

Analysis of the Impact of Human Resource Optimization on Supply Chain Efficiency Based on Performance Management



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Abstract: With the increasingly fierce competition in the global market, the demand of enterprises to improve supply chain efficiency is becoming more and more urgent. As one of the valuable resources of enterprises, human resources play an important role in optimizing supply chain efficiency. Based on this, this paper will analyze the impact of human resource optimization on supply chain efficiency based on performance management from the aspects of employee performance, teamwork, talent training, and process design to provide useful reference and guidance for enterprises to improve supply chain operational efficiency.

Keywords: performance management; human resource optimization; supply chain efficiency; influence

Introduction

Human resource optimization based on performance management is regarded as an important means to improve supply chain efficiency, which has a profound impact on employee performance, teamwork, talent training, and process design. Therefore, an in-depth analysis of these impacts is of great significance for enterprises to achieve continuous optimization of the supply chain, which helps them to better cope with the current complex and changing market competition environment.

1. Performance Management and Supply Chain Efficiency

1.1. Definition and function of performance management

Performance management refers to a series of comprehensive management activities that an organization carries out to evaluate, motivate, and develop the performance of its employees to achieve the set goals (Luo, 2023). These activities play a key role within an organization by helping it to clarify its goals, set clear performance standards and indicators, and provide employees with clear work expectations and direction. In this way, performance management can drive employees to better work towards the organization's strategic goals. In addition,

performance management can identify individual and team strengths and weaknesses through a comprehensive assessment of employee performance. This not only provides an important basis for employees' career planning but also provides a reference for the organization's targeted talent training. It is worth mentioning that the establishment of incentive mechanisms is another important function of performance management. By stimulating employee motivation and creativity, performance management can increase employee job satisfaction and loyalty. Such positive employee attitudes and behaviors are essential to the stability and long-term development of an organization. In addition to the functions mentioned above, performance management provides organizations with decision support and a basis for performance improvement. Through in-depth analysis of performance data, organizations can adjust and optimize operational policies and management strategies promptly. This not only helps to improve the competitiveness of the organization but also helps to enhance the sustainable development of the organization.

1.2. Relationship between supply chain efficiency and business operations

Supply chain efficiency refers to the maximization of production efficiency and cost reduction in production, procurement, logistics, and

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other aspects of the enterprise through the optimization of processes and resource allocation (Wang, 2022), thus improving the service level of the enterprise and customer satisfaction. Business operation is a general term for the daily operation and management of an enterprise, covering product development, manufacturing, marketing and sales, financial management, and other aspects. Supply chain efficiency and business operations are closely linked and affect each other. An efficient supply chain can help companies reduce procurement costs, shorten production cycles, improve delivery speed, and thus increase sales and profits. Conversely, business operations also have an impact on supply chain efficiency. For example, by analyzing product supply and demand relationships and market trends, companies can predict future order demand and inventory levels, thereby adjusting supply chain resource allocation and production plans to improve supply chain responsiveness and flexibility. In addition, business operations can further enhance supply chain efficiency and competitiveness by optimizing product design and process flow to improve product quality and production efficiency. Therefore, supply chain efficiency and business operations are interdependent and mutually influential. To enhance the sustainable development ability and market competitiveness of enterprises, enterprises need to integrate internal and external resources, establish an efficient supply chain management system, and at the same time, optimize the business operation process and management strategy, to ensure the improvement of product quality and service level.

2. Optimization of Human Resources Based on Performance Management

2.1. Human resource optimization strategy based on performance management

Performance management-oriented human resources optimization strategy focuses on the establishment of a set of perfect performance evaluation systems, incentive mechanisms, and employee development planning to achieve the

optimal allocation and effective use of human resources. In this regard, enterprises need to formulate and implement a set of clear performance evaluation standards and indexes to make an objective and fair assessment of employees' performance. Through this evaluation, the enterprise can identify high-performing and low-performing employees, providing an important basis for subsequent human resources decisions. For example, for high-performing employees, incentives such as promotion, salary rewards, training, and development can be taken to maintain their excellent performance; for low-performing employees, targeted training, job adjustment, and other measures can be taken to help them enhance their workability and improve their performance. In addition, human resource optimization based on performance management also emphasizes the rationality of talent flow and job matching (Liu et al., 2023). Enterprises need to ensure that employees' abilities match the job requirements, which not only improves employees' job satisfaction but also helps to improve the productivity of the whole organization. Therefore, the performance management-oriented human resource optimization strategy helps enterprises achieve rational allocation and efficient use of human resources and significantly improves employee performance and job satisfaction, thus promoting the improvement of the performance of the entire organization and enhancing the market competitiveness of enterprises.

