and assessment methods, so that performance and pay realization linked. Design the policy of daily performance appraisal, make it urge employees to improve their work efficiency and improve their unreasonable behavior norms. The implementation of performance interviews, cycle performance appraisal after the end of the superior should be with the lower level of face-to-face exchanges, pointing out the shortcomings of the lower levels, while pointing out the good places to do. Discuss and develop the performance appraisal method for the next cycle together, so that the employee's perception of the performance appraisal is more clear, so as to improve the performance of the employee's performance appraisal in the next stage.

(2) Optimize the performance appraisal method during the activity

Companies in large-scale activities, external team training teachers should communicate with the personnel department, understand the actual situation of the company, according to the actual situation to design reasonable performance appraisal objectives. At the same time, performance appraisal should be based on different departments of different employees' work tasks to design different assessment objectives, so that performance appraisal is more scientific and reasonable, to adapt to the company's development. At the same time, management should increase the investment of human resources, willing to pay for the company to hire some modern enterprises human resources managers. In hiring human resources managers, we should not only focus on the short-term performance of the company, but also consider whether to provide better support and protection for the long-term development of the company. At the same time, performance appraisal incentives and penalties should be negotiated with the company's employees to understand the employee's heart, to avoid compulsion and compromise. Good reward and punishment measures should be supplemented by reward-based punishment, discarding some of the punishments that betray employees' self-esteem and primitive backwardness, so that employees can improve their enthusiasm and work efficiency, and create more profits for the enterprise during the event.

#### **4. Conclusion**

With the development of the times, the role of human resource management in enterprises is becoming more and more obvious. In the new era of development situation, enterprises have to optimize their own human resources management methods, so as to adapt to the future form of economic development, for enterprises in the future development play a positive role, and thus ensure that enterprises to achieve their own strategic objectives and long-term development. Through the human resources challenges and diagnostic analysis from the perspective of corporate governance of small and medium-sized enterprises, the corresponding

solutions are put forward, which enhance the enthusiasm of employees of small and medium-sized enterprises, enhance the efficiency of employees, and also make positive contributions to the long-term development and strategic objectives of small and medium-sized enterprises, so that the company can better meet the opportunities and challenges brought about by the new era.

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