Journal of
Risk and Financial Management

MDPI

Article

Factors Influencing Investments into Human Resources to Support Company Performance

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Abstract: Human resources are very important in a business; however, the return on investment in human resources is longer than in fixed assets, so entrepreneurs frequently consider how much to actually invest. This article, based on primary research, examines the motivations for investment when a 20% profit is typically invested with a model return of around 14%. Those findings are supported by the results presented in Archetype models based on similarity clustering. The results are based on an empirical study (278 respondents, omnibus survey) in the Czech Republic. Moreover, the study concludes that the business experience positively influences human resource management and future development to increase the investment share. In essence, this article displays the paramount importance of human resources and human resource management in the international business environment, demonstrating that investments in human resources are crucial to the success of all businesses, positively and consistently supporting organizations' performance, and entrepreneurship will continue to remain a vital component of the activities belonging to the post COVID-19 era. In addition, in an era governed by the influences specific to the knowledge-based society and the knowledge-based economy, in which intellectual capital will be considered one of the most relevant intangible assets of entities all over the world, the measurement of human resources investment will turn out to be essential for the success of all businesses, while taking the necessary steps in supporting sustainability, sustainability assessment and Sustainable Development Goals (SDGs).

Keywords: human resources; investments; motivation; archetypes; performance; intellectual capital

Citation: Šebestová, Jarmila Duháček, and Cristina Raluca Gh. Popescu. 2022. Factors Influencing Investments into Human Resources to Support Company Performance. *Journal of Risk and Financial Management* 15: 19. https://doi.org/10.3390/jrfm15010019

Academic Editor: Khaled Hussainey

Received: 20 November 2021
Accepted: 29 December 2021
Published: 6 January 2022

1. Introduction

Human resources (HR) are essential today. Current businesses are based on creativity, new ideas, and innovations. For this reason, entrepreneurs decide on HR as an investment in human capital. They can be motivated by various factors, tax savings, and future revenues from implemented innovations. HR as asset investments play an essential role in supporting productivity and innovativeness in entrepreneurship (Castanias and Helfat 1991; Coff 1997; Cornachione 2010; Kucharcikova 2014; Popescu 2019a).

Human capital could be defined as an individual's core and unique ability in an organization or economy's entrepreneurial or other processes. Human capital (in entrepreneurial practice use), based on definitions, could be seen as the combination of intellect, skills, experiences, talent, and the artistic ability of an employee, which is directed to produce value-added to product or service (Bruce-Lockhart 2016; Markjackson and Innocent 2020; Sawulski and Paczos 2021).

The importance of the investment into HR was highlighted by the current COVID-19 pandemic situation when motivated people were adaptable and supportive to companies

operating during restrictions (Umana et al. 2021). Furthermore, the development of information and communication technologies (ICT) and social and communication interactions has significantly impacted working with and using human capital in recent years. Human capital is determined by the quality of the company's human potential, which includes knowledge, skills, talents, information, and experience. Their rate of use is determined by individuals' willingness to use this potential as well as their ability to use it. The essence of creating and increasing the value of human capital is the current expenditure of non-monetary funds to achieve future monetary or non-monetary returns. Thus, when investing funds in the creation and development of human capital, whether one-time or long-term activities (Vodák and Kucharčíková 2011), the costs and benefits of investing in human capital (and thus primarily in education) can be assessed using similar methods as in other types of investments (Psacharopoulos and Patrinos 2004).

The paper's primary goal is to present the factors that affect investment in human capital concerning other types of investment in the company based on a case study to enhance company performance. In this context, it can be assumed that if a company invests more in human capital, it will also support innovation activity investments as long-term activities.

2. Theoretical Background

2.1. Human Resources as Investment

Unfortunately, the central point of investments in many businesses and research papers is investments in innovations or company equipment such as physical and financial assets. (Tadic et al. 2015). Opposite to that, long-term strategies in human capital investments are realized over the whole life-cycle, and based on previous studies, more than one-half of lifetime human capital is accumulated through post-school training and educational investments in the company (Heckman et al. 1998).

