HOW TO CONDUCT
FAST, EFFECTIVE AND REWARDING

PERFORMANCE REVIEWS

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LETTER TO BUSINESS OWNERS

Thank you *for joining the thousands of business people who have chosen this series of E-Guides and business information to assist them in managing their business.*

Your first step is to read this booklet cover to cover to give you a great overview of the process. Then at the end of the booklet I have included a list of next steps for you to consider.

On behalf of myself and the MAUS international network of advisors....Good Luck!

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The Secrets to Fast, Effective & Rewarding Performance Reviews

Performance Reviews

What are they and why do we do them?

A performance review is a major part of the performance management process. It is a method by which an employee's job performance is evaluated in terms of quantity, quality, cost, and time, by a manager or supervisor. A performance review is the process of obtaining, analysing, and recording information about the relative worth of an employee to the organisation.

Performance reviews are an analysis of:

- Employee's recent successes and failures
- Personal strengths and weaknesses
- Suitability for promotion or further training.

Performance Reviews are also the judgment of an employee's performance in a job based on more than just productivity.

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Legal Considerations

There are no laws *requiring* performance reviews. But there are laws requiring your employment actions to be non-discriminatory.

In addition to discrimination charges, employees increasingly are suing employers for other reasons such as:

1. Unfair termination

2. Wrongful termination

3. Defamation

4. Confidentiality

5. Progressive Discipline

The documentation supporting performance, including performance reviews, becomes critical in such cases. The quality of your performance reviews are important. More important is that you even have them!

If you don't do performance reviews and are legally challenged, you are vulnerable to having difficulty in supporting your employment actions. If you do performance reviews, your program needs to conform to the expectations of the laws regulating employment actions

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Performance Management

The Role of Performance Reviews

Performance management encompasses everything managers and supervisors do to plan, monitor, evaluate, and improve the performance of those they supervise. Each effective management program includes a thorough performance review process.

Performance Review/Appraisal process:

- Reviewing performance-related documentation,

- Obtaining feedback from the employee and others,

- Evaluating the employee's performance over the review period

- Creating a written review/appraisal of performance competencies and goals.

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Holding the review discussion:

Discussing an employee's review involves meeting with the employee to discuss performance and the performance review document, and planning for the next review period by working together to create development plans and set goals.

The performance management process can serve one or more of the following purposes, depending upon an organisation's needs. It can assist in:

- Providing the basis for performance

- Giving an employee feedback.

- Setting goals for employees

- Determining employee merit Increases (promotions, wage increases etc)

- Identifying training and development needs

- Documenting employment actions (logs of staff activity)

- Identifying special skills, abilities and interests of staff

- Providing individual recognition to deserving staff

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Performance Management Benefits

A good performance management program provides numerous benefits to employees, managers, and the organisation as a whole.

- Improved performance

- Better manager/employee communication

- Organisational goal clarification

- Performance problem documentation

- Obstacle identification

- Compensation action support

- Personnel action support

- Training plan and program development.

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Creating a Performance Review
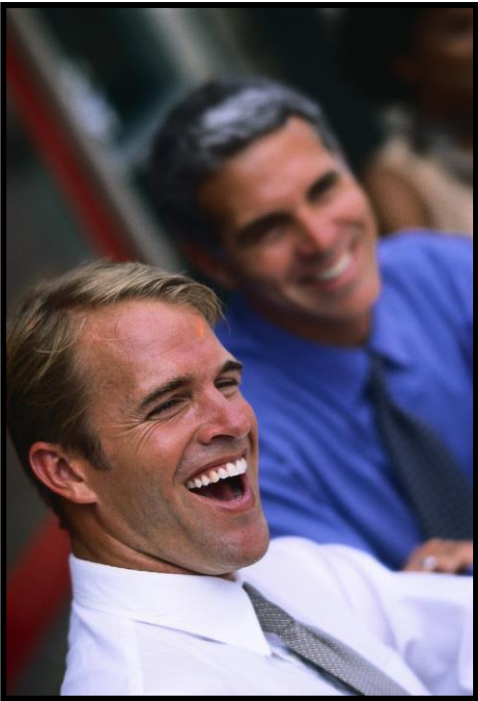
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Performance Review Types

When planning your performance review there are several ways in which you can approach the review process.

