

Appraising People and Performance

Introduction

If you ask people what they look for from their jobs they will tell you they want challenge, an opportunity to grow, greater responsibility, interesting work, full appreciation of work done, and to be involved in things. The manager who recognizes this and maintains an ongoing performance management dialogue with each employee is making use of one of the strongest tools available for developing the human resource. The manager who does not give regular feedback to employees, however, is missing a great opportunity.

This workshop will teach you the concepts and skills needed to conduct meaningful performance-appraisal meetings with employees. This is a vital part of a systematic effort to develop employees through performance management.

Objectives

By the end of this workshop, you will be able to...

- Analyze an employee's performance
- Develop strategies for responding to difficult appraisal situations
- Plan and conduct an appraisal meeting

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Exercise 1: My Experience with Appraisals

Instructions: Think about a performance appraisal you participated in, either one you gave to an employee or one you received. Answer the following questions about that specific experience. You will not be required to share this information with others.

1. What went well during the appraisal meeting?

2. What did not go well?

3. How did you feel about that meeting?

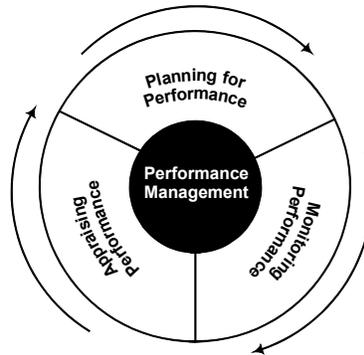
Worksheet: Benefits of Appraisals

Instructions: Work with your group to list all the benefits of performance appraisals you can think of for each category: manager, employee, organization. Consider long-term as well as short-term benefits.

Benefits for the Manager
Benefits for the Employee
Benefits for the Organization

The Performance Management Cycle

Performance Management can be divided into three separate and distinct phases. Each is important if the employee's performance is to be improved, optimized, and maintained.



Phase 1: Planning for Performance

- Clarify and communicate performance expectations.
- Focus on important performance areas with the employee.
- Develop performance standards that are measurable and meaningful.

Phase 2: Monitoring Performance

- Communicate regularly so that there are no surprises.
- Provide assistance/support to employees, as needed.
- Document performance accurately, objectively, and continuously.

Phase 3: Appraising Performance

Step 1: Preparing the Appraisal

The manager prepares the employee by...

- Setting a time and location for the meeting and notifying the employee.
- Asking the employee to assess his or her own performance and then be prepared to discuss it.
- Giving the employee sufficient time to prepare.

The manager prepares himself or herself by...

- Gathering information.
- Evaluating the performance.
- Analyzing performance problems.
- Documenting the performance.

Step 2: Conducting the Appraisal

- Beginning the meeting.
- Holding the discussion.
- Closing the meeting.
- Following up the meeting.



Tips for Giving Feedback

- Feedback describes how the employee is performing. It focuses on knowledge, skills, and abilities as applied to the job. It does not describe the person.
- When giving feedback, provide a balanced picture of performance. Go over the positive areas, as well as the areas that need to change. Give positive feedback first, followed by constructive feedback.
- Be descriptive, specific, and factual about the employee's performance. Give examples. Make sure the employee understands all that is being said.
- Provide guidance on how the employee should be performing in the future, so that he or she knows what to do "next time."
- Give feedback as close to the time of the performance as possible so that it is meaningful and can be integrated into future performance as soon as possible.
- Select the best time and place to give feedback. Find a private place to talk, and give your feedback in an unhurried manner.
- When giving corrective feedback, anticipate and prepare for the employee's response. Remember to keep your emotions in check; do not respond to any strong reaction with a strong reaction of your own.
- Listen without interrupting. Give the individual your undivided attention. This will let the employee know that you are listening and will probably calm him or her down. Then, redirect the employee's energies to the problem at hand.
- Sometimes employees react with silence. To overcome this, try to get the individual to describe the process or steps he or she is taking to perform the job/task. Then, ask how well the employee thinks he or she is performing. Employees are usually comfortable talking about the process or steps they are taking to complete a job. Once they start talking, they will be more willing to discuss their performance. *"Tell me how you are completing this report."*

