



Win-Win Performance Evaluations

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Most companies approach employee performance evaluations in a “too little, too late” fashion. The result is usually hurt feelings, anger, and increased frustration for manager and employee. Performance evaluations should be driven by the company’s vision, the department’s objectives to meet that vision, the employee’s goals to meet the department goals and the employee’s personal career aspirations. Every minute of planning prior to, and during, an evaluation should accomplish one thing; lead both the manager and employee closer to improved individual and organizational success. Here are six steps that will improve the performance evaluation process, and subsequently the communication and trust between the two people engaged in the process, eventually helping each other and their department and organization succeed on multiple levels.

1. **Clarify the results and expectations of the job:** These should be in the form of the desired output e.g., the desired end result. Example, what are your next steps toward further decreasing the number of missed orders in your department? How may I help you achieve this organizational goal? Versus the suggested input. e.g., this is what we want you to do.
2. **Gain agreement with the employee:** Individual goals should be discussed together, seen as realistic and attainable; not orders handed down from above. The former will create buy-in and cohesion where the latter will create defensiveness and a division between employees and management. Example, last quarter we lowered our dropped orders to 9%. What might you do differently this quarter to achieve your target of 6% dropped orders? Again, what might you need from me or others to assist you in achieving this department and organizational goal?
3. **Agree to goals in writing:** This will create a baseline in case individuals or conditions change and it makes the goal a motivational piece. Often people will place these goals in prominent places around the organization for people to aspire to and be proud of.
4. **Agree on a measuring and grading scale:** You may create your own scale or rely on an existing tool, but agreement on and commitment to a precise method is vital. Example, **Meets Expectations:** Our target was to reduce missed orders from 9% to 5%. We hit our 5% mark; **Exceeds Expectations:** Our target was to reduce missed orders from 9% to 5%. We reduced missed orders to 3.5% over last quarter.
5. **Provide feedback at least monthly:** Address successes or deficiencies quickly. This takes the focus of evaluation off the annual monetary (bonus or no bonus) issues and places it squarely where it needs to be—on daily, weekly and monthly performance.

6. **Document progress or lack thereof:** Document your comments and findings and share with the employee so there is an on-going record of progress toward achievement. Make your performance evaluations payoff by working with your employees toward individual and organizational success.

Thoughtful well planned performance evaluations are an integral part of every successful company for the following reasons:

- They demand that standards be created to identify organizational, department and the performer's role in meeting those.
- The performer has an opportunity to contribute to the expectations that determine his or her own standards of performance.
- The manager and subordinate can objectively discuss progress at any time, informally and formally, and make "mid-course" corrections.
- The performer has the ability to be self-directive, and not depend on the manager for daily direction and feedback.
- The organization has the ability to assess performance and make intelligent selection decisions about promotions, transfers, or termination.

Well planned, more frequent, performance evaluations can elevate moral, productivity and profits.

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