

EXPLORING HUMAN RESOURCE MANAGEMENT PRACTICES IN INDEPENDENT SMALL AND MEDIUM-SIZED RESTAURANTS IN KLANG VALLEY

MOHAMAD, S. F.^{1*} – SHAHRIN, S. A.¹ – GHAZALI, H.¹

¹ Faculty of Food Science and Technology, Universiti Putra Malaysia, Selangor, Malaysia.

*Corresponding author
e-mail: s_fatimah[at]upm.edu.my

(Received 05th March 2025; revised 12th May 2025; accepted 20th May 2025)

Abstract. Independent small and medium-sized restaurants in Malaysia face persistent challenges in managing human resources, particularly in recruitment, training, and employee retention. This study explores human resource management (HRM) practices in Klang Valley-based independent small and medium-sized restaurants using a qualitative design. Semi-structured interviews were conducted with nine employees who had worked for at least six months in such establishments. Thematic analysis, supported by expert intercoder agreement, ensured the rigour of data interpretation. In recruitment, employers commonly relied on informal platforms like WhatsApp, social media, peer referrals, and posters. The hiring process often involved walk-ins, casual interviews, and basic Standard Operating Procedure (SOP) briefings, while hiring requirements prioritised personality and hygiene over formal qualifications. Learning and development practices included in-house training, job rotation, and occasional off-site training, focusing on enhancing professionalism and continuous growth. Retention strategies were driven by non-monetary rewards such as praise, skill development, and a flexible, friendly working environment, supplemented by modest benefits like transport allowances, medical claims, and festive gifts. These findings offer grounded insights into how resource-constrained restaurants adopt adaptive human resource management strategies. The study contributes to HRM literature and supports owners, managers, and academics in strengthening workforce stability within independent small and medium-sized restaurants.

Keywords: recruitment strategies, employee training practices, retention strategies, small and medium-sized restaurant, SME

Introduction

Small and medium-sized enterprises (SMEs), particularly in the food service sector, are a vital component of Malaysia's economy, contributing significantly to employment and income generation (DOSM, 2022; World Bank, 2021). Independent small and medium-sized restaurants, unaffiliated with large franchises, face unique challenges in managing their workforce due to limited resources and informal organisational structures. Among the most pressing concerns are difficulties in recruiting qualified staff, providing consistent training, and retaining competent employees in an increasingly competitive and service-driven industry (Chung and D'Annunzio-Green, 2018). These human resource challenges are further compounded by structural issues often overlooked in academic and policy discussions. Effective human resource practices are critical for organisational success, yet independent SMEs, especially in the hospitality sector, frequently receive limited attention in both practical management and academic research. This lack of attention becomes even more problematic amid rising concerns about skill shortages and employment mismatches in industrialised economies (Neffke et al., 2024). For labour-intensive sectors like food service, constrained resources and high workforce dependence intensify the impact. The hospitality industry

continues to face persistent employee retention challenges, often driven by unstable working conditions, irregular demand, and limited career development opportunities, resulting in operational inefficiencies and increased labour costs (Kusluvan et al., 2010). Given this context, Human Resource Management (HRM) is recognised as an essential element in ensuring business sustainability, especially for SMEs. It offers a systematic approach to managing employees and aligning people strategies with organisational goals (Armstrong, 2020; Delery and Doty, 1996). Numerous studies have confirmed that effective HRM practices reduce staff turnover and foster a more stable, long-tenured workforce, which in turn enhances productivity and profitability (Batt and Valcour, 2003; Huselid, 1995). In addition, streamlined recruitment and selection processes help organisations attract top talent, boost employer branding, and reduce hiring costs (Zhao and Liden, 2011).

Despite the well-documented advantages of HRM, research on how these practices are implemented in independent small and medium-sized restaurants in Malaysia remains limited. There is a notable scarcity of research that specifically examines recruitment, training, and retention strategies in these settings (Au et al., 2024; Ghazali et al., 2024). This underrepresentation is concerning, considering the economic significance of SMEs and their dependence on human capital for service delivery. To meet the growing demands of customers and to remain competitive, independent restaurant operators must begin to adopt more strategic and structured HRM practices. Responding to this critical gap, the current study seeks to examine how HRM is practised in independent small and medium-sized restaurants in the Klang Valley, focusing on three key areas: recruitment, learning and development, and employee retention. By investigating these practices from employees' perspectives, the study aims to identify common patterns, underlying challenges, and adaptive strategies within informal HR settings. Anchored in an interpretive approach, the research seeks to contribute context-specific insights that can inform future theory development, industry practices, and policy formulation relevant to Malaysia's food service sector. Accordingly, this study is guided by the following purpose statement: to understand recruitment practices, explore learning and development methods, and discover retention strategies, all within the context of independent small to medium-sized restaurants in the Klang Valley.

Review of literature

Human Resource Management (HRM)

Human Resource Management (HRM) is a strategic approach to managing people effectively for performance enhancement. It encompasses recruitment, selection, training, and development, aiming to deploy human resources efficiently and meet employees' professional development needs (Bennett and Lemoine, 2014; Farnham, 2010; Batt and Valcour, 2003). Within organisations, human resources comprising all employees, are pivotal for achieving success. HRM seeks to increase productivity, improve work-life quality, and address challenges such as low motivation. It includes both 'hard' aspects, focusing on cost rationality, and 'soft' aspects, emphasising communication, motivation, and leadership (Teece et al., 1997). The significance of HRM lies in enhancing employee efficiency, effectiveness, and productivity, aligning with the philosophy of justifying investments in human capital for increased future returns (MacDuffie, 1995).

Small and Medium-Sized Enterprises (SMEs)

SMEs lack a universal definition, with variations based on employee count; for instance, small-sized enterprises typically have 10–99 employees, while medium-sized ones have 100–499 employees (Lauder et al., 1994). Definitions vary across countries, often relying on employee numbers, assets, or turnover thresholds (Wright and Paul, 2005). In Malaysia, SMEs constitute 98.5% of establishments, contribute 38.3% to GDP, and employ 48.4% of the workforce (SME Corporation Malaysia, 2020). Despite their importance, challenges such as limited access to finance, technology adoption, and HR management hinder their growth (Mokhtar et al., 2017; Abdul Rashid et al., 2016). Government initiatives, like the SME Master Plan 2012–2020, aim to address these challenges and promote growth (Hashim, 2015). Recognising the unique characteristics of SMEs challenges the notion that they are merely scaled-down versions of larger businesses (Hill et al., 2002). This calls for a revision of sustainability models to accommodate the specific contexts in which SMEs operate (Doern, 2012; Tierney et al., 2002).