Self-Assessment Worksheet

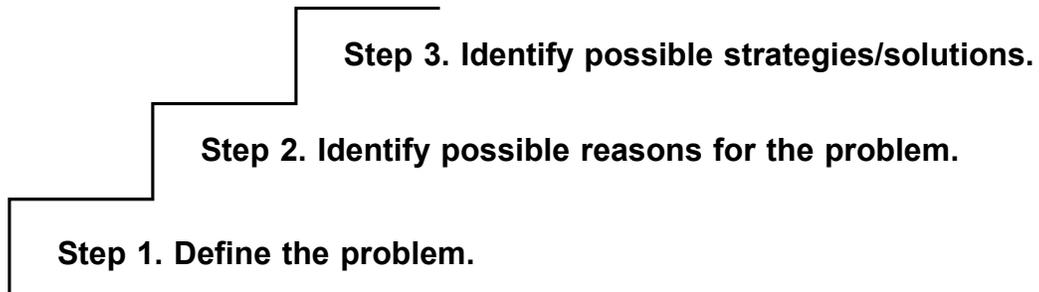
Instructions: Use this worksheet to prepare yourself for your appraisal meeting. Think about your performance, your progress, and your plans for future development.

1. What were my performance goals and standards for this appraisal period?
2. What were my specific accomplishments during this appraisal period?
3. What special projects, committees, and/or assignments did I undertake?
4. Which goals did I fall short of meeting, if any?
5. What skills did I demonstrate strength in?
6. What skills do I need to develop?
7. Do I need more experience or training in any aspect of my current job? How can it be accomplished?
8. What changes can I make that will improve my performance?



Exercise 2: Analyzing Performance Problems

There are three steps to analyzing performance problems:



Instructions: Think about one of your employees who is not performing to your expectations. Use the following worksheets to work through the three-step process to analyze the problem and identify possible solutions.

Exercise 2: Analyzing Performance Problems (continued)

Step 1: Define the Problem

Instructions: Identify and list here the indicators of the performance problem. A good performance indicator is specific, objective, and measurable, and affects performance.

Indicators:

Instructions: Establish the current and expected levels of performance: how well the person is doing, versus how well the person should be doing in his or her job.

Performance Levels:

Current Level:

Expected Level:

Instructions: Estimate the impact on the organization in terms of tangibles (like time and/or money) and intangibles (like customer dissatisfaction). *Impact* illustrates the importance of correcting the problem.

Impact:

Exercise 2: Analyzing Performance Problems (continued)

Step 2: Identify the Reasons for the Problem

Instructions: Answer the questions appearing in the matrix below to identify possible reasons for the performance problem in your situation. Record your answers directly in the matrix.

	Information	Resources	Motivation
E N V I R O N M E N T	<p>1. Expectations and Feedback</p> <p>Does the employee know what is expected?</p> <p>Has the employee received feedback?</p>	<p>2. Resources and Tools</p> <p>Does the employee have the necessary resources and tools?</p>	<p>3. Incentives</p> <p>Are there appropriate incentives for the employee to want to perform well?</p> <p>Are there negative consequences when the employee performs poorly?</p>
P E R S O N	<p>4. Skills and Knowledge</p> <p>Does the employee have adequate skills and knowledge to do the job?</p>	<p>5. Capacity</p> <p>Could the employee learn to do the task if his or her job depended on it?</p>	<p>6. Motives</p> <p>Does the employee care about the job and the incentives?</p>

Exercise 2: Analyzing Performance Problems (continued)

Step 3: Identify Possible Strategies

- The purpose of this exercise is to develop a plan that minimizes or eliminates the reasons for the performance problem.
- The most effective solutions will be directly related to the reasons why the employee is having the problem, as listed on the reasons matrix. Possible strategies should be addressed for each reason identified in Step 2.
- Possible strategies/solutions for each cell of the reasons matrix are shown below.

