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## **EVALUATION OF EMPLOYEE PERFORMANCE OF BUSINESS BROKERING COMPANY BY PERSONNEL MANAGER'S COMPETENCIES**

***Abstract:** The aim of the paper is to determine the current level of competences of a human resources manager in the business brokerage company for the performance of the management profession from the perspective of business management; to identify key variables that significantly effect the level of competence and propose recommendations leading to the growth and development of competences in the context of the work of the profession and the performance of the human resources manager.*

***Keywords:** managerial competencies, working performance, personnel manager, brokering company*

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### **Introduction**

The importance of the notion of competence is often connected with the exercise of a profession or occupation and is referred to in the decision-making powers and responsibilities arising from these consequences – the so-called competence “by another”, mostly from the superior to other workers in the decentralization of decision-making, which is a prerequisite for effective system of corporate communication and ways of working with people, particularly during changes in the organizational structure, its slimming or flattening. According to Russell – Jones [12], the manifestations of these incremental changes are the processes of delegating competences, responsibilities and powers to subordinates. Being competent, a work eligible individual is to have a set of specific characteristics and features of the individual, work attitudes, knowledge and skills, individual and professional experience to watch moves directly to the performance of work activities at key trade negotiations. The focus of the responsibility for their own learning and education is transformed into a process of lifelong learning and continuous (uninterrupted) development and education Vaníčková, Bílek [14].

Plamínek [11], Faeber [1], Rychtaříková [13], Wágnerová [17] and Vaníčková – Zeman – Bílek [16] suggest that the models or maps, in the case of the competencies can be created through scientific methods for modelling and functional analysis. The purpose of the models and maps of competencies is to define a common base

of the profession and the practical use within the specification requirements for the professional practice of the profession.

In summary it can be concluded that the concept of competence stresses an inner quality of man, IE. We can assume that the extraordinary effective performance of the individual, i.e. a competent worker, will be at the same time and performance professional, declaring the role and the role of the professional manager.

The authors of the article agree with Hauser's [3] statement in respect of the management challenges for the 21st century: "the Professional Manager handles the management of change and the application of internal strategy for the creation of the potential of the company's long-term success."

### **Materials and Methods**

The basic methods used in the present paper are studying scientific and recommended literature, periodicals, the professional domestic and external press, methodology collection of information, statistical data and their analysis, synthesis and comparison, proposal measures and recommendation of the key personnel competence according to working performance and professionalism.

In the practical part, theoretical knowledge is applied into practice through case study methods to evaluate the performance of the personnel manager in the role of leader in the commercial brokerage company Broker Consulting, Inc. in České Budějovice.

### **Results and Discussion**

Management by Competencies – MbC (long-term rating) focuses on the evaluation of properties, skills, abilities, knowledge and attitudes. It is implemented in longer intervals, mainly once a year and has influence on the development and career of an employee in relation to the amount of their fixed salary component. A narrow ratio between the level of competence and the amount of fixed salary component comes from a principle of dividing salary "groups" (levels, zones and tariffs) by employees' abilities to practise differently challenging working activities by competences, not by their current position or the number of years they have been working, if the system of remuneration allows to evaluate the efficiency of employees by competences for individual performances with specification of links to performance and qualification of their profession Kocourek [5], Hroník [6], Pilařová [10] and Zeman – Vaníčková [18].

**COMPETENCE = PERFORMANCE + QUALIFICATION (PROPERTIES, KNOWLEDGE, SKILLS, ABILITIES)**

From practical point of view, when modelling competencies a matrix of competencies comparing professional competencies requiring for practice of given working position and the level of development of competence (usually on an ascending scale) is used. Based on the evaluation of competence matrix we find possible differences between planned and actual status of professional qualification for practice of a given position and opportunities for the growth and development of partial assumptions of individual workers. Through the results obtained from the matrix of competencies we require written materials for the creation of a plan of development and education or materials for career and succession plans.

