

## **Study of Shuanghe Medical Corporation Human Resource Performance Management System**

**Chang Yue & ZuoTeng**  
Shanghai University of Engineering Science  
China

### **Abstract**

*With the rapid development of reform and opening up with the times, enterprise management has become the core of China's economic development, including human resources performance management to its "high efficiency", "rational" characteristic, is the concern for the people. Performance management is the core of the human resource management, performance management is a part of enterprise human resource strategy. But many enterprises after the implementation of the performance management, and did not get the desired effect, and even have the opposite effect. Given the importance of performance management in enterprise management and our country enterprise performance management, this paper starts from the basic theory of performance management, combined with the actual double crane pharmaceutical, diagnostic analysis of its current situation of performance management, based on the design of a set of scientific performance management system, assessment of the experience and lessons and through the implementation of performance system effect summary for the reference value to the design and implementation of other medicine logistics enterprise performance management system.*

**Keywords:** The system of performance management, Key performance indicators (KPD), General performance index (CPI)

### **1. Introduction**

#### **1.1 Research Background**

Medicine logistics enterprise in a wholesale drug as the main business of the enterprise, the company purchased the drugs from pharmaceutical companies, and distributed to hospitals, clinics and pharmacies. therefore, companies have procurement, sales, and logistics business. Business is more complex. Each employee thinks his has the great contribution to the company, and should has the highest reward, and feel unfair for their low income. At this point, strengthen performance management research, scientific evaluation of staff performance of employees, a correct view of oneself, have positive significance on income and contribution. Pharmaceutical logistics enterprises are facing with transformation and upgrading and competition from simple network sales to enhance the service, from the artificial logistics to logistics and distribution automation, and has put forward higher requirements of the employee self-improvement and self management. Evaluating performance scientifically and mobilizing the enthusiasm of the staff is crucial for enterprises to becoming bigger and stronger.

The enterprise human resources performance management system, and the feasibility of the implementation of the scientific nature and effectiveness will directly affect the enterprise in the process of job in human resources management level, which is not to be ignored for the survival and development of enterprises the overall effect based on the above analysis, and strategy should follow what kind of way in the construction process of enterprise human resources performance management system? How to build the core of performance appraisal of enterprise human resources performance management system?

At present, the theory of performance management, assessment methods, assessment tools is more, but the research on the performance management system is very few. The design of performance management system is still not a mature pattern of existing. Therefore, Shuanghe medicine as the medicine logistics enterprise in rapid development needs to establish a complete set to serve the strategy performance management system as the tool of strategic management urgently.

## **1.2 Human Resources Performance Management Overview**

"Human resources" concept, the earliest origin since 1954, America famous management scholar Peter Deruk (PeterF. Drucke) in its publication "management and practice" in one book, the process of modern Industrial organization data production is summarized. Its people and events involved in the process of enterprise production management as a new term "human resource management". Thus, the concept of "human resources" officially acknowledged, and develop to today. It has become the core of enterprise economic development and daily management that can not be ignored.

## **1.3 The Concept of Performance Appraisal and Performance Management Performance**

The performance of the meaning can be understood from different disciplinary perspectives. From the management perspective, performance is the result of the organizational expectation, and is the organization in order to achieve its objectives in the effective output at different levels, including two aspects of individual performance and organization performance. From the angle of economics, performance and salary is between employees and the organization commitment (peer relationship performance is employee commitment to the organization, and the salary is the organizational commitment of employees), and reflects the equivalent exchange of market economy principles. From the sociological perspective to understand, performance means that every member of society in accordance with the social division of labor is determined by the role that a job.

Performance evaluation is through a systematic approach to assessment and measurement principles, the staff in the office work and the work effect. After working for a period of time or the work, work instructions or control performance standard, adopting the scientific method, to check the staff on their duties, as well as the development of employees, the work on the staff of the evaluation, and the evaluation result feedback to staff process. Performance appraisal is employee compensation, promotion, transfer, training and development of a series of activities on the basis of performance evaluation, scientific and objective to enhance staff's sense of fairness, satisfaction, so as to effectively motivate employees more active and work hard.