Recruitment Practices in SMEs

Recruitment is a crucial process involving sourcing, assessing, and selecting qualified individuals (Montana and Charnov, 2000). Effective recruitment is linked to organisational performance, with studies emphasising its positive correlation (Croucher, 2008; Katou and Budhwar, 2006; Sang, 2005; Wright et al., 2005). However, existing research predominantly focuses on large firms, overlooking the informal, resource-constrained nature of HR practices in SMEs. As a result, current models often fail to capture the realities faced by small independent restaurants, where recruitment decisions are typically made by owners without formal HR systems. This highlights the necessity for further research that not only examines recruitment and selection processes in SMEs, but also accounts for contextual factors specific to Malaysia's food service sector, particularly in dynamic urban regions like Klang Valley.

Training and Development in SMEs

Training and development in HRM significantly contribute to individual and organisational growth. Training enhances job-specific skills, while development supports broader career and leadership capabilities (Iverson and Deery, 1997). HRM's objective is to achieve corporate goals efficiently through the continuous enhancement of human capital (Simons and Hinkin, 2001). Well-structured training programmes benefit not only individuals but also group dynamics and organisational cohesion. However, empirical studies on training and development in SMEs remain scarce, especially within the Malaysian food service context, signalling the need for deeper exploration. Existing research often emphasises formalised programmes in large organisations, with limited consideration for the informal and reactive nature of training in smaller firms (Cardon and Stevens, 2004). This raises concerns about the applicability of general HRM models to SMEs, where capacity constraints and owner-manager involvement heavily influence training decisions.

Employee Retention Strategies in SMEs

Employee retention, crucial for sustaining competitive advantage (Renaud et al., 2015), is influenced by compensation, innovation, training, workplace environment, and work-life balance. HR practices such as performance appraisal, recognition, training, and promotional opportunities play essential roles (Al-Emadi et al., 2015). Strategic workforce planning and active engagement further support retention (Kennedy and Daim, 2010; Kaliprasad, 2006). Social recognition, aligned with organisational values, can foster stronger employee commitment and reduce turnover (Rodrigo et al., 2019; McShane and Cunningham, 2012; Nawaz et al., 2012; Mattox and Jinkerson, 2005). When employees perceive their workplace as a meaningful environment, they are more likely to remain loyal, contribute positively, and seek long-term fulfilment (Lee and Chen, 2018; Wang et al., 2017). However, most existing literature on employee retention is concentrated in large scale organisations with formal policies and structured HR systems. This creates a gap in understanding how small and medium sized food service businesses, often operating with limited resources and high turnover, retain their workers. For instance, Ram and Holliday (1993) observed that in smaller firms, employee retention is often influenced by informal interpersonal dynamics, such as family relationships, kinship ties, and immediate operational needs, rather than by formalized, long-term strategic planning. Yet, very few studies have examined how these dynamics play out in Malaysia's independent restaurant sector. Addressing this limitation, the present study focuses on real world retention practices in small and medium-sized restaurants, offering insights grounded in the lived experiences of owners and managers.

Materials and Methods

Research design

This study adopted a qualitative research design to explore human resource practices in independent small- and medium-sized restaurants in the Klang Valley. As suggested by Creswell (2015), qualitative research is appropriate when the goal is to gain in-depth, context-rich insights into human behaviour and organisational processes. This approach enabled the collection, analysis, and interpretation of rich textual data, offering a comprehensive understanding of informants' lived experiences, perceptions, and attitudes. The use of open-ended questions and probing techniques allowed participants to express their views freely, leading to nuanced insights into HR practices. The target participants were employees from independent small and medium-sized restaurants with a workforce of five to 75 employees and a minimum employment tenure of six months. This criterion ensured the credibility and depth of the data collected.

Sample and sampling technique

A purposive sampling technique was employed to select participants who could provide relevant insights aligned with the study's objectives. Independent small and medium-sized restaurants in the Klang Valley were identified through platforms such as Google Search, Google Maps, and Instagram. Restaurants that met the inclusion criteria were contacted and invited to participate. Upon agreement, face-to-face interviews were scheduled with two employees from each establishment. Participants were provided with a modest token of appreciation to acknowledge their time and contribution to the study. Eligibility criteria required participants to have worked for more than six months

in a non-franchise small and medium-sized restaurant with a staff size between 5 and 75.

Instrumentation

Data were collected using semi-structured interviews comprising open-ended questions designed to elicit comprehensive responses on recruitment, learning and development, and retention practices. This method was preferred over focus groups, as it provided participants with a more private and flexible environment to share their individual experiences (Arendt et al., 2012). Interviews were conducted in either English or Bahasa Melayu, based on participant preference, and were audio-recorded for accuracy. The interview protocol consisted of four sections: Introductory Questions, Recruitment Practices, Learning and Development, and Retention. Probing and prompting techniques were applied to ensure depth and relevance in the responses.

Data collection

Data collection involved a structured yet flexible process. A list of potential small and medium-sized restaurants was compiled from online sources, and direct contact was made with persons-in-charge (PICs) through calls and walk-in visits. Face-to-face semi-structured interviews were conducted with selected employees in a private setting within the workplace or a mutually agreed location. The interviews continued until data saturation was achieved at the ninth informant, defined as the point where no new themes or information emerged. Probing techniques were consistently employed to ensure comprehensive exploration of each topic, with interviews conducted in either English or Bahasa Melayu to accommodate participant comfort.

Data analysis

All interviews were transcribed verbatim using Microsoft Word, followed by systematic organisation through Microsoft Excel. Bahasa Melayu responses were translated into English to ensure consistency. The data were coded manually to identify key concepts, which were then grouped into broader categories and eventually synthesised into emerging themes. The thematic analysis followed the six-step framework by Braun and Clarke (2006): familiarisation with data, generating initial codes, searching for themes, reviewing themes, defining and naming themes, and producing the final report. This approach enabled the identification of patterns that align with both existing literature and new findings from the field.