1. **Manager Review** – This is the most simple and straightforward method. The Manager in charge of the particular staff member does a review of the employee.

2. **Manager/Self Review** – This allows an employee to review their own performance and enables management to get a greater understanding of an employee. This also allows an employee the opportunity to out forward work that management may have overlooked.

3. **360 Review** - In human resources, 360-degree feedback, is feedback that comes from all around an employee. "360" refers to the 360 degrees in a circle, with an individual figuratively in the center of the circle. This includes a managers review, self review and reviews from an employee's peers.

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An approach often used for assessing performance is a numerical or scalar rating system whereby managers score an individual against a number of objectives/attributes (goals/competencies).

In many companies, employees receive assessments from their manager and peers, while also performing a self assessment. As mentioned previously, this is known as a *360-degree appraisal* and forms good communication patterns, giving great insight into an employee's performance.

*Please note that the 360 review process is extremely complex and should involve thorough planning by your human resources team.

ABC Company Performance Review

Employee Name:	Anthony, Marc
Department:	Sales & Marketing
Job Title:	Sales
Employee ID:	201102002
Review Period Start:	20-02-2010
Review Period End:	21-02-2011
Reviewer Name:	Michaels, Steve
Reviewer Title:	Manager

CURRENT GOALS

Salesman	3 - Meets job requirements
Due Date:	21-02-2011
Description:	Make $100,000 Sales
Target:	$100,000
Actual:	$71,429 (71.429%)
Result:	Good Result

PERFORMANCE COMPETENCIES

Communications	3.60	Meets job requirements
Expresses ideas and thoughts verbally	3	Meets job requirements
Exhibits good listening and comprehension	3	Meets job requirements
Expresses ideas and thoughts in written form	4	Exceeds job requirements
Keeps others adequately informed	4	Exceeds job requirements
Selects and uses appropriate communication methods	4	Exceeds job requirements

Marc demonstrates excellent written communications skills and he is careful to keep others informed in a timely manner. When communicating, Marc is very good at selecting and using the most effective methods. He displays effective verbal communications skills. However, he listens and comprehends well.

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What is Included in a Review?

When deciding which sections to include in a performance review form, consider what is important both for the evaluation and for the review discussion meetings that will be held *(see* Explanations of Each Section *for detailed information on each section).*

A basic checklist for your performance review would be:

1. Organisation Name & Logo

2. Heading information (employee name, job title etc)

3. Goals Section (Current & Future Goals)

4. Competencies Section

   (For Example: *Communication Skills*)

5. Development Plans

6. Employee Acknowledgement Section

7. Comments Section

8. Performance Review Summary

9. Signatures

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Competencies & Goals

One of your most important decisions is whether employees will be evaluated on:

Performance goals *and/or* **Performance competencies.**

If you want to include performance competencies on your review form, you must include a Performance Competency section in your form and also select which competencies are to be evaluated (See Terminology for examples). If you decide to include goals in the review form, you should include the Current Goals section in your review form.

Performance competencies are usually:

Common to most employees who do the same or similar work. Examples of performance competencies are:

- Job Knowledge

- Written Communications

- Problem Solving

Competencies are ongoing criteria for performance as opposed to being limited to a specific time period.

Performance goals are usually:

Specific to each employee (although several employees may have the same goal).

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Goals are specific to a time period as opposed to being ongoing criteria for performance. Examples of goals might be:

- Complete the XYZ project on budget by 1/1/05.

- Reduce accident rate by 5% by 31/12/07.

- Improve production output by 3.5% over last year by 31/8/04.

Performance Review Sections

The following information will help you select which sections to include in your performance review design.

Current Goals Section

This section is for the rated goals that fall within the period of the review.

By including the Current Goals section in the form, you provide a place for the goals to be shown once they are evaluated. You also ensure that rated goals will be considered as part of the overall rating calculation.

You can also include a Future Goals section on the form for goals that are due in the next review period.

Future Goals Section

This section is intended to include the goals that are forthcoming in the next review period. A Manager must decide which goals are to be copied to the Future Goals section of the review.