Performance management is to plan the employees work assessment, improvement, and finally make it work activities and work output consistent with organizational goals. It is a system of ideas about individual and organizational performance, including all around, the methods to improve the performance of system, program etc.. Performance management is not only concerned about the results of the work, pay more attention to work or work process itself, focusing on the problems found, from the process to find out the reasons, the smooth realization of "rectification" constantly to ensure that the objectives of the organization. The basic idea of performance management is a continuous improvement and perfection of performance.

Performance management is to improve the staff's ability and quality, to improve and enhance the level of corporate performance. Performance management in human resource management system is in the core position. There is a very close relationship between it and a corporate human resources management system of other members. Complete performance management system is composed of performance plan, performance communication, performance appraisal and performance feedback of these four components of a system.

## **1.4 The Development of Important Significance to the Enterprise Performance Management**

Generally speaking, enterprise performance management for the development of enterprises has a very special and very important strategic significance. First of all, the performance management is an important foundation to realize the goal of enterprise strategic planning. As a performance management of enterprise human resources management core, it can be effective on the enterprise strategic planning goals which are decomposed, and the planning and integration of these differentiation performance targets realize the benefits of the whole production enterprise promotion. Secondly, the performance management carries the responsibility to enterprise culture training and development. The enterprise culture is an important pillar of the spirit of enterprise and the benefit, having a positive corporate culture, high spirited team, which occupy a great advantage in the overall spirit of enterprise features, economic benefit. Finally, the performance management is the business value distribution and re create the inexhaustible power. The human resources performance management, enterprises can realize their own value chain to promote good, to help the enterprise to create more wealth for the society.

## **1.5 Performance Management Related Theories Overview**

### **1.5.1 Principal-Agent Theory**

The principal-agent theory is produced in the condition of Modern Corporation under the principal-agent relationship in enterprises, reveals the formation, development and coordination mechanism and the validity of the theory.

The principal-agent relationship of Modern Corporation enterprise has the following characteristics:

(1) The principal-agent relationship is a kind of interest relationship, the client side to determine a compensation mechanism to encourage the agent, conscientious, and strive to achieve the goal of maximizing the interests of the principal agent selection; the direction and the behavior choice of their own, in order to achieve their own benefit (utility maximizing). Principal agent relationship is the key effective is the institutional arrangement can realize the balance of interests of both sides, so as to ensure the agent and principal consistency.

(2) The principal-agent relationship is a contractual relationship. Trust is not a general relationship between people and agents, but through the contract strictly stipulates the rights and obligations of the two parties, but the contract is an incomplete contract. This is because the business uncertainty exists between the principal and agent, the asymmetry of information and limited rationality, the principal and agent target without consistency of the decision, the incompleteness of the contract implied agency risk, the agent may deviate from the principal objectives and requirements, resulting in harm the principal's interests, this is the so-called agency problem.

According to agency theory, the basic problems of principal agent relationship are the agency problem. In order to solve the agent problem, the first to establish the selection mechanism effectively, the agent's professional competence and credibility, executive recruiting procedures strictly, even the probation way to increase agent understanding, eliminate information barriers. However, even if the strict implementation of the election process will produce the agent problem. Because the agent is a goal of independent interest and behavior of "economic man" behavior, goals and their clients interests may not be completely consistent; second, as an economic agent also exist "opportunism", in the proxy process may produce office neglect, damage and erosion of the principal's interests "moral hazard" and "adverse selection" problem; third, the asymmetry of market environment of uncertainty and information, the client is difficult to accurately determine the agent's effort level, the existence of the opportunism behavior of agent. In order to solve the agent's moral hazard and the opportunism tendency, the client must establish a standard mechanism to regulate and restrain the agent behavior, the agent and principal trend is consistent, thereby reducing the agency risk, improving business efficiency and returning on investment. In general, the principal to the agent's management mainly through the selection mechanism, incentive mechanism, restraint mechanism. The mechanism of selection is according to the rules of procedure selection and appointment of managers; incentive mechanism including high remuneration (wage) excitation and high quality material treatment and disposition of power; supervision and restraint mechanism mainly manifests for the control and management of managers' decision behavior.