Lillard and Tan previously described the longevity of the investment (1986), when skills acquired in the past become less valuable as knowledge depreciation is between 15% and 20% per year. Keeley (2007) forecasted annual growth in human capital investment of 3 to 6 percent. This analysis could have influenced future decisions regarding the amount of capital invested in HR. Although there is still talk of human resource development, and the World Bank monitors countries' maturity using the human capital index (HCI, World Bank 2020). Based on the most recent Sawulski and Paczos (2021), private investment in human capital averaging nearly 2.3 percent and 17.6 percent in fixed assets relative to GDP from 2009 to 2019. This corresponds to an investment ratio of 1:7.6, which means that for every euro spent on HR, the entrepreneur also invested 7.6 euros in fixed assets, on average.

2.2. Human Resources Invesments and Relationship to Business Performance

Human capital means the know-how, relationships, and general capabilities that employees bring into a specific company as specific human capital as a unique resource for providing business activity (Amit and Schoemaker 1993; Teece et al. 1997; Galunic and Anderson 2000). In this point of view, HR are defined as intangible assets, and based on strategic management literature, are closely connected with competitive advantage and innovativeness (Ghemawat 1986; Grant 1996; Hatch and Dyer 2004; Bapna et al. 2013; Su and Liu 2016; Dvouletý and Blažková 2020).

In terms of investing in human capital, assessing the efficiency of long-life education programs and continuous training sessions is crucial for increasing productivity, proving to be paramount to healthy and resilient economies as well as to economic growth and sustainable development (European Commission 2017).

In addition, it should be emphasized that, in the context of the current time, specialists in HR encourage investments in education, training, personal and professional development, in order to increase businesses performance, thus indicating the vital relationship that can be encountered between HR, human resources investments (HRM) and business

performance (OECD 2012). In addition, quality combined with business performance represents the key to successful entrepreneurship especially in the post COVID-19 era (OECD 2020).

Measurement of Human Resources Investment

Investments in human capital are closely connected with the level of education of employees or business owners as the potential of the firm or country development and investments for the future (Ashenfelter et al. 2003; Hazelkorn and Huisman 2008). Those investments influence the future development of human capital, as illustrated below (Figure 1). Stroombergen et al. (2003) identified the following four different sources of investments into HR: when employer investments include courses and training, learning by doing activities; individual and family investments based on tuition fees payments during studies, and government investments covering public costs on education. A future return on human capital could be calculated as future earnings from new capabilities or innovations; secondly, it could be considered as value added to the employee's life.

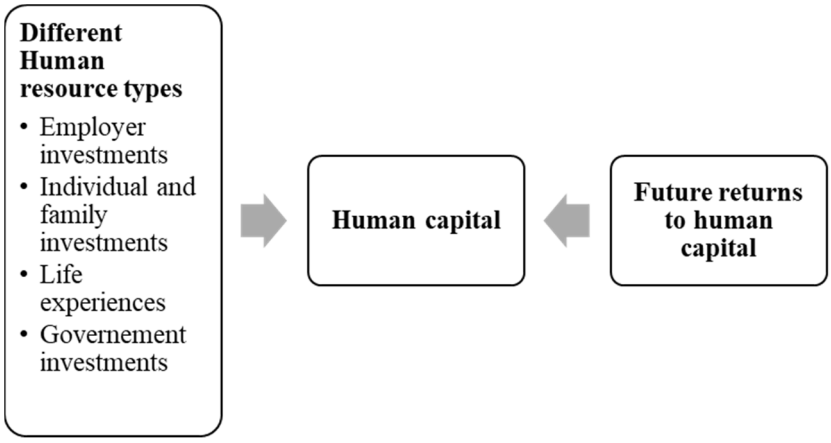

Figure 1. Different sources of HR investments. Source: own illustration based on Stroombergen et al. (2003).

