

Human Capital Transfer from Large Enterprises to Small Business: Conditions, Benefits and Threats

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Human capital is one of the most important intangible assets of each modern business entity. This statement is especially important for the small and medium sized enterprises, which, in most cases lack the tangible resources. Their ability to compete on the market both locally and globally, mostly depends on their flexibility, owner's intuition and the quality of human capital that pushes those companies forward. One of the ways to acquire desirable human capital by the small and medium sized entities, is to influence its transfer from large business enterprises. Taking this into account, the aim of this article is to identify and assess the conditions that increase the benefits as well as reduce the threats, which result from human capital transfer from large entities to the small businesses. To achieve this aim, a research survey was conducted on a sample of 356 micro, small and medium sized companies that operate on polish market. Based on the above, 2 research hypotheses were verified. The results indicate that the growth of benefits and reduction of threats that result from this specific human capital transfer is determined by the set of: legal, economic, organizational, socio-cultural conditions and technical conditions. The results have moreover high managerial implications, giving advice which conditions should be developed within the companies to increase the level of benefits associated with the process of human capital transfer, and at the same time which of those conditions potentially mitigate the risks.

JEL Codes: J24, L26 and O15

1. Introduction

Human capital is currently one of the leading theoretic concepts within the area of human resources management. Its significance is expressed in its definition as well as in components that create it, and influence its further development. What makes this concept so unique, is that it is created by elements hard to be quantified (Nyberg, Wright, 2015). Connection between the given feature and a combination of positive factors can decide about organization's success or its failure. It is also important for small and medium-sized enterprises, in which human capital positively influences entrepreneurial process [Haber, Reichel, 2007], business survival, expected growth rate (Mengistaea, 2006) and market performance (Manev, Gyoshev, Manolova, 2005) of these companies. One of the possible ways to acquire high level human capital for small business, is to acquire it from large enterprises, however it requires a combination of conditions that may influence the transfer. This leads to formulate two research questions: 1) which conditions have the greatest effect on influencing the level of benefits that result from the human capital transfer from large enterprises to the SME's ? and 2) which conditions have the greatest effect on mitigating the negative effect that result from the human capital transfer from large enterprises to the SME's ?

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Taking this into account, the article's aim is to identify and assess conditions, by which the SME sector companies have the possibility to improve the level benefits and to reduce the level of threats that results from the human capital transfer from big companies. In the considerations, a research model is proposed and 2 hypothesis have been formulated. To achieve that goal, a research survey was conducted on the sample of 356 micro, small and medium sized companies that operate in Poland. The research model and the hypothesized were tested by the multiple linear regression analysis.

Conducted research differentiates from the previous studies most of all in its complexity. The previous research concentrated only on the general factors of employee migration and did not take into account the specifics of the small business. By identifying the limitations of the previous research, the authors decided to develop a new approach. The proposed transfer conditions are adjusted to the specifics of the micro, small and medium sized businesses, by taking into account both general conditions of the transfer and the SME's distinctive characteristics. Given the complexity of the research, it can be assumed that it enriches the current level of knowledge in the business related subjects.

The article is organized as follows: firstly we covered the literature review, then we presented the methodology and research model. In the next section we provided main findings which lead to discussion aimed to verify research hypotheses. The last part summarizes our considerations based on which we formulated practical and cognitive implications.

2. Literature Review

The employee turnover is considered today as a serious problem for the companies worldwide (Griffeth, Hom, 2001). Today's opportunities, relatively low unemployment rates and difficulty to retain key employees without additional costs, are the source of problem for modern corporations. Those employers are getting desperate in order to retain their employees, which over time gain experience and demand more for their services. Managing the retention process is a constant challenge for the business entities. Even though the awareness of the problem increased (Phillips, Connell, 2003), together with the solutions to retain the most valued assets of the companies, still the human resources specialist and management are unable to find a solution to keep their key talents within the organization.

It is worth mentioning, that from the point of view of employee turnover, two types of it can be differentiated: voluntary and involuntary (Griffeth, Hom, 2004). The voluntary turnover takes place in a situation in which an employee decides to move his career to a different place, however the involuntary one takes place when an employee is forced to leave his workplace (for an example due to illness or being reduced). Referring to the key phrase of the title - human capital transfer from large entities to small business, only voluntary turnover will be taken into account. The view that staff turnover has a negative implication for the company comes from a fact that costs are associated with it in many dimensions (Taylor, 2002). On the other hand however, the transfer itself may be a chance to acquire high level human capital for the small businesses. A capital that is essential for their further growth and development.

