

**HUMAN RESOURCE MANAGEMENT PRACTICES IN SMALL
ORGANISATIONS IN THE EVENT AND EXHIBITION INDUSTRY
IN CAPE TOWN, AND HOW THESE PRACTICES CONTRIBUTE
TO ORGANISATIONAL PERFORMANCE**

By

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of the requirements for the degree of
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ABSTRACT

This study aims to explore how human resource management (HRM) practices are implemented in small organisations in the event and exhibition industry in Cape Town, and to examine to what extent these practices influence these organisations' organisational performance. The researcher followed a qualitative case study research design and utilised a semi-structured interview and Likert scale survey. A review of current academic literature has revealed that small organisations, functioning within a highly pressurised environment, focus more on operational survival than on the organisational management of human resources (HR). The event and exhibition industry in Cape Town is characterised by short bursts of high pressurised projects, with fixed deadlines, high profile clients and intense, irregular work periods. Taking into account the aforementioned factors, it is therefore paramount to examine how these small organisations understand HRM practices, as well as how said practices are implemented amidst the challenges experienced in this industry. Overall, the results suggest a positive association between the prioritisation of HRM practices, the alignment of HRM practices to the business plan and the successful implementation of HRM practices in the ten organisations that participated in this study.

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LIST OF ACRONYMS AND ABBREVIATIONS

CEO	chief executive officer
CTICC	Cape Town International Convention Centre
EXSA	Exhibition Association of Southern Africa
HR	human resources
HRM	human resource management
ICCA	International Congress and Convention Association
MICE	Meetings, Incentives, Conferences and Exhibitions
SAACI	South African Association for the Conference Industry
UFI	Global Association of the Exhibition Industry

CHAPTER 1

INTRODUCTION AND GENERAL PROBLEM STATEMENT

1.1. INTRODUCTION

Can events be regarded as an industry? (Getz, 2000) The author based this question on the description that events generate a great deal of economic impact, both in income and employment. It is further stated that events already provide services to other industries, for example utilising trade shows and exhibitions in the marketing of products and contributing to the tourism sector. Regrettably the role of events in animating attractions and facilities, although acknowledged, has not been subjected to intensive research (Getz, 2000).

The Meetings, Incentives, Conferences and Exhibitions (MICE) industry plays a very important role in the tourism industry in South Africa, and in 2009 already contributed 4.7% of the international tourism arrivals (Donaldson, 2013). Prieto, Regional Director Africa of the International Congress and Convention Association (ICCA), is of the opinion that recently clients are concentrating on getting more and better results out of their meetings and, therefore, expectations are high, both from the content of the meetings and the services offered by the industry suppliers (Costa, 2014). This sentiment may prove profitable for the national economy, but the industry lacks the standardisation tools and operating procedures required to provide empirical data to enable event stakeholders to make informed decisions (Goldblatt, 2000). Furthermore, as this industry is relatively new to Cape Town, it has a large influx of small organisations which represent most of the base of service providers. The researcher therefore suggests that the increase in events and exhibitions warrants an increase in the development of human resources (HR) and the management thereof in this field.

Few research studies have explored human resource management (HRM) in small organisations (Messersmith & Guthrie, 2010; Storey, Saridakis, Sen-Gupta, Edwards, & Blackburn, 2010). However, as each employee plays a cardinal role in the day-to-day functioning of a small organisation, HRM should be a priority (Samnani & Singh, 2013). Further studies have shown that small organisations present minimal alignment between management and staff in terms of the role of

HRM, the responsibility of HRM and the strategic benefit which it may offer (Cardon & Stevens, 2004a).

1.2. PROBLEM STATEMENT

The relatively small size of the organisation combined with the highly variable workflow therefore does not warrant a dedicated HRM division. Thus it is the role of other managers to fulfil the various tasks; however, this distribution of the HR issues could lead to disjointedness in how staff services are managed and implemented. This is typically further compounded by limited or no training of the management team in human resource management.

Taking into account the aforementioned factors, it is therefore paramount to investigate how these small organisations understand HRM practices, as well as how they implement HR practices amidst the challenges which will be discussed. This research study aimed to explore the HRM practices implemented in small organisations in the event and MICE industry in Cape Town, and to what extent these practices influence their organisational performance, from the perception of the owner/manager.

1.3. RESEARCH QUESTION

1.3.1. Introduction to the research question

This explorative study offers main objectives, but no hypothesis or theory, in order to allow for theoretical flexibility (Eisenhardt, 1989). Although this study has a broad research topic, the specification of the nature of organisation, type of industry and geographical location has allowed for a well-directed focus.

The central research question of this study is:

How is human resource management practised in small organisations in the event and MICE industry in Cape Town, and to what extent does this contribute to organisational performance?

1.3.2. Main objectives

The main objectives of this study were to:

- determine how small organisations in the event and MICE industry in Cape Town practise HRM;
- determine to what extent the HRM practices in small organisations in the event and MICE industry in Cape Town influence organisational performance.

1.4. OPERATIONAL DEFINITIONS

To enable a comprehensive understanding of the focus of the study, it is important to offer an operational definition as starting point to the research.

1.4.1. Small organisations

The Business Dictionary (B. Dictionary, 2012) defines small businesses as organisations of a specific size which fall below certain criteria (that vary from country to country) in terms of annual turnover, number of employees, total value of assets, etc. For the purpose of this study, the small organisation is defined as any organisation with (1) 1 to 50 permanent employees, (2) annual turnover of R1 million to R50 million, (3) total assets of less than R100 million, and (4) 0 to 25 percent ownership by a large corporation.

1.4.2. Human resource management practices

For the purpose of this study, human resource management is defined as the system of practices which influence and impact the behaviour, attitude and performance of employees (Zakaria, Zainal, & Nasurdin, 2011).

1.4.3. Organisational performance

The organisational performance refers to the operating, financial and overall performance of the organisation (Delaney & Huselid, 1996; Wood, 2006; Zakaria et al., 2011).

1.5. LITERATURE REVIEW

The researcher conducted the literature review in a systematic manner to enable capturing, evaluation and summarising the information in a logical style. The researcher launched the review by identifying key words, which were entered into various databases, both business and academic, as well as various search engines (see Annexure D for complete list). Furthermore, EBSCOhost, Google Scholar and

JSTOR were accessed through the <http://www.lib.uct.ac.za/lib/databases-platform> portal, allowing a search process through academic journals, books, media articles and internet citations and further appropriate documentation. Additionally, the researcher included applicable secondary source information from electronic master's dissertations and doctoral theses.

1.6. METHOD OF RESEARCH

1.6.1. Research design and strategy

The research project was conducted as a qualitative case study, as this approach allowed the researcher to contextualise the investigation (Samnani & Singh, 2013). The research strategy for this study has been deployed as presented in Figure 1.1.

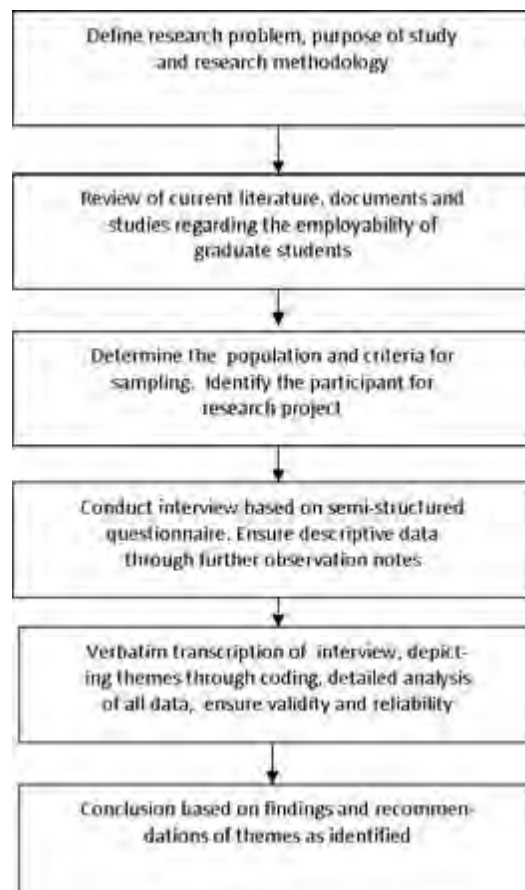


Figure 1.1: Strategy of research towards exploration of the research question

1.6.2. Exposition of study

- Chapter 1 Provides an overview of the research problem and purpose as well as the research methodology and the process of data analysis which was followed.
- Chapter 2 Provides a literature overview of the main themes identified throughout the study, relating the context within which the research data was investigated.
- Chapter 3 Provides a detailed description of the research methodology followed, including the strategy of enquiry, the participant selection, data collection strategies, data analysis and ethical considerations.
- Chapter 4 Provides a discussion on the analysis of the data.
- Chapter 5 Provides a final report on the findings, conclusions and recommendations.

1.7. CONCLUSION

This chapter has focused on the definition and characterisation of the research problem and the purpose of the research project. The perspectives and theories discussed in this study will be motivated by supporting sources as listed in the reference list. In addition, the researcher indicates the research methodology and ethical considerations applicable, and concludes with a set of findings and recommendations.

CHAPTER 2

LITERATURE REVIEW

2.1. INTRODUCTION

This research study aimed to explore how HRM practices are executed in small organisations, specifically in the event and exhibition industry in Cape Town. Furthermore, this study examined the influence of HRM practices on organisational performance in these small organisations.

The exposition for this literature review of the above-mentioned theme will begin with Section 1, in which an historical overview followed by a description of current events in the event and MICE industry presented as background and motivation for the industry investigated in this study. In Section 2, the researcher will define and discuss HRM practices as explored in literature; followed by Section 3, detailing how HRM practices may influence organisational performance in small organisations.

2.2. SECTION 1: EVENT AND MICE INDUSTRY

2.2.1. Historical overview of the event and MICE industry

The following section explores the background of the event and MICE industry and the motivation for the research specifically targeted at this industry in Cape Town.

The MICE industry is a relatively young industry in South Africa, emerging after the end of the economic sanctions against the country, which had been instituted and upheld during the apartheid period and which ceased in the early 1990s (Rogerson, 2005). Until then, domestic tourism had been the major focus of the MICE industry, which predominantly featured venues which could accommodate no more than 300 delegates at a time. According to Rogerson (2005), the economic transition to democracy and the lifting of the economic sanctions saw a major growth and development of the event and exhibition industry, driven by the increase of international MICE tourism, the establishment of internationally classed convention centres and lastly internal competition between South Africa's major cities to attract the MICE market. South Africa currently has three cities, Cape Town, Durban and Johannesburg competing for the MICE market. By 2004, South Africa held 61% of

the total conference market in Africa, and was ranked 22nd in a global listing of world conference destinations (Rogerson, 2005). In South Africa, the business events sector which encompasses MICE tourism has been identified by destination marketing organisations as an important growth market for three provinces, specifically KwaZulu-Natal, the Western Cape and Gauteng (Donaldson, 2013). For example, 2003 saw the opening of the Cape Town International Convention Centre (CTICC), a R320 million mega project which formed the basis of a holistic development project linking a working harbour with the city centre and a waterfront development (Rogerson, 2013).

Although various studies have been conducted on the development of tourism as a potential contributor to the economy in South Africa, inadequate focus has been given to the development of small to medium enterprises in this sector (Kirsten & Rogerson, 2002). MICE events have been recognised as vital strategies for the improvement of national and regional markets due to elevated spending by delegates and participants leading to increased employment opportunities for the service providers in the hosting of these events (Rogerson, 2005; Yoo & Weber, 2005). The business tourism sector is supported by a wide range of service providers encompassing security, transport, technical support including audio-visual services, crewing and exhibition design and build as well as marketing, promotion and business support (Ogden & McCorrison, 2007). In the light of this importance, and its economic significance, it is vital to conduct research on the South African MICE industry and in particular conference tourism. For the purpose of this study, the research focused on these small organisations and more specifically, the HRM practices which are implemented at said organisations as well as the influence of aforementioned practices on organisational performance.

