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A guide to succeeding in your performance appraisal reviews

Manager Toolkit
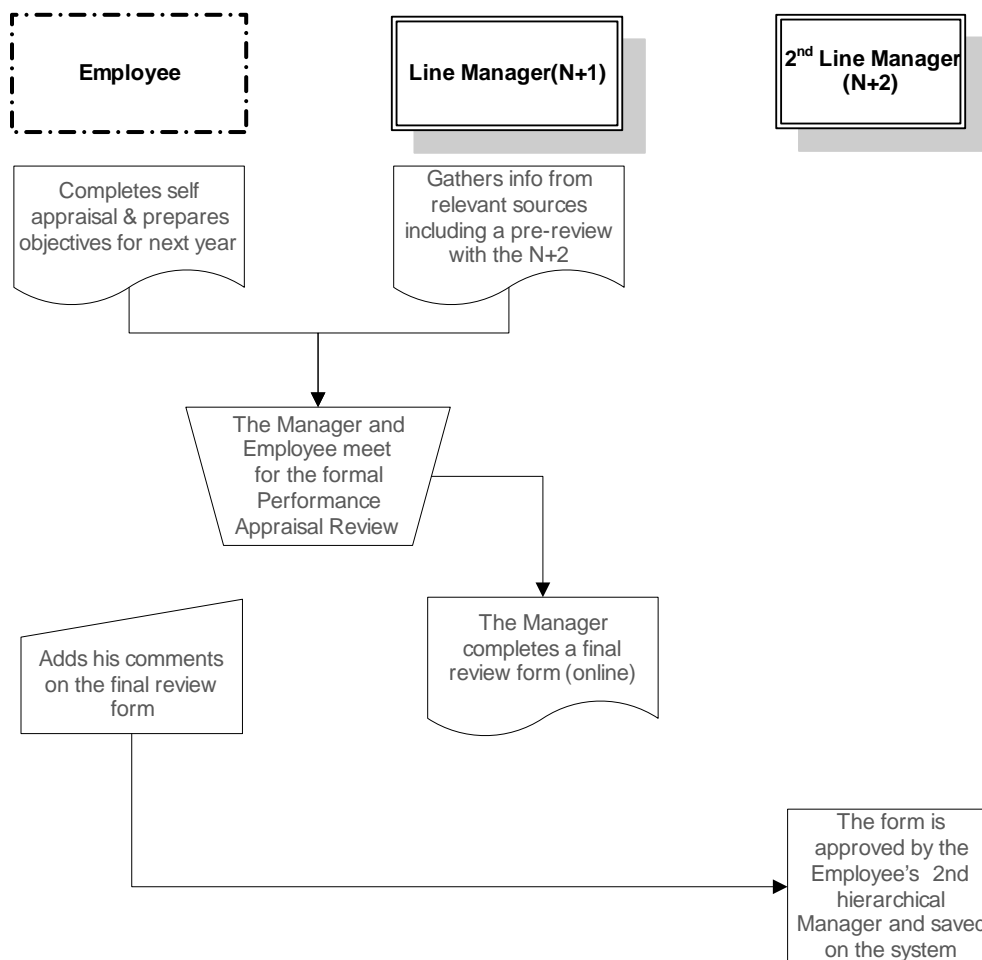
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The Process at a glance

Al Dahra holds annual Performance Appraisal Reviews for all of its employees. The review is an essential part of the performance management framework and is an opportunity for both the Employee & the Manager to review performance, record achievements and agree goals for the coming year. Performance Appraisal Reviews should be seen as an exchange of information and should result in an improved performance at work.

The Performance Appraisal Review cycle starts in early December and must be completed before the end of the year to allow HR to adequately manage and on-time, post-appraisal processes.

During a Performance Appraisal review, the following topics should be covered:
- Performance since January 1st of the **current year**
- Objectives for the **coming calendar year**
- Standard competencies evaluation
- Areas of strengths & development

The mega appraisal process looks as such:

Employee	Line Manager(N+1)	2nd Line Manager (N+2)
Completes self appraisal & prepares objectives for next year	Gathers info from relevant sources including a pre-review with the N+2	

The Manager and Employee meet for the formal Performance Appraisal Review

The Manager completes a final review form (online)

Adds his comments on the final review form

The form is approved by the Employee's 2nd hierarchical Manager and saved on the system

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Preparing for a Performance Appraisal Review

As a Team Manager, how should I prepare for the appraisal?

There are some tasks you need to complete, as the Manager, before you invite one of your team members in for an appraisal review

Make sure you are clear about your role and the purpose of the review
- _Keep your eyes on the 'big picture'_
- _Focus on how the Employee has met the expectations of the job, rather than on his personality in general._
- _Build your credibility; create a relaxed atmosphere of trust._
- _Encourage honesty and open discussion by acting as a catalyst, not a judge._
- _Trust grows over time. A well-managed appraisal strengthens the relationship between you and the Employee._
- _What you say during the review will have repercussions beyond the short time you spend with the Employee._

Provide the right environment for a profitable review.
- _Give the Employee plenty of notice of the review session and make sure they are aware of their role in the process._
- _Set aside enough time for the review – the conversation should not feel rushed._
- _Choose a private room where you will both feel able to relax._
- _Arrange the office furniture so that there are no barriers between you – aim to create the most informal, comfortable atmosphere possible_

The stages
A Performance Appraisal Review has clear stages:
1. An opening conversation: setting the atmosphere for the session and laying out the agenda.
2. The review: a detailed conversation about the Employee's performance during the review period.
3. Setting objectives for the future: a discussion about the expectations for the coming year.
4. A final summary: rounding up the discussion, agreeing on outcomes and follow up.