Essential to this topic are the reasons why employees change their job. The most often belief is that people change it because they are not satisfied with their salary. The literature however states that monetary benefits are a smokescreen. L. Branham (2012)

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quoting the *Harvard Management Update Survey: Saratoga post-exit surveys*, gives an illustration that the statement that monetary reasons play the most important role is false. In the management's belief 88% of the turnover belongs to that reason, however the employees that left their jobs stated that other reasons constitute 88% of the reasons to change it, leaving only 12% for the money reasons.

Getting deeper into the literature reveals in fact 5 categories, why people change their workplace, and they are as following: legal, economic, organizational, socio-cultural, and technical reasons (Branham, 2012; Dibble, 1999; Phillips, Pullham, 1999; Leroy, 2007; Mackay, 2007; Deblauwe, 2006; Smith, 2007; Jackson, Schuler, Werner, 2012; Ollek, 2009; Viva, 2011; Durai, 2010; Kreitner 2010; Galdwin, McConell, 2014; Leibowitz, 2006; Monge, Contractor, 2003; Schulz, 2008; Brose, 2008; Ursiny, Bolz, 2007; Labelle, 2009; Redman, Wilkinson, 2009). To legal reasons we can include: unattractive form of employment, lacks of the benefits in terms of work time, holidays, maternity related privileges, or lack of safety and hygiene of work. As for the economic reasons, the following can be mentioned:

- the salary being inadequate to the function or not dependent on the efficiency,
- uncertain future of the organization,
- not fair salary related or not satisfactory other benefits,
- attractive job offer,
- motivation to start own business,
- low salary that results in the belief of being undervalued and not appreciated,
- company's financial problems.

To the organizational sources of voluntary turnover, the following can be included:

- uninteresting or unchallenging job,
- lack of resources necessary to deliver the job,
- lack of support in terms of innovative solutions and key ideas implementation,
- lack of company's concentration of the quality of the delivered products/services,
- lack of feedback regarding the assessment of work performed,
- lack of flexibility,
- lack of concentration on the productivity of the delivered products/services,
- too high expectations concerning business trips,
- the work place has not been as promised,
- no fit between the role and employee,
- lack of human capital development forms within the company,
- the character of the job has no space for the development,
- too much deregulated relations within the company,
- lack of possibility to take additional tasks,
- inadequate style of company's management.

To the socio-cultural reasons, the following can be included:

- more work life balance required,
- negative relations with co-workers or the management,
- decision to change career path,
- the will to change the place of living (ex. city),
- decision to start a family,

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- family problems or illness,
- feeling of being undervalued,
- lack of trust to management,
- feeling that without proper connections, promotion is impossible,
- lack of satisfaction from the job,
- lack of safety within the organization.

As for the technical reasons, lack of proper training technical training, essential to perform the job, lack of adequate technical back office, essential for the function, and lack of up to date software, making the job more efficient, have been taken into account.

The above are only examples of the reasons, why employees may choose to change their jobs. Literature review indicated that the previous research concentrated only on the general factors of employee migration and did not take into account the direction of human capital transfer from large enterprises to small business. Lack of research in this area is a major limitation of the previous research, which indicates a research gap in management science and requires to develop a new, complex approach. This approach needs to take into account the specifics of the micro, small and medium-sized enterprises in the process of human capital transfer from large entities. Based on this, and taking into account the qualitative characteristics of the small business (Nicolescu, 2009; Storey, Greene, 2010; Schaper, Volery, Weber, Gibson 2014), the following conditions can be determined, that can increase the chances of human capital transfer from large entities to the SME's (table 1).

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Table 1: Conditions increasing human capital transfer chances from large entities to the small business.

Condition type	Conditions increasing the attractiveness of the SME's in terms of human capital transfer from large business entities
Legal	1. Attractive employment form
	2. Respecting the regulations concerning work time and holidays
	3. Respecting regulations concerning maternity
	4. Respecting the safety and work hygiene rules
Economic	1. Financial stability of the company
	2. Higher salary flexibility
	3. Salary being dependent from the role and duties within the organization
	4. Clear bonus practices
	5. Connecting the level of salary with efficiency and work results
	6. Attractive and satisfactory other benefits
Organizational	1. Clear and precise requirements
	2. Flexibility of fitting in the employee to the roles and duties within the company
	3. Making the promotion dependent from the competencies, efficiency and results
	4. Clear assessment criteria's
	5. Enabling to take additional roles and duties within the organization
	6. Ensuring internal and external forms of development
	7. Concentrating on the efficiency and productivity
	8. Enabling participation in the decision making process
Condition type	Conditions increasing the attractiveness of the SME's in terms of human capital transfer from large business entities
Socio-cultural	1. Appreciating individual input
	2. Creating the satisfaction from the job
	3. Building trust of the leadership
	4. Having an organization culture motivation employees to development
	5. Ensuring the awareness of safety within the workplace
	6. Supporting relocations
Technical	1. Having adequate technological back office necessary to deliver the job
	2. Having modern software
	3. Assuring that proper IT trainings are in place due to rapid technology development

Source: own work based on: (Branham, 2012; Phillips, Pullam, 1999; Leroy, 2007; Mackay, 2007).