Trustworthiness

To ensure the credibility and reliability of the findings, multiple validation strategies were employed. An initial expert review by the main research supervisor was conducted to assess the relevance and alignment of the identified codes and themes. This was followed by an intercoder reliability process involving four qualitative research experts familiar with the food service industry. These experts reviewed the coded data independently to minimise subjectivity and enhance dependability. Discrepancies identified during the first round were addressed through a second expert review, leading to refinement of the coding framework. This iterative process enhanced the rigour, validity, and trustworthiness of the study.

Results and Discussion

This study involved nine employees from independent small- and medium-sized restaurants in the Klang Valley. Of the nine informants, six were female and three were male. Four held managerial roles. On average, the participants had worked at their respective restaurants for one year and 10 months. The longest tenure recorded was three years and four months, while the shortest was eight months. The findings are organised based on the study's three research purposes: (1) recruitment practices, (2) learning and development methods, and (3) retention strategies. Thematic analysis of the interview data revealed distinct dimensions and subdimensions for each of the three HR practices. Recruitment practices were categorised into three main dimensions: hiring platforms, hiring processes, and hiring requirements, each reflecting how employee sourcing is carried out in diverse and often informal ways. Learning and development practices encompassed training methods, employee growth, and focus, showing the emphasis on experiential, hands-on learning within small and medium-sized restaurants. Retention strategies were framed around growth opportunities, creating a positive work environment, and offering employee benefits, capturing the holistic efforts by employers to sustain workforce commitment. The dimensions and subdimensions of these HR practices are summarised in *Table 1*.

Table 1. Dimensions and subdimensions of HR practices in small and medium-sized restaurants in Klang Valley.

| HR practice | Dimension | Subdimensions |
|---------------------------------|--------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Recruitment practices | Hiring platforms | 1) Recruitment websites (e.g., JobStreet, Indeed) 2) WhatsApp business 3) Social media 4) Printed vacancy posters 5) Peer recommendations |
| | Hiring processes | 1) Walk-in inquiries 2) Screening of applicants 3) Interviews 4) Decision-making 5) Restaurant tours 6) Briefings on Standard Operating Procedures (SOPs) 7) Probation |
| | Hiring requirements | 1) Openness to candidates without prior experience 2) Minimum educational qualification (such as SPM) 3) Possession of semi-skilled competencies 4) Pleasant personality 5) Self-directed learning attitude 6) Strong hygiene awareness |
| Learning and development method | Training method | 1) In-house training 2) Off-premise training 3) Job rotation |
| | Employee growth | 1) Empowerment 2) Career advancement 3) Continuous learning |
| | Focus | - |
| Retention strategies | Growth opportunities | 1) Facilitating skill acquisition 2) Enabling exposure to new experiences |
| | Creating a positive work environment | 1) Encouraging a learning environment 2) Fostering a friendly workforce 3) Promoting positive employer values 4) Providing well-equipped facilities 5) Allowing flexible time-off 6) Maintaining a relaxed pace |
| | Offering employee benefits | 1) Giving praise, 2) Providing allowances 3) Offering medical benefits 4) Giving festive gifts |

Recruitment practices in independent small and medium-sized restaurants

The analysis of recruitment practices in small and medium-sized restaurants revealed three major themes that characterise their approach to hiring: the platforms used to attract candidates, the processes involved in assessing and selecting them, and the specific requirements sought in potential employees.

Hiring platforms

Participants identified five primary platforms used for recruitment in independent small and medium-sized restaurants: (1) recruitment websites (e.g., JobStreet, Indeed), (2) WhatsApp Business, (3) social media, (4) printed vacancy posters, and (5) peer recommendations. Recruitment websites such as JobStreet and Indeed were frequently mentioned by informants as convenient and accessible tools for discovering job opportunities. These platforms allow restaurants to reach a wide pool of potential candidates with minimal cost and effort.

“... and the way that I learn about this restaurant is in the Indeed website... I just applied...” (P01)

WhatsApp Business was also widely used to facilitate direct and informal communication between job seekers and restaurant management. This platform allowed applicants to inquire about vacancies and managers to respond quickly and personally.

“...through WhatsApp... we will just forward them to our manager...” (P01)

In addition, many informants reported that social media platforms such as Instagram and Facebook were actively used to advertise job openings. These platforms are particularly effective in reaching younger demographics, which dominate the food service workforce (Boyd and Ellison, 2008).

“We advertise by updating FB, Instagram...” (P04)

Despite the widespread use of digital platforms, traditional printed posters remain relevant. Some restaurants continue to display job advertisements at storefronts or community boards to attract walk-in applicants from the local area.

“We will print [posters] and put it near the front of the store.” (P04)

Finally, peer recommendations emerged as a common recruitment strategy. Informants mentioned referring friends or acquaintances for job openings. This informal approach not only facilitates trust-based hiring but also contributes to team cohesion (Van Hoye, 2013).

“I can give recommendations to my manager... if I know someone right for the job...” (P01)

Hiring processes

The hiring process in independent small and medium-sized restaurants typically follows seven distinct stages: (1) walk-in inquiries, (2) screening of applicants, (3) interviews, (4) decision-making, (5) restaurant tours, (6) briefings on Standard Operating Procedures (SOPs), and (7) probation. The process often begins with candidates initiating contact through walk-ins or digital inquiries. These early interactions offer restaurants the chance to gauge initial enthusiasm and communication skills.

“Mostly come and walk in, ask if there is any vacancy.” (P03)

Following this, applicants submit job application forms or résumés, initiating the screening phase. During this stage, managers evaluate the suitability of candidates based on relevant qualifications, work experience, and perceived cultural fit.

“...depending on their resume, our manager will call for an interview.” (P01)

The third stage involves job interviews, where shortlisted candidates meet with restaurant supervisors or owners. These interviews sometimes include practical assessments, such as cooking demonstrations, particularly for kitchen roles. This approach allows employers to evaluate technical competence alongside interpersonal qualities, which are both essential in food service settings (Quinn, 2013).

