

# Research on the Importance of Enterprise Culture in Improvement in Human Resources Efficiency of Small and Medium Enterprises

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**Abstract:** Different from large enterprises, small and medium enterprises (SMEs) face many difficulties in the process of development. In the face of fierce competition market environment, as for small and medium-sized enterprises to obtain long-term stable development, the enterprises must adapt to the survival of the fittest in the market economy, in a sense is also the competition of human resources. Staff training of SMEs is an essential methods to improve the level of human resources, and is also the most direct and common way to improve market efficiency, enhance employees' loyalty to the enterprise and vocational skills. At the same time, SMEs can also effectively develop and use corporate culture to strengthen the role of corporate culture in corporate centripetal force and cohesion. This paper will research how to improve humane resources efficiency by building enterprise culture.

**Keywords:** Human resource efficiency, Small and medium enterprises, Corporate culture, Training.

## 1. Introduction

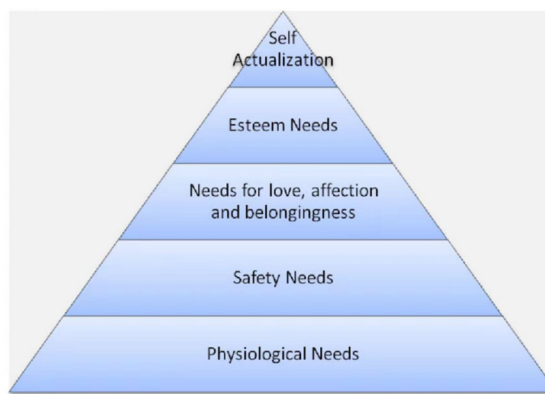
At present, if small and medium enterprises want to succeed, they must build core competitiveness, which is based on the establishment and efficient use of human resources, which is the labor force needed in the operation process and development process of the enterprise. Human resource efficiency refers to the measurement of the effectiveness of the actions and activities of the human resource department on the enterprise.

Scholars at home and abroad put forward that the source of competitive advantage of enterprises is human resources. The famous scholar Barnet once put forward the following views: the resources that will become the source of competitive advantage of enterprises must have some special conditions, one of which is that this resource must be rare resources, the other is that this resource must have imitable characteristics, the third resource must be difficult to replace, and the fourth resource must have unique value. Human resource management plays an important role in the development of enterprises, which is mainly manifested in the following three aspects: First, fully mobilize the enthusiasm of employees. For example, the incentive mechanism in small and medium-sized enterprises can effectively mobilize the enthusiasm of employees, improve work efficiency and promote the development of enterprises. Second, human resources is the focus of enterprise culture construction. The construction of corporate culture can meet the needs of employees, enhance the sense of belonging of employees and corporate cohesion, so as to create a corporate culture recognized by employees. Third, achieve business objectives faster. Scientific human resource development can greatly mobilize the enthusiasm of employees, maximize the potential of employees, and realize the purpose of maximizing corporate profits[1].

At the same time, current scholars mainly study human resource management performance and salary to improve core competitiveness, but pay less attention to corporate culture. It refers to a common value, belief system, code of

conduct and way of work formed within the enterprise and plays a crucial role in the development of enterprises and the behavior of employees[2].

Maslow's basic theoretical needs indicates salary may not be the best way to improve efficiency of Human Resources, Corporate culture is also important.



Source: Maslow (1954)

Figure 1. Maslow diagram

One way to understand and motivate individuals is to revisit Abraham Maslow's Hierarchy of Needs [3]. It has been and will continue to be used to understand what drives people and how to improve business efficiency. It is easy to see how corporate culture can lead individuals towards self-actualization; Develop your potential, learn new things, take risks, and be more confident in what you do. As individuals learn and grow in a work environment, Maslow argues, "responsibility becomes pleasure, and pleasure merges with responsibility" [4]. Self-actualization also illustrates the importance of corporate culture, the individual should not only be taught to perform certain job functions, he should be trained or exposed to life-related learning.

