

PERFORMANCE

APPRAISAL

performance management

performance management is a comprehensive approach that involves the maximum amount of dialogue among all the stakeholders. **Performance appraisal** on the other hand is primarily a top-down assessment for grading/rating employees **performance** periodically

Main Purposes of Performance Management

- Individual Rewards (Base and Incentive)
- Feedback for Sub-Ordinate (Plus and Minus)
- Recognition of Superior Performance
- Documentation of Weak Performance
- Personnel Decision-Making
- Future Goal Commitments (Planned Achievements)

Benefit to the line/ manager/supervisor/team leader:

- Opportunities to
 - hear and exchange views and opinions away from the normal pressure of work
 - to identify any potential difficulties or weaknesses
 - An improved understanding of the resources available
 - to plan for and set objectives for the next period
 - to think about and clarify their own role
 - to plan for achieving improved performance
 - to plan for further delegation and coaching
 - to motivate members of the team



Benefits to the organization

- A structured means of identifying and assessing potential
- Up-to-date information regarding the expectations and aspirations of employees
- Information on which to base decisions about promotions and motivation
- An opportunity to review succession planning





- Information about training needs which can act as a basis for developing training plans
- Updating of employee records (achievements, new competencies, etc)
- Career counseling
- Communication of information

Trends in Managing Performance

Appraising/Evaluating

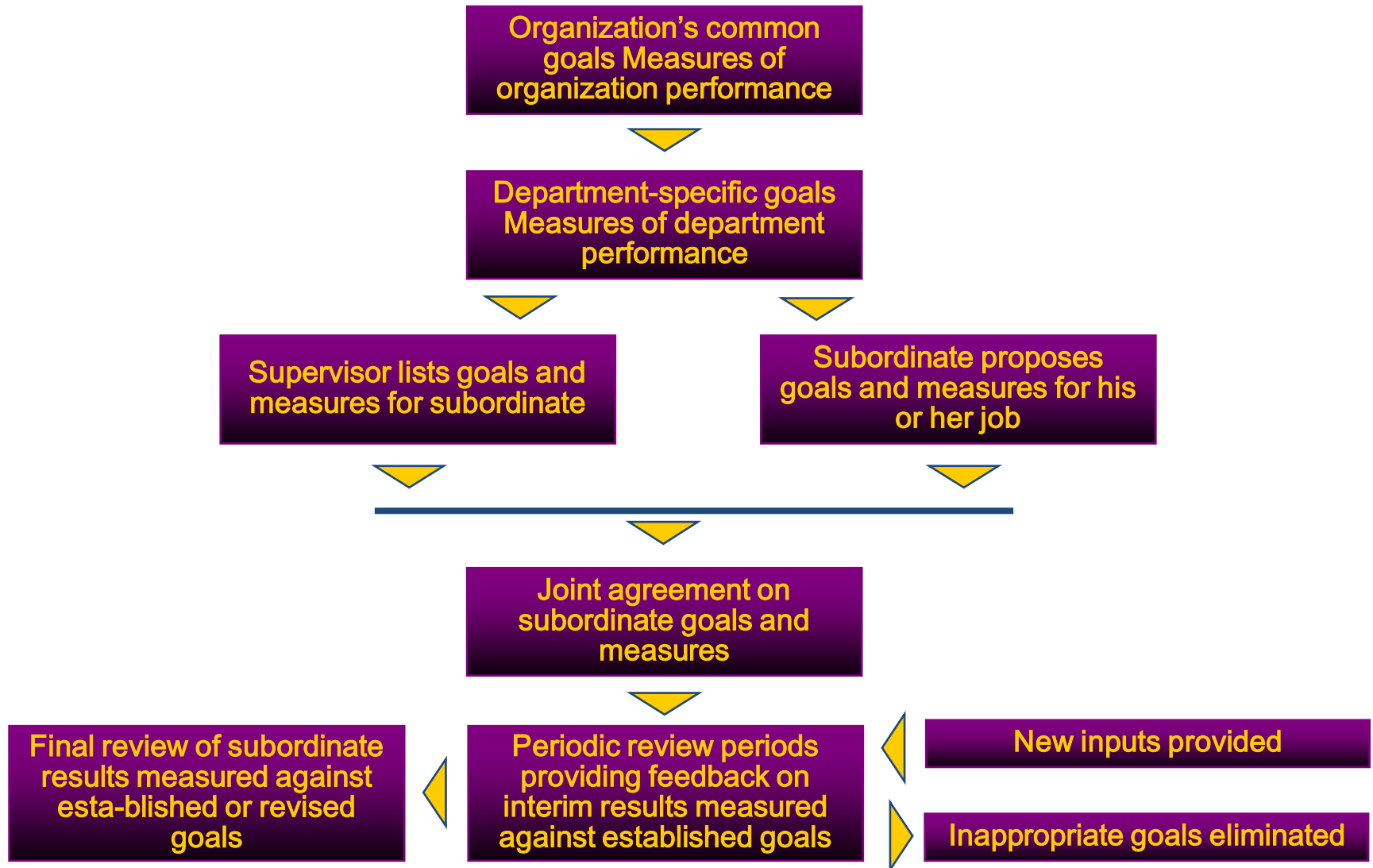
VERSUS

Managing Performance

Superior Performance leads to Superior Rewards

Issue: How to objectively measure specific goals!

Measuring Performance



PERFORMANCE APPRAISAL FOR EMPLOYEES AT DIFFERENT LEVELS

- *For top level management*
- Degree of organizational growth and expansion
- Extent of achievement of organizational goal
- Contribution towards the society
- Profitability and return on capital employed



- *For middle level managers*
- Performance of the departments or teams
- Co-ordination with other departments
- Optimal use of resources
- Costs Vs. revenues for a given period of time
- The communication with superiors and subordinates



The following are the major discrepancies found in the performance appraisal processes being followed at the government organizations.

- Most of the indicators used for measuring the performance the employees are not quantifiable in nature, making it difficult to measure the performance.
- Due to the lack of accountability and job security, most government employees have a laissez faire attitude towards their work.
- Unavailability of the **job descriptions** for many employees

