

# IMPACT OF SELECTION PROCESS ON EMPLOYEES' PERFORMANCE: A CASE OF LEBANESE SMALL AND MEDIUM ENTERPRISES

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## Abstract

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The main objective of this paper is to explore if the selection process has an impact on employees' performance inside Lebanese small and medium-sized enterprises (SMEs). The research was conducted in SMEs located in the Greater Beirut area in which the empirical study consists of a quantitative method. The results have shown that the selection process has a full impact on employees' performance and retention inside Lebanese SMEs. This study contributes to mitigating selection errors among SMEs that forms the backbone of the Lebanese economy and hence reducing their turnover expenses, and increasing their longevity. This paper concludes that SMEs shall consider seriously the selection process in hiring.

**Keywords:** Selection Process, Employees' Performance, Lebanese SMEs

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## 1. INTRODUCTION

Small and medium-sized enterprises (SMEs), as large organizations, in the past primarily focused on production and sales, but due to the dynamism and competition in the marketplace in this 21st century, SMEs are looking forward to sustaining competitive advantage by facing the challenges of improving qualities of products, productivity, and service delivery. This stance can only be attained through employee performance while the key to attaining and sustaining this is by selecting and retaining the right people for the right position in an organization.

SMEs not practicing much HR usually are facing a serious "(HR-) Management Deficit". However, the large majority of these empirical studies are addressed from a perspective dominated by the viewpoint of large corporations. As a result, the highly distinguished human resources management (HRM) systems of larger companies are seen as the "desirable ideal"

for small and medium-sized enterprises as well. Based on an empirical investigation into the recruitment practices of more than 300 professional service companies, the study attempts to stop this deficit model. Instead, it is supposed that smaller companies due to their — size-dependent — different preconditions shift to certain functional equivalents in fulfilling their uncomplicated HR requirements. It becomes obvious that first and foremost the quality of employee relations has a high impact on different measures of recruitment success in smaller organizations. This applies especially to those businesses that did not create a separate HR department (Behrends, 2007).

In an emerging economy like Lebanon, SMEs are to advance modern recruiting and selection strategies that will enhance the quality-of-service delivery due to the invasion of the knowledge economy and the growth in communication technology which lead to the development of e-commerce. It is obvious now that e-commerce has

made consumers in one country access products across the globe.

Djabatay (2012) stated that this scenario is highly accepted due to the large attention given to the people aspect of organizational assets because the development of people, their knowledge, skills, and abilities are central in human resource management. Similar to this development is the argument in the National University of Ireland (2006) that the continued growth and development of an enterprise relies on its ability to recruit and select high-quality personnel in a cost-efficient manner.

The performance of companies varies with the quality of employees which is determined by recruitment policies and practices in the organization. Casio (2005) noted that recruitment and selection begin with clearly stating the objectives of the firm based on the types of knowledge, competencies, and other characteristics. For companies to enquire about an application, objectives shall be determined and used for the selection process. Job description and job specification should be clear for the vacant position.

According to Djabatay (2012), the success of the enterprise is directly related to the performance of the people working for that enterprise. Not reaching the target can be the result of a wrong selection or lack of HR planning. He added that for the enterprise to build and keep a competitive advantage, proper staffing is substantial. Thus, according to Ekwoaba et al (2015), "recruitments and selections have become essential in organizations because individuals need to be attracted on a timely basis, in sufficient numbers, and with appropriate qualifications".

"The more effectively organizations recruit and select candidates, the more likely they are to hire and retain satisfied employees. In addition, the effectiveness of an organization's selection system can influence bottom-line business outcomes, such as productivity and financial performance" (Ekwoaba et al., 2015).