“...we will test and tell you to cook... do a food tasting...” (P07)

Upon completion of the interview, the hiring decision is made. Managers weigh the candidate's overall suitability based on skills, personality, attitude, and team compatibility.

“...then if the manager says okay this person has potential, he gives them a tour around...” (P01)

Newly accepted employees are typically given a brief tour of the restaurant, during which they are introduced to their workspace, colleagues, and general workflow. This is followed by a structured SOP briefing to familiarise them with workplace expectations, hygiene standards, and operating procedures (Mekonen and Melaku, 2014).

“...he just explained about the shop, how he worked, clothes, how many hours...” (P08)

The final step involves a probationary period, which generally lasts several weeks to a few months. During this time, the new hire's performance is closely monitored to assess their adaptability, customer service, and alignment with the restaurant's values. Those who meet expectations are offered continued employment.

“...there will be probation during the training period about 3 months...” (P02)

Hiring requirements

Six key criteria were identified as influencing hiring decisions: (1) openness to candidates without prior experience, (2) a minimum educational qualification (such as SPM), (3) possession of semi-skilled competencies, (4) a pleasant personality, (5) a self-directed learning attitude, and (6) strong hygiene awareness. Many of the restaurants demonstrated a willingness to hire applicants without prior industry experience. This openness reflects a preference for candidates who can be moulded through internal training and are adaptable to the unique work culture of each establishment. The findings align with Policarpio (2024), who highlighted that restaurants often provide on-the-job training to build staff capacity from the ground up.

“...I was hired with no drink-making experience...” (P01)

In terms of education, most informants stated that a minimum qualification of Sijil Pelajaran Malaysia (SPM) or equivalent is sufficient. This requirement reflects the need for basic literacy, numeracy, and communication skills, particularly for front-of-house positions (Aksu, 2005).

“SPM is the minimum education...” (P06)

While experience is not always mandatory, there is a clear preference for semi-skilled candidates for certain roles, especially those involving customer interaction or technical food preparation. These candidates typically require less time to train and can contribute immediately (Policarpio, 2024).

“...like waitress need to have experience at least.” (P01)

A pleasant and service-oriented personality was also noted as a desirable trait, particularly for roles involving direct interaction with guests. Personality plays a central role in shaping the guest experience and is considered as important as technical competence (Tsaur and Lin, 2004).

“...we look at... is he friendly, can he smile...” (P07)

Another quality valued by employers is the candidate's initiative and ability to learn quickly. Informants shared that proactive, self-motivated employees are more likely to succeed and integrate into the dynamic restaurant environment. This echoes the views of Choo et al. (2007), who noted that self-directed learning enhances adaptability in the hospitality sector.

“...as long as you are a fast learner and a team player...” (P01)

Lastly, hygiene was highlighted as a non-negotiable criterion, especially in customer-facing or food-handling roles. Hiring managers look for individuals who are neat in appearance and who demonstrate awareness of cleanliness standards. This priority is consistent with Jevšnik et al. (2008), who found that hygiene-conscious staff significantly reduce food safety risks in restaurants.

“...for the front of the house, we look at cleanliness.” (P07)

Learning and development method in independent small and medium-sized restaurants

Learning and development practices are critical for enhancing organisational growth and adaptability, particularly within small and medium-sized restaurants. This study categorises these practices into three primary themes: (1) training methods, (2) employee growth, and (3) focus.

Training method

Training methods in small and medium-sized restaurants comprise structured techniques designed to develop employee skills and foster behavioural and attitudinal change (Salas et al., 2012). In this study, three main training approaches were identified: (1) in-house training, (2) off-premise training, and (3) job rotation. In-house training emerged as a dominant method. Unlike general on-the-job training (OJT), in-house training refers to structured learning sessions conducted within the restaurant setting. These include hands-on activities in food preparation, customer service, and administrative tasks. Salas et al. (2012) noted that in-house training is highly effective due to its practical and context-specific focus. This is echoed by participants P01, P02, and P07.

“Our manager did book us a session with two Master Baristas... they did give us one session around one and a half hours for everyone.” (P01)

“For training... we will do on-the-job training... after closing, we will teach him basic training, say thank you, open the door...” (P07)

“The kitchen depends on the head chef... They are training with the head of the chef.” (P02)

In addition to internal training, off-premise training was also practised, involving attendance at external workshops or seminars. These sessions allow employees to expand their industry knowledge, experience diverse operational styles, and engage in professional networking. A study observed that such training can introduce innovative practices to the workplace.

“I once attended coffee training in KL... Few months after working there, they offered me to go to the training.” (P04)

Lastly, job rotation was another key method mentioned by P07. It involves assigning staff to different roles within the restaurant to cultivate versatility and operational understanding. As highlighted, this approach boosts engagement and satisfaction by building a flexible workforce.

“...we will rotate them to learn serving, know the system in-store... after closing we will teach him basic training...” (P07)

Employee growth

Employee growth is integral to both job satisfaction and the overall success of small- and medium-sized restaurants. Based on the findings, three primary elements of employee growth were identified: (1) empowerment, (2) career advancement, and (3) continuous learning. Empowerment was a recurring theme among participants, reflecting the value of granting employees greater responsibility and autonomy. Informant P01 shared that employees who demonstrate competence and initiative are often entrusted with higher-level responsibilities. This aligns with Conger and Kanungo (1988), who argued that empowered employees tend to exhibit greater job satisfaction, responsiveness to customer needs, and contributions to process improvements.

“When you prove yourself enough and if the people see that you are actually learning quite fast... then yes, you will be given more higher-up responsibilities.” (P01)

Career advancement opportunities were also mentioned as a key factor in motivating staff and fostering long-term commitment. Informant P02 described how their restaurant tailors career development pathways to individual strengths and potential, thereby creating a supportive and aspirational work environment.

“We develop career growth individually; from that we will bring it to others as a team. We try to differentiate each of our employee's potential and see where they can go further.” (P02)

Continuous learning, the third element, plays a critical role in ensuring employees remain competitive and adaptable in a rapidly evolving industry. Ongoing development of skills and knowledge not only enhances job performance but also encourages employee retention and satisfaction. This is particularly important in sectors like specialty coffee, where techniques and trends change frequently. Salas et al. (2012) emphasised that continuous learning improves individual resilience and supports organisational innovation.

