

Document, Document, Document!

How many times have you asked a manager or been asked by human resources or legal counsel for documentation when it comes to issuing corrective action or terminating an employee? Is it better to have none or some? Well, that depends upon the quality of your documentation. If your forms, notes, and performance appraisals are not accurate, then they can become weapons that can be used against you. Too often it is the case that a manager wants to terminate an employee for unsatisfactory work performance and a recent performance appraisal indicates the employee's performance meets or even exceeds expectations. Or there is at least no documentation indicating there are any performance issues. Why? Sometimes it may seem easier to soft sell a performance appraisal and avoid the time and potential conflict of setting expectations and quantifying what aspects of performance are unsatisfactory. Other times it just seems like a hassle to find the time to sit down and document an employee's unsatisfactory work performance. What you document, and where and how you document, can vary, but doing so can be critical to supporting your business justification for taking adverse employment action; e.g., firing, not promoting, or issuing corrective action to an employee. Without good documentation, it may be hard to show that your reasons were business related and not based upon the employee's membership in a protected class. Here are a few tips.

What

Hopefully you are in your particular job because you have a passion or at least a preference for what you do. Whether you own or manage an auto body shop, lawn care service, or property management firm, or are in the academic, health care/human services, technology, or any other business or industry, it is hopefully because you have a particular interest in that line of work. What you likely did not anticipate (except for those of you reading this who are HR professionals) is managing all the myriad issues that come with managing employment relationships.

The good news is that you are not expected to document every conversation that you have with every employee. You should document by exception. Document the exceptionally good and the exceptional not-so-good events, activities, and behaviors. If you go to work tomorrow and everything pretty much goes as expected, you would likely document very little or nothing with regard to employment activities. If you go to work tomorrow, however, and overhear an employee make a rude or derogatory comment, you might document that. In this case, it may not need to be formal, perhaps just a note to the file (not the HR file but to a “working file” you might maintain on your employees) or in your calendar of events. And don’t forget the positive, too! When we talk about documenting performance it seems it is so often focusing on ensuring we have back-up for an upcoming, unsatisfactory performance appraisal, decision to not promote, termination, or other adverse employment action. Give the same dedication and attention to excellent performance. When you receive a customer or client compliment, jot a note, make a copy, or put a special notation in the employee’s file and share it with the employee. We can all use a pat on the back every now and then.

Where

Documentation does not have to be formal. As described above, it can be a casual note that is placed in a manager’s “working” file that is kept in the manager’s desk and not in the employee’s HR or personnel file. On the other hand, documents such as corrective or disciplinary action notices, performance appraisals, or letters of commendation are usually placed in

the employee file. These become a part of the regular employment record and the employee may have access to these records, in accordance with your state law and/or company policy. Some states require that an employee be permitted access to these records at certain times and under certain circumstances. Check with your legal counsel, because how you maintain and use certain documents can determine whether they can be “discovered” in anticipation of litigation.

When

I find a common question is, “When do I move from documenting in my ‘working’ or informal file to issuing corrective action that will go into the employee’s HR or personnel file?” Documentation should be a constant and regular practice. When you move from this type of informal documentation to the formal notice of corrective action may be dependent upon many factors, including the severity or frequency of the behavior, prior coaching or counseling, the employee’s intent, and more. For example, if an employee intentionally punches a coworker, you may take formal corrective action immediately such as suspending the employee pending the outcome of your investigation. On the other hand, if an employee is late one or two mornings, you may be more likely to mention it to the employee but wait until a third, or fourth lateness in a particular period of time before issuing any formal corrective action. If two employees make the same procedural error, you might also decide to issue corrective action to one and not the other because you have already coached the former on the procedure on one or two prior occasions and this is the latter employee’s first procedural error. Each instance should be assessed on a case-by-case basis to determine the most appropriate action.

