

PERFORMANCE MANAGEMENT – PERFORMANCE EVALUATION

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Abstract: The correlation between an employee and their organization is an essential factor in understanding human resource planning, employee performance evaluation, and career plans. Harmonization is needed in the key stages of their careers in order to improve employee and organizational needs in an effective manner. In an organization, employees do not merely work for it, they are the organization, correctly evaluating the employees' performance influences the organization's objectives and stability, no less than organizational culture. The employees and mid-level management should not be regarded as "masses", or usable "tools", but minds that have to be reunited for the organization's benefit.

The literature in Romania⁴⁶ highlights the concept of performance; its management addresses an employee's career in general, hence the theoretical concepts, without profoundly studying their career at all levels.

Keywords: Performance management, employee performance, job competences, professional attitudes, basic management skills.

INTRODUCTION

Performance management must have a positive, defining impact on the organization's objectives, ensuring its undeniable success, and highlighting the reasons for the difficulties arising in it, the process of developing its competences / achieving its objectives.

Performance management is based on employee performance assessment through different systems of analysis / evaluation, communication and feedback. Michael Armstrong, in MRU, mentions that, "Performance management is based on the principle of management by agreement or contract, rather than on management by command." Without this type of management the expected / desired results will not be achieved; it is this way that the distinction is made between *efficiency* (doing right) and *effectiveness* (doing what was planned). Performance assessment is used at present, which means looking at past performance in order to attain future aims. It can prove its efficiency through enhancing the employees' motivation, and also the organization's performance. This is in fact a manner of continuously improving the organization's capabilities through the agency of the programmes intended to develop the employees' competences and promote them.

As stressed by Malcolm Martin and Tricia Jackson in "The Personnel Practice"⁴⁷, the goal of assessing performance in an organization is the analysis of performance tests, the potential analyses, and the reward analyses. All the discussions

⁴⁶ L. Savga, A. Bârcă, L. Bilas, M. Băiesu, A. Bogus

⁴⁷ M Malcolm, T Jackson, Practica de personal, Ed CODECS, 2008, pag.243,

below will focus only on increasing employee performance in order to achieve organizational objectives. From experience, only rarely can a link be established between the employee's, and the organization's objectives (with organizational goals prevailing – as we have not yet reached a level of organizational culture where employee satisfaction is placed on the same level as the organization), while motivational effect remains questionable in many cases.

The fact is known that the “events” do not always occur according to the plan or pre-arranged scenario:

- because of various training deficiencies, managers avoid regular performance appraisal interview, and only conduct it at the “expiration”
- some employees do not want to progress, but just a leisurely job (few tasks / responsibilities, and substantial profit);
- occasionally, theoretical preparation is not sufficient, failing to guarantee an individual's performance, and the risk appears that he / she will not meet the tasks he / she is supposed to achieve;
- some organizations do not have the objective of promoting employees, therefore learning / training them is pointless;
- there is the risk that managers are not good “performers”, and, consequently, the employees are indifferent to the feedback sent.

It is a well-known fact that in Eastern Europe, and especially in Romania, crony management predominates, and achieving performance is very difficult, when a strong managerial culture and appropriate training are lacking.

As the motivational effect of performance evaluation has not been well argued in all cases, the normal stages of performance assessment will be determined / enumerated.

PREPARING THE INTERVIEW

The individual interview provides an opportunity for individual interaction between the employee and his / her manager. This is the right time to listen and share experience, which should be allowed the necessary time; for the dialogue to be effective, it is indispensable that the individual interview should be arranged before the scheduled meeting.

The individual meeting, once a year, is mandatory for all employees, including employees hired on a fixed term contract.

In the event that the employee failed to take note about the code of ethics, the manager is responsible for providing it.

Defining the job/ position needs to be attached to the meeting documents:

- Defining the main tasks, which allow identifying the main purpose and object of the post of employment. For instance, verbs such as “guarantee”, “ensure”, “contribute”+ end (X pilot project X...);
- Breaking down the actions that allow understanding what is required to achieve the tasks. For example: action verbs such as “control”, “achieve”, “analyze”, “produce”(rather than “monitor”, “deal with”, “ensure”...).

Obligations of the collaborator:

- Read the minutes of the previous year's individual interview and the job description. Note, where appropriate, the points to be reviewed;

- Pre-document the levels of indicator achievement (the indicators of the outcomes for the objectives set at the beginning of the year);
- Conduct a first reflection on its strengths and on the ways to improve its activities (another must is to reflect on the points identified during the previous meeting);
- Consult the reference documents (professional attitudes and basic management skills, KPI);
- Reflect on its project professional (pre-meeting with the hierarchy or the Human Resources Officer).

Obligations of the Manager:

- Achieve the objectives declination division / department, at the team / associate level;
- Consult the reference documents (professional attitudes and basic management skills, KPI);
- Re-read the job description the individual officer and the outcome of the meeting on the previous year; note the points to be reviewed;
- List the collaborator's achievements during the year;
- Identify the points where progress should be made.

