
How Do Recruitment and Selection Practices Impact Small and Medium Enterprises Performance in the Construction Industry in Sierra Leone?

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Abstract

This research sought to investigate the impact of recruitment and selection practices on SMEs performance in the construction industry in Sierra Leone. Specifically it examined the different recruitment and selection practices employ by SMEs owner/managers in attracting employees. In searching for answers in relation to the impact of recruitment and selection practices on SMEs performance on the construction industry in Sierra Leone, three main research questions and three hypotheses were proposed.

The objectives of the study are (1) to identify the recruitment and selection methods of SMEs in the construction industry in Sierra Leone, (2) to examine the factors SMEs owner/managers considered before recruiting and selecting employees, (3) to investigate the extent to which recruitment and selection practices impact the performance of SMEs in the construction industry in Sierra Leone.

This research employed qualitative and quantitative research methods to examine the relationship between recruitment and selection practices and SMEs performance on 59 SMEs. It employed in depth interviews of owner/managers and a cross sectional survey of owner/managers and employees. Hence, the data was analysed using statistical package for social sciences (SPSS) employing descriptive statistical analysis and bivariate correlations techniques. The study established that owner/managers mainly recruit and select employees by relatives and friends and word of mouth and one –on- one and panel interviews. In general, the results of the study revealed significant relationships between recruitment and selection practices and SMEs performance (growth in profit, sales and increased productivity). What is significant is the fact that the development of SMEs in Sierra Leone is marred by poor recruitment and selection practices. Hence it is plausible for a study of this kind to be carried out in a bid to sensitize and enable SMEs owner/managers to implement measures regarding human resource development in respect to recruitment and selection practices. The study contributes to knowledge by filling a research gap and by revealing how recruitment and selection practices impact SMEs performance. On the strength of the findings, the following recommendations were suggested that owner/managers should recruit and select the appropriate workers regardless the number of employees, use more external source of recruitment, consider factors like health and fitness before recruitment and selection as well as other methods of recruitment and selection. Several major limitations of the study were lack of time and money, self-reporting, limited dependent and independent variables, predominance of questionnaires and limited semi-structured interviews and finally lack of adequate sampling frames.

Keywords: Recruitment and selection practices, performance of employees, HRM, SMEs

1.0 Introduction

In modern day Sierra Leone, Small and Medium Enterprises (SMEs hereafter) play a key role in the economy. For example, SMEs represent over 80% of the businesses in the country, regardless of the truth that most of them operate in the shadow economy. They create more than 95% of employment with 98% of the enterprises hiring few than 5 workers, 0.7% hiring 5 to 9 workers and 0.3% hiring 10 to 49 workers (Liedholm & Chuta, 1976). For the reason that SMEs play a key function in improving the economy of a country, hence the livelihood of its citizens (Luetkenhorst, 2004), a plethora of research focuses on their performance. However, in spite of the beneficial role SMEs play in economic development, they face several problems and one of the most crucial ones is due to the fact that they lack good management practices vis-a vis human resource management practices

(HRM hereafter) by which employees capabilities and ebullience can be discovered and utilized (Zhang & Gong, 2009). For SMEs to have competitive advantage over their larger counterparts, more successful and lead in HRM there is a need for them to engage in effectual and efficient HRM practices (Sheehan, 2014; Abdullah, Ahsan, & Alam, 2009; Werner, Schuler, & E, 2012). It is only through improved HRM practices can SMEs improve their effectiveness, thereby enabling them to stand the test of time in a highly competitive market. The continued existence of every SME depends upon the effectual supervision of human resources Abduli (2013). SMEs have a big task to recruit highly qualified workers from an employment market plagued with scarcity of skilled labour (Audretsch & Thurik, 2001). Recruitment and selection is the method of attracting workers at the right time, having the required qualifications (Walker, 2009). They are the main path way for workers to firms as well as contributing to the success and continued existence of SMEs (Ofori & Aryeetey, 2011; Abduli, 2013; Ongori, 2010). The efficient management of varied labour force in any firm requires the firm to employ the most competent applicant(s) for the job opening taking into consideration the need to build a labour force that is a good representation of the wider business landscape. This can be accomplished through the adoption of improved and appropriate recruitment and selection practices.

The central focus of the study is to investigate the impact of recruitment and selection practices on SMEs performance in the construction industry in Sierra Leone. Specifically it will examine the different recruitment and selection methods employ by SMEs owner/managers in attracting employees. The primary aim of this study is to investigate the impact of recruitment and selection practices on SMEs performance (profit, sales and productivity) on the construction industry in Sierra Leone. The specific objectives are:

1. To identify the recruitment and selection methods of SMEs in the construction industry in Sierra Leone.
2. To examine the factors SMEs owner/managers considered before recruiting and selecting employees.
3. To investigate the extent to which recruitment and selection practices impact the performance of SMEs in the construction industry in Sierra Leone.

2.0: Theoretical Framework

2.1: Definition of SMEs

Researchers and policy makers are by no means able to come to consensus regarding a simple and single definition of SMEs. Different countries have different definitions for SMEs. This is also true in Sierra Leone where there is no provincial or general agreement on the definition of SMEs (Sandy, 2003). The term SMEs is employed to define a variety of businesses and the manner they are being managed. The implication is that SMEs have distinct characteristics and management issues that differentiate them from their larger counterparts (Stokes & Wilson, 2010). Atypical definition is premised on the quantity of workers, gross revenue or balance sheet (The European Union, 2003). In Sierra Leone, SMEs are defined as businesses with less than 50 workers (Liedholm & Chuta, 1976). Statistics Sierra Leone defines SMEs as micro enterprise having 1-4 employees, small enterprise having 5-19 employees and medium enterprise having 20-49 (Africa Young Voices, 2013).