The performance appraisal is an area that frequently lacks consistency. Many companies have a policy that reads that performance appraisals (or evaluations or reviews) will be conducted annually. Be sure that is defined. Does that mean the appraisal will be conducted on or about the same date every year for all employees, such as January 1? Or does that mean appraisals will be conducted on each employee’s anniversary date determined by the employee’s date of hire? If the employee transfers to another job

or is promoted or demoted, does that establish a new anniversary date? You may set any date you like. Once that date is set, however, be sure the appraisals are completed in a timely fashion, particularly if your policy reads that they “will” happen rather than they “generally will” or “may” happen annually. Delaying or skipping appraisals may give the appearance of adverse treatment if one employee has not had an evaluation in the last two years while others have regularly received annual performance appraisals. Or imagine you want to issue corrective action or terminate employment of the employee described above because his performance is now unsatisfactory. If the employee was not given an appraisal and feedback that could have been helpful in enhancing his performance, the question may be raised as to why you violated your own policy in not issuing a timely performance appraisal. That question can be exacerbated if the employee in question claims a difference in treatment based on his membership in a protected class.

How

Objective rather than subjective documentation is another key. Let’s say you have an administrative assistant who is making many errors. Telephone numbers in messages are transposed, records are misfiled, and typed memos are fraught with typographical or grammatical errors. An example of subjective documentation might be to write, “Your error rate is too high.” Does that statement set the expectation? Does it tell the employee what the error rate should be? Where it is now? What is too high? You should also ensure the error rate is higher than the error rate of other employees in the same job classification or same department who have not received comparable coaching or counseling.

What is the standard or acceptable error rate? Objective documentation quantifies the behavior being described. An example of objective documentation might be to write, “You are averaging 40 words per minute while the departmental average for administrative assistants is 55 words per minute.” The same challenges and examples are often found when reviewing documentation related to attendance and punctuality. An employee is described as being “excessively” late or absent. But the reader

has no idea what that means. Is the employee late an average of once per week or per month? Quantify, quantify, quantify. Soft skills like providing quality customer service can be a bit more difficult to quantify but you can attach measurable standards to them as well. How do you objectively document an employee's poor customer service skills? Perhaps you measure customer service by the number of customer complaints. So instead of telling an employee, "You need to improve your customer service skills," which is subjective and for which the employee may have no idea what you expect, you might say, "I expect to receive zero complaints regarding your customer service skills over the next 30 days."

Also be sure that you have communicated the expectation to the employee in advance. Do not wait until the employee has failed to meet your expectations to then tell the employee what that expectation is. Be proactive. Make it a part of your departmental orientation process to tell employees your departmental as well as job-specific expectations (see Chapter 8). A departmental orientation could include not just an orientation to the employee's particular job and related duties but to your departmental expectations including but not limited to things like dress code, telephone use, attendance, and punctuality standards.

Why

Sometimes we wonder, "Why do I have to go through all this? Shouldn't an employee know what kind of attire is unprofessional and that he should come to work every day and on time?" While some may think the answer is "Yes," work environments vary much more today than they did 20 years ago. Dress codes, for example, range from professional to business casual to casual, and how employers define each of those also varies. The definition of proper workplace attire can vary dramatically from industry to industry, as well as between companies within the same industry. With the advent of flexible work schedules and work locations including telecommuting, the lines have blurred with regard to "attending" work in the office as compared to attending from home. Even methods of communicating have varied. I had a conversation with a manager who was frustrated because she felt the employee was not only absent and late frequently but

the employee would send a text message to the manager instead of calling the manager by telephone directly. I understood *what* was frustrating her so we talked about *why* that frustrated her. The manager felt texting was disrespectful; she wanted to be called by telephone. We then focused on the business need that was not being met. The manager admitted the texts were timely and in advance of any absence or lateness. So there was no adverse impact to business operations by receiving a text instead of a phone call. It was just this manager's personal preference to receive a phone call. We then went to our elements of just cause and found our answer in the first one: forewarning. The manager acknowledged that she had never set an express expectation that employees notify her of an absence or lateness by telephone rather than by text. The manager acknowledged that text messaging may seem quite acceptable to some but it was not to her. Lesson learned? Don't assume, be clear, and let your employees know in advance what is expected of them.

Making the Most of Performance Appraisals

There are a variety of terms used for the strategies employers use to provide feedback to employees regarding their performance. The term "performance appraisal" is often used interchangeably with "performance evaluation" and "performance review." For our purposes, we will consider these terms to refer to the same process: a periodic assessment of one or more aspects of an employee's work performance that is documented in writing, by one or more persons, including the employee's immediate supervisor, and is shared with the employee orally or in writing.

