HUMAN RESOURCE MANAGEMENT PRACTICES:
CATALYSTS FOR REAL ENTREPRENEURIAL FIRMS’ GROWTH IN SOUTHWEST, NIGERIA

*D. A. OLADEJO, J. OLABISI AND J. F. ADEGOKE

1Department of Entrepreneurial Studies, College of Management Sciences, Federal University of Agriculture, Abeokuta, Ogun State, Nigeria.
2Department of Accounting, College of Management Sciences, Federal University of Agriculture, Abeokuta, Nigeria.
3Department of Business Administration and Management, Federal Polytechnic, Ede, Osun State, Nigeria.

*Corresponding author: oladejoda@funaab.edu.ng

ABSTRACT

The study examined the role of Human Resource Management Practices (HRMPs) on entrepreneurial firms’ growth in South West Nigeria. This was to entrenching a set of adequate human resource management practices that can enhance the growth objective of entrepreneurial firms. A structured questionnaire was used to elicit information on relevant variables of the study. Data collected were analysed using descriptive and inferential statistics with the aid of IBM SPSS statistics version 21. The results revealed that employees’ training ($X = 31.03, s=8.6405$); controlling ($X = 25.95, s= 6.721$); organizing manpower ($X = 23.20, s = 5.760$); job analysis and design ($X = 23.10, s = 5.883$) were reasonably practiced among the firms under the study. Whereas motivating strategies ($X = 21.5, s = 5.2905$); recruitment and selection ($X = 20.45, s = 4.831$); and manpower planning ($X = 18.72, s = 4.786$) fell below the agreement criterion ($X = 23.0$). However, it was established that there was a statistically significant influence of the predictor variables on the outcome variable ($R^2 = 0.837$, adjusted $R^2 = 0.825$). Therefore, the study concluded that Human Resources Management Practices as an omnibus concept have significant influence on Entrepreneurial firms’ growth. The study suggested that Human Resource Management Practices should be considered as a process by entrepreneurs as it galvanizes entrepreneurial firms’ growth objectives.

Keywords: Catalyst, Developed economy, Entrepreneur, Entrepreneurial firms’ growth, Human resource management practice

INTRODUCTION

The determinant of several successful entrepreneurial firms in different categories in the developed economies can be traced to the attention paid to the management of human capital through well-organized and effective application of human resource management practices. Organisational experts are witnesses of inadequate HRM practice in today’s organisation and the economic challenges occasioned by globalization in less developed economies like Nigeria. Extant literature also reveals the immediate need for the active involvement of government in less developed countries to create changes for rapid adaptation to new conditions by firms.
due to the turbulent situation and increasing complexity. Since such steps may not be sufficient to enhance the growth of firms, it is therefore imperative for a unique and adequate human resource management practice to be entrenched across various organisations. Organisation creativity and adaptability for overall firms’ growth may depend on the skills, knowledge, and creativity of the employees. Galbraith (1985) emphasized the role of human resources in the development of firms.

All the same, human resource management practice is a process that interacts with the constituent sections of the organisation. Its practice encompasses employee engagement, employee orientation, and reward systems. In addition, human resource management as a process enhances equal employment opportunity, occupational safety, and health, employment retirement income security among the employees. It also improves the lots of the affected group of people in their various locations thus fulfilling the expectation of the people where these firms are cited.

Entrepreneurial firms are simply the innovating firms enhancing competitive advantage above their competitors. The individuals behind the wheels of the entrepreneurial firms make the difference. They had learned the skills required to start a business, or bring new ideas to an established organisation, and gained hands-on experience in preparing business plans and presenting pitches to industry experts. HRM practices are effective tools to assist entrepreneurial firms and other forms of business organisations in attracting and reducing labour turnover rate as well as bringing about a skilled workforce. The logic behind HRM practices is to have strong and highly motivated employees to make the desired contribution to organisational growth. Over the years, researchers have suggested many human resource management practices (HRMPs) which are capable of improving firms' performance and achieving their growth objectives. Gerrard and Ondabu (2014), quoting Pfeffer (1998) listed effective human resource management practices (HRMPs) as follows: employment security, the selective hiring of employees, self-managed teams, decentralization of decision making amongst others.