2.2.2. Setting the scene in the event and MICE industry in 2015

Small organisations have difficulty in recruiting and retaining employees due to limited financial resources and they also display an increased reluctance to engage in costly or restrictive practices (Cardon & Stevens, 2004a). Furthermore, small organisations experience challenges in regards to their lack of resources to engage in new opportunities, survive a negative economic downturn and stay afloat in periods of heavy competition (Bruderl & Schussler, 1990). This sentiment rings

particularly true for the small organisations in the event and MICE industry in South Africa, as depicted in the following discussion by key role-players of this industry.

Adriaan Liebetrau, chief executive officer (CEO) of South African Association for the Conference Industry (SAACI) has stated that two South African cities, Cape Town and Durban, are ranked in the top 100 cities in the world for business events and ranked first and second in Africa respectively (Costa, 2014). According to Alder, chairman of Exhibition Association of Southern Africa (EXSA), the South African exhibition industry has been resilient throughout 2014, showing growth in challenging economic conditions, confirming it as one of the business sectors with enormous sustainable growth potential. Alder concluded that the South African exhibition industry has the potential to become a major driver in the South African economy (Costa, 2014). His sentiment is supported by Newman, UFI executive board member and CEO of the Johannesburg Expo Centre, in his belief that South Africa's MICE industry is fast becoming one of the country's most important sectors to attract foreign visitors and investments (Costa, 2014).

Ellingson, CEO of CTICC, estimated that more than 40 international conferences would be hosted at CTICC during 2015, strengthening Cape Town's position as leading exhibition destination in Africa for medical and scientific conferences. This was in addition to the approximately 20 national conferences and 35 exhibitions and trade fairs (Costa, 2014). This advancement in the field of exhibitions has led to the growth of the small organisation which acts as service provider to this industry. These services include audio-visual equipment and installations, exhibition stand design and builders, exhibition soft furnishings and carpeting, graphic design and installation, electrical equipment supply, installation and distributions, catering and health and safety staffing.

In conclusion, it stands to reason that the onus rests on the service providers of the event and MICE industry to increase overall performance to offer quality service at a competitive rate in a challenging economic environment. Therefore, this was the basis of the relevance of this research project in exploring how HRM practices are implemented and how this influences organisational performance.

2.3. SECTION 2: HUMAN RESOURCE MANAGEMENT PRACTICES IN SMALL ORGANISATIONS

2.3.1. Introduction to human resource management

In light of the importance of the small organisations in the developing event and MICE industry, this following section provides a discussion on the definition of HRM practices as well as how literature describes the implementation thereof in small organisations.

Various research studies have been conducted and reported regarding the human resources subject field. Key terms such as human resource management, human resource development and strategic human resources have all been thrown together under the umbrella of human resources. However, it is argued that HRM is not a single concept, but rather an evolving composition of competing theories, as guidance on how to manage people (Pinnington & Edwards, 2000). Consequently, Mehndiratta (2009) defined HRM as a strategic method of managing the most vital part of an organisation, its employees. For the purpose of this study the operational definition for human resource management has been described in Section 1.4. As gleaned from this overview, HRM is an ambiguous term and thus one of the questions featured in this study has focused on the participants' understanding of the term.

2.3.2. Human resource management practices in small organisations

There is limited research data available on how small organisations train their employees, manage their performance, acquire and retain, handle organisational change and deal with labour relations (Cardon & Stevens, 2004a; Heneman, Tansky, & Camp, 2000). One of the reasons reported for this limited research is the difficulty in gathering data as small organisations are reluctant to participate in research due to potential time constraints (Heneman *et al.*, 2000). Further reasons stated include research conducted in and on small organisations deemed too limited to be published in "mainstream" academic journals and the small samples within the organisations exclude the use of quantitative data to be utilised for generalisation (Heneman *et al.*, 2000).

There is general consensus that knowledge of the impact of HRM on small business is limited (Heneman et al., 2000); however, taking into account that on average world-wide 55% of the annual operational budgets represent “people costs”, it is necessary to study and understand this impact (Reid, Morrow, Kelly, & McCartan, 2002). In this study, the small organisation is defined as any organisation with (1) 1 to 50 permanent employees, (2) annual turnover of R1 million to R50 million, (3) total assets of less than R100 million, and (4) 0 to 25 percent ownership by a large corporation, based on the operational definition offered in Section 1.4. Wood (2006) supports this definition in describing a small events organisation as any firm with less than 50 employees whose main business involves organising, and hosting of promoting any type of event.

The human resources profiles and the organisational strategy should complement each other, and the HR practices implemented by the owner/manager are especially significant in small organisations. Therefore, the role of the owner or founder in small organisations should not be underestimated (Cardon & Stevens, 2004a). Furthermore, it is paramount to understand the employment relationship within the smaller organisation as well as the difference in management style between small and large organisations (Dundon, Grugulis, & Wilkinson, 2001).

In the understanding of the establishment of new ventures and small organisations, it is vital to recognise the role employees may play in their development. Hence, even when not referred to as HRM practices, the management of the human resources needs to be understood and focused upon. As a new venture develops into a small organisation through the increase of production, so will the number of employees increase, establishing the need for a structure by which to manage and develop these employees. The unique liabilities of a small, developing organisation leave them with fewer resources, for example time, finances etc. and greater challenges than their larger counterparts. Cardon and Stevens (2004) concluded that organisational approaches to staffing, compensation, training and development, performance management, organisational change and labour relations impact directly on the small business’s performance and success.

Although the importance of performance management cannot be overstated, limited research has been conducted on its implementation and effectiveness in small

organisations (Cardon & Stevens, 2004a). A few studies have referred to a lack of formalised performance management processes in these organisations, as small business owners prefer continuous direct feedback and informal structures, so as to immediately assess and correct undesired performance (Zakaria *et al.*, 2011). Furthermore, in small organisations the issue of organisational change has received minimum attention as it is largely associated with larger firms (Cardon & Stevens, 2004a).

Taking this into account, the following HRM practices were scrutinised for this study and they are discussed in the next sections: recruitment and retention, reward and remuneration, training and development and labour relations.

2.3.3. Recruitment and retention

According to Cardon and Stevens (2004), it is widely accepted that most small organisations do not have distinct HR departments; however, the process of recruitment and candidate selection is pivotal to the small organisation and a key component to the overall functioning of the organisation. This challenge is further compounded by the unique situation of the small organisation where each employee typically performs a variety of different roles leading to blurred boundaries and job descriptions (Cardon & Stevens, 2004a).

The process of recruitment in small organisations generally utilises convenient, inexpensive and directly controllable sources, for example direct applicants, employee referrals and newspaper advertisements (Heneman III & Berkley, 1999). Heneman III and Berkley (1999) further stated that due to the importance of each employee in a close-knit employee network, management focuses more on a general “fit” for the company, rather than a specific job skill set, and in doing so they aim to align the applicants’ competencies with the values and culture of the organisation.

2.3.4. Compensation and reward

Heneman III and Berkley (1999) intimated that small organisations focus predominantly on staffing, compensation and rewards as key HRM issues. Compensation is the most significant factor as this substantively influences the recruitment and retention of staff. Literature suggests that smaller organisations tend

to approach compensation from a total rewards perspective, more so than their larger counterparts (Heneman *et al.*, 2000). The total rewards perspective refers to both financial components as well as organisational benefits, for example education, which includes travel, tuition and supplies. Delery and Doty (1996) recommended that small organisations develop a formal compensation system as this is a potential source of enhancing organisational performance.

2.3.5. Training and development

Training in small organisations often focuses on firm-specific training as it increases productivity and is to the benefit of the organisation (Reid *et al.*, 2002). Moreover, Reid *et al.* (2002) stated that in small organisations it is assumed that employees are more likely to leave, which makes provision of general training an unnecessary investment of time and resources.

At the same time though, it could be argued that employees in the small organisation are tasked with various responsibilities, the margins of which are not clearly stipulated within rigid job descriptions; therefore employees require continual training for their numerous roles (Cardon & Stevens, 2004a). However, Cardon and Stevens (2004) reiterated that this training does not need to be formalised training and that on-the-job training might be a more appropriate method as it guarantees immediate results.

Banks, Bures and Champion (1987) stated that determining factors for training in small organisations are both the cost of the programmes and the time which employees spend away from the workplace. To enable training, which meets both the time and cost restrictions of the small organisation, small organisations predominantly make use of trade associations, short college seminars and in-house training (Banks, Bures, & Champion, 1987; Chao, 1997). This informal and unstructured training has proven to offer practical, interactive learning environments and employee development.

A further focus of training, valuable in small organisations, is the process of socialisation, in which newcomers are introduced to their roles in the organisation, the organisational culture and familiarised with their various job descriptions (Chao, 1997). This process allows for inclusion and absorption of the staff members in the

organisational structure, leading to clarity about the expectations and terms of their employment and greater productivity in their roles. During this research project particular focus was given to socialisation training, as it was suggested by Chao (1997), that this could impact organisational performance by ensuring commitment and motivating staff through loyalty to the organisation from the initial stage of employment.

2.3.6. Labour relations

Employees in smaller organisations are seldom unionised to the same extent as in larger organisations. However, this could be seen as an advantage to small organisations as unions are best described as inflexible and resistant to change while small organisations are generally flexible, innovative and quick to change according to the needs of the market place (Batt & Welbourne, 2002). Therefore, the focus of labour relations is not on dealing with unions but on how to best align the organisation's strategies with compassionate human resource practices.

2.3.7. Conclusion

In conclusion, results depicted in academic journals propose that small organisations universally utilise fewer HRM practices than their larger counterparts and that these practices are mostly informal and ad hoc (Sels et al., 2006). Cardon and Stevens (2004) concurred that small organisations are less likely to have dedicated human resources personnel, and more inclined to have informal and underdeveloped HR practices. Furthermore, owners or managers of small firms have a propensity to neglect HRM practices all together due to various competing priorities (Messersmith & Guthrie, 2010). Regrettably, this could be to their own detriment and as Messersmith and Guthrie (2010) asserted “... *HRM practices may have the potential to more strongly represent a source of sustained competitive advantage for small firms*”.

Samnani and Singh (2013) concluded that operationalising an HR system of practices which is a good “fit” to the organisational culture, is a key challenge because of the underdeveloped HRM practices.

2.4. SECTION 3: ORGANISATIONAL PERFORMANCE AS INFLUENCED BY HRM PRACTICES IN SMALL ORGANISATIONS

2.4.1. Introduction to organisational performance

Zakaria *et al.* (2011) defined organisational performance as the effectiveness, productivity and efficiency factors, which are measured against the intended output; however, they stressed that there is no agreement on suitable indicators for performance of small organisations. Organisational performance does not only need to be measured by economic outcomes such as profitability and market share, but may also be measured in terms of product quality, customer satisfaction and new product development (Delaney & Huselid, 1996; Wood, 2006). Conversely, Wood (2006) suggested that in the measurement of organisational performance, external performance indicators, for example economy fluctuations, as well as internal indicators, for customer satisfaction, must be assessed independently.

According to Delaney and Huselid (1996), perceptual measures of organisational performance enable the assessment of the impact of HRM practices in firms where the financial measures are not available. To enable a comprehensive understanding of the concepts in this study, it is important to offer an operational definition of perception. According to Delaney and Huselid (1996), respondent perceptions, although they are subjective, may provide clear indications of how organisational performance is perceived by the members of small organisations. For the purpose of this study, perception is defined as the ability to see, hear, or become aware of something through the senses; the way in which something is regarded, understood, or interpreted and an intuitive understanding and insight (O. E. Dictionary, 2002).

