

# APPROACHES OF PERFORMANCE MANAGEMENT IN HEALTH ORGANIZATIONS

Dr. Mihaela BARCAN, Ph.D Student  
University of Craiova  
Faculty of Economics and Business Administration  
Craiova, Romania  
Laurentiu BARCAN, Ph.D  
Craiova, Romania

**Abstract:** Performance at the level of health organizations means both behavior and results. Starting from the premise that in organizations, behaviors are by themselves results, our quests reveal that, being not only tools for obtaining results, as a product of the physical and cerebral effort made to perform the tasks, behaviors can be judged in way of results.

**JEL classification:** M12, M14, M16, M38, M48, M53, M54, O32, P36, Z18

Keywords: human resources; management; public health; development; medicine; public organization

## 1. INTRODUCTION

The performance management is an integrated and strategic approach to ensuring long-term success at the level of the work of health organizations (Burlea-Schiopoiu, Popa, 2013). It aims at improving the performance of employees, and developing the capabilities of teams and individuals in the organization.

In the opinion of Mathis and Jackson researchers, the main features of performance management are (Mathis & Jackson, 2000):

- Produces a clear conversion of the organization's overall goals into individual goals, team goals, and departmental goals;
- It is a managerial, evolutionary and continuous process, in the sense that the level of performance improves with the passage of time;
- It is based on ideas of consensus and cooperation, without emphasizing coercion or control;
- It challenges and encourages individual self-management of individual performance;
- It imposes within the organization the adoption and application of an honest and open managerial style, encouraging hierarchical communication between heads and subordinates;
- On this background, continuous feedback is required;
- Evaluates and measures performance achieved in opposition and competition with objectives that have been agreed by mutual agreement;
- It is applied in a unitary manner to all employees of the organization, not having the purpose of correlating the financial reward with the achieved performance.

An efficient performance management system is the amount of judiciously used processes for identifying, encouraging, measuring, evaluating, improving and compensating the performance of employees of the organization (Bădescu, Mirci, Bögre, 2008, pp. 68-69).

## 2. MEASUREMENT OF PERFORMANCE

Before measuring performance, it must be correctly defined. In essence, performance is defined by what an employee does or does not do. So, performance represents, in a health organization, from a certain point of view, the sum of the results that have been obtained. In managing the performance of the organization's employees, both behaviors and outcomes must be considered (Bădescu, Mirci, Bögre, 2008, p. 70).

From this point of view, we can group the necessary information on the performance of an employee into two distinct categories, ie results-related and behavior-related. Result-related information refers to what an employee has done or obtained. An outcome-based performance approach is suited to positions where results can be easily measured (Burlea-Schiopoiu, Rainey, 2013). This approach leads rather to focusing on the results obtained, and to a lesser extent on how these results are obtained. Behavioral information applies to those behaviors that are required by the post holder to be successful in the job. For example, the ability to influence a vendor can be seen and considered as important in assessing performance.

The relevance of the criteria is a very important factor in the performance measurement process. In general, the criteria used to measure performance are relevant when looking at the most important aspects of a job. These can be deduced from the job description and cover performance objectives, performance standards or current goals and performance competencies (Burlea-Schiopoiu, Idowu, 2016).

Performance targets are quantifiable results to be achieved in the future, which can be measured in firm terms, such as the volume of finished products, the volume of sales, the number of new contracts concluded, etc. The performance objectives are generally agreed between the chief and the subordinate, and refer to the main responsibilities of the job holder or to the most important aspects of the job occupied by the employee. Performance goals derive from the overall goals of the health organization and its strategy. Also in the category of objectives to be fulfilled are various projects, which have to be completed by a certain date and which are related to the purpose of the job (Bădescu, Mirci, Bögre, 2008, pp. 71-72).

When setting these goals, it is very important to take into account all the crucial aspects of the job. According to the idea that you only get what you measure in the case of measuring the performance of an employee conducting interviews with recruitment candidates, if only the number of hired candidates is taken into account and the quality of the employees concerned will be omitted, the result obtained may indicate that the interviewer's employee will focus only on the number of hired jobs and less on the quality of the interviewed candidates.

Performance standards, in relation to current objectives, are defined as an indication of the conditions that need to be met, so that an activity can be considered as well done. (Burlea-Schiopoiu, Remme, 2017). These performance standards are used when fixed targets can not be established for a period of time. As such, the performance standard is defined as a statement, assuming that performance meets the standard only if the desired, specified and observable result is obtained. As an example, meeting the

production plan every day according to the plan specifications is what is being pursued. Once we get down to the lower levels of the hierarchy of a health organization, we will be able to meet more performance standards (Bădescu, Mirci, Bögge, 2008, p. 71).