Oladejo (2018) opines that organisational growth is the improvement in output and maintenance of organisational well-being. He further emphasized that a business concern is said to be growing when employees are happy and satisfied with being part of the organisation, and when the organisation can retain its productive workers. It is also imperative for organisations to maintain their good standing in the public by not only ensuring their products are meeting the promised value but should be fulfilling their social responsibilities in the communities where they are sited. Other indices or yardsticks to measure firms’ growth are an increase in revenue period by the period as well as evidence of skill acquisition and application by the employees for the betterment of their organisations. A firm’s growth also occurs when the top management has a relentless urge for product development as well as product market development. Basil (2005) opines that private businesses are the engine of growth. Therefore, it will not be out of place to pay attention to the growth of the entrepreneurial firms in Nigeria. This is because the experience of developed economies about the roles played by entrepreneurial firms in the growth of the economies are testimonies that entrepreneurial firms can...
unionization. Also, the generic list of HRM practices when employed as a process will enhance equal opportunity and fairness in the way employment contracts are implemented. This is capable of reducing to the barest minimum employees' intentions to quit the organisation. The study will also open the eyes of business executives and entrepreneurs to the crucial need for an independent audit of human resource management practices to measure the degree and operative use of HRM practice in various organisations.

The extant literature reveals several human resources management practices (HRMPs) to enhance firms' growth objectives. For instance, Gerrard and Ondabu (2014), cited Pfeffer (1998) mentioned employment security, the selective hiring of employees, self-managed teams, and decentralization of decision making amongst others in the list of Human Resources Management Practices that can be adjudged as a veritable tool enhancing workers' performance. Yet, organisational leaders are going all-out to find effective ways of managing and improving the firm's activities for the achievement of growth objectives through their employees; hence this study.

**Research Objectives**
The specific objectives of the study are to:
i. ascertain the Human Resource Management Practice employed in selected Entrepreneurial firms in Nigeria;
ii. examine Entrepreneurial Firms Growth factors;
iii. investigate the nexus between Human Resource Management Practice (HRMP) and Entrepreneurial firms' growth; and
iv. evaluate the influence of human resource management practice as a process on Entrepreneurial firms' growth in Nigeria.
percussions of every action that may affect financial performance of an organisation. The HR policies explain philosophies and values relating to the fair treatment of employees. Therefore, HRM practices should give emphasis to a variety of well-conceived Human Resource Policies and Practices and the effective implementation of practices and policies identified.

Further, Boselie (2005) recognized 26 various practices adopted in 104 diverse studies and came up with four top practices of HRM which include well-organized job recruitment and employee selection, employee training and development, likelihood and payment system, and job evaluation. These four practices describe the main objectives of strategic HRM programmes which include employing the right candidate for the job advertised, make available to the employee, the requisite skills and self-assurance to undertake assignment effectively with necessary orientation and pieces of training, as well as effective performance management to monitor workers’ performance. In the modern time, strategic HR management practices include equal employment opportunity, Employment retirement income security, Occupational safety, and health. Altinay, Altinay and Gannon (2008) examined HRM practices using employee training, empowerment, recruitment, and reward to the employee. Directors can use HRM programme to influence employee productivity.

### Relationship between HRM Practices and Organisation Performance

Effective human resource management is essential for firms’ performance and growth. For effective organisation and management of human resources, a generic array of HRM practices is germane because organisations who continually improve human resource

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**Hypotheses**

The hypotheses were stated in the null form as follows:

Ho 1: There is no statistically significant association between Human Resource Management Practice (HRMP) and Entrepreneurial firms’ growth in the study area

Ho 2: There is no statistically significant influence of Human Resource Management Practice (HRMP) as a process on Entrepreneurial firms’ growth.

### Extant Literature

**Conceptual Review**

Armstrong (2006) succinctly defines human resources management as the strategies, practices, and structures that influence employee’s behaviours, attitudes, and performance. Stone (1998) opines that human resource management is either part of the solution or problem to gain productive contribution of every employee. This suggests the paramount place of effective HRM practices in the development and growth of both the public and private sectors. Kay (1999) agreed to this by alluding to the fact that the Human Resource Policy is an integral part of the organisation’s planning processes that contribute to the organisation’s total objective. Guest (1999) built on the work of Pfeffer and Stone (1998) placed forward an array of Human Resource Practices which include job design in a way that employees enjoy autonomy in the execution of their assigned responsibilities; selection process is programmed to cautiously identify possible training as a continuous activity which is in two-way communication process (effective communication) that informs every employee and improve employee participation and consciousness about the

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management practices will attain a supportable economical advantage, enhance business profitability and competitiveness. Also, HRM practices stimulate organisational members, foster full potential, and bring success to all the organisational members.