Unfortunately, there is no unified definition among authors on how to measure investment into HR. The main question is still the same: is it just expenditure or real investment? According to Petković et al. (2021), most examined studies (80%) agreed that investments into HR are in the form of real investment and have to be evaluated with company performance.

Human capital investments can be assessed both qualitatively and quantitatively. While the qualitative approach aims to measure excellence and knowledge on company or branch level, contributing to the work effectiveness, the quantitative approach aims to measure the number of individuals and working hours in relationship with financial indicators (Lillard and Tan 1986; Matiušaitytė and Šarkiūnaitė 2003; Prakapavičiūtė and Korsakienė 2016). Each company has different motives for human capital investments. One of them is the situation when the management of the organization is forced to seek compromise solutions to solve the framework of future anti-crisis strategies (Toumashev et al. 2015; Irfan and Qadeer 2020). The second strategy saves money for HR when the company hires specialists to deal with new equipment independently (Mikhailov et al. 2018; Mikhailov and Miasnikov 2019).

Mikhailov and Miasnikov (2019) described the situation between investment costs (C) and productivity (Q) during different stages of the company. It is necessary to set the cost limit as represented by CL horizontal curve to be effective on both sides. Production effectivity is represented as a PE curve, and it means effective use of resources. Secondly, the model compares the MRC curve, expressing maintenance and repair costs needed for production. Thirdly, the HRI curve simulates willingness to invest in human capital (in

the number of investment costs). Two non-effective situations are expressed here: (1) A1 situation, when MRC is reaching limit costs (CL) under sufficient and profitable production; (2) A2 situation, when PE = MRC and it means that production costs are not compatible with the criteria of efficient use of equipment. The relationship between those variables is simulated in Figure 2.

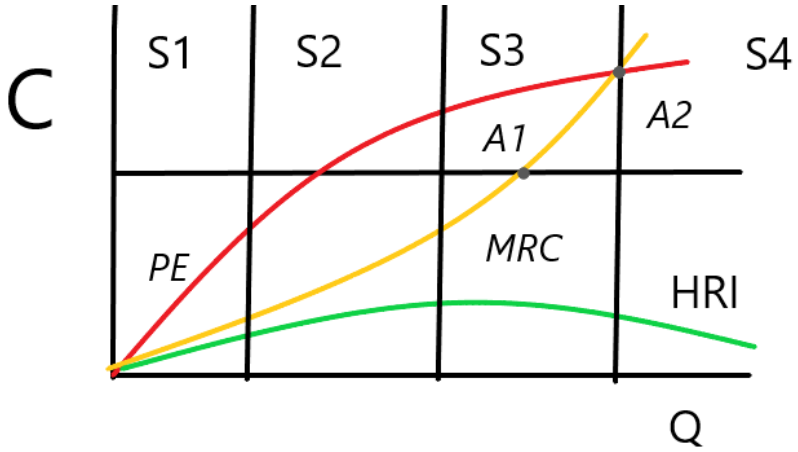

Figure 2. Relationship between investment costs and productivity. Source: own processing based on illustration of Mikhailov and Miasnikov (2019, p. 7).

Each stage explains different behavior during the investment process when stage 1 (S1) represents the introduction of new equipment, and the personnel is providing stable work on it. No additional costs for training are needed. Stage 2 (S2) illustrates the whole workflow of the new equipment with arising capacity and first problems solving with unplanned difficulties with the technology. This situation is a motivational factor for training employees to repair machines, and HRI costs are growing. In stage 3 (S3), the technology is getting older, the pressure is on innovation, and HRI costs are at a maximum to be successful in business. Finally, the last stage (S4) illustrates lower profitability of production and a noticeable decline in financial resources due to a fall in profits.