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Performance Competencies Section

This is the section that contains the essay and ratings (if you wish to show ratings on the review) for each performance competency.

Problem Solving	2.80	Meets job requirements
Identifies problems in a timely manner	2	Needs improvement
Gathers and analyses information skilfully	2	Needs improvement
Develops alternative solutions	3	Meets job requirements
Resolves problems in early stages	3	Meets job requirements
Works well in group problem solving situations	4	Exceeds job requirements

In group situations, Marc contributes actively to help solve problems. Most of the time, he develops several alternative solutions to problems. Marc usually resolves or minimises most problems before they grow into larger issues. He is sometimes late in identifying that problem situations exist. Information gathering and analysis are not always thorough enough for his position.

Quality	2.00	Needs improvement
Demonstrates accuracy and thoroughness	1	Unsatisfactory
Monitors own work to ensure quality	1	Unsatisfactory
Displays commitment to excellence	2	Needs improvement
Looks for ways to improve and promote quality	3	Meets job requirements
Applies feedback to improve performance	3	Meets job requirements

Marc looks for ways to improve quality and he applies the feedback he receives to improve his performance. He could display more commitment to excellence. Work does not reflect adequate attention to accuracy and completeness and he does an unacceptable job of monitoring his work to ensure quality.

Quantity	2.20	Needs improvement
Meets productivity standards	1	Unsatisfactory
Completes work in timely manner	2	Needs improvement
Works quickly	2	Needs improvement
Strives to increase productivity	3	Meets job requirements
Achieves established goals	3	Meets job requirements

Marc demonstrates a commitment to increasing productivity and he achieves most of his established goals. It sometimes takes him longer than satisfactory to complete work and Marc too often misses deadlines and he works more slowly than the position requires. However, he produces less work than expected for his job.

Sales Skills	1.00	Unsatisfactory
Achieves sales goals	1	Unsatisfactory

Marc falls short of achieving his sales goals more often than acceptable.

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Development Plans

Include this section on review forms when you want to ensure that managers include a plan for future development as part of the review.

Employee Acknowledgment Section

Most experts recommend including this section on every review form. It includes the acknowledgment text shown below followed by a signature/date line for the employee. The text that appears in this section states:

I have reviewed this document and discussed the contents with my manager. My signature means that I have been advised of my performance status and does not necessarily imply that I agree with the evaluation.

The signature provides the official documentation that the contents of the review were actually seen by the employee.

Employee Comments Section

This section provides a place for the employee to write comments about the review and the review discussion meeting. Very often an employee's comments may provide additional insight. This can be particularly important when there is a gap between the manager's review of the employee's performance and the employee's opinion.

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Most organisations continue the practice of printing performance reviews and filing them manually. In these cases, the employee's handwritten comments are on the hard copy.

Reviewer Comments Section

This section provides a place for the manager to sum up the events of the review discussion meeting. It is also a place for the manager to comment on remarks that the employee may have made in the Employee Comments section.

Summary Section

This section provides a place for the manager to summarise the overall performance and any scores generated.

Signature Sections

These sections provide lines for people (other than the employee) to manually sign and date the review. There are five signature sections available:

The Reviewer Signature/Date section is for the person who actually wrote the review.

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Custom Sections

You should create any sections to meet specific needs. Some possible sections may include:

- Accomplishments

- Training courses attended

- Future training plans

As with all sections, you should provide explanatory text.

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Preparing to Conduct Performance Reviews

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Performance Review Preparation

Business Owner/Management should be well prepared to assess their employee's performance and deliver evaluations, when conducting performance review. The following tips are extremely useful for the preparation process.

- **See yourself as a leader.** Establish your authority. Comments on employee's performance will be more easily accepted.

- **Know your employees.** Take time to get to know your employees and their performance.

- **Know the review process**. Study your company's performance review system and be sure you are well informed of how it works.

- **Be Positive.** A performance review is more likely to run smoothly if you expect it to.

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Important Parts of the Process

There are managers who go to all the trouble of writing a performance review, but never communicate the results to the employee.

While there may be occasions to evaluate performance for salary or retention purposes, you and the employee only get the review's full value when you share observations and information in the performance review discussion.