Delaney and Huselid (1996) and Bowen and Ostroff (2004), advocate HR practices which impact on individual performance. In the present time, where competition is rife due to business uncertainties and globalization, industry leaders and business executives do not have any other tools handy which are good enough to initiate an instant competitive strategy; the safety net is the effective application of HRM practices. However, there is increased attention on the different internal consistency of HRM activities.

When HRM practices are consider as an omnibus concept will better than the separate parts of the sum. The present study seeks the evaluation and ultimate development of a universal array of HRM practices as an omnibus concept for effective HR management to enhance the growth of entrepreneurial firms in the developing countries like Nigeria.

**Theoretical Foundation for the Study**

In the organisation literature, certain authors had classified HRM theories into three principal categories. Guest (1997) classified Human Resources Management theory into three broad categories as follows: Strategic Human Resources theory (SHRMT), Descriptive Human Resources Management theory (DHRMT) and Normative Human Resources Management theory (NHRMT). The strategic theory places attention on the influence of the external and internal business environments to acquire experiences to formulate potential strategies, and apply such strategies for needed change to occur in the ways business organisation are being run; for the achievement of the organisational goals and objectives in which growth objective is key.

The descriptive theory, in turn, describes Human Resources Management (HRM) as one element and the proponents present its components such as objectives, vision, strategies, actions, and stakeholders to observe all these components as ingredients for achieving the desired organisation’s objectives. Normative theory is more doctrinaire in its method of providing theoretical explanations to Human Resources Management. In order to explain the normative theory, Walton (1985) adduces a common assurance approach and the best - practice (Pfeffer, 1994). Normative theory embraces mutuality in goals, in influence, in respect, in reward allocation, and mutuality in responsibility; thus enhancing the quality and behaviour of human resource leading to high organisation members’ commitment.

In addition, Delery and Doty (1996) further divide normative theory into three kinds which are the universalistic, contingency, and configurationally models. The contingency model delineates the association between the independent variable and the dependent variable based on the firm’s proportion, age, the technology employed, the amount of capital outlay, the extent of union formation, industry sector a firm belongs, as well as ownership and the firm’s location. Conversely, configurations model affirms the need for the integration of relevant constructs in posting a suitable HRM theory. Arthur’s (1994) control and commitment HR systems can be alluded to as a configuration of business
constructs enhancing the achievement of the corporate objectives of the organisation.

This study is anchored on the Universalistic theory which is another division of the normative theory. The universalistic theory associates with the best practice and high-performance work practices. This theory explains the linearity in the association between human resource practices or structures and firm’s performance. It explains HRM norms being universally applicable and leads to the firm’s successful operation. In the final analysis, the universalistic theory attributes a firm’s success with indicators of financial performance like market share, level of sales and profits. These performance indicators are part of the key growth indicators adopted for use in this study. Osterman (1994), Pfeffer (1994) and Huselid (1995) are the main proponents of the universalistic theory.

This theory is relevant to the present study as there is a need for universal HRM practices to effectively manipulate human resource to achieve a firm’s growth. It is essential to put forward a set of best HRM practice that any organisation can adopt anywhere - the general objective of this study (i.e. identifying and evaluating HRM practices in entrepreneurial firms in Nigeria). Thus, contributing to the literature on Human Resource Management Practices (HRMPs) and enhancing the growth objective of entrepreneurial firms in Nigeria.

**Previous Studies**

In a bid to investigate the contribution of human resource management practices as tools for firms competitive advantage on one hand; and on the other hand to be able to suggest a generic array of human resource management practices, it is paramount to take a cursory look at HRM practices as documented by some organisational researchers on HRM practices in their various studies.

Merima (2014) documented the study of Noe, Hollenbeck, Gerhart, and Wright (2010) which examined the impact of HRM practices which include selection, training, compensation and appraisal, and participation of financial performance of 190 United States Petrol Chemical Refineries and established a direct association between training and compensation with workforce motivation. Merima (2014) posited that it is under a highly participative system only that human resource practices such as selection, compensation, and appraisal are positively associated with firms’ performance.