According to Lentjushenkova and Lapina (2014), investment evaluation should not be just financial or non-financial. On the other hand, Petković et al. (2021) and Sichel (2008) discuss three options, particularly for the financial evaluation of human capital investments, such as financial market valuation, other performance measures, and direct expenditure data. The first method demonstrates how one euro invested generates market value, such as new knowledge or process improvements (i.e., measuring the impact of an investment on a product, added value). The second strategy capitalizes on changes in labor productivity or sales. Following to previous authors, an average annual appreciation of 2.8 percent is possible. However, due to the design of both approaches, errors and inaccuracies cannot be ruled out. As a result, empirical models or monitoring of all costs associated with a given investment are being promoted, where it has been indicated that up to 80% of costs can be detected, and the average return on investment in human capital is between five and seven years.

To be able to solve this problem it is necessary to invest in innovations and HR during the whole process of equipment investment. As a valuable method for strategic analysis and planning, it could be seen as being balanced scorecard or costing-based on adequate accounting or CSR information (Kolumber and Briš 2014; Popescu and Popescu 2019; MacGregor Pelikánová 2019; Pakšiová and Oriskóová 2020; Kolumber and Tkačíková 2020).

Previous studies or empirical results (Almeida and Carneiro 2009) have shown that an increase in training per employee of ten hours per year increases work productivity by 0.6%, which means less than 25% of the total costs of training. On the other hand, Dearden et al. (2006) and Conti (2005) compared the impact of training or investments to

human capital on labor productivity and wages. They found that human resource development and training increase labor productivity twice as much as they increase wages, while later on, they supported only the effects of company training on labor productivity (indirect effect on investment on company equipment). Returns on investments are determined by a company's ability to combine capabilities such as financing, recruiting and training of highly skilled employees, understanding of market needs, and other factors, such as organizational changes (D'Este et al. 2012; Bumberová and Milichovský 2020; Corrocher et al. 2009).

Opposite to that, Galunic and Anderson (2000) reflect on generalized human resource investments, and those studies recommended avoiding investments in capabilities without people's commitment to the company. In line with this, Bapna et al. (2013) confirmed the significant positive impact of training on employee performance. All those studies supported one main research focus—that human capital is an essential part of the knowledge economy and the significant hidden value of each company, generating profit (Popescu 2019b).

Table 1 summarizes the results of several studies from 2007 to 2021, which are divided in terms of perspective in processing the empirical part to better define the research gap and whether the outcomes are interpreted through employees' or organizations' eyes.

Table 1. A summary of previous studies.

Author/s	Study Description	Study Orientation (Company vs. Employees)
Keeley (2007)	HR return ratio	Company view
Werner and DeSimone (2012)	Relationship between HR management, profit and company strategy	Company view
Susan E. et al. (2012)	HR management improvements	Company/employee view
Bruun (2013)	Employee abilities and evaluation	Employee view
Givoni (2014)	Evaluation of competencies	Employee view
Fadhil et al. (2017)	Models of HR development	Employee view
Heri (2019)	HR development and public sector influence	Company/employee view
Hite and McDonald (2020)	Relationship of company strategy on HR managers	Employee view
Wotschack (2020)	Training of low-skilled staff to support employment	Employee view
Pan and Zhang (2020)	Internal processes of HR management	Employee view
Haak-Saheem and Festing (2020)	International importance of HR development and company profit	Company/employee view
Ichsan et al. (2020)	Strategy goals vs. HR development	Company view
Umana et al. (2021)	102 respondents, COVID-19 influence on training of employees and company productivity, employee point of view	Employee view
Jílková (2021)	Company working benefits, COVID-19 influence	Employee view

Source: own processing.

Studies focusing on staff analysis predominate, as can be seen. Part of the research is devoted to a two-sided perspective, in which the results are compared to the company's predetermined strategy. When companies, managers, and their decisions are the focus of events, studies are unique. Based on a search of these previous studies, we can conclude that the owners' perception of investing in HR, or the description of the basic motives that lead them to consider the investment profitable, which is the article's goal, is inadequately described.

