The Performance Appraisal Interview

The Performance Appraisal consists of the following three Stages:

1. Preparing for the Appraisal
2. Conducting the Appraisal
3. Following Up

Let's look at each of these in more detail:

**STAGE 1: PREPARING FOR THE APPRAISAL**

It is important that arrangements for the Performance Appraisal be made well in advance so that both Appraisor and Appraisee have adequate time to prepare properly.

A number of things need to be done in preparation to ensure a fruitful discussion:

- Review Appraisees' Performance Appraisal Forms to refresh your memory regarding the Performance Measures (Goals/Objectives/KPIs/Competencies) that were agreed with them.
- Review their previous Appraisal Summary & Performance Optimisation Plans (POPs) to see what was agreed that they should work on improving. Did you do what you have undertaken?
- Study their Performance Record Notes as accumulated throughout the performance period.
- Consult all other relevant records on their performance:
- Inform them to prepare for the Appraisal by completing and printing out their Appraisal Prep Forms, and studying/printing out their Performance Record Notes. The system allows you to request that they release their Prep Form to you prior to the appraisal (check your company policy on this).
- Agree a mutually suitable date and time for the interview. A minimum of one week's notice should be given. For more senior and specialist positions, allow even more preparation time.
- Select a private, comfortable venue where you can meet in a relaxed, unhurried, informal atmosphere, without disturbances or interruptions. Avoid sitting behind a desk during the interview. Rather sit together with the Appraisee in front of your desk or, alternatively, at a conference table. Sitting behind a desk transmits a non-verbal message of formality, reinforcing the "superior-subordinate" relationship.
- Set aside adequate time for the Appraisal Interview, which may vary in length from 45 to 90 minutes, depending on the complexity and seniority of the position under consideration.

**STAGE 2: CONDUCTING THE APPRAISAL**

The Performance Appraisal consists of two distinct parts:

1. **REVIEWING PERFORMANCE**: A "backward" look at how well previously set Performance Measures and Standards were achieved, and the factors that affected their achievement.
2. **PLANNING PERFORMANCE**: A "forward" look at new or adapted Performance Measures and Standards to be achieved during the next performance period.

**PERFORMANCE APPRAISAL**

The following FIVE STEPS need to be followed to ensure a constructive session:

1. Start with an ice-breaker
2. Explain the purpose of the interview
3. Work through the Performance Measures (agree Actual Performance, Ratings and POPs)
4. Agree Performance Measures and Standards for the next performance period
5. Close on a positive note

The online Official Performance Appraisal Form need to be completed by the Appraisor during (or immediately after) the Appraisal Interview to record the actual performance information, including the ratings and POP notes, as was mutually agreed on by both Appraisor and Appraisee.

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Let's now consider each step in more detail:

**STEP 1: Start with an icebreaker**
Start the discussion with a little small talk to ease the initial tension of the interview.

**STEP 2: Explain the purpose of the interview**
Explaining how you wish to conduct the Appraisal Interview will let Appraisees know what to expect, and will eliminate any unrealistic fears they may have.

Say something like: "Jane, I would just like to summarise the purpose of today’s meeting again: It is to look at how you have been doing with the Performance Measures we have agreed on last time, and to see if there is anything I can help you with in the form of additional resources and training, or removing any obstacles that might hinder you in your work. Having done that, we will look at new or adapted Performance Measures for the next performance period of ‘x’ months. I will be making notes in respect of everything we discuss and decide. You can view everything I have entered onto the online system on your own PC afterwards. You should just let me know then if I have added anything incorrectly, so we can discuss and rectify it. Do you have any questions or concerns before we start?"

**STEP 3: Work through the Performance Measures (agree Actual Performance, Ratings and POPs)**

(a) **AGREEING ACTUAL PERFORMANCE**

Take the Performance Measures - one at a time - and ask the Appraisee how s/he thinks s/he has done with them. Ask for and give facts and "evidence" pertaining to each (also consult the Appraisee’s Performance Record Notes).

Your job is to act as FACILITATOR of the process. Always ask for the Appraisee's comments first. The key is to get them to self-appraise. Ask probing questions to get examples and supporting evidence of good performance. If you disagree, don't say so directly - ask questions so that Appraisees can come to more realistic conclusions themselves. Facilitation of this nature is particularly important with Performance Measures where subjectivity may come into play - therefore necessitating the opinion of the Appraisee even more.

Praise them where deserved (be genuine and sincere!), mentioning specific examples of achievement and behaviour, e.g.: "I am particularly pleased with the way you..."
"Your contribution here means that we...