From these studies, it can be seen that the influence on the human resource efficiency of small and medium-sized enterprises mainly comes from the enterprise culture, rather

than the salary system. The corporate culture influence on enterprise can be realized in two ways: the first – the corporate culture influences on organizational behavior and conversely. The second way – the corporate culture influences not on what people are doing, but on how they are doing it. There is also in use fluent of different methods. This both effect the efficiency of human resource.

At the same time, Kotter and Heskett report that culture has a strong and growing influence on organizational performance[5]. Their research was divided into four main conclusions; First, corporate culture can have a significant impact on a company's long-term economic performance. Second, corporate culture is likely to become an even more important factor in determining success or failure over the next decade. Third, a corporate culture of strong long-term financial performance is easy to develop, even in a company with lots of talent. Fourth, corporate culture can improve performance. From their research results, it can be seen that corporate culture has a strong impact on organizational effectiveness: high employee engagement and motivation and the overall efficiency of the company.

This paper specifically studies how small and medium-sized enterprises build appropriate corporate culture to achieve the purpose of enhancing the core competitiveness of enterprises. The paper is divided into four parts: the first part is literature review, the second part is methodology, the third part is findings and the last part is conclusion.

## 2. Methodology

### 2.1. Pandect

From the current literature, it can be found that the lack of a large part of small and medium-sized enterprises how to improve their own efficiency. This paper takes the human resources efficiency improvement of smes as the criterion, and uses two methods, one is the questionnaire method of middle-level employees.

According to literature review and survey, it is not difficult to find that the core way to improve efficiency for smes is to strengthen training and build corporate culture. In order to verify this idea, I conducted a sample survey of employees.

### 2.2. Data collection

Questionnaire design: In order to verify the reliability of the experiment and prove that salary is not the only way to affect human efficiency, but more because of corporate culture and training, I put forward the following questions and the questionnaires are given out to corporate whose employees are less than 100 in the company through questionnaires, and finally obtained 68 questionnaires.

### 2.3. Data analysis

The results of the questionnaire investigation are collected as follow in the form of diagrams and charts:

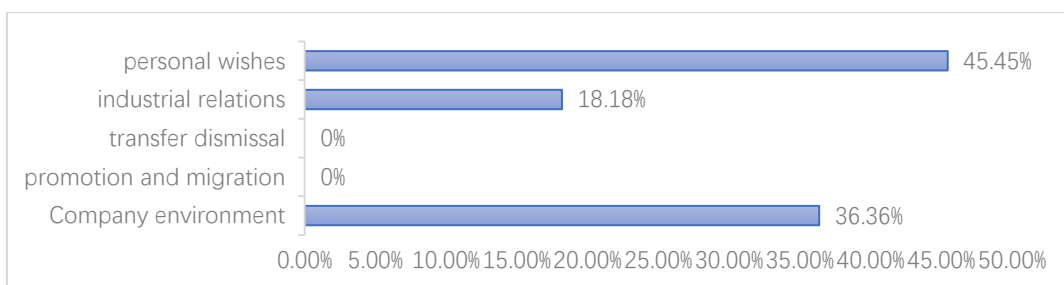


Figure 2. Reasons for resignation (no resignation plan is optional)