Delaney and Huselid (1992) outlined how particular HRM practices need to interchange in order to contribute to organisational performance. Firstly, organisations can implement practices which develop employee skills, either by improving the quality of employees hired, or (and) training and development of existing staff. Secondly, employees may have adequate skills but these could be ineffective if not suitably motivated towards their performance. Finally, the structure of the workplace, for example employee participation systems or team-based systems, allows for large buy-in from the staff leading to increased overall performance (Zakaria *et al.*, 2011). HRM practices could play a cardinal role in

improving productivity, overall performance and successful survival of the organisation (Zakaria *et al.*, 2011). Zakaria *et al.* (2011) pointed out that employees who are motivated, experience the organisation's investment in them as they are presented with continual training and development. Thus, motivated employees are a determining factor of the capability of the small organisation to maintain their market share in a competitive economic environment.

2.4.2. The impact of HRM practices on the performance of small organisations

Copious studies on the relationship between HRM and organisational performance in larger business enterprises present evidence of a positive impact (Delaney & Huselid, 1996). However, Heneman *et al.* (2000) stressed the importance of similar studies specifically focused on small organisations where this is lacking. There are three preferred approaches to studying the link between HRM practices and organisational performance, namely the universal, contingency and configurational approach (Delery & Doty, 1996; Youndt, Snell, Dean, & Lepak, 1996).

The contingency perspective assumes that HRM practices must be coherent with the organisational structure and therefore implemented within the specific company context to be effective. The configurational approach considers the pattern of how various HRM practices are related to organisational performance. This research project has adopted the universal "best practices" perspective, which refers to a direct relationship between HRM practices and performance (Youndt *et al.*, 1996). The rationale for adopting this approach is primarily that it is accepted as the fundamental approach and most HRM studies are centred on a holistic and universal view of HRM practices (Zakaria *et al.*, 2011). Zakaria *et al.* (2011) emphasised the importance of understanding how to manage employees in a manner that maximises productivity, enhances innovation and creativity, and increases organisational performance.

2.4.3. Conclusion

Cardon and Stevens (2004) concluded that simply implementing existing HRM models from large organisations in small organisations will not be fruitful, and recommended rather developing new theories and strategies based on the multiple

characteristics of the small organisation. Furthermore, Zakaria *et al.* (2011) reiterated that HRM plays a crucial role in small organisations and therefore research on this topic is of major importance, as current findings related to HRM practices in larger firms cannot effectively be generalised to small organisations. According to Sels *et al.* (2006), the small organisation is the ideal climate for research on the implementation of HRM practices due to the propensity for direct feedback and communication, limited hierarchy, greater flexibility and the clearly visible impact of each employee on organisational performance.

For the purpose of this study, the research concentrated mainly on the “muddle through strategy” of HRM practices, as coined by Cardon and Stevens (2004), where founders and owners of small organisations do not refer to HRM practices but to the flow of interrelated activities concerning the management of their employees. Therefore, the focus of this study was on informal HRM practices and how they influence organisational performance in small organisations in the event and Mice industry in Cape Town.

CHAPTER 3

RESEARCH METHOD AND DESIGN

3.1. INTRODUCTION

The following section addresses the definition and formulation of the research design and method of this research project. It illustrates why this research design was suitable to the research topic by highlighting the advantages. In the interest of transparency, the limitations and challenges of the case study research method are discussed, as well as an exposition of participant selection, the data collection strategies, qualitative validity and reliability and the ethical considerations of this research project.

3.2. RESEARCH QUESTION

This explorative study offered only a main objective, with no hypothesis or theory, in order to allow for theoretical flexibility (Eisenhardt, 1989). Although this study had a broad research topic, the specification of the kind of organisation, type of industry and geographical location allowed for a well-directed focus and the identification of potential variables, further supported by current literature.

3.3. RESEARCH DESIGN

3.3.1. Introduction

Research design refers to a plan of action which is developed by focusing on four aspects of the research: the research paradigm, the purpose of the study, the techniques to be utilised and the situation within which the observation will take place (Creswell, 2009; Durrheim, 2009). Anderson (2009) emphasised that it is paramount to devise an approach which is contextually appropriate, and will produce data and conclusions that are meaningful. The strength of the research method lies in its effectiveness and suitability to the research topic.

Research on this topic revealed varying understandings of the HRM concept by small organisations, as well as how each organisation attributes unique meaning to organisational performance and the measuring thereof. Therefore, due to the knowledge gained through the review of current literature, this research project

explored the manner in which HRM is practised in small organisations as well as the perception of management regarding its influence on organisational performance from within the qualitative paradigm.

3.3.2. Motivation towards a qualitative research design

The paradigm of qualitative research is concerned with understanding the processes, as well as the social and cultural contexts which significantly underpin various behavioural patterns, stressing the “why” and “how” questions of research (Nieuwenhuis, 2010a). The purpose of exploratory research is to assess and explore a phenomenon, and it is predominately grounded in a qualitative approach (Anderson, 2009). Creswell (2009) further stated that the aforementioned research design places little value on the statistically valid samples and searching in support of research hypotheses, and rather focuses on understanding and interpreting the phenomena.

Therefore, the aim of this study was to explore how HRM is practised in the selected small organisations. Important to note at this stage is that although an operational definition has been offered of human resource management practices, this definition will vary from organisation to organisation and is therefore open to interpretation.

3.4. RESEARCH METHODOLOGY: STRATEGY OF INQUIRY

In the following section the case study approach is discussed as strategy for this research project, including both the benefits and challenges associated with this strategy.

3.4.1. Defining case study research as strategy of enquiry

Creswell (2009) stated that strategies of enquiry are various models or methods of research, found within qualitative, quantitative and mixed methods designs. These strategies provide precise guidelines for the procedures within the research design, focusing on data collection, data analysis and writing. Case studies could be positivist, interpretive or critical and feature extensive exploration of a programme, event, activity, process or one or more individuals (Creswell, 2009; Nieuwenhuis, 2010b). In this study each of the selected small organisations were assessed as individual cases (unit of analysis) and during the data analysis process the themes

and categories which were identified as similar, were evaluated providing a description of the research topic.

3.4.2. Advantages of qualitative case study research as strategy of enquiry

Case study research offers a multi-perspective analysis and allows for effective answering of “how” and “why” questions. Although case study research often focuses on a system, process, event or individual, it can also be selective in studying one or more issues which are paramount to understanding the topic as a comprehensive whole (Eisenhardt, 1989; Nieuwenhuis, 2010b). In short, the case study research strategy has as its goal the understanding of the dynamics present in particular settings, involving either single or multiple cases and numerous levels of analysis.

Creswell (2009) further emphasised that this qualitative approach encourages room to be innovative, allowing for a more creative, literacy-style of writing and is an undoubtedly strong stimulus to pursue topics which are of personal interest. Through this case study approach, a more realistic feel of the world which cannot be experienced in the numerical data and statistical analysis used in quantitative research, may be obtained. Most importantly, this qualitative approach allows for an opportunity to interact with the research subject in their own language and on their own terms, in the context of the phenomena.

3.4.3. Challenges and limitations of qualitative case study research

Qualitative research renders certain challenges which could have come to the forefront during this study. The flexibility of this approach, whereby phenomena are explored rather than tested against a predetermined hypothesis, presents two distinct problems – firstly the loss of direction due to the large amount of data collected and secondly the time and resource constraint associated with the process (Anderson, 2009).

3.5. PARTICIPATION SELECTION

3.5.1. Population

The research population refers to all the subjects within the scope of the investigation, and as it is not feasible to gather data from the whole population, a

sampling process is introduced through which the researcher selects the participants of the study (Anderson, 2009). The criteria of the participants of the population were established through analysis of the information detailed in the literature review.

The criteria for inclusion in the population for this study, both for the interview and the survey, were stipulated as follows:

- 1) Management or owner of a small organisation.
- 2) Operating within the event and exhibition industry.
- 3) Geographically located in Cape Town.
- 4) No dedicated HRM section.
- 5) Organisation must be older than five years to allow for the need of human resource management practices, as well as being able to evaluate the influence on organisational performance.

3.5.2. Sampling

Sampling is defined as the selection of participants from a specified population. Predominantly, qualitative research is based on non-probability and purposive sampling to gather data pertinent to the research project (Durrheim & Painter, 2010; Nieuwenhuis, 2010b). The participants were selected through non-probability sampling, where participants needed to comply with selection criteria in order to elicit the required information and perspectives on the research topic as stated above. Furthermore, convenience sampling was applied as the participants were easily accessible through client relationships with the researcher.

3.6. DATA COLLECTION STRATEGIES

Typically, the qualitative researcher will collect multiple forms of data, for example archives, interviews, questionnaires and observations rather than rely on a single data source (Creswell, 2009; Eisenhardt, 1989). In this study, transcripts of the interactive face-to-face interviews were analysed, further integrated with notes of personal observation. The participants also had the opportunity to present any documentation and results which could elaborate on their specific perspective.

3.6.1. Document review

Document sources such as letters, newspaper articles, official documents, journal articles and books are important to all forms of qualitative research (Kelly, 2009). This is supported by Kaniki (2009) who said that a literature or document review involves more than merely citing as many sources as possible.

3.6.2. Semi-structured interviews

For the purpose of this study a personal interview was conducted with each of the participants, through a semi-structured schedule of open-ended questions, directly followed by Likert scale-based survey. Although Swanson, Watkins and Marsick (1997) stated that interviews yield great quantities of information, which can be difficult to manage and analyse, Kelly (2009) argued that interviews are a natural form of interacting with people, and therefore fit well within the interpretive approach to research. The data gathered reflects the interviewee's viewpoint, and has to be recorded as subjective due to selective memory and interpretation. However, the interviewer also contributes to the interview by allowing for their own cognitive and emotional filters (Marsick & Watkins, 1997). The role of the researcher is discussed in more detail in Section 3.7 of this document.

The semi-structured interview for this study was divided into three sections as follows: (1) a general description and business history of the small organisation, (2) how HRM practices are implemented in said organisation, and (3) the participants' perception regarding the contribution of HRM to their organisational performance.

3.6.2.1. General description and business history of the small organisation

This section established the participants' credentials and the researcher's motivation for including specific participant in the research project.

3.6.2.2. How HRM practices are implemented in the small organisation

This section entailed generally open-ended questions, intended to elicit views, opinions and perspectives from participants.

3.6.2.3. The participants' perception on the contribution of HRM to their organisational performance.

This section continued with largely open-ended questions, intended to elicit views, opinions and perspectives from the participants.

For the purpose of this study, an appointment was made with the participants and the interview was conducted at a venue of their choosing, which enabled a natural setting, contributing to the comfort of the participant with the objective of initiating a trusting and open communicative relationship. The interviews were recorded with the permission of the participants and the interview data was transcribed verbatim for qualitative analysis through content analysis. Thereafter the Likert scale survey was analysed through descriptive statistics, presented in a numerical through the use of pivot tables. The motivation for the utilisation of the Likert scale was that it provided an ordinal measure of the respondents' attitude towards, or perception off, a statement; i.e. agree or disagree. The survey questions were based on the themes and constructs which came to the forefront throughout the literature review.

3.6.3 Researcher observation notes

One of the primary benefits of personal interviews is the role of the researcher as key instrument (Swanson, Watkins, & Marsick, 1997). Observation and continuous observation notes allow for rich data from within a natural setting, presenting a contextual background to specific answers and perspectives. This enables the recording of information as it occurs, while noticing and observing unusual aspects pertaining to specific answers. Furthermore, it opens the door on probing topics which may initially present as uncomfortable, thereby allowing exploratory discussions. The researcher made observation notes during the interviews, as well as before and after to allow for a complete description of the participant in context (see Section 3.7).

3.6.4 Documents

Each participant was invited to present documentation which they would like to submit in proof or elaboration of their specific viewpoint. For the purpose of this study, the documentation included but was not limited to the following: financial

statement, balance scorecard, minutes of meetings, performance appraisals, skills development programme analysis etc.