Chifashu (2012) documented the finding of Yeung and Berman (1997) whose study established that human resource procedures should be inactive rather than activity orientated and direct attention to the entire human resource arrangement and not only a distinct Practice.

Cao (2014) documented the research finding of Akhtar, Ding, and Ge (2008) on 465 Chinese enterprises who reported that four core strategic HRM practices have positive influences both on product/service performance and financial performance. These four core strategic HRM practices are training, participation, results-oriented appraisals, and internal career opportunities. These provide the opportunity for nurturing, participating, motivating, and promoting professional and managerial employees. Cao (2014). Ngo, Lau, and Foley (2008) reported that state-owned enterprise used less HRM practices than foreign-invested enterprises and privately owned enterprises; and achieving
competitive advantage than the State-owned firm. Therefore, human resource management practices as an omnibus concept would be a sine qua non to managerial decision areas paving ways to entrepreneurial firms’ growth. Schuler (1986) maintains that dependable HRM practices enhance entrepreneurship.

**EFFECTIVE HRMPs**

- Job Analysis and Design
- Manpower Planning
- Recruitment and selection
- Employees training and development
- Organizing Employees
- Controlling
- Motivating Strategies
- Performance management opportunity
- Employment retirement income security
- Occupational safety and health

**FIRM’S GROWTH**

- Teams and job-redesign
- High wages,
- Incentive pay,
- Employee ownership,
- Information sharing,
- Participation and empowerment
- Employee presence
- Employee motivation
- Employee satisfaction
- Employee retention

**Confounding Variables:**

- Gender; Work experience; Qualification

**Figure 1:** Conceptual framework on human resource management practices and entrepreneurial firms’ growth

**Source:** Author (2019)

**METHODOLOGY**

The study employed a survey research design. The independent variable was the Human Resource Management Practice. The dependent variable was Entrepreneurial Firms’ Growth (EFG). Respondents in the study were drawn from 60 Entrepreneurial firms in Lagos, Ibadan, and Abeokuta which
are capital cities of Lagos, Ogun, and Oyo states in Southwest, Nigeria respectively. In order to determine adequate sample size for the study, the values of significance level, and effect size were well-thought-out to optimize sampling effort within the constraint of the available resources. Then, Krejcie and Morgan’s (1970) sample size table was applied to decide on the sample size for the study which was 60 respondents who were either Human Resource Manager or Personnel Manager. A structured-questionnaire was used for collecting data from the participants. The questionnaire was divided into three sections. The first section (SECTION A) elicited information on demographic characteristics of respondents. The second section (SECTION B) stimulated information on various Human Resource Management Practices (HRMPs). The third section (SECTION C) was based on questions relating to Entrepreneurial Firms Growth. Entrepreneurial Growth in this study was measured with factors such as customer retention, revenue growth, employees’ satisfaction and retention, product development, and product market development, market share, skill acquisition and application by employees; while the predictor variable (Human Resources Management Practice) was measured with Job Analysis and Design, Manpower Planning, Recruitment and Selection, Organizing Manpower, Employees’ Training, Controlling, and Motivating strategies.

RESULTS
The objectives of the study were achieved by analyzing the data obtained on all variables using descriptive and inferential statistics as follows.

Objective One: To ascertain Human Resources Management Practices employed in selected Entrepreneurial firms in Southwest, Nigeria