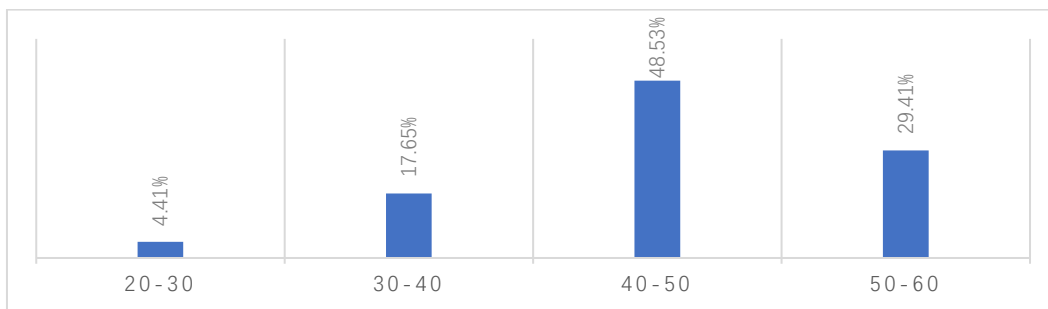


Figure 3. Your current age group

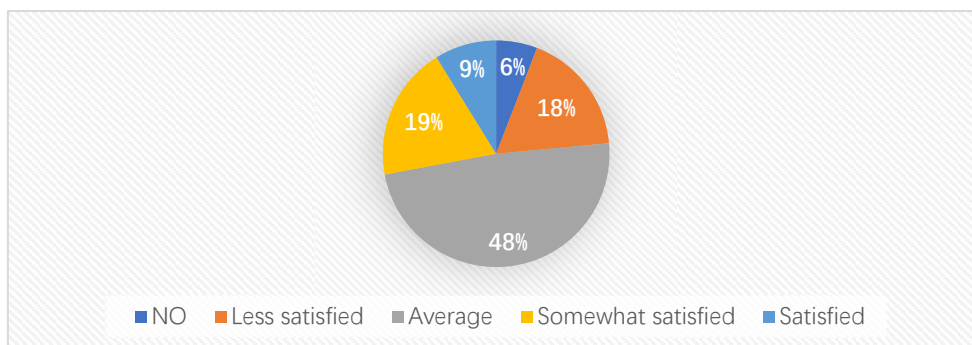
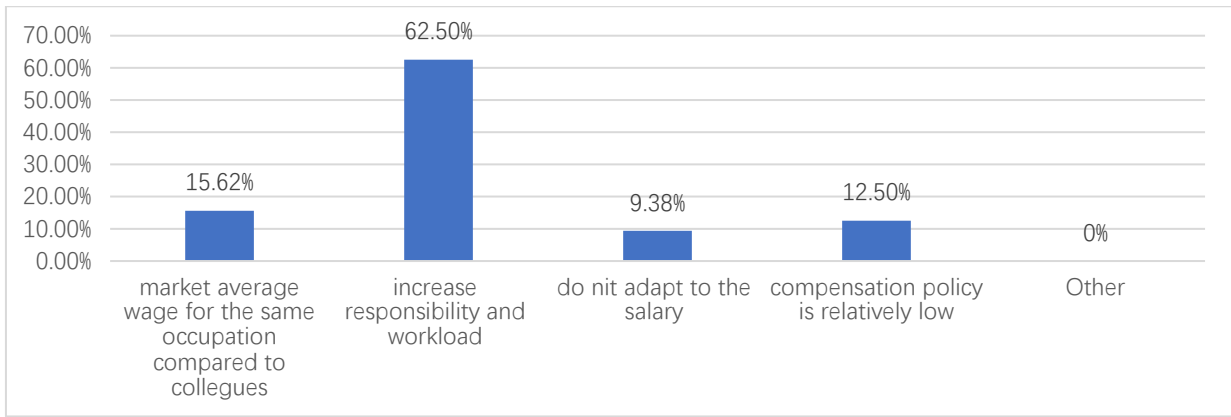
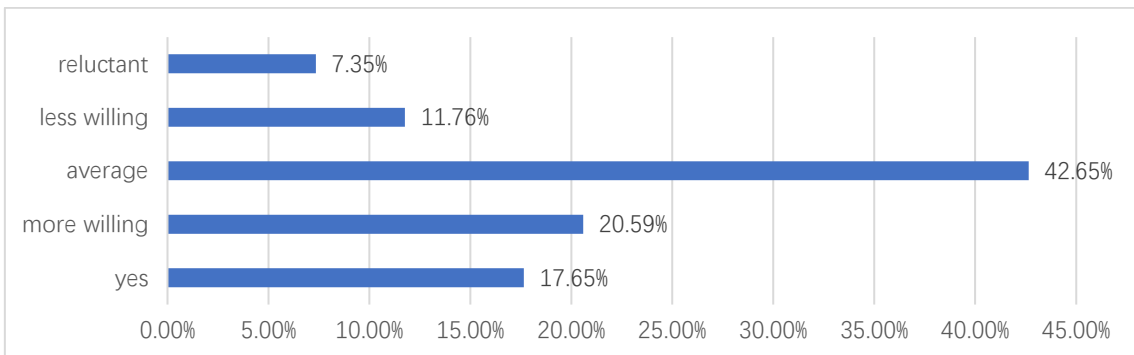


