

Chapter Eight – Self Notes

## PERFORMANCE MANAGEMENT AND THE EMPLOYEE APPRAISAL PROCESS

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### SUMMARY

**OUTCOME 1** Performance management is the process of creating a work environment in which people can perform to the best of their abilities to meet a company's goals. Performance appraisals are the result of an annual, biannual, or quarterly process in which a manager evaluates an employee's performance relative to the requirements of his or her job and uses the information to show the person where improvements are needed and why. Appraisals are just part of the performance management process, however. Aligning the goals of employees with that of the firm, providing employees with continual on-the-job feedback, and rewarding them are critical as well.

**OUTCOME 2** Performance appraisal programs serve many purposes, but, in general, those purposes can be clustered into two categories: administrative and developmental. The administrative purposes include decisions about who its connection with the firm's business goals, and the attitudes and skills of those responsible for its administration.

**OUTCOME 3** To determine the contributions of each individual, it is necessary to have a formal appraisal program with clearly stated objectives. Carefully defined performance standards that are reliable, strategically relevant, and free from either criterion deficiency or criterion contamination are essential foundations for evaluation. Appraisal systems must also comply with the law and, like selection tests, be valid and reliable. For example, ratings must be job related, employees must understand their performance standards in advance, appraisers must be able to observe job performance, appraisers must be trained, feedback must be given, and an appeals procedure must be established. Some companies now hold calibration meetings to ensure that their managers are accurately rating employees. Using multiple raters is frequently a good idea because different individuals see different facets of an employee's performance. The supervisor, for example, has legitimate authority over an employee and is in a good position to discern whether he or she is contributing to the goals of the organization. Peers and team members, on the other hand, often have an unfiltered view of an employee's work activity, particularly related to issues such as cooperation and dependability. Subordinates often provide good information about whether an employee is facilitating their work, and customers (both internal and external) can convey the extent to which an employee adds value and meets their requirements. Self-appraisal is useful, if for no other reason than it encourages employees to think about their strengths, weaknesses, and future goals. An increasing number of organizations are using multiple raters—or 360-degree appraisal—to get a more

will be promoted, transferred, or laid off. Appraisals are also conducted to make compensation decisions. Developmental decisions include those related to improving and enhancing an individual's capabilities. These include identifying a person's strengths and weaknesses, eliminating external performance obstacles, and establishing training needs.

Some HR experts and firms believe that performance appraisals are ineffective. In other organizations, performance appraisals are seen as a necessary evil. Managers frequently avoid conducting appraisals because they dislike passing judgment on people. Furthermore, if managers are not adequately trained, subjectivity and organizational politics can distort employee reviews. Managers do not develop good feedback skills and are often not prepared to conduct an appraisal. As a consequence, the appraisal is done begrudgingly once a year and then forgotten. The ultimate success or failure of a performance appraisal program depends on the philosophy underlying it, comprehensive picture of employee performance. Regardless of the source of appraisal information, appraisers should be thoroughly trained in the particular methods they will use in evaluating their subordinates.

**OUTCOME 4** Several methods can be used for performance appraisals. These include trait approaches (such as graphic rating scales, mixed-standard scales, forced-choice forms, and essays), behavioural methods (such as critical incident ratings, checklists, BARS, and BOS), and results methods (MBO). The choice of method depends on the purpose of the appraisal. Trait appraisals are simple to develop and complete, but they have problems in subjectivity and are not useful for feedback. Behavioural methods provide more specific information for giving feedback but can be time consuming and costly to develop. Results appraisals are more objective and can link individual performance to the organization as a whole, but they may encourage a short-term perspective (such as annual goals) and may not include subtle yet important aspects of performance.

**OUTCOME 5** The degree to which a performance appraisal program benefits an organization and its members is directly related to the quality of the appraisal interviews that are conducted. Interviewing skills are best developed through instruction and supervised practice. Although there are various approaches to the interview, research suggests that employee participation and goal setting lead to higher satisfaction and improved performance. Discussing problems, showing support, minimizing criticism, and rewarding effective performance are also beneficial practices. During the interview, performance deficiencies can be discussed and plans for improvement can be made.