- *For front line supervisors*
- Quantity of actual output against the targets
- Quality of output against the targets
- Number of accidents in a given period
- Rate of employee absenteeism



PERFORMANCE APPRAISAL IN GOVERNMENT ORGANIZATIONS

- The most common method of Performance appraisal that is used in most of the government organizations is **Confidential report** (popularly known as CR) written by the superior of the employees.

- Most of the objectives in government organizations are unchallenging, unrealistic and not timely reviewed and updated.
- It is difficult to measure the average performance of the government employees.
- Unprofessional and unstructured approach towards the process.
- There is often a lot of bias and subjectivity involved in the ratings given by the superiors.
- Lack of complete information on appraisal forms due to expertise and relevant training; often, the appraisals are not conducted on a regular basis.

- In government organizations, team appraisal is often not possible.
- Other HR decisions like rewards, training or promotions are not directly linked to the results of the performance appraisal process.

ROLE OF ADMINISTRATOR **IN PERFORMANCE APPRAISAL**

- Manage and supervise the work of others, directly and through subordinate managers.
- Appraise performance.
- Counsel and train employees, directly and through subordinate managers.
- Monitors smooth functioning of performance appraisal in the department.

- Understand, interpret and apply laws, rules, regulations and policies related to Performance appraisal.
- Develop and implement disciplinary actions as necessary.
- Collect, interpret and evaluate narrative and other data pertaining to Performance appraisal.

- **Marshburn, D.M. et. Al. (2009)** in her study, examined the relationship between 265 new nurse's perceptions and measured performance based clinical competence in an academic medical care centre in Greenville, using Descriptive co-relational designs to examine the relationships. Performance based clinical competence was measured by the Performance Based Development System developed by Del Bueno (1990). She reported that nurse's who scored high on perception scores also scored high performance scales. There was a relationship between new nurse's perceptions of clinical competence and a performance based measures of clinical competence.

- Prepare complex reports and other written materials of Performance appraisal.
- Analyze and resolve complex problems related to appraisal.
- Communicate clearly and concisely, both orally and in writing; present findings, of Performance appraisal to employees.
- Provide excellent interpersonal relations with employees.
- Maintains performance appraisal records and reports of all employees working under her/him.

