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Healthy Teams Collection

Making the Most of Your Performance Appraisals

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A lot of managers would rather have a root canal than have to do a performance appraisal. Performance appraisals aren't usually a manager's favourite task, and many would admit that it's a task they could easily do without. Nevertheless, performance appraisals are essential to a company's growth because they provide regular feedback about the company's human resources.

Performance appraisals are actually a good tool for helping you take stock of the resources at your disposal by identifying the skills and knowledge of your employees. They're also a way to improve individual productivity, which in turn improves the overall productivity of your team. For managers, performance appraisals should be seen as a development tool, not as a painful, unavoidable process.

Understanding the appraisal process

▶ Appraisal factors

Employee performance appraisals are an integral part of the management process. They're designed to recognize your team members' strengths and weaknesses in order to determine the resources required for their professional development. There are a number of different appraisal models, all of which have their merits. Some focus more on the work done over a given period of time, while others take a number of other factors into account. Regardless of the model used by your company, a good appraisal process should always enable you to judge **the results of the work, the employee's behaviour, what the person has learned, and what they need to learn** to improve their skills and do their job more effectively.

A results-oriented appraisal focuses on performance and quality of the work, while a behaviour-oriented appraisal primarily recognizes an individual's personal qualities like initiative, sense of responsibility, degree of autonomy, and creativity. Behavioural factors are also used to recognize the person's aptitudes, like their ability to problem-solve, make decisions, work as a team, be physically and mentally present at work, remain open to change, resolve conflict, etc. Making the most of a performance appraisal means measuring all of these factors in the most objective way possible in order to recognize the person's strengths, identify and correct their weaknesses, and lastly, develop their skills.

Examples of employee-based objectives

- To recognize the employee for their efforts and achievements.
- To recognize the employee's role and responsibilities within the team.
- To identify areas for improvement.
- To set new objectives.
- To increase the employee's motivation and help advance their career.

Examples of team-based objectives

- To regularly communicate your expectations to your team.
- To determine the potential of your human resources and successors.
- To increase general motivation and identify training needs.
- To determine the resources needed to improve the overall performance of your team.

Examples of company-based objectives

- To ensure the quality of the resources by clarifying each person's role, refining certain job descriptions and identifying any human resources deficiencies.
- To ensure the quality of the company's products and services by identifying or correcting any system deficiencies, inadequate procedures, or misunderstood processes.
- To ensure progress in the mastery of equipment and techniques by identifying acquired skills and what training programs are needed to improve employee skills.
- To find the best candidates for promoting company growth by using appraisals to identify and prepare successors.

Gain the employee's trust by using a transparent process

Appraisal objectives

Like any management process, performance appraisals require you to first identify your objectives. **The challenge of a good performance appraisal process, is to maximize the effectiveness of each employee and at the same time improve the overall performance of your team**. As a result, your appraisal objectives need to be based not only on the individual, but also on your team and the company as a whole (see examples on the left).

All of these objectives are achievable, provided you believe in the merits of the process and you invest the necessary effort. **A performance appraisal is successful if both people involved — the manager doing the appraisal and the employee being evaluated — gain something from the experience**. For this to occur, both people must carry out their role in good faith. If the employee plays a passive role in the appraisal, there's a good chance that they will be mistrustful and uncooperative. Similarly, the outcome of the appraisal will be compromised if you're pursuing a hidden agenda, or if you only focus on the person's mistakes and undesirable behaviour.

If your employees see their performance appraisal as a means of reprisal, they won't tend to listen to you or be cooperative. They also won't be receptive to your suggestions. Instead, they may try to justify their behaviour rather than trying to find solutions to their problems. On the other hand, the more transparent and positive you are, the more useful and productive the appraisal will be.