Types of Review Discussions

There are several ways to hold the performance review discussion. Choose the one that best suits your needs, the environment, and the performance issues to be discussed.

Self-Review. Before the discussion, give the employee a copy of a blank performance review form or a login to a performance management program, to do a personal evaluation.

Pre-Review. Before the discussion, give the employee a copy, or allow them to logon to your program and view the performance review you completed.

No Pre-Review. At the discussion, discuss each area of performance, but don't give the employee a copy of the review.

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Write It Together. This method involves you and the employee sitting together and completing the review, whether it be on paper or using a performance management program on a computer.

Planning the Review Discussion

These suggestions for planning the discussion will contribute to a more productive meeting.

- Set an agenda and time frame in advance.

- Give the employee adequate notice.

- Give the employee a blank form or copy of your review, depending on the type of discussion.

- Make it private.

- Listen actively and keep it friendly.

- Be prepared for resistance or emotion.

- Open and close on a positive note.

- End on time; don't let it drag out. If more time is necessary, reschedule.

- Give the employee opportunities to ask questions

- Focus on performance and discuss evaluations of employee's performance.

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Communication Tips

Discussion

Discussing the performance review with the employee should truly be a discussion. Expect to listen, to probe for more information, and on occasion to meet with resistance.

Listening Skills

React. One of the best ways to show you are listening is to react. But use as few words as possible so you don't interrupt the employee's train of thought.

Restate. Like the reaction, make the restatement brief. By restating or summarising what the employee has just said, you are encouraging the employee to continue, either by concurring or disagreeing with your restatement.

Give positive reinforcement. When the opportunity presents itself, give positive reinforcement while listening. If the employee tells you about something he or she did that you think was good, immediately say so.

Accentuate the positive by starting off with positive feedback when possible.

Acknowledge the employee's feelings. Review discussions can be highly charged with emotion. The employee may be uptight because of the review process or respond emotionally to negative feedback. If you do not acknowledge feelings

immediately, emotions can get in the way of focusing on problems and listening.

Probing

Keep conversational. You'll find your discussions more fruitful if you use a conversational rather than interrogating style.

Ask open-ended questions when you want other people to express themselves freely using their own words. If you find you get a lot of single-word responses to your questions, you are not asking open-ended questions.

Ask closed-ended questions when you are attempting to narrow a response that has not been precise enough.

Ask confirming questions that are restatements in a question form of what the employee has just said.

Offer multiple choices. Sometimes people get stuck, particularly when trying to explain why they did something. By offering several choices, you stimulate thinking and at the same time, direct the employee to choose an answer or offer more information.

Use contrasts and comparisons to also help clarify a person's thinking.

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Dealing With Emotions

The acts of *judging* and *being judged* can be emotional situations. The emotional level is heightened when there are differences in opinion, performance problems, or already strained relations between the manager and employee. When emotions get in the way of honest communications or hamper problem solving, they need to be acknowledged and addressed.

Dealing With the Employee's Emotions

Two key goals of the performance review discussion are information giving and problem solving. When people cannot successfully problem solve, they often feel helpless and turn to emotion as their only remaining choice.

If you sense the employee is becoming emotional:

- Acknowledge the employee's feelings (*see the section on acknowledging the employee's feeling under* Listening Skills).

- Try to get into the problem solving mode.

- If you can't, acknowledge that emotions are blocking problem solving.

- Trying to solve what is causing the employee to feel emotional is the only option.

- If you can't resolve it, suggest taking a break.

- Suggest some problem solving tasks for the employee to do to prepare for resuming the discussion.

- Set a time to continue later.

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Dealing With Your Emotions

You set the tone for the discussion by not displaying inappropriate emotions such as anger or a negative attitude.

- Prepare for the discussion by thinking through the issues to be discussed and how the employee may respond. The more prepared you are, the less likely you will be surprised.

- If you expect difficult issues or conflict discuss your concerns with your manager. If you have a human resources department, they can also support you in preparing for the review.

- Try role playing. Ask your manager or human resources staff to play the employee and go through the review together. This practice in saying aloud the more difficult issues you want to cover can be much more successful than going over it in your head, as practice helps reduce the nerves that can heighten emotions.

