

Elements of Performance Management and Audit in Public Organizations

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Abstract

The concept of performance is a new one, having in mind the fact that, in order to achieve functional progress, public organizations are themselves determined to measure the results of their activity over a definite period of time. Nevertheless, a new characteristic regarding the implementation of this concept refers to the approach used by managers for putting it into practice that is the identification of the answers to the question: „What should be measured/monitored in order to have a better control over activities and which will determine their improvement?“

The current article presents notions and elements specific to performance management at the level of public organizations, with a brief emphasis on the indicators and standards related to this domain.

Key words: *performance; public organization; performance management; managerial performance; performance indicators; measurement of performance.*

JEL classification: K19, M19, M29, O29, Z18.

INTRODUCTION

Performance represents a key concept according to which the functions of every public organization are adjusted. The term *performance* is used at all levels of public organizations in order to express the remarkable results obtained at the level of the individual, team/group, compartment (office, service, unit, subunit etc.) in the structure of the entity.

In the managerial literature there are important authors like Lebas, Wholey and Folan and Brown who elaborated important papers focused on the study of the term performance and its use. Below we briefly present some aspects of reference.

In Lebas's opinion, the performance of each organization or individual is oriented toward the future, being designed to reflect the functional particularities, having at its basis a causal model in order to achieve the objectives set by the management team. Thus, performance is dependent on capability and analyzed in the future (Lebas, 1995).

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In Wholey's understanding, performance expresses a reality socially built, existing at mental level which needs to be evaluated and measured, having various interpretations, and which can include details referring to components, products, consequences, impact, being revealed by economy, efficiency, effectiveness, cost effectiveness or equity (Wholey, 1996). Thus, it can be noticed that both Lebas and Wholey appreciate performance as subjective and interpretative which, not lastly, is linked to the lines of costs.

The content and significance of the term performance are thoroughly analyzed by Folan within the specialized research in the field of business, this process emphasizing three priorities or governing direction of performance, synthetically described below (Folan, Browne & Jagdev, 2007).

Firstly, the author states that performance should be analyzed by each entity within the limits of the environment where it decides to operate. For example, the performance of a company needs to be analyzed on the markets on which it operated and not on those where its operations are irrelevant.

Then Folan presents performance as being always linked to one or more objectives set by the entity whose performance is analyzed. So, a company evaluates its performance on the basis of the objectives and targets that were set and accepted at the level of the organization and not on the basis of those originating outside the organization.

Lastly, the author appreciates that the performance is reduced to its relevant and recognizable characteristics. For example, characteristics like „the ability to use office supplies” are irrelevant and unrecognizable. In order to create optimum conditions for achieving the desired performance, these priorities should be related and aligned.

1. RELATIONAL APPROACHES OF PERFORMANCE MANAGEMENT IN PUBLIC ORGANIZATIONS

In the economic field, the performance is analyzed in connection with the socio- economic and management theory based on indicators of: working conditions, work organization, time management, communication - coordination, putting the strategy into practice. So, functionally, the economic performances are analyzed based on the creation parameters of the material and / or immaterial potential.

Based on results, means and objectives, A. Bartoli defined the performance concept through the connection of the three mentioned concepts with the logic of three distinct categories: a logic of effectiveness, efficiency and budgeting (Bartoli, 1997).

In the management theory, the organizational performance models are generally studied on the basis of classical economics theory criteria: economic efficiency, productivity, efficiency, competitiveness, and economics. Accordingly, the concept of performance is based on disciplines such as: economics, accounting, information systems, management, behavioral sciences etc. But as the proper functioning of any organization is given by the quality of the staff, it results that the value of human resources is a fundamental dimension which, according to experts' assessment, can be evaluated by measuring appropriate criteria, such as: staff deployment, staff morale, efficiency and its development etc.

Many specialists believe that the managerial performances of public organizations reflect the most obvious measurement of the quality of the managers of these entities, of their

capacity to apply effectively the knowledge, experience and abilities on the basis of decisions taken and actions carried out for the achievement of the established strategic objectives (Rusu et al., 2008).

The managerial performances obtained by public organizations and, implicitly, the potential of their managers, are evaluated on the basis of the growth of the quality of the public services being performed (education, health, transports, defence, public security etc), having also in mind the action of factors that are independent of the quality of the organizational management being performed (circumstantial situations with a positive impact, governmental support for existing requirements, changes in regulations with a direct positive impact on the activity of each public organizations etc.