### **1.5.2 Behavior Science Theory**

"Behavioral science" is a study on the theory of economic management from social psychology of people, through the restoration of "human dignity" and "human nature", meet the staff "self achievement" desire as a means, to improve the management and efficiency. Under the guidance of this theory, in the management of the business, divided each responsibility center, such as "investment center", "profit center" and "cost center", the sales profit ratio as the main index, to evaluate the operating performance of each responsibility center, formed the evaluation of financial performance the center of the period to sales profit ratio. Can not be denied, evaluation of behavior science theory for the later multi-faceted enterprise comprehensive operating performance, especially it provides the theoretical basis for the establishment of including staff satisfaction and other aspects of the performance evaluation index system.

### **1.5.3 System Management Theory**

System management theory refers to the application of system theory, principle, management activity and management process of overall analysis and Research on the enterprises and other organizations, and the use of system management method of enterprise management theory. According to the theory of system management, the enterprise is the open system of a person, its operation is affected by external factors, but also restricted by the internal environment condition, so the evaluation of business performance is affected by the external business environment (including customers, competitors, suppliers, etc.) influence.

At the same time, because the enterprise is a complete system, its operating performance by internal factors (including the production process, the management level, staff quality) influence, so as the evaluation index system of strategic performance should also be an open, complete system, the establishment of index system should be fully taken into account the influence of strategic operation performance both inside and outside the enterprise environment and condition factor. Only in this way, can the establishment of performance evaluation index system is systematic, comprehensive, the conclusion of the evaluation is objective, validity.

#### **1.5.4 Contingency Theory of Management**

Contingency management that management methods and techniques will vary with the change of internal and external environment. In management between the variables and environmental variables have a function, but not necessarily a causal relationship, this relationship can be interpreted as "if - will". "If" or some kind of environment, "to" take the management idea, corresponding management modes. Obviously, which changes as the dependent variable management thinking, management methods and techniques should vary with the change of environment variables, in order to more effectively achieve organizational goals. In general, the environment is variable, management thought and management mode is the dependent variable, but sometimes the opposite.

#### **1.5.5 Strategic Management Theory**

Strategic management is a strategic planning (or program) and the implementation of the strategy (including the evaluation and control of the process). Strategic planning is a long-term direction of enterprise development, is to realize the enterprise's strategic target planning: the implementation of the strategy is for the strategic goal of the enterprise service tactical target implementation stage, is the strategic goal of the enterprise or long-term goals to achieve. In order to seek long-term development of enterprises, should be based on a detailed analysis of the internal conditions and external environment, determine the overall planning the development of enterprises. At the same time, enterprises should also be aimed at the current situation, developed to adapt to the changes of external conditions of the strategic implementation plan. Specifically, the enterprise must correctly understand and analysis the relevant business environment, grasp the direction of operation and long-term development trends, and apart from the situation difference between short-term fluctuations. Therefore, a company must according to the long-term development direction established, clear business objectives and enterprise strategic management is to realize the service for the enterprise strategic target, strategic management is not only affected by business environment, more important is it also restricted by strategic business objectives.

To sum up, the business performance evaluation of the initial motivation comes from the people to the economic interest, the separation of two rights principal-agent relationship under the condition of strengthening people especially the contributors to the performance evaluation of importance; the development of management theory has enriched the content of performance evaluation, especially the modern management theory, contingency theory of management and strategic management theory has greatly expanded the people to carry out performance evaluation perspective, makes the evaluation method more scientific. They constitute the basis of theory of modern enterprises performance evaluation.

### **1.6 Research Methods and Thesis Framework**

#### **1.6.1 Research Ideas**

This paper adopts empirical method, literature study method, expert discussion method and system analysis method, the theory and practice of performance management in close contact, the basic situation of the Shuanghe medicine as well as the current situation of performance management, found problems in the process of performance management. And the design of a double crane pharmaceutical characteristics of the performance management system, and gradually improves and enhances the performance management system.

#### **1.6.2 Framework**

The full text is divided into 4 parts.

The first part expounds the meaning and connotation of performance, performance appraisal and performance management.

The second part introduces the basic situation of double Crane Pharmaceutical Co. Ltd, make the diagnosis to the present situation of performance management, found the problem.

The third part introduces the effective countermeasures of human resource performance management crane company.

The fourth part is a conclusion.

## ***2. Shuanghe Pharmaceutical Performance Management Status and Problems***

### **2.1 Introduction**

The company was established in 2001 September registered, registered capital of 83000000 yuan. The company covers an area of 30000 square meters, storage area of 15000 square meters, the business area of 2000 square meters. Company to organize a fleet of 18 vehicles per day, the ability of logistics distribution box 15000.