Human capital transfer from large entities to small business can be at the same time a benefit or a threat to the SMEs. Based on the literature that concern employee migration, human capital concept and research, the following benefits of the human capital transfer between large enterprises and small business were identified:

- bringing in new competencies, abilities, skills, professional knowledge, attitude and other personal attributes, as well as information about the company's operation and management systems,
- introducing new ideas about company's operations, both as a whole and in terms of certain areas,
- bringing attention to the crucial role of planning in the enterprise, reducing this way the risky model of operations based on owner's or shareholders intuition,
- introducing the benefits of more formal information system within the organization,
- exhibiting the important role of formalization of the segregation of duty and controlling within the company,

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- displaying the need of more decentralization within the company in order to change owner's role from operational to strategic,
- pointing out the need to change the innovation's policy within the company from short to long term effects,
- pointing out the alternative methods of financing, including the solutions available for the SME's on the capital market,
- in terms of the above points implementation, or partly implementing the solutions, the growth of entity and revenues.

The process of transfer can have as well negative effects, which will pose a threat to the company. The following points were identified as a human capital transfer between large entity and the SMEs:

- mismatch between the role and employee's abilities,
- inability of the employee to adjust to the conditions present in the company and the organization culture,
- will to implement the solutions learned in the previous company, without considering the effect of the implementation in a smaller entity,
- transformation of present culture in the organization into harmful and not required direction,
- having costs of recruitment, including all stages of the recruitment process, the training, the notice period and those associated with looking for a better candidate,
- harming integrity of work,
- lowering the motivation level of the current employees,
- lower productivity and efficiency of the current employees as a result of lower motivation level (Boydell, Deutsch, Remillard, 2006),
- possible disorganization and distortions caused by the lower work indicators,
- possible increase of the employee turnover among the current employees,
- harming brand's image, and possibly due to that, losing market share,
- increased tension, stress level and uncertainty connected with the difficulties experienced in the HRM area.

Defining those elements and considering the process of human capital transfer between large entities and the SME sector companies, have led to formulate the following research hypothesis:

H1: *Development of the legal, economic, organizational, socio-cultural and technical conditions, significantly and positively influences the benefits of the human capital transfer from large entities to the small business.*

H2: *Development of the legal, economic, organizational, socio - cultural and technical conditions, significantly and positively influences reducing the threats of the human capital transfer from large entities to the small business.*

The verification of the given hypothesizes may serve as a guide the owners and the managers of the small business, increasing the chance of acquiring the human capital from large corporations and the benefits of such transfer and lowering the threats associated with it.

3. The Methodology and Research Model

To achieve the aim of the article and to test our hypothesis, we have conducted an empirical study in a form of survey research on sample of 356 SME sector companies that operate in Poland. As a research technique, an electronic survey was used, and the research application was an electronic survey placed on the internet and available for the participants at www.webankieta.pl. Conducted research qualify for inductive reasoning in organizational studies (Ketokivi, Mantere, 2010), allowing the generalization of the results on the basis of statistical analysis of the individual observations of the business practice. It is completed with the use of quantitative methods in the management research (Brandimarte, 2012), which concerns the use of the research method and technique, as well as analysis and interpretation of the results.

The research was conducted on the randomly chosen 356 micro, small and medium sized companies. The size is defined on the basis of the answers received, and defined on the baseline of the European Commission Recommendation (2003) and the European Commission Regulation (2004). The research itself took place in Q3 2015. As for the criteria, the following were taken into account: (1) the average yearly level of employment (in terms of full time employees), (2) the level of turnover, and (3) the level of the entities assets. Additionally, only autonomous companies (European Commission, 2015), were taken into account, meaning those whose capital/ownership connection did not exceed 25%. Based on participants declaration, the following were identified:

- 235 micro companies, with the average yearly employment between 0-9 employees, in which the yearly turnover and the total assets do not exceed 2 mln. Euro,
- 89 small companies, with the average yearly employment between 10-49 employees, whose yearly turnover and assets do not exceed 10 mln. Euro,
- 32 medium sized companies, with the average yearly employment between 50-249 employees, whose yearly turnover do not exceed 50 mln. Euro, and the level of the assets is lower than 43 mln. Euro.