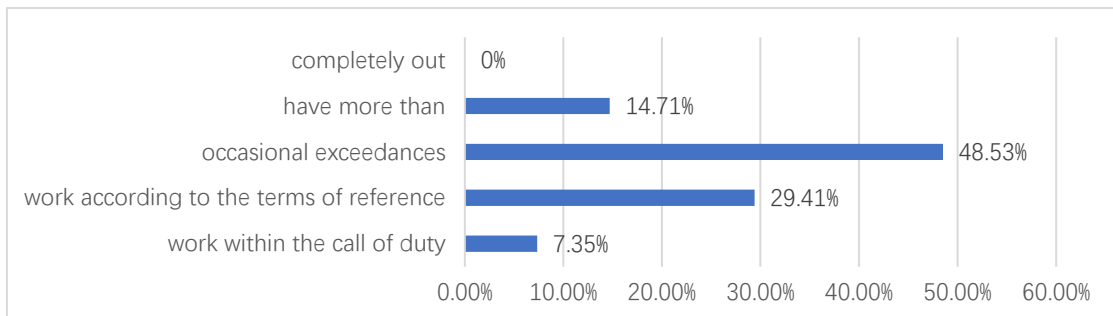
Figure 4. Are you satisfied with your present salary



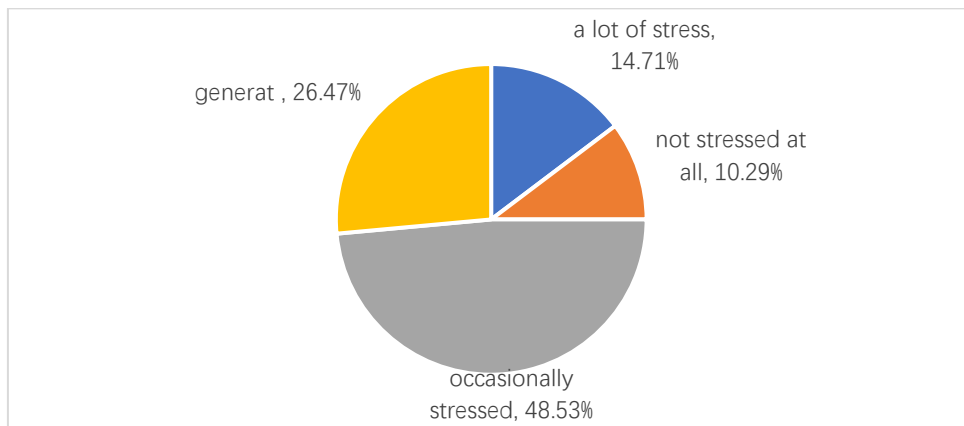
**Figure 5.** Reasons why you are not satisfied with your income(nothing can be omitted)