Currently, the modern economic and social life makes the professionalization of managers a fundamental requirement. In these conditions, there is a necessity for an accentuated improvement of the managerial performance in Romanian public organizations, following the challenges generated by the phenomenon of globalization, as well as due to our country's integration in the North Atlantic Organization and in the European Union.

The empowered structures analyze the performance of public entities by periodically evaluating the obtained results, a stage during which the aim is to harmonize the objectives that were established with the actions that were planned, organized and executed. Thus, the correlation between idea, action and results is the object of the measurement of the effectiveness, efficiency and economicity, as elements of the performance management.

According to the appreciation of experts, there is an obvious link between the effectiveness of a managerial activity specific to the public organization and the factors of influence of this activity. To this end, at the basis of the managerial activity of each public entity there are representative factors of influence. For each factor, a variant of action is established, which is adequate to the concrete conditions of each public organization (Rusu et al., 2008). For easier determinations, specialists recommend that those who elaborate regulations specific to public organizations identify ten factors of influence at most (each with three or four variants of action) (Rusu et al., 2008).

One of the indicators proposed by experts, which expresses the level of management in a public organization, is determined in the equation presented below (which reveals the correlation between the mentioned level and the factors of influence specific to the public organization):

$$I_d = \sum_{i=1}^n x_{id} \times a_i,$$

where

I_d = the synthetic indicator of quality measurement of management in a public organizations, for d units or subsystems of a unit;

x_{id} = variant of action of the factors of influence;

a_i = coefficients of influence (Hameş, 1978).

Thus, specialists appreciate that the main factors with the greatest influence on the management of the public organization are the ones that make reference to: *organizational structure; regulation of organization and functioning; informational system; studied and applied management methods and techniques; qualification of the personnel; further*

training of staff; collective management organs; manner in which control is carried out; effectiveness of management staff (Rusu et al., 2008).

For example, “*the manner in which control is carried out*” (as a factor of influence mentioned above) has different impacts on x_{id} , thus:

- *sporadic execution at the level of compartments* ($x_{id}=1$);
- *continuous execution at the level of compartments* ($x_{id}=2$);
- *continuous and differentiated execution at the level of the hierarchy and of the compartments* ($x_{id}=3$).

On the basis of these, it is obvious that the possible impacts of the factors of influence are determined by the variation of the values of each specific variant of action (having in mind the optimization of these values).

Experts believe that for the optimization of variants of action of the factors of influence it is required to establish a representative sample of public organizations from the multitude of those belonging to the respective sector. To this end, it is recommended that the public organization selected for the sample be: one of the best situated from the point of view of management; one of those with a medium sized organization; one of those with an organization between good and average; one of those with an organization between average and poor; one of the worst organized from the point of view of management.

The quality of the management activity of a public organization from the sector under study permits an analysis which emphasizes pertinent conclusions, when it is based on the determination of synthetic indicators at the level of the effectiveness of leadership (management) having in mind a sufficient number of variants of action of each factor of influence.

2. ASPECTS OF THE MEASUREMENT OF FUNCTIONAL PERFORMANCE IN PUBLIC ORGANIZATIONS

In order to concretize their strategies, each public organization (larger or smaller) implements a system of measurement of performance that will permit the establishment, measurement and evaluation of the achievements of objectives in order to elaborate directives and initiatives of organizational development and future functioning, in order to avoid disruptions and the non-achievement of the planned/programmed activities according to the designed parameters.

Performance, as objective of management in public organizations, quantifies the positive achievements at individual and group levels, being directly linked by the objectives set by the respective entity on short, medium and long terms. As managerial objective of major importance, the performance of the public organization implies the continuous implementation of possibilities of its growth and progress. Thus, the concept of performance in public organizations determines the emphasis of motions like efficiency, effectiveness and economicity whose quantification is achieved through the use of indicators that are adequate to the specific process of measurement of performance.