Performance Management versus Performance Development

These terms are broader than performance appraisal. Performance management may refer to a broad, umbrella term used to describe an entire array of activities in which an employer may engage to maintain employees' work performance at a desired level and quality. This may include orientation, coaching, counseling, correcting, appraising, training, and more.

Performance development is one aspect of performance management by which the employer may provide sources for growing, advancing, and/or

enhancing individual or team knowledge, skills, or abilities. This is often a part of succession planning, mentoring, and job shadowing programs.

For purposes of this book, we will consider performance appraisals to be tools by which an employer attempts to manage rather than develop employee performance.

To Pay or Not to Pay — For Performance

Extensive research has been conducted to assess the pros and cons of associating pay with performance. I find the results mixed. But more recently with increasing frequency I find research and studies finding more problems than benefits.

Some suggest incentive based pay can be detrimental.¹ Some suggest doing away with performance appraisals altogether.² Some suggest the results are not reaping the benefits sought or the programs are not really tied to performance although they may be tagged with the name “merit”- or “performance”-based pay. For example, a survey conducted by Willis Towers Watson found among other things that only 20 percent of survey respondents found merit pay to be effective at driving higher levels of individual performance at their organization and 71 percent use local market data to establish their merit-based budget, a practice that looks more like a cost-of-living adjustment (COLA).³ SHRM has gathered a variety of articles, resources, and tools employers may consider before implementing a new or modifying an existing process.⁴ If you decide to implement a new or update an existing performance appraisal or review process the following are some components to take into consideration.

Who

There is a wide variety of performance appraisal processes from which to choose. Who participates is just one factor that varies among some of these. There are at least two components to this question: Who will participate as a rater, appraiser, or evaluator, and who will participate as the person being rated? Let us consider the former first.

Most everyone is familiar with the traditional appraisal process by which an employee’s manager or supervisor gives the employee a written

performance appraisal. In this process the employee tends to be fairly passive, receiving the feedback, commenting, but usually without any formal documentation being required as a part of the process.

The next step may be to add a self-appraisal component. This often provides the employee with a form (hard copy or electronic) that is nearly identical to the form the manager completes and by which the employee can appraise his own performance using the same factors and the same rating scale as the manager. The two then meet, compare their responses, and hopefully engage in an interactive dialogue comparing and contrasting their respective responses. The manager retains the final say as to what actual ratings the employee receives but the self-appraisal can become a part of the official record and may be placed in the employee's HR file along with the manager's appraisal of the employee. This process more actively engages the employee and can help the manager better understand the employee's perception of the employee's own performance.

Peer reviews may be used less frequently. When they are used, I find more often than not that they are used in particular industries such as health care or human services or firms that regularly work in a collaborative environment like those in the design and marketing fields. In this process, not only does the employee's manager complete an appraisal of the employee's performance but so do some or all of the employee's peers, colleagues, or team members. The results may be shared in a peer review meeting, or individual results may be compiled into an average composite and shared with the employee in a one-on-one meeting with the employee's manager.

The most inclusive process may be the 360-degree appraisal process by which the employee's performance is appraised by the employee, the manager, the employee's peers, and the employee's direct reports (if any). Sometimes clients or customers are included in this process as well. The results are generally computerized or compiled into a composite result that compares overall ratings from each group with the overall ratings of the other groups. This gives the employee insight as to how his self-perception of his performance compares to that of his manager, peers, direct reports, and/or clients and customers. More often than not, this

process is not tied to compensation but is used as a performance development tool.

But who in your organization will be appraised using your company's tool and process? Everyone? Staff only? Staff and managers? Executives? And how will the results be practically used? For example, how do you ensure managers attached the same meaning to each of the ratings available to them? (See the discussion of ratings in "How" below). Calibration is a process by which the organization engages at least some portion of its workforce in interactive discussions to ensure consistency in the meaning of performance ratings. For example, when two managers from different departments rate two different employees a "4 – Above Average" on a particular duty or responsibility they mean the same thing and the respective performance levels are comparable.⁵ In a 2013 Global Performance Management Assessment Survey published by Mercer, 54 percent of the respondents indicated they use calibration with all employees; 11 percent use it with managers and above; 10 percent with executives only; 6 percent with directors and above; and 20 percent did not use calibration.⁶ So it seems, like so many HR and employment practices, there is no "right" answer. Work backwards (like this book). Ask yourself what *your* company's goals are in using the performance appraisal process; why are you doing it? The answer to that question will likely be a good first step in determining who should or should not be included in the process.