## **OUTCOME ONE: PERFORMANCE MANAGEMENT SYSTEMS**

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- **Performance Management:** The process of creating a work environment in which people can perform to the best of their abilities to meet a company's goals.
- **6 steps in the performance management process:**
  1. **Goals set** to align with higher-level goals.
  2. **Behavioural expectations and standards set** and then aligned with employee and organizational goals.
  3. Ongoing **performance feedback** provided during cycle.
    - Feedback is most useful when it is immediate and specific to a particular situation – it should be a regularly occurring activity.
    - **7 key points to address during feedback sessions:**
      1. Give specific examples of desirable and undesirable behaviours.
      2. Focus feedback on behaviour, not the person.
      3. Frame the feedback in terms of helping the employee be successful.
      4. Direct the feedback toward behaviour the employee can control.
      5. The feedback should be timely.
      6. Limit feedback to the amount the employee can process.
      7. Use active communication skills and confirm that the employee is engaged in the conversation.
    - Providing employees with feedback on a continual basis also helps them know where they stand when they receive their formal appraisals and where they stand in terms of their performance.
  4. **Performance appraised** by manager.
    - **Performance Appraisals:** An important part of performance management systems, are the result of an annual or biannual process in which a manager evaluates an employee's performance relative to the requirements of his or her job and uses the information to show the person where improvements are needed and why.
      - A tool organizations can use to maintain and enhance their productivity and facilitate progress toward their strategic goals.
  5. **Formal review session** conducted.
  6. **HR decision making** (ex. pay, promotion, etc..).

## **OUTCOME TWO: PERFORMANCE APPRAISAL PROGRAMS**

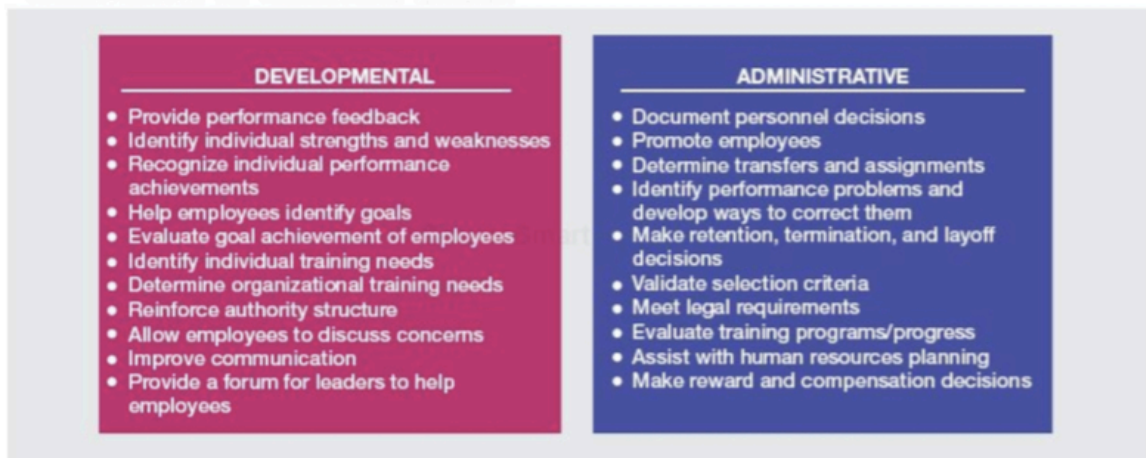
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- **Focal Performance Appraisal:** An appraisal system in which all of an organization's employees are reviewed at the same time of the year rather than on the anniversaries of the individual hire dates.

- **4 purposes of performance appraisals:**
  1. **Improve a Firm's Overall Performance**
    - Good appraisal systems have the capability to influence employee behaviour and improve an organization's performance.
    - Companies that do not have formal appraisal processes found that employees who receive no feedback from their supervisors exhibit the least amount of engagement.
  2. **Improve Profitability**
    - 40 to 50% of organizations with strong performance management systems are likely to outperform their competitors in the areas of revenue growth, productivity, profitability, and market value.
  3. **Administrative Purposes**
    - Provides input that can be used for HRM activities, such as promotions, transfers, layoffs, and pay decisions.
    - Can be used for HR planning – in determining the relative worth of jobs under a job evaluation program, and as criteria for recruiting particular types of employees and validating selection tests.
    - Employers must maintain accurate, objective employee performance records to defend themselves against possible charges of discrimination when it comes to promotions, salaries, and terminations (legal issues).
  4. **Developmental Purposes**
    - Provides managers and employees with the opportunity to discuss ways to build on their strengths, eliminate potential weaknesses, identify problems, and set new goals for achieving high performance.
    - Used to develop training and development plans for employees.