To understand the relationship between the selection process and employee performance, the following research questions are needed to be answered:

*RQ1: What is the relationship between selection and individual career development?*

*RQ2: What is the relationship between selection and a positive and challenging work environment?*

*RQ3: What is the relationship between selection and rehiring and training?*

In Lebanon, there has been an increase in the rate of companies' failure, closure, and poor organizational performance due to low motivation among employees and commercial globalization. Despite the conflict between the stakeholders and the employees, employees have the main roles to play in gaining the organization a competitive advantage over their rivals in achieving the set goals. The performance of SMEs which is recently nicknamed the fuel of Lebanon has been poor, it has witnessed relatively low performance when compares to their counterpart in other developing nations like Syria or Iraq. The recent migration of workers across many SMEs in Lebanon and the death of many newly introduced products or services in Lebanon are evidence of poor performance.

The above problem motivated the researcher to examine the impact of recruitment and selection strategy on the employees' performance inside SMEs.

The general objective of the research is to determine the impact of selection strategy on employees' performance and hence organizational efficiency.

The main objectives of the study are to examine the following:

- 1) the relationship between selection strategy and commitment and dedication;
- 2) the relationship between selection strategy and employees' satisfaction;
- 3) the relationship between selection strategy and key performance indicator (KPI);
- 4) the relationship between selection strategy and retention.

The earlier-presented research questions (*RQ1*, *RQ2*, *RQ3*) were formulated in order to examine relationships listed above.

The structure of this paper is as follows. The introduction part will be followed by stating the problem and objectives of this paper. Section 2 will tackle the literature review. Section 3 analyses the research methodology. Section 4 reports the results of the study. Section 5 discusses the results. Section 6 presents the conclusions and the limitations of the study.

## 2. LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

### 2.1. Conceptual framework

Recruitment is the art of selecting and hiring the best candidate within or outside an organization. The recruitment process includes:

- deciding on job requirements;
- orienting the employee to that vacancy;
- screening and selecting the right person;
- contracting and coordinating the new employee for the position.

Also, human resources (HR) are responsible for selecting the right person or the most qualified candidate for the position, depending on the organization's needs (Abdullah & Othman, 2019). Recruitment is the main function of Human Resources, and the recruitment process is the first step in achieving the organization's competitive and strategic advantage. Recruitment is discovering and attracting qualified or suitable applicants to fill vacancies (Anwar & Abdullah, 2021). Recruitment involves a systematic procedure from finding candidates to orchestrating and conducting the interviews and requires numerous resources and time. The methods and procedures for understanding occupations are known as occupation analysis. Two primary recruitment sources are internal and external (Gardi et al., 2020).

Recruiting new employees can be expensive as it is considered a long-term investment. Hiring a new employee is an extensive decision for the organization; henceforward, the term "right person in the right place" is noteworthy. The cost incurred in the recruiting process includes many components, such as the orientation period, how much it takes this new employee to get used to the working environment, and the cost of mistakes made by this new employee. Studies such as

Zo'or (2017) and (Maurer, 2019) have shown that it requires a new employee about twelve months to get used to the new work and environment and become productive. On the other hand, a new joiner can bring the organization new knowledge, experiences, and skills, adding value. Any given organization has a unique recruiting process; however, most processes are directed by the human resources strategy, which is usually aligned with the overall business strategy (Anwar & Abdullah, 2021). The recruiting strategy is the guiding framework for the recruiting process. Guiding principles for selecting through the different recruiting channels are also defined in the recruiting strategy. Company size is a significant determinant of recruitment decisions: the smaller the company, the more cautious and planned the decisions should be. Hence, an SME must ensure that the recruiting strategy is aligned with the company's goals and strategy in addition to many small yet critical details (Monteiro et al., 2020).

Selection is the process of evaluating and interviewing candidates for a specific position and choosing the right person for that position. Selection is about hiring a suitable candidate to perform the job successfully (Prabhu et al., 2020). When there is a vacancy in an organization, HR management takes responsibility for finding and selecting the right person for that vacancy. The right individual for the right job is the primary goal of selection (Anwar & Shukur, 2015). The selection process involves several steps after selecting the appropriate employee for the vacant position. This process begins after recruitment and it divides the candidates into two sections, those who are offered work and those who are not. An overall selection process is required since it is precisely at this point that the suitable applicant from the first section can be selected while unsatisfactory applicants are rejected (Sultan et al., 2020).

