

THE ROLE OF EMPLOYEE PERFORMANCE APPRAISAL AT CASA DE LA ROSA TIMISOARA

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Abstract:

The purpose of this research is to analyze the most important aspects of employee performance appraisal role in a hotel. The research is based on highlighting the major aspects of employee performance appraisal at *Casa de la Rosa* Hotel and aims the aspects related to the hotel performance.

The aim of this evaluation is to observe and to analyze the employee time evolution and the way they complete their tasks and their job requirements.

Key words: *employee appraisal, official appraisal, informal appraisal, performance.*

JEL classification: M12, L83

1. Introduction

Employee performance appraisal

Definitions. In Romanian, the verb *evalua* derives from French – *evaluer*, and according to *Le Petit Larousse* it means to establish the value, the price or the importance. According to *Oxford English Dictionary*, it means to ‘reckon up’, *ascertain the amount of; to express in terms of something already known.*

In *Chember’s Dictionary*, appraisal is defined as *to form an idea about the worth of something*, and Webster’s Dictionary defines it as the determination of the fix value of something. *Roger’s Thesaurus* gives us a series of synonyms which enlarge the semantic field of the term: *evaluation, estimation, opinion, appreciation, survey.*

Both *The Explanatory Dictionary of the Romanian Language* (DEX, 2009) and *Macmillan Dictionary* include the definitions of the term *appraisal*. While in *The Explanatory Dictionary of the Romanian Language* we can find only one form of the term *evaluare*, in English, *Macmillan Dictionary* (Macmillan, 2006), gives us two forms which can be used in a larger area.

Some definitions point out the quantitative appraisal while the others the qualitative appraisal. Another term which needs to be clarified is *performance*. In some books, performance is understood as being *the arrival at a goal, the relationship between the resources which come into a company – input, and what is accomplished with the help of these resources – output, how many goals a company achieves.*

Performance appraisal, also known as employee classification or results evaluation or employee reappraisal, means to estimate to what extent the employees perform their job tasks. The notion of performance appraisal has been defined during the time by important experts; each of them had given some more value and another course to the entire process.

In 1997, G. A. Cole had an idea about the meaning of performance appraisal: the notion of performance appraisal can be used when talking about the activity of personnel or the managers, not about the activities of the workers. In this sense, he says that there are two main appraisal types: the *conventional* one, also known as *formal*, and the *unconventional* evaluation, or the *informal* one.

According to him, the *unconventional appraisal* is the continuous employee performance appraisal, conducted by the manager during the employee’s usual activities. This type of appraisal can be applied in some cases, being based both on intuition and concrete evidences of the results. It is a subsidiary result of the daily relationship between the manager and the employee.

Conventional appraisal is more logical and clear than the unconventional one as the employee performance appraisal is the result of a systematic and planned process. If the job analysis is equal to the duties and requirements of

a job, which involves the impersonal description of the job goals, tasks and responsibilities, the performance appraisal rely on the employee achieving the job goals, tasks, responsibilities and demands.

Performance is an essential demand, having in mind the harsher and harsher the competition had become. Performance appraisal had become an important part of the management system, generally speaking and of the human resources management, particularly.

Job performance appraisal is a useful process both to the company and to the employees having the aim to increase work productivity, quality and job qualifications improvement.

Job performance reappraisal forms the basis of the employee decisions giving the possibility to identify job progress or regress and the need of additional training courses. The notion of *performance appraisal* had developed by the time and had arrived to more complex definitions.

Performance appraisal is the main activity of the human resources management developed in order to establish to what extent the employees of a certain company accomplish their tasks and responsibilities.

In a wider meaning, performance appraisal is considered to be an action, a process or a certain type of cognitive activity used by an appraiser to determine or estimate the performance of a person according to the established criteria and their own criteria, their own values system or their own opinion regarding common performance (Manolescu, 2003).

Stefan Stanciu (Stanciu, 2003) defines performance appraisal as *an action, a process or a cognitive activity* used to compare the performance of a person to some established criteria regarding the reached performance.