Instructions: Identify possible strategies that get at the root causes you identified for the problem. Use the strategies listed below as strategies/solutions for each reason. Record your solutions on the matrix on page 12.

Setting Expectations

- Be clear and specific about the results you expect.
- Quantify expectations or provide specific criteria for quality.
- Be clear about deadlines.
- Explain why tasks or procedures are necessary.

Providing Feedback

- Focus on behavior.
- Tell specifically what you liked or disliked.
- Tell specifically why you liked or disliked the behavior.
- When giving constructive criticism, specify the behavior expected in the future and ask for input/reactions.

Providing Resources

- Provide human resources.
- Provide tools or equipment.
- Allow time.
- Delegate special authority.
- Reduce the impact of not having a particular resource.

Providing Incentives

- Provide rewards appropriate to the individual.
- Try to do something about things that de-motivate, such as unpleasant work conditions, but realize that these things won't *motivate* people.
- Provide motivators like recognition and praise. Consider both non-monetary and monetary rewards.

Exercise 2: Analyzing Performance Problems (continued)

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Providing Skills and Knowledge

- Team the employee up with more experienced employees.
- Send the employee to classes at work or outside of work.
- Coach and provide on-the-job training.
- Provide examples or job aids.

Overcoming Lack of Capacity

- Modify the job to fit the person's capability.
- Transfer/replace the person if you cannot compensate for lack of capability.

Changing Motivation Level

- Redesign the job to compensate for lack of motivation.
- Counsel the person to try to change the motivation level.
- Transfer/replace the person if you cannot provide needed motivators.

Exercise 2: Analyzing Performance Problems (concluded)

Possible Strategies/Solutions

Instructions: For each reason for the performance problem, record in this matrix the strategies/solutions possible. Refer to pages 10 and 11 for suggestions, as needed.

	Information	Resources	Motivation
ENVIRONMENT	1. Expectations and Feedback	2. Resources and Tools	3. Incentives
PERSON	4. Skills and Knowledge	5. Capacity	6. Motives

Model: Conducting the Appraisal Meeting

The Beginning of the Meeting

1. Welcome the employee and begin the discussion with something personal, or just ask how he or she is. Begin in a way that is authentic for you.
2. State the purpose of the discussion. Explain that the meeting is an opportunity for the two of you to discuss progress toward goals, acknowledge successes, and identify ways to improve performance.

The Discussion

1. Ask for the employee's assessment of his or her performance. Listen and ask questions.
2. Give your evaluation of the employee's performance. Refer to notes you used in preparing for the meeting. Explain your rationale with specific facts and examples, and build on the strengths of the employee. Point out areas needing improvement and strategies for improving them, and keep your comments focused on performance, rather than the employee's personality traits.
3. Discuss opportunities for growth within the organization by identifying training and development needs that will help the employee prepare for advancement or growth, or improve current job performance.

The Closing

1. Summarize the discussion.
2. Make joint plans for any follow-up actions on the part of either one of you based on the discussion. Explain how the appraisal form will be used and how the appraisal will affect employee pay, etc.
3. Ask the employee if he or she has any final questions or comments.
4. Set a date and time to talk about next year's goals and standards. Explain how the employee should prepare for that meeting.

The Follow Up

1. In the weeks or months following the meeting, check back with the employee to see how he or she is progressing with any plan of action you discussed in the meeting.



Exercise 3: Responding to Difficult Appraisal Situations

Instructions: Here are some situations you might encounter during an appraisal meeting. Discuss with your table group how you might respond to the situation. Be prepared to share your response with the class.

1. The employee agrees with most of your appraisal, but expresses some differences of opinion. How do you respond?

2. You give the employee a “*did not meet expectations*” rating. He or she does not accept responsibility for his or her poor performance, and blames the company’s support systems, as well as other employees. How do you respond?

3. The employee disagrees with certain parts of the appraisal, and provides specific examples that contradict your findings. How do you respond?

4. During the appraisal meeting, the employee says little, even when you specifically ask for comments. How do you respond?