3.7. VALIDITY AND RELIABILITY

3.7.1. Validity and reliability

Comprehensive efforts have been made by methodologists over the years, attempting to provide guidance to qualitative researchers in improving or judging the quality of qualitative research (Seale, 1999). The author further stated that concerns regarding the quality of social research emanated from discussions of concepts of validity and reliability, previously developed from within the quantitative or scientific realm. According to Nieuwenhuis (2010b), in qualitative research, the researcher is the data gathering instrument, and therefore the aforementioned author proposed that when qualitative researchers speak of “validity” and “reliability” they are in actual fact referring to research that is credible and trustworthy. In this research project, observational measures refer to data recorded by the researcher, as well as analysed and reported in a case study strategy. The researcher exacted rigour throughout the study to ensure research data which is credible and trustworthy through utilising multiple data sources.

3.7.2. Triangulation

According to Creswell (2009), triangulation of the data from multiple sources leads to the building of themes and coherent justification for themes. If themes are established based on converging several sources of data or perspectives from the participants, this process can be claimed as adding to the validity of the study. Triangulation is used extensively in qualitative studies for the confirmation and generalisation of findings (Nieuwenhuis, 2010a). For the purpose of this study, the researcher consulted various data sources, i.e. documented literature, observation notes and interview transcription to ensure validity and reliability through the process of triangulation.

3.8. ROLE OF THE RESEARCHER

Swanson *et al.* (1997) recommended that qualitative researchers recognise the inevitable role they play in shaping that which they study, and thus reflects the

assertion that there are in fact multiple realities. It is further argued that although the researcher is not expected to be completely objective, it is expected of the researcher to offer a concise indication of how personal involvement with the phenomenon may have coloured the way data was collected and analysed (Terre Blanche, Durrheim, & Kelly, 2010). Although the researcher might not be completely objective, the researcher should take care not to use the process to advance a personal agenda (Swanson *et al.*, 1997). For the purpose of this study the above-mentioned guidelines were adhered to and every endeavour was made to offer an unbiased interpretation, although personal work experience in a small organisation in the event and exhibition industry assisted in a stronger understanding of the challenges and frustrations expressed by the participants.

3.9. DATA ANALYSIS

The conducting of the interviews and then examining of both documents and observation notes were followed by a qualitative analysis of the open-ended questions. Interviews were transcribed in accurate details and field observation notes dissected to elaborate on richly detailed narratives. Throughout the activity of developing themes and categories, the data was coded, referring to the marking of different sections of the data as being instances of, or relevant to one or more of the themes which had been identified (Terre Blanche *et al.*, 2010). For the purposes of this study, the sections of the interview were structured in relation to the topic themes and thus the semblance of coding was contained within the interview.

3.10. ETHICAL CONSIDERATIONS

According to Creswell (2009), the onus rests on the researcher to ensure that all ethical considerations are taken into account, and anticipated, including the protection of their research participants, the development of a trust relationship with them and promoting the integrity of the research while guarding against misconduct. For the purpose of this study, the following steps were taken to meet the requirements of ethical research:

3.10.1. Confidentiality

Qualitative interviews should be done only with informed consent, explicit confidentiality agreements and the application of a rigorous analytical process to

ensure that valid and supportable conclusions are drawn (Wassenaar, 2010). Therefore, each participant in this study was assured of confidentiality and anonymity in the written informed consent form.

3.10.2. Informed consent

An informed consent form for participants to sign before they engaged in the research project, was developed prior to the research. In addition, this form included a declaration of the participant's full understanding of the aim and objectives of the study as well as the implications of their participation. Wassenaar (2010) supports the aforementioned statement, by purporting that the researcher must provide potential participants with clear, detailed and factual information about the study and the methodology, as well as assurances of the voluntary nature of participation, and the freedom to refuse to participate or to withdraw without penalties or consequences. In addition, the researcher obtained approval from the University of Cape Town Ethics Committee prior to commencement.

3.11. CONCLUSION

The case study research methodology utilised in this study was therefore appropriate for the specific purpose of obtaining the richest possible source of information, regarding the implementation of human resource management practices in small organisations and the extent to which this influences organisational performance.

CHAPTER 4

DATA ANALYSIS AND INTERPRETATION

4.1. INTRODUCTION

In the previous chapter, the researcher discussed the research design utilised in this research project. This discussion included a definition of the qualitative research methodology followed, indicating a description of the population and sample choice, the data collection procedures followed, as well as techniques implemented to assure reliability, validity and trustworthiness. In this chapter the researcher offers a study of the themes identified during the data gathering process through detailed analysis. This analysis was guided by the research question, as constructed in Chapter 1: *How is human resource management practised in small organisations in the event and MICE industry in Cape Town and to what extent does this contribute to organisational performance?*

4.2. DATA COLLECTION STRATEGIES

4.2.1. Data sources

In this study the researcher utilised transcripts of the interactive face-to face interviews, integrated with notes of personal observations as well as a survey which respondents completed as support documentation of their perceptions. In addition, the respondents had the opportunity to present any documentation and results which could elaborate on their specific perspective.

4.2.2. Data collection strategies

It is important to note that within the qualitative research paradigm, the researcher is also a component of the research protocol and therefore the role of the researcher should not be underestimated. The qualitative approach of this study allowed for the diversification of data sources through the use of observation, interviewing, survey and examining relevant material, enabling comparisons, verifying statements, and contributing a sense of trustworthiness of the collected data presented.

4.3. METHODS OF DATA ANALYSIS

Data is the basic material which researchers work with and can take the form of either numbers (quantitative data) or language (qualitative data) (Durrheim & Painter, 2010). The authors also stated that in order for a researcher to draw valid conclusions for a research study, it is of the utmost importance that they have sound data to analyse and interpret.

4.3.1. Data analysis process followed

After conducting the interviews and examining both documents and observation notes, the researcher continued with qualitative analysis of the open-ended questions. Interviews were transcribed verbatim and field observation notes dissected to elaborate on richly detailed narratives. Furthermore, the responses to the survey questions were tabled and descriptive statistics were used to organise and summarise data in a meaningful way. The responses were ranked on a Likert scale ranging from 1 (Strongly disagree) to 5 (Strongly agree) and data was described through summary statistics and frequency. In this study, the questions of the interview were grouped together in relation to the topic themes and thus the semblance of coding was contained within the interview.

4.3.2. Data themes and categories

In an interview the researcher experiences events or things people say in a linear, and chronological order, while the processes of thematising and coding allow the blending together of different sections of the interview grouped around the same theme (Terre Blanche *et al.*, 2010). For the purpose of this study, the researcher identified the following themes and categories, detailed in Table 4.1.

Table 4.1: Themes and categories identified in this research study

Theme 1: HRM practices	Theme 2: Organisational performance
Category 1.1 The respondent's perception of the definition of HRM practices	Category 2.1 The respondent's perception of the definition of organisational performance
Category 1.2 The implementation of HRM practices	Category 2.2 Measurement of organisational performance
Category 1.3 The influence of the event and MICE industry on the implementation of HRM practices	Category 2.3 The influence of HRM practices on organisational performance

4.3.3. Description of respondents

The organisations which participated are all role-players in various areas within the event and MICE industry in Cape Town and are predominantly owner-managed with the exception of Respondent 4, who reports to other shareholders and Respondents 5 and 7 who report to a Board of Trustees. The number of employees varied from four staff members in Respondent 8's organisation to a maximum of 42 in Respondent 6's organisation, well within the range of the small business definition as discussed in Section 1.4 in Chapter 1 and in accordance with the criteria for inclusion in the sample for this study as discussed in Section 3.4 in Chapter 3. Furthermore, these organisations have been operational in the Cape Town region for longer than five years and confirm not having a dedicated HR person or department.

As the size of the organisation was an independent variable in this study, the respondents have been grouped together on this basis in Table 4.2, to facilitate comparison of HRM practices and organisational performance.

Table 4.2: Characteristics of the respondents, grouped together based on the number of employees

	GROUP 1: 1 -9 Employees				GROUP 2: 10-25 Employees			GROUP 3: 26-49 Employees		
	Respondent	Respondent	Respondent	Respondent	Respondent	Respondent	Respondent	Respondent	Respondent	Respondent
	2	3	8	9	1	5	10	4	6	7
Key Operational Area	Exhibitions	Event staffing	Audio Visual	Venue & Entertainment	Exhibitions & Events	Sports Events	Power Service Provider	Exhibitions & Conferencing	Audio Visual	Sports Events
Duration of Operation	8yr	11yr	5yrs	6yrs	5yr	10yrs	8yr	6yr	8yrs	14yrs
Amount of Permanent Employees (Including Management)	5	6	4	6	13	11	10	32	42	36
Respondent Position	Owner	Co-Owner	Owner	Owner	Co-Owner	Operations Manager	Owner	Director	Owner	Operations Manager

Note: Group 1 referred to respondents with 1-9 employees and 4 of the respondents were allocated to Group 1, followed by Group 2 in which there were 3 respondents with 10-25 employees, and Group 3, also with 3 respondents featuring 26-49 employees.

In the above-mentioned organisations, the owners stated varying degrees to which their organisations rely on systematic, documented processes as a means of overseeing and supporting employees. Respondent 6 (Group 3) emphasised the importance of people rather than processes, and how they are the basis of his organisation:

... I think we are eight years old now and our business is 100% built on people. People can be creative. People can give good service. People can use equipment in different ways. People can add value. You can buy the most expensive equipment in the world but if you don't have people the equipment is just going to sit there on the floor.

This statement regarding his focus on employees as the foundation of the company, prompted the researcher to compare the organisational size and number of employees with the rest of the sample group who have also been operating for eight years. This comparison is detailed in Table 4.3. The three organisations were each allocated to a different group, due to their number of employees. Respondent 2 (Group 1) had five employees; while Respondent 10 (Group 2) had ten employees and Respondent 6 (Group 3) had 42 employees. Nevertheless, the fact that these organisations are all eight years old and in the same industry means that there is a strong basis for like-for-like comparison.

Table 4.3: Comparison of Respondents 2, 10 and 6, based on their number of employees and growth over an eight-year period.

	Group 1	Group 2	Group 3
	Respondent	Respondent	Respondent
	2	10	6
Duration of operation	8yr	8yr	8yrs
Number of permanent employees (including management)	5	10	42
Respondent position	Owner	Owner	Owner

Taking into account the above quotation from Respondent 6, a picture started to develop regarding whether the effective management of employees is a priority to the organisation. The researcher therefore continued to investigate the survey responses regarding the priority of the employees in the organisation. Table 4.4 details the three survey questions with reference to HRM practices in the organisation, in which the respondents' scores have been compared.

Respondent 6, who leads an organisation of 42 employees and who stated he built his business on employees, responded with a 5 (Strongly agree) for HRM practices being a priority while rating a 1 (Strongly disagree) in saying that the size of his organisation does not warrant the implementation of the HRM practices. It is interesting to note that Respondent 6 answered 3 (Neutral) in terms of his organisation's success in implementing HRM practices. The response suggests that despite making it an area of priority, he feels that his organisation still has plenty of scope to improve its HRM practices.

Table 4.4: Comparison of Respondents 2, 10 and 6, based on survey responses regarding HRM practices

Question		Respondent 2	Respondent 10	Respondent 6					
My organisation has successfully implemented human resource management practices		3	3	3					
Human resource management practices are a priority in my organisation		3	2	5					
The size of my organisation does not warrant implementation of comprehensive human resource management practices		3	5	1					
1	Strongly disagree	2	Disagree	3	Neutral	4	Agree	5	Strongly agree

In contrast to Respondent 6, Respondent 10, with 10 employees, rated a 2 (disagree) on HRM being a priority in his organisation, while rating a 5 (Strongly agree) that his organisation size does not warrant it; yet his rating of his organisation’s HRM practices (Neutral) was the same as Respondent 6. The scores of Respondent 2 were all rated 3 (Neutral) and therefore the researcher could not adequately reach a conclusion on this. However, based on the impression throughout the interview, Respondent 2 was at times hesitant to respond and not sure as to what the correct response would be. It could therefore be that Respondent 2 may have been intimidated by the interview, or alternatively had not been exposed to HRM practices which led to his uncertainty regarding the survey responses. The fact that these respondents all gave 3 (Neutral) in response to the success of their organisation’s HRM practices, despite the widely varying priority which they gave to HRM practices, suggests that their self-evaluation of the HRM practices in their organisations may not be a reliable indicator of the actual effectiveness of those practices. It is hard to imagine, for example, that employees have had an equally positive experience of HRM practices in Respondent 10’s organisation compared to those in the organisations of Respondent 6 and Respondent 2.