What

What factors or behaviors should be appraised or evaluated? The answer to this question may again be best provided by the organization. Getting feedback from focus groups that include executive team members, middle and front-line managers, as well as staff, is one strategy. This can be proactive and helpful in capturing the common and key factors and behaviors that your organization thinks are critical to successful performance, both individual and operational. For example, in a marketing firm, creativity may be highly valued and an important component of every employee's job as the business strives to create new and appealing ads for its clients. In manufacturing, however, where quality control requires zero deviation by

employees working on the assembly line, creativity may not be desired and might actually be a hindrance to satisfactory work performance.

Another strategy is to develop a performance appraisal template. The core template can include sections for behaviors common to and expected of all employees, such as attendance, punctuality, work performance (what you do), and conduct (how you go about doing it). Depending upon the industry, you might add a section for safety as well. But the section related to work performance, which includes the employee's duties and responsibilities, may be different for each job title and mirrors the essential functions for any particular job.

No matter what strategy you use, it will be important to focus on what is important to your company's successful performance and develop corresponding behavioral and objective measures for that performance. For example, rather than rating an administrative assistant as to how well the employee "Completes projects in a timely manner," rate the employee using objective measures such as "Completes projects as scheduled at least 90 percent of the time." Another option is to keep the question as is and use a rating scale that quantifies the performance. See the next section on "How" for an example.

Finally, you can develop the very best tool, but if there is no accountability built into your process, it is less likely to succeed. Are your managers held accountable for not just completing performance appraisals for each of their employees but for completing them in a timely manner? If so, how? You could do so, for example, by including timely completion of performance appraisals as a behavior to be rated on each appraisal form that is to be used to appraise managers' performance. Example: "Completes 100 percent of the assigned performance appraisals in a timely manner (within 30 days of the due date) in the last year."

How

I have mentioned "rating" several times throughout this section. But what does that mean? Performance can be appraised using a numerical scale, narrative format, or a combination of the two. The latter seems to be a common market practice. Managers may rate employee performance on a scale

of 1 to 4, 1 to 5, or some other range. But which scale should you use and what does each represent? Even-numbered scales, like 1 to 4 or 1 to 10, are forced-choice scales; the rater is forced to rate the individual slightly above or slightly below the mid-point or “average.” There is no middle-of-the-road. Some prefer this scale because it avoids the error of central tendency (read on; it’s coming up under the section on Rating Errors and Rating Biases). Others dislike it because it cannot accurately reflect the performance of an employee who is truly performing at just a satisfactory level and meeting expectations. Thus, the latter may prefer to use an odd-numbered scale such as 1 to 5 that does provide a mid-point and reflects performance that is satisfactory and meets all expectations, not slightly above or below that middle level. Opponents of this methodology are concerned this may lead to the error of central tendency in which the manager might take the easy route and just mark everyone right down the middle of the scale, giving little thought to the process.

Once you have selected the areas of performance to be appraised (what) and the scale to be used (how), you might next consider whether or not the performance areas will be weighted equally. For example, let’s say you rate performance in the four areas:

1. Attendance/punctuality.
2. Conduct/attitude.
3. Performance of job duties.
4. Safety.

A manufacturing company might weight safety slightly higher than conduct/attitude so that it accounts for 30 percent of an employee’s overall rating, conduct/attitude account for 20 percent, and the other two areas account for 25 percent each.

As for including a narrative portion of feedback exclusively or in combination with a numerical scale, ensure participants, particularly managers are trained in writing objectively rather than subjectively. As described earlier in this chapter, for example, if a manager writes, “Christine’s productivity is below average,” do we really know at what level the employee is performing or where she should be? And based on what average, departmental? By job?