Based on the previous studies, compared in Table 1, we hypothesize the following:

Hypothesis 1 (H1). *Different amounts of HR investment will be influenced by the manager's business experience.*

This situation corresponds to their experience in coordinating personnel policy with business objectives, allowing them to assess the return on investment in human capital.

Hypothesis 2 (H2). *The level of a manager's education will have an influence on the amount of the HR investment.*

The manager's level of education influences his assessment of his employees' abilities.

3. Materials and Methods

Research Methodology and Data Description

A case study approach was performed to present primary data. Primary research has provided data on entrepreneurs' overall decision on profit investment into different segments and factors, which have a primary influence on financial investments. Furthermore, data on the rate of human resource investments (HRI) in the surveyed enterprises were obtained from the manager's perspective. Primary data on managers were also obtained. These were gender, age, education, and business experience.

The case study presents complete field research conducted in a questionnaire within the Czech Republic. However, the main objective of the research was to identify the investment activities of managers, their ability to describe and divide investment. This approach was already defined in the study Krejčí (2018) and Pokorná (2020). Data were collected from the start of 2020 in an online form and a personal interview. Due to the COVID-19 pandemic situation, most of the responses were collected in online form. A total of 278 respondents had replied to the questionnaire as of 28 September 2020. The interviews were conducted face-to-face or by telephone when 26% of semi-structured interviews were conducted face-to-face, and 74% were conducted by e-mail. A total of 596 entrepreneurs were addressed, and 278 entrepreneurs attended the interviews. Companies were randomly selected from the Amadeus database, when the minimum age of the company was set at three years, with the preference of SMEs.

The research was primarily focused on business owners to evaluate preferences and current behavior in profit investment and current portfolio (HR, equipment, innovations, and marketing). To evaluate previously mentioned questions, we first coded answers from the questionnaire into numerical values. Respondents evaluated all behavioral factors on a Likert scale of 1 to 5 (1 = strongly agree; 5 = strongly disagree).

Secondly, archetypes (prototypes of entrepreneur behavior) were created by the K-means clustering tool used to model relationships within HR investment activities, and motivational factors were used to support the research goal. The influence of the first wave of COVID-19 would be possible to observe.

Data sample description. The research involved 194 men and 84 women in the role of business owners. The leading group was in the age 41 to 55 years (42.81%), then 26 to 40 years (33.81%), and the third small group was 56 to 65 years (11.87%). The minor groups were 18–25 (8.99%) and 66+ (2.52%). Following that, educational level was, due to age structure, in secondary school level (55%) and university level (45%). Respondents were experienced in business when their business practice exceeded 20 years (39.2%), the second group had 10–20 years of experience (24.8%), and the third group had experience below 10 years (25.2%). Finally, only 10.8% of respondents had business experience in 3 years.

4. Results

The analysis could be divided into two main steps to make models of managers and their behavior within HRM.

4.1. Analysis of Profit Investments

In the first step, respondents were classified according to their profit investment with HR investments. The principal business owners invest mainly 20% of their budget into human resources (HR1). On average, the HR1 group invests 47.7% of generated profit, the HR2 group 48.9%, the HR3 group 52.6%, and the HR4 group 54.5%. Profit investment groups (PIGs) were formed by categorizing respondents based on how much profit they invest back into the company (20%, 40%, 60%, and 80%). These groups' handling of the reinvested earnings budget will be evaluated further (Table 2).

Table 2. Investment portfolio based on HR investment share.

Profit Investment Group (PIG)	PIG1:20%	PIG2:40%	PIG3:60%	PIG4:80%	Total Respondents
HR1 investment 20%, (N = 192)	26%	31%	21%	22%	192
HR2 investment 40%, (N = 56)	20%	35.5%	24.5%	20%	56
HR3 investment 60%, (N = 19)	21%	16%	42%	21%	19
HR4 investment 80%, (N = 11)	9.5%	45%	9.5%	36%	11

Source: own processing.