Company to Hunan pharmaceutical market as the main body, to wholesale and allocation and distribution as the main operating characteristics, varieties covering raw material drug and preparation, Chinese herbal medicine, Chinese herbal medicine, Chinese medicine, chemical medicine preparations, antibiotics, biochemical drugs, biological products, medical devices, diagnostic drugs, health products, food, cosmetics, glass apparatus, chemical and so on, business has been radiation in northwestern South China area, etc.

The company's development of speed: completed in 2002 sales revenue 7 hundred million, sales revenue in 2003 reached 1 billion, 2004 sales revenue of 1400000000 yuan. According to the national development and Reform Commission statistics in 2003 the national key Pharmaceutical Business 300, double crane pharmaceutical sales net income ranked twenty-second.

From the company's benefit: 2002 profit 3300000, net assets yield of.754%; 2003 profit 2400000, net assets yield of.537%; 2004 profit 6000000, net assets yield of 12.13%.

Organizational structure of the company started from the early 2005's including the human resources department, financial department, quality management department, general manager office, distribution station management department, audit department, purchasing department, transportation department, business department nine level departments. Financial department under the financial management department, three Department of accounting department and information department two level, business unit under the sales department, business development, customer service department, marketing department in four grade two departments.

Marketing function as agent species planning and marketing; customer service functions both in granting credit to customer sales, including customer service of the company and the handling of complaints; the sales department is billing, contact customer and sales responsibilities. Department of transportation functions including receiving, shipping, distribution and storage of goods in and maintenance.

### **2.2 The Performance Management of the Company**

Company's existing staff of 435 people (not including the smart distribution station), because the company set up a short time, and industry fast development, the existing human resources. The average age of the characteristics of small, low average degree. From the age point of view, under 29 years of age accounted for 58.2% of staff, 39 years old of the following staff accounted for 8.74%, 40 or more employees accounted for only 12.6%.

From the academic point of view, no doctor degree, undergraduate and graduate education accounted for 1.06%, mainly distributed in the general manager's office staff, finance and human resources department; below the high school education accounted for 31.7%, secondary and technical school education 31.3%.

From the post structure point of view, the Ministry of transportation keeper and review staff of 185 people, accounting for 42.5% of the total number of staff; engaged in the marketing staff of 99 people, accounting for 22.8% of the total number of personnel. Storage and transportation department and business department of 90% employees is high and the qualifications, employee quality problem has become the bottleneck restricting the development of the company.

Double crane pharmaceutical starting performance appraisal from 2004, according to the "Interim Measures" provisions of the annual target assessment: department managers to take the annual salary system, from the beginning of the year to sign target responsibility book, the annual salary of 40% (A) for floating wages, to the end of the examination after the issuance, the annual performance award, the company decided to realize the annual target rate B and my results the annual examination C, the actual annual performance award.

The staff to implement the monthly assessment, and made the appraisal system, performance appraisal, appraisal of time steps are specified, examination results submitted to the human resources department, department according to the examination results excellent employees, accounted for 20% of the number of places department. Department of the main assessment for the evaluation group, at the end of the year; staff assessment is the main internal direct supervisor and department review group. In the high performance evaluation results of performance evaluation is effective, that accounted for 8.45% of the performance improvement, effective 14.08%, general 43.66%, not much effect 22.54%, as a mere formality 5.63%, 7.04% failed.

This paper from the departments and staff assessment sheet to extract the monthly assessment table the human resources department annual target responsibility book and pay and training manager for analysis.

### **2.3 Through the Analysis of the Two Inspection Plan and Actual Effects, Double Crane Pharmaceutical Performance Management Problems**

1. Misunderstanding ideas and the positioning of the performance management from top to bottom, viewed in isolation performance evaluation this behavior. The performance evaluation and complete performance management separated, that the evaluation index and evaluation. Without the establishment of the target system stratification, only emphasizes the development plan, ignoring the tracking implementation and information collection plan; focus on the judgment and evaluation, rather than the information communication and performance; evaluation emphasizes afterwards, instead of the prior communication and commitment.