2.2: Theories and Concepts of Recruitment Processes

There is no single accepted definition of recruitment. Hence, recruitment has been defined in diverse ways by various authors. However, all the definitions portray the same meaning by stating that recruitment is a practice of attracting potential applicants having the required qualities to fill available job openings within the firm (Winifield, Bishop, & Porter, 2007). As maintained by Bratton and Gold (2007, p. 245), recruitment is the method of producing a “pool of” competent individuals “to apply for” work to a company. This means that it is an obligation for an organisation to activate peoples’ interests to apply for jobs. Recruitment is a vital constituent of a company’s blanket staffing policy (Ofori & Aryeetey, 2011) and it is the practice of attracting qualified and competent individuals to a specific work (IAM, 2005) from internal or external sources (Arthur, 2001).

Recruitment sources can be external or internal; nevertheless, the option of the employing company depends on its size and wants (Sackett & Lievens, 2008; Kumari, 2012). Internal recruitment might be done by promoting

and transferring existing employees, referrals, through existing employees or by associates and family members. Internal recruitment is cost effective and is believed to increase firm loyalty and job contentment. Conversely, external recruitment may be done by reemploying past workers and selecting from amongst those walk-in candidates. As maintained by CIPD(2011); IAM(2005); Deshpande and Golhar (1994); (Nguyen & Bryant, 2004), the main recruitment channels adopted by many SMEs include advertisements in local newspaper, temporary staff, transfers, job posting, previous applicants, employee referrals, company's web site, recruitment agencies, specialist journals, recruitment fairs, relatives and friends, word of mouth, TV and radio, job centres.

2.3: Theories and Concepts of Selection Processes

Selection is the process of selecting people who possess the skills necessary to do particular jobs (Hill, 2010). While De Cieri and Kramar(2008) defined selection as the practice through which a company discovered individuals with the expertise, capabilities, talents as well as other qualities that will assist it to accomplish its objectives.

The first decision process in selection is known as pre-selection which aims at reducing applicants' applications letters to a suitable number. This process stress on rejection instead of selection and it engrosses telephone screening interviews. Following the pre-selection process, extant candidates will proceed to the formal selection procedure (Price, 2007). Selection of candidates from those identified in the course of the staffing process maybe a complicated experience. The process may comprise activities some of which are interviews(one-on-one and panel interviews) (Golbar & Deshpande, 1997), written tests, job try-outs (Mathis and Jackson, 1991 in Deshpande and Golhar, 1994, Armstrong, 2006), checking references, reception, application blank, medical examination, hiring decisions, assessments centres and testing the capabilities of employees (Worthington, 1992; Price, 2007; Armstrong, 2012; Kumari, 2012).

However, selecting a candidate on bias basis may, result in hiring inappropriate people (Price, 2007). Consequently, there is the need to select applicant(s) who have the ability to promote the company's objective (Cook, 1998).

2.4: Recruitment and Selection Process and its Impact on SMEs

Researches on HRM within the SME landscape are a new phenomenon, because most HRM theories and literature are largely being concentrated on large enterprises (Reid & Adams, 2001). This is supported by the findings of Williamson (2000) who stated that a review of the three top journals in the USA showed that 7 out of the 207 articles concentrated on small businesses or used them in their samples. Congruent to this, Tansky and Heneman(2003) maintained that SMEs are second class citizens in the dictionary of HRM researchers. Much emphasis on HRM management is a major concern to SMEs, as plethora of studies showed a positive correlation between HRM and organisational performance (Huselid, Jackson, & Schuler, 1997).

Studies have also highlighted that the failure of SMEs to discover, attract and pick appropriate employees, losing indispensable employees, low production and insufficient training and development of workers are problems that affect their lifespan (Brink, Cant, & Ligthelm, 2003). Research evidence has shown that SMEs have a major problem in securing competent employees (Deshpande & Golhar, 1994; Atkinson & Storey, 1994). This implies that the sustained growth of SMEs depend on acquiring and educating high calibre employees (Gamage, 2014). The calibre of workers is the most complicated and significant HRM requirement in companies. The propensity to recruit and select capable, skilled and dependable workers is the primary building block in achieving sustained competitive advantage (Machado & Melo, 2014). SMEs mainly adopt informal and unstructured staffing and selection practices (Tanova, 2003; Bacon & Hoque, 2005; Lockyer & Scholarios, 2004). This is because SMEs are not employing as much workforce when compared to their larger counterparts. Therefore, the need to recruit possibly will not be as often and demanding in comparison to large enterprises. Additionally, there is no specific personnel function; implying that someone in the enterprise can recruit and select as deemed necessary as part of their regular function (Machado & Melo, 2014).

The recruitment process among SMEs involves the determination of the existence of vacancy, job analysis, job description, person's specification, designing advertisement and identifying recruitment sources (Priyanath, 2006). SMEs mainly recruit employees by promotion within, walk-ins, word of mouth, relatives and friends, newspapers, employee's reference, temporary recruitment, laid-off workers, employment agencies, transfers, advertising, educational institutions and previous applicant (Zakaria et al. 2011). Barber et al.(1999), studied 171 SMEs in the US and they found that the overwhelming majority of SMEs used referral and advertisement in their recruitment process. In line with this, Cassel, et al. (2002), found word of mouth as an effective means of recruiting suitable employees.