**FIGURE 8.2**

**PURPOSES OF PERFORMANCE APPRAISAL**



- **7 reasons why performance appraisals fail** (refer to Figure 8.3):
  1. There is little face-to-face discussion between the manager and the employee being appraised.
  2. The relationship between the employee's job description and the criteria on the appraisal form is not clear.
  3. Managers feel that little or no benefit will be derived from the time and energy they spend on the process or are concerned only with bad performances.
  4. Managers dislike the face-to-face confrontation of appraisal interviews.
  5. Managers are not sufficiently adept at rating employees or providing them with appraisal feedback.
  6. The judgemental role of appraisal conflicts with the helping role of developing employees.
  7. The appraisal is just a once-a-year event, and there is little follow-up afterward.

**FIGURE 8.3**

**LET ME COUNT THE WAYS**

There are many reasons why performance appraisal systems might not be effective. Some of the most common problems include the following:

- Inadequate preparation on the part of the manager
- Employee is not given clear objectives at the beginning of the performance period
- Manager may not be able to observe performance or have all the information
- Performance standards may not be clear
- Inconsistency in ratings among supervisors or other raters
- Manager rating personality rather than performance
- The halo effect, contrast effect, or some other perceptual bias
- Inappropriate time span (either too short or too long)
- Overemphasis on uncharacteristic performance
- Inflated ratings because managers do not want to deal with "bad news"
- Subjective or vague language in written appraisals
- Organizational politics or personal relationships cloud judgments
- No thorough discussion of causes of performance problems
- Manager may not be trained at evaluation or giving feedback
- No follow-up and coaching after the evaluation

Source: Patricia Evres, "Problems to Avoid during Performance Evaluations," *Air Conditioning, Heating & Refrigeration News* 216, no. 16 (August 19, 2002): 24–26; Clinton Longnecker and Dennis Gioia, "The Politics of Executive Appraisals," *Journal of Compensation and Benefits* 10, no. 2 (1994): 5–11; "Seven Deadly Sins of Performance Appraisals," *Supervisory Management* 39, no. 1 (1994): 7–8.

**OUTCOME THREE: DEVELOPING AN EFFECTIVE APPRAISAL PROGRAM**

- Standards by which performance is to be evaluated should be clearly defined and communicated to the employee.
- When performance standards are properly established, they help translate an organization's goals and objectives into job requirements that communicated to employees the definitions of acceptable and unacceptable performance levels.
- **4 considerations in establishing performance standards:**
  1. **Strategic Relevance**
    - The extent to which the standards of an appraisal relate to the strategic objectives of the organization in which they are applied.

- A strategy-driven performance appraisal process also provides the documentation HR managers need to justify various training expenses to close any gaps between employees' current skills and those they will need in the future to execute the firm's strategy.
2. **Criterion Deficiency**
    - The extent to which the standards capture the entire range of an employee's responsibilities.
    - When performance standards focus on a single criterion (ex. sales revenues) to the exclusion of other important but less quantifiable performance dimensions (ex. customer service), then the appraisal system is said to suffer from criterion deficiency.
  3. **Criterion Contamination**
    - Factors outside an employee's control that can influence his or her performance.
    - Ex. A comparison of the performance of travelling salespeople should not be contaminated by the fact that territories differ in sales potential.
  4. **Reliability**
    - The stability or consistency of a standard, or the extent to which individuals tend to maintain a certain level of performance over time.
    - Reliability can be measured by correlating two sets of ratings made by a single rater or by two different raters – their ratings would then be compared to determine interrater reliability.
    - **Calibration:** A process whereby managers meet to discuss the performance of individual employees to ensure that their employee appraisals are in line with one another.
      - Over subsequent evaluation periods and calibration meetings, ratings will begin to converge, or become similar to each other.
      - Calibration meetings can be helpful after a merger or acquisition – differences in corporate cultures and the appraisal standards of the formerly separate companies can cause the same employees to be rated quite differently.
- **7 legal guidelines performance appraisals should meet:**
    1. Performance ratings must be job related, with performance standards developed through a job analysis.
    2. Employees must be given a written copy of their job standards in advance of their appraisals.
    3. Managers who conduct the appraisals must be able to observe the behaviour they are rating. This implies having measurable standards with which to compare employee behaviour.
    4. Do not allow performance problems to continue unchecked. Document problems when they occur and refer to them in performance appraisals.