According to those findings, we can specify four investment portfolios, where the most crucial element is HR investment. Portfolios illustrate investment preferences during business activities, which is connected with Figure 2 and the stages model (Mikhailov and Miasnikov 2019). HR1 group is closely connected with stage 1 (S1), where business owners are focused on technology and equipment to produce innovation. Following that, a need for skilled employees arises in group HR2, copying stage 2 (S2), but a need for competitive advantage on the market is necessary to arise investments within groups HR3 and HR4 (S3 to S4 stage) (See Figure 3).

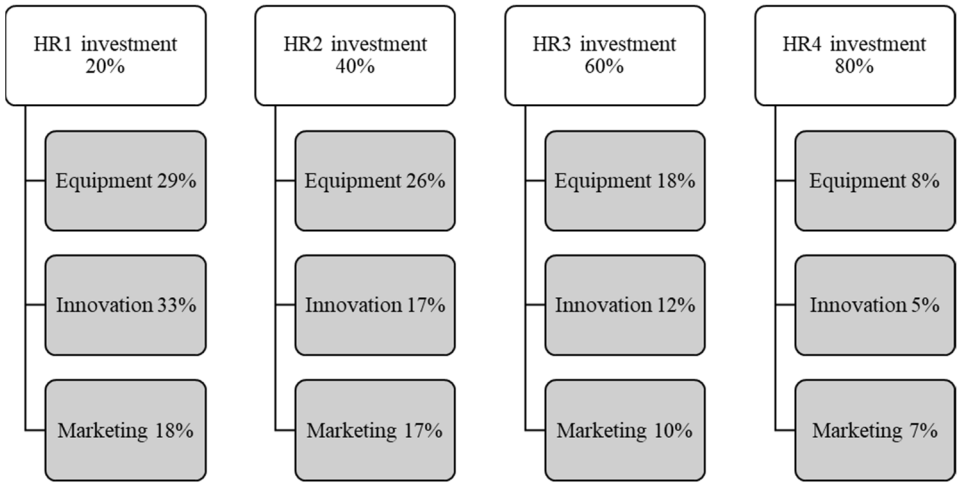

Figure 3. Investment portfolios according share on HR investment. Source: own processing.

This section will look at the company's budget for HR and how it affects the manager's subsequent behavior. The goal will be to develop four archetypes based on investment portfolio preferences so that they can be assigned to a specific investment group as they make financial decisions.

As shown in Figure 2, each segment has a preference for how to spend the money that remains in the portfolio after investing in HR. In the first group, where HR account for only 20% of profits, the remaining 80% of the budget is divided between equipment and innovation (33% and 29%), followed by marketing. In contrast, if the last group of entrepreneurs invests 80 percent in human resources, only 20 percent is available to

finance in other areas. Based on these findings (investment ratio comparison), the group that invests 20% in HR was labelled "Innovations First", because the remaining 62% is invested in innovation and equipment. The second group is dubbed "People and Work" because it invests equally in human resources (40%) as well as equipment and innovation (43 percent). The third group favors the development of "People-oriented" human resources, i.e., 60% investment and 30% equipment and innovation. On the contrary, the group known as "People First" clearly prefers to invest in HR (80 percent).

Preference reflects an entrepreneur's belief that a particular area of investment will provide him with value in the future.

4.2. Archetypes Creation

Secondly, based on the evaluation of main investment factors (Likert scaled), a typical respondent (represented by the role of a manager in this study) was created. It may involve experience, age, practical experience, the ability to classify investments. In this case study, three variables (age, education, and gender) were selected to create the three most common types of respondents. Each of the four typical archetypes has its most common profile based on the selected variable. The profile of a typical respondent shows gender, education, age, business experience, and main motives. Table 3 below shows four profiles of typical age-based respondents, which we named according to their investment preferences (innovations, people, work).