The surveyed companies operate mostly as individual companies (55%) or limited liability companies (2%). Among other forms, the following were declared private/general partnerships (15%), cooperatives (4%) and joint stock companies (2%). Most of the enterprises operate in different fields of the service area (69%). The other business sectors are represented by less companies, 17% in trade and 14% in production. Most of the companies operate in the traditional technology field (71%). On the other hand, 29% of the surveyed companies operate in the advanced technology sector, which include: pharmaceutical industry or production of the medical equipment. These enterprises mostly operate in the national market (42%), and less in the international range (27%), regional (18%) and local (13%). The sample concerns mostly companies, age exceed 20 years of operation (31%) or relatively young companies, with the operating age between 5 to 10 years (29%). The other ranges of functioning were as follows: up to 5 years (7%), above 10 to 15 years (19%), above 15 to 20 years (14%).

In terms of personal function characteristics, most of the surveyed companies (51%) have an informal human resources development strategy. This way of operating is typical for small businesses, which is characterized by more informal approach to planning and strategic management, than big companies (Barrett, Mayson, 2007; Honig, Samuelsson, 2012). Human capital development strategy exists in the form of strategic documentation

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in 11% of the companies. 38% do not view human resources management as strategic topic for their functioning, with 12% planning to take strategic actions in the next 2 years. The characteristics of the chosen research technique, indicates that all analyzed entities have an internet access and actively use their electronic mail.

Mostly, the owners responded to the questions (65%), with a minority being answered by managers (22%) and other delegated employees which had knowledge about the organization (13%). More than half of the answers were given by man (58%) in the age between 31 to 50 years (60%), mostly with college education (84%) in technical fields (36%) or economic one (31%). The detailed characteristics is presented in table 2.

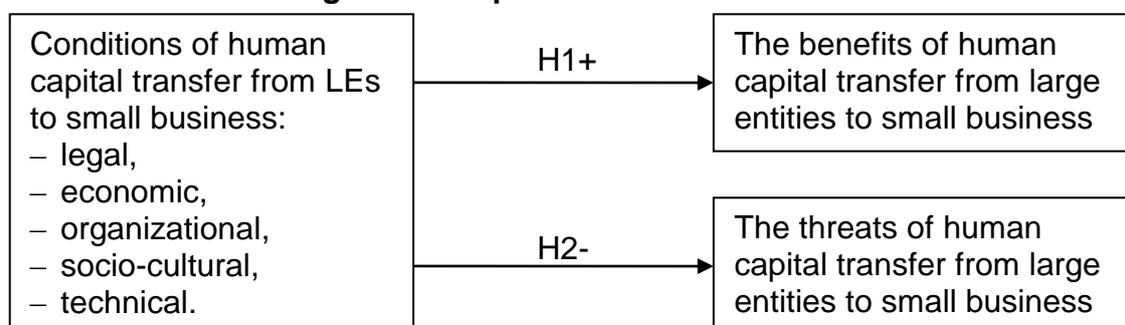
Table 2: Characteristics of the research participants.

Sex:	N	%	Position:	N	%
Female	151	42%	Owner	231	65%
Male	205	58%	Manager	79	22%
			Delegated employee	46	13%
Education field :	N	%			
Humanistic	33	9%	Age:	N	%
Economic	112	31%	Up to 30 years	38	11%
Law	14	4%	31-40 years	123	34%
Science	25	7%	41-50 years	92	26%
Social	19	5%	Above 50 years	103	29%
Medical	8	2%			
Artistic	6	2%	Education level:	N	%
Technical	127	36%	College/University	299	84%
General	9	3%	High	53	15%
Does not concern	3	1%	Professional	4	1%

Source: own work based on survey results

It was assumed in the research model, that the engagement of the SME sector companies in the development of the proposed legal, economic, organizational, socio - cultural and technical conditions, positively influences the appearance of the benefits that result from the human capital transfer from big companies to the SME's (H1). At the same time it was assumed that development of those conditions significantly reduces the threats of the transfer (H2). The proposed model is presented in figure 1.

Figure 1: Proposed research model



Source: own work based on theoretical considerations.

Statistical analysis of the results was conducted in the IBM SPSS Statistics (Wagner 2015). The following actions were taken:

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- analysis of arithmetic mean as measure of location (Srivastava, Rego, 2008),
- Spearman's correlation coefficient r_s and its significance test as a measure of interdependence of phenomena (Keller, 2008),
- analysis of multiple linear regression (Muijs, 2012) to evaluate the effect of the independent variables on the dependent variable, which is used successfully in the human resources management research (Saiyadain, 2009).