When discussing Performance Measures that were not sufficiently met, it becomes even more important for Appraisees to self-appraise. It is so much more effective if they mention areas for improvement themselves. People can also sometimes be much harder on themselves than you would like to be.

Explore the factors that have affected their performance. Probe: "Why?", "What Happened?", "What would have helped", "How can we correct the situation / avoid it from happening again?"

Using 'we' as opposed to 'you' in trying to find solutions to problems indicates to Appraisees that they are not alone in this, and that your support is always available.

Be careful not to apportion blame. Discuss performance, not personality (what they do, not what they are). Focus on performance improvement and actions to prevent the recurrence of problems. There is nothing you or anyone else can do any more about the past. Rather use the lessons from the past to improve on the future. Concentrate on behaviour that CAN be changed, and give praise where possible - even when discussing poor performance.

Avoid negative words such as "mistakes", " sloppy", "careless" and "shortcomings". The key is to keep your feedback constructive and non-judgemental, maintaining the Appraisee's self-esteem throughout.

Admit openly if you have a shared responsibility for the Appraisee's under-performance, and undertake to set this right. Also admit if you are wrong in your interpretation of the facts.

If they blame you for something that went wrong, stay calm and avoid defending yourself - respond in a non-reactive way and don't get personal. Avoid arguments, by focusing on facts and supporting evidence. Always avoid comparisons with other people.

VERY IMPORTANT: You may never drop a bombshell (surprise) on the Appraisee by mentioning areas of under-performance for the first time during the Appraisal Interview. These, plus positive feedback, MUST be given to employees as soon as realistically possible after the event itself.

This, in effect, means that the Performance Appraisal only becomes a SUMMARY of what the Appraisee already knows, thus reducing most of the frequently reported stress that line managers have when conducting Appraisals.

Don't allow Appraisees avoiding areas of under-performance. Attempt to draw it from them with probing questions. If they persist in avoiding certain issues, give it to them straight, but sensitively, e.g. "Jane, let's now talk about the three customer letters of complaint we have received over this performance period. How do you feel about that?"

(b) **RATING PERFORMANCE**

After each Performance Measure had been discussed, and the agreed Actual Performance Notes recorded, the Appraisor and Appraisee need to give it a realistic performance rating. For this purpose, use the Rating Key descriptions and consider the Performance Standards and/or Behavioural Indicators listed on the Performance Appraisal Form for each Measure.

It is wise never to give your own preliminary ratings (even if the Appraisee asks for it). Rather ask the Appraisee what s/he thinks would be a fair rating based on actual performance as agreed and recorded. If s/he is unrealistically high,
facilitate a more realistic rating by asking questions such as:

"Considering the three customer complaints you have received Jane, how do you justify a 4-rating that reads: 'Above Target/Standard'?

"Considering the number of customer complaints you have received Jane, how do you justify a 3-rating that reads: 'On Target/Standard, including small deviations plus or minus'? I cannot agree that three such rather serious complaints be regarded as small negative deviations. What do you think?"

Be prepared to adjust your thinking on a rating if the facts and arguments offered, justify this.

Care must be taken that the rating of performance does not deteriorate into a battle of wills. The secret is to stick to actual performance as proven by performance data/statistics, and recorded incidents/evidence (that were discussed with the employee at the time).

Of course, as line manager, you retain the prerogative to insist on a rating that you are happy with, as long as you can offer your reasons for it, whether the Appraisee accepts it or not.

Consider bringing in your line manager as arbitrator if you and the Appraisee cannot reach agreement on Actual Performance or Ratings. His/her decision will be final, although, in many organisations, an unhappy Appraisee may still resort to taking it further in some way, i.e. lodging a grievance (consult your organisation's Human Resources policy in this regard).

However, by following the above-mentioned steps and principles carefully, major differences in opinion between Appraisor and Appraisee could be largely avoided. Both parties should also approach the appraisal process in a positive, constructive spirit so that Performance Management and Appraisals will effectively deliver on their intended purpose.

Remember: The primary aim of the Performance Appraisal is to identify stumbling blocks that prevent the Appraisee from performing optimally, and should therefore be an open discussion to achieve just that. The rating of performance is secondary and should not detract from the problem-solving purpose of the discussion.

(c) COMPLETING PERFORMANCE OPTIMISATION PLANS (POPs)

Performance Measures and Standards that have not been met need to be put back on track. Engage in joint problem solving to do so, as each Performance Measure is discussed. The result of this discussion is recorded in the Performance Optimisation Plan (POP) field of each Performance Measure on the Performance Appraisal Form.

