SMEs an Economic Outlook

Aziz Nebih Rexhepi¹, Besarta Rexhepi², Arbresha Meha³, Njazi Halili⁴

Abstract: In the event of time outside the southeast and west of Kosovo, the SME was replaced by the drivers of economic development. Its economic development is the framework for political and economic macroeconomics, and the state secret lies in the development of SMEs. This is the first part of the truth, while the latter is simpler, SMEs' philosophy depends on entrepreneurs and management. in promoting and developing SMEs, new management salvage attempts. This includes the effective management of software, software, software, structures, people and resources as well as control stations with control. This process reviews the combination of common sense and power, the ability, the need risks and the specific knowledge in planning, organization, coordination, motivation and control as well as the organization and the mission. Nutz. the more effective and efficient. One of the main tasks of managers is to motivate and inspire people, and to create vision and create new challenges, where motivation is something that works in a person to bring himself to the best. Goal-oriented, mother for the family and the company in which we work, goes well.

Keywords: management; motivation; business; human resources; process

JEL Classification: B26

1. Introduction

Of course, different countries can use different definitions for micro, small and medium-sized enterprises. Despite various definitions around the world, the importance of SMEs for the global economy is widely recognized (Birch, 1989; Storey, 1994).

According to Herts, L (1982), the term SME refers to a number of companies. Most countries recognize that the number of employees is the usual measure for SMEs, according to Keskin & Senturk. In 1994, Storey argued that there is no single, clear,

AUDŒ, Vol. 16, no. 2/2020, pp. 128-136

¹ Assistant Professor, University of Applied Sciences in Ferizaj, Kosovo, Address: 70000 Ferizaj Kosovo, E-mail: aziz.rexhepi@ushaf.net.

² PhD Candidate, University of Applied Sciences in Ferizaj, Kosovo, Address: 70000 Ferizaj Kosovo, E-mail: besarta.rexhepi@hotmail.com.

³ Assistant Professor, University of Applied Sciences in Ferizaj, Kosovo, Address: 70000 Ferizaj Kosovo, Corresponding author: arbresha.meha@ushaf.net

⁴ Assistant Professor, College Illyria, Prishtina, Kosovo, Address: 10000 Prishtina Kosovo, E-mail: nijazi_halili@hotmail.

and acceptable definition. According to the European Commission (2003), there are three categories of SMEs: micro and small and medium-sized enterprises. In England, a small company is one with a turnover of no more than £ 6.5m, a balance of no more than £ 3.26m. In America, the definition of SMEs is provided by the Office of Small Business Administration Standards. This definition determines the size by activityScot & Bruce (1987) provided the qualitative definition of an SME. SMEs have the following characteristics:

- 1. Management is independent, as a rule managers are also owners;
- 2. Capital is provided and property is owned by one or a small group of peopl;
- 3. The area of application is predominantly local. Employees and owners belong to a community, but the markets must be in the same community.

Despite the different definitions of SMEs around the world, Birch (1989) recognizes the importance of SMEs for the global economyEffective management has to do with creating processes that help SMEs build structures, connect with people and resources, and develop plans to keep the situation under control. This process requires a combination of common sense and the power to take risk if necessary and requires special knowledge in planning organization, departure coordination, motivation and control in a way that enables organizations to perform their task with the help of available effective and efficient means can. One of the most important tasks of executives is how people should be motivated and inspired to create a vision and new challenges in achieving the goals, the motivation being something that works inside a person, so that he is in a certain way behaves more purposefully to ensure that things are going as they should be for his life, his own family, the company where he works. People differ from each other, but their goals are the achievement of goals through their skills and working in SMEs is diverse. Where the primary element of leaders is to identify and understand the difference, to help and motivate them, and to do what they want the company to do. The causes of ethics are much larger and more complicated than just expressing them through motivation, but the importance of motivation should not be underestimated. You can't see the motivation, but what is seen is the behavior. The motivational process is the identification of people's needs, where there is a need for scarcity, a behavior that causes these shortcomings to be removed, which can be physiological, psychological and social.

