

GENERAL CONSIDERATIONS REGARDING THE EVALUATION OF PERFORMANCES OF EMPLOYEES IN A SME

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The evaluation of performances, in a broader meaning, is deemed an action or a certain type of cognitive activity whereby an evaluator assesses or estimates the performance of a person in relation to the performance standards settled, as well as his/her mental representation, with his/her own system of values or his/her own conception regarding the performance obtained.

The performance evaluation systems are an intrinsic and utterly important part of the management of human resources system, because the evaluation, when it is not done as a mechanical activity, turns out to have a significant influence on the economic/social activity and on the organisational climate within an organization, with direct repercussions on the efficiency increase in general and the productivity in particular.

Key words: performance evaluation, appreciation, performance management

The evaluation system of the employees has the main objective of improving communication between the employees and the organization management and that of providing a working climate as favourable as possible to carry out the activity. At the same time, depending on the results of employees' appreciation, the organization management can adopt a series of measures regarding:

- The establishment of some forms of improving the professional training for certain employees;
- The adopting of a new solution regarding the level and waging modality of some employees;
- The promotion of some employees etc.

Still, at the same time, each employee is interested in getting an appreciation as objective as possible of its activity and potential because this way, he/she can know better the development opportunities existing at the level of the organization, the requirements and means of improving their professional training, the perspective for the development of their career within the organization and the possibilities of multiplying awards.

The systems for the assessment/evaluation of the employees must be adapted to the specificity of the activity carried out by each employee, to this end it is necessary to carry out:

- An assessment/evaluation of the employee in relation to the requirements and the particularities of the job (or the position) he/she is occupying;
- A differentiated assessment/evaluation, in step with the responsibilities attributed to each job.

The competition context and the desire of the organizations to develop require a permanent preoccupation to increase performance. This explains why the theoretical concepts regarding the performance, become more and more numerous.

For a better understanding, we underline the contents of some of these concepts:

- The professional performance represents the level of accomplishments of an employee by the reference to the performance standards.
- The social performance refers to the impact of the managerial activity on the employees, being defined by the intensity with which and individual contributes to the development of the organization, by the reference to the objectives and standards established.

- The performance management can be defined as a strategic and integrated approach of ensuring the long-term success in the organizations activity, by improving the performance of people working in them and by the development of the teams' abilities and the individual participants.

The performance management consists in a systematic approach of the human resources management, in general and the performance evaluation in particular, using the objectives, performances, assessments and feedback as means of motivating the employees so that they can understand and use to the maximum their creative potential.

- The evaluation of the performances is the basic activity of the human resources management, carried out in order to determine the degree in which the employees in an organization accomplish their tasks and responsibilities effectively.

The performance evaluation process is defined as an ensemble of standardised procedures aiming at obtaining information, in a system of managerial hierarchy, regarding the professional behaviour of the organization staff. Two aspects are emphasized from the definition presented:

- The evaluation procedures used by the organization correspond to the vision of the unit regarding the way in which they organise their activities and orient their staff;
- The procedures are standardised, avoiding as much as possible the negative effects caused by the evaluators. The standardisation can be provided by the evaluators' training, the use of written documents or audiovisual means and the control of procedures by a specialised compartment;
- The system of obtaining information and carrying out the performance evaluation is in tight agreement with the managerial hierarchy.

The success of the evaluation process is conditioned by the quality of the criteria used. They must meet the following conditions:

- They should be formulated in a simple, clear and concise way, they should not comprise generalities and they should be understood both by the evaluators and the people evaluated;
- Their number must be limited, because the use of too many criteria might lead to the levelling of the results, their relevance being diminished;
- They should be quantifiable, so that they should diminish the challenging of the results;
- They should be applied to all the subjects who carry out their activity in comparable conditions.