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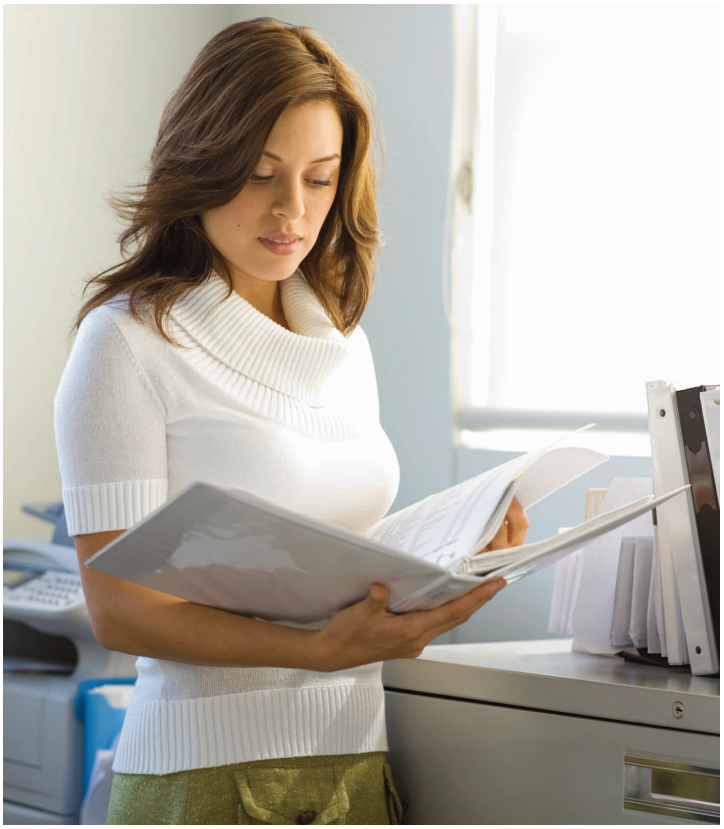


Preparing for the meeting

Reconciling needs

The challenge of a good performance appraisal lies in reconciling your needs with those of the employee. As a manager, you want to ensure that the manner in which your employees are performing their duties and the quality of their work is consistent with established standards and objectives. Employees, on the other hand, want to know what you think of their work and their efforts, with the hope of obtaining some form of recognition, whether in the form of compensation, a promotion or some other type of reward. **By using a structured process, you'll be able to achieve these two different but compatible objectives**.

Planning the meeting

In order for the appraisal meeting to be successful, it's important to:

- have all the appropriate documents on hand;
- structure the meeting using an established process;
- create a positive atmosphere for the meeting.

Being well prepared for the meeting will help alleviate your stress, as well as the employee's. Start by gathering all the documents that may be useful for the appraisal. Then draw up a meeting plan (see example on the right), which will help you structure the discussion and remain focused on the major points you want to make. Lastly, make sure you set aside enough time for the meeting, and that this time is the same for each employee. Give employees advance notice, and focus on the purpose of the meeting: to evaluate their performance and, more importantly, to draw up a development plan.

It's difficult to challenge a judgment that's based on well documented facts

Appraisal Meeting Plan

Description of process

- Length of meeting
- Meeting objective
- Explanation of evaluation criteria
- Explanation of scoring system
- Participation required from employee

Review of job description

- Employee's role
- Objectives within the team

Review of last performance appraisal

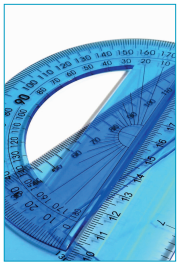
- Review of last improvement plan
- Self-evaluation for the period in question and discussion

Results of appraisal and discussion

- Progress achieved
- Areas for improvement
- New performance objectives
- Training needs
- Discussion

Joint development of employee's objectives and a development plan for the next period

Post-appraisal follow-up



Criteria used

During an appraisal meeting, a number of factors can generate resistance. **The most common sources of disagreement are the criteria used and the scoring system.** The clearer the information in this regard, the less resistant the employee will be to accepting your evaluation. Generally speaking, employees will feel that your appraisal is subjective if the results are lower than what they were anticipating. This is even more likely if the appraisal is tied to some form of compensation. Furthermore, when people feel under-valued, they tend to put up barriers and disagree with all further comments.

Unless the criteria are clearly established, there's room for disagreement. The criteria for an "average" score, for example, are often misunderstood. By explaining at the beginning of the meeting that a higher score must be justified by exceptional performance, or that 3 out of 5 is a good score, you'll be clarifying the guidelines used and thereby preventing negative reactions.

An effective performance appraisal must also be based on accurate information. By using facts that you've accumulated throughout the appraisal period, you'll avoid letting recent events, whether positive or negative, unfairly influence your appraisal. Putting short notes in the employee's file from time to time is all it takes to refresh your memory when it's time for the appraisal. **On the other hand, if the criteria on which you base your judgment are unclear or confusing, the employee may challenge you**.

Common mistakes when preparing for a meeting

Calling the meeting at the last minute so the employee doesn't have time to give it any thought.

Letting friendships or personality conflicts influence your judgment (positively or negatively).