2. Goals of the Study

For this purpose, literature and the experiences of the transition and industrialized countries are used to better defend this common interest of the three constitutive factors. Many companies face development challenges and fierce competition at

home and abroad, are faced with development conditions and barriers, do not have sufficient financial and human resources, are trained and able to meet new challenges. In this context, this paper aims to analyze and prepare a document that is applicable to economic entities and to draw some conclusions that would have been applicable at the level of the municipalities. On the other hand, the support of SMEs by local government should also be seen as a motivating factor.

3. Study Methodology

This article used both theoretical approaches and deductive quantitative methods that led to the development of a quantitative tool such as a questionnaire. The study is based on a sample of 70 companies in the Ferizaj region in Kosovo. The study uses a cross-sectional and self-managed cross-sectional questionnaire approach for the study and data collection. Conceptual models and hypotheses were created based on a comprehensive review of the literature on corporate management and human resources. The questionnaire was developed over a period from October to December 2019. The questions on measuring variables in the baseline study questionnaire were based on extensive literature research and pilot group discussions with individuals (including owners / company managers and academic researchers).

3.1. Case Study

One of the forms of employee motivation is employee trust in management, as shown in Table No. Of the 68 SMEs surveyed, around 80% stated that they always try to trust their employees, around 12% sometimes said so, while around 4 5 didn'tI try that the workers always believe in me

B 1 % Gesamt Always 53 77.9 Sometimes 8 11.8 Do not use motivation 1 1.5 I don't know 1 1.5 No explanation given 3 4.4 68 100.0 Total number

Table 1. Employees' Trust in Managers?

Source: Ferizaj SME survey 2019

As a very important motivational element, the equipment and tools of the workers, in the survey we found that about 88% of managers explained that employees always have equipment and tools for work and that about 8% of managers sometimes provided tools and tools and about 5% of managers have

ISSN: 2065-0175 ŒCONOMICA

not declared. An important element of the manager is to delegate workers where they are held accountable and take part in corporate goals. According to the survey, it shows that in the Ferizaj region almost 65% of managers make delegating responsibilities to their representatives and around 29% sometimes do, and around 4% are undeclared. I try to delegate functions to my employees because it motivates them and makes them responsible

Table 2. Delegation of Responsibility?

| Always 1 | 43 | 65.2 |
|----------------|----|-------|
| Sometimes 2 | 19 | 28.8 |
| I don't know 4 | 1 | 1.5 |
| Empty | 3 | 4.5 |
| Total | 66 | 100.0 |

Source: Ferizaj SME survey 2019

Currently, the proportion of employees is increasingly used as a way to achieve employee motivation, at work. It is now clear to managers that employees can express their opinions abouthow things are to be done, they devote more to achieving the company's goals and contribute significantly to its success. According to the survey in the Ferizaj region, about 68 of the companies surveyed answered the question in the survey, what motivates employees, where in the first place was wages as a motivational tool. But also as an important form is the good atmosphere at work with about 24%, in the second place comes efficient management methods with about 20%, the possibility of career development with about 16% and about 14% is job security

4. Training of Managers and Employees

It is clear to entrepreneurs that training is necessary if they want to face the challenges of the economy, whereby the companies need qualified people, be it from the management or staff, depending on who attends a course or workshop, shows us that is a satisfactory participationTraining of managers and staff Do you conduct a course or workshop (any type).

Table 3. Do You Conduct a Course or Workshop (Any Type)?

| Have you attended a course or workshop | Gesamt | |
|--|--------|------|
| And | 37 | 54.4 |
| No | 30 | 44.1 |
| Leer | 1 | 1.5 |
| Total Summer | 68 | 100 |

Quelle: KMU-Umfrage 2019 Ferizaj

Out of the general percentage of approximately 54% of the respondents, they attended a course or seminar for different profiles, while 40% of the respondents said they had not attended a course or workshop. According to the interview, the training took place mainly in service companies and commercial companies.