5. Supervisors should be trained to use the appraisal form correctly. They should be instructed as to how to apply the appraisal standards when making judgements.
  6. The appraisals should be discussed openly with employees and counselling or corrective guidance offered to help poor performers improve their performance.
  7. An appeals procedure should be established to enable employees to express their disagreement with the appraisals.
    - Information about appraisals and reasons for subsequent should be documented by managers and supervisors as this information may prove decisive should an employee take legal action.
    - An employer's credibility is strengthened when it can support performance appraisal ratings by documenting instances of poor performance.
- **5 types of subjective errors made by managers in the rating process that must be eliminated:**
1. **Error of Central Tendency**
    - A performance rating error in which all employees are rated about average.
    - Raters are reluctant to assign either extremely high or extremely low ratings.
  2. **Leniency or Strictness Error**
    - A performance rating error in which the appraiser tends to give employees either unusually high or unusually low ratings.
  3. **Recency Error**
    - A performance rating error in which the appraisal is based largely on the employee's most recent behaviour rather than on behaviour throughout the appraisal period.
  4. **Contrast Error**
    - A performance rating error in which an employee's evaluation is biased either upward or downward because of comparison with another employee just previously evaluated.
    - Occurs most likely when raters are required to rank employees in order from the best to the poorest.
  5. **Similar-to-Me Error**
    - A performance rating error in which an appraiser inflates the evaluation of an employee because of a mutual personal connection.

#### **OUTCOME FOUR: WHO SHOULD APPRAISE PERFORMANCE**

- The HR department has the primary responsibility for overseeing and coordinating a firm's appraisal program.
- Managers from the company's operating departments must also be actively involved, particularly when it comes to helping establish the objectives for the program.
- Employees are more likely to accept and be satisfied with the performance appraisal program when they have the chance to participate in its development.

- **8 sources of appraisal:**
  1. **Manager/Supervisor Appraisal**
    - A performance appraisal done by an employee's manager and often reviewed by a manager one level higher.
  2. **Self Appraisal**
    - A performance appraisal done by the employee being evaluated, generally on an appraisal form completed by the employee prior to the performance interview.
    - Beneficial when managers seek to increase an employee's involvement in the review process.
    - This gets the employee thinking about his or her strengths and weaknesses and may lead to discussions about barriers to effective performance.
    - This approach works well when the manager and the employee jointly establish future performance goals or employee development plans.
    - Best for developmental purposes rather than for administrative decisions.
  3. **Subordinate Appraisal**
    - A performance appraisal of a superior by an employee, which is more appropriate for developmental than for administrative purposes.
    - Gives managers feedback on how their subordinates view them.
    - Performance dimensions judged most appropriate for subordinates to appraise include: leadership, oral communication, delegation of authority, coordination of team efforts, and interest in his/her subordinates.
    - Subordinate appraisals should be submitted anonymously and combined across several individual raters to avoid self-benefit of subordinates (ex. increase in compensation).
  4. **Peer Appraisal**
    - A performance appraisal done by fellow employees, generally on forms that are compiled into a single profile for use in the performance interview conducted by the employee's manager.
    - Furnishes more accurate and valid information than appraisals by superiors.
    - Provides a forum in which peers can address issues and resolve conflict.
    - **4 reasons why peer appraisals are not used:**
      - I. Peer ratings are simply a popularity contest.
      - II. Managers are reluctant to give up control over the appraisal process.
      - III. Those receiving low ratings might retaliate against their peers.
      - IV. Peers rely on stereotypes in ratings.
  5. **Team Appraisal**
    - A performance appraisal based on total quality management (TQM) concepts that recognize team accomplishment rather than individual performance.

- Helps break down barriers between individual employees and encourage a joint effort on their part.
- TQM is a control system that involves setting standards (based on customer requirements), measuring a firm's performance against those standards, and identifying opportunities for continuous improvement.

#### 6. **Customer Appraisal**

- A performance appraisal, like team appraisals, that is based on total quality management concepts and seeks evaluation from both external and internal customers.