2.2. Setting performance indicators related to supply chain efficiency

Setting performance indicators related to supply chain efficiency is of great significance to the evaluation and improvement of supply chain operations. These performance indicators cover inventory turnover, order cycle, delivery rate, cost-effectiveness, lead time, and resource utilization. Inventory turnover metrics assess material utilization and operational efficiency in the supply chain by calculating the ratio of sales to average inventory levels. Lead time, on the other hand, measures the time it takes from the time an order is placed to the

time the goods are received, including supplier processing time and transportation time. Delivery fulfillment rate is an indicator that assesses the on-time performance of supply chain deliveries, i.e. the ratio of the number of orders delivered on time to the total number of orders. Cost-effectiveness is a comprehensive indicator that involves production costs, transportation costs, inventory costs, and other aspects. Assessing the cost-effectiveness of a supply chain by comparing costs and output helps to control costs. The turnaround time indicator measures the entire time from the entry of raw materials into the supply chain to the delivery of the final product to the customer. Resource utilization, on the other hand, measures the degree of utilization of various resources in the supply chain, including equipment utilization, manpower utilization, and so on. By setting these performance indicators, enterprises can comprehensively assess the operational performance of the supply chain identify problems, and optimize processes promptly to improve the efficiency and competitiveness of the supply chain (Liao & Fu, 2022).

3. The Impact of Human Resource Optimization Based on Performance Management on Supply Chain Efficiency

3.1. Improvement of employee performance and responsibility awareness

One of the effects of human resource optimization based on performance management on supply chain efficiency is to improve employee performance and responsibility awareness. By working with employees to set specific, measurable performance goals, employees can clarify their work priorities and desired outcomes, leading to more targeted work planning and execution. This clear goal-setting helps employees better understand the company's strategic goals and individual roles and inspires a sense of responsibility and mission (Wu, 2023). Rewarding employees for excellent performance can motivate them to maintain a high level of performance and build a sense of responsibility and belonging to their work; taking

corrective measures for underperforming employees reminds them to emphasize the quality and efficiency of their work and enhances their sense of responsibility. The use of reward and punishment mechanisms can keep employees highly alert and responsible and promote overall performance. In addition, frequent and timely performance communication with employees allows them to have a clear understanding of their strengths and weaknesses, and to carry out targeted capacity enhancement and career planning. This personalized growth path design helps to stimulate employees' sense of responsibility, allowing them to recognize the correlation between their growth and the company's performance so that they can take responsibility more actively. Therefore, human resource optimization based on performance management can effectively improve employee performance and sense of responsibility using goal setting, reward, and punishment mechanisms, and personalized growth path design, and provide solid human resource support for improving supply chain efficiency.

3.2. Optimize talent allocation and training development

"Optimizing talent allocation and training and development" involves how to reasonably allocate talents through performance management strategies, improve the overall quality of the team, and take training and development measures to continuously improve the ability and skills of employees, to enhance the operational efficiency of the supply chain. First of all, by evaluating employee performance and conducting competency analysis, companies can understand the performance and competency level of each employee in actual work. Based on this foundation, enterprises can rationally allocate talents to positions suitable for them according to the requirements of different positions and employees' specialties. Such a practice can not only give full play to the strengths of employees and improve work efficiency but also avoid wasting talents in unsuitable positions, thus optimizing the allocation of talents and improving the overall