Currently, the concept of performance specific to public organizations is determined by the new approach to management, known under the name of *new public management*. Thus, the “*post-bureaucratic paradigm*”, or the “*entrepreneurial governing*” as the *new public management* is also called, is mainly characterized by: special attention given to the setting and achievement of objectives; accentuation of individual accountability of public managers for the achievement of organizational objectives; high degree of managerial autonomy and flexibility; performance

indicators adequate for the measurement of the degree of achievement of objectives; conceptualization of awareness of managerial modalities of implementation of the “3Es”: *economicity, efficiency and effectiveness*; the adequate concretization of managerial objectives, due to the shifting of the centre of attention from processes to the value of the final results, respectively to the degree in which social needs are satisfied (Androniceanu, 2005).

For the construction of the system of measurement of performance, modern public organizations establish managerial directions that determine the evolution of their structural functioning under the following aspects: efficiency, effectiveness, quality of services and management of resources; managerial monitoring and control mechanisms (they offer the manager and his team genuine information regarding the functioning of the organization in order to make adequate intervention in imbalanced areas); the budgetary process (by connecting the allotted resources with the obtaining of the planned performances); the training of the personnel from the subsystems of the organization in order to improve their performance (Organization for Economic Cooperation and Development - OECD, 1997).

From another point of view, experts appreciate that measuring the functional performance at the level of a public organization is relevant through the concretizations of the most important managerial objectives and functions as follows:

- *monitoring* - permits the evaluation of real, obtained and recorded performance;
- *control* - determines the actions of identification and mitigation of the difference between the planned and recorded levels of performance;
- *progress* - requires the identification of opportunities that are adequate for the improvement of activities (found as uncompetitive in a certain subsystem of the organizational domain);
- *coordination* - permits the provision of specific information, necessary to the decision making process involved in increasing the performance, as well as it facilitates internal and external communication toward that end;
- *motivation* - determines specific actions of continuous correction and improvement of staff conduct at the workplace in order to obtain positive results (Lohman et al., 2004).

According to the appreciation of specialists, in order to improve the performance of public organizations several strategies can be applied, one of them being the organizational diagnosis. Thus, through the application of this method necessary information is obtained regarding the functioning at a certain moment of the structures (substructures) of the public organization. At the same time, the execution of the specific process of organizational diagnosis offers a series of advantages to the public entity, as follows:

- it facilitates the obtaining of information regarding the uncompetitive activities carried out by certain structures (subsystems) in order to ease the correcting intervention aiming at increasing efficiency;
- it determines the permanent activation and involvement of management bodies, managerial factors, as well as execution structures in the processes of continuous improvement of the functional results;
- it ensures the systemic interpretation of and capitalization on the data in the diagnosed domain;
- it permits the establishment of directions of action which will allow for the increase of functional performances in all the structures of the public organization (Marshak, 2006).

In Figure 1 we can see the process of design in order to achieve performance in a public organization.

On the basis of the advantages presented, it results that the public organization has the possibility to identify and establish solutions for the optimization of the execution/development of activities in the future.

Some of the roles of a system of measurement of performance in a public organization mainly envisage: checking the organizational progress for attaining the set objectives; making individuals (employed in a public organization) aware with regard to the aspects of special importance for organizational success, but also on the problems in the domains identified as least competitive (or even uncompetitive); the designing at organizational level of adequate objectives and efficient and effective functioning-development strategies, regardless of the level of results obtained at a certain moment.