Selection process is of great importance to SMEs owner/Managers because the performance of SMEs has a direct correlation with the employees of the enterprise. This suggests the need to employ suitable people to guarantee the success of SMEs. However, selecting suitable candidates is a demanding task for SMEs. That said, the image of the enterprise is directly related to the individuals it employs (Henry & Temtime, 2009).The selection process is associated with owner/managers personal judgments and person-to- person interviews (Golbar & Deshpande, 1997) and examining applicants for drugs (Hornsby & Kuratko, 2003)

In the recent past, empirical evidences pointed out the impact of recruitment and selection practices on organisational performance. For example, Omolo et al.(2012), in their study established a positive and significant relationship between recruitment and selection practices and SMEs performance. Similarly, Zheng et al.(2009) found a positive and significant relationship between recruitment and selection practices and firm performance. Becker and Huselid(1998) reported similar results and stated that recruitment and selection practices improve employee retention, productivity and profitability. These findings support the emphasis placed by Guthrie (2001), Ahmad and Schroeder (2003), Russel, et al.(1985). Following this, Chand and Katou(2007), Terpstra and Rozell(1993) and Sheehan(2003) found a strong association between recruitment and selection practices and improved organisational profit. Equally, Kanu (2009) in his study established a significant positive relationship between recruitment and selection practices and sales. At the same time, Hilzer (1987) and Rauf (2007) found that extensive recruitment and selection efforts increase labour productivity.

2.5: Performance of Employees

Performance is an extensively used conception in several areas and important concern for SMEs in Sierra Leone. To this end, there is wide spread believe by academics and professionals that performance have implications on firm outcomes (Huselid, 1995). In recent times, performance has become a major driver in a company's attempt to attain sustained competitive advantage. Employee performance is a relevant issue in modern day business environment. It requires companies to engage in appraising and managing it (Armstrong & Baron, 1998). Eventually it is the performance of many people which results in the performance of a company (Armstrong & Baron, 1998).

According to Anderse'n(2010) no particular meaning for performance exists. Generally, performance is defined as a measure of how good a mechanism or method accomplishes its goal (Wu, 2009). In business management, Armstrong(2006) defines performance management as the fit between individual and organisational objectives and making sure that people maintain corporate core values. Therefore, inputs (behaviour) and outputs (results) should be thought about when managing people. For the reason that environmental elements impact performance mainly in the course of their action on a person's determinants of performance including ability and motivation, Whetten and Cameron(1998) are of the opinion that performance is eventually a person performance. Chand and Katou(2007)maintained that HRM practices are significantly associated with profitability and propose the need for the administration of a company to focus on staffing and selection process. This will result in an upgraded company profit. With the purpose to achieve the utmost output from workers, it is imperative to contemplate a perfect match between successful applicants and the company (Asiedu-Appiah, Aduse-Poku, & Abeeku-Bamfo, 2013). This can be achieved by recruiting and selecting appropriate employees who should be encouraged to accomplish the objectives of the organisation.

Research Questions and Hypotheses

Research questions are important because they provide a thorough comprehension of the subject the research attempts to answer. In order to achieve the objectives stated above, three main research questions are investigated.

1. What recruitment and selection methods SMEs owner/managers used when recruiting and selecting employees?
2. What factors do SMEs owner/managers considered before recruiting and selecting employees?
3. How do recruitment and selection practices impact SMEs performance in the construction industry in Sierra Leone?

Specific Questions

In order to address the aforementioned questions, the following specific questions are investigated.

1. What is the relationship between recruitment and selection practices and organisational performance?
2. What criteria SMEs owner/managers considered before recruiting and selecting employees?
3. How do recruitment and selection practices affect the performance of SMEs in the construction industry in Sierra Leone?

Hypotheses

Hypothesis 1

The adoption of recruitment and selection practices have a significant impact on growth in profits.

Hypothesis 2

The adoption of recruitment and selection practices have a significant impact on growth in sales.

Hypothesis 3

There is a relationship between recruitment and selection practices and productivity.

3.0: Methodology

Given that the purpose of this study is to explore the relationship between recruitment and selection practices and SMEs performance, a mixed method approach is more appropriate to achieve this purpose. With reference to the research questions and the purpose of this research, the study employed qualitative and quantitative research methods complemented by positivist and deductive approach. These approaches enables the researcher to gather information from large number of respondents which was analysed and generalised in the entirety of the country as regards staffing and selection practices in the construction subsector of SMEs. The qualitative research was carried out with the help of semi-structured interviews using face to face interviews. On the contrary, the quantitative research was carried out using questionnaires as the main survey tool alongside personal interviews.

The reason for arguing the case of mixed methods in this study was that the literature review revealed that little researches has been done that look into the impact of recruitment and selection practices on SMEs performance on the construction industry. For this reason, an amalgamation of qualitative and quantitative methods can capitalize on the strengths and reduce the weakness of every method (Johnson & Onwuegbuzie, 2004; Morse, 2003).

This study employed mixed methods sampling consisting of random, stratified, systematic in addition to purposive sampling. The sampling design for the survey rested on stratified random sampling. The stratification was done by region. The sample size (n) of registered SMEs in the construction industry obtained from Statistic Sierra Leone for the survey was 65, however only 59 were completed. This resulted to a response rate of 90.8%. Face to face interviews were later conducted. A total of 15 SMEs owner/managers were interviewed.