#### 7/8. **Suppliers & Vendors Appraisal**

- By including the firm's business partners in the performance reviews, managers hope to produce more objective evaluations, more effective employees, more satisfied customers, and better business performance.

- **360-Degree Appraisal:** Feedback that provides employees with as accurate a view of their performance as possible by getting input from all angles, such as from supervisors, peers, subordinates, and customers.

- **5 safeguards to ensure maximum quality of 360-Degree Appraisal:**

##### 1. **Ensure anonymity**

- Ensure that no employee knows how any evaluation team member responded.

##### 2. **Make respondents accountable**

- Supervisors should discuss each evaluation team member's input, letting each member know whether he or she used the rating scales appropriately, whether his or her responses were reliable, and how other participants rated the employee.

##### 3. **Prevent "gaming" of the system**

- Supervisors should check for obviously invalid responses.

##### 4. **Use statistical procedures**

- Used weighted averages or other quantitative approaches to combining evaluations.

##### 5. **Identify and quantify biases**

- Check for prejudices or preferences related to age, gender, ethnicity, or other group factors.

**FIGURE 8.6**

**PROS AND CONS OF 360-DEGREE APPRAISAL**

**PROS**

- The system is more comprehensive in that responses are gathered from multiple perspectives.
- The quality of information is better. (The quality of respondents is more important than the quantity.)
- It complements TQM initiatives by emphasizing internal/ external customers and teams.
- It may lessen bias or prejudice because feedback comes from more people, not one individual.
- Feedback from peers and others may increase employee self-development.

**CONS**

- The system is complex in combining all the responses.
- Feedback can be intimidating and cause resentment if an employee feels the respondents have “ganged up.”
- There may be conflicting opinions, although they may all be accurate from the respective standpoints.
- The system requires training to work effectively.
- Employees may collude or “game” the system by giving invalid evaluations to one another.
- Appraisers may not be accountable if their evaluations are anonymous.

**OUTCOME FIVE: PERFORMANCE APPRAISAL METHODS**

○ **3 methods of performance appraisals:**

1. **Trait Methods**

- Designed to measure the extent to which an employee possesses certain characteristics – such as dependability, creativity, initiative, and leadership – that are viewed as important for the job and the organization in general.
- Tends to be vague and subjective.
- **4 types of trait approaches:**
  - I. **Graphic Rating Scales**
    - A trait approach to performance appraisal whereby each employee is rated according to a scale of characteristics.
  - II. **Mixed-Standard Scales**
    - A trait approach to performance appraisal similar to other scale methods but based on comparison with (better than, equal to, or worse than) a standard.
  - III. **Forced-Choice Method**
    - A trait approach to performance appraisal that requires the rater to choose from statements designed to distinguish between successful and unsuccessful performance.
  - IV. **Essay Method**
    - A trait approach to performance appraisal that requires the rater to compose a statement describing employee behaviour.

2. **Behavioural Methods**

- Developed to specifically describe which actions should (or should not) be exhibited on the job.
- Often used to provide employees with developmental feedback.

- **4 types of behavioural approaches:**
  - I. **Critical Incident**
    - An unusual event that denotes superior or inferior employee performance in some part of the job.
  - II. **Behavioural Checklist Method**
    - The rater checks the statements on a list that the rater believes are characteristic of the employee's performance or behaviour.
  - III. **Behaviourally Anchored Rating Scale (BARS)**
    - A behavioural approach to performance appraisal that consists of a series of vertical scales, one for each important dimension of job performance.
  - IV. **Behaviour Observation Scale (BOS)**
    - A behavioural approach to performance appraisal that measures the frequency of observed behaviour.
    - Scale can include: almost never, seldom. Sometimes, frequently, almost always.