### 3. PERFORMANCE MANAGEMENT

Competences are the knowledge, skills, and attainments that an employee must have in order to be able to effectively fulfill the responsibilities of a job (Burlea-Schiopoiu, 2008, pp. 156-157). Examples of knowledge could be leadership, initiative, teamwork, client orientation, technical knowledge, etc. Over the years, performance has been assessed through these skills. At the same time, employees could be evaluated and rewarded as a result of acquiring new skills that are needed to achieve performance and a new job.

A competence-based performance management system provides the opportunity to communicate the values of the organization to all its members, as well as the full understanding of what the organization expects from its employees. However, such an approach may become too complex or transform into an administrative task that is difficult to organize and successfully complete. Against this backdrop, scientific researchers Bădescu, Mirci and Bögge commented on the possible negative effects on motivation, arguing that some people have a negative appreciation of their personal competences that causes them a worse mood than when they are told to a specific target (Bădescu, Mirci, Bögge, 2008, p. 72).

Currently, at the level of health organizations, various performance measurement systems are used. Some of these systems only take into account performance objectives or current objectives as performance criteria. In this case, employees are told that the results only count, not the way they were achieved. At the same time, such a system allows, to a lesser extent, the development of employees. They are not always able to understand the skills they need to gain or develop in order to achieve their goals.

The extent to which the performance criteria have been met can be expressed in numeric terms, in percentages or words, such as satisfactory, excellent, etc. Sometimes it may be difficult to reach a common point of view by two or more people on the level of performance achieved. If, when we analyze performance targets, this can be more easily quantified, if performance skills are concerned, the process becomes more difficult.

The main performance management activities in health organizations are as follows (Bădescu, Mirci, Bögge, 2008, pp. 73-74):

- definition of the role, mutually agreeable, on the main areas of outcome and competence requirements, the role profile setting the purpose of the role, the main areas of the outcome and the essential competencies;
- agreement or performance contract defining expectations:
  - what the employee needs to achieve as goals;
  - how will performance be measured;
  - which are the competencies needed to achieve the proposed performance;
- the personal development plan, which determines the actions that the employees have to undertake in order to develop their own;
- managing the performance during the year in which actions are being taken to implement the performance agreement;

- performance review, which is the formal assessment stage that performs a performance analysis over a period of time.

#### 4. DEVELOPMENT OF HUMAN RESOURCES

The development of human resources means at the level of the organization in the health field the provision to employees of opportunities for learning, increasing skills and training potential, which could improve the individual, team and organizational performance. This process has as main purpose the development of the personnel in a strategic framework (Bădescu, Mirci, Bögge, 2008, p. 75).

In this context, researchers Bădescu, Mirci and Bögge consider that the basic elements of human resource development are the following (Bădescu, Mirci, Bögge, 2008, p. 75):

- learning, which is defined as a relatively constant change in behavior, as a result of an experience;

- education, which contributes to the development of knowledge, values and understanding needed in all areas of life;

- development that leads to the fulfillment or enhancement of an individual's potential and abilities to become more and more complex, more elaborate and distinct from others by intellectual and maturity level;

- training, what is needed to systematically and programmatically modify behaviors, through learning programs and activities that enable the person to acquire the level of knowledge, skills and competencies needed to effectively perform tasks.

At the same time, we can also refer to other activities that contribute to the development of human resources, such as (Bădescu, Mirci, Bögge, 2008, pp. 76-77):

- Coaching, which consists in guiding an individual and involving him in his own development process. Coaching determines the performance of the employee at work. It causes the generation of behavioral changes, leads to the development and improvement of skills and induces the increase of the motivational level. Coaching allows creating a framework in which the guided individual becomes aware of certain internal processes related to goals, behaviors, motivations or abilities, within which he manages to find solutions for improvement himself;

- Mentoring, an activity that guides a new employee by one of the experienced employees in a mentor-disciple relationship;

- Training on the job, training the employee in the workplace is applied so that the employee is guided while performing a new procedure or task, learning by experimenting;

- Training at the job is an activity that creates training based on employee experience. The individual develops, based on experience accumulated up to that point, in conjunction with a theoretical support, instructions and / or manuals that are offered to him at the new job.;

- Shadowing is one of the Anglo-Saxon neologisms that are difficult to translate, which refers briefly to what formerly the craftsmen called the stealing of the craft. So shadowing refers to a new employee who closely follows the process of one of the experienced employees, being able, after some time, to reproduce the observed activities.