In analysing the data, the researcher used the Pearson's Correlation Coefficient Analysis because it is widely used to analyse variables measured by ratio or interval scales (Emory, 1985; Davis, 1996). In order to test the hypotheses, new construct was created for recruitment and selection practices. Recruitment and selection as independent variables had a total of eight items of which six were confirmed valid because they have factor loading of above 0.45 which is the basis for combining the variables pertaining to the respective components or factors. This is recommended by Churchill (1979). All six items explained 78.1% of the total variance. The KMO is 0.712. Nevertheless, sources of recruitment and recruitment and selection policies were excluded for further analysis because their factor loadings are less than 0.45 (see Table 2).

Table 1: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy(KMO)		0.712
Bartlett's Test of Sphericity	Approx. Chi-Square	492.329
	df	36
	Sig.	0.000

Table 2: Component Matrix

Items	Extraction
Selection methods	0.649
Write a job description	0.758
Write a job analysis	0.637
Recruitment and selection policies	0.211
Recruitment methods	0.585
Write a person specification	-0.693
Factors to consider before recruitment and selection	0.470
Sources of recruitment	-0.368

Following the factor analysis, in pursuance to determine the items measuring the same underlying constructs, the Cronbach's alpha coefficient was used. As table 3 below indicates, all the variables have a Cronbach's alpha coefficient greater than 0.7 as recommended by Pallant(2001). Using the command transform and compute in SPSS, the reliability of the variables was determined as shown in Table 4. This approach of creating new constructs for correlation is recommended by De Vaus (2002).

Table 3: Reliability Analysis

Main construct	Number of items	Cronbach's Alpha
Recruitment and selection	8	0.786

4.0: Empirical Findings

The intention of this section is to provide a synopsis on the results of the research. It encompasses the results of data collected empirically by means of primary data using questionnaires. Data is analysed and presented in figures.

4.1: HRM Department

The findings in Figure 4.5 below show that 78.0% of the SMEs had an HRM department. This is at odds with the findings of Kanu (2009) and Faems et al (2002). On the other side, 22.0% did not have an HRM department. It is, therefore, justifiable to some lesser extent for this research to argue that the paucity of finance limits SMEs owner/managers from setting up HR departments. For example, in a semi-structured interview one respondent stated as follows:

“The lack of money prevents me from having an HRM department in my enterprise”

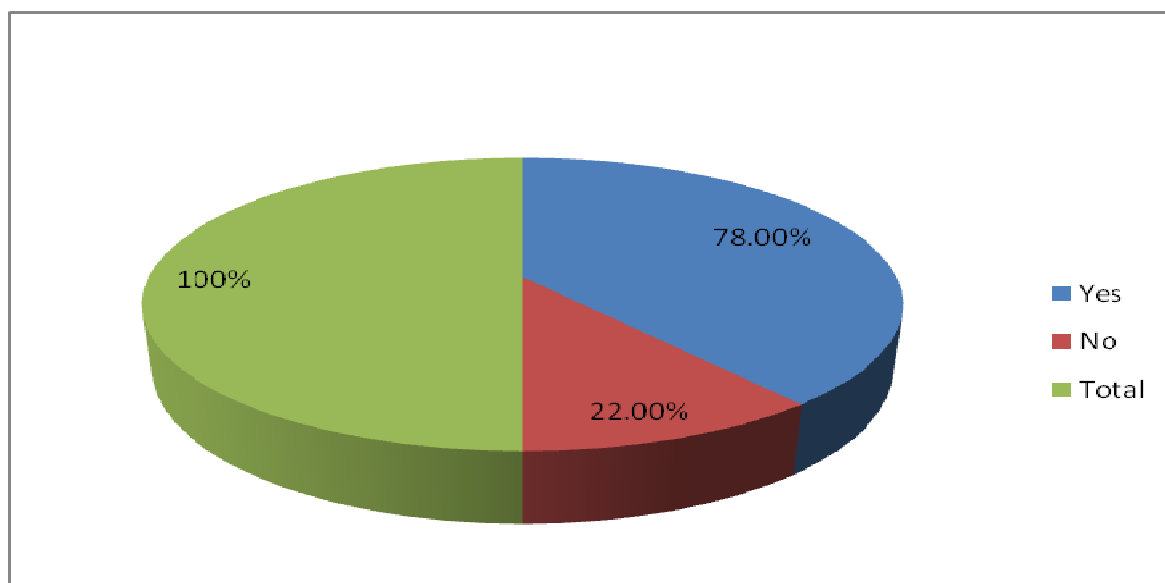


Figure 1: HRM department

4.2: Importance of recruitment and selection

To understand how important recruitment and selection practices are, owner/managers were requested to rate the importance of choosing their workers. As Figure 2 below shows, 8.5% of the respondent did not see recruitment and selection practices as important. On the other hand, 91.5% of the respondent indicated that recruitment and selection practices were very important. However, asking the respondents an open-ended question to indicate how important these practices are, the following response was given by one of them:

“Good recruitment and selection practices reduce employees’ turnover and help me to attain the strategies of my business”.