To interpret the dynamics of interdependence of phenomena, an approach based on a proposal made by J. Cohen (1992), was adopted, adjusted to fit the specific nature of behavioral research, the use of which is recommended to evaluate social opinions in management science (Dixon, Woolner, 2012). The following interdependence scores were taken as cutoff scores of the linear correlation coefficient: 0.1 - weak; 0.3 - medium; 0.5 - strong, 0.7 – very strong.

To assess the reliability of the used scales, alfa L. Cronbach (1951) indicator was used, allowing to rate the level of integrity taking place between many items of the defined synthetic variable (Hair, Black, Babin, Anderson 2006). As acceptable level of this indicator, the following was taken, alfa Cr. > 0.7 (Burns, Burns, 2008; Sarstedt, Mooi 2014).

4. The Findings

As a range measurer of the human capital transfer from big companies to the SME sector companies, a percentage indicator of employee share that came from large companies was used. The results indicate this process is present in 82% of the research sample. Mostly, the employees that came from big business, share a relatively low percentage of employment in the SME sector companies, which does not exceed 20% of the workforce (50%). The range of human capital transfer statistically does not depend on the size of the sample entities, $r_s (N = 356) = 0.05, p > 0.05$. It is observed that the transfer situation take place more often in the SME sector companies that operate in larger range, $r_s (N = 356) = 0.14, p < 0.01$, and for companies of shorter market activity, $r_s (N = 356) = -0.12, p < 0.05$. Detailed range of the human capital transfer from big companies to the researched SME sector companies is presented in table 3.

The results show that companies with 80%-100% share of the employees that came from big companies, were identified. Mostly these are micro entities, which is possibly connected to the situation, in which the owner has worked previously in a large company, and started its own business, not employing anyone besides himself. In this situation, 100% range of the human capital transfer from big companies to the SME sector companies was identified.

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Table 3: Range of the human capital transfer from big companies to the researched SME sector companies

Share of the employees that came from big business	Together in the sample		Micro companies		Small companies		Medium companies	
Lack of human capital transfer from big companies	65	18%	53	23%	12	13%	0	0%
1% - 20%	177	50%	103	44%	53	60%	21	66%
21% - 40%	64	18%	44	19%	15	17%	5	16%
41% - 60%	24	6%	16	7%	5	6%	3	9%
61% - 80%	13	4%	8	3%	2	2%	3	9%
81% - 100%	13	4%	11	5%	2	2%	0	0%

Source: own work based on survey results.

The respondents point out both benefits and threats of the human capital transfer to their entities. The answers given in the questionnaire guide for this opinion, as the participants were asked to point out certain benefits and threats in the 1 (benefits/threats do not take place in the sample company) to 7 scale (benefits/threats fully take place in the sample company). The benefits synthetic indicator was based on the 8 points, with points 12 as for the threats, based on the theoretic considerations. In both cases, acceptable levels of reliability were achieved, measured by alfa Cronbach indicator, 0.98 for the benefits and 0.98 for the threats. In terms of the answers, the benefits are represented more with higher indicator (the average at the level of 5.24) and threats (2.63), which indicates generally positive reception of the human capital transfer effects from large entities to the SME sector companies.

Among the benefits the participants mostly indicated bringing of the new competencies, skills, abilities and professional knowledge, attitude and other personal attributes developed in the big companies, which are valuable in the smaller entities. As a positive factor as well, bringing of the management information and management systems and new ideas of the companies functioning (both for companies parts and entities as a whole) were selected. The respondents indicated as well that human capital transfer from large entities, had a positive effect in terms of pointing out the importance of the planning role in the entity, which reduces the risky operating model, based on the owner's knowledge and intuition. It was taken as a positive that the need of changing the operative model based on reaction rather than strategic, was brought with the employees with the big business background.

The identified threats are connected mostly to the danger of the abilities that may not fit the smaller entities, and lack of adaptation to the conditions and company's culture. The respondents pointed out that the threat of implementing the solutions known from big business, without considering the consequences of doing it in the smaller entity exists, and the possibility of transferring company's culture in the not desired direction. The financial area was pointed out as a threat as well, in terms of the costs involved in the recruitment of not the right person, including the salary, other benefits, recruitment, training, notice period, and those needed for looking for a better fit to the organization.

The results generally indicate that the level of the benefits in the researched process, far exceeds the threats, which gives a valid point for concluding that the human capital transfer from large entities to the SME sector companies can be very beneficial for the companies. On the other hand 10% of the companies stated very high levels of existing threats, which can indicate that in case of not taking adequate actions and taking into

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account the conditions of the human capital transfer from big companies to the smaller businesses, it can be a source of serious difficulties for the small entities.