ASSESSING THE LEVEL OF TASK ACCOMPLISHMENT

The manager must make an objective determination of the level of achievement of the objectives.

The level of achievement of the objectives - should express the level reached, both quantitatively and qualitatively, based on the indicator chosen when establishing the goals earlier in the year. It must not be expressed through a global assessment such as "superior to the commitment to education, "in line with ...", "OK".

Ascertaining goal achievement – the estimates should express the overall rating for the achievement of the targets set during the individual meeting. This is an evaluative summary by the manager, which takes into account both the concrete results obtained, and the priority targets. "Assessment of goal achievement" is not an arithmetic mean of the various objective achievement levels. The manager must fill in the information needed to reveal the level of achievement of the objectives (context, circumstances or means), a review of all objectives set at the beginning of the year, and factually establishing their attainment.

In addition to individual meetings at mid-year, regular follow-up of objective achievement is required in order to identify the difficult points and lead to corrective actions.

ASSESSING THE MANNER IN WHICH THE RESULTS WERE ACHIEVED

The manager and the collaborator should identify the professional behaviors (job competences, professional attitude, basic management skills) that have been identified and implemented during the year, and also those to be improved. These remarks contribute to enrich the reflections on the development by the Careers Committee or HR. This assessment regards all the tasks conducted by a collaborator during the year.

Job competences – which means emphasizing the skills practiced or acquired during the year, in which process one can have recourse to the referential frameworks for activities available, in given directions. Professional attitudes, basic management skills (for Managers); - to facilitate the assessment, a description is necessary of the fundamental management skills, and of the professional attitudes expected. Built on a set of useful values and practices, which the organization wishes to encourage, they will represent a common referential framework for managers and individual contributors during the meeting, which will remain a fundamental act of company management.

As a global summary of the assessment, the manager comes up with a synthesis which is complemented by an assessment on 6 levels, whose description is contained in an approved form, stating the most significant features of the collaborator's professional conduct, and specifically highlighting the above-mentioned basic attitudes.

Fundamental professional attitudes and managerial skills:

- this is not a “listing” of certain points mentioned strictly, other qualities can possibly be a priority;
- it is not simply grading as “good”, “very good” or “OK”, either.

If an instance of progress is required, it is desirable to specify an example illustrating the employee's attitudes and competences.

The point(s) to improve - as a tool of professional development, individual and personal meeting should contribute to identifying the main axes of improvement.

At least one point for improvement should be identified systematically in the balance for each employee, irrespective of the level of performance achieved. These points can reveal the attitudes and skills previously identified.

Discussing the points for improvement identified during the previous year's meeting;

Identifying the points to be improved noticed during the previous year.

Presenting those points under “Objectives for the current year”, and identifying the actions to be taken to this effect.

Do not mistake “The point to improve” for the process of “Individual Progress Plan” (IPP), which aims to restore a performance dynamics. The point to improve is applicable to all collaborators / employees, while the IPP does only apply in specific cases. The manager must assist the employee in understanding the meaning of the improvement process required from him / her, and also in defining the ways to use for the employee to become the active agent of his / her own development.

The guidelines intended - as individual meetings are a tool aimed at professional and personal development, the information set out in the “Guidelines” are discussed in the Career or HR Committees. It is therefore important that the quality of the information should be on a par with all the other information.

The anticipation date of mobility is mandatory. The manager is the one who fills this information in a “Balance” form. That mobility date must be estimated as early as the person takes up his / her post, yet it is merely a reference point:

- it is checked every year, and revised near the deadline;
- it can be brought forward or delayed following the guidelines drawn from the career or HR committees.

More options of geographical mobility (e.g., national, national and international, etc.) can be specified by the collaborator.

“International Mobility” occurs over a significant duration, and hence of an international transfer, irrespective of its modality. Availability for missions abroad does not belong here. It may, however, be specified in the column dedicated to the restrictions if the employee is available for specific missions abroad. If an employee considers themselves to be internationally mobile, but later than the mobility date specified, it is important that this information should appear as “notes”.

The guidelines desired – refer to the collaborator’s professional project, based on his / her motivations and aspirations and the progress achieved. Recording it is necessary / obligatory (profession, direction, post...); filling it in is requisite when an employee wishes to remain in his / her post, or has just been appointed in a post.

His / her immediate superior expresses their opinion (favorable, unfavorable, to be discussed in the career or HR committee ...) and their advice regarding the guidelines expressed by the collaborator. That opinion must provide a prior explanation for the Career or HR Committees, and should by no means be considered a commitment of the organization to the employee.

The HR process of preparation for the mobility – during the period prior to the mobility, an interview of the collaborator and his / her HR manager will take place systematically, with a view to prepare the (Career or HR) Committees, and the cross-interview decided on by the latter. It is up to the HR manager to see to the mobility before it is effectively achieved.

As ***comments / needs*** of the development of the process of performance evaluation, the individual meetings should contain at least three signatures: that of the collaborator, that of the N+1 hierarchy, and that of the N+2 hierarchy.

