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Performance Management, Part 2: Employee Evaluations

Employee evaluations are an integral part of a successful performance management system…so why do they so often feel like tedious "corporate" chores? Most companies require managers and employees to endure them, but many don't have quality systems in place to make reviews truly meaningful and impactful.

If you're committed to providing employee feedback that is purposeful and will actually make a difference in employee performance and satisfaction levels, read on!

The Point

Effective managers provide relevant, constructive, in-the-moment employee feedback on a regular basis. But every so often—every six months or at least once a year—employers should prepare and present documented performance evaluations. In tandem with ongoing open dialog, these periodic reviews shouldn't uncover any surprises, but they do provide a vital opportunity to more formally summarize and highlight an employee's contribution over time, recognize and celebrate accomplishments, consider further training and development ideas, and discuss opportunities for advancement.

Thriving companies—and the employees in them—are flexible and progressive. Employee evaluations hold employees accountable to their best work, keep them motivated and engaged, and encourage continual improvement and growth. Employee evaluations can also serve as documentation and support for administrative decision-making about compensation, rewards, promotions and even terminations.

The "Rules"

The review process shouldn't be cumbersome and needn't necessarily be formal. What's important is that you implement a universal system that works well across all levels of the company, and that all employee feedback adheres to these guidelines:

- **Be direct.** When discussing employee performance, use clear, simple and concise wording. If you're vague or you complicate your message with jargon, you run greater risk of being misunderstood and misinterpreted. Instead, opt for concrete, objective language, and provide specific, relevant examples to support your positions. Everyday language gets your points across clearly and sincerely.

- **Check your biases.** Remain as consistent and fair as possible during reviews. Take care not to overrate or underrate an employee based upon personal feelings, and don't let an employee's most recent success or failure cloud your judgment on his or her performance over the entire review period. Avoid absolutes ("always," "never," "every time"…), as they exaggerate claims and lessen your credibility. Acknowledge any environmental factors that may have affected an employee's ability to accomplish goals; don't allow circumstances that are out of an employee's control to reflect negatively on him or her.

- **Ground yourself.** Cite specific, detailed examples and real-world scenarios to illustrate your points and explain ratings. While providing regular feedback throughout the year, smart managers maintain individual employee records for documenting key conversations, successes and challenges; when employee evaluations come due, those managers have an easier time recalling examples and preparing reviews that accurately and fully reflect total performance.

- **Tell the truth.** Employee evaluations are meant to encourage employees to do more of what they do well and boost performance where they can. Even when it stings, be honest in your appraisal. If you're too lenient in an effort to sidestep conflict, you rob your employee of the opportunity to improve (and may even unintentionally expose your organization to liability; it can be difficult, for instance, to legally defend a termination decision if past reviews don't accurately reflect performance concerns). You foster greater trust when you're straightforward and genuine.

- **Stay constructive.** When you keep feedback constructive and supportive, you minimize employee defensiveness and maximize the positive impact of your message. Whether delivering criticism or praise, focus on describing the employee's behaviors rather than judging the person. Avoid an accusatory tone when pointing out areas for improvement, and base your appraisal on specific observations, actions and accomplishments.

- **Invite discussion.** Without a two-way dialogue, it's easy for managers and employees to make inaccurate assumptions about one another. Encourage your employees to respond openly to your feedback, explain themselves and offer their point of view, and discuss the reasoning behind particular ratings. When people feel safe in expressing themselves and sharing their concerns, they feel heard, valued and empowered.

- **Partner up.** As you continue to build and strengthen a foundation of mutual respect and trust with your employees, involve them in relevant decision-making. To score an employee's buy-in, work together to come up with shared solutions to identified issues, strategic steps toward advancement, and ways that you as a manager, your department, and the organization as a whole can support the employee's continued development and growth.

Ultimately, remember the intent of employee evaluations: to motivate your employees to perform better than ever. People feel understandably vulnerable when receiving feedback, so don't lose sight of the human element. Stay cognizant of the potential impact of your words, and be sure to convey your enthusiasm, support and confidence in your employees' abilities to overcome challenges and achieve new goals.

Your System

One size doesn't fit all. Your ideal employee evaluation format will depend on your organization, industry, size and employee population. When you're ready to create a truly relevant, sustainable, streamlined system that best suits your company needs and culture, Leap Solutions can help you:

- Decide how often your reviews should take place and how formal they should be
- Evaluate the most effective procedures for motivating your unique workforce
- Incorporate essential job functions and core competencies into review criteria
- Develop objective review questions and a fair rating system (if warranted)
- Factor control into the process so reviews don't vary widely by manager
- Ensure equity and consistency across departments
- Determine whether to tie evaluations to compensation/bonuses
- Provide an avenue for an employee's point of view if not in agreement with a review

We have decades of experience, handy tracking tools, web-based systems, forms and resources for developing and streamlining your employee evaluation process into one that everyone will see as a wholly worthwhile use of time and resources—a process that reflects and directly impacts the continual success and growth of your individual employees and your company as a whole.

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