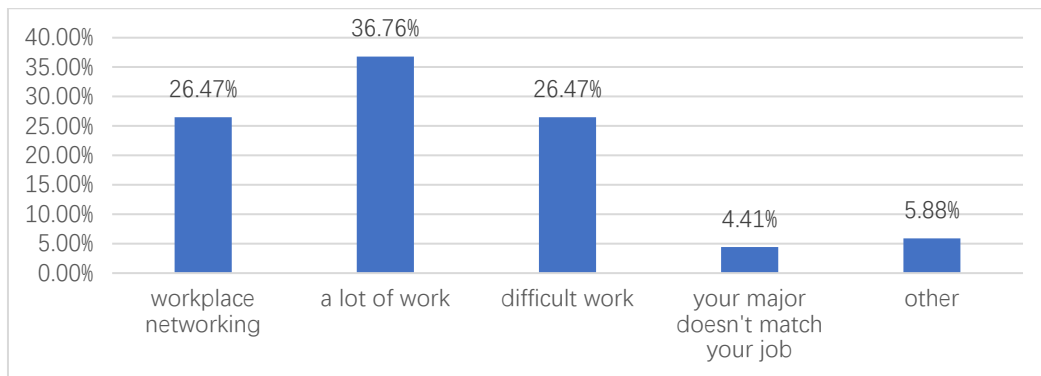
**Figure 6.** According to the current salary mechanism of the company,are you willing to recimmend excellent talents to the company



**Figure 7.** In your daily work,whether the work you are currently doing is beyond your responsibilitew



**Figure 8.** Do you think the current job is stressful for you



**Figure 9.** Source of work stress(nothing can be left blank)

### 3. Findings

The following conclusions can be drawn from the data collected above:

1.For SMEs, salary is not the main reason for talent flow, but more pressure.(figure2,4)

2.Most of the stress comes from a wide range of work tasks, and more than half of the people think that the current work is beyond the scope of criticism and does not conform to the professional. More than 80% do not receive adequate learning and training (figure5,6)

3.Workplace relations become the focus of the problem: communication with colleagues is not smooth, which may lead to more and more people do not want to participate in team building activities, thinking that activities are boring and occupy rest time.(figure7,8,9)

For enterprise,they use strong culture, supported by formal rules and regulations to ensure that employees act in a relatively uniform and predictable way[6]. Culture enhances organizational commitment and increases the consistency of employee's behaviour. It reduces ambiguity for employees. Therefore,small medium size enterprise's productivity and efficiency can be guaranteed. productivity is an important factor in human resource efficiency mentioned above, so it can be said that corporate culture can improve human resource efficiency.For example, cleanliness, helpfulness and friendliness at Disneyland as an example. These behaviours lead to successful operations given the fact that such companies stress high moral and ethical values such as honesty, reliability, fairness, environmental protection and social involvement[1]. Also,in employee's perspective, the atmosphere carries people who enjoy working together to provide a good product at a reasonable price. If small enterprise organizations that have such cultures have less need for supervision of employees, as well as policy manuals.

This means that managers can create cultures that motivate employees to achieve organizational goals. Because human behavior depends on internal values, not external controls.

This shows that the culture needs to continue to evolve to a higher goal to support the next development direction of the company. Therefore, on the one hand, culture comes from the past experience of the enterprise, and on the other hand, it should be combined with the future development of the enterprise. At the same time, it is necessary to enable the employee to achieve his goal, or see the hope of achieving this goal, so as to improve the efficiency of the worker. If he can achieve his goals with you, then of course he will be more motivated to keep giving. For example, one reason why Ali's values have always been practiced is that in the development of the company, every employee who works hard can achieve

his goals. When employees consistently achieve their goals, they work harder and the company's performance improves.

However, if employees are not skilled in non-professional knowledge, heavy and unbalanced tasks are likely to lead to low efficiency of human resources work. Team building activities can become a kind of corporate culture, improve the cohesion of the enterprise, improve the efficiency of employees, and implant values into the activities.You can also communicate the company vision at the event. However, in the study, it was found that people instinctively rejected and did not establish friendly relationships with their colleagues.