5. The Importance of the Information System in the Development of Motivation

The function of the information is to offer new knowledge and wisdom, to reduce or eliminate uncertainty, to promote government activity and to make decisions. The modern world is increasingly interdependent and complex. Characterized by exponential growth of many sizes (population, production, knowledge, information, consumption, expenditure of charitable resources, pollution, etc.), it seems appropriate to define the government's conversion of information into shares. It is important to say in the information systems that the information must be in the right place and at the right time, that it is also very important in the SME to motivate the workers

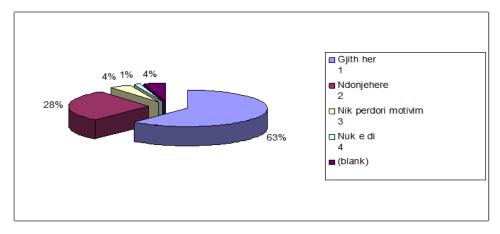


Figure 1. Figure Information System in Developing Motivation

Source: Ferizaj SME survey 2019

ISSN: 2065-0175 ŒCONOMICA

So that workers are informed that reward or punishment is right or wrong. During the survey, in connection with the information provided by managers to the workers, it appears that around 62% of managers always inform their workers about the activities they have undertaken and they inform workers about the internal and external circumstances of the company company. But about 28% of respondents said they only sometimes inform workers and about 4% do not inform them at all. Information is a very important element in the company as it encourages workers to do their job as best as possible because they believe that they are a very important part of the company.

5.1. The Decision-Making Process and its Importance for Motivation

Cyert and March deal with the decision-making process, in uncertain market conditions and in competition. Almost all decisions are approved by restrictions on their environment and some of them are unsafe. There is a possibility of danger for every decision approval, so the risk placement and preference theory must be realized.

Table 4. The Decision-Making Process?

| | Always | | Sometimes | | I don't know | | Total |
|---------------------------------------|--------|-----|-----------|-----|--------------|-----|-------|
| I am very good at hitting goals | 33 | 48% | 26 | 38% | 9 | 14% | 100% |
| When I set goals, I always reach them | 30 | 44% | 25 | 37% | 13 | 19% | 100% |

Source: Ferizaj SME survey 2019

According to a leadership survey of decision-making processes in SME Ferizaj, it appears that around 48% of entrepreneurs say they are always good at making decisions, and if they set goals, they reach over 44% of entrepreneurs, while 38% are entrepreneurs sometimes make decisions deliberately and achieve the goals about 37% and about 14% do not know how successful they are, and over 19% do not know

6. Effect of Development Factors IN Motivation

In many more restrictive employment situations, the underlying motive is the act of employment.

Another motive is related to wages

"The salary that workers get for the work they do, according to economists, takes a very important place over the other motivators, some of the most important moments to consider when using money as a motivating factor."

"We should note that the impact of wages depends on the age of the worker, the standard of living and the wages that the same companies offer within the company. Raising the standard requires larger salaries to keep it the industry, neutralizes its stimulant effect because workers can be paid equally in many employment alternatives."

"With the aim that they play their role as it should be, were:

- 1. For the new employees who are just starting their work, wages play the most important role;
- 2. People are very sensitive to the principle of equality;
- 3. The salary is used by managers to attract their employees;
- 4. The salary should always be treated as such a level that it is never so large as to meet all people's needs, but it should be as a Zeil, if possible, a raise. "

B1 Total % Good wages 1 36 58.1 reward system 2 16 25.8 Full evaluation at work 3 3 4.8 3 Good working atmosphere 4 4.8 Feel supported with my 10 personal problems 2 3.2 2 Read 3.2 Total 62 100.0

Table 5. What Motivates Managers to Work?

