

PERFORMANCE APPRAISAL PRIMER

QUESTION: Today, one of the employees I supervise asked me when he would be receiving a performance evaluation. When I told him he was doing fine, and that I had no plans to conduct a formal performance appraisal, he pointed out to me that our employee handbook states that performance appraisals will be conducted “annually.”

I’ve been an employee here for four years; for two years of that time I’ve been a supervisor. During that time I haven’t received - or given - a performance appraisal. My general manager has never even brought up the subject with me. I’m a little embarrassed to admit it, but I didn’t even know the handbook mentioned performance appraisals until this employee brought it to my attention.

Should we be doing performance appraisals? If so, I would sure appreciate some pointers.

ANSWER: There are many benefits to regular performance appraisals and they often make it worth an employer’s investment of time and effort.

Performing regular performance appraisals conveys to employees the employer’s commitment to effective communication between managers and employees about performance expectations. It also confirms that the employer values individual accomplishments and performance and wants employees to know about it. A formal performance evaluation process also obligates supervisors to invest time to reflect on each employee’s performance and accomplishments.

In addition, regular performance appraisals serve as an excellent opportunity for employers to review and update position descriptions with employees’ input to ensure descriptions accurately describe the duties and essential functions of each position.

Written performance appraisals also provide a history of an employee’s tenure of employment with the company, which in turn assists in the decision making process for promotions and consideration for other opportunities within the company. Performance appraisals are an effective tool for supervisors and employees to utilize in setting and tracking goals and career development.

The formality of a scheduled performance evaluation process should not, of course, be the only time a supervisor provides feedback to employees about how they are performing. Effective supervisors provide timely recognition for accomplishments and address performance deficiencies when they occur. Under those circumstances, the focus during the performance appraisal is appropriately on the big picture of the employee’s performance. The purpose of the performance appraisal is to summarize and review performance issues and successes for the applicable time period; not a time to ambush an employee with a disciplinary issue or significant performance deficiencies.

Employers often choose to conduct regular performance appraisals on an annual basis, but other intervals may be just as effective, depending on the type of business and operations of the employer.

When preparing to conduct a performance appraisal, supervisors should review the employee's personnel file for noteworthy achievements, documentation of counseling or disciplinary actions, previous written performance evaluations, and any other relevant documentation. The supervisor should also review the position description and any identified performance goals or standards previously set by the employer or the employee. The supervisor should also ask the employee to prepare for the performance appraisal by providing a summary of accomplishments, goals, and any improvements they feel are necessary.

Objective criteria should be used to evaluate each employee's performance. This means using the same questions to evaluate all employees (or at least all of those working in the same class of jobs), and providing specific examples in support of conclusions regarding performance areas that need improvement, or areas that deserve positive reinforcement.

The performance appraisal meeting should be conducted in a private setting, and scheduled for a time when the supervisor is able to avoid interruptions. Once the performance appraisal meetings are scheduled, the supervisor should make every effort to attend it in a timely manner. Showing up late, canceling or rescheduling performance appraisal meetings, or allowing for numerous interruptions during the meeting, will give employees the impression that the appraisal is insignificant.

It is also important to stick to the overall performance appraisal schedule. This is especially important in cases (such as yours) in which company policy or practice ensures employees that appraisals will be conducted annually. As evidenced by the employee who asked you when he would receive the promised performance appraisal, many employees look forward to the performance appraisal as a time to hear how they are doing and perhaps receive a raise in pay.

Developing and maintaining an effective performance evaluation system takes some planning and commitment on the part of the employer, but the rewards - in the form of consistent performance standards, effective workplace communication and employee morale - are well worth the effort.

For more information on this and other important issues affecting Oregon employers, including seminars conducted by Boil's Technical Assistance Unit, visit our website at www.oregon.gov/boli/ta. You can also call us at 971-673-0824.