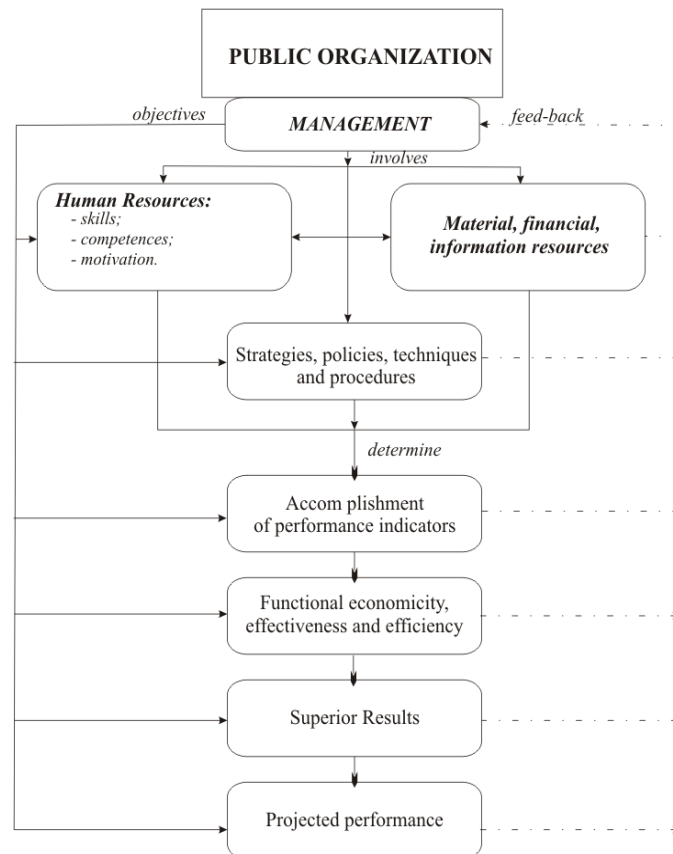


Figure 1. Design of the achievement of performance in a public organization

Source: authors' conception

Evaluations in this domain demonstrated that, for monitoring and attaining the designed performances, the public sector requires a new approach characterized by the shift from the control over *input* to that over *outputs* and their impact, which envisages making managers accountable with regard to the way in which the procedures for the adequate execution of planned/programmed activities and the obtaining of the expected results are respected. For

this, within the public organization, an adequate correlation between the elements of the process of measurement of functional performance must be achieved (Figure 2).

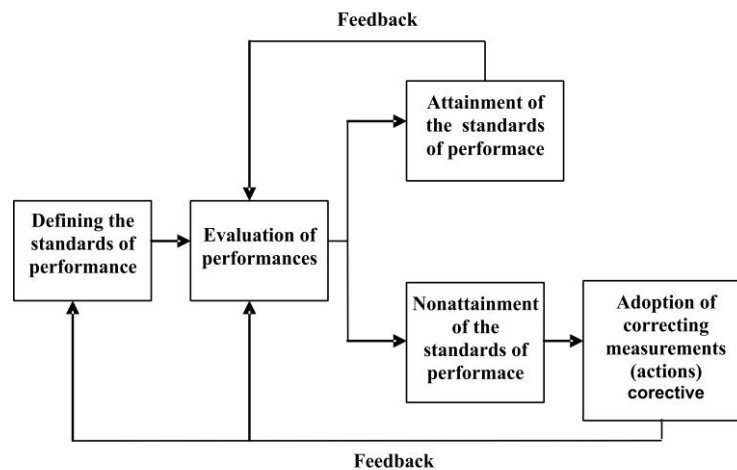


Figure 2. Elements of the process of measurement of performance

Source: Mitu, 2006, p. 177

Thus, at the level of each public organization a *set of adequate indicators*, both financial and non-financial, must exist within the system of performance measurement. In these conditions, we observe as possible a series of organizational advantages, generated by the need to effectively quantify performance, such as: increasing the quality of the decision making process (because all decisions that will be taken envisage the attainment and overtaking of the level of the performance indicators); the adequate design of objectives and the careful drafting of plans and of programmes for their implementation; development of communication between the structures of the organization, in the work processes adequate to the planned and programmed actions for achieving the requirements imposed by the performance objectives and indicators, within the limits of a pre-set (austerity) budget.

The indicators for the monitoring of performances can be used especially for: the evaluation of the stage of achievement of the set objectives; the probable period of time within which the objective will be finalized; the identification of deviations from objectives and problems through the implementation of an early warning system which will allow for the taking of the required correcting measures; increasing managerial responsibility in public entities through the existence of objective criteria for the evaluation of performances; improvement of the activities of entities through comparing the levels of performance achieved with those of other similar entities.

In view of their adequate use in public organizations, performance indicators must meet a series of specific criteria, such as: *consistency*, which envisages the fact that the defined indicators must permit the comparison in time between data from the same entity or between different entities; *clarity*, which requires that indicators be simple, well defined and easy to understand by the users; *controllability*, which refers to the fact that indicators must especially envisage aspects that are under the control of managers in order to establish

eventual correcting measures in case of deviations from objectives; *relevance or sphere of inclusion*, which refers to the fact that indicators, taken as a whole, must cover all the important aspects of the activities (processes) of a public entity. However, this fact must be compensated for by the tendency to excessively use indicators, which lead to ignoring their results or to formalism in evaluation; *credibility*, which envisages that the staff consider defined indicators as being adequate for the measurement of performances, while these latter ones have at their basis credible sources for the extraction of data. In other words, the results of the indicators must be real and not exaggerated.

