

# **Performance Management: It's Not About the Review**

By:

Judy Clark  
HR Answers, Inc.

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**Judy Clark**  
HR Answers, Inc.  
Tualatin, OR

Judy Clark is founder and President of HR Answers, Inc., the largest independently owned human resources consulting firm in the Pacific Northwest. As a consultant, Judy has worked with hundreds of organizations over the past 25 years to maximize their success through the management of their human resources. She conducts training sessions and workshops on a wide variety of topics related to human resources, management, and business, and is in demand as a presenter at local, regional, and national conferences. Judy is a regular contributor of articles for the *Portland Business Journal*, is frequently relied upon by the broadcast media for expert opinion on a variety of HR topics, and is often asked to serve as an expert witness on HR-related litigation. She is adjunct faculty at both Portland State University and the University of Washington, teaching Compensation; Advanced Compensation; Staffing; and Communication, Counseling and Conflict Resolution, and she was instrumental in the development of the HR certificate program at PSU, as well as co-developer of its Student Internship Program for Business and Human Resource students. She is also contributing faculty for the Atkinson Graduate School of Management at Willamette University. Judy served six years on the SHRM Board of Directors and currently serves on the SHRM Foundation Board. She is also active in community and civic affairs.



**2011 Mid-Year Conference**  
**Performance Management:**  
**It is NOT Just About the Review!**

**Presented by: Judy Clark, SPHR**  
**HR Answers, Inc.**  
**[www.hranswers.com](http://www.hranswers.com)**

**Typical Performance Evaluation Opinion**

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**“The process no one likes, everyone does  
late, with words that satisfy no one,  
frequently done at the last minute on a  
form no one thinks is adequate or  
effective.”**

## Performance Management

- Identifies, communicates, and connects employee contribution to the organizational goals or business strategies.
- Establishes employee performance targets.
- Structures workplace activities, resources, and priorities so that employees can meet those targets.



## Performance Management Starts Day One

- Identify how performance will be assessed – share the form that will be used.
- Ask about how performance has been evaluated in the past – correct/advise of differences.
- Talk generally about successful and unsuccessful employees.
- Set expectations – short and long term.



## Performance Management Reinforcement

- Clear delegation
- Explanation of desired results
- Coaching based on challenges
- Praise for work done well



## Why Performance Evaluation Systems Alone Don't Work

- Reviews are only activity – there is no Performance Management!!
- Emphasis is on the form, not the goal.
- No validation regarding the performance evaluation system meeting its goals.
- Evaluators fail to tell the truth:
  - To give bigger increases
  - Intimidated by employee
  - Standards are not set
  - Don't want to admit hiring mistake/failure to train
  - Personal bias



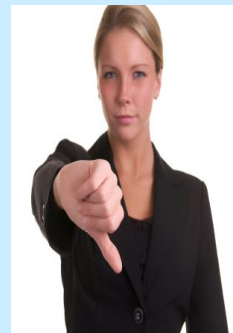
## Why Systems Don't Work (cont.)

- Evaluators fail to tell the *truth* (cont'd)
  - Words have different meanings to different people
  - Influence of previous appraisals
  - Don't know job being evaluated
  - Halo/horn effect
  - System set up to prohibit authentic reviews.
- Employees perceive them as unfair.
- Poorly communicated.



## Why Systems Don't Work (cont.)

- Review comments are too general.
- Rating inconsistent with salary increase.
- Negative issues are avoided.
- Evaluator didn't know employee's work.
- Only recent performance considered.
- Surprises!



**All these issues occur if the review is not part of a larger system that focuses on employee performance as the way an organization achieves its business objectives!**

**And there's more...**

**If Supervisors and Managers are not trained regarding the management of employee performance; if each one of them operates independently of one another, then there are rater errors to contend with....**

## Rater Errors to Avoid

- The Halo/Horn Effect
- Recency Error
- Rater Bias
- Contrast/Comparison
- “Do it like me”
- Leniency/Tight Ratings



## Employee Perspective



- Do I know what I'm supposed to do?
- Do I get good feedback on a regular basis?
- Does my appraisal reflect my whole job throughout the review period?



## **Employee Perspective (cont.)**

- **Did my supervisor/manager help me be successful?**
- **Am I encouraged to grow and develop, even if that means I make mistakes?**
- **Can I talk openly with my supervisor/manager about performance concerns?**

## **Keys to Improving Performance**

1. **Create a line of sight.**
2. **Provide feedback on an on-going basis.**
3. **If there's a problem, set up a meeting with the employee to discuss the issue.**
4. **Stay positive and friendly, actively seeking and listening to employee's ideas.**
5. **Agree on the specific actions that each of you will take.**

## Keys (cont.)

6. Tell “what” – let qualified employees determine “how.”
7. Work together to improve performance.
8. Focus on the future.



## Measures & Metrics Make Sense

- What are the desired outcomes?
- How will you know if competent performance has been achieved?
- Why was the job created? Is performance fulfilling that goal?
- What indicators exist that give you a sense of performance?



## Important Reminders....



## Possible Performance Evaluation Handbook Language

- The formal process in which a supervisor/manager and employee review and discuss past and present performance and plan for future performance. The evaluation should reflect the on-going conversations that have been held and comment on the contribution the employee was intended to and did make to the organization's operations and success.
- A well-done review is both retrospective and prospective, contains no surprises, and is done with mutual respect and understanding. It is timely, fair, objective, job-based, provides compliments for work done well, and focuses on improving performance as needed.

## Consider the concept of a Performance Partnership...

Each party, employee and supervisor, play a part in achieving desired outcomes. Without both of them playing the required roles, performance suffers.



## Defining Excellence

It is important to determine what an “A” looks like. If employees don’t know what “excellence” looks like, they can’t work toward achieving it.

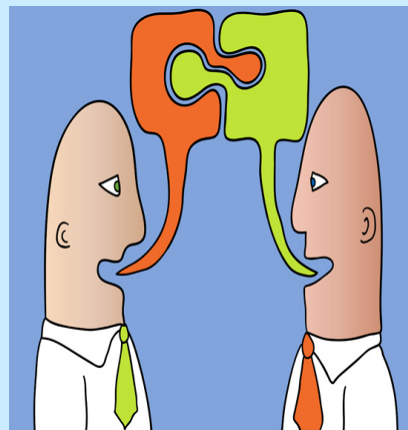
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## Ensuring On-Going Process

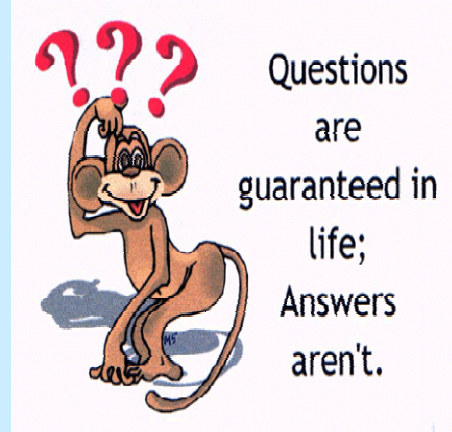
- Meet with each employee periodically to review progress and changing goals.
- Ask the employee to schedule time.
- Acknowledge good performance immediately.



**There is no such thing as a “perfect form.” There is, and should be, effective conversations.**



## Questions & Discussion



## Thank you!

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**HR Answers, Inc....Whatever the question!**