RESEARCH RELATED TO PERFORMANCE APPRAISAL

- **Harcourt M. & Narcisse S.(2008)** conducted a study on Employee Fairness Perceptions of performance appraisal. The researcher identified the essential factors which influence employees' fairness perceptions of their performance appraisals, and determined the applicability of these factors to the experiences of employees in a Saint Lucian public service organization. A qualitative case study method was used to gain understanding of employee perceptions of the fairness of their performance appraisals. Data obtained from both completed appraisal forms and interviews with 20 employees was transcribed and assessed using a thematic analysis. Overall, results showed that justice factors influence employee perceptions of fairness in their appraisals. Results suggested that employees also consider four additional justice factors, the consistency in reward distribution,
 - appraisal frequency, job relevant criteria and rater and rate training.

Appraisal interview

What is an Appraisal Interview?

Talks between employee and manager happen on an almost daily basis. The annual Appraisal Interview however offers the opportunity to systematically discuss the following content:

- Discuss work and performance of the past year – tasks, work conditions and cooperation
- Resolve problems and misunderstandings • Mutually voice acknowledgement and critique in a factual matter
- Agree on measures to boost development and further education
- Mutually agree on long term goals and focus points

Hence, an Appraisal Interview is a One-on-One interview which:

- Takes place at least once a year
- Requires both parties to prepare for it
- Is semi-structured
- Is carried out by the employee and the direct supervisor using specific contents