Thus, in the process of measurement of performance, the public organization uses its own indicators, which also represent instruments of control of its activity. It thus results that, regardless of how useful the indicators set by the public entity might be, they can lose their specific attributes if not efficiently used for the concretizations of the actions to raise the organizational performance.

Each indicator set for the measurement of segment of performance can be expressed, both quantitatively and qualitatively, representing a variables used for the measurement / quantification of the effectiveness and efficiency of a planned and executed action within the public organization (Daum & Bretscher, 2004).

At the basis of each performance indicator there must be a set of fully intelligible data and information which will permit interpretation through their comparison with the defined organizational objective. At the same time, when elaborating the performance indicators, we must take into account the actions and behaviours that they may generate, for the achievement and even improvement of performance, without deviations from the provisions of the organizational norms and regulations.

For example, for a public organization involved in security, public order and national defense, the activities meant to evaluate the staff is an ongoing process that is initiated by setting the individual performance objectives by the evaluators, it is followed by monitoring the achievement of the fixed objectives, it continues with the annual performance appraisal and goal setting specific to each function for the new year, after which the cycle repeats (Ministry of Justice, 2013).

In other news, in the public organizations, for the public senior servants and senior management the evaluation criteria are as follows:

- managerial competence;
- decision-making powers;
- professional competence;
- creativity;
- effectiveness and efficiency;
- communication and representation.

For the public execution servants the evaluation criteria are:

- professional competence;
- activism and initiative;
- effectiveness and efficiency;
- quality of work;

- teamwork;
- communication.

The experts identified several actions which can generate difficulties within the process of measurement of performance in the public organization, as follows:

- ✓ correlation of the performance indicators with the organizational strategic objectives, plans/programmes and budget. This correlation is rarely achieved, which renders the system of measurement of performance useless;
- ✓ establishment of the critical indicators for the evaluations of the functional situation of the organization. In order to avoid the character of generality, the public organization must identify that set of performance indicators that will better reflect its “vision, mission, values and objectives” (Higgins & Hack, 2004);
- ✓ creation of the adequate balance between those who envisage the past (reactive) and those oriented toward the future (proactive). The management often focuses on the financial indicators, minimizing the importance of the other indicators, to the detriment of the objective analysis of the functional state of the respective public entity;
- ✓ the assurance of the implementation of objectives, strategy, plans/programmes and budget at all the levels of the public organization. Thus, the measurement of the performance must generate the desired behaviour. However, managers and employees often do not become sufficiently involved in order to align all the organizational levels for the achievement of the requirements imposed by the assurance of the organizational performance.

3. ELEMENTS OF PERFORMANCE AUDIT IN PUBLIC ORGANIZATIONS

In view of the evolutive analysis under the functional aspect, public organizations are subjected to a performance audit which represents an objective and independent examination or evaluation of the degree in which they function efficiently and effectively while observing the conditions of economicity.

The performance audit of a public organization envisages the manner in which the management of the respective entity exerts its attributions with regard to the planning, implementation, control and evaluations of the plans, programmes and activities that it is responsible for. Thus, it examines whether the necessary correcting measures have been taken and it evaluates those actions of the management with a significant impact on the economicity, efficiency and effectiveness of the entity. To this end, the audit envisages the functions of the public organization through the lens of the way in which the specific responsibilities and actions are delimited and separated from each other (Țurlea, 2006).

The general objective of the internal public audit in public organizations is represented by the improvement of their management and it can mainly be achieved through:

- * activities of assurance, which represent objective examinations of proving elements, in order to provide an independent evaluation of management processes of risk, control and governance;
- * counselling activities meant to add value to and improve governance processes in public entities, without the internal auditor assuming managerial responsibilities (Law no 672/2002, art.3, paragraph 1).

The aim of the performance audit is achieved by adding value and credibility expressed in the audit reports drafted by the empowered individuals. Thus, the specific mission of performance audit in public organizations is achieved by carrying it out in conditions of total independence and with the observation of the established principles: the existence of a well defined mandate; liberty to select the domains within the mandate; the ex-post character of the audit; the reasonable insurance. To all these, we can add the principles destined for the guidance of the activity of the auditors, envisaging: responsibility, integrity; objectivity and independence, added value as a result of the implementation of the recommendations of the auditors, competence, rigour, perseverance, clear communication (Romanian Government Order no. 1086/2013).