- Watch for your own defensiveness. It can indicate your lack confidence in the review you are giving. Examine what contributes to your lack of confidence and work on yourself, rather than against the employee.

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If you do find yourself becoming emotional:

- Explain you find yourself reacting emotionally.

- Acknowledge that emotions are blocking problem solving.

- Suggest a break.

- Set a time to continue later.

Hints for Dealing With Resistance

Practice the following steps for dealing with resistance so they become natural and a normal part of your communication skills. Taking these steps should help move the discussion back into a sharing and problem solving mode:

- **Allow it.** Accept the resistance initially. This is better than denying it or fighting it.

- **Be silent** for a moment to acknowledge you are listening. Then quickly...

- **Restate the employee's position.** To make sure you understand correctly, and ensure the employee knows you understand, restate the resistance, using your own words as much as possible.

"So you disagree with my opinion that you should be processing between 20 and 30 claims a day..."

- **Acknowledge the employee's feelings.** Let the employee know you recognise the feelings being felt.

- *"... and you are upset I have evaluated your Quantity as not meeting the requirements of your job."*

- **Pause briefly to let your acknowledgment sink in.** Only then can you begin directing the review discussion back to its true purposes: sharing of information and problem solving.

- **Ask the employee to give more information from a personal point of view.**

- *"Can you tell me what you think the daily standard for claims should be?"*

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Coming to Agreement

It would be nice to think that at each performance review discussion, the employee and manager totally agreed and walked off into the sunset. In the real world, this occurs sometimes but not always.

The most agreeable reviews usually occur when there has been *ongoing* performance feedback throughout the review period and honest two-way communication. That way the performance review discussion holds few surprises for employee or manager.

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Changing the Performance Review

A key purpose of the performance review discussion is to convey your evaluation of the employee's performance, not necessarily to negotiate or reach consensus. But the discussion also provides a setting for the employee to give you information. This means you *must* be prepared to listen to the employee.

An employee may bring up the following:

- Valid or invalid excuses.

- Blaming others.

- Arguments.

- Lack of training, skills, or knowledge.

- Examples of performance that widely vary from yours.

- Gaps in agreement over standards or expectations.

Be open to listening to these as input.

If you feel strongly enough that the employee is providing information you did not consider, you may want to change the review. There is no shame in making changes when given new information *as long as you do not make changes solely to placate the employee.*

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Many managers ask employees for self-reviews as input. The self-review can give you valuable information and alert you to possible differences of opinion.

When You Can't Agree

If the employee continues to disagree with the performance review contents or rating, you need to move on at some point and complete the review discussion.

- Suggest the employee document the area of disagreement in the Employee Comments section on the review form.

- Indicate your response to the employee's concerns in the Reviewer Comments section of the review form. Your response can be just an acknowledgment that there is a disagreement, but it could also include additional actions you plan to take regarding the difference in opinion.

Since the difference may stem from the employee not having received enough immediate feedback in the past, you may need to meet more often in the future to resolve issues on a more timely basis.

Depending on the seriousness of the issues and disagreement, you may also want to:

- Alert your manager and/or human resources office that the employee has issues with the review. That will prepare them if the employee appears at their door.

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- If you have a formal <u>problem resolution</u> process, remind the employee of that procedure. Note on the review or in your files that you mentioned the next steps for resolving the problem.

Further Employee Acknowledgment Info

Whether or not the employee agrees with the review, it is important that the Employee Acknowledgment section be signed. It proves the employee saw the review. Employees have successfully used the fact of not seeing a review as ammunition in wrongful termination litigation.

When Development Plans are included in the review, an employee may feel that, by refusing to sign the acknowledgment, there is no obligation to comply.

What to do. If the employee refuses to complete the Acknowledgment section, ask a third party to witness that fact and document the situation on the review form.

Experts recommend you do *not* have a policy of disciplinary action if an employee refuses to sign a performance review. Such a policy can be difficult to enforce and highly adversarial. Remember you want employees to hear and understand, even if they refuse to agree.

