

*This is the 5th article of 6 in the Managing Performance Toolkit.
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Performing Well At Giving Performance Evaluations

The formal performance evaluation is the final stage in the Performance Management system. Most organizations have one annual formal review; some have two. If the stages of Goal Setting and Ongoing Support have been done well, the review follows naturally and there should rarely be major surprises. Here are some best practices:

Preparing for the review

The performance meeting is a big deal for the person being evaluated. As a manager, you want to bring your best to the meeting, to really show up for this person

- Diligently prepare yourself with good data-collecting.
- Be clear on the most important things to be discussed.
- Be ready with specific examples to underline main points.
- Handle any ambivalence or emotions you may have about the meeting before you get in the room.
- Be focused and free from distraction. The time you are going to spend with this person is one of your most important leadership moments.
- Don't bump annual performance meetings. It sends a really bad message to your people.
- For performance meetings that have the potential to lead towards firing, make sure you understand the relevant HR policies and legal requirements.

About rating charts

Many organizations use rating charts to evaluate individual performance. These are of limited value and, if not used well, can be more of a barrier than an aid to high-quality performance management. The numbers, while providing the illusion of objectivity, are in reality somewhat arbitrary. Their use can encourage superficiality and can lead to pointless arguments about whether someone should be getting a 3 or a 4. When using rating charts, make sure they don't become the focus of the meeting. Don't hide behind the evaluation form. Keep putting down the forms, get present, and have the real conversations.

The tone of the meeting

Performance meetings should strive to be positive, collaborative experiences of working together to support your employee's best performance. You both share a commitment to the success of the organization and its mission. The meeting should feel more like a shared exploration rather than you, as the judge, delivering a verdict on their

performance. It's also about hearing the employees concerns and needs, and learning how to help them find greater satisfaction in their job.

You can help provide this atmosphere by always remembering that you are dealing with a human being with aspirations and sensitivities. Even when dealing with serious problems with performance, you want to motivate your people by calling out their commitment and their gifts. Be generous with your positive reflections. Your appreciation for all they give feels really good.

Structure of the meeting

There are three primary areas to be covered in performance meetings.

1. The results they created

Together, review the employee's goals then evaluate the degree to which these were or were not achieved. It is usually best for the employee to share their perspective first. If the original goals were clear, you and your staffer should be able to reach agreement on how well they were met. However, someone's ability to create results is often impacted by factors beyond their individual control. Without diminishing that person's responsibility for meeting their goals, it is appropriate and important to consider the context in which results were or were not created. Results are impacted, for example, by changes in the larger social, economic or political landscape. Also, most people work as part of a team, and their individual results may depend on the performance of others over which they have no control.

2. How they got the results

The performance review is the time to look at the various skills that contribute to outstanding performance in this role. What are the strengths that have been demonstrated, and where are there gaps or needs for development? Equally important is to assess the ways in which the employee did or did not model the organizational values in their everyday behavior.

3. Going forward

Looking in the rear-view mirror of past performance is important, but the greater value of the meeting is in facing forward. Where is there room for even greater contribution? Remember to avoid the tendency to become exclusively focused on weaknesses. Pay as much or more attention to how to further develop and utilize strengths. It may be useful to look at needs for change in the three domains of the Wheel of Change:

- Hearts & Minds: What changes might you hope to see in attitude and energy?
- Behavior: What changes in actual behavior might contribute to greater performance and contribution to a positive work culture?
- Structure: What changes might be useful in the processes and systems with which the person is working? In addition to how the employee might show up differently, what can the organization do to support their further success?

Dealing with gaps in performance:

- Be clear, direct, and uncharged emotionally – e.g. this is not a time for you to vent your frustrations. Describe the gap in terms of work goals and/or organizational values that are the agreed-upon standard.

- Be respectful of the person. Focus on their behavior – do not offer your interpretations of their motives or feelings.
- Practice deep listening. Provide your staff with the experience of being heard. This doesn't mean that you necessarily agree with their assessment of the situation, but you want them to feel understood. (You also might learn something!)
- Be clear about the seriousness of the problem. Is this a small yet meaningful gap in overall good performance? Or, on the other extreme, is this gap putting their job at risk?
- Be clear on the consequences of failing to close the gap.
- Establish complete clarity about expectations going forward:
 - What will minimum acceptable performance look like? Be clear that this is not the ultimate goal, which is high performance and high values, but meeting this minimum standard is the first step.
 - To the degree possible, find relatively objective measurements for success. The key question: will the other person be able to know, on their own, whether or not they have met the requirements?
 - Establish date(s) on which performance will be re-evaluated, and the milestones for each date. Depending on the severity of the problem, the process should be managed more or less closely.
- What support can the person expect from you and/or the organization? Actively elicit what they might find helpful.
- Have the person restate their understanding of all expectations.
- If there are serious considerations about firing this person, make sure to follow HR/legal/union requirements impeccably.
- In difficult performance situations, sometimes a break of a few days (or more) may be advisable for both parties to sit and reflect before returning to complete the evaluation.
- Make sure there is a clear, written summary of expectations going forward.¹

Look at the big picture

In addition to looking at yearly goals, the performance review can be a time to help the employee look at larger questions about their career. What are their aspirations? What opportunities for advancement might exist within the organization? What possibilities are there for learning new skills and developing new capacities? What might the organization be able to offer for support in their development (e.g. training, coaching, mentoring, new assignments, etc.)?

Feedback to you

Performance evaluations are an excellent opportunity for you to receive feedback as well as give it. How can you better support this person's success? What can you learn about the team and organizational processes and systems for which you are responsible? How can you help remove obstacles and create more winning pathways for your team? What does this person see from their perspective that might help you be a better manager?

¹ For an excellent guide to handling serious performance issues, including firing, see Green, Alison and Hauser, Jerry, *Managing to Change the World*, 2009.

Performance reviews are some of the most important meetings you will have in a given year. Treat them as such!