Organizationally? A clearer appraisal might read, “Christine’s average weekly productivity is 100 calls per week; that is the lowest in the department and 20 percent below the departmental average of 125 calls per week.” Also consider including as a part of your performance appraisal process a step that includes an opportunity for review, such as by human resources, before the final appraisal is placed in the employee’s file. This can provide one more perspective to help ensure goals and comments are written objectively and rating errors or rating biases are avoided.

Types of Appraisals

Before implementing or updating your appraisal process, research it. See what others in your industry are doing.

360/Multi-Rater

This involves a process by which information is collected from the employee’s supervisor, colleagues, and subordinates about an individual’s work-related behavior and its impact. Other names for this approach include multi-rater feedback, multi-source feedback, or group review. This form of appraisal is widely favored for employee development purposes.

Behaviorally Anchored Rating Systems

The behaviorally anchored rating systems (BARS) process attempts to assess employee behavior rather than specific characteristics. The appraisal tool generally contains a set of specific behaviors that represent gradations of performance and are used as common reference points, called “anchors,” for rating employees on various job dimensions. Developing a BARS assessment tool is time-consuming and can be expensive because it is based on extensive job analysis and the collection of critical incidents for each specific job.

Competency-Based

This type of a system focuses on performance as measured against specified competencies (knowledge, skills, and abilities or KSAs) as opposed to specific tasks or behaviors that are identified for each position.

Forced Distribution

In this process the ratings of employees in a particular group are disbursed along a bell-shaped curve, with the supervisor allocating a certain percentage of the ratings within the group to each performance level on the scale. The actual distribution of employee performance may not actually resemble a bell curve, so supervisors may be forced to include some employees at either end of the scale when they would otherwise place them somewhere in the middle.

Graphic Rating Scales

Because of its simplicity, graphic rating scales (GRS) tends to be one of the most frequently used forms of performance appraisal. These appraisals list a number of factors, including general behaviors and characteristics (e.g., attendance, dependability, quality of work, quantity of work, and relationships with people) on which a supervisor rates an employee. The rating is usually based on a scale of three to five gradations (e.g., unsatisfactory, marginal, satisfactory, highly satisfactory, and outstanding). This type of system allows the rater to determine the performance of an employee along a continuum.

Management by Objectives

Management by objectives (MBO) is a process through which goals are set collaboratively for the organization as a whole, various departments, and each individual member. Employees are evaluated annually based on how well they have achieved the results specified by the goals. MBO is particularly applicable to non-routine jobs, such as those of managers, project leaders, and individual contributors.

Peer Review

This process is less comprehensive than but similar to the 360 assessment process. It involves collecting information from the employee's peers only about an individual's work-related behavior and its impact. Like the 360, this form of appraisal may be used for employee development purposes.

Ranking

This process consists of listing all employees in a designated group from highest to lowest in order of performance. The primary drawback is that quantifying the differences in individual performance is difficult and may involve drawing very narrow — if not meaningless — distinctions. It may also skew results where an entire team is low-performing but, by definition, must rank someone as a top performer of the group.

There are many options, and learning more about each will help you make the best decision as to the right “fit” for your organization.

A final note on “how” would be about training. So often employees or managers are given a blank appraisal form and told to complete it. It seems pretty straightforward, right? You will recall that I mentioned using feedback from focus groups to develop your appraisal tool, including feedback from staff. You may find there are many components of the performance appraisal process of which your staff and managers are not aware or do not understand: “How does the appraisal affect my pay?” “What if I don’t agree, can I put something in my HR file?” “What if I don’t get my annual appraisal?” “What if my employee won’t complete the self-appraisal form?”

One of my (several) memorable lessons from when I was in HR administration was with an employee who had received her first performance appraisal at the end of her introductory period). She received a low rating for attendance and punctuality. One of her complaints was, “If I had known attendance and punctuality were weighted so heavily I wouldn’t have been late so much!” While that recollection makes me smile to this day, and I still think it was not a very good excuse for excessive lateness, it was a teachable moment for us as the employer. We failed to set the expectation for that employee from day one. (Of course now I must refer you to Chapter 3.) From that point on we included a blank copy of our performance appraisal in the new hire packet and incorporated a brief overview of the performance appraisal process in our new employee orientation program (see Chapter 8).

