

## **THE EVALUATION OF HUMAN RESOURCES PERFORMANCE AT S.C. ELECTRICA S.A., BAIA MARE**

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*The evaluation of the personnel performance is an important element of the performance management system, as a way towards better overall results. The system ensures the convergence of the individual purposes and objectives with those of the company, through the evaluation of the personnel according to the priorly set objectives. The author makes a brief review of the main methods and techniques of performance evaluation, paying a special attention to the possible evaluation errors. The paper presents a case study regarding the performance evaluation of the human resources of S.C. Electrica S.A., Baia Mare.*

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### **THE PERFORMANCE MANAGEMENT**

The performance management is a way to obtain much better individual and organizational results, by understanding and managing the performance in the general framework of business, and in the particular framework of previously established objectives and standards.

The evaluation of the performances has a central role and is an important element of the performance management system, and, also, is the mean by which the organizational objectives become individual objectives. The potential problems to be considered in the approach of the performance evaluation are the following:

- the necessity of creating a culture of performance, to prevent the risk of encouraging individual performances, in spite of the organizational ones;
- the involvement of top managers in the process of evaluation, in order to be satisfied both individual, and organizational necessities;
- the proper functioning of feed-back, that means that the strategic goals of the organization, and their implications at the individual level, may be influenced and changed.

### **THE EVALUATION OF THE PERFORMANCE**

The evaluation of the performances is the basic activity of the human resources management and represents a complex and systematic process which renders analyses and estimations on the work behavior and performances of the employees, as well as their development potential.

The evaluation of the performances must be:

- positive, rather than negative;
- constructive, rather than destructive;
- a look towards the future, rather than a look in the past.

### **METHODS AND TECHNIQUES OF PERFORMANCE EVALUATION**

The increasing quality of the evaluation of the employees' performances depends in good measure on the quality of the evaluation methods or systems, which means:

- the validity of the results;
- the fidelity of the determinations;
- the convergence of the results produced by different evaluators;
- the internal homogeneity;
- the sensitivity of the instruments used.

There are many methods of estimation, based on different evaluation procedures, but none can be considered perfect. Each of them has their own advantages and disadvantages, being appropriate for an objective, or another.

Among the most used, there are the evaluation scales. The evaluation scales are among the most popular systems of estimation of people and of evaluation their performances. This method is used to estimate the degree in which an individual possesses or not a certain quality.

The basic principle of this method consists of evaluating the subjects in every aspect of a set of characteristics, specific to a certain profession. For example, such a set may contain: the work quantity, the work quality, the organization of the work, the discipline, the team behavior, etc. No matter their form, the evaluation scales are based on the assignment of qualifications, according to some external standards. In this respect, each individual will be appreciated independently and not related to a group.

According to literature of specialty, about 62% of small organizations and 51% of large organizations use evaluation scales.

### **EVALUATION ERRORS**

Concerning the evaluation techniques, the deficiencies belong to the evaluation tools, as well as the evaluators. By itself, the evaluation system can present a series of design imperfections, grouped in what is known as psychometric errors (statistically identifiable marking errors), and simple conceptual errors (due to the individual / educational particularities of the evaluators).

The evaluation errors can be grouped in three major categories:

a) Errors pertaining to the person of the evaluator and which reflects the evaluation distortions due to oneself:

- the halo effect – the tendency of an evaluator to be impressed by a certain feature of a person, and not to take into consideration other characteristics;

- the error of indulgence / severity – the tendency of an evaluator or manager to evaluate all individuals too high or too low;

- the central tendency error – the tendency of the evaluator to avoid the extreme values of the scale and to give mostly average marks;

b) Errors caused by psychometrical deficiencies of the evaluation tool

c) Errors of the precision of the measurement.

### **CASE STUDY REGARDING THE PERFORMANCE EVALUATION OF THE HUMAN RESOURCES OF S.C. ELECTRICA S.A., BAIA MARE**

S.C. ELECTRICA S.A. uses as evaluation method the multiple steps evaluation scale. These evaluation scales consist of a list of aspects, qualities, or professional dimensions, each detailed in degrees or levels of performance, usually 5 to 10.

According to the particularities of the work-places, specific aspects, qualities, or professional dimensions can be grouped. The evaluator's task is to mark, for each aspect, the best corresponding level to the behavior of the evaluated person.

The evaluation scales with multiple steps are widely used in the industrial environment, due to the fact that they offer an analytical image of whatever is most appreciated. The scale gives a succinct description of the evaluated quality, as well as the levels on which the evaluation is done. The evaluator simply compares the items described in behavioral terms to the behavioral manifestations of the evaluated person.