Policymakers are not involved in. This belongs to the responsibility of errors, a basic, had to clear question in performance management, who to who manage performance? Who assess who? The performance management is concerned with enterprises "human", many enterprises to give the job to the personnel department to operate, high no participation, to truly understand the employees' ability and attitude of line managers into the secondary, the personnel department cannot command the various departments, the performance management work.

2. People think that performance management is the human resources department should do, but not put it as an effective tool for the whole management process.

A lot of enterprises management awareness of performance management is not comprehensive, that performance management is the performance appraisal of the employees, while the performance appraisal is only at the end of the day to check the staff performance appraisal, fill in a table, apparently the understanding of performance management is not comprehensive. Performance management includes not only the performance evaluation, including performance plan, performance analysis, performance improvement, performance communication, is a comprehensive system of management activities.

3. Performance results using a single. The results of the annual appraisal department manager applies only to the floating wages and annual bonuses, employee monthly and annual evaluation results apply only to the monthly and annual evaluation. No application in training, the staff's personal development plan, promotion and demotion and other human resources module.

4. Company goals and objectives not taking the strategy as the guidance, lead to the department goal no long-term goal of company formation strong supporting role. Department goal not fully decomposed to employees, as can be seen, and not on the training organization and human resources cost control target decomposition to pay staff training.

5. No organization. Assessment team is the very institutions, the human resources department in the performance management implementation process is merely making a plan guidance departments as well as the assessment result collection department. The performance management implementation beforehand, afterwards no relevant training content, neither the monitoring plan implementation effect, there is no tracking evaluation index can be verified or whether to set reasonable.

Evaluation of personnel quality and responsibility uneven, there is "good old" phenomenon. Evaluation results can objectively reflect the real work is assessment implementation units, mainly depends on the implementation of the assessment, the unit at the same time, the implementation of assessment personnel quality also affects.

The quality of personnel including business skills, work attitude and sense of responsibility and so on many aspects, most of those attending the examination of the higher quality of personnel, assessment more objective, fair, but we after all the work, living in a big family, appeared in the test and the test is not, and does not buckle buckle contradiction inevitably examination, some even due to the principle of sensibilities, assessment of shaken, there should not be penalized evaluation points.

6. The performance management of professional and technical capacity of human resources department is weak, the lack of scientific index set. Through the analysis of above two tables: the human resources department to confuse the index definition and standard, the company human resources costs total  $\leq 3000000$ , training class ratio  $\geq 90\%$  and above, the definition of office supplies total cost  $\leq 560000$  goals as index.

Provide effective assessment data performance information platform can not. Fair performance appraisal to performance data is accurate, if not timely provide information platform of enterprise performance, accurate data support complex data calculation, data missing or incomplete data lack of authority, the company will be very difficult to make accurate implementation of the performance evaluation, not because can not accurately measure the performance assessment of the dissatisfaction caused by employees, is losing confidence in the company's performance appraisal and confidence.

7. There are performance appraisal standard issues. Enterprise performance evaluation standard has the following two problems: one is to formulate assessment criteria. But no jobs using the analysis method, the different positions have different responsibility. Between different positions of the same level there are post is difficult, so the performance appraisal standards must exist differences. However, many enterprises in the standard no will this difference into account, causing those responsibilities more tasks difficult staff psychological strong dissatisfaction, seriously affected the enthusiasm for work; two is the scientific evaluation standard is not strong, the single method. Thus the evaluation standard in practical operability is not strong, not to mention the quantitative index. The human resources department in the formulation of standards only for the enterprise managers views, but no communication with the staff, to give play to the subjective initiative of employees.

Evaluation methods of the single. Take a single reduction method caused resentment of staff, on the one hand, work more mistakes more points, more, so that employees have no sense of fairness; on the other hand, only stipulate what performance is not recommended, and not the standard of excellence, lack of staff improvement direction.

8. Performance management feedback mechanism is not perfect. Performance evaluation for value evaluation, a direct impact on the enterprise value distribution and personal economic interests, it is a sensitive issue. In view of the sensitivity of performance appraisal, some units may not be disclosed to the assessment methods and evaluation results, the lack of sufficient knowledge and clear the role and significance of communication. Coupled with the many reasons lead to errors in assessment, influence of science, impartiality, objectivity of performance appraisal, so that employees have a reverse psychology on the assessment itself, leading to evaluation results of distortion, can not achieve the purpose of solving the problem, the problem. Therefore, a sound performance feedback mechanism is very necessary.