The selection process varies from organization to organization and even department to department within the same company. In some organizations, the therapeutic investigation is conducted after the final decision, while in others, it may be conducted before the final decision (Abdullah & Othman, 2019). However, each organization plans the selection process according to its needs. The selection implicates many steps, such as preliminary application, screening, interview, test, medical test, references, and final hiring decision. Organizational performance can be measured using indicators of efficiency, effectiveness, stakeholder relevance, and affordability (Hamza et al., 2021). Human resources have created strategic value in organizations we know, and how the impact of human resources on business performance was measured using the four types of indicators. However, the strategic value is situational and not absolute and therefore needs to be assessed within each organization (Ismael et al., 2021). To create strategic value, HR needs to understand what performance is essential to the organization, be at the cutting edge of HR expertise on the issues that matter, and lead the organization to better performance (Hamza et al., 2021). To articulate the performance influence on company operation, so that the company knows what has been achieved through HR, it needs to measure its influence and be present at a strategic level.

Performance is a crucial multidimensional construct aimed at achieving results and strongly connects to an organization's strategic goals (Anwar & Zebari, 2015).

Recruitment is discovering or selecting and hiring the best-qualified candidate from within, or the process by which organizations find and recruit people to fill vacancies (Anwar & Surarchith, 2015). Recruitment is defined as a set of activities for an organization to attract the attention of applicants who have the skills needed to help the organization achieve its goals (Othman et al., 2019). The recruitment process includes checking job requirements, attracting candidates to the profession, screening and selecting the, and contracting with them (Khan & Abdullah, 2019). Also, HR is responsible for finding the right person or the most qualified candidate for the job that an organization needs (Othman et al., 2019). Through both the assessment and the job analysis and design phase, organizations should be able to determine whether a person currently working in the organization would be able to fulfill the requirements of the new position or whether someone outside would be better suited to the organization (Anwar, 2017).

### *2.1.1. Concepts of recruitment and selection*

Recruitment is the primary function of Human Resources, and the recruitment process is the first step in increasing its competitive quality and strategic advantage. The recruitment process involves a systematic procedure from finding candidates to orchestrating and conducting the interviews and requires numerous resources and time (Anwar, 2017). According to Abdullah et al. (2017), the traditional recruitment process begins with the job description. The job description describes the work tasks of the successful position, and the job description specifies the experience a person should possess to perform the job (Anwar & Balcioglu, 2016).

Selection is the process of evaluating and interviewing candidates for a specific position and selecting the right person for the proper position (Abdullah & Rahman, 2015). Once the organization has decided on the appropriate means to recruit potential candidates for the position, its next task is to determine the most appropriate and effective method of selecting the right person when a position is vacant (Anwar & Abdullah, 2021). Human resources management takes responsibility for finding and selecting the right person for this vacant position (Anwar & Shukur, 2015). The selection process includes several steps for selecting the appropriate employee for the vacant position (Anwar & Zebari, 2015). This process starts after the recruitment phase where the candidates are divided into two sections: those offered work and those not offered work (Anwar & Surarchith, 2015). An overall composed selection process is required since it is precisely at this point that suitable applicants can be selected, and unsatisfactory applicants can be turned away. The selection process varies from one company to another and even department to department within the same organization (Anwar, 2017). In some companies, the therapeutic investigation is carried out after the final decision, while in others, it may be carried

out before the final decision (Ali, 2016). However, each organization plans the selection process according to its needs. According to Anwar (2016), some organizations may emphasize various tests while others emphasize interviews and reference checks. Likewise, a single short selection interview might be sufficient for applicants for lower-level positions, while applicants for managerial positions may be interviewed by several experts (Ali, 2016).

### 2.1.2. Recruitment/selection agencies

A recruitment agency plays the role of recruiting and selecting employees for an organization for an agreed consideration. The agency will usually be responsible for advertising the position, receiving an application, and arranging interviews before reaching the final list of candidates. The agency will only be successful in choosing the right candidate if it is provided with an accurate description as mentioned in the job specifications by the company (Florea, 2014).