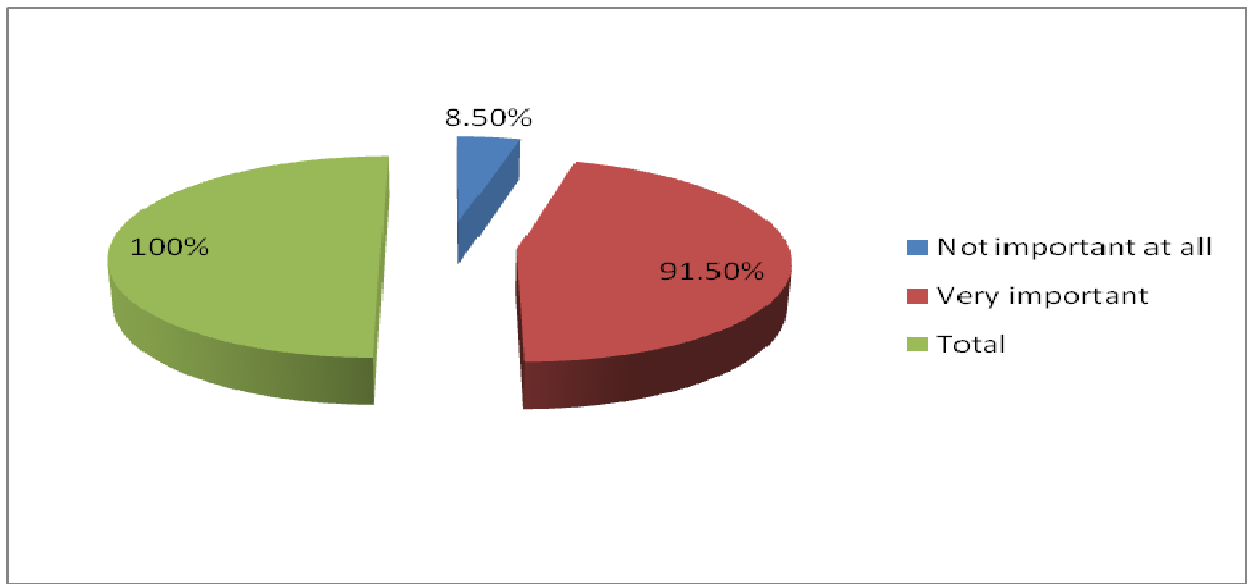


Figure 2: Importance of recruitment and selection

4.3: Sources of recruitment

Determining the sources of recruitment is a crucial decision owner/managers need to make. In line with this, Figure 3 below reveals that 62.7% of the respondents used internal sources of recruitment to attract applicants. This finding is at odds with those of Asiedu-Appiah et al(2013). They found that 78.6% of the SMEs in Ghana used external sources of recruitment. On the contrary, 37.3% of the respondents used external sources to fill available jobs.

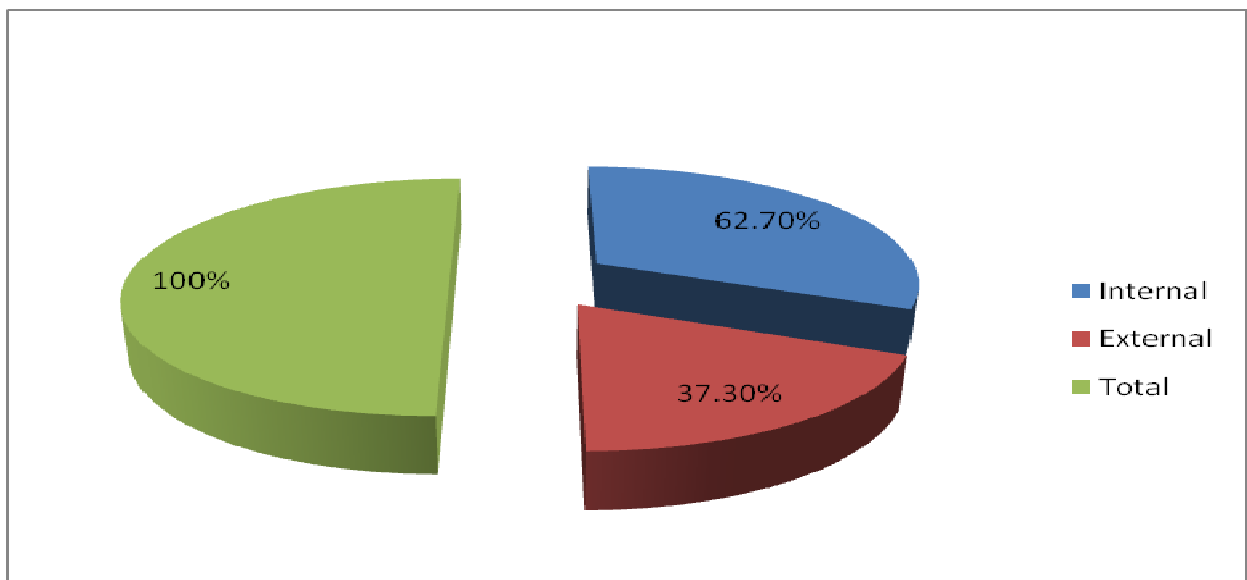


Figure 3: Sources of recruitment

4.4: Recruitment methods

Figure 4 presents an analysis of the recruitment methods which indicates that 3.4% of the respondents used local advertisement papers in recruiting employees. This finding supports those of CIPD (2006a), IAM (2005) and Deshpande & Golhar(1994). Some of the owner/managers (1.7%) used company's website, while 6.9% of the owner/managers used the enterprise's website to recruit applicants. As few as 6.9% of the respondents used recruitment fairs, the reason being that this is an uncommon practice in Sierra Leone. Word of mouth was seen

as one of the best methods to recruit suitable employees by 25.9% of the respondents. This confirms Asiedu-Appiah et al.(2013) and Cassel et al (2002) finding that word of mouth is one of the most suitable methods for recruiting the right candidate(s) for the position(s) among SMEs. This is corroborated in a semi-structured interview where a respondent indicated as follows: “*I used word of mouth as a recruitment method to attract employees because it is very cheap*”. Opposite to the view that SMEs do not use TV and radio to recruit, this research indicated that few SMEs (3.4%) used them. However, only 3.4 % used employment agencies as recruitment methods. Almost half of the owner/managers (48.3%) used relatives and friends and 3.4% used employee referrals to attract applicants. This confirms research done by Priyanath (2006)that SMEs in Sri Lanka used relatives and friends and employee referrals to attract employees. In relation to promotion within as few as 3.4% of the respondents adopted this method.