Recently, in his book *Managementul resurselor umane – Ghid practice (Human Resources Management – Practical Guide)* published in 2005, Prof. O. Panisoara (Pânișoară, 2005) presents the performance appraisal in a company as an important part of the human resources management because through the appraisal we need to understand the dynamic side of the job development and to understand the job development as a continuous process and not as *a simple event* in the employee's life. Also, besides this feature of continuity, O. Panisoara added the complexity feature to the appraisal process: *we need to imagine that anything can be appraised – even the appraisal can be appraised*.

Performance appraisal becomes more important when it comes to the education and the empowerment as methods to express the abilities of all the employees and to free them from all the restrictions made by themselves or the company when it involves personal achievement.

The way the appraisal system is used and the way the appraisal results are communicated can have an impact to the mood and the atmosphere inside the company. The results of the appraisal are useful to other processes which circumscribe human resources management, such as: training, perfection, promotion and reward processes and influence the decisions taken in the company.

Informal appraisal used by the superiors to appraise their subordinates daily, and vice-versa, is a major component of a company. But the systematic, formal employee appraisal needs to be done at well established periods of time. Systematic appraisal consists of an official meeting between the manager and the employee where the impressions and observations regarding the employee performance are written.

The results of the appraisal process need to be objective (not modified for or against other appraised employees) and to ensure the existence of feedback by informing the employees of the company about the results in a proper way and at a proper time.

The appraisal conducted by the chiefs of departments. If everything works as it should, the company should set its goals at a global level, and each chief of department should set their own goals, linked to the global goals. According to these goals, the chiefs of departments should set the appraisal points for all the employees in their team and to discuss it with them and when they all agree, the goals can be put in place of the Employee Development Plan.

Self assessment. In order to make this method work, each employee should be responsible and objective to their own performances, to create their own SWOT analysis in order to identify their strengths and weaknesses, to mark their performances and to establish their own needs of improvement. This method allows the employees to self-educate and to make them responsible, but it also helps them to identify the trainings they need, not to forget that they need to be approved by the superiors.

Performance appraisal is the activity used to establish to what extent the employees in a company accomplish their tasks and responsibilities. In other words, it is the process used to evaluate the income of an employee during a certain period of time. Performance appraisal leads to a gratitude of the results of the employee activities, to the identification of their goals for the next period of time and to establish a plan to improve their future results.

From the management perspective, appreciating the results of a certain activity, compared to the goals of the company and related to the real environment, is a condition of any action taken to train or adapt. At an individual, organizational or system level, the correct appraisal allows to better understand the weaknesses and leads to possible improvements.

The advantages of performance appraisal:

- It gives important information about employees and the exact nature of their tasks;
- There can be revealed some qualifications and abilities which had been unknown before;

- By gathering all the results of the appraisal there can be identified the general need to train the employees of the company;
 - It improves the relationship between the manager and the employees. They discuss together the situations encountered at work; the employee finds out what exactly they are expected to do and can understand their status as seen by the superiors;
 - It ensures the fairness of promotion and salary in the company by setting some strong appraising criteria;
 - It increases employees' performance, the results of the appraisal directly influence the performance;
 - All the efforts usually increase when the employee is informed about the importance of their work after the appraisal;
 - The employee understands the tasks by setting the appraisal criteria (performance standards).
- In conclusion, the aim of the performance appraisal is to:
- Clarify if an employee is able to cope with a more toilsome work and also the rate an employee is able to promote;
 - Establish the training need and to develop training plans;
 - Reason the promotion, firing, reorganization and salary raises decisions.

2. Research methods and results

The research was based on the Casa de la Rosa Hotel. Only one instrument was used in the research: the survey, the quest survey. The responders of the survey were the employees of the hotel which is analyzed in this research.

During the research, the employees of Casa de la Rosa Hotel were part of a research group. The group was formed of 21 persons. There were 21 responders, men and women of various ages and stations; the research consisted of personal survey and the following aspects were taken into account:

- The way of appraising the individual performances;
- The aim and the importance of performance appraisal;
- The remuneration according to the performances and the employee satisfaction.

In this hotel the appraisal is scheduled steadily by the manager of the hotel who analyzes, depending on the position, all the job requirements.