The INTOSAI international standards define performance audit as „an audit on economicity, efficiency and effectiveness with which the audited entity uses its resources in order to achieve its responsibilities” (International Standards of Supreme Audit Institutions). These standards establish that the performance audit requires the examination of the „3 Es” in public organizations (economicity, efficiency, effectiveness), as follows:

- the audit of the *economicity of administrative activities* in relation with the principles and practices of a competitive management;
- the audit of *efficiency* in the use of human, financial and other resources, including the examination of information systems, of the way of measurement and tracking of performance indicators, as well as of the procedures used by the audited public entity for the remedy of the identified deficiencies;
- the audit of the functional *effectiveness* of the audited public entity, including the evaluation of the achievement of organizational objectives by analyzing the result of each action in comparison with its planned impact (International Standards of Supreme Audit Institutions).

Experts in performance audit analyze at the level of the audited public organizations the costs implied by the consumption of resources (human, material, financial) in legal conditions, examining to this end the measures established by the management for the observance of the principles of economicity, efficiency and effectiveness (the „3 Es”). Thus, within the mechanism of performance audit several things are achieved, as follows:

- the examination of the internal control system of the audited public organization, aiming to see whether the objectives of the internal/managerial control envisage the prevention of obtaining weak managerial performances;
- the evaluation of the decision through which the optimum option was chosen for carrying out a programme or an activity and whether adequate criteria were established for choosing the optimum option in order to attain the established objectives;
- the analysis of the manner of administration of a programme or activity and the evaluation of the own system of performance measurement. If performance indicators were established to this end, the analysis envisages the manner in which they were adequately designed and monitored and whether the necessary measures for their attainment were taken (Cibu, 2006).

Thus, within public organizations, the activity of performance measurement requires the examination of the manner in which the respective entities achieved their objectives or requirements on the basis of the implemented plans and programmes, by permanently comparing them to the established performance standards.

The process of permanent monitoring of plans, programmes and activities represent the responsibility of the management of the audited public organizations and not an attribute of the external auditors. In this framework, if the regularity audit is meant to respect the ensemble of principles, procedural and methodological rules that are applicable to the actions carried out having in mind the financial effects obtained on the basis of the use of public funds or the public patrimony, the *performance audit* achieves an independent evaluation of the economicity, efficiency and effectiveness of the activities of the respective public organization, assessing the viability of the performance measurement system existing within it. Thus, questions can be formulated within detailed studies in order to determine whether the performance indicators are established in accordance with the requirements of the plan/programme or activity and whether the performance measurement systems are capable of offering adequate results.

The measuring of performance results in relation with the objectives established in accordance with the "3 Es" represents a necessity for all managers at all levels of public organizations.

Economicity represents the degree in which the minimization of costs in resources used in an activity is assured, without compromising the achievement in the best conditions of its declared objectives (Law no. 191/2011, art.2, letter k). For measuring economicity, we use the following calculus: $Econ < 1$.

Effectiveness reveals the degree of achievement of the programmed objectives for each activity and the relation between the expected effect and the concrete result of the respective activity (Law no. 191/2011, art.2, letter l). It expresses the analysis of the audited managerial decision under the form of the measurement in which the objectives were attained, as well as the relation between the desired impact and the achieved one of an activity. For measuring effectiveness we use the calculus: $Efica \geq 1$.

Efficiency emphasizes the maximization of the results of an activity in relation with the used resources (Law no. 191/2011, art.2, letter m). Thus, the efficiency of the audited managerial decision is normally interpreted as an analytical optimum between *economicity* and *effectiveness*. It is generally correlated with profitability and productivity, following the correlation between the recorded results and the resources introduced in the system and it expresses: the maximization of outcomes or results through the use of a minimum of inputs or resources. For measuring efficiency, having in mind the favourable situation, the following calculus is obvious: $Efficiachieved > Efficiprogrammed$ (Cibu, 2006).

On the basis of the ideas presented above, we assert that within the *Code of internal / managerial control* the monitoring of performances is described by Standard no. 10 which says that „the public entity assures for each policy and activity, the monitoring of performances, using relevant quantitative and qualitative indicators, including those regarding economicity, efficiency and effectiveness” (Order of the Minister of Public Finance no. 946/2005). Furthermore, an internal / managerial control system is appreciated with the qualification *partially conform with*, in case this standard is not implemented within the respective entity. For the evaluation of a internal/managerial control system of a public entity we use a 3 level scale (conform with, partially conform with, unconforn with) through which we appreciate the level of implementation of the 25 standards existing in the Code of the internal/managerial control.