Table 3. Archetypes creation.

Archetype	Innovations First	People and Work	People-Oriented	People in the First Place
	HR investment 20%	HR investment 40%	HR investment 60%	HR investment 80%
		Personal profile		
Business owner	Man	Man	Man	Man
Age	41–55	26–40	26–40	41–55
Business experience (years)	20+ years	till 10 years	10–20 years	till 10 years
Education	University	Secondary school	Secondary school	University
		Main motives to invest profit into HR		
Interest rates in bank	√	×	√	×
Payback period	√√	√√	√√	√
Tax reduction	√	√	√	××
Efficiency analysis (value-added)	√√	√√	√√	√√
Competitive advantage	√	√	√√	√√
Financial decisions based on indicators	√	√	√	√√

Sentiment: √√—strongly agree, √—agree, ×—not agree, ××—strongly disagree.

Archetype "Innovations first". Typical behavior is connected with innovation activities, and supporting creativity and training is closely connected with innovation adoption. There was a positive tie between marketing investments and innovations (Pearson correlation coefficient = 0.676; $p \leq 0.05$).

Archetype "People and work". Typical is a positive tie between marketing investments and innovations (Pearson correlation coefficient = 0.997; $p \leq 0.05$). There is no tie with interest rates to make decisions about investments into HR.

Archetype "People-oriented". Typical is the positive point of view on HR investments to evaluate them in the long term as value-added or payback period, but on the first place is competitive advantage building.

Archetype "People in the first place". Typical is the maximum of an amount invested in HR when two significant ties were found—in equipment (Pearson correlation coefficient = 0.684; $p \leq 0.05$) and marketing (Pearson correlation coefficient = 0.605; $p \leq 0.05$). It is worth mentioning that factors payback period and tax reduction are highly correlated (Pearson correlation coefficient = 0.989; $p \leq 0.05$). It means that investments are influenced by the time an entrepreneur could claim tax reduction to get some piece of investment back.

On the other hand, the same situation was found with a competitive advantage and financial decisions based on indicators (Pearson correlation coefficient = 0.929; $p \leq 0.05$).

5. Discussion and Conclusions

The case study was also to evaluate investment activity to support company performance. Future research should also provide more detailed results since such research will include a larger research sample, which should have an appropriate informative value in line with previous works (Almeida and Carneiro 2009; Bapna et al. 2013). The presented study shows that entrepreneurs are affected mainly through specific motives to invest in HR. The main results of the study have shown that success and growth are dependent on business experience.

5.1. Contribution to Business Practice

Four archetypes have been developed that showed the main factors influencing HR investment. At the same time, it can be stated that pro-innovation and HR behavior occurs most often in the group of managers who have long business experience and at the same time a higher level of study. In particular, the emphasis on added value and return, which is difficult to measure in HR, can be an obstacle to investing in HR to support company performance.

Let us compare investment portfolios within four archetypes. There is a significant tie, which correlates with the model of stages and a study of Almeida and Carneiro (2009) when they estimate 8.6% of investment return and Bapna et al. (2013) confirmed that each course increases performance by 2.14% for an average employee.

The largest group of companies (192) invests approximately 47.7 percent of profits, with only 20% going to HR. If we consider a seven-year return (Sichel 2008), we can model a simple calculation in which the minimum return must be one-seventh of the amount invested per year.

This will look like this with a model amount of EUR 1000:

1. Investment in HR = $1000 \times 0.477 \times 0.2 = 95.40$ EUR
2. 1/7 return = 95.4/7 = 13.63 EUR/year; i.e., 13.63 percent/year

The amount does not, however, include alternative costs or depreciation over time, which is approximately 15% per year.