“Because in the coffee industry, it's a bit complicated... so we have to keep up to date and continuously learning.” (P03)

Focus

The theme of focus emerged as a critical component of learning and development practices in small- and medium-sized restaurants, particularly in relation to maintaining professionalism within the industry. Professionalism in the hospitality context encompasses a wide range of attributes, including punctuality, respect for colleagues and customers, adherence to hygiene and safety protocols, confidentiality, and a strong commitment to responsibilities. These qualities are strongly associated with enhanced customer satisfaction and employee commitment (Kim et al., 2005), and are considered core competencies within hospitality work, especially in customer-facing roles (Baum, 2006). This multidimensional concept supports operational consistency and elevates the quality of service delivery. Learning and development initiatives play a key role in fostering professionalism by equipping employees with relevant skills, reinforcing the organisation's core values, and promoting continuous growth. Informant P02

emphasised that staff are trained to distinguish between personal and professional boundaries, which contributes to workplace focus and consistent performance standards.

“The discipline, the thought, attitude... some restaurants train their staff to separate personal things from work. So if he has a problem, and he goes to work, his work will be messed up. So here, we train them to separate-if you have a problem, you put it aside, and after work you can think about that problem.” (P02)

P01 further elaborated that the restaurant’s training culture places a strong emphasis on cleanliness, aesthetic presentation, and top-tier customer service. This is especially vital when serving high-profile clients such as AMBank and Porsche, where maintaining elevated service standards is not only expected but essential for preserving brand reputation and ensuring repeat business.

“We have to keep it like extra tidy, extra professional, and extra pretty, and keep our customer service top notch because you're working with big companies such as AMBank and Porsche.” (P01)

Retention strategies employed in independent small and medium-sized restaurants

The sustainability and operational success of independent small- and medium-sized restaurants depend significantly on their ability to retain skilled and committed employees. This study identified three key themes in the retention strategies commonly employed by such establishments: (1) growth opportunities, (2) creating a positive work environment, and (3) offering employee benefits.

Providing opportunities to grow

Opportunities for employee growth emerged as a key retention strategy among independent small and medium-sized restaurants, particularly through two approaches: (1) facilitating skill acquisition and (2) enabling exposure to new experiences. Informant P01 shared that employees were frequently encouraged to learn new skills as part of their day-to-day responsibilities. This opportunity for learning contributed not only to individual job satisfaction but also to increased engagement and adaptability. Research supports this approach; Govaerts et al. (2011) found that skill development opportunities significantly enhance employees' motivation, commitment, and overall performance. Within small restaurant settings, such practices promote operational flexibility and ensure that staff can manage diverse tasks when needed.

“...I love the fast-paced environment and it was also a new opportunity for me to push myself and to learn the skill of working.” (P01)

Beyond acquiring specific skills, gaining new experiences through role variety or task expansion was also valued. P01 described being pushed out of their comfort zone, particularly during peak operations. This form of experiential learning not only built confidence but also improved task efficiency and resilience. These findings are consistent with Camps and Rodríguez (2011), who emphasised that experiential development increases employee adaptability and fosters long-term retention in dynamic work environments.

"...when we have to make a lot of drinks. Like I have never experienced that-it is something new. So, it's like almost pushing yourself out of your comfort zone. Trying new things." (P01)

Preparing a positive working environment

The second major theme identified in retention strategies is the cultivation of a positive working environment. This theme comprises six key elements: (1) encouraging a learning environment, (2) fostering a friendly workforce, (3) promoting positive employer values, (4) providing well-equipped facilities, (5) allowing flexible time-off, and (6) maintaining a relaxed pace. In small and medium-sized restaurants, a learning-oriented environment promotes curiosity, knowledge sharing, and continuous development, thereby motivating employees to improve themselves and contribute meaningfully to the business. P01 highlighted how such a setting supports both personal and professional growth:

"...it was also a new opportunity for me to push myself and to learn the skill of working." (P01)

Supportive and friendly teams were also identified as vital contributors to a healthy workplace culture. Informants described the importance of harmonious relationships among colleagues in enhancing job satisfaction and productivity. This aligns with Chiaburu and Harrison (2008), who noted the strong influence of coworker support on employee performance.

"...So, it's a lot of different things that I have learned and it's good to be well-surrounded by friendly workers." (P01)

Positive employer values such as transparency, fairness, and a commitment to staff well-being also emerged as critical. These values foster employee engagement, trust, and long-term loyalty. Kehoe and Wright (2010) established a strong link between ethical leadership and employee satisfaction, as reflected in the comments from P01 and P03:

"...also, his intention is to open this shop to help people, so he really helps us a lot." (P03)

"...they always would think for improvements. They're not stingy." (P01)

The provision of well-equipped facilities, including up-to-date tools, adequate space, and a clean environment-was another contributing factor to employee satisfaction and performance. This was supported by P03, who noted:

"...there's a lot of facilities, the environment is okay, because restaurants that well-equipped with facilities like this are hard to find." (P03)

Flexibility in time-off was frequently cited as an important practice for maintaining employee well-being and work-life balance. According to Allen et al. (2012), flexible

work arrangements are associated with reduced stress and improved retention. P04 shared:

"... I like the environment here, colleagues, not always strict, I can request for my off day, flexible." (P04)

Finally, a relaxed pace of work was appreciated by employees, particularly as a buffer against the high-pressure nature of hospitality work. Jex (1998) highlighted the risks of stress-induced burnout in fast-paced environments, making the relaxed pace described by P07 a valuable retention factor:

"Working here is the best because we work in a relaxed way, it's not tiring, it's very relaxing." (P07)

Offering employee benefits

The third key retention strategy identified in small and medium-sized restaurants involves offering both tangible and intangible employee benefits. These include financial incentives, healthcare support, and symbolic gestures of appreciation. Four primary components were highlighted: (1) giving praise, (2) providing allowances, (3) offering medical benefits, and (4) giving festive gifts. Praise emerged as a simple yet powerful motivator. Informant P08 noted that recognition for good work, even in small forms, contributed to a sense of appreciation and improved morale. Research by Kapp (2012) affirms that consistent praise and recognition can significantly enhance employee motivation, productivity, and retention.

