

Employees at their best

How a good performance review process is used by successful organizations

From the most fundamental perspective, a good review is one that takes place. It seems elementary, but too many employers view employee reviews as a painful process, and end up procrastinating to the point that reviews simply do not happen. To be sure, this results in employees who are left without guidance to be aware of and grow away from negative performance traits, or who are left to wonder whether their good work is recognized at all. But more than this, employees who are not treated to a regular performance review are characteristically not motivated to do their job nearly as well as they could, regardless of whether they are given a regular pay raise.

The best review processes are set up so that in the actual review, there are no surprises. Through consistent and productive communication throughout the year, the performance review is a summation of the good and bad, and an opportunity to plan for the year to come.

Smart Business learned more from Peter B. Maretz, a shareholder with Shea Stokes Roberts & Wagner, about how business leaders should approach performance reviews to make the most of the process and use them to improve business.

What approach should business owners take when evaluating employees?

It is important to get as much information as possible. Obtain input from all managers and supervisors who have substantive contact with a particular employee, rather than relying exclusively on the employee's primary or lone supervisor. It's not unusual for a supervisor to show biases or tendencies, good or bad, that will yield a skewed view of an employee's performance. By obtaining input from multiple sources, you may notice a particular manager is significantly more harsh or lenient than others, a signal that there may be a relationship issue with the manager and the employee that should be explored, or the manager may be applying different standards than the other reviewers.

Supervisors should consider implementing a practice of making regular notes throughout the year on each of their charges. This does not have to be an elaborate journal of everyone's daily activities. Rather, it can be a simple log



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of events or incidents, positive and negative, that are worthy of being raised in the annual performance review. This is a tool that can bring value beyond the performance review, but it must be done right or not at all. Too often, supervisors determine that a particular employee is a problem, and then start documenting that employee's bad conduct, and only that employee's bad conduct. They don't document the good conduct, and they don't document the conduct of other employees at all. If that employee is ultimately let go, and then sues the company, those notes will be used by the employee, now plaintiff, to show he or she was being unfairly targeted.

Finally, make sure the employee being reviewed fills out a self evaluation, and is given enough time ahead of the review meeting to give it thoughtful consideration. Remember, the most effective reviews are mutual exchanges of information.

What common mistakes do employers make in performance reviews?

The biggest mistake employers make is not being honest with the employee. It's important to not be unfairly harsh, but it's equally important to not be overly positive unless the employee has earned

such accolades. By not being honest with an employee about his or her performance problems, you virtually guarantee the problems will continue, you inhibit that employee's potential for growth and, when the person's performance finally gets so bad you need to consider termination, you have no foundation for that decision.

The review must be about the job, not the person, and use specific examples. If an employee is chronically late with his work, don't tell him he's lazy, rather tell him 'on six occasions, you were more than 10 days late in submitting your TPS reports, which caused a backup in these other departments. Those reports must be submitted in a timely manner so other departments are not struggling to catch up.'

Don't surprise employees in their reviews. Make sure that throughout the year there is communication with employees about their performance so, come review time, the issues need only be put on the table and the time can be spent planning for the coming year.

How do you provide honest feedback to your employees?

Again, a review cannot be a personal attack. By making the review about the job and not about the person, it is much easier to speak frankly about performance issues. Moreover, do not lose sight of the employee's self evaluation. Many people are 'their own worst critics.' A critical assessment is easiest if it launches from points the employee has already identified.

How can you ensure that employees will respond to the performance review? How do you make sure they change bad behaviors?

It is helpful to use objective benchmarks, or even schedule follow-up meetings to discuss the development of certain issues, rather than waiting another year.

Successful, motivated employees are ones who are respected by their employers. Honest, fair performance assessments are one of an employer's best tools to motivate people, even better than a pay raise. The review process is at the heart of this. <<

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