While the above like-for-like comparison provides valuable insights into the differences between these organisations, it is important to not lose sight of the findings of the sample as a whole. Thus, the researcher continued to test whether the responses in the sample as a whole supported this conclusion through comparing the average of the three groups in response to these questions as detailed in Table 4.5.

Table 4.5: Comparison of the average score of the groups based on the survey questions related to HRM practices

Question	Group 1: Mean	Group 2: Mean	Group 3: Mean	
My organisation has successfully implemented human resource management practices	3,50	3,33	3,67	
Human resource management practices are a priority in my organisation	4,00	3,00	4,33	
The size of my organisation does not warrant implementation of comprehensive human resource management practices	3,50	4,00	3,33	
1 Strongly disagree	2 Disagree	3 Neutral	4 Agree	5 Strongly agree

In response to the first question regarding the successful implementation of the HRM practices, the average of the groups varied between 3.33 and 3.67. However, in response to the second question regarding HRM as priority, Group 1 scored an average of 4 while that of Group 2 was 3 and Group 3 was 4.33. Therefore, in essence Table 4.5 shows that the averages for Group 3 were consistently the most positive, where the highest priority was given to HRM practices as well as the highest score for the successful implementation thereof. An unusual outcome was that the averages for Group 2 (those with 10 to 25 employees) were consistently the most negative, i.e. the lowest priority given to HRM practices and the lowest degree of success in implementing those practices.

Group 2's score for successful implementation of HRM is closer to 3 (Neutral) than 4 (Agree). This could however be due to the self-assessment of their own HRM practices not being particularly reliable and therefore unrealistically positive. Lastly,

the finding that the respondents in Group 2 placed even lower priority on HRM than their smaller competitors in Group 1 was not expected. However, one of the possible explanations for this could be due to the concept discussed by Respondent 10 when he indicated that his organisation was "...too small to be big and too big to be small" (this reference to size was from his own perspective and does not refer to the actual definition of a small business organisation). The respondent elaborated that the increased workload experienced by his organisation led to a singular focus on "... getting the job done in time to meet the deadline..." while all other considerations, including that of HRM practices, were de-emphasized.

In this section the researcher explored whether the degree of priority given to HRM practices and the success in implementing them could be a contributing factor towards the company growth in the past eight years (as measured by the number of employees). In the following section the themes of HRM practices and organisational performance are discussed in more detail.

4.4. THEME 1: HUMAN RESOURCE MANAGEMENT PRACTICES

4.4.1. Category 1.1: The respondents' perception of the definition of HRM practices

To ensure a shared understanding of HRM practices, the researcher posed the question to the respondents to determine how they understand and define HRM practices. The researcher then continued to investigate how the respondents' definition of HRM practices relates to their view on whether these practices have successfully been implemented in their organisations, as discussed in the previous section. In support of this definition the researcher posed the following statement, "My organisation has successfully implemented HRM practices", in the survey, to which the responses were either 50% a 3 (Neutral) or 50% a 4 (Agree). Therefore the respondents were divided into two groups, based on their response being neutral or that they agree with the statement. The detailed definitions as discussed by the respondents in the interview are presented in Annexure D.

From the definitions provided by the respondents, the researcher deduced an association between documented definitions and the respondents' perceptions. Although the respondents were initially hesitant to offer their perceptions they gained

confidence and for some it was a simplistic answer ranging from “happy people” (Respondent 5, 8), “being mom and dad to the staff” (Respondent 9), to “people is product” (Respondent 3) and “mostly it’s about keeping a family together” (Respondent 10). Respondent 4 and Respondent 6, whose organisations are the two largest in the sample, gave more comprehensive definitions including the various tasks incorporated under the HR portfolio.

Both groups defined HRM practices along the general theme that HRM entailed the managing and maintaining of their human resources. Therefore it appears as though the observed level of success does not help to differentiate the definitions of HRM. However, the researcher’s motivation for this question was to ascertain whether the respondent had a clear and functional understanding of the concept of HRM practices. As the above definitions did not answer this question sufficiently, the researcher continued to analyse the responses of this survey question in relation to whether HRM was a priority through comparison of the averages of the (3) neutral and (4) agree groups as detailed in Table 4.6.

Table 4.6: Comparison of the level of priority given to HRM practices by the degree of success in implementing HRM practices

		My organisation has successfully implemented HRM Practices	
Human Resource Practices are a priority in my organisation	Respondent	Neutral (3)	Agree (4)
	Respondent 1		4
	Respondent 2	3	
	Respondent 3	4	
	Respondent 4		4
	Respondent 5	3	
	Respondent 6	5	
	Respondent 7		4
	Respondent 8		5
	Respondent 9		4
	Respondent 10	2	
	AVERAGE	3,4	4,2

In Table 4.6 the averages for the priority given to HRM practices are 3.4 and 4.2 respectively. Therefore it can be inferred that the level of priority of HRM practices appears have a positive association to the perceived level of success of the implementation of those same practices. While Respondent 6 who scored a 5 (Strongly agree) on HRM being a priority, while 3 (Neutral) on the success of implementation is a noticeable anomaly, the pattern which has emerged nonetheless stands. The following section focuses on how these practices are implemented in these organisations.

4.4.2. Category 1.2: The implementation of HRM practices

To facilitate clear and precise answers, the researcher grouped the HRM practices in recruitment and retention, compensation and reward, training and development, labour relations and performance management. The first three HRM practices are discussed based on Table 4.7 below, which compares the averages of the 3 (Neutral) and 4 (Agree) groupings with the relevant survey responses.

Table 4.7: HRM practices based on the level of success of the implementation thereof in the organisation

My organisation has successfully implemented HRM practices												
Respondent	Recruitment and retention of employees are the most important HRM practices	Neutral (3)	Agree (4)	Reward and remuneration is the most important component of HRM practices	Neutral (3)	Agree (4)	Developing skills which enable employee performance contributes to organisational performance	Neutral (3)	Agree (4)			
Respondent 1					5				4			4
Respondent 2		4						4			4	
Respondent 3		2						2			5	
Respondent 4					5				2			5
Respondent 5		2						3			5	
Respondent 6		1						1			5	
Respondent 7					4				4			5
Respondent 8					5				5			5
Respondent 9					4				4			5
Respondent 10	5				5			4				
AVERAGE		2,8	4,6		3	3,8		4,6	4,8			

4.4.2.1. Recruitment and retention

Heneman III and Berkley (1999) stated that small organisations focus mainly on staffing, compensation and rewards as key HRM issues, and therefore the researcher explored which of these aforementioned issues are perceived to be the most important practice in this section.

In Table 4.7, Group (4) Agree scored an average of 4.6 while Group (3) Neutral has an average of 2.6. This is a notable difference in response averages and a clear indication that the perceived lack of success in implementation shows a positive association to the level of recognition of the importance of recruitment and retention.

In the discussion on how recruitment and retention is practised, the organisations stated that they primarily make use of indirect recruitment procedures, with limited use of labour brokers or placement agencies. These indirect recruitment measures include social media, spreading the word of an available position to other similar organisations in the industry, apprenticeship from artisan colleges and retaining casual workers. In support of this statement, Respondent 4 explained that “The majority of recruitment happens because of casuals that we have taken on; we see potential ... then give them a better shot at it”.

The question of whether the small business owner placed a higher priority on the skill of a potential employer or their fit with the company, when recruiting, led to contrasting responses. Respondent 2 was singular in his view that “I suppose a skilled person is the better way to go ... they have got to learn to adapt and fit in... the important thing is just to get the job done”. In his survey response, this respondent indicated that he agreed that recruitment and retention is the most important HRM practice for him, which supports his sentiment that he requires a skilled person who can immediately start working.

In contrast, Respondent 3 argued that it is more important to have “... a good fit ... come with the right attitude and I will teach you any skill”; this exact sentiment was echoed by Respondents 8, 9 and 10. Furthermore, Respondent 3 reiterated that skills can be taught but an attitude is an integral foundation to a successful employee appointment. Respondent 5 recommended a combination of equal amounts of experience, skill and a good fit for the organisation; however, he did confirm that as a deciding factor, skill can be developed while attitude cannot. Respondent 6 agreed with the aforementioned and affirmed that “99% attitude 1% skill” allows for a good fit in the organisation. He continued by saying that they require the new employee to:

...have an attitude where it's like I'm ready to do anything, I'm ready to do whatever it takes and that has been responsible for our incredible culture”.

The researcher deduced from this respondent's statement regarding "...our business is 100% built on people ..." as well as his definition of HRM being the "*ability to look at someone's job and their personal life, and just have a balance of it*" that Respondent 6 has a comprehensive view of HRM.

4.4.2.2. Reward and remuneration

The compensation offered by an organisation plays an important role in the recruitment and retention of employees. The average scores indicated in Table 4.7 yielded the expected score of 3 from respondents in Group (3) Neutral, whereas Group (4) Agree scored an average of 3.8. This suggests that there may be a somewhat weaker positive association between the level of importance given to rewards and the degree of success with the implementation of HRM practices. Respondent 6 stressed that compensation should take into account the actual duties rather than the title or position of the employee. In addition to this, he explained that the organisation has noticed that less than 10% of their employees open their payslips and thus have no idea what their salary amount is. As a result, the organisation began to take an active role in their staff member's finances as "...there is massive learning around it".

In the survey responses referring to both staffing and compensation, compensation was viewed as the most important HRM practice by 60% (40%+20%) of the respondents, while 70% of the respondents also perceived recruitment and retention as the most important HRM practice. A reason for this contradiction, that both practices are scored as the most important, could be that the respondents perceived the two concepts as one issue, as stated by Respondent 10 "... staff and paying them go together, you can't have one without the other".

4.4.2.3. Training and development

There is not a notable difference in the average scores of Group (3) Neutral and Group (4) Agree shown in Table 4.7, as 4.6 and 4.8 respectively. These scores indicate that irrespective of the level of success of implementation of HRM practices, all respondents agreed that "developing skills which enhance employee performance contributes to organisational performance". During the interviews the respondents stated that in theory developing skills through training was the ideal; however,

training and development is challenging due to time constraints and costs. In larger organisations employees have a dedicated position and description of duties where several employees are tasked together; this allows for the absence of an employee without too much disruption of operations. The opposite is evident in small organisations where each individual employee plays a significant role in the day-to-day operation, limiting available time away from the workplace. A further challenge for the implementation of HR practices is the employment of casual (short-term) workers which does not allow for, nor necessitate, long-term investment in staff development.

Respondent 6 underscored the significance of training and development for his organisation and commented that:

... as a company, if we want to get maximum productivity out of our staff, we need to be involved in not just their professional and personal education....

He went on to say that they invest in the training and development of their staff members through learnerships, formal education (for example financial programmes), as well as local and international courses for the technicians. The organisation has reaped the benefits of this in productivity and performance, as well as enhancing their brand as a talent magnet for prospective employees. In response to an interview question on their rapid growth from two to 42 staff members in eight years, Respondent 6 remarked that it was mainly due to their investment in their staff members.