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Development Plans

Unlike writing the performance review itself, using coaching ideas to create development plans should be a joint effort between the employee and manager. The plans can be written during the performance review discussion or at a separate meeting devoted specifically to the future.

Development plans may address:

- Improvements that should be made due to performance weaknesses.

- Improvements that *could* be made in order to raise performance.

Skills needed for new responsibilities.

The best Development Plans are written *together* by you and the employee. By participating fully, the employee will contribute more and be more committed to improve or strengthen performance.

If an employee refuses to participate in creating development plans, and the review includes references to less than satisfactory performance, you may need to write this section yourself and indicate the employee's explanation for not participating.

Once you and the employee have discussed performance, identified issues or obstacles, and outlined the improvements needed or desired, you

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should give the employee an updated copy for comments.

Writing Development Plans

When performance has been less than satisfactory, good documentation is critical. You need to write plans that can support future disciplinary actions and meet legal challenges, if necessary.

When documenting required performance changes, be sure to include the following six elements:

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Managing Your Staff

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A Guide to Performance Management

The most successful performance management occurs all year long, not just at review time. Having a Performance Manager supports your efforts throughout the review period, from setting goals to documenting performance to providing feedback.

Keeping all performance-related information in one place makes it easier to plan, track, evaluate, and improve employee performance. A Performance Manager should be used year-round for conducting these important performance management functions:

Setting and tracking goals.

- Recording examples of ongoing performance in the Log, including critical incidents, training, and achievements.

- Accessing coaching ideas and documenting coaching sessions.

- Storing job descriptions, past reviews, and other performance-related documents.

- Scheduling reminders to help you make log entries regularly.

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When it's time to actually write the review you can access the Performance Manager records. These records enable you to review the Log for entries made during the review period. The data you've recorded throughout the review period is now readily accessible and easily incorporated into the review.

Setting Goals

Performance Review uses the word *goal* but the term *objective* is also frequently used to mean the same thing. In addition to describing the goal and setting a due date, writing goals in a performance review gives you the opportunity to describe how success in achieving the goal will be measured, and assign a category to the goal.

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Writing Goals

No matter which word you prefer - *goal* or *objective* - most people consider that for something to be considered a goal, it should be:

- *Specific*, rather than general.

- *Achievable* within the review period.

- *Measurable* - either in quantity, quality, or results.

- Within the employee's *ability* and *authority*.

- *Related* to the employee's job and to the business.

Try to write goals in a positive manner (such as *Improve...* or *Increase...)* rather than negative (*Do not...* or *Stop...*).

Now test the goal against the following - be sure that it does *not* describe:

- Responsibilities which are beyond the employee's authority.

- Outcomes which cannot be observed or measured until after the review period.

- Tasks which are impossible for an employee to achieve because of a lack of skills, knowledge, resources, or tools.

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There are exceptions to this rule. If you wish to rate employees on each job duty or competency rather than on performance competencies, you *could* use the Goals section for this purpose. By entering each task or competency as a goal and entering the standard of successful performance as a Goal Measurement, you can set them up for individual rating.

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Examples of Well-Written Goals

Not specific enough:

Bad: *Improve accuracy of work.*

Good: *Improve the accuracy of claims processed by reducing average number of errors from 10% to 7% by the end of this review period.*

Not achievable within the review period:

Bad: *During this review period, complete at least half the programming needed for the new XYZ system that will be released next year.*

(**NOTE**: The phrase at least half is unmeasurable since you can't determine exactly what the total consists of until after the review period. It is important when setting goals that might extend beyond the review period to only set the portion of the goal that can be completed and measured within the review period.)

Good: *Complete programming on modules A, B, and D of the new XYZ system by 8/8/04.*

(**NOTE**: Even better would be to separate each module into a separate goal - assuming that they can be separated - and give each a separate due date.)

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Not measurable enough:

Bad: *Increase sales significantly.*

Good: *Increase sales revenues for the Western Region from $4.2 million to $4.5 million in this calendar year.*

Not within the employee's ability or authority:

Bad: *Reduce accidents in the plant by 5%.* (NOTE: This might be a satisfactory goal for a person with overall plant responsibilities; however, in this case the goal was assigned to each of the plant workers.)