It is observed that the benefits level is slightly correlated with the transfer range, $r_s (N = 356) = 0.15$, $p < 0.01$. It's level grows however slowly with the size of the entities, $r_s (N = 356) = 0.16$, $p < 0.01$. In case of the threats, the correlation was not identified, $r_s (N = 356) = -0.09$, $p > 0.05$, with the level falling slightly with when entities progress in terms of size, $r_s (N = 356) = -0.11$, $p < 0.05$.

In the further part of the research, the effort took place in order to concentrate on identifying and assessing the key conditions in terms of existence of the positive effects and those minimizing the transfer threats. Together with the theoretic considerations, 5 key condition areas were identified:

- legal conditions, being for an example attractive form of the employment, following the regulations specifying work time, holidays and work safety,
- economic conditions, in which a good financial position of the company was taken into account, together with the salary flexibility, clear bonus policy, and other benefits,
- organizational conditions, taking into account for an example clear requirements and targets set for the employees, clear assessment criteria, offering internal and external form of development, and possibility to participate in the decision process,
- socio-cultural conditions, connected to building of the employees for the leadership, the awareness of safety within the job, or satisfaction creation,
- technical conditions, in which the level of technical back office needed for the service delivery is required, the range of the new technology use and trainings are offered due to rapid technologic changes.

The conditions given in the form of the synthetic indicators are given, based on the sets from 3 to 8 measurers, and in line with the theoretic considerations. Those measurers were rated on the scale from 1 (it does not concern my company) to 7 (it fully concerns my company). The reliability of the scale was based on the alfa Crombach indicator, achieving acceptable values. The level of the conditions are taken further, and determined as arithmetic average of the accepted measurers. The detailed characteristics of the variables taken in the proposed research model is presented in table 4.

The results indicate that the participants declare the engagement in the development of certain human capital transfer conditions on relatively high and high level (which concerns mostly medium sized companies). The level of certain conditions is statistically significant and positively correlated with the entities size, especially as for the technical conditions, $r_s (N = 356) = 0.19$, $p < 0.01$, legal ones, $r_s (N = 356) = 0.18$, $p < 0.01$ and those economic, $r_s (N = 356) = 0.12$, $p < 0.05$.

Table 4: Detailed characteristics of the variables level in the proposed research model

Variable	Items	Alfa Cr.	Average level in the companies:			
			Overall in the sample	micro	small	medium
Legal conditions	4	0.77	5.59	5.46	5.76	6.10
Economic conditions	6	0.79	4.89	4.82	4.87	5.46
Organizational conditions	8	0.89	5.26	5.20	5.23	5.74
Socio-cultural conditions	6	0.88	5.22	5.20	5.13	5.59
Technical conditions	3	0.82	5.31	5.17	5.44	5.96
Human capital transfer benefits	8	0.98	5.24	5.05	5.45	6.08
Human capital transfer threats	12	0.98	2.63	2.76	2.55	1.86

Source: own work based on survey results.

The key stage of the analysis was to verify the proposed research model. As the 2 research hypotheses were identified, two sub models were taken out, directed towards identification and assessment determining (1) the level of benefits, and (2) the level of threats of human capital transfer from big companies to the small business. In both cases, as a dependent variable the following were taken (1) benefits of the human capital transfer, and (2) threats resulting from this economic process. Testing of the influence of the independent variables on the dependent variable were taken in all three steps taking into account

1. Assessing influence of the independent variables connected to the personal function of the sample entities: approach towards the human resources development strategy and the scale of the transfer.
2. Additionally assessment of the independent variables influence with controlling effect, taking into account: size, range and age of the company and the level of technologic advancement.
3. Additionally the assessment of influence of the independent variables taking into account the proposed human capital transfer conditions.

For assessing certain independent variables influencing the level of dependent variable, multiple linear regression analysis was used. Prior it, the following points were completed: Durbin-Watson test, which indicated the lack of autocorrelation of the reminders and Kolmogorov-Smirnov test, indicating the normal behavior of the reminders. Additionally diagnosis of the co-linearity, indicated the level $VIF < 4$ for every independent variable. The results of the regression for sub model 1 are illustrated in table 5.

The results show the all tested sub models are statistically significant, however they have a different level of adequacy, measured by coefficient of determination R^2 , strongly differentiating the scientific values. Considering the companies without taking into account the proposed conditions, the benefits resulting from the human capital transfer are significantly determined most of all the development of more formal approach to the development of human resources, and the range of the human capital transfer between the companies. The results confirm that the benefits take place more often in the bigger companies in the sample. Considered factors in the sub model 1a and 1b, explain that only in the relatively low level of differentiation resulting from the human capital transfer from big companies to small business (circa 10%), which indicates on the statistically significant result, however inadequate scientifically and in terms of application. Only when the set of proposed legal, economic, organizational, socio-cultural and technical conditions

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are introduced (sub model 1c), significantly increases the interpretation value of the model (to approximately 61%).