And don’t forget your managers. Train them with the same core information you provide to employees. Help prepare them for likely employee responses, such as managing emotional reactions (see Chapter 3); what

your company's process is for rebuttals (*can* an employee put a written response in his HR file or file a grievance?); information on common rating errors and biases so they can avoid them by being aware of them (see next section); and more.

Rating Errors and Rating Biases

Search the employment headlines and it is not hard to find a reference to performance appraisals being used by the plaintiff as evidence of discrimination. Not because the employee received a poor rating, just the opposite. The employee received an exemplary rating and shortly thereafter was terminated for unsatisfactory work performance.

All too often, it may seem easier to go ahead and give an employee a satisfactory rating on a performance appraisal rather than managing the potential conflict and emotional reactions that can come with telling an employee that his performance is not meeting expectations. Instead, be candid, and be objective. The following are some common rating errors or biases that you should keep in mind and avoid when completing performance appraisals.

Halo Effect

This results when we unintentionally permit an employee's competency in one area to overshadow incompetency in other areas. I see this happen more often than not in technical or sales positions. You may have heard of the "Peter Principle" developed by Dr. Laurence J. Peter and Raymond Hull in their classic book, *The Peter Principle*, which maintains that employees tend to rise to their level of incompetence.⁷ How? Employers promote them to that level. Why? Sometimes we want to reward a top performer, such as an employee who is technically savvy or makes a lot of sales or brings in lots of new clients. So we promote the person to a team leader, supervisor, manager, and/or director. In that process we may not have given sufficient thought to the person's management skills (or lack thereof). Next thing you know, the person is no longer performing any of the technical, sales or business development work at which he was so good. Now he is managing people with no clue as to how to do so efficiently.

Horns Effect

This is essentially the opposite of the halo effect. When an employee is particularly poorly skilled in one area and we let that overshadow his competencies in other areas. It may also describe a manager who has a personal dislike or animus against an employee, thus the manager is the one wearing the horns and gives the employee inaccurate and poor performance ratings based on his personal dislike rather than realistic appraisal of the employee's performance.

Primacy Effect

This is the tendency to let the first impression overshadow other, subsequent behavior. Have you ever had a star employee and then wondered what happened the day after the introductory or probationary period was over? The person shined and then as soon as he felt he was "in" the sheen began to dull. Sometimes we become so enamored with our new star employee that we fail to see the slow decline in performance and continue to see the employee as he was in that honeymoon stage of the employment relationship. You can avoid this by making periodic reviews of work performance and focusing on quality, quantity, attendance, punctuality, etc. Checking these for all your employees on at least a quarterly basis can help you proactively monitor performance and prevent the company and coworkers from being burdened with an individual who is no longer carrying his share of the workload.

Error of Central Tendency

This occurs when we rate all employees within a narrow range regardless of differences in individual performance. This may be the result of an attempt to avoid conflict. Rather than taking the time to distinguish the high from the low performers a manager may simply rate all employees as satisfactory. It may be faster and easier in the short run but not when you need an accurate performance appraisal to substantiate your need to terminate an employee for poor performance; having an unrealistic, satisfactory appraisal can work against you. This rating error more frequently occurs when using odd-numbered rating scales such as 1 to 5.

Recency Effect

Opposite of the primacy effect, this is the tendency to let the last event overshadow prior behaviors. Sometimes this is the case when a very recent event, positive or negative, has occurred and is overshadowing your recollection of the employee's prior performance. Something recently went very awry and is wiping out your recollection of all the good work the employee has done over the last year. Or the employee just did a great job such as inventing a new process that will reduce costs and generate revenue for the company and you are discounting his lack of performance over the last year. Again, this is where your informal documentation can help you recall the quality of work and related issues that have arisen over time.