Good: *Complete year-end processing no later than 30/1 of the following year. By 15/1, distribute W2s to all employees and by 30/1 file W2 reports with all federal and state government agencies.*

Not related to the employee's job or to the business:

Learn how to do the same work Mary performs.

As part of the department's cross-training efforts, each employee is being assigned as an official back-up to another employee. This requires learning enough of the employee's work that you can cover 75% of day-to-day responsibilities for a one week period, if needed. You are assigned as official back-up to Mary. Not a goal but part of the employee's normal job duties.

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Log Events

Reviews that contain specific examples of performance to back up ratings are more meaningful to employees and more likely to stand up in court. But it can be difficult to remember such specifics unless you record them at the time they occur.

A Performance Manager Log provides a convenient means for documenting performance. Logs can be created using performance management programs or manually. Log events can be created for notes about:

- Day-to-day performance,

- Progress toward current goals, or

- Critical incidents.

Rather than waiting until review time to give your employees performance feedback, provide them with immediate feedback, then record notes about your discussion in the Discussion area.

An important aspect to note when recording Logs is ensuring the use of some form of Performance Reminders. Performance reminders will guarantee that you make regular notes in the Log on each of your employees.

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Documenting Performance Problems

It's extremely important to properly and promptly document performance problems in case your employment decisions should ever be challenged in court.

Use your Log system to document problems such as lateness, missed deadlines, failure to implement development plan activities, inferior work products, policy and procedure infractions, or excessive absences.

Log entries for performance problems might include:

- A description of the problem and your initial analysis of it

- Notes on your discussion with the employee

- Coaching ideas

- Improvement plans

- Follow-up meetings

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Documenting Successful Performance

While the reasons to document poor performance are easily apparent, successful performance may sometimes get less attention. Motivate poor performers and keep your strong performers committed by noting examples of superior performance. Log entries can include:

- Significant achievements

- Mastery of new skills

- Notice of "extra effort"

- Rewards given

- Praise from peers or clients

- Congratulatory memos

Additional Ideas for Log Events

In addition to documenting examples of superior or poor performance, you can create Log events to capture a wide range of performance-related information about employees:

- Projects and assignments (including objectives, due dates, and status updates)

- Employee development (such as completion of development plan activities, planned training, and training completed)

- Career plans (including long-term goals, short-term objectives, and next steps)

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- Background information (such as special skills or experiences, completed cross-training assignments, and key contacts (previous places of employment, colleges attended, personal acquaintances).

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Coaching for Improved Performance

Always Be Conscious of Your Role

As the boss or senior management at your organization you should always be aware of your position. Employees will view you as a role model, which means at all times that you are their most highly regarded trainer.

Be active around the office.

Make a concerted effort to spend time with your employees. Move around the office communicating with your staff and observing their activities throughout the review period. If you increase the amount of time spent with staff, the effectiveness of your management and the effectiveness of your performance reviews will be enhanced.

Coaching

Coaching -- the process of helping others achieve their performance goals -- is one of the most effective techniques that exists for improving employee performance.

As a coach, your role is to provide your employees with direction, support, and feedback to help them correct performance deficiencies, develop existing and new skills, and expand their responsibilities. Keep in mind that coaching is a team effort.

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Your coaching will be most successful when you involve the employee in the process of defining the problem or goal, developing strategies and solutions, and agreeing on an action plan.

As a coach is it also highly recommended that you recognise your staff in times of good performance. This boosts an employee's morale.

Opportunities for Coaching

While coaching is especially effective for dealing with performance problems, it is also a powerful technique for further developing employee strengths. Coaching ideas are useful to do the following:

- To address a performance problem.

- To create a development plan.

- To prepare employees for additional responsibilities.

- To help employees develop new skills.

- To help employees strengthen existing skills.

- When an employee fails to apply knowledge or skills learned in training.

- To help new employees gain required skills and knowledge.

- Before delegating an assignment.

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- When an employee asks for help.

- When an employee fails to complete an assignment properly.

- To help prepare an employee for an upcoming challenge.

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Sample Competencies

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Performance Competencies

The following are suggested competencies you can include in your performance review design. Please note that most organisations would have in excess of 100 different types of competencies from which to review employees.