To achieve this objective, the mean and standard deviation of Human resources management practice factors were computed with the aid of the Statistical Package for Social Sciences (SPSS version 21). Every human resource management practice factor examined was rated on a 4-point scale. Benchmark for an agreement was established as well as a benchmark for disagreement. Agreement criterion was set at weighted mean ≥ 23.0 while the benchmark established for disagreement criterion was when weighted mean is < 23.0. The results as shown in table one below, revealed that employees’ training (\( \bar{x} = 31.03, \ s = 8.6405 \)); controlling (\( \bar{x} = 25.95, \ s = 6.7211 \)); organizing manpower (\( \bar{x} = 23.20, \ s = 5.760 \)); job analysis, design and advertisement (\( \bar{x} = 22.88, \ s = 5.883 \)) fell within the agreement criterion that they are being reasonably practiced in the firms under this study. Whereas motivating strategies (\( \bar{x} = 21.5, \ s = 5.2905 \)); Recruitment and selection (\( \bar{x} = 20.45, \ s = 4.831 \)); and manpower planning (\( \bar{x} = 8.72, \ s = 1.786 \)) fell below the agreement criterion that their practice are still below the expectation of participants in this study in their organisations.
In examining entrepreneurial firms’ growth, a benchmark for agreement was established as well as a benchmark for disagreement. Agreement criterion was set at weighted mean ≥13.4 while the benchmark established for disagreement criterion was when weighted mean is < 13.4. It is crystal clear that the firms under this study experienced an appreciable growth. Virtually, all the factors examined met the agreement criterion i.e. the predictor variables enhanced firms’ growth in southwest Nigeria (see table 2).

Table 2: Descriptive Analysis of Entrepreneurial Firms Growth Factors in the Study Area

<table>
<thead>
<tr>
<th>Descriptive Statistics</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee satisfaction and retention</td>
<td>60</td>
<td>8.85</td>
<td>2.893</td>
</tr>
<tr>
<td>Customer Retention</td>
<td>60</td>
<td>11.60</td>
<td>3.637</td>
</tr>
<tr>
<td>Product Development</td>
<td>60</td>
<td>11.80</td>
<td>3.857</td>
</tr>
<tr>
<td>Product Market Development</td>
<td>60</td>
<td>13.63</td>
<td>3.221</td>
</tr>
<tr>
<td>Business Revenue</td>
<td>60</td>
<td>12.42</td>
<td>3.221</td>
</tr>
<tr>
<td>Public Image Maintenance</td>
<td>60</td>
<td>15.53</td>
<td>3.342</td>
</tr>
<tr>
<td>Evidence of skill acquisition and application by the employees</td>
<td>60</td>
<td>20.30</td>
<td>2.824</td>
</tr>
<tr>
<td>Valid N (list wise)</td>
<td>60</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

R= Remark where A = Agreement is ≥13.4; D =disagreement= <13.4

Source: Author’s Computation, 2019

Objective Three: Investigation of the nexus between Human Resources Management Practice (HRMPs) and Entrepreneurial firms’ growth, a correlational analysis which shows the relationship between human resource management practice (predictor variable) and firms’
growth (outcome variable) was carried out. With the exception of skill acquisition and application by the employees which was found out to have no statistically significant relationship with the predictor variable, all other factors of the outcome variable had a statistically significant relationship with the predictor variable.

These include: job analysis and design and employee satisfaction and retention (r = .673, p < 0.001); job analysis and design and product development (r = 0.579, p < 0.001); job analysis and design and product market development (r = 0.970, p < 0.001); job analysis and design and business revenue (r = .814, p < 0.001); job analysis and design and public image maintenance (r = .951, p < 0.001); job analysis and design and customer retention (r = 0.710, p < 0.001). Also, there was a statistical significant relationship between manpower planning and employee satisfaction and retention, product development, product market development, business revenue, public image maintenance, and customer retention (r = 0.505, p < 0.001), (r = 0.416, p < 0.05), (r = 0.936, p < 0.001), (r = 0.739, p < 0.001), (r = 0.986, p < 0.001), (r = 0.525, p < 0.001) respectively.