### 4. Conclusion

From the forgoing, it is difficult for smes to improve Human Resources efficiency in compensation like salary because of the high operating costs, investing too much cost may make the company unable to survive. Therefore, in this article, for small and medium-sized enterprises, the most significant contribution a manager can make is the culture they create.

However, SMEs are faced with some problems in building corporate culture:

First, the human resources mechanism is not strict. This is mainly because such enterprises are in the period of innovation, enterprises have not yet established a large-scale human resource mechanism, human resources work is not refined division, not equipped with specialized human resource management personnel in each work, so that resource management planning, systematic training work can not be carried out[5].

Second, employees can not effectively understand and grasp the essence of the spirit of corporate culture, blindly copy, ignore the characteristics of their own enterprises, their own characteristics of the spirit of corporate culture has not formed, employees do not have a unified personal value concept, the sense of belonging to the spirit of corporate culture is not strong, leading to the mismatch between personal value concept and the spirit of corporate culture.

The following are suggestions on how to build corporate culture:

First,The corporate culture of small and medium-sized enterprises can be cultivated from practice. They should let employees know more about corporate culture through various cultural exchange activities, so as to attract job seekers with similar values and ethics.

Second,The enterprise culture should be built into the evaluation system.

Third, The corporate culture should be integrated into the training of new employees, and the corporate values should

be infiltrated into all stages of training. Labor training is included in corporate culture establishment, so improve training quality of SMEs can also help to improve corporate culture and Human Resources efficiency. SMEs can apply the Training Transfer Theory:

Training transfer theory is a model to measure the effectiveness of training. The universally recognized definition comes from Wexley and Latham's article in the 1980s[7], which refers to "the whole process in which trainees apply the knowledge, skills and behaviors learned in the training process to practice continuously and effectively"[8]. For those who are motivated by passive participation in training transfer, they think that they have little relation with their actual interests and pay little attention to them before they participate in training, and their investment in the training is correspondingly low, and their degree of change and improvement after the training is also low, thus affecting the degree of transfer of the final results[9].

On the contrary, the motivation of training transfer is the active trainees, and the degree of attention, investment and change will be significantly improved than the passive trainees. The cumulative effects of each link ultimately bring about differences in the transfer of results. The company needs to provide an atmosphere before training in order to maximize the training efficiency, which can be divided into the atmosphere at the level of organizational leadership and the atmosphere at the level of work business. As for the leadership level, that is, the team's recognition and feedback on the entire training work, from individual affirmation, support and spiritual incentives to the entire organizational level of resources tilt, material incentives, and more emphasis on practical benefits; At the business level, it is whether training and business objectives are integrated in the actual work environment.

Based on the theory of training transfer, this paper puts forward specific strategies and suggestions for each element according to the project experience and research observation.

#### 4.1. Migration motivation

In the final analysis, the trainees themselves cannot feel the value of the training. Therefore, the training should start from the audience side and do a good job in the needs of trainees. Sufficient research on the needs of training projects is the basis for improving the transfer motivation. Only by starting from the perspective of trainees' needs and formulating a plan based on the current situation of trainees can trainees feel valuable, stimulate their enthusiasm for active participation, and then transform the skills and knowledge learned in training into actual work, so as to enhance the motivation of trainees to carry out training.

In addition, it is also necessary to ensure that the

appropriate training content difficulty matches; Education and training is a relatively non-standardized product, which brings obvious differences in learning experience due to the different ability levels and cognitive levels of trainees.

#### 4.2. Transfer skills

The effectiveness of training should return to the methods and skills of training itself. Within a specified period of time, the training cycle can be divided and alternately carried out in the mode of teaching to internalized learning and finally practice, so as to better coordinate with the actual work schedule of small and medium-sized enterprises[10].

#### 4.3. Migration atmosphere

For the actual management of small and medium-sized enterprises, the value of training should be viewed correctly and objectively to provide employees with a platform for growth, and at the same time, try to avoid the several types of ideological misunderstandings mentioned above, correct the positioning of training, not to be too indifferent, and not to rush to success.

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