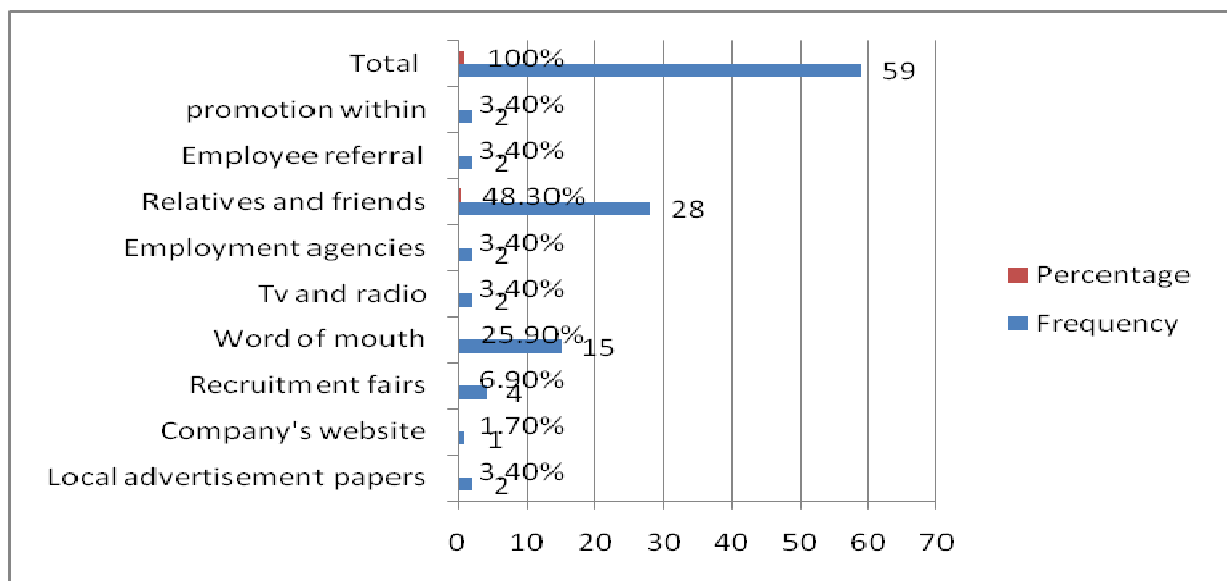


Figure 4: Recruitment methods

4.5: Selection methods

The study further sought to establish the common selection methods adopted by SMEs owner/managers. In Figure5 below the results presented shows that 18.6% of the owner/managers used written assessment, while 32.2% used panel interviews and 37. 3% used one-one- interviews to select applicants. These findings are in agreement with those of Golhar and Deshpande (1997) who stated that SMEs used written assessment, interviews to select job candidates. Conversely, 3.4% of the respondents used jobs try-outs and 8.5% selected employees by medically examining them.

In sum, the respondents viewed one-on one interviews as the best technique to select employees. This is confirmed in a semi-structured interview where one respondent indicated as follows: *I use one-on-interviews to select the right employee(s) because it helps me to collect more information from the candidate(s) as well as enabling me to ask subsequent questions.*

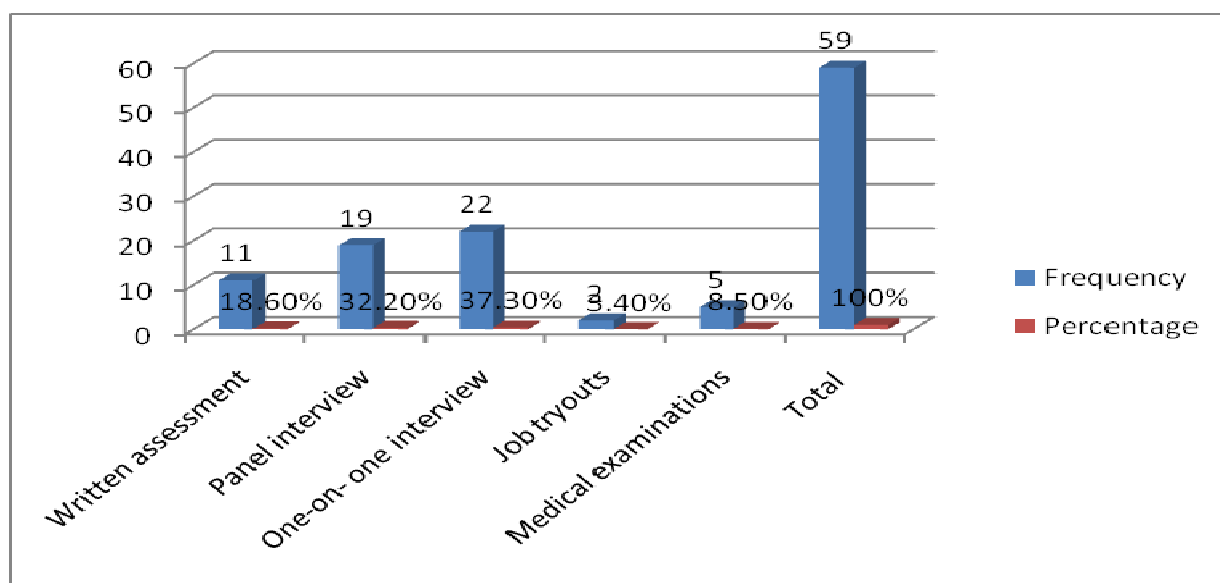


Figure 5: Selection methods

4.6: Factors considered before Recruitment and Selection

There are several factors owner/managers considered before recruiting and selecting employees. In this regard, the descriptive analysis in Figure 6 below, indicates that 71.2% of the respondents recruit and select their employees based on academic qualifications. This finding is in consonance with Holden & Jameson(2002) and Nartey(2012) who stated that SMEs recruit and select employees based on academic qualifications. Others (15.3%) look at work experience criterion before recruitment and selection. Similarly, 8.5% of the owner/managers recruit and select on the premise of health and fitness and 5.1% on enterprise fit.