The managerial theory and practice in the field of human resources certify the fact that there is no ideal procedure for the evaluation of the performances, the methods and techniques used being the expression of an action from certain factors influencing the system for the performance evaluation. From these factors, we note:

- The history and culture of the organization – the evaluation of human resources performances depends on the history of the organization and its system of values (organisational culture);
- The size of the organization and its line of business – the great organizations in the sectors with a strong competition were the first to develop formal evaluation systems, determining the employees to understand the role of performance;
- The strategic orientations – determine the choice of those performance criteria, which are in compliance with the organisational mission, objective and strategies;
- The practices used in the employment, payment and promotion of the staff – the waging system represents one of the most important factors in choosing the procedures for the evaluation of the performances, because, if the salaries level is caused by other factors but the performance, then the evaluation loses its purpose, becoming a formal activity. Moreover, in an organization in which promotion is done intuitively, there will always be a tendency not to use the evaluation of performances as an operational variable in the management of human resources;

- Working environment has direct repercussions on the professional performances by: the failure to accomplish the tasks, absences and delays, a high rate of human resources fluctuation.

The manager of a small business really needs a system for the evaluation of the employee that allows him/her to answer the question: "How well do my people manage?" In such a system, the performances and progress of each employee can be evaluated, and the results above average can be rewarded. If no system of management by objectives is used, criteria such as the following can be used: a) the workload and work quality; b) the cooperation spirit; c) the initiative; d) the confidence; e) the training; f) the teamwork skills. A simple scale can be created (qualitative) that can influence the waging of that person. Going further, only such criteria can allow the manager to define realist objective and the degree of accomplishing them.

The managerial research and practice in the field prove that small organizations generally prefer an informal system for the evaluation of performances, functioning at the same time, pretty well correlated with this one. The advantage of an informal system of performances evaluation consists in the fact they require less time of design and administration, compared to a formal evaluation system.

Hornsby and Kuratko considered that the evaluation of the performance varies in step with the size of the company and the industrial sector. They identified narrative descriptions (essays) of the employees' performance, the evaluation of their capacity of accomplishing the objectives, the use of some value scales as methods of evaluation that increased in importance alongside the company size. In contrast, MacMahon and Murphy have brought arguments according to which the entrepreneurs don't usually have, the necessary training in order to make concrete evaluations of the performances and they might perceive the formal systems for the evaluation of performances as a waste of time. In very small companies, the evaluation of the performance is informal and continuous because the entrepreneurs-managers control directly all the activities. As the control space increases, the evaluations are expected to be more formal and to take place at bigger time spans.

The entrepreneurs-managers find it difficult to provide confidence to employees and they are reluctant in delegating tasks.

Kotey and Slade asserted that the evaluation of the workers' performances by the middle level managers extended alongside the company size. As the company size increased, one could note the use of more evaluation methods at the managerial level than the operational level. At the same time, the survey shows that most of the companies have evaluated the performance of their employees, mostly in small and medium enterprises (82.4%, 80% respectively). At the micro-enterprises, the tight connection of the entrepreneur with the employees allowed them to notice and correct the errors almost immediately. The evaluation scales were the most used methods at the operative level, and some employers compared the performances between the employees. As the number of employees increased, the evaluation of their performances was gradually trusted to the managers to whom they were subordinated (47.4% in the medium enterprises compared to 19.5% in the micro-enterprises).

The use of the evaluations carried out by peers and of self-evaluations was extended alongside the size of the company. Nevertheless, at the operational level, the use of other methods of evaluation has seldom changed as the size of the company grew.

Conclusions

At present, more and more small and medium face the need to increase the productivity of work and for that, they have limited possibilities. One of the least exploited means of increasing work productivity is to improve the human performance or, maybe, better said, most companies try it but few of them succeed it.

The low opportunities for the limited formal promotion and instruction in the micro-enterprises, compared to the small and medium enterprises, can explain why the performance evaluation aims less at estimating the employees' training needs and the promotion possibilities. This suggests that the micro-enterprises cannot afford to bear the costs of a long-term training for employees with weak performances.

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