## PROFESSIONAL COMPETENCE

NO.	SUB-CRITERION	DEFINITION	LEVEL OF ESTIMATION	MARK
1.1	Professional education	The quality and the volume of knowledge and skills, useful to the function	<ul style="list-style-type: none"> <li>The quality and the volume of knowledge and skills are at the minimal accepted level for the function;</li> </ul>	1-3
			<ul style="list-style-type: none"> <li>The quality and the volume of knowledge and skills are at the average level;</li> </ul>	4-6
			<ul style="list-style-type: none"> <li>The quality and the volume of knowledge and skills are at the superior level.</li> </ul>	7-10
1.2	Length in the activity profile	Activity length within S.C ELECTRICA S.A	<ul style="list-style-type: none"> <li>1 year</li> <li>2 years</li> <li>3 years</li> <li>4 years</li> <li>5 years</li> <li>7 years</li> <li>10 years</li> <li>13 years</li> <li>16 years</li> <li>over 20 years</li> </ul>	1 2 3 4 5 6 7 8 9 10
1.3	Intellectual capacity	The faculty of perceiving and understanding easily and good, to judge clearly, and to adapt quickly to new situations.	<ul style="list-style-type: none"> <li>understands with difficulty and errors, rigidity, having great difficulties to adapt to new situations;</li> </ul>	1-2
			<ul style="list-style-type: none"> <li>understands with difficulty, less flexible, needs more time to adapt to new situations;</li> </ul>	3-4
			<ul style="list-style-type: none"> <li>understands with some ease, flexible, having a good capacity to adapt to, and solve new problems;</li> </ul>	5-8 9-10
			<ul style="list-style-type: none"> <li>understands quickly and correctly, very flexible, very good capacity to adapt to, and solve new problems.</li> </ul>	
1.5	Dynamism, the energetic side of the personality	The quality to assume and solve tasks in time, and the possibility to answer to tasks that need a supplementary effort.	<ul style="list-style-type: none"> <li>slow working tempo, unavailable to take supplementary tasks;</li> </ul>	1-3
			<ul style="list-style-type: none"> <li>moderate working tempo, available to take supplementary tasks only in some cases;</li> </ul>	4-6
			<ul style="list-style-type: none"> <li>fast working tempo, available to take supplementary tasks when asked to;</li> </ul>	7-8
			<ul style="list-style-type: none"> <li>rapidity in work, very active, always available to take supplementary tasks.</li> </ul>	9-10
1.6	Aspiration level and extension of the activity domain	Will of affirmation, capacity of information, and interest of enlarging the activity domain.	<ul style="list-style-type: none"> <li>limited strictly to the activity domain of the function, very low level of aspiration;</li> </ul>	1-4
			<ul style="list-style-type: none"> <li>average aspiration and information interest level, moderate will of enlarging the activity domain;</li> </ul>	5-7
			<ul style="list-style-type: none"> <li>high level of aspiration, information interest, and will of enlarging the activity domain.</li> </ul>	8-10
1.8	Communication and organizational skills	Communication capacity, and ability to obtain the best efficiency from the team.	<ul style="list-style-type: none"> <li>verbal awkwardness, lack of communication, and low capacity of planning and mobilizing the team;</li> </ul>	1-3
			<ul style="list-style-type: none"> <li>less communicative, awkward in social relations, plans and mobilize the team with difficulty, gaining sufficient results;</li> </ul>	4-6
			<ul style="list-style-type: none"> <li>generally communicative, knows to talk to</li> </ul>	

			people, and in most cases organize and plans well the work;	7-8
			<ul style="list-style-type: none"> <li>high level of verbal and communication skills, organizes very well the work, very good planner.</li> </ul>	9-10

### WORK EFFICIENCY

2.1	The volume of the achieved work	The accomplishment of the work volume assigned to the function.	• does not accomplish the work volume assigned to the function;	1-3
			• barely completes the work volume assigned to the function;	4-6
			• completes without problems the work volume assigned to the function;	7-8
			• completes the work volume assigned to the function easily and efficiently.	9-10
2.2	a) The quality of the work done	The correct accomplishment of the tasks, according to the norms and procedures, errorlessly.	• very poor quality of the work, below specifications;	1-2
			• sufficient quality of the work, with many errors, frequently below specifications;	3-4
			• quality of the work at the limit of specifications;	5-6
			• good quality, with very few errors;	7-8
			• very good quality, errorless.	9-10
	b) The quality of the decision	The correctness of the resolution or decision.	• takes inadequate decisions;	1-3
			• takes satisfiable decisions;	4-6
			• takes good decisions, in good time;	7-8
			• takes very good and efficient decisions, quickly.	9-10
2.4	The complexity of the work achieved	The degree of involvement in completing tasks of different grades of complexity.	• involves in completing tasks of a low degree of complexity;	1-4
			• involves in and completes works of an average degree of complexity;	5-7
			• involves in and completes works of a high degree of complexity.	8-10
2.5	Responsibility and efficiency	The degree of responsibility and the capacity of assuming responsibility, the efficiency of work.	• does not assume responsibility, low work efficiency;	1-3
			• the assumed responsibility and the work efficiency are at a sufficient level;	4-6
			• gets involved and assumes high responsibility, efficient in work;	7-8
			• assumes superior responsibility, very good work efficiency.	9-10

### CONCLUSIONS

The necessity of evaluation of the personnel from the industrial and other domains was achieved through the use of numerous methods and techniques. The correct choice of the most adequate and objective evaluation systems was very important for the specific of the activities.

The evaluation of the personnel based on completing fiches by the department chiefs needs a lot of responsibility, as the efficiency, the progress, and the future of the company depends on it.

The methodology of evaluation of the human factor gives the possibility of:

- the highlighting of the positive aspects of the personnel; the negative ones will be revealed to make possible the adjustment and improvement of the employees, wherever this might be possible;
- the convergence of the individual purposes and objectives with those of the company, through the evaluation of the personnel according to the priorly set objectives;
- the establishment of a system of rewards and promotions, based on each employee's performance;
- ensuring the possibility of the re-orientation of the employees, according to each capacities and skills.

The evaluation fiches are completed, with no excessive indulgence, nor severity, for the benefit of the company, as well as the benefit of the employees. In this way, the employee can be directed towards a good performance and professional satisfaction.

The fishes are completed at the end of the year, or whenever the evaluation of an individual employee is needed. A copy of the evaluation is handed to the employee.

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