Broadly speaking, performance management should include the incentive and restraint mechanisms or reward and punishment system, performance appraisal and reward system are two sides of a coin, only examination and punishment does not follow to go up, assessment will exist in name only; if the assessment is poor, reward and punishment will lose the basis, even with the award penalty, punishment is. Many enterprise leaders tend to emphasize the assessment and not talk about the reward and punishment, is difficult to continue the examination. Can say, accurate, timely reward and punishment is the basic guarantee of performance management system.

### ***3. The Effective Countermeasures of Human Resource Performance Management***

In view of the current state of the above analysis of enterprise performance appraisal, it is necessary to develop a more comprehensive, scientific, effective performance appraisal system, the establishment of a fair and reasonable performance appraisal system. Only in a full competition, fair treatment and incentive environment to carry out the assessment, to ensure the rationality of the system..

### **3.1 Through the Performance Index, the Strategic Objectives of the Company and Employee Goals Together, Forming a Goal Decomposition Layers, Layer Upon Layer and Supporting Effect**

Performance management since it is in order to realize the strategic target, ensure the therefore, we should first according to the strategic objectives clear performance management, especially the performance evaluation goal, also is our fundamental objective of performance management and what is the goal to be achieved. The goal for the assessment and the assessment to be provided for understanding, monitoring and evaluating the objective standard, Is it right? To reach such a goal is the fundamental premise and objective basis to test the performance of the. In this role: 1) provides an objective, we can understand and accept the foundation for determining the performance level of completion. 2) between the reduction in examination and assessment for the executive is expected to obtain performance results of misunderstanding. 3) clear executive should either be desired degree and the results achieved in the implementation process, so that the performer self monitoring.

Based on the performance appraisal decomposition of organizational goal is the key to human resource performance evaluation. An important objective of our implementation of performance appraisal is to put the goal into individual performance goals through performance appraisal system. The monthly 5 days before the general manager of the vice chief and middle, middle of the supervisor, for employees, employees together with direct superior around target establish their respective assessment objectives, targets and not finally reflected in the scores, and then through the performance appraisal results to measure organizational status, and the status quo and the future target contrast, to find out the gap, on the basis of the adjustment and optimization of enterprise resource and management mechanism to continue to narrow the gap, and ultimately to achieve organizational goals.

### **3.2 Introduction of the Modern Concept of Performance Management, Increase System Design, Implementation and Post Implementation Training Propaganda, Enable Managers Grasp This Tool of Performance Management**

Enterprises should strengthen the propaganda of performance management, make the enterprise managers to realize the importance of performance management, improve management techniques and ideas. Only to the performance management work seriously, can we take effective measures for management, therefore, companies must carry on training to the management, change management concepts, enhance their understanding, so as to promote their development of performance management system and the plan in line with the actual, take a correct attitude towards work. Examiners need to pay attention to is, different types of jobs and work in certain aspects of the work must have a clear record and impression, if all staff until the end of the examination, I am afraid the reviewers can only rely on subjective feeling, or rely on a written report and the lack of real understanding of elasticity. And the stages of positions to staff assessment, to make the work results timely evaluation and feedback, to improve the work in time, avoid the accumulation of the problem to the next stage. This requires enterprises to deal with the daily work of the behavior of some simple records, as assessment basis.

### **3.3 Index System of Set Scientifically Verifiable, the Definition of Each Index is given Clear, Qualitative Indicators to Measure to Describe the Refinement**

Enterprises should be in accordance with the justice, strict, scientific and quantitative principles, to establish the performance appraisal system, in order to "score" to summarize the assessment results, according to the final examination scores from high to low ranking, divided into advanced, good, qualified, basic qualified 4 assessment grade. At the time of setting the weights to the weight problem in the same index under the comprehensive consideration of the enterprise, to the expert scoring on indicators, and then put it in a typical industry to test its accuracy, and then as the industry index weight for the same or similar industry, avoid behavior make it rigidly uniform index weight determination.