Finally, we can evaluate two hypotheses. Hypothesis One: Different amounts of HR investment will be influenced by the manager's business experience. A business experience is significant in that field, as was verified in the presented case study. A positive statistical relationship was confirmed by Pearson correlation coefficient = 0.882 ($p \leq 0.05$). H1 was confirmed. According to the sample analysis, experienced managers invest more in HR because they understand that people are the source of differentiation for them.

Hypothesis 2: The level of manager's education will have an influence on the amount of the HR investment. Highly skilled business owners could positively affect HR policy and investments. After data evaluation, Pearson correlation coefficient = 0.466 ($p \leq 0.05$). H2 was statistically confirmed, but the relationship between variables was not as strong as expected. The level of education provides the manager with insight, allowing them to better plan personnel policy.

These findings can aid in comparing any companies or modeling the dependence of investment opportunities—human capital or technology preferences based on organizational developments—in the transition to digitization and robotics, which is a controversial topic, particularly in the COVID-19 scenario (Mikhailov and Miasnikov 2019).

The presented procedure is easily replicable and evaluable, so it does not matter what type of company or environment is used; it only depends on the amount of capital invested. As a result, archetypes can be used in international practice.

5.2. Contribution to Theoretical Background

In contrast to the theoretical background within chapter two, business organizations need to consider investment evaluation and planning, using appropriate management tools. Models based on archetypes could help develop other steps to create models that will cover more relevant areas to help and support effective decision-making.

COVID 19 has had a significant negative impact on organizational performance management. Is it possible to simply make recommendations to support training or digitalization in order to reduce investment costs? (Umana et al. 2021). We can conclude that the primary goal of this study was to increase knowledge about the various effects of experience and education that companies must make in investments into their HR so that company goals can be realized and quickly rise after being effected and affected by the pandemic. (Jílková 2021; Ichsan et al. 2020; Dvořák et al. 2020) This study introduced a new set of creative archetypes that could encourage decision making.

In general terms, it should be noted that HR and human resources management (HRM) occupy a very important position in the international business environment these days, especially due to the tremendous pressure that the changes and the challenges of the COVID-19 pandemic have put on individuals day-to-day lives and activities (Popescu 2020). Also, according to specialists, the investments in HR and HRM are paramount to the success of any entrepreneurial or leadership agenda, while referring to the pivotal importance of sustainability assessment and sustainable development in terms of taking relevant and constructive action towards the Sustainable Development Goals (SDGs) (Popescu 2020; Popescu and Šebestová 2022).

5.3. Limitation of the Study

After evaluating the interviews with managers, it was found that they were not sure about the amount invested into each part of the portfolio. They also do not have a more profound ability to focus on particular investments or create a specific type of investments in the future. The research results are also influenced by the small research sample that does not have a full information value given the number of small- and medium-sized enterprises in the market. Only 278 respondents were discussed for research purposes. However, this research only precedes further research in this area. In manager age, research was limited by significant differences in the number of respondents in each predetermined age group. In line with that, the significant contribution of this paper is that investments can be strongly influenced by business experience. It is assumed that education will not support the level of HR investment activity. Future research will look more closely at the link between turnover and corporate governance, as well as the link between turnover and the productivity cycle.

Author Contributions: Conceptualization, J.D.Š. and C.R.G.P.; methodology, J.D.Š. and C.R.G.P. software, J.D.Š.; validation, J.D.Š. and C.R.G.P.; formal analysis, J.D.Š.; resources, J.D.Š.; data curation, J.D.Š.; writing—original draft preparation, J.D.Š. and C.R.G.P.; writing—review and editing, J.D.Š. and C.R.G.P.; visualization, J.D.Š.; supervision, J.D.Š. All authors have read and agreed to the published version of the manuscript.

Funding: This research was funded by SGS SU, grant number 14/2021.

Institutional Review Board Statement: Not applicable.

Informed Consent Statement: Not applicable.

Conflicts of Interest: The authors declare no conflict of interest.

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