## 2.2. Small and medium enterprises (SMEs) in Lebanon

### 2.2.1. SMEs-defined

Two components to consider when defining SMEs; are the number of employees and the annual turnover. Hence, we can broadly define SMEs as firms with less than 250 employees, small enterprises with less than 50 employees, and micro enterprises with less than 10 employees (Rauch et al., 2019). Paulson (2018) claims that re-constructing the capabilities of any given country shall start with a complete reform. However, the role of the nation's SMEs is critical for this change.

The growth of SMEs has been principal to economic development, and they are a vital aspect of financial lifestyles. SMEs are effective considering their number, form, and catalytic function in the economic system. Therefore, in the middle east and Africa, SMEs constitute 99% of companies and provide 2/3 of workstations (Boafo et al., 2022). In Lebanon, there is no official data on SMEs or their impact on the Gross Domestic Product (Mekdessi et al., 2021). The World Bank estimates show that 90.2% of SMEs have less than five employees (Hewa Wellalage et al., 2019). the Lebanese republic has had its share of war and crises since 1975 till date. Even though the civil war eased in 1990, SMEs still play a remarkably significant part as they represent a crucial supplier of employment, revenue, and trade.

Moreover, the financial and economic policies of the postwar era feature an immense liability, and the recession becomes more significant. Even though the Lebanese government has taken substantive steps in promoting the SME sector in 2005, the absence of national SME-directed policies with clear goals and objectives has fragmented the services and support to this sector (Kemayel, 2015). The lack of a national policy framework and the fragmentation of the services provided to SMEs have hindered their ability to grow, and even if once Lebanese SMEs were considered one of the most productive segments, they are deteriorating by the day, especially after a consecutive crisis.

### 2.2.2. Hiring inside SMEs

One of the main goals of all SMEs is to retain, motivate and attract employees (Deeba, 2020). In contrast, internal recruiting costs save up expenses such as orientation, training, and understanding of the organization's policies and culture. Internal recruitment implies several risks, like the lack of fresh talent, the shortage of innovation abilities, and the lost opportunity to have futuristic competencies (Whysall et al., 2019). Most large organizations use internal and external recruiting, while most SMEs rely on external recruiting more due to the shortage of their existing human resources (Pi et al., 2018). To cover their needs, SMEs use external resources like consultants who are often seen as skilled professionals; hence information presented by them is considered reliable and more up-to-date, especially after the COVID-19 pandemic and the technological revolution (Klein & Todesco, 2021). Therefore, SMEs turn to consultants for their services, which provide a more reliable opportunity to appraise the appropriateness of the applicants since the SMEs' resources are either not capable, not sufficient, or do not have the time to perform effective recruitment. As a result, SMEs have a significant demand from those who are to become employees adapting to the culture rapidly.

## 2.3. Impact of selection on performance

According to Anwar & Balcioglu (2016), performance refers to the degree of fulfillment of the workplace mission that builds a workplace. Organizations compete with each other and consciously seek to gain a competitive advantage (Hameed & Anwar, 2018). A great future of this completion is competitive imitation (Anwar & Ghafoor, 2017). A poor performance ranking is interpreted by potential competitors as an indication that a practice is not working or a market does not exist, leading to imitation and competition, thereby reducing competitive pressures, and improving relative performance (Climis & Anwar, 2017). On the other hand, good performance rankings arouse admiration; They also encourage imitation and competition, which tend to undermine a favorable position; organizations seek to emulate the achievements of others by mimicking their organizational forms and practices (Anwar & Qadir, 2017).