During the course of the interviews the researcher explored the way of training in each organisation and concludes that all organisations have adapted their training to a method which works optimally for their specific organisation in their specific field of operation. An example to support this statement would be Respondent 8 who has five employees and therefore stated that both the costs and time away from work cannot be absorbed by his organisation. However, as their main function is audio-visual services, a highly technical area, they "... google how it works, try and try again, until its figured out together, but then we all know how the equipment works...".

4.4.3. Category 1.3: The impact of the event and MICE industry on the implementation of HRM practices

Some of the greatest challenges experienced by the interviewees were specifically having to implement HRM practices while being a small business owner in the event and MICE industry. Respondent 2 stated that “trying to deal with a lot of the stuff on my own I need the Mini-Me”. This resonated with many of the respondents as they experience the unpredictability of the industry, the continued intense deadlines and cost-cutting where possible challenging enough, without the added stress of people management.

In addition to this, Respondent 6 reiterated that the event and MICE industry is neither easy nor normal as staff members often work 100 hours overtime per month which is challenging both in terms of labour legislation compliance as well as establishing of industry standard compensation. Respondent 3 confirmed that due to the demanding hours and seasonality of this business, relationships and home-life balance has become increasingly challenging. Respondent 8 resonated with the sentiment, elaborating that “...this industry is something which is not for the faint-hearted”.

4.4.4. Conclusion

In conclusion of this section, the researcher explored whether certain HRM practices allowed the organisation to better meet the challenges of the industry. All respondents expressed the challenges of seasonality but have managed to meet this challenge in their recruitment procedures through employment of casual staff, although Respondent 3 had the most comprehensive interviewing process allowing for candidates who are a good fit for the organisation and knowledgeable about the position. The interview responses further indicated that Respondent 6 had the most effective practice of HRM in their organisation through a holistic approach to staff members. This approach allowed for maintaining the mental, physical and financial health of the employee. As a result, the employee could function in the harsh hours and the high stress environment, enabling the endeavour towards work-life balance.

4.5. THEME 2: ORGANISATIONAL PERFORMANCE

The semi-structured interviews followed a natural course towards a discussion of the industry and the perceptions of the respondents of the performance of their organisation.

4.5.1. Category 2.1: The respondents' perceptions of the definition of organisational performance

In response to the interview question, the respondents offered varying definitions of organisational performance – as detailed in Annexure E. They were divided into two groups based on their scoring of (3) Neutral or (4) Agree regarding their successful implementation of HRM in their organisations. However, it appears as though the observed level of success does not help to differentiate the definitions of organisational performance. Each individual description was to some extent representative of their key operational area in the industry. For example, Respondent 5 and Respondent 7 are major role-players in presenting high profile sport events. Therefore their impression of organisational performance is directly tied to the success of the event, the increase in the number of entries, the reduction in the number of complaints and the increase and maintenance of business relationships with sponsors. In contrast to this, Respondents 1, 2, 3 and 4 function mainly in the exhibition industry which tends to view operational performance measured on a financial basis. However, the operational definitions offered by the respondents also included client satisfaction, growth of assets and a low staff turnover. In addition to this, Respondent 8 defined it as how well the organisation performs in the particular industry in terms of expanding their client base, broadening their technical expertise and providing effective audio and visual services.

4.5.2. Category 2.2: The measurement of organisational performance

Respondent 2 stated that he measured his organisational performance using revenue and the amount of profit he was able to plough back into the business through stock purchasing. He elaborated that this increase of stock and equipment is an important indicator of company growth to him. In contrast to measuring the growth of the business, Respondents 3 and 10 measure external performance by the amount of repeat business and the growth of their client pool. Furthermore, Respondent 3 confirmed that as co-owners of the business their approach to the

organisation is very different as he prioritises paying staff payroll on time, whereas the partner prioritises organisational growth. These priorities are not necessarily in conflict as organisational growth can support the timeous payment of payroll.

Respondent 5 argued that it is more than just the bottom line, as in their case it is also measured by the ability to meet the intended budget, while client satisfaction is measured by the number of complaints or compliments received. This sentiment was echoed by Respondents 7 and 8, who also measure organisational performance by the success of the event, public perception and client feedback. Respondent 8 underlined that brand reputation is an important measure of organisational performance for his organisation. He went on to state that referrals from their current clients as well as recognition from other organisations in this industry through feedback at various industry association gatherings play an important role and should therefore be included in his overall measurement of organisational performance.

Respondent 6 commented that many of the small organisations that he has business dealings with only look at how much money is in the organisation's bank account without actual cost estimates detailing the true expenses of an event. He went on to explain that this is a dangerous method of measuring and that he has been witness to several small organisations who encountered the challenge of using their event deposit money to pay the previous event without calculating the risks and finally having to shut down their business due to shortage of funds. He elaborated that one of the reasons for this could be that many of the organisations in this industry are not managed and owned by businessmen but by artisans or technical specialists, with limited exposure to the financial aspects of running a business. Therefore, Respondent 6 stated that although the profitability measured by the bottom line is one measure of organisational performance, his organisation has established a departmental operational excellence report which is based on client and customer feedback on completion of an event and of how his brand was perceived. According to this respondent, firstly the organisation's ability to adapt to any changes and challenges associated with a project and secondly to retain staff, play an important role in this organisation's measurement of performance.

There was a specific question along these lines in the survey which asked whether respondents agreed that low staff turnover contributed to improved performance. In response to this survey question, 80% (40%+40%) of the respondents were in agreement. Respondents 1, 3 and 9 referred to their staff as “happy” when the organisation is doing well. Furthermore, they agreed that in an industry known for high staff turnover due to harsh working conditions, an organisation which can retain their employees is perceived by its own employees and outsiders to be “... the place to be as they look after their guys” (according to Respondent 1).

The question the researcher then posed was what made an organisation a magnet for employees. Respondent 10 replied that the “look” of the brand played a large role, in other words their logo, their uniforms, and their vehicles, and how the organisation was perceived influenced the level of loyalty and respect. This sentiment was echoed by Respondent 3 who referred to their brand as “... everyone knows when we arrive on site...”. These responses suggest that the respondents believe that the better the perceived performance of the organisation, the greater their chance of retaining staff members.

4.5.3. Category 2.3: The influence of HRM practices on the organisational performance

The researcher explored the question of the influence of HRM practices on organisational performance both in the interview as well as in the survey. The results in Table 4.8 shows the group averages to the two survey questions pertaining to organisational performance while respondents were divided into the two groups of (3) Neutral and (4) Agree based on their perception of the successful implementation of HRM practices in their organisation.

Table 4.8: Comparison of group averages to the survey questions pertaining to organisational performance based on the perceived level of successful implementation of HRM practices

My organisation has successfully implemented HRM practices								
Respondent	The organisational performance in my organisation is not influenced by the implementation of HRM practices	Neutral (3)	Agree (4)	HRM practices of this organisation is aligned to the business plan for organisational performance	Neutral (3)	Agree (4)		
Respondent 1					3			4
Respondent 2			2				3	
Respondent 3			4				4	
Respondent 4					2			4
Respondent 5			2				1	
Respondent 6			1				4	
Respondent 7					1			4
Respondent 8					2			5
Respondent 9					4			4
Respondent 10			4				2	
AVERAGE		2,6	2,4		2,8	4,2		

In the first survey question the researcher aimed to assess whether the perceived level of success in the implementation of HRM practices influenced the respondent's perception as to how HRM practices contributed to organisational performance. The average of the two groups did not show a notable difference (2.6 and 2.4 respectively); therefore the researcher inferred that the success in the implementation of HRM practices does not have a noteworthy influence on the perceived relationship between the implementation of HRM practices and organisational performance. In the second survey question the researcher aimed to explore whether there was a relationship between the perceived level of successful implementation and alignment of HRM practices to the business plan for organisational performance. The average scores of the groups were 2.8 and 4.2 respectively and suggested a notable difference in responses. The group which agreed that they had successfully implemented HRM practices also agreed that their HRM practices were more effectively aligned to the business plan, thus suggesting a strong positive association.

The researcher then continued to explore whether the responses of those respondents for whom HRM practices was a priority **correlated** to the responses of the "HRM practices of this organisation is aligned to the business plan for

organisational performance” survey question. The respondents were divided into two groups based on their survey response being (2) disagree or 3 (neutral) and (4) agree or (5) strongly agree as to whether HRM was a priority in their organisation. The comparison of the average scores is detailed in Table 4.9.

Table 4.9: Comparison of organisational performance by the perceived level of priority to HRM practices

HRM practices are a priority in my organisation								
Respondent	The organisational performance in my organisation is not influenced by the implementation of HRM practices	Group for (2) Disagree and (3) Neutral	Group for (4) Agree and (5) Strongly Agree	HRM practices of this organisation is aligned to the business plan for organisational performance	Group for (2) Disagree and (3) Neutral	Group for (4) Agree and (5) Strongly Agree		
Respondent 1					3			4
Respondent 2			2				3	
Respondent 3					4			4
Respondent 4					2			4
Respondent 5			2				1	
Respondent 6					1			4
Respondent 7					1			4
Respondent 8					2			5
Respondent 9					4			4
Respondent 10			4				2	
AVERAGE		2,7	2,0		2,0	4,1		

In the first survey question the researcher aimed to explore whether the level of priority given to HRM practices influenced the respondents’ perception of how said practices influenced the organisational performance. The two groups showed a difference between 2.7 and 2 respectively, suggesting that the group which showed a higher level of disagreement with the statement that “organisational performance in my organisation is not influenced by the implementation of HRM practices” also showed a higher level of recognition of priority to HRM practices. This result implies the positive association between the priority given to HRM practices and organisational performance. Finally, in the second survey question the researcher explored whether there was a **correlation** between the priority given to HRM practices and the alignment of these practices to the business plan for organisational performance. The results do suggest a strong positive association between these variables. Therefore the researcher deduced that those organisations that have given a high priority to HRM practices have also aligned these practices with their business plan for organisational performance.

4.6. CONCLUSION

In this chapter the researcher presented a detailed exposition of the data collection process which was followed, as well as an analysis of the data. Through scrutiny of the two themes as identified throughout the various data gathering techniques, the researcher was able to offer a comprehensive view of the perception of the small business owner of HRM practices and organisational performance, based on the comments made by the respondents.

The key findings from the research can be summarised as follows. The organisations which have prioritised HRM practices appeared in general to have been more successful at implementing these practices (Table 4.6). Those organisations that believe that their HRM practices are aligned to their business plan are more likely to perceive themselves to be more successful in implementing HRM practices (Table 4.8) and are also more likely to have prioritised the implementation of HRM practices in their organisations (Table 4.9). Thus, these results suggest a positive association between the prioritisation of HRM practices, the alignment of HRM practices to the business plan and the successful implementation of HRM practices.

In the following chapter the researcher will conclude with a discussion and recommendations regarding this study on how HRM is practised in small organisations in the event and Exhibition industry in Cape Town and to what extent this influences these organisations' organisational performance.

CHAPTER 5

DISCUSSION, RECOMMENDATIONS AND CONCLUSION

5.1. INTRODUCTION

In the previous chapter, the researcher presented an analysis of the themes identified during the data gathering process. In this final chapter, the researcher provides a discussion and interpretation of the findings from the data analysis presented in Chapter 4, in relation to the research question posed in Chapter 1 and the review of literature as discussed in Chapter 2.

5.2. RESEARCH FINDINGS

5.2.1. Introduction

In the following section the findings of this study are discussed along the framework of the themes and categories identified in Chapter 4.

5.2.2. Theme 1: Human resource management practices

5.2.2.1. Category 1.1: The respondents' perceptions of the definition of HRM practices

In this study, the respondents primarily referred to HRM practices as the process by which they manage their people (see Annexure D). This statement is in accordance with the definitions described in the literature in Chapter 2. Moreover, Storey et al. (2010) suggested that to be effective, HRM policies and procedures need to be responsive and adaptive to the needs of the organisation. During the interview discussion regarding the challenges in the event and MICE industry, the respondents stated that they have implemented an HRM system that works for their particular organisation. Storey et al (2010) emphasised the importance of tailor-made HRM practices in the dynamic changing environment of the small organisation.