Table 5: Sub model 1 analysis: factors determining the level of benefits resulting from the human capital transfer from large entities to the small businesses.

Independent variables	Sub model 1a	Sub model 1b	Sub model 1c
Human resources development strategy	0,41** (0,08) [0,26]	0,36** (0,09) [0,22]	0,08 (0,06) [0,05]
Human capital transfer range	0,16* (0,07) [0,11]	0,16* (0,07) [0,11]	0,06 (0,05) [0,04]
Size of the company		0,38* (0,15) [0,14]	0,13 (0,10) [0,05]
Company's age		-0,07 (0,07) [-0,06]	0,00 (0,05) [0,00]
Range of operations of the company		-0,06 (0,09) [-0,03]	-0,08 (0,06) [-0,05]
The level of technologic advancement of the company		0,03 (0,19) [0,01]	-0,07 (0,13) [-0,02]
Legal conditions			0,30** (0,08) [0,17]
Economic conditions			0,35** (0,09) [0,20]
Organizational conditions			0,39** (0,11) [0,22]
Socio-cultural conditions			0,32** (0,10) [0,19]
Technical conditions			0,17* (0,07) [0,11]
Constant	3,83** (0,27)	3,80** (0,46)	-2,92** (0,45)
Observations	356	356	356
R ² / R ² corrected	0,09 / 0,08	0,10 / 0,09	0,61 / 0,60
F-stat	16.69**	6.71**	48,70**

Multiple linear regression analysis. Dependent variable: the benefits resulting from the human capital transfer from the big companies to the small Standard errors in parentheses, standardized coefficients in square brackets.

* significant at 0.05; ** significant at 0.01.

Source: own work based on survey results

All the proposed conditions show to be statistically significant and necessary for the significant development of the benefits that result from human capital transfer from large enterprises to the SME sector companies. The strongest influence in those terms, have the organizational and economic conditions, and micro, small and medium sized entities should concentrate on them when planning their transfer activities. The lowest level of benefits are determined by the technical conditions. The results confirm hypothesis H1, according to which the development of the given conditions significantly and positively affects the growth of development of the human capital transfer from large entities to the small business. An adequate testing procedure was taken in sub model 2. The results of the regression analysis for this set of variables are presented in table 6.

The results indicate that all sub models are statistically significant, with different level of explanation of the changeability of the independent variable. Among the tested variables taken into account outside of the model variables, the level of threats resulting from the human capital transfer from large entities to the SME's is minimized only by the factor of

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formalization of the strategic considerations in terms of human resources development (sub models 2 and 2b). Its significant and strong limitation is reduced only after the introduction of the proposed model solutions, of the given conditions set (sub model 2c). The most beneficial are socio-cultural, organizational and legal conditions, and precisely on these the SME's should concentrate in order to minimize the level of threats of the undertaken transfer actions. The results indicate that the technical conditions do not affect significantly the reduction of the considered level of threats. The results do not fully confirm hypothesis H2. It can be stated that the development of the proposed conditions has a positive effect on the reduction of the human capital transfer threats from the large entities to the SME's.

Table 6: Sub model 2 analysis: factors determining the level of threats resulting for the given transfer process.

Independent variables	Sub model 2a	Sub model 2b	Sub model 2c
Human resources development strategy	-0,31** (0,08) [-0,21]	-0,26** (0,08) [-0,17]	0,02 (0,05) [0,01]
Human capital transfer range from the large entities to the SME's	-0,12 (0,07) [-0,09]	-0,11 (0,07) [-0,08]	-0,01 (0,04) [-0,01]
Company's size		-0,26 (0,14) [-0,11]	-0,04 (0,09) [-0,02]
Company's age		0,04 (0,07) [0,03]	-0,02 (0,04) [-0,02]
Range of operations of the company		-0,06 (0,09) [-0,04]	-0,04 (0,06) [-0,02]
The level of technologic advancement of the company		-0,07 (0,19) [-0,02]	0,03 (0,12) [0,01]
Legal conditions			-0,32** (0,07) [-0,20]
Economic conditions			-0,21** (0,08) [-0,13]
Organizational conditions			-0,43** (0,10) [-0,25]
Socio-cultural conditions			-0,51** (0,08) [-0,32]
Technical conditions			-0,09 (0,06) [-0,07]
Constant	3,69 (0,26)	4,03 (0,45)	11,05 (0,39)
Observations	356	356	356
R ² / R ² corrected	0,06 / 0,05	0,07 / 0,05	0,67 / 0,66
F-stat	10,21**	4,18**	63,08**

Multiple linear regression analysis. Independent variable: the threats resulting from the human capital transfer from the big companies to the small business. Standard errors in parentheses, standardized coefficients in square brackets.