## 2.4. Hypotheses development

Therefore, after having examined and reviewed the literature, the hypotheses below may be logically derived from the content:

*H0 (null hypothesis): There is no significant impact of the selection process on employees' performance.*

*H1: There is a significant impact of the selection process on employees' performance.*

## 3. RESEARCH METHODOLOGY

### 3.1. The methodological approach of the study

This study adopts the positivist approach. Positivism is lined up with the hypothetico-deductive model of science that is based on confirming a theoretical

hypothesis and experimentation by applying variables and measures; findings from hypothesis testing are used to illuminate and improve science. Research studies associated with positivism generally focus on pointing out explanatory relationships or causal interrelations through quantitative approaches, where empirically based findings from large sample sizes are recommended — “in this regard, generalizable inferences, replication of findings, and controlled experimentation have been principles guiding positivist science” (Park et al., 2020).

According to Dash (2005), positivism which emphasizes an objectivist approach to studying social phenomena gives importance to research methods focusing on quantitative analysis, surveys, experiments, and the like.

A key factor influencing this chosen method includes the ability to obtain quantifiable measures of variables, hypotheses testing, and the drawing of inferences about a phenomenon from the population sample (Kock et al., 2008).

Accordingly, the research questions of this study address the impact of the selection process on SMEs and hence affect their performance. For that and because we want to be a reflective researcher, we adopt a method that allows us to interface with the issue of analyzing quantifiable measures of variables and testing hypotheses.

### 3.2. Methods

A survey questionnaire instrument is developed for the study to collect data related to the dependent and independent variables. The questionnaire is answered by SMEs' managers and supervisors within the Greater Beirut area identifying the relationship between a selected independent variable (selection process) and the dependent variable (performance). All survey questionnaires occur during 3 weeks between March 10, 2021, and April 1, 2021.

The survey questionnaire consists of 9 questions. The first question asks participants to choose one answer from four given choices. The remaining 8 questions use a Likert-type scale that ranges from 1 (strongly disagree) to 5 (strongly agree). The expected time to complete the survey questionnaire is 5 to 7 minutes. Demographic questions precede the questionnaire.

### 3.3. Sampling frame

Quantitative data are collected and analyzed to identify the impact of the selection process on employee performance inside SMEs in Lebanon. Data needed for the quantitative analysis are collected using survey questionnaires. To achieve this purpose, a quantitative sample is randomly selected from SMEs within the Greater Beirut area.

Survey questionnaires are sent to SMEs' managers and supervisors. To increase confidence in speculating results from the sample to the study population, a random sampling strategy was to survey 500 persons, with an expected return rate of at least 25%. We choose this sample since according to sampling theory, larger sample sizes, such as surveying 500 or more persons in a specific area (Greater Beirut area) in a specific study population (firms employing 5 to 200 employees), mitigates sampling errors; therefore, the level of confidence

that the selected samples will represent the population will increase. Because a large sample size of participants is used in the study, it is expected that the results of the study can be speculated to other SMEs in the Greater Beirut area and other areas in Lebanon.

A database of 2,200 SMEs in the Greater Beirut area is identified and a random sampling of 500 respondents is conducted with a 25% expected response rate.

To speculate findings, there is a need for 100 to 150 responses to get a sample size that is considered statistically significant. The response rate achieves 25% (150 participants).

To ensure the accuracy of data entry, data entry for the study is performed. Once the data entry operation is complete, the Statistical Package for the Social Sciences software is used to perform statistical analysis.

### 3.4. Data collection

To ensure the accuracy of data collection, the questionnaires were mailed to the SMEs' managers and supervisors identified in the sampling frame. Code books containing codes for each of the operationalized variables are developed. The variable codes are entered into IBM code sheets. Finally, the tasks of coding and data entry are performed.

### 3.5. Time spent on survey-questionnaires

All survey questionnaires occur over 4 weeks between February 08, 2022, and May 5, 2022. Once we receive the data, we undertake a review of the received answers and start entering them into SPSS.

## 4. RESULTS AND DISCUSSION

Results are divided into impact on performance and impact on retention. The performance was represented by the level of commitment and dedication, level of employee satisfaction, and KPIs. Retention is measured by individual career development, positive and challenging work, and rehiring and training.