In Section 4.3.3, the researcher discussed the characteristics of the respondents, and they were grouped together based on their size as follows: Group 1 (1 to 9 employees), Group 2 (10 to 25 employees) and Group 3 (26 to 49 employees). As size was a criterion for inclusion in this study, the researcher compared the group

averages on survey questions pertaining to HRM practices in the organisations (see Table 4.5). The findings show that overall, organisations in Group 3 had a more successful implementation as well as higher priority given to HRM practices. This result suggests an interrelationship between the number of employees and the level and quality of attention to HRM practices. This supposition is supported in literature as there is a proven interrelationship between HRM practices and organisation size (Kroon, Van De Voorde, & Timmers, 2013). The statement of Respondent 6 (owner of the largest organisation in the sample) that he built his organisation on and around his employees was reinforced by the high level of priority given to HRM practices by his organisation. The researcher explored whether the growth in number of employees in his organisation could be related to the level of success in implementation and HRM practices as well as the level of priority given to these practices, through comparison with like-for-like organisations. The findings of this analysis supported Respondent 6's perception that his HRM practices (and people-based approach) had contributed to the growth in number of employees. Even though the owner-managers of small organisations value and support a "family" culture where strong relationships with employees are key, strategic decision making still rests in the hands of the owner-manager (Kroon *et al.*, 2013). The authors further stated that whether, and how, HRM practices are implemented in the organisation is mainly dependent on the owner-manager's exposure to and perception of the HRM field.

5.2.2.2. Category 1.2: The implementation of HRM practices

The primary HRM practices utilised by these organisations were discussed and analysed in Table 4.7. The respondents were grouped according to their (3) Neutral and (4) Agree scores on the successful implementation of HRM practices in their organisation, and their average scores were compared by survey responses pertaining to recruitment and retention, reward and remuneration and training and development. The findings of these HRM practices are discussed in the following sections.

5.2.2.2.1 *Recruitment and retention*

As discussed in Chapter 2, the event and MICE industry is characterised by extreme peaks in the number and seasonality of projects, requiring more staff members

during these periods. Therefore flexibility is of the utmost importance for effective functioning of the organisation. In the absence of an integrated HRM strategy and due to the high peaks experienced in their industry, the respondents predominantly follow a reactive staffing strategy. The researcher further deduced from respondent statements that the utilisation of both a core and casual workforce has proven beneficial to the organisation as it has allowed it to adapt to a rapidly changing economic environment.

According to Phillips and Gully (2012), the return on staffing investments and the preservation and performance of employees can be increased by thoroughly assessing the effectiveness of the staffing practices, and targeting staffing activities which can ascertain and acquire the most suitable applicants to meet the organisational needs. The current staffing practices discussed by the respondents have been borne from experience and informal structures, and it is therefore recommended that the staffing system is evaluated and formalised to align with the organisational goals. The findings indicated in Table 4.7 support this conclusion as there was a positive association between the perceived success in the implementation of HRM and the level of recognition of the importance of recruitment and retention.

An effective staffing system therefore needs to be able to balance short-term crisis management with the long-term organisational goal in the development of quantity and quality of staff. Furthermore, due to the seasonality of this industry as well as its reliance on international congress and travellers, the scope to project staff requirements is limited and this represents a challenge to leadership in the industry.

The largest part of the sample was adamant that attitude is more important for selecting new employees than the skillset of prospective employees. In doing so, it is more beneficial to align the applicant competencies with the organisation culture, rather than aligning the skills and knowledge with the specific position (Heneman III & Berkley, 1999). The decision regarding an applicant's skills and the level thereof in relation to the job description is crucial in the selection process. According to the respondents, the challenge of the small organisation lies specifically in the varying roles the individuals play and therefore the respondents require a basic skillset but

require attributes that would make the candidate a good match for both the position and the organisation.

5.2.2.2 Reward and remuneration

The average scores compared in Table 4.7 relating to the reward and remuneration of employees presented a somewhat weaker positive association between the level of successful implementation and the level of importance attributed to compensation. The researcher therefore inferred from this finding that the level of successful implementation of HRM practices does impact compensation but that other factors are also at play in setting the remuneration package.

The respondents did not offer as much information regarding their compensation as they did around the theme of staffing, and thus the researcher interpreted this as “who” they pay is more important to the organisation than “what” they pay.

5.2.2.3 Training and development

As indicated in Table 4.7, all the respondents acknowledged the importance of training and development and there was no notable difference in the average scores. However, the respondents stated that training and development proves challenging due to costs and time constraints as each employee plays a pivotal role in day-to-day functioning. Banks *et al.* (1987) concurred that the cost and time away from work are important considerations, and thus in-house training is more often the course followed

5.2.2.3. Category 1.3: The influence of the event industry on the implementation of HRM practices

In the broader context, the event and MICE industry in South Africa is known for short bursts of high pressurised projects, with fixed deadlines, high profile clients and intense, irregular work periods, as discussed in Chapter 2. Furthermore, the seasonality of this industry does not fundamentally lend itself to a long-term HRM strategy, as it functions predominantly on contractual work for short periods of time. A review of current academic literature has revealed that small organisations, functioning within a highly pressurised environment, focus more on operational

survival than on the organisational management of human resources (Kotey & Slade, 2005; Patel & Cardon, 2010; Zakaria et al., 2011).

The respondents were all in agreement that taking into account the challenges experienced, HRM practices are simply not as much of a priority as to meet the deadlines for events. Respondent 10 referred to this as "... first get the job done, then worry about the feelings, the egos and the issues...". However, as indicated in Table 4.4 and Table 4.5, some of the organisations are significantly less reactive than others.

In Section 4.4.3, Respondent 6 referred to the long work hours and the stresses experienced in the industry. Workload stress is a prominent characteristic of working on events where the hours in a work week typically exceed the legal limit and sleep is a rare commodity (Odio, Walker, & Kim, 2013). Furthermore, Odio *et al.* (2013) detailed that time pressure is an integral component as the success of an event hinges on meeting the crucial deadlines. This coupled with the possibility of unexpected role stressors, for example weather conditions etc., leads to the situation as described by Respondent 8 "...this industry is something which is not for the faint-hearted". Interesting to note, Respondent 3 stated that should she and her husband not be partners in the business they would not see each other, affirming a general challenge for employees in this industry, as supported in a recent study by Odio *et al.* (2013), that the work-family stressor makes "non-work things almost absolutely impossible".

Taking into account the above-mentioned working conditions, the researcher has deduced that the standard HRM practices would not be applicable to this industry. According to Samnani and Singh (2013), the lack of dedicated HR personnel, structures and processes makes it problematic to assess the strengths and weaknesses of the HRM practices applied to small organisations. An example of this was observed in Respondent 6's response that although HRM practices are priority in his organisation, he scored a (3) Neutral to the level of successful implementation. However, throughout the study, Respondent 6's responses indicated the most successful level of implementation of HRM practices through the comprehensive approach toward said practices.

5.2.3. Theme 2: Organisational performance

5.2.3.1. Category 2.1: The respondents' perception of the definition of organisational performance

In this study, the organisations did not necessarily refer to HRM practices or strategies, but instead referred to the flow of interrelated activities concerning the management of their employees. The researcher inferred that each organisation had developed a tailor-made strategy which best met their organisational goal. Phillips and Gully (2012) emphasised that an organisation's business plan determines how well it will compete in its market place and in the end; an organisational plan depends on the employees' willingness, capability and commitment to execute it.

5.2.3.2. Category 2.2: The measurement of organisational performance

Organisations are pressured to measure their organisational performance based on the triple bottom line of social, environmental and economic performance (Hubbard, 2009). During this research, the respondents primarily referred to the financial measurements, including repeat customers and reputation, but not to environmental or social indicators.

5.2.3.3. Category 2.3: The influence of HRM practices on organisational performance

The findings documented in Section 4.5.3 indicate that success in the implementation of HRM practices does not have a noteworthy influence on the perceived relationship between the implementation of HRM practices and organisational performance. However, the group which agreed that they had successfully implemented HRM practices also agreed that their HRM practices, in particular towards recruitment and retention, were more effectively aligned to the business plan, thus suggesting a strong positive association. This finding is echoed in a study of over 600 small organisations conducted by Astrachan and Kolenko (1994). The results of their study stated that there was a positive association between HRM practices and the gross revenue of the organisation (Astrachan & Kolenko, 1994). Therefore the researcher deduced that those organisations who have given a high priority to HRM practices have also aligned these practices with their business plan for organisational performance. This result resonated with research studies which have documented empirical evidence that specific HRM

practices, for example comprehensive recruitment packages, have a direct impact on organisational performance (Samnani & Singh, 2013; Syed & Jamal, 2012).

5.3. RECOMMENDATIONS AND LIMITATIONS

5.3.1. Recommendations

Limited research has been done on informal HRM practices in small organisations, in particular how they retain and develop high potential employees (Cardon & Stevens, 2004b; Heneman et al., 2000; Quinn, 2013). Furthermore, Heneman III and Berkley (1999) recommended that small organisations need to approach their staffing recruitment and selection methods as strategic choices which impact the overall organisational performance. It is therefore recommended to conduct further studies on this research topic in order to contribute to building a stronger workforce within the small organisation. Cardon and Stevens (2004) suggested that ongoing research on how HRM practices and processes evolve in small organisations would also contribute to the development of standard best practices in HRM for small organisations.

Regardless whether founded in the US or UK, HRM emphasises employees as valuable assets to the organisation requiring continuous focus on the needs of the employee (Storey, 2001). In the current global economy, policy makers in successful organisations understand the importance of implementing HRM practices to enhance their organisational performance (Suttapong, Srimai, & Pitchayadol, 2014). Through investment in their workforce they are acknowledging the value of their employees and the fact that employees display higher levels of productivity when they are content and appreciated (Mitchell, Obeidat, & Bray, 2013). It is therefore recommended that owners and/or managers take cognisance of the importance of HRM practices through knowledge intensive courses establishing principles applicable to their individual businesses within the industry.

5.3.2. Limitations and challenges

This research study had some limitations and challenges, starting with the sample being quite small and focused on a geographically concentrated group of small

organisations. Therefore the data obtained in this study could not be generalised to other research projects.

As the interviews were with owners or management of the organisation, it presented a one-sided view of the HRM practices in the organisations. Furthermore, all respondents were male and the opinion of female counterparts may have contributed to a difference in the results. It would be significant to continue this research by interviewing the staff members of the same organisations and measure the level of consistency in the responses. Also, an identical study specifically comparing the results of female owners, or management, to the results of their male counterparts could offer interesting variations on the findings of the study.

As the researcher is a staff member of one of the organisations which was interviewed and has intimate knowledge of this industry, objectivity and interviewing with leading questions was a challenge. Equally important though, the researcher was able to interact with the respondents in their own language and on their own terms. This enabled a trust relationship which was an initial motivation for the qualitative research design. Furthermore, to ensure unbiased reporting, this challenge was overcome by including a quantitative survey which was not open to manipulation.

5.4. CONCLUSION

In this study, a comprehensive literature review was done consulting the topic of the research study. This was followed by a qualitative case study approach, following a semi-structured interview and survey. The examination of this data was guided by the research question, as constructed in Chapter 1. This qualitative study produced contextual data on current HRM practices in the respondents' organisations and their influence on organisational performance.

According to Cardon and Stevens (2004), care should be taken to not project the formalised HRM structure on small organisations as it may have a negative influence on the perception of a supportive "family" culture, as well as stifle creativity, innovation and individual contribution. Throughout this research project, it was evident that the respondents were applying basic HRM practices which were tailored

to the individual needs of their organisation and thus “working for them”, as confirmed by Respondent 2.

However, the statement postulated by Edelman *et al.* (2002) that small organisations prefer well-known process efficiency tactics over developing new strategic capabilities remained throughout the study; in other words, whether “it’s working for them” was good enough or whether there remained a better way of practising HRM.