### 3. **Results Methods**

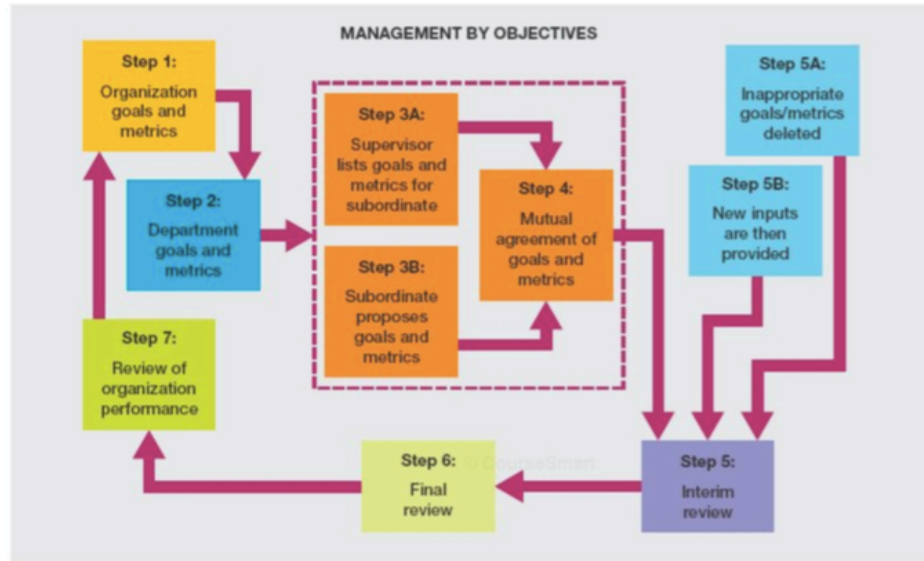
- Many organizations evaluate employee accomplishments – the results they achieve through their work.
- Results appraisals give employees responsibility for their outcomes while giving them discretion over the method the use to accomplish them.
- **3 types of results approaches:**
  - I. **Productivity Measures**
    - A number of results measures are available to evaluate performance.
    - Results appraisals can be contaminated by external factors that employees cannot influence – in this case, it is unfair to hold these employees accountable for results that are contaminated by circumstances beyond their control.
    - If the appraisal focuses on a narrow set of results criteria to the exclusion of other important process issues, the system may suffer from criterion deficiency and unintentionally foster the attitude that "what gets measured gets done."
    - Ex. Sales people are evaluated on the basis of their sales volume (both the number of units sold and the dollar amount in revenue).

## II. Management by Objectives (MBO)

- A philosophy of management that rates performance on the basis of employee achievement of goals set by mutual agreement of employee and manager.

FIGURE 8.7

PERFORMANCE APPRAISAL UNDER AN MBO PROGRAM



## III. Balanced Scorecard (BSC)

- Used to appraise individual employees, teams, business units, and the corporation itself.
- The appraisal takes into account 4 related categories: (1) financial, (2) customer, (3) processes, and (4) learning.

FIGURE 8.8

SUMMARY OF VARIOUS APPRAISAL METHODS

	Advantages	Disadvantages
<i>Trait methods</i>	<ol style="list-style-type: none"> <li>1. Are inexpensive to develop</li> <li>2. Use meaningful dimensions</li> <li>3. Are easy to use</li> </ol>	<ol style="list-style-type: none"> <li>1. Have high potential for rating errors</li> <li>2. Are not useful for employee counselling</li> <li>3. Are not useful for allocating rewards</li> <li>4. Are not useful for promotion decisions</li> </ol>
<i>Behavioural methods</i>	<ol style="list-style-type: none"> <li>1. Use specific performance dimensions</li> <li>2. Are acceptable to employees and superiors</li> <li>3. Are useful for providing feedback</li> <li>4. Are fair for reward and promotion decisions</li> </ol>	<ol style="list-style-type: none"> <li>1. Can be time consuming to develop /use</li> <li>2. Can be costly to develop</li> <li>3. Have some potential for rating error</li> </ol>
<i>Results methods</i>	<ol style="list-style-type: none"> <li>1. Have less subjectivity bias</li> <li>2. Are acceptable to employees and superiors</li> <li>3. Link individual performance to organizational performance</li> <li>4. Encourage mutual goal setting</li> <li>5. Are good for reward and promotion decisions</li> </ol>	<ol style="list-style-type: none"> <li>1. Are time consuming to develop/use</li> <li>2. May encourage a short-term perspective</li> <li>3. May use contaminated criteria</li> <li>4. May use deficient criteria</li> </ol>