"Most restaurants would not care about their employees but here, if we improve the cleanliness here, some people will praise it, you will be rewarded a little." (P08)

Allowances, particularly transport allowances, were also mentioned as a practical support mechanism. These benefits help employees manage costs related to commuting and contribute to overall job satisfaction and retention. Rynes et al. (2004) argue that financial incentives like allowances are positively linked to employee performance and organisational commitment.

"If you work far away, there will be an allowance, for example, he (referring to other employees) works near Banting there is transport allowance." (P02)

Medical benefits were another key element cited by participants. Providing access to healthcare, even with limits, signals care for employee well-being and enhances commitment to the organisation. P02 shared that their workplace offers both medical claims and maternity leave. These findings align with Scott et al. (2012), who identified employee welfare programmes as strong predictors of job satisfaction and loyalty.

"Medical claim is also available, but there is a limit. There is also maternity leave." (P02)

Finally, festive gifts such as duit raya or angpau were mentioned as meaningful non-financial rewards that foster a sense of belonging and appreciation. These gestures,

though symbolic, reinforce positive relationships between management and staff. Saks (2006) highlights that such recognition can improve employee engagement and strengthen organisational culture.

"They do provide gifts. For example, for Raya our manager gives us little gifts. For example, for Chinese New Year, our owner himself gave us the Ang Pau for both Chinese New Year and Raya..." (P01)

Conclusion

This study explored human resource management (HRM) practices in independent small-and medium-sized restaurants, focusing on three key areas: recruitment, learning and development, and employee retention. The findings offer empirical insight into how these establishments manage their human capital with limited resources and informal organisational structures. Recruitment practices were found to be multi-channel and adaptive, relying on both digital platforms (e.g., recruitment websites, WhatsApp, social media) and traditional methods (e.g., printed posters, peer recommendations). These diverse strategies reflect the flexible and pragmatic approach adopted by SMEs to address labour shortages and improve hiring efficiency. The selection process typically included walk-in applications, interviews, and probation, guided by practical criteria such as minimum education, semi-skilled experience, interpersonal qualities, and hygiene consciousness. These requirements align with the operational realities of the restaurant sector, where service delivery and food safety are paramount. Learning and development practices centred around in-house training, off-premise exposure, and job rotation. In-house training—often informal but practical—was the most commonly adopted method due to its cost-efficiency and relevance to real-time operations (Salas et al., 2012). The emphasis on employee growth through empowerment, career progression, and continuous learning echoes the importance of cultivating internal talent pipelines within resource-constrained environments (Camps and Rodríguez, 2011; Govaerts et al., 2011). Notably, the cultivation of professionalism through training was linked to quality service delivery, workplace discipline, and the ability to meet high client expectations.

Retention strategies emerged through three interrelated themes: opportunities for advancement, a positive working environment, and the provision of employee benefits. A supportive workplace culture, characterised by camaraderie, recognition, fair treatment, and flexible scheduling, played a pivotal role in employee satisfaction and loyalty (Allen et al., 2012; Kehoe and Wright, 2010; Chiaburu and Harrison, 2008). Tangible rewards, such as allowances, medical benefits, and festive gifts, further reinforced organisational commitment (Scott et al., 2012; Saks, 2006; Rynes et al., 2004). These findings suggest that even modest HR investments, when strategically aligned with employee expectations, can significantly improve retention in the food service sector. This study contributes context-specific knowledge to the underrepresented discourse on HRM practices in independent small and medium-sized restaurants in Malaysia. Practically, it offers actionable insights for restaurant owners and managers to enhance their human capital strategies. For example, refining hiring channels, investing in structured yet informal training, and implementing low-cost retention initiatives can yield meaningful improvements in employee performance and organisational stability. From a policy perspective, the study provides empirical

justification for targeted support, including training subsidies and HRM toolkits tailored for micro and small enterprises in the hospitality industry. Academically, the study lays the groundwork for further investigation into workforce dynamics in informal or semi-formal food establishments. While this study generated valuable insights, it is limited in its geographical scope, focusing solely on independent small and medium-sized restaurants within the Klang Valley. The study also relied on a relatively small number of participants due to operational constraints and time limitations among food service employees, which may affect the breadth of experiences captured. Additionally, the data were collected primarily from employee perspectives, without triangulation from owners or supervisors, which could have enriched the analysis. Future studies should broaden the sample to include small and medium-sized restaurants in suburban or rural regions, enabling comparative analysis across different business environments. Incorporating multiple stakeholder perspectives, particularly from owners and managers. It would enhance data triangulation and allow for a more holistic understanding of HRM practices. Longitudinal or mixed-method approaches may also reveal how HR strategies evolve over time in response to labour market fluctuations, economic pressures, or regulatory changes. Moreover, further exploration into digital HR tools and their adoption among small and medium-sized restaurants may yield insights into the future-readiness of this sector.

Acknowledgement

This research is self-funded.

Conflict of interest

The authors confirm that there is no conflict of interest involve with any parties in this research study.

REFERENCES

- [1] Abdul Rashid, M.Z., Sambasivan, M., Abdul Rahman, A.A. (2016): The influence of organizational culture on attitudes toward organizational change. – *Leadership & Organization Development Journal* 25(2): 161-179.
- [2] Aksu, A.A. (2005): Defining training needs of five-star hotel personnel: An application in the Antalya region of Turkey. – *Journal of Hospitality & Leisure Marketing* 12(1-2): 25-38.
- [3] Al-Emadi, A.A., Schwabenland, C., Wei, Q. (2015): The vital role of employee retention in human resource management: A literature review. – *International Journal of Human Resource Studies* 5(3): 71-90.
- [4] Allen, T.D., Johnson, R.C., Kiburz, K.M., Shockley, K.M. (2012): Work–family conflict and flexible work arrangements: Deconstructing flexibility. – *Personnel Psychology* 66(2): 345-376.
- [5] Arendt, S.W., Paez, P., Strohbehn, C. (2012): Motivating foodservice employees to follow safe food handling practices: Perspectives from a multigenerational workforce. – *Journal of Human Resources in Hospitality & Tourism* 11(3): 263-278.
- [6] Armstrong, M. (2020): *Armstrong's Handbook of Human Resource Management Practice* (15th ed.). – Kogan Page, London 760p.

