

# Performance Management

## The Evaluation Process Made Easy



# Performance Evaluations

- What is it and why do it?
- Performance management and the law
- Setting goals
- The evaluation and completing the form
- Performance management sessions
- Avoiding rater errors



# What is it?

- It is a tool just like a blender or screwdriver
- It is a process
  - Not a one time event
  - Goal setting
  - Communication
  - Evaluation
  - Allocation of rewards
  - Consequences



# Why do it?

- Helps you get the best from your employees
- Helps you make salary and wage allocations on basis of merit
- Helps you direct employee efforts
- Gives you a measuring tool
- Helps you decide who is promotable



# Performance Management and the Law

## ● Discrimination Laws

- Race, Sex, Religion, National Origin, Age, Disability, Military Status, Sexual Orientation

## ● Negligent Supervision

- You knew or should have known

## ● Contract Principles

- Promises, promises.....



# The Evaluation

- Make it an on going process – problems tend to worsen over time and old habits die hard
- Keep evaluations objective not subjective
- Note specific conduct instead of generalizing
- Write down your evaluations
- Tie evaluations to goals
- Distinguish levels of performance



# Set Good Goals

- Aggressive
- Attainable
- Written Down
- Measurable
- Kept in Focus



# Preparing for a Performance Review

- Provide employee with a self evaluation form
- Gather information
- Schedule a time that is mutually convenient
- Prepare evaluation forms
- Schedule facilities






# Conducting the Review

- Start with light conversation
- Present the employee with a copy of your evaluation – review their self evaluation
- Go over each section – discuss specific examples of accomplishments and areas for improvement
- Set new goals – make plans for achieving those goals
- Secure the necessary acknowledgement from the employee



# Performance Management Sessions

- Not all performance management requires a formal session
- Feedback is most effective when timely
- Document problems when they occur
- No surprises during formal review
- Addressing past issues and their status



# Quotes from performance evaluations.....

- *“Since my last report, he has reached rock bottom and has started to dig.”*
- *“Works well under constant supervision when cornered like a rat in a trap.”*
- *“When she opens her mouth, it seems it is only to change which ever foot was previously there.”*
- *“This employee is depriving a village somewhere of an idiot.”*

# Avoiding Rater Errors



## ● Halo effect

- Evaluator rates all performance areas high because the employee demonstrates excellence in one area
- Employee arrives at work early and stays late every day – assumption that the employee is dedicated, diligent and committed
- Is the real problem time management?

# Avoiding Rater Errors



## ● Horns effect

- Opposite of the halo effect
- Evaluator allows one negative factor to influence the evaluation of all factors
- Appropriate to give a poor rating in interpersonal skills to an aggressive or abrupt employee
- Often the evaluator carries the poor impression over into other areas



# Avoiding Rater Errors

- Central tendency error:
  - Evaluator rates all employees as “average”
  - A “safe” option to some supervisors but failing to give appropriate feedback can contribute to poor performance
  - Don’t be afraid to award those employees who deserve better ratings



# Avoiding Rater Errors

## Leniency

- The evaluator gives positive evaluation to all employees
- A common problem in pay-for-performance systems when supervisors want to reward their employees as well as possible
- Cannot justify these ratings - watch for a pattern
- Dangerous when you have to discipline this employee later

# Avoiding Rater Errors



## ● Harshness

- Negative evaluations to all employees
- The rater may have higher expectations than others in the organization
- The rates may believe that lower ratings give employees an incentive to improve



# Avoiding Rater Errors



## ● Contrast Error

- The evaluator judges an employee against other employees rather than against specific performance standards or goals
- This can be disastrous!!!!
- If others are actually poor performers – an average employee may receive an excellent rating
- If others are outstanding performers, the average employee might receive a rating far below what is fair

# Avoiding Rater Errors

## ● Guilt by Association

- The evaluation is influenced by those with whom he or she spends time
- The evaluation may be higher than deserved because she spends time with a well-respected high achiever
- The evaluation may be lower than deserved because she is friends with poor performers or problem employees



# In Summary. . . .

- Avoid complicated forms
- Use several sources of information
- Collect performance data regularly
- Measure performance against goals and standards
- Involve the employee – use the self evaluation tool



# Continued . . . .

- Cover the entire rating period
- Complete the evaluation timely
- Be consistent
- Support the process
- Participate in on going supervisory training

Questions, comments,  
concerns???

*Thank you for your attention  
and participation.*