- Workshop is a formal meeting in participants who discuss and / or experiment with certain ideas, processes or activities to improve them, relying on the experience they share;

- Distance education is a complex system with a high degree of flexibility, centered on the individual who learns even less on a predetermined program. Distance learning, which is based on studying and assimilating on-line courses, correspondence courses, etc., relies on the individual's individual and individual learning capacity and assuming responsibility for their own learning;

- Courses within or outside the organization that respond to specific needs of the organization that wants to invest in the professional and personal development of employees;

- Rotation of posts is the process by which an employee occupies, by rotation, different positions within an organization. There are organizations where the process unfolds, but others where the process is very well planned for each employee.

#### 4. LEARNING, TRAINING AND DEVELOPMENT IN THE HEALTH ORGANIZATION

Since the 1990s, the concept of "learning organization" has begun to be widely used, which has also prompted the promotion of other principles, such as, for example, the value of learning. This has led to increased investment in human resources, including within health organizations. The learning is permanent, continuous, coexisting with the very life of man (Bădescu, Mirci, Bögre, 2008, p. 78).

In this context, the scientific researchers Bădescu, Mirci and Bögre argue that the individual has the whole life to learn, and for this reason education must not end. The principle of lifelong learning is fundamental nowadays, learning can take place in a formal environment (universities, schools, etc.), non-formal (in the workplace, in various educational institutions) and informally (browsing, reading a book, etc.). Thus, we can distinguish the differences between formal learning, non-formal learning and informal learning (Bădescu, Mirci, Bögre, 2008, p. 78-80).

Regarding these aspects, Walt Disney, one of the most creative managers in the 1960s, has defined four levels of learning (Bădescu, Mirci, Bögre, 2008, p. 78):

Level 1: Unconscious incompetence is the level at which an individual is before he realizes that training is needed. Employees at this level are unaware of what they do not know or need to know, they can not find answers themselves because they do not know the questions.

Level 2: Conscious incompetence is the level that occurs when employees have some questions, but also how many things I do not know. Employees may feel overloaded about how much they have to learn, and sometimes they are convinced that they will not be able to succeed, not being competent and aware of it.

Level 3: Conscious competence is the level that occurs when individuals transfer their learned knowledge to successful actions, gaining confidence that they are doing well, being competent and knowing it.

Level 4: Unconscious competence is the level at which many individuals arrive after doing something in a long period of time and have started to do it routinely. Some people do not like it because it does not stimulate them, being a dangerous state, especially when their work requires accuracy and their minds are elsewhere while they perform the required tasks.

Training can be defined as an educational activity that is being pursued to improve the performance of an employee in the post he occupies (Suport de curs, 2014, p. 14). Training means a generic term, which may include other activities specific to employee skills, knowledge and attitudes. Strictly speaking, training can only relate to increasing the level of knowledge and skill of employees in terms of new technology. Therefore, the main purpose of the training is to help the organization achieve its objectives by adding value to its main resource, the employees (Suport de curs, 2014, p. 14).

The training objectives are as follows (Bădescu, Mirci, Bögre, 2008, pp. 85-86):

- to develop employees' skills and capabilities and to improve their performance;
- to contribute to employee development within the organization, so that its future workforce needs are met;
- to reduce the time needed for new employees to work, ensuring as quickly as possible and with fewer financial expenses the acquisition of the necessary skills.

To ensure effective training, a number of conditions must be ensured, such as (Bădescu, Mirci, Bögre, 2008, p. 86):

- it is necessary for employees to be motivated to learn;
- for employee learners, certain performance standards need to be established;
- learners must receive guidance;
- the learning activity must provide satisfaction to the learners and the perceived usefulness of learning;
- learning must be an active, not passive process;
- it is necessary to use appropriate training techniques;
- learning methods have to be varied;
- there is a need for sufficient time for assimilation;
- correct behavior needs to be recognized and strengthened;
- it is necessary to recognize that there are different levels of learning that require different methods and distinct lengths of time.

The approach to training and development activities is based on the following concepts (Bădescu, Mirci, Bögre, 2008, p. 87):

- The competency-based approach to the job description, i.e. the employees involved in the training and development activities, is oriented towards improving the knowledge, skills and / or attitude towards one of the aspects of the post he / she occupies in the organization. Thus, the training activity should be centered on key aspects related to the work done by the employee;
- Sequence: Training sessions are designed as logical parts of a program and not just as separate sessions;
- Monitoring: Training and development activities are to be accompanied by a monitoring system that will allow the evaluation of the program in order to increase its effectiveness;
- Assessment: It consists in evaluating and establishing corrective actions, allowing continuous improvement of training and development activities;
- Return on Investment Measurement: Refers to the assessment of the impact of training and development activities on the efficiency and effectiveness of the organization.