We must mention the fact that *Standard 10 - The monitoring of performances* represents one of the most important standards included within the *Code of internal / managerial control*. In fact, this standard envisages the definition for each objective of at least one performance indicator through which the management monitors the achievements obtained, and the degree of achievement of the objective respectively, at different moments in time. It is recommended to avoid the cases of formal definition of disparate indicators. The established indicators must be integrated in a *coherent and objective system of performance measurement* which will inform and warn in due time the management of the entity with regard to the degree of achievement of objectives and the deviations from the expected results.

A public organization can establish for itself adequate performance indicators for the *acquisition of the necessary goods, services and works necessary for the execution of the activities of the entity by obtaining an as good a price-quality relation as possible and by maintaining a balance between quality and value*. To this end, for each performance indicator the values that are considered acceptable are defined, but also those that require attention or correcting measures (Table 1).

Thus, the values or intervals in the columns refer to a certain period of time (month or trimester). If the indicator is to be found from the point of view of its value in column 2, it means that the entity achieved its objective and even surpassed it in the period of time being analyzed, which means that it obtained very good results. If the indicator is in column 3, it means that the entity achieved its objective but at the limit, its performance being a low one during the period of time being analyzed. It is the case for results of the activity / process to be watched carefully by the management who can order measures for the improvement of performances. When the indicator is in column 4, it means that the entity did not achieve its objective in the period of time being analyzed. The management can ask for an analysis of the causes to be carried out and, according to the results, it will establish measures of remedy.

Table 1. Acceptable values for performance indicators

Performance indicators	Very good	Satisfactory	Unsatisfactory
1	2	3	4
Quality indicator (I _{CAL})	< =2	(2..3]	> 3
Quantity indicator (I _{CAN})	> = 95%	[85..90)	<85%
Effectiveness indicator (I _{EF})	< = 2%	(2..5]	>5%
Transparency indicator (I _{TR})	< = 8%	(8..10]	>10%

Source: Tomoială & Mare, 2012, pp. 126-130

The presented aspects emphasize the importance of the concept of performance in public organizations, which must be monitored in every activity, process, action, programme carried out within the respective entity.

Consequently, the new coordinates of public management are represented by objectives, results and responsibilities for the performance achieved, creativity and innovation, which are in antithesis with the routine that is specific to domain activities (Androniceanu, 2005).

CONCLUSIONS

As the result of a causal process, performance is not simply a finding. It is a complex objective that underpins future /potential results for which the public organization staff is mobilized and integrated and for which it has to be ensured all the necessary conditions in order to achieve the established performance indicators.

On the basis of theoretical and practical determinations it results that performance refers to the future, because it assures the perennially of the public entity and it thus represents an indicator for future results, which confirms the attainment of the objectives established by the public organization.

On the basis of the studies in this field, it is appreciated that the monitoring of performances in public organizations is extremely difficult, for the following reasons: the existence of a diversity of factors interested in the good functioning of the respective public entity (hierarchical management, citizens, employees, suppliers etc); the different perception with regard to the performance of the interested factors mentioned above; the inexistence of a competitive environment or of several public entities having the same type of activity; the influence of political decisions in the activity of public entities; the complexity and nature of the activities carried out by the public entity.

Having in mind the time span that must be envisaged by the measurement of performance in public organizations, the ways of monitoring results over a long period of time must be established, which must be kept in mind by the management from the very moment of the decision making process.

Nowadays, public organizations carry out the evaluations of their activities also by measuring their own performances on the basis of the results obtained through comparison with: previous achievements; the results of similar organizations; the expected results; the potential of the organization (future possibilities compared to the current ones).

Due to a new approach in the Romanian public organizations, the performance management is growingly important and, for this reason, it is essential to continue to apply it in an adequate manner.

On the basis of the experience accumulated so far, we can surely assert that performance is obtained from the inside of a public organization, through the people that build it, because the specific financial, material and information resources are useless if they are not managed efficiently. To this end, the human resources should not be exploited, but it should be motivated to obtain maximum results.

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