Table 3: Correlation

<table>
<thead>
<tr>
<th>ITEMS</th>
<th>Employee satisfaction and retention</th>
<th>Product Development</th>
<th>Product Market Development</th>
<th>Business Revenue</th>
<th>Public Image Maintenance</th>
<th>Skill acquisition and application by the employees</th>
<th>Customer Retention</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job Analysis, and Design</td>
<td>Pearson Correlation</td>
<td>.673**</td>
<td>.579**</td>
<td>.970**</td>
<td>.814**</td>
<td>.951**</td>
<td>.186</td>
</tr>
<tr>
<td>N Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.155</td>
</tr>
<tr>
<td>Manpower Planning</td>
<td>Pearson Correlation</td>
<td>.505**</td>
<td>.416*</td>
<td>.936**</td>
<td>.739**</td>
<td>.986**</td>
<td>.108</td>
</tr>
<tr>
<td>N Sig. (2-tailed)</td>
<td>.001</td>
<td>.001</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.412</td>
</tr>
<tr>
<td>Recruitment and Selection</td>
<td>Pearson Correlation</td>
<td>.562**</td>
<td>.457**</td>
<td>.863**</td>
<td>.651**</td>
<td>.982**</td>
<td>.165</td>
</tr>
<tr>
<td>N Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.207</td>
</tr>
<tr>
<td>Organising the Manpower</td>
<td>Pearson Correlation</td>
<td>.545**</td>
<td>.685**</td>
<td>.796**</td>
<td>.812**</td>
<td>.968**</td>
<td>.171</td>
</tr>
<tr>
<td>N Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.191</td>
</tr>
<tr>
<td>Employees’ Training</td>
<td>Pearson Correlation</td>
<td>.585**</td>
<td>.585**</td>
<td>.624**</td>
<td>.596**</td>
<td>.968**</td>
<td>.171</td>
</tr>
<tr>
<td>N Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.191</td>
</tr>
<tr>
<td>Motivating Strategies</td>
<td>Pearson Correlation</td>
<td>.575**</td>
<td>.575**</td>
<td>.599**</td>
<td>.911**</td>
<td>.976**</td>
<td>.169</td>
</tr>
<tr>
<td>N Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.198</td>
</tr>
<tr>
<td>Controlling</td>
<td>Pearson Correlation</td>
<td>.699**</td>
<td>.529**</td>
<td>.789**</td>
<td>.849**</td>
<td>.954**</td>
<td>.175</td>
</tr>
<tr>
<td>N Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.181</td>
</tr>
</tbody>
</table>

Source: Author’s Computation, 2019
clearly shows that the predictor variables - job analysis, design and advertisement, manpower planning, recruitment and selection, and controlling are catalysts in the variation in the growth of entrepreneurial firms in the study area ($R^2 = 0.837$, adjusted $R^2 = 0.825$, $p = 0.000$) suggesting that 82.5% of the improvement in entrepreneurial firms’ growth was due to effective application of human resource management practices in the studied firms (see table 4.1 - 4.2 below).

**Objective Four:** Evaluation of the influence of HRMPs on the Entrepreneurial Firms’ growth in Nigeria.

The result of the analysis on the evaluation of human resources management practice clearly shows that the predictor variables - ‘Recruitment and selection’, ‘organising the manpower’, employees’ training’, ‘motivating strategies’, as well as ‘controlling’ all had a statistically significant relationship with the outcome variable (see table 3).

<table>
<thead>
<tr>
<th>Table 4.1: Model Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Model</strong></td>
</tr>
<tr>
<td>1</td>
</tr>
</tbody>
</table>

**Source:** Author’s Computation, 2019

<table>
<thead>
<tr>
<th>Table 4.2: ANOVA</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Model</strong></td>
</tr>
<tr>
<td>Regression</td>
</tr>
<tr>
<td>1</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Entrepreneurial Firms Growth

b. Predictors: (Constant), Controlling, Manpower Planning, Job Analysis, Design and Advertisement, Recruitment and Selection

**Source:** Author’s Computation, 2019

**Test of the Hypotheses**

**Hypothesis One:**

Ho: There is no statistically significant association between Human Resources Management Practices (HRMPs) and Entrepreneurial firms’ growth in the study area?

Given the results of the correlational analysis in the below table, which shows a statistically impressive association between the predictor variable and the outcome variable ($r = 0.90$, $p = 0.000$); therefore, the null hypothesis was rejected that there is no statistically significant association between HRMPs and Entrepreneurial firms’ growth; and the alternate hypothesis was accepted that there is a statistically significant association between HRMPs and Entrepreneurial firms growth.
results of the analysis showed a statistically significant influence of the predictor variable on the outcome variable when the gender of the employees in the study, qualifications, and work experiences were considered as confounding variables. Hence, we reject the null hypothesis and accept the alternate hypothesis.

**Hypothesis Two:**
Ho: There is no statistically significant influence of Human Resources Management Practices (HRMPs) factors on Startups and Entrepreneurial firms’ growth.

A hierarchical multiple regression statistics was used in testing this hypothesis. The results of the analysis showed a statistically significant influence of the predictor variable on the outcome variable when the gender of the employees in the study, qualifications, and work experiences were considered as confounding variables. Hence, we reject the null hypothesis and accept the alternate hypothesis.

