BUSINESS STRATEGIES REGARDING THE EVALUATION OF HUMAN RESOURCES

SABOU, S[imona]; RADULESCU, C[orina]; ZIMA, L[iliana] & TOADER, R[ita]

Abstract: This paper analyzes important uses models of performance assessment, aspects concerning appraisal objectives, the description and analysis of job, evaluation criteria and performance standard, error sources in the appraisal process and, propose models human resources performance appraisal and job evaluation methods.
Key words: evaluation, results, human resources, performance

1. PERFORMANCE ASSESSMENT AND PERFORMANCE MANAGEMENT

Performance management is one of the key processes that, when effectively carried out, helps employees know that their contributions are recognized and acknowledged. Performance management is an ongoing process of communication between a supervisor and an employee that occurs throughout the year, in support of accomplishing the strategic objectives of the organization. The communication process includes clarifying expectations, setting objectives, identifying goals, providing feedback, and evaluating results.

In contrast, performance management is a continuous process that begins immediately following the initial hiring process and continues throughout the employee's university employment. It is through performance management that the supervisor and employee gain a shared understanding of job expectations.

The actual performance assessment serves several purposes. It encourages employee involvement, provides a formal mechanism for employees to receive feedback regarding job performance and expectations, and allows the employee to work closely with the supervisor to establish goals and priorities for the next year. Performance assessment also facilitates growth and development of employees and results in a documented history of employee performance.

Performance assessments are exactly what they sound like: they are an evaluation of how employees' are currently performing on the job and a plan for making any necessary improvements. Performance assessments are an essential tool in the Human Resources arsenal as they provide data for other departmental functions (compensation, position determination, employee training, and employee development, etc).

A performance management system needs to be based on the organization's business strategy and human resources strategy. The most important steps of the performance management process are:

- establishing the aims of the assessment according to the objectives of the organization and the human resources strategy;
- establishing criteria according to the aims of the assessment;
- choosing methods that are consistent with the aims and the criteria;
- planning the process;

- assessing individual performance of employees;
- valuing the results of assessment in human resources management: elaborating the formation and training plans, elaborating the career plans, elaborating the replacement plans, administering remuneration;
- the control of the process via the analysis of observations in the functioning and applying of corrective measures.

The potential problems that need consideration in approaching performance assessment as a component of the performance management system are the following:

- the necessity of creating a performance culture;
- involving managers at higher levels in the assessment process in order to satisfy both individual and organizational needs;
- the influence of performance management upon the role of its assessment through the appropriate functioning of feedback. [6]

2. THE EVALUATION CRITERIA OF INDIVIDUAL PERFORMANCE

- the level of meeting the performance standards;
- assume responsibility;
- adequate labour complexity;
- initiative and creativity.

$$Pt = (p1 \times C1) + (p2 \times C2) + (p3 \times C3) + (p4 \times C4) \qquad (1)$$

Pt- total points

p1,p2,p3,p4- points given

C1,C2,C3,C4- the weight of assessment criteria

3. MATHEMATICAL MODEL FOR THE CALCULATION OF PERFORMANCE

Variation level	x_1 (%)	x_2 (%)	x_3 (%)
Superior level (+1)	4	5	3
Basic level (0)	2,5	3	2
Inferior level (-1)	1	1	1
Variation interval (Δx_i)	1,5	2	1

Tab. 1 Calculation variation interval

Further we establish the experimental matrix EFC 2^3

The matrix being orthogonal, coefficients b_0, b_1, b_2, b_3, b_{12}, b_{23}, b_{13} are determined with the formulae:

$$P = b_0 + b_1 c_1 + b_2 c_2 + b_3 c_3 + b_{12} c_1 c_2 + b_{23} c_2 c_3 + b_{13} c_1 c_3 \qquad (2)$$

$x_{11}\ x_{12}\ x_{13}\ x_{14}\ x_{15}\ \ x_{16}$

$x_{21}\ x_{22}\ x_{23}\ x_{24}\ x_{25}\ x_{25}$

$x_{31}\ x_{32}\ x_{33}\ x_{34}\ \ x_{35}\ \ x_{36}$

coefficients $b_0,\ b_1,\ b_2,\ b_3,\ b_{12},\ b_{23},\ b_{13}$

$$b_i = \frac{\sum_{u=1}^{N} x_{i_u} y_u}{\sum_{u=1}^{N} x_{i_u}^2}$$

$$b_{ij} = \frac{\sum_{u=1}^{N} x_{i_u} x_{j_u} y_u}{\sum_{u=1}^{N} (x_{i_u} x_{j_u})^2}$$

Nr. exp	x_0	x_1	x_2	x_3	x_1x_2	x_2x_3	x_1 x_3
1	+1	+1	+1	+1	+1	+1	+1
2	+1	-1	+1	+1	-1	+1	-1
3	+1	+1	-1	+1	-1	-1	+1
4	+1	-1	-1	+1	+1	-1	-1
5	+1	+1	+1	-1	+1	-1	-1
6	+1	-1	+1	-1	-1	-1	+1
7	+1	+1	-1	-1	-1	+1	-1
8	+1	-1	-1	-1	+1	+1	+1

Tab. 2 Further we establish the experimental matrix EFC 2^3

$$b1 = \frac{\sum_{u=1}^{N} x_{11} y_1}{\sum_{u=1}^{N} x_{11_u}^2}$$

The regression equation obtained according to the proposed model is the following:

$$y_1 = 52,25 - 1,75x_1 - 1,25x_2 - 6x_3 - 2,25x_1x_2 - 0,5x_1x_3 \qquad (3)$$

4. CONCLUSIONS

The most important performance assessment objectives to the management practice are the following:
- appropriate unfolding of activities in the field of human resources;
- balanced rewarding of personnel;
- providing employees with the information necessary for their own development, by offering them trust in their own resources;
- identifying individual training and development needs of personnel, as well as evaluating the results of the training and development programmes;
- discussing the long term plans of employees, as well as the objectives of their careers;

- integrating human resources planning within the framework of all other personnel activities;
- validating selection programmes;
- improving motivation of employees;
- improving the manager-employee relationship;
- improving communication and intensifying cooperation between managers or superiors and employees;
- applying the equal opportunity principle.

A correct assessment system has to meet the following conditions:
- careful preparation and dissemination of the value system and performance assessment procedures with the aim of preventing adverse reactions or challenging the results;
- the existence of a formal assessment tool;
- using criteria that limit the absolute power of management;
- personally knowing the assessed person and permanent contact with them;
- continuous training for managers regarding the assessment activity;
- the existence of a revising system for incorrect assessments, done by superiors;
- counselling and support for those with poor performances in order to offer them the possibility to improve.

A correct assessment and using efficient performance assessment methods can improve the accuracy of the data according to which employees are lead, and predictions are made in order to ensure human resources.

The performance assessment systems constitute an intrinsic and special part within the management system in general and the human resources management system in particular, the latter circumscribing to a certain extent to the organisational environment.

The advantage of an informal performance assessment system resides in the fact that it requires a smaller amount of time for designing and administering, as compared to a formal assessment programme. This is why informal performance assessment is used especially in those situations when the available time is limited or when an interruption of the employees' activity is not possible.

An advantage for the performance assessment system is the fact that it is supported at all magnet levels. Without the implication and effort of management the performance assessment process cannot be efficient or significant.

For the success of the performance assessment activity I suggest the usage of certain mathematical models and computer programmes well conceived and easy to be implemented.

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