1.   The Opening Conversation
Your aim as an Manager in this section of the interview should be to establish a professional atmosphere and help the Employee feel relaxed and comfortable enough to discuss issues honestly.

- Begin with a strong motivational statement and an easy question, for example:

   "Have there been any special high points in the year for you?"

- Establish the purpose of the appraisal interview and the how it benefits the Employee, for example:

   "We have these appraisal interviews each year so we have a formal time to discuss your performance and set objectives for the future. It is an opportunity for me to give you some one-to-one feedback and for you to raise any concerns you have about your job and your progress in the future…"

- Make sure that the Employee understands that you will spend some of the session agreeing on measurable objectives.

- Ask the Employee if they would like to add any extra items to the agenda.

2.   The Review
Your discussion should cover how far they have met the expectations of the role in general, their achievements against objectives set at previous review sessions and any areas for improvement. The conversation should be recorded in the Performance Appraisal Review Form.

- Ask open questions to encourage long answers. For example:
    - *"How would you perceive your overall performance this year?"*
    - *"Can you tell me how for you feel you have met expectation in regard to X…?"*
    - *"Can you describe any areas where you feel dissatisfied with your performance?"*

- Listen actively to answers. Nod your head and smile as appropriate. Use expressions like *"Could you explain that a little further, please?", "Tell me more about that issue…"*

- Notice how enthusiastic and committed the Employee is when talking about objectives and performance levels. If you sense underlying motivation issues, take time to explore further.

3. Setting Objectives

This section of the review should focus on setting measurable objectives for the future, based on departmental goals. The objectives should be differentiated from the normal responsibilities pertaining to each role.

Why?
- Objectives can be used to manage and support performance in a number of ways:
  - *To help the individual achieve their Key Performance Indicators (KPI's) / success measures*
  - *To maintain current performance and to encourage people to achieve higher ratings (for example, from 3 to a 4)*
  - *To identify and improve poor performance*
  - *To encourage and motivate high performing individuals who exceed acceptable performance standards*
  - *To focus on professional growth through on the job development and training*
  - *Succession planning – setting goals / objectives with team members will help them to 'step up' when a vacancy or secondment becomes available*

How?
- The Employee should be involved in setting objectives which are both challenging and achievable. Use action oriented language such as *'execute', 'develop', 'determine', ' build', 'plan', 'design', 'supply',* rather than *'liaise', 'improve'* etc.
- Set a maximum of 4 objectives for each Employee
- Setting objectives is a major part of your peoples' development. Objectives focus your team members on achieving their goals and will help them keep on track with their performance and development.

Measurable objectives are:
- **Specific:** Avoid general performance statements. Set objectives around primary projects and job responsibilities where there is a specific, concrete, defined outcome
- **Measurable:** Agree with the Employee on how their achievements will be measured. Think of numbers, percentages and quantities that you will have access to during and after a project. You can measure efficiency (resource use) and effectiveness (quality of results)
- **Achievable:** Set objectives that are achievable. Outcomes must be within the Employees control, job scope and competency
- **Relevant:** In line with your departmental goals and the job role
- **Time bound:** Set specific dates for review and encourage the Employee to suggest an appropriate time frame.

Some sample objectives:
- *Improve quality of the product X to meet standard Y by reviewing and improving production processes by the end of Q2.*
- *Achieve 91% productivity by end of Q3.*
- *Maintain current level of zero safety incidents throughout the year.*
- *Increase sales of product A by 10% by the end of Q3 of the year.*
- *Reduce the number of production drawings rejected by Quality by 15% by the end of the year.*
- *Reduce the time required to mobilize a new Employee from 60 to 50 days by the end of Q2.*

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4. Concluding the Appraisal

After you have agreed on objectives, take the last few minutes to summarize the discussion so that both you and the Employee have a shared understanding of what you discussed and the follow up required.

- Aim to end the appraisal with an agreement that is satisfactory to both of you
- Be clear who is responsible for carrying out proposed actions after the meeting
- Make it clear to Employees that they are expected to take full ownership of the objectives set. If commitment is lacking, take steps to find out why
- If the Employee omits a vital point from their summary, or you disagree on their interpretation, respond immediately. It is important to conclude the interview with shared expectations about future performance and you must take time to resolve misunderstandings
- To improve your own interview skills for the future, ask the Employee to give you feedback on the appraisal session.

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Dealing with difficult situations

1. **Challenging conversations and sensitive issues**

Having these conversations with Employees is one of the most difficult management tasks.

- Deal with challenges - to your authority or to facts - when they happen. If you postpone the conversation you will lose credibility
- Try to anticipate negative responses and plan your response. In some circumstances, your only way forward may be to stop the appraisal, or take a break
- Before you can work towards solving a performance problem, the Employee must acknowledge that a problem exists. Talk to the Employee about their strengths, and then discuss areas where development is needed
- Work together towards finding a win-win solution to performance issues
- Gather data about an Employee's performance to make forecasts for the future more reliable
- Ask your local Human Resources for advice if you are encountering ongoing performance issues.

2. **Your own potential for bias:**

- Always review facts and disregard rumor or hearsay
- Don't allow one or two favorable or unfavorable personal attributes to color your judgment (it is easy to assume that an attractive, articulate individual is doing a good job)
- Don't allow your own personal views of a particular group or type of person, color your judgment
- Beware of the sympathy we all tend to feel for 'someone like me' – our tendency to like people we see as being similar to ourselves
- Be aware of stereotypes – for example, the belief that you need to be extrovert in order to be a good sales person
- Be aware of your own mental image of a 'good worker '. Look at results before you criticize an Employee who fails to fit your preconceptions
- Be open to modifying your initial perceptions of a person. Look at the evidence
- Don't confuse the appraisal of the person with the assessment of the performance. This implicitly invades their privacy.