Their order should be as follows:

The immediate superior completes the individual interview with his / her remarks on the “*global synthesis of the evaluation*”, and the objectives referring to the “immediate superior’s approval”, and signs the conclusions of the meeting.

The collaborator, after taking note of the remarks made by the hierarchy, adds his / her personal comments, signs the minutes of the meeting, and sends it to the hierarchical N +1 superior, which shall convey it, after verification, to the hierarchical N +2 superior.

The hierarchical N +2 superior, after taking note of the conditions of the interview, adds his / her own remarks and comments in the “*N+2 countersignature*” in the balance interview and the objectives. The role played by the N+2 hierarchy consists in the possibility of making comments on the guidelines formulated, and possibly providing further complementary ideas. He / she signs the minute of the meeting, which he / she refers to the N+1 hierarchy for the latter to return the original copy to the collaborator.

The collaborator / permanent employee has an opportunity to request an additional meeting with the N+2 superior to obtain clarifications about the views the

latter has expressed. He / she may also request an interview with the Human Resources Manager.

Depending on the position held by the employee, the personal interview may also include one or more signatures and additional views: the Project Officer, the Functional Manager, the Pilot or Leader of the Transverse Team.

As far as his / her own comments are concerned, the *Collaborator* can express their views both in the “Balance”, and in the “Objectives” section:

- in the “Balance”, the employee can express their views on outstanding events of the year, or with regard to the analysis of the results achieved;

- in the “Objectives”, the employee may bring up his / her remarks on the goals set out, and formulate the conditions that he / she considers necessary.

It is important that the N+2 hierarchy should consistently communicate their views, in case the individual meeting reveals that goal-achievement is inferior to the commitment expressed, and / or the fact that the recording of the manner in which the results have been obtained is faulty or insufficient.

The Project Manager, the Directors, the Pilots or the Leaders of Transverse Team should not underestimate the importance of their views in individual interviews.

THE COHERENCE BETWEEN THE INDIVIDUAL INTERVIEW AND THE PLAN OF INDIVIDUAL WAGE INCREASES

The salary increase schedule is planned **after** the individual interview.

Individual interviews should be conducted from December to January, before the wage increase plan decisions, which are made between late February and late March, in order to be put into action as from 1 April.

The individual wage increase plan should be established **in accordance with** the individual interview / meeting (the notion of “consistency” should not be understood as a mechanical link between the evaluations and decisions of the meeting and the decisions meant to review the issue), and must be treated in a spirit of **equity**. To ensure fairness between sectors, the final decisions are made together with top-level managers.

The mid-year interview / meeting, or the interview of follow-up of the level of objectives achievement. It is recommended for all the members of the organization, especially if the hierarchy changes or significant developments occur in the division / department / service.

The mid-year interview / meeting is mandatory if:

There is a change of function during the year (unless the mobility date is close to the campaign of individual interviews. In that case, the need to conduct the individual meeting remains to be deemed by the manager);

An individual progress plan is in progress.

It can be mandatory through decision of the operational departments, and cannot be denied an employee who requests it, representing a point in promotion; as such, it does not require the signature of the N+2 manager.

To do that, the following should be secured:

- A point concerning the objectives achieved, and the reframing of the action schedule, especially if the context evolves;
- A point concerning the improvement actions identified during the setting of the objectives (3 “Objectives”).

It should be specifically added that it is not intended to alter the aims already set. If one or more objectives / targets have been set by a Project Manager, functionally or transversally, it will be possible for the manager to assess and validate the mid-year level of achievement.

The mid-year meeting should not be regarded as the only point relevant as to tracing the achievement of the objectives. A constant follow-up procedure (be it on a quarterly basis, or during the bilateral) is recommended.

CONCLUSIONS

Performance evaluation, identifying the strengths and weaknesses of an employee must aim at, and trace, the manner in which performance can be improved. Many organizations apply systems of evaluating the employees separate from those of evaluating the managers, which results in an overall detriment (from the employee's angle, because they cannot endeavor to get managerial positions, and from the angle of the organization, because it avoids benefiting from using its own employees' experience within the higher structures). Performance evaluation must consider both how objectives are achieved and the behavior of the interviewee.

As M. Malcolm notes in "Personnel Practice", in the evaluation process there must be integration, both vertically and horizontally, between the system of performance assessment and work in the organization. Vertical integration means that there must be a link between the goals of performance evaluation, and the organization's business strategy; horizontal integration means that there must be a congruence relationship between performance appraisal and other personnel and development activities.

Managers are reluctant to highlight the poor performance of some employees, an action accomplished below the set standards, is more often than not overlooked if the employee has good "references". Personnel professionals should be involved to support / promote high standards of performance appraisal, helping the organization in achieving goals and employees in awareness / recognition of their effectiveness.

Managers are reluctant to highlight the poor performance of some employees, an action undertaken under the standards, most often is overlooked if the employee has good "recommendations". Personnel professionals should be involved in supporting / promoting high standards of performance assessment, thus helping the organization to achieving its goals, and the employees in reaching awareness / recognition of their own effectiveness; counseling is a way of "helping people to help themselves".

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