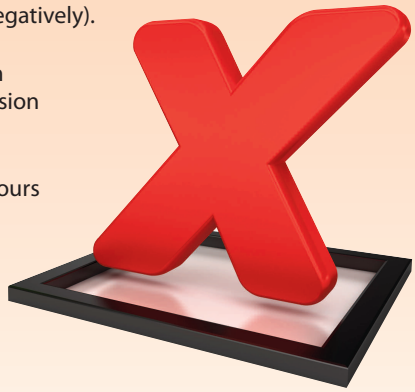
Giving all of your employees an "average" score to avoid discussion as much as possible.

Basing your evaluation on rumours or hearsay rather than facts.

Making judgments based on recent events rather than what happened over the entire appraisal period.

Unilaterally defining performance objectives.

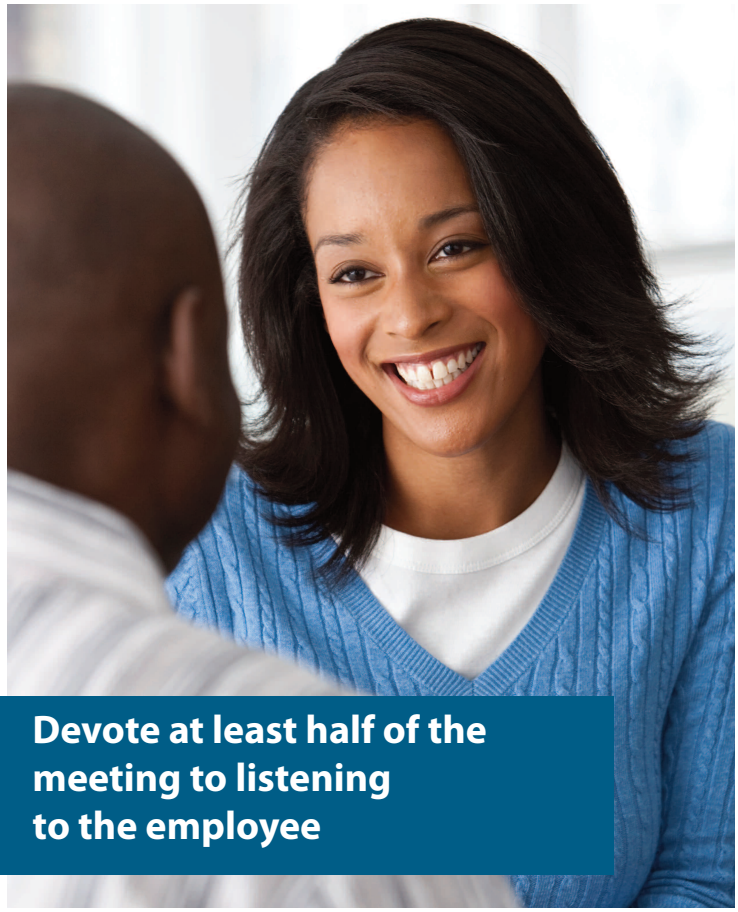
Drawing up a development plan with no real intention of following up on it or giving employees the resources they need to follow through on it.



Using examples

Evaluating results — things like quantity, quality and ability to meet deadlines — is easy because they're usually assessed objectively by simply comparing the results to the objectives. **It's when it comes to assessing personal qualities and behaviours that appraisal comments are most often misinterpreted**.

Ideally, your appraisal should translate into tangible, observable behaviours in order to avoid subjectivity. **For example, if you want to talk about an employee's attitude, you need to be prepared to justify your assessment**. You can say an employee's attitude leaves something to be desired if they're not concerned about attendance, they don't get along well with their co-workers or they're lacking initiative. So use concrete facts to support your opinions. For example, rather than telling an employee they're lacking initiative, refer to situations where the person waited for you to tell them what to do even though the solution was within their reach.



Devote at least half of the meeting to listening to the employee

Conducting an appraisal meeting

Possible approaches

There are several different approaches for discussing the results of an appraisal. Some managers like to start the conversation with the negative points and end with the positive ones. The intention in this case is to end the meeting on a good note. The risk with this approach is that the person will focus more on the last impression and forget about the points discussed earlier that need to be corrected. Another option is to begin the meeting with the more positive results, and then move on to discussing areas for improvement. If you start out by talking about the person's strengths, they'll generally be more likely to accept the more negative points later on. **If the person agrees with you about their strengths, they'll be less likely to criticize your judgment for the areas you feel they need to improve**.