- [7] Au, W.C., Stephens, S., Ahmed, P.K. (2024): Relational HR practices in Malaysian SMEs: An ethics of care perspective. – *Journal of Business Ethics* 191(2): 323-336.
- [8] Batt, R., Valcour, P.M. (2003): Human resource practices as predictors of work-family outcomes and employee turnover. – *Industrial Relations* 42(2): 189-220.
- [9] Baum, T. (2006): *Human Resource Management for Tourism, Hospitality and Leisure: An International Perspective*. – Thomson Learning, London 326p.
- [10] Bennett, N., Lemoine, G.J. (2014): What a difference a word makes: Understanding threats to performance in a VUCA world. – *Business Horizons* 57(3): 311-317.
- [11] Boyd, D.M., Ellison, N.B. (2008): Social network sites: Definition, history, and scholarship. – *Journal of Computer-Mediated Communication* 13(1): 210-230.
- [12] Braun, V., Clarke, V. (2006): Using thematic analysis in psychology. – *Qualitative Research in Psychology* 3(2): 77-101.
- [13] Camps, J., Rodríguez, H. (2011): Transformational leadership, learning, and employability: Effects on performance and intention to leave. – *Personnel Review* 40(4): 492-508.
- [14] Cardon, M.S., Stevens, C.E. (2004): Managing human resources in small organizations: What do we know? – *Human Resource Management Review* 14(3): 295-323.
- [15] Chiaburu, D.S., Harrison, D.A. (2008): Do peers make the place? Conceptual synthesis and meta-analysis of coworker effects on perceptions, attitudes, OCBs, and performance. – *Journal of Applied Psychology* 93(5): 1082-1103.
- [16] Choo, S., Linderman, K., Schroeder, R. (2007): Method and system for determining self-directed learning readiness. – *Journal of Hospitality and Tourism Education* 19(4): 6-16.
- [17] Chung, K., D'Annunzio-Green, N. (2018): Talent management practices in small- and medium-sized enterprises in the hospitality sector. – *Worldwide Hospitality and Tourism Themes* 10: 101-114.
- [18] Conger, J.A., Kanungo, R.N. (1988): The empowerment process: Integrating theory and practice. – *Academy of Management Review* 13(3): 471-482.
- [19] Creswell, J.W. (2015): *Educational Research: Planning, Conducting, and Evaluating Quantitative and Qualitative Research* (5th ed.). – Pearson Education, Boston 673p.
- [20] Croucher, R. (2008): *Human Resource Management in the UK: A Case Study Approach*. – Routledge, London 540p.
- [21] Delery, J.E., Doty, D.H. (1996): Modes of theorizing in strategic human resource management: Tests of universalistic, contingency, and configurational performance predictions. – *Academy of Management Journal* 39(4): 802-835.
- [22] Department of Statistics Malaysia (DOSM) (2022): *Micro, Small & Medium Enterprises (MSMEs) Performance 2022*. – DOSM, Putrajaya 5p.
- [23] Doern, R. (2012): Investigating barriers to SME growth and development in transition environments: A critique and suggestions for developing the methodology. – *International Small Business Journal* 27(3): 275-305.
- [24] Farnham, D. (2010): *Human Resource Management in Context: Strategy, Insights and Solutions*. – Chartered Institute of Personnel and Development, London 488p.
- [25] Ghazali, H., Misbahwazir, F.N., Abu Bakar, A.Z., Ismail, A.F. (2024): Identifying factors influencing employee turnover intention in Malaysian small and medium-sized enterprises (SMEs) restaurants. – *International Journal of Research and Innovation in Social Science* 8(11): 1567-1583.
- [26] Govaerts, N., Kyndt, E., Dochy, F., Baert, H. (2011): Influence of learning and working climate on the retention of talented employees. – *Journal of Workplace Learning* 23(1): 35-55.
- [27] Hashim, M.K. (2015): *SME Development Framework: The Malaysian Case*. – *Asia-Pacific Development Journal* 22(2): 113-130.
- [28] Hill, J., McGowan, P., Drummond, P. (2002): The development and application of a qualitative approach to researching the marketing networks of small firm entrepreneurs. – *Qualitative Market Research: An International Journal* 2(2): 71-81.