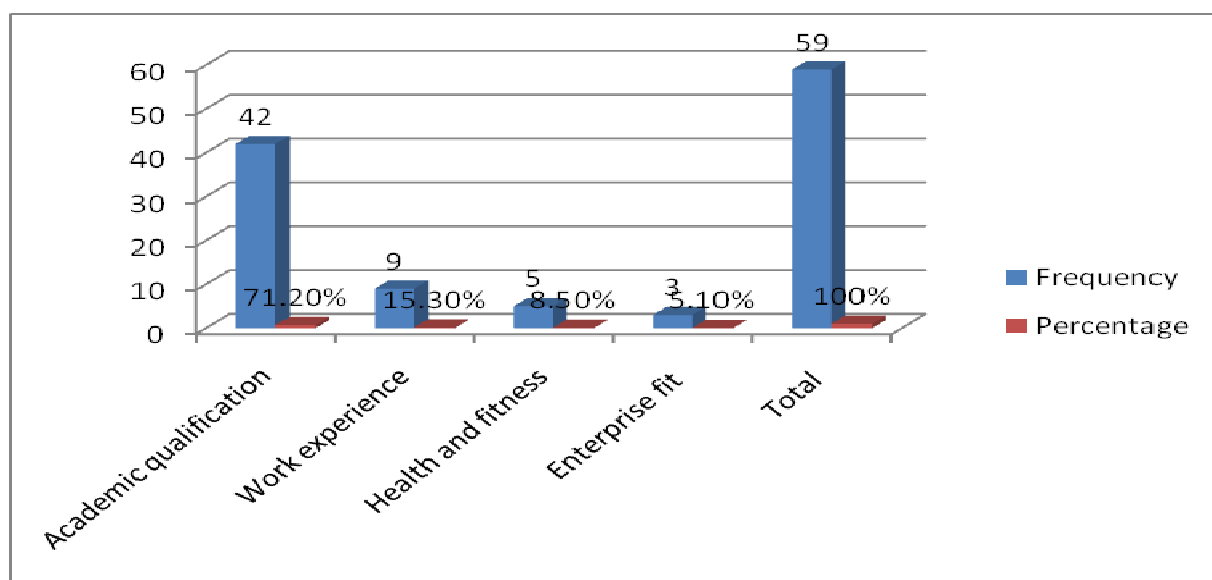


Figure 6: Factors considered before recruitment and selection

4.7: Impact of Recruitment and Selection Practices on SMEs performance

As the analysis presented in Table 4 reveals, when owner/managers were asked for their views on how recruitment and selection practices impact the performance of their enterprises, 79.7% agreed with the statement that recruitment and selection practices help them to identify, attract and choose suitable personnel to meet their human resource requirements. The preceding response supports the findings of Cassel et al (2002). They maintained that recruitment and selection process is the frequently adopted HRM practice among SMEs. Moreover, 88.1% of the respondents accredited growth in sales to recruitment and selection practices. This finding is in line with Kanu's (2009) finding who established a significant positive relationship between recruitment and selection practices and increase in sales. Also 93.2% of the owner/managers stated that they notice an increase in profit as a result of recruitment and selection practices. This finding is harmonious to those of Chand & Katou(2007), Terpstra & Rozell(1993)and Sheehan(2013) who found a significant correlation between recruitment and selection practices and growth in profit. Furthermore, 91.5% of the respondents attributed increased productivity to recruitment and selection practices. This finding is in tandem with the findings of Rauf (2007), that recruitment and selection practices increase productivity. Asking the respondents an open-ended question to state how recruitment and selection practices impact the performance of their enterprise, the undermentioned response was given:

“Recruiting and selecting the right candidates for the job helps to increase sales hence the profit of my enterprise.”

Table 4: Impact recruitment and selection on SMEs performance

Independent Variable	Mean	Standard deviation	Frequency	Percentage
Suitable personnel	1.80	0.406	47	79.7
Growth in sales	1.88	0.254	52	88.1
Growth in profits	1.93	0.254	55	93.2
Increased productivity	1.92	0.281	54	91.5

N= 59

5.0: Discussion

The analysis showed a significant positive relationship between recruitment and selection practices and profits. This indicates that the adoption of recruitment and selection practices has significant impact on profits. This implies that by recruiting and selecting the right candidates, there is greater propensity for the employees to perform to meet the objectives of the enterprise. Another interest point is for owner/managers to focus on recruitment and selection. In so doing will improve organisational profit. In addition, the findings of the study disclosed a positive and significant correlation between recruitment and selection practices and growth in sales. Implying that SMEs do follow recruitment and selection practices though these practices are extensively informal. This suggests that recruitment and selection practices overwhelmingly enhance the desired changes in sales. The interesting point here is that the owner/managers perceived an association between good recruitment and selection practices and their ability to recruit and select appropriate candidates and generate higher sales. Hence, the stronger the relationship between recruitment and selection practices and sales the greater the influence on this variable. As stated by Pilbeam and Corbridge (2006) recruitment and selection practices are fundamental to organisational performance as they are the means of getting the right individuals to meet organisational objectives and contribute to productivity. Along this line, the results of these findings show that recruitment and selection practices are positively associated with productivity. This could suggest that good

recruitment and selection practices enhance the desired changes on productivity. Therefore, sound recruitment and selection practices will have tremendous influence on productivity.