5. The employee is a consistent high performer. In fact, you have given this employee an overall rating of “*exceeds expectations*” five years in a row. The employee does not want to be promoted and is at the top of the pay scale. How do you continue to motivate this employee?



Exercise 4: Appraising Performance — Preparing the Appraisal

Manager's Worksheet #1

Instructions: Complete this worksheet by supplying background information on your employee. This will help you focus on your employee and anticipate what he or she will say and how he or she will react to your appraisal.

EMPLOYEE BACKGROUND INFORMATION
What is this employee's job? What are the major responsibilities of this employee?
What does the employee think he or she is doing well?
In what areas does the employee see room for improvement?
How will the employee react to my appraisal of his or her performance?

Exercise 4: Appraising Performance—Preparing the Appraisal (continued)

Manager's Worksheet #2

Instructions: Use this worksheet to prepare your appraisal of the employee's performance.

MANAGER'S APPRAISAL
What has the employee done well during this appraisal period? List examples.
What has the employee done to make progress toward accomplishing established goals and standards?
What skills and abilities important to the job has the employee demonstrated?
What performance has not met your expectations?
What is the difference between what the employee is doing and what you expect? List examples. (Refer to <i>Analyzing Performance Problems</i> to define the problem and determine possible solutions.)

Exercise 4: Appraising Performance—Preparing the Appraisal (concluded)

Observer's Worksheet

Instructions: Observe the role play and note how well the manager demonstrates the following steps in conducting the appraisal meeting. List examples of what he or she said or did to demonstrate each.

	Steps in the Appraisal Meeting	(Yes or No)	Examples
of Meeting	Welcome the employee.		
	State the purpose of the discussion.		
During the Discussion	Ask for the employee's self-assessment.		
	Listen and ask questions to clarify, as needed.		
	Offer your appraisal using examples and stating specific facts.		
	Focus comments on performance, not personality.		
	Discuss opportunities for growth.		
	Summarize the discussion.		
	Explain the next steps.		
	Ask employee for final questions/ comments.		
	Set a date and time to discuss next year's goals and standards.		



Exercise 5: Appraising Performance – Conducting the Appraisal Meeting

Discussion Questions

Instructions: Discuss the following questions with your group.

Managers:

- What went well?
- What was difficult?
- What would you do differently next time?

Employees:

- How do you feel about the appraisal meeting?
- Is there anything the manager might do differently to make it a better experience for you?

Observers:

- What were your observations about the interaction? (Use your observation sheet.)

Action Plan

What I Plan to Accomplish	When and How

For Further Study

The following publications can be obtained from:

HRD Press
22 Amherst Road
Amherst, MA 01002
800-822-2801

The Manager's Pocket Guide to Performance Management. Sharon G. Fisher. Book.

FAST Feedback. Bruce Tulgan. Book, Training Program.

360 Degree Feedback: Strategies, Tactics, and Techniques for Developing Leaders. John E. Jones, Ph.D., and William Bearley, Ed.D.

The Competent Leader. Peter Stark and Jane Flaherty. Book.

The Performance Measurement, Management, and Appraisal Sourcebook. Craig Schneier, Ph.D., et al (editors).

Developing Employees. Human Technology. Workshop.

Other Materials

The Human Touch Performance Appraisal (Management Book Series). Charles Cadwell. American Media, Inc.

360 Degree Feedback: The Powerful Model for Employee Assessment & Performance Improvement. Mark R. Edwards and Anne J. Ewen (contributor). 1996, AMACOM.

The Complete Guide to Performance Appraisal. Richard C. Grote. 1996, AMACOM.

Effective Phases for Performance Appraisals: A Guide to Successful Evaluations. James E. Neal and James A. Neal, Jr. 1997, Neal Publications.

First Things Fast: A Handbook for Performance Analysis. Allison Rossett. 1998, Pfeiffer & Co.

What Did You Say? The Art of Giving and Receiving Feedback. Charles Seashore, et al. 1992, Douglas Charles Press.

Videotapes

Conducting the Performance Appraisal: Be a Coach, Not a Judge. Business Advantage, Inc.