**Performance evaluation** (i.e. short-term rating) focuses on quantity and quality of work. It is done in shorter intervals (usually once a month or once three months) and has an impact on a variable salary component (performance bonuses, etc.). From a practical point of view, in the brokerage company there are rated turnover of traders, the number of newly acquired customers, the number of “cancellation” items for trade agreements, the number of processed orders (invoices, applications), the percentage amount of the service business plan and following deadlines and budgets. An performance component of an employee evaluation is linked to the fulfilment of predefined criteria in the form of bonus payments or extraordinary performance bonuses, for which there are predefined remuneration conditions Drucker [2] and Nelson [8].

The concept of **Management competences** or “manager skills” consists of:

1. **Technical or professional skills** focused on using skills, knowledge and skills in practice, methods and working procedures – for example, when operating machinery and tools in a manufacturing company, professional knowledge and techniques for the profession, such as techniques for conducting business meetings.
2. **Human or social and personal competence** necessary for working with people, in a team in order to achieve desired working results with the support of simulation and motivational games, creativity and leadership. The meaning of human or social and personal competences is in establishing and developing long-term relationships with other workers of business unit, including the impact of emotional competences, willingness and ability to accept and deal with unpopular measures so that the consequences for individuals do not disrupt the function and prosperity of whole society (Zeman – Vaníčková, [18]). The ability of reflection and introspection, including adequate self-esteem and self-acceptance, the ability of appropriate reaction to an adequate situation, independence or readiness to take on responsibility specifies conditions of personal competence for management function (Vaníčková – Zeman, [15]).
3. **Conceptual or methodological abilities** consisting of the ability to understand and acquire new knowledge, methods of strategic planning and decision making, abilities to interpret the summary results of the brokerage company.

Basic key competences for working on a manager position according to Palán [9] and Muhlbacher – Nettekoven – Putnová [6] are:

- ability to communicate and cooperate
- problem-solving skills and creativity
- independence and efficiency
- ability to accept and take responsibility
- ability to explain and evaluate and to think and learn.

The goal is to find a balance between personal and professional satisfaction in relation to a working performance.

Table 1

**Position of the personal manager in the role of leader, manager and HR expert according to the type of competences: strategic thinking, communication and evaluation in business brokerage company Broker Consulting, Inc.**

Position	Role	Activities	Competence		
			Strategic thinking	Communication	Evaluation
			Level of competence		
Personnel manager	Leader	Making of HRM *strategy	5	5	0
		Sales strategy	4	4	0
	Manager	HRM*	3	3	5
		Financial resources management	3	2	0
		Management of process	3	2	2
	HR expert	Strategy planning of HRM*	5	4	1
		Recruitment, selection of candidates	1	4	5
		Development and education of employees	1	2	2

Note: HRM\* Human resource management.

Source: Internal material from Broker Consulting, Inc.

In terms of employees performance evaluation of business Brokerage Company by the level of competences we can according to their level of competence, through the numeric formulation transparently specify the amount of the value according to the roles and subtasks.

At the level of the leader, high competence is required with a focus on communication skills, long-term conceptual strategic thinking, sales contacts and business skills as well as high level of level of guest child. Leadership is concentrated in particular on the team-building priority and support team cooperation (Zeman – Vaníčková, [18]). Managerial competencies in the area of support the creation and expansion of financial literacy and increasing market turnover, offering the sale of financial products and services are set in relation to the evaluation system of the performance bonus payroll folder.

Strategy planning for the recruitment and selection of appropriate key candidates for the position in the brokerage business of the company Broker Consulting, Inc. mutual communication and targeted and systematic support personnel is the responsibility of the key competence of the recruitment specialists in the field of human resources.

Table 2

**Performance evaluation of personnel manager by the role of leader  
in the business brokerage company Broker Consulting**

Position	Role	Activities	Competence			
			Criteria	Criteria level	Height of criteria level	Evaluation
Personnel manager	Leader	Making of HRM* strategy	Meeting the deadline	1 = observed 2 = failed	2	Not fulfilled/ fulfilled
			Consistency between corporate strategy and HRM*	1 = incompatibility in key areas 2 = compatibility in key areas 3 = compatibility in key and partial areas	3	Not fulfilled/ fulfilled
		Sales strategy	Strategy of HRM* knowledge	1 = not knowing strategy of HRM* 2 = knowing strategy of HRM*	2	Not fulfilled/ fulfilled

Note: HRM\* Human resource management.