Remember, employee training and coaching are seldom the only solutions for addressing unacceptable performance or work behaviour. Poor performance or behaviour can more often than not be ascribed to a combination of: a lack of resources and work tools; poor systems/policies/procedures; poor reward/recognition practices; insufficient performance feedback; other poor management practices, and a generally counter-productive working environment and organisation culture.

Be open-minded to consider and address all of these. Frequently, these are for the Appraisor/Organisation to address, and not the Appraisee. Along with employee training and development, the result will be continuous performance improvement, organisation development, and pro-active change management - leading to a "Learning Organisation" in the true sense of the word.

Again, Appraisors should get suggestions from the Appraisee first before adding their own.

STEP 4: Agree Performance Measures and Standards for the next Performance Period

This is the "forward-looking" section of the interview as mentioned above. This part of the discussion can be handled right now as the "second half" of the interview, or as a separate session within the next week or two.

It is crucial that new or adapted Performance Measures and Standards be discussed and documented as close as possible to the start of the next performance period, so that the employee has the bulk of the time to deliver on them.

Also discuss any support you need to give Appraisees. Support is all about minimising environmental barriers to performance, providing them with the necessary resources, training and coaching opportunities, and improving their motivation.

STEP 5: Close on a positive note

Make a positive closing statement, reiterating your appreciation of the Appraisee's efforts, ensuring them of your trust in their abilities and future performance, e.g.: "Jane, that concludes our discussion then. Thank you for the frank and constructive way in which you have approached it. I would just like to end off by thanking you once again for the effort you have put in over the last 'x' months, and also to ensure you of my full trust in your abilities to tackle your new objectives and targets competently. Please rest assured of my commitment to support you where I can, and do not hesitate to push on my button at any time."

STAGE 3: FOLLOWING UP

- The Performance Agreement for the next performance period can be viewed as a negotiated contract. Appraisees are committing themselves to achieve certain objectives/targets in return for specified support from their line managers. It is crucial that you deliver on this promised support.
- Provide all possible psychological support (praise, recognition, encouragement, etc.) and physical support (work tools, equipment, finances, staff, etc.).
- Show interest by MBWA ("managing by walking around"), i.e. be there where the action is, observing their performance, enquiring about progress, and offering assistance.
- Arrange the necessary training and coaching as identified.
• Provide regular feedback on performance (both positive and negative/constructive) as soon as possible after the event.
• Create a pleasant working environment and climate where people can fulfill their social and other motivational needs, while maintaining a business focus and urgency.

GENERAL CONSIDERATIONS IN RESPECT OF APPRAISALS

A Firm Manner
Do not accept any ideas or suggestions from Appraisees that you are not fully satisfied with or that are not congruent with corporate and your own goals and standards. Tell them what these non-negotiable parameters are that you cannot compromise on.

You do need a certain firmness of manner, which should be used as required during the Appraisal. It is your job to keep the interview on track and not allow serious digressions.

Firmness of manner means assertiveness, not aggression. It means ensuring you keep control of the interview -- always politely, but with authority.

Confidentiality
It is essential that you are discreet. The Appraisee must be able to trust you to keep whatever is discussed confidential.

Fair Assessment: External factors affecting performance
In assessing an Appraisee's performance, the extent to which circumstances beyond their control have influenced the achievement of their objectives, must be taken into consideration. This means that, if these circumstances have contributed greatly to good results, they should not get the benefit of it. Likewise, they should not be punished if adverse, uncontrollable causes have prevented them from achieving their objectives optimally.

The quality of an employee's performance also frequently depends on how good, reliable, and consistent the work output of others are, that input into their own work area.

Can the non-achievement of objectives also possibly be ascribed to the fact that other objectives took priority over it at some point?

Also ask yourself to what extent the performance environment (organisation culture, policies, rules, systems, structure, infrastructure, resources, etc.) has prevented Appraisees from achieving their goals.

Appraisal Pitfalls
The following needs to be avoided during the performance rating process:

• Tendency to give all employees more or less the same ratings, or giving an employee the same rating on all his/her Performance Measures (to avoid potential conflict)
• Consistently being too strict or too lenient
• "Job Halo", by giving higher ratings to certain employees based upon your personal preferences, or one-off incidents instead of actual performance over the entire period

Managers should differentiate very clearly between those employees who achieve their objectives and those who do not, and give clear messages to both. "Compromising" and giving all employees the same bonus or increase will give the wrong message to everybody. Top performers will feel punished (even cheated) and poor performers will be rewarded.

Managers must have the courage of their conviction to give credit where credit is due and not be manipulated by those poor performers who rather bet on the manager's fear for confrontation. Such managers invariable end up losing the respect and loyalty of both types of performer.