Remember that the purpose of the meeting is to agree on the performance objectives to be achieved, the areas for improvement, and the development plan to be implemented. **By clearly establishing the facts and differentiating between impressions and reality, you'll avoid a lot of futile discussion and emotional outbursts**. The table below will help you focus on the facts during the meeting.

The meeting strategy

After welcoming the employee, give them a copy of the meeting plan and begin the appraisal. If objectives for improvement were established at a prior appraisal meeting, begin the discussion by talking about the employee's progress. The objectives achieved should be highlighted, and those that were not achieved, should be discussed to determine if they're still valid. If they are still valid, you then need to find out what prevented the person from achieving them.

Focus the discussion on future activities rather than constantly bringing up past mistakes. If you highlight only the negative points, the employee will tend to deny your comments and devalue your opinion, claiming that your judgment is biased or subjective, or that your information is inaccurate. **Employees who feel attacked have a general tendency to defend their actions rather than looking for ways to correct the situation**. To ensure a successful appraisal, you'll have to get the person to change their attitude by working together to find a solution for the future rather than justification for the past.

Fact-based questions

During the appraisal period, did you clearly tell the employee what was expected of them? On what factors are you basing your appraisal?

Does the employee have the necessary material, financial and human resources to do their job? If not, have they told you this? Has the employee received any assistance in this regard?

Did you tell the employee when they were not meeting the performance standards? How did you expect the employee to correct the situation?

Does the employee demonstrate the behaviours required by the nature of their job? What behaviours would you like the employee to adopt? Is the employee aware of this?

If people have complained about the employee's work, was the employee advised of this? What did they do to correct the situation?

Do you feel the employee has the skills required to do their job? Have you ever suggested a training plan? Does the employee need some additional support?

Aspects of a productive meeting

- Atmosphere of trust
- Clear explanations of the process used
- Active participation of employee
- Recognition of employee's achievements and successes
- Use of concrete facts and examples
- Attentive listening to employee's point of view
- Consideration of employee's comments and opinions
- Precise definition of expectations for the next period
- Collaboration on drawing up the development plan

Development plan

Once the results have been discussed, you need to draw up a development plan. The purpose of this plan is to help the person determine their performance objectives for the next period and advance their career. **The action plan should be developed by the employee, with your role being to guide the employee and help formulate specific, achievable and measurable objectives**. By having the employee play an active role in creating the plan rather than you preparing one in advance, you'll generate a greater degree of motivation. Together, prioritize three or four objectives and determine the details for achieving them (who, what, when, how).

Then be sure to follow up on the development plan. This will enable you to check during the target period whether the objectives are being achieved, and to encourage the employee. If the action plan hasn't been implemented, you don't have to wait until the next formal appraisal meeting to take action. By monitoring the situation continually, you'll be able to react faster and more effectively. Lastly, keep in mind that performance management should be a gradual, ongoing process. By monitoring your employees on a day-to-day basis, it will be easier to reduce the stress involved in the formal appraisal process.

Performance appraisals shouldn't be seen as a threat; they should be a positive event to look forward to. The work environment plays a major role in this regard. In a hostile environment, appraisals are often seen in a negative light, whereas in a positive, cooperative work environment, resistance and discomfort are generally minimized. Communication is one of the key factors in maintaining a positive work environment.

By giving your employees regular feedback about their performance, you'll be demonstrating the importance you place on your staff on a day-to-day basis, not just at performance appraisal time. By frequently discussing the subject of performance, you'll be strengthening your relationships with your staff, which in turn will help you make the most of your formal performance appraisals.

Professional resources for managers

The Posaction® Plus management assistance program is included in your group insurance contract. The program includes training modules, coaching, a post-traumatic counselling service and psychosocial assistance for troubled employees.

Confidential telephone coaching

- Monday to Friday, from 9:00 a.m. to 5:00 p.m. (ET)

1.877.744.2789

Post-traumatic counselling

- Round-the-clock service for serious incidents

1.800.668.0193

For more details about the program
www.posactionplus.com

Posaction® Plus
Your management assistance program

Psychosocial assistance for troubled employees

By referring employees to professional resources, you'll be helping them take concrete steps to resolve their problems and regain their regular performance at work.

Round-the-clock confidential service

1.800.668.0193

- Work-related problems
- Personal problems
- Family problems
- Dependency problems

No charge for using the services

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