Source: Internal material from Broker Consulting, Inc.

Performance evaluation of personnel manager by the role of leader in the business brokerage company Broker Consulting, Inc. is linked to the bonus reward system in terms of variable salary component. According to internal company policies, conditions of bonuses payment are set according to size of bonuses, rules for reducing bonuses and deadlines for payment. For the managers from the middle line, the frequency is adjusted quarterly, with top managers there comes to an annual bonus payment in percentage, because of motivation to maximum performance of individual employees proximately not being related to an exact amount of its “evaluated” performance expressed as a percentage of fulfilment.

From the theoretical point of view, the benefits in the area of managerial competencies lie in managerial competency model creation on the top level of the position of human resources manager (Vaničková – Bílek, [14]). The benefits of each level of managerial competence are ensured.

The case study model is for the staffing level of the degree managers and the value of the criteria within the framework of competences, which should be equated. In the event of adverse conditions it is necessary that these specifically and systematically and continuously develop partially deleted professional competencies for all levels of corporate governance, including the specification for the business company, for example individual approach, and positive motivation to contribute to the successful development of all levels of managerial competencies.

From studies of professional domestic and foreign literature and especially from the many years of experience in the area of human resources at the middle and top management of one of the article authors is to illustrate the different approach of the leadership style on the level of competence in terms of the gender of the manager (Zeman – Vaničková, [18]). Summary results are available for managers, women in the top positions of the 21st century. Trends and current situations of personal and social development are in particular on the development of creative point skills, positive thinking, creativity, self-awareness and lifestyle for women in the top positions of managerial type. Social behaviour, ethics and etiquette, the image of women, inter alia, evidence of senior professional discussions focus in particular on the competences in the field of communication, empathy, creativity, responsibility or orientation on the target. For men in managerial positions typical competences include performance orientation, expertise, cohesion, and decisiveness. On the basis of their competence and professional prerequisites, both sexes are mutually complementary, targeted in top positions of managerial level, and they constantly reinforce their learning. Priority of both sexes is undoubtedly a high level of professional management at the level of “the best hard and soft skills”.

## Conclusion

The success or failure of the manager is not exclusively derived from the performance, i.e. professional competences of the manager for the performance on the working position are designated as “hard” performance competences of the

manager. “Soft” or human abilities based on personal, social, emotional, creative and leadership qualities and skills of key managers form a compliance, the interplay of success of both planes of managerial competences in a competitive work environment of a business brokerage company.

If we want to make assessment system be effectively implemented in the workplace of the business brokerage company, we have to properly think through process of creation and implementation of the evaluation system, which is in line with strategic objectives of business Brokerage Company with support of the senior management personnel. Assumption for a successful implementation of the “optimal” performance evaluation system is a great quality preparation of performance evaluation of individual employees, early establishing of a timetable for partial operations – objectives, roles, communication process within the business brokerage company, including the implementation of changes delegated from the management towards the lower levels of management. According to authors of the article Zeman – Vaníčková [18] key competences are crucial for effective management and personnel management and development processes within the company. They form the “spine” of the professional managerial competence in terms of work, management style and leadership especially in a subordinate status.

In terms of performance evaluation, expertise and core competencies in the area of human resources development for top management positions and positions of middle management in the business brokerage of the company Broker Consulting are placed right on the close interdependence of the corporate strategy, the strategy in terms of personnel versus performance appraisal team, and on the volume of sales for individuals with sales and marketing communication and skills in the process of effective time management, with maximum time used and deadline dates for business meetings.

The evaluation of the performance of the human resources manager in the role of a leader is set in the business brokerage company according to the above criteria and levels of professional values and key and minor areas in the process of the development of human resources Vaníčková – Bílek [14]. Due to the specification of the business activities of brokerage companies the authors consider the contribution classification of evaluation criteria for sufficient and satisfactory in terms of the requirements of the business of the market environment.

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