Adaptability Competency

Adaptability refers to the ability to accept change readily, both in job responsibilities and in the work environment.

Arrives at meetings and appointments on time

Business Ethics Competency

More and more organisations are including ethical behaviour as a criterion for good performance. Ethics derives from the Greek *ethos*, which means "character." Business ethics are the commitment to demonstrating both personal and organisational character -- maintaining your own good name as well as the good name of the organisation.

Including Business Ethics as a performance review competency is intended to support the organisation's values and guiding principles of good business behaviour and conduct.

Communications Competency

Most jobs require some type of communications -- either oral (with co-workers, customers, or management) and/or written (correspondence, reports, or memos).

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Include Communications as a performance competency when it applies to either or both:

- A key responsibility, such as giving instructions, taking orders, selling.

- The overall performance of the job, such as understanding co-workers' requests, explaining a problem to a supervisor.

Delegation Competency

The Delegation competency is appropriate for reviewing managers and supervisors who have the responsibility and authority to delegate work assignments. The factors in Delegation represent actions and behaviours critical to the delegation process.

Initiative Competency

The area of initiative can be difficult to evaluate because its' very definition implies working without direction or independently. Therefore, it can be hard to set performance standards for initiative.

When this competency is included in a review form, a manager is expected to have discussed with an employee before they review issues such as the scope of the employee's authority and the degree of allowable risk.

Job Knowledge Competency

Most performance review programs include appraisal of employees' job knowledge. The competency Job

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Knowledge is intended to measure the skills and knowledge the employee possesses and to identify areas for improvement.

Leadership Competency

This competency is appropriate when reviewing managers and supervisors. However, it also can be applied to employees working in a team environment that requires these behaviours from all team members, or to any position with similar expectations.

Managing People Competency

This competency includes only skills related to working directly with people. Use it for managers, supervisors, and team leaders.

Oral Communications Competency

When oral communications are an important part of fulfilling the job duties, you may wish to use this competency rather than the more general Communications competency.

Performance Coaching Competency

Performance Coaching refers to the functions in a manager's or supervisor's position which are dedicated to helping subordinates not only to achieve their responsibilities but also to improve performance.

Quality Competency

More than 90% of the competency-based performance appraisal programs include Quality. In today's work

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world, quality is a predominant performance issue, with the implementation of Total Quality

Recruitment and Staffing Competency

Include this competency for managerial, supervisory, or staff positions that have hiring responsibilities within their scope of duties.

Safety and Security Competency

Many jobs require attention to safety issues and others may require observing certain security procedures. If either is not appropriate, managers can be instructed to eliminate the reference to safety (or security) as they edit the review. You can also rename the competency to eliminate the non-appropriate area.

Teamwork Competency

The factors in Teamwork represent specific behaviours critical to the success of a team. The increased emphasis on cross-functional teams, quality circles, and team decision making is challenging employees in new ways.

Written Communications Competency

Select this competency when the employee's job duties include a significant amount of writing. However, when the job's essential product is writing, such as a technical documentation writer or a copy writer, competencies such as Quality, Job Knowledge, and Quantity may be more appropriate in measuring how well the employee meets job requirements.

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Next Steps

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Self Education & Self Help

Software: In terms of practical self help solutions. MAUS Business Systems has software that will help you to improve your business management systems. These include titles on Business Planning, Job Descriptions, Policies & Procedures, Performance Review, Information Memorandum Writer and more. The software can be found at www.maus.com. Free trial downloads are available.

Appoint an HR Consultant

You may need to appoint a number of advisors throughout the process. Some of the areas you may need professional help include:

> Performance Reviews
> Job Descriptions
> Employee Manuals
> Policies & Procedures

We would strongly recommend that you appoint a HR Consultant to assist you with your HR strategies and planning. You will need to appoint someone that understands the entire Human Resource process. This person can then help you project manage the entire performance management process.

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More Information

MAUS has an international network of Business Advisors that specialise in Business Planning.

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Advisory Engagement Offer

We are willing to offer all prospective clients an initial free engagement meeting to determine any possible needs and brainstorm or propose solutions.