

ADVANCING BUSINESS OBJECTIVES THROUGH HUMAN RESOURCE MANAGEMENT IN SMEs IN NIGERIA

The perfect recipe that can guarantee the growth of any startup or SMEs in Nigeria includes having a strong customer database, an efficient & motivated team, and most importantly clear and achievable business objectives. Typically, business objectives are strategies that help describe the commitment to developing one's company in a particular way. Business objectives are like checkpoints on a map that help guide businesses on areas to build on.

What are Business Objectives?

Business objectives are measurable outcomes a company is aiming to achieve. These objectives are created using the S.M.A.R.T goal technique i.e. Specific, Measurable, Achievable, Relevant, and Time-focused. As the business grows, creating new business objectives to complement the current state of the business and track staff performance is important. Business objectives are key to helping SMEs and employees to identify areas of strength and weaknesses. Upon identifying those, SMEs can introduce new strategies to help improve performance and enhance the company's overall efficiency.

For years, many SMEs in Nigeria were considered to be budding organizations with unqualified labor (i.e. employing friends or family with limited qualification for the job) and using primitive fundamentals of management. Due to the current state of the country's economic and post-pandemic outcomes, businesses with poor proactiveness and business objectives have been severely affected. This has reduced their ability to survive in the global market. With these recent developments, most SMEs have realized that investing in the right areas such as human resources will not only improve the business's annual turnover but the growth of the business. Training employees and encouraging formalization of important business processes are ways to advance business objectives.

Different ways businesses can advance objectives through HRM

The need to have competitive factors has prompted business owners to invest in their business's branding, employees, and customer retention. Businesses are beginning to realize the influences human resources have as it concerns business objectives. Human resources require detailed processes, practices, and mechanisms that can influence productivity and commitment. Therefore, as a business owner, it is imperative to employ the policies and practices of HRM so as to convert and align human resources in strategic resources with business objectives.

Below are ways HRM practices can improve business objectives..

- 1 Extensive training and Employment security:** educating your staff on the in-demand skills and knowledge to upgrade the company's operational process to a state-of-the-art level. While employment security is the assurance the staff has for being employed in a company for a long time. It is the confidence that their company will continue to provide employment for them. Certain HRM practices must be in action to get the best out of a company's humanitarian response. These are: recruitment & selection of potential staff, training & development, induction & orientation, promotion & transfer, compensation & rewards, gratuity & retirement, etc. Businesses stand to benefit immensely from employment security as it encourages staff to have a long-term perspective on their relationship with the company.
- 2 Competitiveness:** HRM practices plays a crucial role in the sustainable competitiveness of any business through the creation of the company's foundational knowledge & practices which promote the development of the company's innovation, production process, and specific capabilities. The forming of certain business knowledge is the primary technique most organizations adopt to stay above the competition in their industry.
- 3 Creation:** HRM practices increase value creation that exceeds traditional technique which focuses on lowering production costs. This standpoint is backed up by the resource-centric theory of the company. What this means is that intellectual capital available within a company has qualities that are company or niche-specific and can be difficult to replicate due to its ambiguity and specificity that may not apply to other businesses.

Future prospects of HRM in SMEs in Nigeria.

Many startups and SMEs are beginning to accept the need for HRM practices in their businesses. However, there are some challenges encountered such as limited funds and expertise to apply HRM. A cost-effective way to solve this is either to manage the available resources for applying HRM or outsource till the expertise is acquired. Doing any of these will avail business owners with enough time to plan, strategize and execute core business activities. For businesses that cannot afford to outsource, the following can be done:

- Identify the right talent for the job.
- Pay attention to staff engagement practices, this helps improve employee retention.
- Reduce or fade out hierarchy to make staff feel more inclusive.
- Create HRM practices like remote working, flexible working hours to promote work-life balance.