* significant at 0.05; ** significant at 0.01.

Source: own work based on survey results

Fitting of the sub models taking into account the proposed independent variables, considering coefficient of determination R², indicates that over 60% of the changeability of benefits/threats resulting in the given example is explained by the explaining variables. Due to significant number of predictors, additional value of corrected coefficient of determination, whose value is circa 60% has been measured. Due to the complexity of the theoretic constructs considered in the research, and the fact that they are shaped by many

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unquantifiable factors, and the relatively low level of standard errors, the proposed model is considered to be satisfactory.

Conducted research allow to formulate the answers on the research questions given in the beginning:

1) Which conditions have the greatest effect on influencing the level of benefits that result from the human capital transfer from large enterprises to the SME's?

The results indicate that the biggest influence on the level of benefits of the human capital transfer between large entities and micro, small and medium sized enterprises is attributed to organizational, economic, and socio-cultural conditions. The legal and technical conditions are statistically significant as well according to the analysis, however their influence is lower than the conditions mentioned prior.

2) Which conditions have the greatest effect on mitigating the negative effect that result from the human capital transfer from large enterprises to the SME's?

The result of the multiple linear regression indicate that the biggest mitigating effect on the level of human capital transfer threats attribute to the socio-cultural and organizational conditions of the transfer. The legal and economic conditions are statistically significant as well, however their influence on the transfer threats is lower than prior conditions. The analysis suggests that the technical conditions are not statistically significant, and do not need to be taken into account when considering the threats of the human capital transfer between the large and small and medium sized companies.

Conducted research differentiates from the previous studies most of all in its complexity. The previous research concentrated only on the general factors of human capital migration/transfer and did not take into account the specific characteristics of the small business. The proposed transfer conditions model is adjusted to the qualitative specifics of the micro, small and medium sized businesses. Given the complexity of the research, it can be assumed that it enriches the current level of knowledge in the management sciences.

5. Summary and Conclusions

The assumed theoretic considerations have been confirmed by the research survey conducted on the sample of 356 micro, small and medium sized entities that operate in Poland. The results show, that the human capital transfer from large entities to the SME's is a common process in the economy (indicated by over 80% of enterprises). The participants identify at the same time a number of benefits and (in less degree) threats that result from the transfer. To achieve growth of these benefits and at the same time to reduce potential threats, SME sector companies should develop specific conditions, to which we can include: legal, economic, organizational, socio-cultural and technical ones. Due to the statistical analysis, a significant influence of those conditions was detected on the creation of the level of the benefits and threats of the transfer activity. Detailed results show the following:

- growth of the benefits resulting from the human capital transfer from large entities to the small business is determined by the development of given conditions. These conditions are generally positively assessed by the sample companies. The least

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influence on the level of benefits belong to the technical conditions, which level is best developed in the medium sized companies,

- reduction of the threats of the described process is possible by first, the development of the socio-cultural and organizational, and second legal and economic conditions. Technical conditions are not significant in this case.

The results may be useful to the owners and management of the SME's, which plan use the benefits of admitting employees coming from large entities, to increase the level of human capital within the organization and introduce beneficial competencies or other solutions in the area of management. Development of the proposed conditions can influence the elimination of the potential threats associated for an example with the cultural differences of admitted employees, or lack of conditions to use their potential. This indicates that the results have high managerial implications, giving advice which conditions should be developed within the companies to increase the level of benefits associated with the process of human capital transfer, and at the same time which of those conditions mitigate potential risks.

It is worth mentioning that in the process of generalization and application of the proposal, the limitations resulting from the research should be taken into account (Geletkanycz, Tepper, 2012). Methodological limitations can be included for such (Popper, 2005) and the application of the survey research with the electronic survey technique (Wright, 2005; Fink, 2013). The weakness of this research is the subjective character of the participants answers and taking into account in answers only certain items creating different variables in the research model. The limitation is as well the use of the cross-sectional studies, which do not take into account the changes occurring in a certain business entity in time (Bryman, Bell 2007).

The research definitely require to be continued, which will allow to achieve more deepened results concerning the range and shape of the level of benefits and threats resulting from the given process. Due to wide range of the existence, the results of such research may be interesting to the owners and managers of the SME sector companies.

They can deliver certain conclusions, concerning the possibilities and directions of the small business development thought interaction with large enterprises. An interesting research approach may be the use of the methodological triangulation (Scandura, Williams, 2000; Myers, 2013) directed to achieve the synergy effects through the use of both qualitative and quantitative research. Thanks to this approach, collection of deepened opinions of the owners and managers, which transferred to the SME's from large enterprises.

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