Unfortunately the research for this study did not uncover new practices and processes which could contribute to this knowledge field, but it did expose a field of research which is still dormant. It is therefore our responsibility as scholars to continue to develop new research studies to explore and interpret how HRM is practised in small organisations, as well as how this influences said organisations’ organisational performance.

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ANNEXURE A:

CONSENT FORM FOR PARTICIPATION IN RESEARCH STUDY



CONSENT TO PARTICIPATE IN RESEARCH

HUMAN RESOURCE MANAGEMENT PRACTICES IN SMALL ORGANISATIONS IN THE EVENT AND MICE INDUSTRY AND CAPE TOWN, AND HOW THESE PRACTICES INFLUENCE ORGANISATIONAL PERFORMANCE

You are asked to participate in a research study conducted by Anneke Putter, currently a Masters Student in People Management in the Faculty of Commerce at the University of Cape Town. You were selected as a participant in this study, for the specific purpose of obtaining information regarding the implementation of Human Resource Management practices in small organisations in the Event and Exhibition Industry in Cape Town and the extent to which said practices can contribute to organisational performance.

1. PURPOSE OF THE STUDY

The purpose of the study is the following:

- 1.1 Determine how small organisations in the Event and Exhibition Industry in Cape Town implement Human Resource Management practices.
- 1.2 Determine how the Human Resource Management practices in small organisations in the Event and Exhibition Industry in Cape Town influence organisational performance.

2. PROCEDURES

If you agree to participate in this study, it would entail the following:

2.1 Interview

The researcher will make an appointment with you and conduct the interview at your office, or alternatively at a venue of your choice. You will be requested to participate in a discussion of 30-40 minutes, and if necessary, a follow-up interview, focusing on the following points:

2.1.1 History and general description of your organisation

This section will explore your background and current responsibilities in your organisation.

2.1.2 Topic Specific

This section will include a combination of questions intended to elicit perspectives relating to management and organisational performance.

Please note: The researcher intends to record the interview and the data will then be transcribed verbatim for analysis.

2.2. Researcher Notes

The researcher will be making notes throughout the interview.

2.3 Documents

You are invited to present documentation which you would like to submit by way of elaboration of your perspectives.

3. POTENTIAL RISKS AND DISCOMFORTS

At this stage no reasonable foreseeable risks, discomforts, or inconveniences have been identified. Furthermore, no significant physical or psychological risks to participation that might cause the researcher to terminate the study have been isolated.

4. POTENTIAL BENEFITS OF RESEARCH STUDY

Limited research has been done focusing solely on the Human Resource Management practiced in small organisations, and more specifically the Event and Exhibition Industry which features an extensive set of challenges for e.g. seasonality. The findings and

recommendations of this research project could be utilised as a starting point towards further study of how aforementioned practices could be implemented to a greater extent to promote organisational performance in the absence of a dedicated Human Resource Management department.

5. CONFIDENTIALITY

Any information that is obtained in connection with this study and which can be identified with you will remain confidential and will be disclosed only with your permission or as required by law. Confidentiality will be maintained at all times by means of coding of the transcripts and anonymity will be protected. This research project is not for publishing purposes as it forms part of the research module offered in this course, and is therefore for study purposes only.

6. PARTICIPATION AND WITHDRAWAL

You can choose whether to be in this study or not, and should you agree to be in this study, you may withdraw at any time without consequences of any kind. You may also refuse to answer any questions you don't want to answer and still remain in the study. The investigator may withdraw you from this research if circumstances arise which warrant doing so.

7. IDENTIFICATION OF INVESTIGATING BODY

If you have any questions or concerns about the research, please feel free to contact:

Assoc Prof Suki Goodman

Head: Organisational Psychology

Room 4.33, Leslie Commerce Building, University of Cape Town

E-mail: suki.goodman@uct.ac.za

Tel: 021 650 2472 / Fax: 021 689 7570

SIGNATURE OF RESEARCH PARTICIPANT

The information above was described to me by Anneke Putter in English and I am in command of this language. I was given the opportunity to ask questions and these questions were answered to my satisfaction. I hereby consent voluntarily to participate in this study, and I have been given a copy of this form.

Signature of Participant

Date

SIGNATURE OF RESEARCHER

I declare that I explained the information given in this document to the participant and encouraged and gave ample time to ask me any questions. This conversation was conducted in English.

Signature of researcher

Date

**ANNEXURE B:
SEMI-STRUCTURED QUESTIONNAIRE AND LIKERT SCALE
SURVEY AS RESEARCH INSTRUMENT UTILISED IN THIS STUDY**

How is Human Resource Management practiced in small organisations in the Event and Exhibition industry in Cape Town, and to what extent does this influence their organisational performance?

Section 1:

General description and business history of the small organisation

1.1 Acquire a detailed description of the respondent's background as well as current responsibilities in the organisation, ensuring the following key components are included in the discussion:

1.1.1 Short descriptive personal background on qualification and employment history.

1.1.2 Current role in the organisation and the duration in this position, including what their personal is vision for the organisation?

1.1.3 The history of the organisation as understood and interpreted by the respondent

1.1.4 Brief analysis of past and current management

1.2 Continue with discussion on the organisation, ensuring the following key components are included in the discussion:

1.2.1 Key operational area within the Event and MICE industry

1.2.2 The physical location of the organisation

1.2.3 The duration for which the organisation has been operational and the number of Staff members employed

1.2.4 Description of the current management structure of the organisation

1.2.5 Explore whether the HR activities at the organisation are performed by a dedicated

Section 2

This section describes the current organisational performance of the organisation based on the perception of the respondent, ensuring the following key components are included in the discussion:

2.1.1 Detailed description of the respondents perception of organisational performance

2.1.2 How is organisational performance measured in the organisation?

2.1.3 Example of such measurement in the organisation

Section 3

This section describes the current Human Resource Management practices of the organisation based on the perception of the respondent, ensuring the following key components are included in the discussion:

3.1 Detailed description of the respondent's perception of Human Resource Management practices

3.2 Discussion on how HRM practices are implemented at the organisation

3.3 Who are the role-players responsible for the implementation?

3.4 Which resources are allocated to HRM practices (e.g Training Room)

3.5 Estimate of the financial resources allocated to HRM practices (e.g. Training and Development budget)

3.6 Would the company benefit from a dedicated HR department?

3.7 Suggestions on specific HRM practices which are not currently implemented, but should be recommended.

Section 4

This section describes how the respondent perceives the influence of the HRM practices on the current organisational performance of the organisation, ensuring the following key components are included in the discussion:

- 4.1 Does the current HRM practices influence the organisational performance?
- 4.2 If yes, to what extent and offer examples from the workplace (e.g. low employee turnover)
- 4.3 If no, why not and offer examples in corroboration
- 4.4 Which HRM practices would better influence organisational performance?

Section 5

Please complete the survey below regarding your organisation with a rating of 1 as strongly disagree and a rating of 5 as strongly agree:

	Question	Strongly Disagree			Strongly Agree	
		1	2	3	4	5
1	My organisation has successfully implemented Human Resource Management Practices					
2	The organisational performance in my organisation is not influenced by the implementation of Human Resource Management Practices					
3	Human Resource Management practices are a priority in my organisation					
4	The Management of my organisation is responsible for the implementation of Human Resource Management practices					
5	The size of my organisation does not warrant implementation of comprehensive Human Resource Management Practices					

		Strongly Disagree			Strongly Agree	
		1	2	3	4	5
	Question					
6	HRM practices of this organisation is aligned to the business plan for organisational performance					
7	Recruitment and Retention of employees are the most important HRM practices					
8	Developing skills which enable employee performance contributes to organisational performance					
9	Reward and remuneration is the most important component of Human Resource Management practices					
10	Labour Law related issues are the responsibility of management					
11	Employee satisfaction influences organisational performance					
12	Increasing innovation, creativity and flexibility of the employee is a prerequisite for enhancing organisational performance					
13	Application of new approaches to HRM practices in my organisation could contribute to increased organisational performance					
14	Organisational performance influences employee satisfaction					
15	Enhanced organisational performance leads to lower staff turnover					

ANNEXURE C: KEYWORDS FOR DATABASE SEARCHES

Best Practices

Business Tourism

Compensation

Conference Tourism

Conference and Exhibition Tourism

Entrepreneurial performance

Event Industry

Event Management

Exhibition Industry

Firm performance

Human capital

Human Resources

Human Resource Management

Human Resource Management outcomes

Human Resource Management Practices

Human Resource Management Policies

MICE

Organisational performance

Organisational performance indicators

Organisational resources

Organisational strategy

Personnel Management

Reward and remuneration

Small to Medium Business Enterprises (SME's)

Staffing

Strategic HRM practices

ANNEXURE D:

DETAILED DESCRIPTION OF THE RESPONDENT'S DEFINITION OF HRM PRACTICES

Respondent	Number of staff	Neutral (3)	Agree (4)
Respondent 1	13		I think you have to have a job that is defined. Then you need somebody to fulfil the requirements of that job and they need to be right, first of all they need to have the right skills. They need to be the right fit within terms of the culture of the company, and they need to perform.
Respondent 2	2	Communication, the staff, as to how things should be done, not only on site but with dealing with your clients, dealing with others exhibition companies who are also on site, you know. It is a whole general thing.	
Respondent 3	6	"People is product"	
Respondent 4	32		I find Human Resources is a particularly difficult area, you have to judge if you have happy people. It is not easy. You know, people do their bits they get on top of their stuff. I think my perception is to monitor the guys, that they comply with their job criteria and that they work to their responsibility roles.
Respondent 5	11	"Happy people"	
Respondent 6	42	I see every single staff member that's working as an asset. So human capital management for me is more important, because what are we doing to ensure that that asset is kept in perfect order, emotionally, physically performance wise. Its the ability to look at someone's job and their personal life, and just have a balance of it.	
Respondent 7	36		It's basically just the management of the people inside your organisation.
Respondent 8	4		Making sure my staff is happy.
Respondent 9	6		Being the mom and dad to the staff
Respondent 10	10	Helping the staff, making sure everyone is looked after, being involved with their training. Also there is the discipline side and the wages side..... Mostly its about keeping a family together	

ANNEXURE E:

DETAILED DESCRIPTION OF THE RESPONDENT'S DEFINITION OF ORGANISATIONAL PERFORMANCE

Respondent	Neutral (3)	Agree (4)
Respondent 1		It's not just bottom-line. It's smooth operating. I mean, it's like everything. First your client is the most important person. That the client is satisfied. That their wishes are fulfilled. That, if you like, they are getting their money's worth.
Respondent 2	"I would say that most probably the easiest and most efficient way would be the turnover, how you have grown over those years. I also look at it as to the buying in, new equipment and stuff like that to replenish and to grow it, so you are bringing in, building up your stock levels and things like that"	
Respondent 3	"Internally, within, and stuff, it's pretty much feedback" The low staff turnover "they look back and that was one of the best things they did in their life" "Externally, I guess when people keep using us."	
Respondent 4		Two things. One is when the organisation is operating optimally, there is different areas of it. But let us talk about the production side firstly. When that is operating optimally then we have very few panics, so stuff will run smoothly. The other is we look at our pipeline moving forward. So we are monitoring that all the time to see what sort of volume is coming down the pipe.
Respondent 5	"I think there's various factors. For me, it's the amount of runners that complain or spectators that complain, as well as various other stakeholder complaints. So a big success factor is the amount of calls I get after the event"	
Respondent 6	We always measure it on turnover.	
Respondent 7		As an organisation, we are quite easily measured on our financial performance and obviously if the event, events run smoothly.
Respondent 8		Well how well we perform in the marketplace.
Respondent 9		The growth of the client base at the venue Also our financial books shows whether this is working or not.
Respondent 10	How we are perceived in the industry and holding on to our clients and to our team	