Planning is the activity that refers to the set of operations to anticipate the deployment of a training program (Bădescu, Mirci, Bögre, 2008, pp. 87-88). In this case, it is a matter of anticipating the objectives, content, methods and means of learning, the evaluation tools and the relationships that are established between all these elements, in the context of a specific way of organizing the training activity. The training activity also includes decisions, regulations, organizational, administrative, financial, etc., which must be considered in the planning, in addition to the teaching, learning and evaluation situation.

#### 4. CAREER MANAGEMENT

The career management in healthcare organizations encompasses all the career planning processes at the organization level and ensuring an effective management succession. Career planning is directly related to how employees can advance, in line with the organization's needs, with employee performance, potential and preference. The individual's career is defined as a sequence of positions occupied by him throughout his life.

The search or exploration phase as the first stage in the evolution of the individual's career is characterized by self-analysis to identify and clarify the interests or potential opportunities that can be further developed throughout the career as well as to know the different types of positions that are available. At this stage, young people develop different expectations about their careers, often under the influence of their parents, teachers and friends. Unfortunately, sometimes these expectations are not realistic. Against this background, unrealistic expectations may remain in the subconscious of individuals, in order to influence their behavior later by creating frustrations either for themselves or for the other members of their organization.

In the development phase, individuals are looking for work, most of the time finding a post, and if they become accepted into an organization they learn what they have to do and can begin to show signs of future success or failure. This stage is characterized by increasing individuals' performance and learning from mistakes. Some researchers believe that this period is between 25 and 35 years, and others believe it lasts up to 45 years.

The third stage, the maintenance phase, is characterized by the same level of individual productivity. The retention step is also referred to as the career platform, due to the fact that it is a period when there is no significant increase in performance.

The last stage of decline is characterized by the reduction of the individual's interest in work, the diminishing of his personal performance and his retirement training. Most retired people gradually lose interest in personal development, but they can become very good counselors. For this reason, many health organizations use the experience of these retired people to help young employees develop.

#### 5. CONCLUSIONS

One particular feature of our country is that Romanian citizens are willing to accept more easily that they have not achieved a given or imposed goal than to receive a negative assessment of behavioral competence. Romanians are rather oriented in maintaining relationships rather than in achieving goals.

For these reasons, the training process should be based on a careful analysis of the individual and collective needs of the employees as a result of evaluating the

performance of the individuals and departments in which they operate within the health organization.

The process of human resource development has the major advantage that it is about preparing people to cope with future changes. Through this process, people become more informed and inventive, and this leads to an improvement in the performance of the employee and of the team he / she is part of, and at the same time leads to increased work satisfaction.

## REFERENCES

1. Bădescu, A., Managementul resurselor umane, manualul profesionistului, Editura Mirci, C., Brumar, Timișoara, 2008  
Bögre, G.
2. Burlea-Schiopoiu, A., The Dangers of Dispersal of Responsibilities. *Amfiteatru Economic*, 19(45), pp. 464-476, 2017  
Remme, J..
3. Burlea-Schiopoiu, A., Idowu, O.S. The independence of the managers: an ethical dilemma, *International Journal of Social Entrepreneurship and Innovation*, 4(2), pp. 152-171, 2016
4. Burlea-Schiopoiu, A., Popa, I. Legitimacy Theory, in *Encyclopedia of Corporate Social Responsibility*, Editors Samuel O. Idowu, Nicholas Capaldi, Liangrong Zu, Ananda das Gupta, Springer-Verlag Berlin Heidelberg, pp.1579-1584, DOI: 10.1007/978-3-642-28036-8\_471, 2013
5. Burlea-Schiopoiu, A., Rainey, S. Servant lider/Servant leadership, in *Encyclopedia of Corporate Social Responsibility*, Editors Samuel O. Idowu, Nicholas Capaldi, Liangrong Zu, Ananda das Gupta, Springer-Verlag Berlin Heidelberg, pp. 2120-2126. DOI: 10.1007/978-3-642-28036-8\_203, 2013
6. Burlea-Schiopoiu, A. Managementul resurselor umane, Editura Universitaria, Craiova, 2008
7. Mathis, L. R., Jackson, H. J. *Human Resource Management*, 9th Edition, 2000
8. \*\*\* Suport de curs - Managementul resurselor umane, Centrul de Excelență în Promovarea Femeii pe poziții calificate și înalt calificate în Sectorul Comercial, 2014