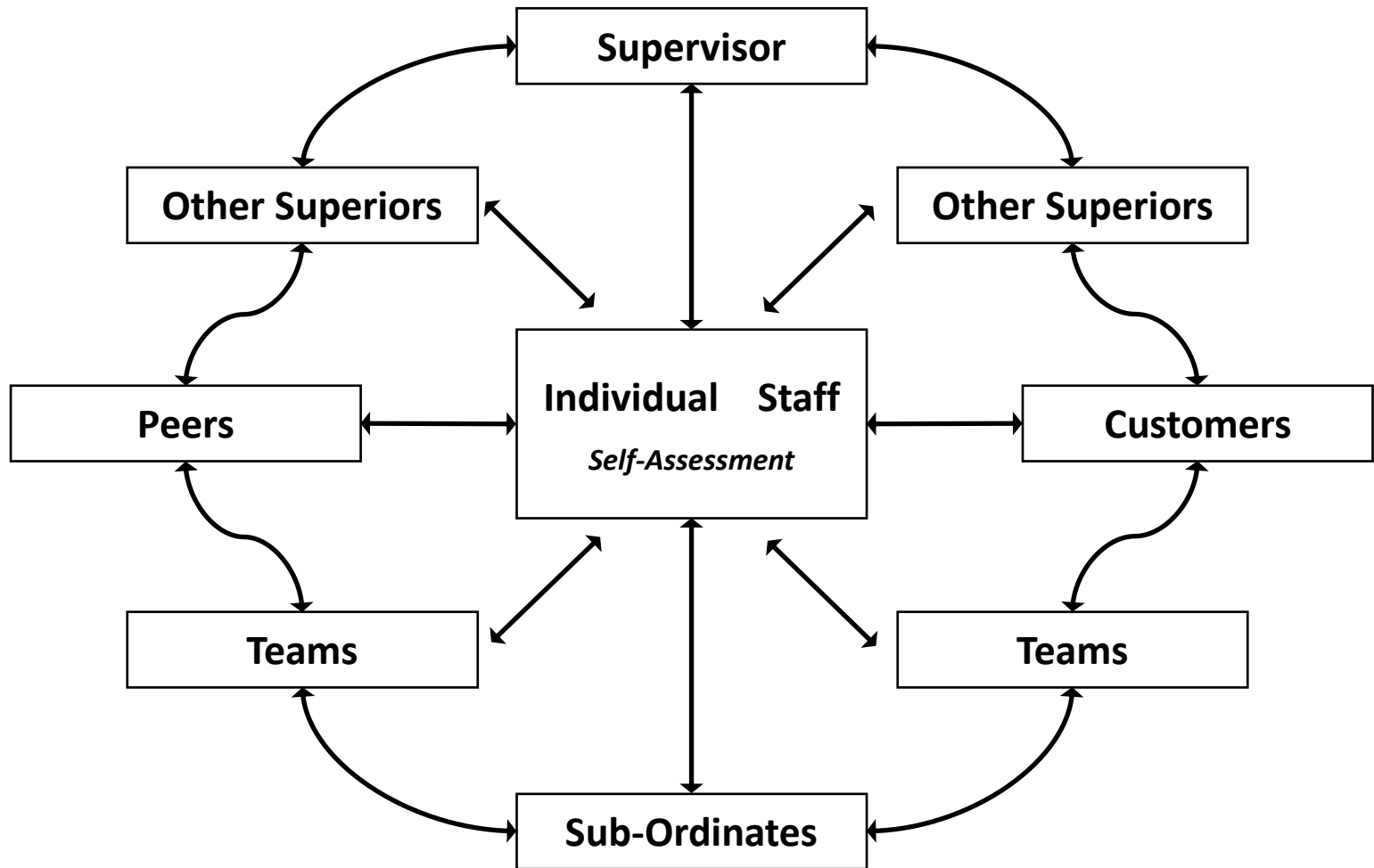
Appraisal Interviews

- Schedule the interview 10 to 14 days in advance.
- Provide subordinates with a “guide” to follow in planning for the interview.
- Consider which of the following approaches to use:
 - Tell-and-sell method
 - Tell-and-listen method
 - Problem-solving method (generally preferable)

Performance Appraisal Interview Needs

- Trained Interview Techniques
- Honesty in Appraisal
- Well Planned Structure
- Carefully Conducted
- Feedback Openness
- Adequate Time (more than one session occasionally)

The 360° Appraisal Interview



Tell-and-Sell Interviews

1. Supervisor persuades employee to change in a prescribed way.
2. Employees sees how changed behavior will be of great benefit.



Tell-and-Listen Interviews

1. Supervisor covers strengths/weaknesses for first half
2. Solicits employee's feelings about comments
3. Deal with disagreement, non-defensively
4. Negotiate future concrete objectives



The Problem Solving Interview

1. Discuss strengths and weaknesses since last review
2. Explore feelings of sub-ordinate
3. Listening, accepting, and responding are essential
4. Stimulate growth (performance) job
5. Discuss problems, needs, innovations, satisfactions and dissatisfactions since last review
6. Listen and respond with goal of helping person and productivity.

Why carry out an Appraisal Interview?

From the manager's perspective

A manager's success depends on how well an employee can carry out his or her tasks. The Appraisal Interview enables the manager to fulfill his/her leadership role. The manager

- Agrees on goals with the employee therefore providing the employee with a direction to go to
- Facilitates important information regarding the University and/or the organizational unit
- Evaluates goals together with the employee and conducts causal research • Receives information regarding himself, his employees and organizational unit (mutual exchange of expectations and desires)
- Assists and promotes his/her employees

Why carry out an Appraisal Interview?

From the employee's perspective

An employee's success and career depend on how well he/ she develops his/her skills and competencies , performance and job satisfaction as well as how well he/she prepares for possible future tasks and new requirements. The employee

- Receives, via the Appraisal Interview, a guideline on the basis of which criteria he/she will be evaluated.
- Receives feedback on his/her performance
- Receives information regarding the University and the organizational unit
- Can influence his/her area of work and set goals
- Can get information on possible paths for development, requirements and training and can also voice his/her wishes regarding training.

Preparing for the Appraisal

Performance Evaluation

- Talk about past performance and the level of goal achievement
- Analyze problems and difficulties and discuss potential for improvement

(focus on the past)

Identification of Position

- How do we currently work together?
- Strengths and Weaknesses of the employee and manager

(focus on the present)

**A conversation
with the topics**

Goals/Focus Points

- Agree on new goals and focus points (precise, with deadlines and fulfilment criteria)

(focus on the future)

Systematic Support

- Support career development of the employee via targeted training
- Commonly discuss development potential and plan qualification actions

(focus on the future)

Performance Appraisal Interviewing

The Performance Appraisal Interview consists of the following three Stages:

Preparing for the Appraisal



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graph TD; A[Preparing for the Appraisal] --> B[Conducting the Appraisal]; B --> C[Following Up];
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Conducting the Appraisal

Following Up



STAGE 1:

PREPARING
FOR THE
APPRAISAL

It is important that arrangements for the Performance Appraisal be made well in advance so that both Appraiser and Appraisee have adequate time to prepare properly.

A number of things need to be done in preparation to ensure a fruitful discussion:

- Review Appraisees' Performance Appraisal Forms to refresh your memory regarding the Performance Measures (Goals/Objectives/KPIs/Competencies) that were agreed with them.
- Review their previous Appraisal Summary & Performance Optimization Plans (POPs) to see what was agreed that they should work on improving. Did you do what you have undertaken?
- Study their Performance Record Notes as accumulated throughout the performance period. Consult all other relevant records on their performance.