efficiency of the supply chain. Secondly, by evaluating employee performance and conducting competency analysis, companies can understand the development needs and potential of their employees and provide targeted training and development programs for them (Tang, 2023) to help them continuously improve their professional knowledge and skill levels. Such training and development programs can improve the comprehensive quality and ability of employees, so that they can better adapt to the changes and needs of the supply chain, thus improving the efficiency of the overall team. Finally, by linking training and development to performance, companies can inspire employees to take the initiative to learn and further their education, and increase the importance they place on training. At the same time, companies can set up incentive mechanisms to give certain rewards and promotion opportunities to employees who have made significant progress in training and development, thus further enhancing the motivation of employees to participate in training and development. This incentive mechanism helps to continuously improve the ability and quality of employees, provide more high-quality talent support for the supply chain, and then improve the efficiency and competitiveness of the supply chain.

3.3. Enhance teamwork and communication efficiency

Strengthening teamwork and communication efficiency is an important part of the impact of human resource optimization on supply chain efficiency based on performance management. Good teamwork and efficient communication is the key to ensuring the coordinated operation of all parts of the supply chain, and performance management can play a positive role in this regard. Through performance management, companies can set clear performance goals and KPIs (Key Performance Indicators) to incentivize employees to cooperate and work together to complete various tasks in the supply chain. When team performance goals and individual performance goals are interrelated, employees will be more inclined to collaborate and help each other to

ensure that the overall performance is maximized. In addition, through performance evaluation and reward and punishment mechanisms, enterprises can prompt employees to establish closer cooperative relationships and work together to achieve smooth and efficient supply chain operations. At the same time, under the framework of performance management, enterprises can establish clear information-sharing channels and communication mechanisms to ensure that various departments and employees can share the required information and resources in a timely and accurate manner (Li, 2023). This information-sharing and communication mechanism is conducive to reducing information barriers and communication misunderstandings and improving the efficiency and quality of teamwork. Therefore, HR optimization based on performance management helps to strengthen teamwork and communication efficiency by motivating teamwork, promoting information sharing, and establishing an effective communication mechanism, thus enhancing the overall operational efficiency and flexibility of the supply chain.

3.4. Optimize job matching and process design

The impact of HR optimization on supply chain efficiency based on performance management is mainly reflected in the optimization of job matching and process design. In terms of optimizing job matching, enterprises should assign employees to the most suitable positions according to their abilities, skills, and strengths. This not only ensures that employees are competent in their jobs, maximize their potential, and improve work efficiency and quality, but also increases their job satisfaction and stability, thus indirectly improving the productivity and quality of the overall supply chain. In terms of process design, enterprises need to optimize production, logistics, and information processes to reduce production costs, improve production efficiency and quality, and improve information sharing and communication efficiency. In the production process, scientific process analysis and design can eliminate waste and bottlenecks, reduce production time and cost, and improve production

efficiency and quality. In the logistics process, reasonable logistics planning and management can shorten logistics time, reduce logistics loss and error, and improve logistics reliability and flexibility. In terms of information process, scientific information transfer and management can reduce information misunderstanding and delay, and improve the reliability and real-time information of the supply chain (Li & Luo, 2023). These optimization measures can make the overall supply chain management more efficient, flexible, and reliable. Therefore, enterprises should focus on the role of performance management in job matching and process design, formulate scientific job matching plans and process design schemes, optimize supply chain management, and thus improve the efficiency and quality of the overall supply chain.

Summarize

In summary, the impact of human resource optimization based on performance management on supply chain efficiency is diversified. It not only enhances employee performance and accountability, strengthens teamwork and communication efficiency, but also optimizes talent allocation and training development, and promotes continuous improvement in process design and work methods. These impacts are mutually reinforcing and complementary, providing solid support for improving supply chain efficiency. Therefore, enterprises should pay full attention to the human resource optimization strategy based on performance management as one of the key means to enhance supply chain efficiency to cope with the challenges of market competition and to achieve sustained competitive advantages.

Conflict of Interest

The author declares that she has no conflicts of interest to this work.

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How to Cite: Wan, F. (2023). Analysis of the impact of human resource optimization on supply chain efficiency based on performance management. *Journal of Global Humanities and Social Sciences*, 04(06), 315-319.
<https://doi.org/10.61360/BoniGHSS232015370610>