This part shows the conformity of the paper's results with the literature review however it differs from the previous literature in that it addresses the dimensions that represent the SMEs' performance such as commitment and dedication, satisfaction, KPI, individual career development, positive and challenging work environment, rehiring, training, and coaching.

### 4.1. Impact of selection on performance

#### 4.1.1. Impact of selection on performance (commitment and dedication)

The model is significant with an R-square equal to 26.8%, that is, the selection process explains 26.8% of the variation in performance (commitment and dedication), and 73.3% left are due to unexplained events, sampling errors, and lack of independent variables. We have a positive relationship between selection and commitment and dedication.

The linear regression equation, in this case, will be:

$$\text{Performance (commitment and dedication)} = 0.457 * \text{Selection} + 1.613 \quad (1)$$

Interpretation: one unit increase in selection will lead to a 0.452 increase in commitment and dedication.

**Table 1.** Model summary

Model	R	R-square	Adjusted R-square	Std. error of the estimate	Durbin-Watson
1	0.516	0.268	0.241	0.40054	2.140

**Table 2.** ANOVA

Model	Sum of squares	Df	Mean square	F	Sig.	
1	Regression	1.692	1	1.692	10.544	0.003
	Residual	4.653	29	0.160		
	Total	6.344	30			

**Table 3.** Coefficients

Model		Unstandardized coefficients		Standardized coefficients	T	Sig.
		B	Std. error	Beta		
1	Constant	1.613	0.296		5.450	0.000
	Selection	0.457	0.139	0.516	3.247	0.003

#### 4.1.2. Impact of selection on performance (satisfaction)

The model is significant with an R-square equal to 26.8%, that is, the selection process explains 26.8% of the variation in performance (satisfaction), and 73.3% left is due to unexplained events, sampling errors, and lack of independent variables. We have a positive relationship between selection and the level of satisfaction.

The linear regression equation, in this case, will be:

$$\text{Performance (satisfaction)} = 0.778 * \text{Selection} \quad (2)$$

Interpretation: one unit increase in selection will lead to a 0.778 increase in satisfaction.

**Table 4.** Model summary

Model	R	R-square	Adjusted R-square	Std. error of the estimate	Durbin-Watson
1	0.516	0.268	0.241	0.69167	1.881

**Table 5.** ANOVA

Model	Sum of squares	Df	Mean square	F	Sig.	
1	Regression	5.046	1	5.046	10.547	0.003
	Residual	13.874	29	0.478		
	Total	18.919	30			

**Table 6.** Coefficients

Model		Unstandardized coefficients		Standardized coefficients	T	Sig.
		B	Std. error	Beta		
1	Constant	0.162	0.512		0.317	0.754
	Selection	0.778	0.240	0.516	3.248	0.003

#### 4.1.3. Impact of selection on performance (KPI)

The model is significant with an R-square equal to 12.8% (very small value), that is, the selection process explains 12.8% of the variations in KPI, 86.9% left are due to unexplained events, sampling errors, and lack of independent variables. We have a positive relationship between the selection and the KPI.

The linear regression equation, in this case, will be:

$$\text{Performance (KPI)} = 0.446 * \text{Selection} + 1.338 \quad (3)$$

Interpretation: one unit increase in selection will lead to a 0.446 increase in KPI.

**Table 7.** Model summary

Model	R	R-square	Adjusted R-square	Std. error of the estimate	Durbin-Watson
1	0.362	0.128	0.101	0.63344	1.819

**Table 8.** ANOVA

Model	Sum of squares	Df	Mean square	F	Sig.	
1	Regression	1.751	1	1.751	4.364	0.046
	Residual	11.636	29	0.401		
	Total	13.387	30			

**Table 9.** Coefficients

Model		Unstandardized coefficients		Standardized coefficients	T	Sig.
		B	Std. error	Beta		
1	Constant	1.338	0.469		2.861	0.008
	Selection	0.446	0.220	0.362	2.089	0.046

#### 4.2. Impact of selection on retention

##### 4.2.1. Impact of selection on retention (individual career development)

The model is significant with an R-square equal to 37.9%, that is, the selection process explains 38.7% of the variation in individual career development, we have a positive relationship between the selection and individual career development.