- Inform them to prepare for the Appraisal by completing and printing out their Appraisal Prep Forms, and studying/printing out their Performance Record Notes. The system allows you to request that they release their Prep Form to you prior to the appraisal (check your company policy on this).
- Agree a mutually suitable date and time for the interview. A minimum of one week's notice should be given. For more senior and specialist positions, allow even more preparation time.
- Select a private, comfortable venue where you can meet in a relaxed, unhurried, informal atmosphere, without disturbances or interruptions. Avoid sitting behind a desk during the interview. Rather sit together with the Appraisee in front of your desk or, alternatively, at a conference table. Sitting behind a desk transmits a nonverbal message of formality, reinforcing the "superior-subordinate" relationship.
- Set aside adequate time for the Appraisal Interview, which may vary in length from 45 to 90 minutes, depending on the complexity and seniority of the position under consideration.



STAGE 2:

CONDUCTING THE
APPRAISAL

The Performance Appraisal consists of two distinct parts:

- (1) REVIEWING PERFORMANCE: A "backward" look at how well previously set Performance Measures and Standards were achieved, and the factors that affected their achievement.
- (2) PLANNING PERFORMANCE: A "forward" look at new or adapted Performance Measures and Standards to be achieved during the next performance period.

The following FIVE STEPS need to be followed to ensure a constructive session:

- 1. Start with an icebreaker
- 2. Explain the purpose of the interview
- 3. Work through the Performance Measures (agree Actual Performance, Ratings and POPs)
- 4. Agree Performance Measures and Standards for the next performance period
- 5. Close on a positive note

The online Official Performance Appraisal Form need to be completed by the Appraiser during (or immediately after) the Appraisal Interview to record the actual performance information, including the ratings and POP notes, as was mutually agreed on by both Appraiser and Appraisee.



STAGE 3:

FOLLOWING UP

GENERAL CONSIDERATIONS IN RESPECT OF APPRAISAL INTERVIEWS

- **A Firm Manner**
Do not accept any ideas or suggestions from Appraisees that you are not fully satisfied with or that are not congruent with corporate and your own goals and standards. Tell them what these nonnegotiable parameters are that you cannot compromise on.
- You do need a certain firmness of manner, which should be used as required during the Appraisal. It is your job to keep the interview on track and not allow serious digressions.
- Firmness of manner means assertiveness, not aggression. It means ensuring you keep control of the interview -- always politely, but with authority.
- **Confidentiality**
It is essential that you are discreet. The Appraisee must be able to trust you to keep whatever is discussed confidential.
- **Fair Assessment: External factors affecting performance**
In assessing an Appraisee's performance, the extent to which circumstances beyond their control have influenced the achievement of their objectives, must be taken into consideration. This means that, if these circumstances have contributed greatly to good results, they should not get the benefit of it. Likewise, they should not be punished if adverse, uncontrollable causes have prevented them from achieving their objectives optimally.

Appraisal Pitfalls

The following needs to be avoided during the performance rating process:

- Tendency to give all employees more or less the same ratings, or giving an employee the same rating on all his/her Performance Measures (to avoid potential conflict)
- Consistently being too strict or too lenient
- "Job Halo", by giving higher ratings to certain employees based upon your personal preferences, or one-off incidents instead of actual performance over the entire period. Managers should differentiate very clearly between those employees who achieve their objectives and those who do not, and give clear messages to both. "Compromising" and giving all employees the same bonus or increase will give the wrong message to everybody. Top performers will feel punished (even cheated) and poor performers will be rewarded.
- Managers must have the courage of their conviction to give credit where credit is due and not be manipulated by those poor performers who rather bet on the manager's fear for confrontation. Such managers invariably end up losing the respect and loyalty of both types of performer.

**Appraisal Interview – Confidential Agreements,
Remains with the Manager, Copy will be given to the Employee**

Agreement between (Name, Function) _____ and _____
Manager Employee

Jointly developed on: _____ Place _____
Date Location

Goal What?	Strategies to Realize How?	Resources With?	Time Plan Until When?	Responsible Who?

Signature _____
Manager Employee

Information will be forwarded to the Department for Human Resource Development

Together with the following employees a need for further development and training has been identified

Name	Development / Training Need

Date

Signature of the Manager and Stamp of the Organizational Unit



Thank
You