Table 5: Pearson product-moment correlation Analysis

Independent Variables	Dependent Variables		
	GROWTH IN PROFITS	GROWTH IN SALES	PRODUCTIVITY
Recruitment and selection	R=0.194(**) P=0.000	R= 0.187(**) P=0.002	R=0.248(*) P=0.038

* Correlation is significant at the 0.05 level (2-tailed).

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

6.0: Conclusion, Recommendations, Limitations and suggestions for Further Research

6.1: Conclusion

Based on the analysis, the undermentioned conclusions are put forth.

The overwhelming majority of SMEs had an HRM department and perceived recruitment and selection process very important and used mainly internal sources of recruitment. The research also indicated that word of mouth and relatives and friends are the most common recruitment methods (Cassel, Nadin, Gray, & Clegg, 2002; Deshpande & Golhar, 1994). Selection was based on one-on-one and panel interviews (Golbar & Deshpande, 1997). In general, studies have shown a relationship between recruitment and selection practices and profit, sales and productivity (Omolo, Oginda, & Oso, 2012; Guthrie, 2001; Chand & Katou, 2007; Kanu, 2009). This was shown on the research findings with recruitment and selection practices having positive correlations with SMEs performance

6.2: Recommendations

On the basis of the aforementioned findings the following recommendation are put forth.

6.2.1: Sources of Recruitment

The statistical description of the survey data revealed that owner/managers used more of internal sources of recruitment. However, external sources of recruitment help owner/manager to recruit individuals with the needed competencies. It is, therefore, recommended that owner/managers use more of external sources of recruitment to help them attract appropriate workers who they may possibly use to outperform their competitors.

6.2.2: Recruitment and Selection Methods

The statistical description of the data indicated that the majority of the owner/managers surveyed frequently use informal recruitment methods such relatives and friends and word of mouth to recruit employees. Nevertheless, other studies have pointed out the importance of formal recruitment methods that enable the owner/managers to attract the right employees. Therefore, it is important for owner/managers who are not using formal recruitment methods to do so in order to tap the benefits of this practice. On selection methods, the findings revealed that owner/managers employed more of one-on-one and panel interviews. However, the literature review has shown that there are other selection methods that can be used to screen out inappropriate candidates. Owner/managers should, therefore, adopt these methods during the selection of employees

6.2.3: Factors to consider before Recruitment and Selection

Considering the appropriate factors before recruitment and selection is an important step towards hiring the right candidates for particular jobs. The statistical description of the survey data indicated that most of the owner/managers recruit and select their employees based on academic qualifications. To improve the recruitment and selection process, the owner/managers should equally consider other factors like health and fitness of the candidates as well as hiring applicants whose beliefs, behavioural styles and value systems are line with those of their enterprises.

6.3: Limitations of the Research

Literature has shown that there is no study devoid of limitations. For this reason, this research is restricted by several limitations, including financial and non-financial. The insufficient time and money and the nature of the research required the research to centre on few research questions and hypotheses.

By reason of the limited funds, the research only investigated few SMEs established in the provincial headquarters which are considered as portrayal of all SMEs in the construction industry. An additional limitation of the research is that it focused on the impact of recruitment and selection on SMEs performance in the construction subsector in Sierra Leone without comparing the impact of these practices with SMEs in other countries.

Another limitation of the research is self-reporting, individual reporting of the survey. The sample comprised of individual survey respondents that describe the impact of recruitment and selection practices on SMEs performance. An added limitation of the research is that the data was collected chiefly using questionnaires as a survey instrument and only a small amount of data was collected using semi-structured interviews. Finally, the research was limited by the lack of adequate sampling frames in Sierra Leone. As a result only one sample frame was used to identify SMEs owner/managers in the country.

6.4: Suggestions for Further Research

The research was devised to examine the impact of recruitment and selection practices on SMEs performance. In view of the abovementioned limitations of the research, the researcher put forward several recommendations for future research. To start with, future studies must use at random bigger SMEs samples in the construction subsector in order to examine the impact of recruitment and selection practices on SMEs performance in Sierra Leone.

Additionally, the research has provided insight into the effect of recruitment and selection practices on SMEs performance at cross sectional level. This research, as a result recommends that future research should investigate the impact of recruitment and selection practices on SMEs performance in the construction subsector at longitudinal level. For the reason that the research did not compare the impact of recruitment and selection practices on SMEs performance in other countries, future research should examine the impact of recruitment and selection on SMEs performance in the construction industry and weigh them against the findings of this research. Furthermore, future research should determine the degree to which findings of this research may possibly be generalised to SMEs in other countries. This study only looked at three performance variables including profit, sales and productivity, it will, therefore, urge future research to focus on other performance variables like employment, growth, wages and so on.

Within this research, more of a quantitative method of data collection was adopted. As a result of qualitative methods, the impact of recruitment and selection practices on SMEs performance in the construction industry can be investigated extensively. Finally, further research should be done using more sampling frames so as to expand the extent of representation of the sampled SMEs in the construction industry.

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