## **OUTCOME SIX: APPRAISAL INTERVIEWS**

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- The appraisal interview gives a manager the opportunity to discuss a subordinate's performance record and to explore areas of possible improvement and growth.
- Managers should not assume that only one type of appraisal interview is appropriate for every review session. Rather, they should be able to use one or more of the interview types, depending on the topic being discussed or on the behaviour of the employee being appraised.
- **2 divisions of an appraisal interview:**
  1. Performance review
  2. Discussion of growth plans
- **3 types of appraisal interviews:**
  1. **Tell-and-Sell Interview**
    - Interviewer must be able to persuade an employee to change in a prescribed manner.
    - This may require the development of new behaviours on the part of the employee and skilful use of motivational incentives on the part of the appraiser or supervisor.
  2. **Tell-and-Listen Interview**
    - Interviewer must be able to communicate the strong and weak points of an employee's job performance during the first part of the interview.
    - During the second part of the interview, the employee's feelings about the appraisal are thoroughly explored.
  3. **Problem-Solving Interview**
    - Listening, accepting, and responding to feelings are essential elements of the problem-solving interview.
    - It seeks to stimulate growth and development in the employee by discussing the problems, needs, and on-the-job satisfactions and dissatisfactions.
- **7 guidelines to conducting an appraisal interview:**
  1. **Ask for a self-assessment**
    - Ensures that the employee knows against what criteria he or she is being evaluated, thus eliminating any potential surprises.
  2. **Invite participation**
    - To the extent that an employee is an active participant in the discussion, the more likely it is that the root causes and obstacles to performance will be uncovered and the more likely it is that constructive ideas for improvement will be raised.
  3. **Express appreciation**
    - It is frequently beneficial to start the appraisal interview by expressing appreciation for what the employee has done well.

4. **Minimize criticism**
  - If an employee has many areas in need of improvement, managers should focus on those few objective issues that are most problematic or most important to the job.
  - **5 tips for constructive criticism:**
    - I. Consider whether it is necessary.
    - II. Consider the person.
    - III. Be specific and do not exaggerate.
    - IV. Watch your timing.
    - V. Make improvement your goals.
5. **Change the behaviour, not the person**
  - Avoid making suggestions to employees about personal traits to change; instead, suggest more acceptable ways of performing.
6. **Focus on solving problems**
  - Solving problems requires an analysis of the causes, but, ultimately, the appraisal interview should be directed at devising a solution to the problem.
7. **Be supportive**
  - By being open and supportive, the manager conveys to the employee that he or she will try to eliminate roadblocks and will work with the employee to achieve a higher standard of performance.
8. **Establish goals**
  - It is important to focus the interviewee's attention on the future rather than the past.
  - Emphasize on strengths that employee can build, and not their weaknesses.
  - Concentrate on opportunities for growth that exist within the framework of the employee's present position.
  - Establish specific action plans that spell out how each goal will be achieved.
  - End the review on a positive note by highlighting how both the employee and the firm will excel if the goals are achieved.
9. **Follow up day-to-day**
  - Feedback is most useful when it is immediate and specific to a particular situation.
  - Having informal talks periodically, perhaps quarterly, to follow up on the issues raised in the appraisal interview is important.



# HRM

## HIGHLIGHTS IN HRM 8.1

### Supervisor's Checklist for the Performance Appraisal

#### Scheduling

1. Schedule the review and notify the employee 10 days to 2 weeks in advance.
2. Ask the employee to prepare for the session by reviewing his or her performance, job objectives, and development goals.
3. Clearly state that this will be the formal annual performance appraisal.

#### Preparing for the Review

1. Review the performance documentation collected throughout the year. Concentrate on work patterns that have developed.
2. Be prepared to give specific examples of above- or below-average performance.
3. When performance falls short of expectations, determine what changes need to be made. If performance

meets or exceeds expectations, plan to discuss this and how to reinforce it.

4. After the appraisal is written, set it aside for a few days and then review it again.
5. Follow whatever steps are required by your organization's performance appraisal system.

#### Conducting the Review

1. Select a location that is comfortable and free of distractions. The location should encourage a frank and candid conversation.
2. Discuss each topic in the appraisal one at a time, considering both strengths and shortcomings.
3. Be specific and descriptive, not general and judgmental. Report occurrences rather than evaluating them.
4. Discuss your differences and resolve them. Solicit agreement with the evaluation.
5. Jointly discuss and design plans for taking corrective action for growth and development.
6. Maintain a professional and supportive approach to the appraisal discussion.