How Am I Doing? Coastal/Video Arts.

The Dreaded Appraisal. Video Learning.

Workshop Objectives

- Analyze an employee's performance.
- Develop strategies for responding to difficult situations.
- Plan and conduct an appraisal meeting.

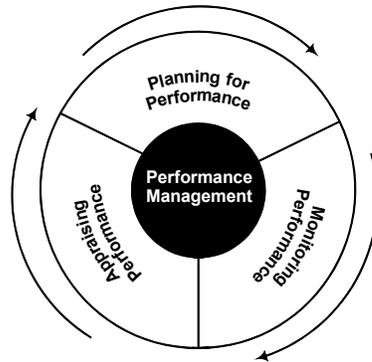
OH-1

Workshop Agenda

- **The Performance Management Cycle**
 - Phase 1: Planning for Performance
 - Phase 2: Monitoring Performance
- **Videotape Presentation**
- **The Performance Management Cycle**
 - Phase 3: Appraising Performance
- **Analyzing Performance Problems**
- **Practice Session: Planning and Conducting an Appraisal Meeting**
- **Action Planning**

OH-2

Performance Management Cycle



OH-3

Phase 1: Planning for Performance

- Clarify and communicate performance expectations.
- Focus on important performance areas with the employee.
- Develop performance standards that are measurable and meaningful.

OH-4

Goals vs. Standards

GOALS

- To increase the total revenue in my territory this year.
- To provide a monthly forum for staff to discuss problems and share ideas.
- To maintain a high level of customer satisfaction throughout the year.

OH-5

Goals vs. Standards

STANDARDS

- Overtime pay will not exceed 3% of total wages (quantitative).
- Customers should not be placed on hold for longer than 3 minutes (qualitative).
- Telephone messages should include the date, time of call, caller's full name, and phone number (qualitative).

OH-6

Phase 2: Monitoring Performance

- Communicate regularly to make certain that there are no surprises.
- Provide assistance/support to employees, as needed.
- Document performance accurately, objectively, and continuously.

OH-7

Giving Feedback

- Focus on performance.
- Offer constructive guidance.
- Anticipate reactions.
- Be descriptive.
- Be timely.
- Listen.

OH-8

Phase 3: Appraising Performance

Step 1: Prepare for the Appraisal Meeting

- Employee
- Manager

Step 2: Conduct the Appraisal Meeting

OH-9

Employee Preparation

The manager prepares the employee by...

- Setting a time and location for the meeting and notifying the employee
- Asking the employee to assess his/her own performance and be prepared to discuss it
- Giving the employee sufficient time to prepare

OH-10

Manager Preparation

The manager prepares himself/herself by...

- Gathering information
- Evaluating performance
- Analyzing performance problems
- Documenting the performance

OH-11

Other Considerations

- Scope of job
- Special situations
- Effort
- Length of service

OH-12

Pitfalls to Avoid

“HALO” EFFECT

“HORNS” EFFECT

RATING...

- Too hard
- Too easy
- Middle of the road

OH-13

Steps in Analyzing Performance Problems

Step 1: Define the problem.

Step 2: Identify the possible reasons for the problem.

Step 3: Identify possible strategies.

OH-14

Possible Reasons for Performance Problems

	Information	Resources	Motivation
E N V I R O N M E N T	1. Expectations and Feedback Does the employee know what is expected? Has the employee received feedback?	2. Resources and Tools Does the employee have the necessary resources and tools?	3. Incentives Are there appropriate incentives for the employee to want to perform well? Are there negative consequences when the employee performs poorly?

OH-15

Possible Reasons for Performance Problems

	Information	Resources	Motivation
P E R S O N	4. Skills and Knowledge Does the employee have adequate skills and knowledge to do the job?	5. Capacity Could the employee learn to do the task if his or her job depended on it?	6. Motives Does the employee care about the job and the incentives?

OH-16



Model Appraisal Meeting

The Beginning of the Meeting

The Discussion

The Closing

OH-17

NOTES