Leniency Error

This error occurs when we rate all employees favorably to avoid giving low marks. This error may have the greatest potential to fiscally impact your budget. This may happen, not so much to avoid conflict, but when a manager feels everyone is trying to do his best despite the fact that productivity, quality, or other factors are not being met. When creating your labor budget for the upcoming fiscal year, you generally project wage increases, if any, assuming a bell shaped curve. For example, a company offers something other than a COLA such as some type of merit pay or pay for performance increase. When projecting increases for next year's budget, they may assume that most employees will fall into the middle with some outliers falling at the far ends of the performance spectrum with some high and some low performers. When this error is applied across several departments and wage increases are tied to performance evaluation ratings, it unexpectedly skews the results to the right of that bell-shaped curve, costing your company more money than budgeted because higher ratings equal higher pay increases. Remember that performance appraisals are (or should be) tied to the job duties and responsibilities, not the person. If someone is trying his best but still cannot meet job expectations, then they are not satisfactorily fulfilling the responsibilities of that job. Perhaps the selection was not a good match; e.g., it was a poor hire or the employee has not been provided with adequate training. Whatever the case, you must be candid in your assessment and

determine what you can provide that employee, if anything, to enable him to meet those expectations. When intentionally applied, this is sometimes referred to as the sunflower effect: an attempt to make oneself look better as a manager by having a group of star employees.

Similar-to-Me Error

This is similar to, but different from, the sunflower effect. It may be a subconscious bias to rate an employee that we perceive to be like us (assuming we like ourselves) higher than accurately reflects the employee's performance.

When

Like so many factors in this process, it is up to you to decide when and how frequently your company will conduct performance appraisals. A common practice is annually upon each employee's anniversary date. Employers that have an introductory period often conduct a performance evaluation at the end of that period as well. As I mentioned earlier, be sure you define the term "annually" so employees know what to expect and when. Do you mean appraisals will be conducted on a calendar year basis, fiscal year basis, or on the employee's anniversary date? Smaller organizations may choose to appraise all employees at the same time and use the start or end of the calendar or fiscal year. As companies grow in size, this may become burdensome as they would have to appraise hundreds of employees at the same time. Instead, they may choose to use employees' anniversary dates. Whatever date(s) you choose, ensure they are completed in a timely manner, and define "timely" so your managers know what is expected of them as well. As mentioned at the start of this chapter, not only do inaccurate performance appraisals have the potential to create legal turmoil but the absence of an appraisal for one employee when others have received theirs may also give the appearance of adverse treatment.

Practical Tips

My father often said to me, "Do it right or don't do it at all." That lesson has served me well over the years. The thought is the same in the common phrase, "A job worth doing is worth doing well." This is probably the third time I have alluded to this concept in this chapter, but it is very important;

if you have a performance appraisal program, process, and/or policy, then be sure to follow it. Don't spend the time and energy in forming focus groups; developing tools, systems and processes; running pilot programs; and more if you are not going to hold employees and managers accountable for actively participating in the process.

- Think about when you first set your expectation. Is it on the first day of employment? That's a good start. Consider setting it even sooner. Start in the interview. See the section on Coaching in the next chapter, Chapter 3. Until then, at least set the expectation from day one; consider including a blank appraisal form in your new hire packet so employees can see, in advance, how and on what their performance will be appraised.
- Incorporate a quick review of the appraisal form and process into your new employee orientation program or onboarding process (see Chapter 8). Provide training for your staff and managers to anticipate their questions, and provide answers and practical tips for making the process easier.
- Anticipate challenges: Consider whether or not you want to include a signature line at the end of the appraisal form for the employee to sign. If so, how will you handle an employee who declines to sign? Consider including a statement that indicates that the employee's signature displays that he has received the appraisal and does not necessarily indicate that he agrees with the appraisal.
- Here's a tip from when I was in human resources: We had approximately 3,500 employees, and keeping up with the ever-changing job descriptions was becoming overwhelming for the HR staff and our management team members. To help us all stay on track, we added a question on the employees' self-appraisal form to the effect, "Does your current job description fairly and accurately describe your current duties and responsibilities? Yes/ No." If the employee checked "No," that was a flag for human resources when we received the final copy of the completed appraisal to contact the employee's manager, get his feedback, and discuss the need for a desk audit or informal review to update the job description along with the employee's input.

If you don't use self-appraisals, you can incorporate a similar structure into the traditional appraisal process with a couple of yes/no questions:

1. Did you review the employee's current job description with him?
2. Does the employee feel it fairly accurately reflects his or her current job duties? For this question, be sure to define "fairly accurately" such as, "at least 80 percent of current, primary duties and responsibilities are listed."