- [29] Huselid, M.A. (1995): The impact of human resource management practices on turnover, productivity, and corporate financial performance. – *Academy of Management Journal* 38(3): 635-672.
- [30] Iverson, R.D., Deery, M. (1997): Turnover culture in the hospitality industry. – *Human Resource Management Journal* 7(4): 71-82.
- [31] Jevšnik, M., Hlebec, V., Raspor, P. (2008): Food safety knowledge and practices among food handlers in Slovenia. – *Food Control* 19(12): 1107-1118.
- [32] Jex, S.M. (1998): *Stress and job performance: Theory, research, and implications for managerial practice*. – Sage Publications, Thousand Oaks 143p.
- [33] Kaliprasad, M. (2006): *The Human Factor I: Attracting, Retaining, and Motivating Capable People*. – *Cost Engineering* 48(6): 20-26.
- [34] Kapp, K.M. (2012): *The Gamification of Learning and Instruction: Game-Based Methods and Strategies for Training and Education*. – Pfeiffer, San Francisco 336p.
- [35] Katou, A.A., Budhwar, P.S. (2006): Human resource management systems and organizational performance: A test of a mediating model in the Greek manufacturing context. – *International Journal of Human Resource Management* 17(7): 1223-1253.
- [36] Kehoe, R.R., Wright, P.M. (2010): The impact of high-performance human resource practices on employees' attitudes and behaviors. – *Journal of Management* 39(2): 366-391.
- [37] Kennedy, E., Daim, T.U. (2010): A strategy to assist management in workforce engagement and employee retention in the high tech engineering environment. – *Evaluation and Program Planning* 33(4): 468-476.
- [38] Kim, W.G., Leong, J.K., Lee, Y.K. (2005): Effect of service orientation on job satisfaction, organizational commitment, and intention of leaving in a casual dining chain restaurant. – *International Journal of Hospitality Management* 24(2): 171-193.
- [39] Kusluvan, S., Kusluvan, Z., Ilhan, I., Buyruk, L. (2010): The human dimension: A review of human resources management issues in the tourism and hospitality industry. – *International Journal of Hospitality Management* 29(3): 518-534.
- [40] Lauder, D., Boocock, G., Presley, J. (1994): The system of support for SMEs in the UK and Germany. – *European Business Review* 94(1): 9-16.
- [41] Lee, Y.T., Chen, C.H.V. (2018): The relationship between employee commitment and job attitudes and its effect on service quality in the hospitality industry. – *International Journal of Hospitality Management* 31(1): 74-85.
- [42] MacDuffie, J.P. (1995): Human resource bundles and manufacturing performance. – *Industrial and Labor Relations Review* 48(2): 197-221.
- [43] Mattox, J.R., Jinkerson, D. (2005): *Using employee engagement to improve retention*. – Society for Human Resource Management, Alexandria 5p.
- [44] McShane, S.L., Cunningham, N. (2012): *Organizational Behavior*. – McGraw-Hill Education, New York 624p.
- [45] Mekonen, H.S., Melaku, S. (2014): Standard operating procedures and work instructions. – *International Journal of Scientific and Research Publications* 4(8): 1-7.
- [46] Mokhtar, S.S.M., Yusoff, R.Z., Ahmad, A. (2017): The challenges of small and medium enterprises (SMEs) in adopting e-commerce: A case study of Malaysian SMEs. – *International Journal of Academic Research in Business and Social Sciences* 7(6): 1030-1041.
- [47] Montana, P.J., Charnov, B.H. (2000): *Management*. – Barron's Educational Series, New York 536p.
- [48] Nawaz, M.M., Ahmad, M.S., Ahmad, N. (2012): Impact of employee training and empowerment on employee creativity through employee engagement. – *Middle-East Journal of Scientific Research* 12(5): 617-625.
- [49] Neffke, F., Nedelkoska, L., & Wiederhold, S. (2024): Skill mismatch and the costs of job displacement. – *Research Policy* 53(2): 22p.

- [50] Policarpio, J.A.E. (2024): The on-the-job training experiences of the hospitality management students: Input in the manual of learning and development. – *United International Journal for Research & Technology* 5(5): 95-100.
- [51] Quinn, K.A. (2013): The importance of resource and interpersonal skills in the hospitality industry. – *Journal of Foodservice Business Research* 16(5): 439-447.
- [52] Ram, M., Holliday, R. (1993): Relative merits: Family culture and kinship in small firms. – *Sociology* 27(4): 629-648.
- [53] Renaud, S., Morin, L., Bechar, J.P. (2015): Traditional and emerging human resource practices: An empirical investigation of their relationship with organizational performance. – *Journal of Human Resources Management Research* 15p.
- [54] Rodrigo, M.M., Jayasinghe, M., Smith, A. (2019): The role of HRM practices in employee retention: A study on SMEs in Sri Lanka. – *International Journal of Human Resource Studies* 9(2): 1-15.
- [55] Rynes, S.L., Gerhart, B., Minette, K.A. (2004): The importance of pay in employee motivation: Discrepancies between what people say and what they do. – *Human Resource Management* 43(4): 381-394.
- [56] Saks, A.M. (2006): Antecedents and consequences of employee engagement. – *Journal of Managerial Psychology* 21(7): 600-619.
- [57] Salas, E., Tannenbaum, S.I., Kraiger, K., Smith-Jentsch, K.A. (2012): The science of training and development in organizations: What matters in practice. – *Psychological Science in the Public Interest* 13(2): 74-101.
- [58] Sang, C. (2005): Relationship between HRM practices and the perception of organizational performance: Comparison between manufacturing firms in Cambodia and Taiwan. – *International Journal of Human Resource Management* 16(9): 1750-1771.
- [59] Scott, D., McMullen, T., Royal, M. (2012): Retention of key talent and the role of rewards. – *WorldatWork Journal* 21(4): 58-70.
- [60] Simons, T., Hinkin, T.R. (2001): The effect of employee turnover on hotel profits: A test across multiple hotels. – *Cornell Hotel and Restaurant Administration Quarterly* 42(4): 65-69.
- [61] SME Corporation Malaysia (2020): SME Annual Report 2019/20. – SME Corporation Malaysia, Kuala Lumpur 211p.
- [62] Teece, D.J., Pisano, G., Shuen, A. (1997): Dynamic capabilities and strategic management. – *Strategic Management Journal* 18(7): 509-533.
- [63] Tierney, K.J., Lindell, M.K., Perry, R.W. (2002): Facing the unexpected: disaster preparedness and response in the United States. – *Disaster Prevention and Management: An International Journal* 11(3): 222-222.
- [64] Tsaor, S.H., Lin, Y.C. (2004): Promoting service quality in tourist hotels: The role of HRM practices and service behavior. – *Tourism Management* 25(4): 471-481.
- [65] Van Hoye, G. (2013): Recruiting through employee referrals: An examination of employees' motives. – *Human Performance* 26(5): 451-464.
- [66] Wang, F., Liu, S., Wang, D., Wang, L. (2017): The impact of emotional intelligence on job burnout and job performance. – *Frontiers in Psychology* 8: 1-13.
- [67] World Bank (2021): Malaysian SME Program Efficiency Review. – World Bank Group, Washington, D.C. 110p.
- [68] Wright, P.M., Gardner, T.M., Moynihan, L.M. (2005): The relationship between HR practices and firm performance: Examining causal order. – *Personnel Psychology* 58(2): 409-446.
- [69] Wright, R.E., Paul, J. (2005): Defining small and medium enterprises: A critical review. – *European Journal of Business and Management* 7(1): 17-28.
- [70] Zhao, H., Liden, R.C. (2011): Internship: A recruitment and selection perspective. – *Journal of Applied Psychology* 96(1): 221-229.