Source: Ferizaj SME survey 2019

According to the survey, managers claim that they pay their employees good wages, as the table shows that over 58% of respondents stimulate employees with good wages

Money is one of the most important factors to stimulate the workers, but it is not the only cure for all illnesses of the company, because the employees can not be encouraged by anything, as in the

able, during the survey and interview, shows that very important motivational factors are also

ISSN: 2065-0175 ŒCONOMICA

Table 6. How do Employees Want to be Motivated?

| B1 | Total | % | |
|--|-------|-------|------|
| Good wages | 1 | 7 | 10.5 |
| Full job evaluation | 3 | 19 | 29.7 |
| Good working atmosphere | 4 | 11 | 17.2 |
| work safety | 5 | 3 | 4.7 |
| Efficient management methods | 7 | 3 | 4.7 |
| career opportunities | 8 | 3 | 4.7 |
| Personal trust of the employees | 9 | 4 | 6.3 |
| Feel supported with my personal problems | 10 | 3 | 4.7 |
| Didn't say anything | 3 | 4.7 | |
| Total | 64 | 100.0 | |

Source: Ferizaj SME survey 2019

The survey results show that around 29% is a motivational factor at work, comprehensive assessment, around 17% is a good atmosphere at work and 13% is the compensation system. In the question in the survey, what motivates workers, it can be seen that about 35% as a motivational factor a better working atmosphere, about 20% the compensation system, that salary is in the third category of workers with around 16% and with 12% dieArbeitsbewertung.

7. Practical and Theoretical Values

7.1. Theoretical Values

Register for literature on HR Entrepreneurship and Management as an integration. Development and selection of motivational strategies for the development of the SME sector in Ferizaj, Kosovo. The study serves researchers in the disciplines of corporate and human resource management

7.2. Practical Values

The study is now available in the UK, including beeswax, in the business. The study is intended to serve as an illustration for students from business, government institutions and politics. The paper has helped you improve quality, productivity, and employee satisfaction

8. Recommendations for Future Studies

At the time when Eastern Europe and Kosovo are facing globalization challenges, SMEs are key factors for economic development. Its economic development is the fragment of state and macroeconomic policy and the state secret lies in the development of SMEs. This is the first part of the truth, it is not easy to find, SMEs are international and in the management philosophy of progress and development of SMEs, new business services salvage attempts, wood You can organizations its in the application of new Modeled by human resources (HR), neither attitude nor decisions trifle or employee motivation, while the motivation in the form of material and varied formats, such as education and training and career. One of the main tasks of managers is to motivate and inspire people, to create vision and to create new challenges. Where motivation is the same as it was, it's a fun feature, as well as quick, easy access to the family and below, at the moment there is no connection, just good. People also differ as if the goals are the best, the goals are the most vulnerable and the work in SMEs is different. The main element of managers is best suited for people who are not working, are motivated and motivated and are only internationally qualified.

9. References

***https://doi.org/10.1111/j.1749-6632.1989.tb20983.x.

***https://www.researchgate.net/figure/Scott-Bruce-1987-Enterprise-Stage-Model_tbl2_43550794.

According to the European Commission (2003). Andrea Koxhaj dhe Florian Tomini, Menaxhimi i Komunikimit. Tiranë: Prill.

Adams, J. S. & Freedman, S. (1976). Equity revisited: comments and annotated bibliography. (Berkowitz L & Walster L, eds.) *Advances in experimental social psychology*. New York: Academic Press, Vol. 9. pp. 43-90.

Alcian, A. A. & Demsetz, H. (1972). Production Information Cost and Economic Organization. *American Economic Review*. 62, 777-795.

Alderfer, C. P. (1969). An Empirical Test of a New Theory of Human Needs. *Organizational Behavior and Human performance*, Vol. 4, pp. 142-175.

Ashim & Abdullah (2000). Explaining the Lack of Strategic Plannin in SMEs: The importance of Owner Motivation e Wang, Walker, & Redmond. *International Journal of Organisational Behaviour*, Vol. 12, Nr. 1.

Bartlett, W. & Rangelova, R. (1997). Small firms and economic transformation in Bulgaria. *Small Business Economics*, 9: 319-333.

Bass, B. M. & Avolio, B. (1995). MLQ Multifactor Leadership.

Shyqeri Llaci: Menaxhimi i biznesit, Tiranë (2000). *Improving Organizational Effectiveness Through Transformational Leadership*. Thousand Oaks, CA.: Sage.