Through this appraisal they analyze the employees' time development and the way they perform their tasks and the job requirements.

The most important aspects of the employee appraisal are:

- The number of working hours and of overtimes;
- The employees physical aspect and their behavior;
- To complete the general and special tasks depending on their job;
- Their presence and punctuality;
- Employee loyalty.

In case the employees have direct interaction with the clients of the hotel, it is also taken into consideration:

- Kindness;
- Their flexibility to satisfy the clients.

The appraisal is conducted like a helpful discussion regarding the present situation and the line to be followed in the future.

General presentation of Casa de la Rosa Hotel

Casa de la Rosa is situated in the South of the city, in one of the most beautiful residential areas of Timisoara. Its address is: 16B, Urseni Way. The architecture of the hotel has a classical Mediterranean influence and has a special comfort given by the fusion of aesthetic and the materials and finishes in a perfect harmony. The atmosphere that reveals serenity and warmth invites you to spend here more and more relaxing and recreational moments.

The purpose of Casa de la Rosa is to make its guests feel like being at home and to make them come back every time they visit Timisoara. The three star hotel has 26 rooms and 5 apartments reconditioned at modern standards. The prices include VAT and are: Single room – 55 Euro, Double room – 65 Euro; Apartment – 95 Euro.

Situated in a quiet residential area in Timisoara, at only 10 minutes drive from the center of the city, Casa de la Rosa Hotel has rooms with air conditioning and free Wi-Fi and also a bar with garden. All the rooms are functionally furnished and include flat panel TV and satellite channels, DVD and private bathroom with shower.

There are free bicycles for all the guests. The additional facilities of Casa de la Rosa Hotel include a nonstop reception and conference room. There are also free parking lots. Traian Vuia International Airport is situated at 20 minutes drive and the shuttle services are available for additional costs.

Regarding the organization of the hotel, Casa de la Rosa has 26 rooms and 5 apartments reconditioned at modern standards. The facilities included in the rooms are: air conditioning and heat which are can be individually set, phone, TV-LCD, TV cable (45 channels), Internet, bathroom with shower.

In addition to the lodging services, *Casa de la Rosa Restaurant* accomplishes all the demands, even to the most exigent clients. They can eat here both Romanian and Hungarian delicatessen. Some other services offered by Casa de la Rosa are: Meeting Room, Parking in the inside court, Breakfast Room, Terrace, Bar, Wireless Internet, Luggage Room, Fax Sending-Receive, Room service, Safe for keeping the value things.

Table no. 1. The structure of the employees on departments

Department	No.employees	Percent of total employees (%)
Administration	1	4,76
Financial	1	4,76
Lodging	7	33,34
Food	11	52,38
Maintenance	1	4,76
Total	21	100

As we can see, the hotel has 21 employees, most of them belonging to the Food Department and then to the Lodging Department.

Table no. 2. The structure of the employees on education, age and sex

2014 Year	Age	Men	Women	Total
Secondary Education	18-30	3	1	4
	31-43	1	1	2
	44-65	1	-	1
Higher Education	18-30	3	4	7
	31-43	2	5	7
	44-65	-	-	
Total		10	11	21

Regarding the structure of the employees regarding the education we can see that 7 persons have higher education and 14 have secondary education and regarding their age and sex we can notice that there are 11 women and 10 men. To conclude, most of the employees have secondary education and are aged between 18 and 30, that is young personnel.

Employee performance appraisal

Casa de la Rosa Hotel has 26 rooms and 5 apartments. This leads to a small number of employees, precisely 21 persons, including the management team.

Having such a small number of employees, the manager finds it easy to watch the employees. So, in most cases, the performance appraisal is conducted by the manager. Also, employee appraisal is also conducted by their colleagues.

The moment the manager notices an irregularity, the manager speaks personally to the employees with the aim of finding out what is happening.