### Table 5: Correlations

<table>
<thead>
<tr>
<th>ITEMS</th>
<th>Pearson Correlation</th>
<th>Sig. (2-tailed)</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>HUMAN RESOURCES MANAGEMENT PRACTICES</td>
<td>1</td>
<td>.900**</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Entrepreneurial Firms Growth</td>
<td>.900**</td>
<td>1</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Source:** Author’s Computation, 2019

**. Correlation is significant at the 0.01 level (2-tailed).

### Table 6a: ANOVA

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of squares</th>
<th>df</th>
<th>Mean square</th>
<th>F</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>503659.475</td>
<td>3</td>
<td>167886.492</td>
<td>154.304</td>
<td>.000</td>
</tr>
<tr>
<td>1. residual</td>
<td>2017.525</td>
<td>57</td>
<td>1088.027</td>
<td></td>
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<tr>
<td>Total</td>
<td>565677.000</td>
<td>60</td>
<td></td>
<td></td>
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<tr>
<td>Regression</td>
<td>560811.716</td>
<td>7</td>
<td>80115.959</td>
<td>872.744</td>
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<tr>
<td>2. residual</td>
<td>4865.284</td>
<td>53</td>
<td>91.798</td>
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<tr>
<td>Total</td>
<td>565677.000</td>
<td>60</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Dependent Variable: Entrepreneurial Firms Growth
Predictors: Gender, Qualification, Work experience of the officer, Controlling, Manpower

### Table 6b: Model Summary

<table>
<thead>
<tr>
<th>Mod el</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. An error of the Estimate</th>
<th>R Square Change</th>
<th>F</th>
<th>df1</th>
<th>df2</th>
<th>Sig. F Change</th>
<th>Sig.</th>
<th>F Change</th>
</tr>
</thead>
<tbody>
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<td>1</td>
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<td>.890</td>
<td>.885</td>
<td>32.985</td>
<td>.890</td>
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<td>3</td>
<td>58</td>
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<tr>
<td>2</td>
<td>.996</td>
<td>.991</td>
<td>.990</td>
<td>9.581</td>
<td>.101</td>
<td>155.647</td>
<td>4</td>
<td>54</td>
<td>.000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Predictors: Gender, Qualification, Work experience of the officer
b. Predictors: Gender, Qualification, Work experience of the officer, Controlling, Manpower Planning, Job Analysis, Design and Advertisement, Recruitment and Selection
c. Predictors: Gender, Qualification, Work experience of the officer, Controlling, Manpower Planning, Job Analysis, Design and Advertisement, Recruitment and Selection
d. Dependent Variable: Entrepreneurial Firms Growth

**Source:** Author’s Computation, 2019
82.5% variation in the improvement in startup and entrepreneurial firms' growth was due to human resources management practices in the studied firms.

This study also ascertained the fact that, when gender, qualification and work experience of the employees were considered as confounding variables, the predictor variables as a process, still have a statistically significant influence on entrepreneurial firms' growth under this study. These findings further confirm the study of Yeung and Berman's (1997) where it was declared that HR measures should be impact rather than activity orientated. Also, the assertion of Paauwe and Hose lie, 2005 that the bundle of HRM practices is more than the sum of the separate parts was confirmed by the findings in this study.

This study, therefore, suggests the effective application of job analysis and design, manpower planning, recruitment and selection, and controlling as a process would be a sine qua non to managerial decision areas paving ways to improved entrepreneurial firms' growth in Nigeria.

CONCLUSION AND RECOMMENDATIONS

The study examined the impact of human resource management practices on entrepreneurial firms' growth in Nigeria. From this study, it is abundantly clear that the effective application of human resource management practices as a process is a catalyst for enhancing firms' growth. Therefore, firms' operators should embrace the effective application of the identified HRMPs as a process for the smooth running and growth of entrepreneurial firms.
REFERENCES


Cao, W. 2014. Empirical Studies on Human Resource Management (HRM) in the Agricultural Sector: Case Studies from China and Japan. Doctor’s Program in Life and Food Sciences Graduate School of Science and Technology Niigata University, Japan


Noe, B., Hollenbeck, C., Gerhart, H.,


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