The linear regression equation, in this case, will be:

$$\text{Performance (individual career development)} = 0.768 * \text{Selection} \quad (4)$$

Interpretation: one unit increase in selection will lead to a 0.768 increase in individual career development.

**Table 10.** Model summary

Model	R	R-square	Adjusted R-square	Std. error of the estimate	Durbin-Watson
1	0.622	0.379	0.365	0.52113	1.576

**Table 11.** ANOVA

Model	Sum of squares	Df	Mean square	F	Sig.	
1	Regression	4.639	1	4.639	17.081	0.000
	Residual	7.333	27	0.272		
	Total	11.971	28			

**Table 12.** Coefficients

Model		Unstandardized coefficients		Standardized coefficients	T	Sig.
		B	Std. error	Beta		
1	Constant	0.411	0.404		1.017	0.318
	Selection	0.768	0.187	0.622	4.133	0.000

#### 4.2.2. Impact of selection on retention (positive and challenging work environment)

The model is significant with an R-square equal to 35%, that is, the selection process explains 35% of the variations in a positive and challenging work environment, and 65% left are due to unexplained events, sampling errors, and lack of independent variables. We have a positive relationship between the selection and the positive and challenging work environment.

The linear regression equation, in this case, will be:

$$\text{Performance} \left( \begin{array}{l} \text{positive and challenging} \\ \text{work environment} \end{array} \right) = 0.515 * \text{Selection} + 1.387 \quad (5)$$

Interpretation: one unit increase in selection will lead to a 0.525 increase in a positive and challenging work environment.

**Table 13.** Model summary

Model	R	R-square	Adjusted R-square	Std. error of the estimate	Durbin-Watson
1	0.591	0.350	0.326	0.38407	2.327

**Table 14.** ANOVA

Model		Sum of squares	Df	Mean square	F	Sig.
1	Regression	2.142	1	2.142	14.523	0.001
	Residual	3.983	27	0.148		
	Total	6.125	28			

**Table 15.** Coefficients

Model		Unstandardized coefficients		Standardized coefficients	T	Sig.
		B	Std. error	Beta		
1	Constant	1.387	0.298		4.694	.0
	Selection	0.515	0.138	0.591	3.811	0.001

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#### 4.2.3. Impact of selection on retention (rehiring, training, and coaching)

The model is not significant, that is, the selection process does not explain the variation in rehiring, training, and coaching.

**Table 16.** Model summary

Model	R	R-square	Adjusted R-square	Std. error of the estimate	Durbin-Watson
1	0.012	0.000	-0.037	1.02203	2.238

**Table 17.** ANOVA

Model		Sum of squares	Df	Mean square	F	Sig.
1	Regression	0.004	1	0.004	0.004	0.951
	Residual	28.203	27	1.045		
	Total	28.207	28			

## 5. CONCLUSION

Considering the above-mentioned hypotheses, we were able to conclude that the selection process highly affects employees' performance inside Lebanese SMEs. According to Hale (2002), companies are facing many obstacles in attracting new employees; around 86% of those companies are facing that problem, while 58% are facing obstacles in keeping their employees.

As for Melum (2002), a behavior-based interview is the most adopted recruitment method in most organizations. The role of the recruiters in finding effective ways to attract the most potential candidates and then giving them tools to develop their performance in order to increase the satisfaction and motivation of employees and hence increase retention level. Moreover, we concluded that the outcomes formerly obtained resulted in the acceptance of the hypothesis that links the selection process with the performance of employees.

The limitations of this study are concentrated in the cultural aspect of Lebanon where confidentiality takes place and many respondents were afraid to lose their job if the trust was lost. Besides, managers in SMEs work long hours since they are handling many tasks at the same time, therefore receiving responses within a short period was challenging.

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