Asked about the purpose of the appraisal, the employees answered:

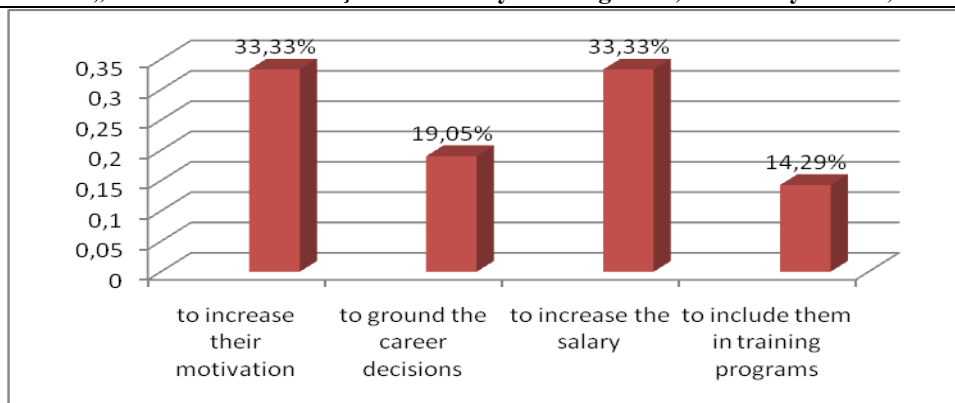


Figure no. 1. The purpose of performance appraisal

As seen in Fig. 1, 33.33% said that the appraisal take place in order to increase their motivation and also 33.33% said that its purpose is to increase the salary. 19.05% thought that the most important reason is to ground the career decisions and 14.29% to include them in training programs.

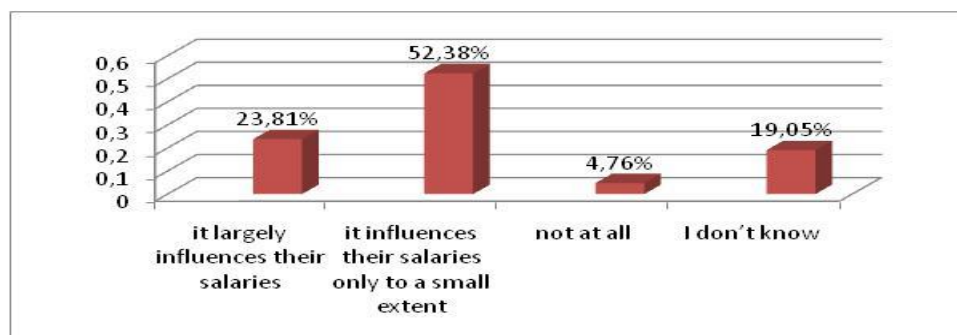


Figure no. 2. The appraisal results influence the salaries

As seen in Fig. 2, most of the employees think that the performance appraisal influences only to a small extent their salaries and only 23.81% think that it largely influences their salaries.

Regarding the question about the bonus to the fixed salary, they answered:



Figure no. 3. Bonus to the salary

From Fig. 3 we can conclude that 42.86% said that they receive an incentive pay. Most of the employees want incentive pay, 19.04% want a merit pay while 38.10% need meal tickets.

Regarding the sanctions, all the employees agreed and most of them thought that they are connected to the errors and their performances.

Table no. 4. SWOT Analysis

Strenghts	Weaknesses
Arhitecture	Area
Manually painted furniture	No elevator
Casual cloths	The lack of special rooms for disabled people
Roamnian kitchen	The lack of reputation
Aspect	
Design	
Comfort	
The quality of services	
Opportunities	Threats
Extended restaurant	Competition
Conference room	Legal aspects

3. Conclusion

To conclude, Casa de la Rosa Hotel provides a relaxing, familial atmosphere to the guests and the leadership style is an active one. The manager is always besides the employees to help them to complete their tasks and he considers them colleagues, not subordinates, which is possible because of the small number of employees.

The employments are based on recommendations and they prefer inexperienced persons because the manager wants to train them according to the needs of the hotel. They collaborate with the academic field when they need to employ people. The hotel has a partnership with the practice program of FEAA Timisoara.

Regarding the performance appraisal, most of the employees think that it small influences the salaries and only 23.81% think that it really influences the salaries.

Regarding the sanctions, all the employees agreed and most of them thought that they are connected to the errors and their performances.

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