### **3.4 Staff for the Performance Evaluation to Create the Necessary Atmosphere**

People is one of the most active factors of production enterprises. Between the enterprise interpersonal communication is an important way of enterprise performance evaluation. Connecting the enterprise has to control and coordination of human resources to establish a highly efficient management team. To reduce the operation cost "human related aspects at the same time, enterprises should also be regular for human resources education.



Through education, makes the enterprise managers, department heads, staff to establish performance appraisal consciousness, let us understand the development of enterprises and the relationship between the performance assessment, to understand the interests of enterprises and personal interest is always inseparable from the enterprise employees, so that the biggest problem of people related to the enterprise can create a a good atmosphere of performance management is everyone should be concerned about.

### **3.5 Establish and Improve the Incentive System**

The ultimate goal of human resource performance management, is to realize the overall economic benefits of the enterprise promotion, the greatest degree of tap their own value, and is by no means the distance between employees, widening the punishment of employees. Therefore, to establish a set of reasonable system of employee motivation, efficiency is particularly important, it can effectively stimulate staff's work enthusiasm, improve employee sense of ownership of enterprise. Therefore, in order to realize the Shuanghe companies improve in performance management system, it must establish and perfect enterprise internal staff motivation. Specific to the actual, Shuanghe may establish performance appraisal and salary reward enterprises linked to the incentive system, stimulate their ambition to real economic interests, the construction of enterprise positive competition atmosphere. In addition, the company also should combine the Shuanghe other incentives, such as advanced individual power priority, subordinates and colleagues on the emotional incentive, staff family care policy, through the enterprise encouragement and thought influence, enhance coordination between staff and leadership staff, coordination, strengthen enterprise cohesion, centripetal force, maximum the benefits of the group work.

### **3.6 Strengthen Communication with Employees; Adhere to the Principle of Fairness**

Leaders should strengthen communication with employees in the usual work, understand the working characteristics of employees and needs, in the development of performance appraisal goal should listen to the views of staff, to consider in the interests of employees, if it is found that the staff of the performance appraisal have misunderstanding, to strengthen the ideological education of employees, which realized the importance performance appraisal. The most important is, in the performance appraisal process must adhere to the principle of fairness, the employees have a fair opportunity to compete, the content of the examination should also include all the content of the work, it can not only stimulate staffs work enthusiasm, to promote the staff to enhance learning, improve their own skills. At the same time, to maximize the active participation of the staff appraisal, consciously with the performance management.

### **3.7 Performance Results are Applied to the Title, Salary, Training, Individual Development Plan and Occupation Career Development Planning**

Enterprises should be able to make full use of performance appraisal results. The ultimate goal of performance assessment is through the performance, promote the work behavior and work attitude of employees, so that the work efficiency can be improved. Therefore, enterprises in the process of performance appraisal, to be able to make full use of the results of performance appraisal. Firstly, the performance appraisal is responsible for personnel to be able to turn the performance evaluation results reported to the enterprise management personnel, and make corresponding analysis for the overall performance of enterprises, analysis of existing problems and countermeasures. Secondly, performance evaluation and assessment personnel to be able to fully communicate, timely the evaluation results are reported to the assessment by the staff, and evaluation by the existing staff performance problems, and put forward the improvement countermeasures. Finally, the enterprise should formulate the material and spiritual incentive measures, so that employees can consciously improve their behavior in positive and negative reinforcement process.

### **3.8 Perfect Performance Management Communication and Feedback Mechanism**

The performance of communication and feedback mechanism to remove barriers, to maximize the effectiveness of performance management. Communication should be throughout the course of performance appraisal, to the development of performance plan fully and employee consultation, in performance appraisal and examination to the effective protection, so that the examination opinions, modify the progress, and the strategic objectives of the enterprise agreement.

#### 4. Conclusion

Synthetic paper, we discover not hard, the performance management of human resource has a great effect on our business development. Especially for the pharmaceutical enterprises in China -- double Crane Pharmaceutical Co. Ltd., with its "performance appraisal" oriented performance management, to build a stable platform for the development of enterprises. However, the imperfect performance management system and the single mode of management, also caused some obstacles for the future development of Shuanghe company. In order to realize Shuanghe in human resources performance management reform, we can set up a scientific and effective performance appraisal system, the excellent quality of the construction of enterprise culture and strengthen the overall quality of staff training to improve the implementation level, Shuanghe in economic development take-off to the true meaning .

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