

# How Are You Doing? The Elements of Effective Performance Management

*An effective performance management process can be the difference between an efficient organization and one whose employees are unfocused and unmotivated.*

By Jessica Kelley, PHR

**W**hether an employee is a top performer or at risk of dismissal, clear and consistent feedback plays a key role in his or her professional development. Informal and formal feedback are crucial throughout an employee's tenure. Through the use of formal performance evaluation forms and regular performance discussion meetings, employees and managers can collaboratively build rapport and establish expectations.

Some of the many benefits of effective performance management include reduced turnover, stronger team performance, and improved public relations.

## **The First 90 Days**

The first 90 days in a new position is arguably one of the most important timeframes with regard to effective performance management. Performance conversations should begin on an employee's first day with the manager and employee laying out expectations.

Managers should ask employees to complete a "How I Want to Be Coached" feedback form and then engage in a conversation about the responses. The form is an opportunity for the employee to express preferred communication methods, expectations, areas for improvement, and professional goals. This tool can be a



valuable reference throughout the employee-supervisor relationship.

Within an employee's first week (ideally during orientation), a human resources (HR) representative or supervisor should explain the performance review process, along with the organization's policies and procedures governing it. This explanation should include (1) a discussion of the review form, (2) the timing of each step in the process, (3) an explanation of the rating scale, and (4) the expectations for both the 90-day and annual reviews.

Many organizations consider the first 90 days a probationary period; regardless whether this is the case, a formal 90-day review is recommended. Some organizations may use the same template for all reviews; others prefer to use an abbreviated version for the 90-day mark and an expanded version later. Employees should understand that expectations are not as high at the 90-day mark because they are still new to the role.

### **Maintaining Communication**

After the "honeymoon" period is over, it is easy to get so caught up in work that communication regarding performance becomes a low priority. Managers often fail to realize the importance of regular communication and wait until a small problem becomes a major issue before discussing it. When performance issues arise, they may postpone the formal review or any sort of feedback. Avoiding issues will not cause them to disappear and will typically make matters worse.

To ensure opportunities for feedback, HR managers should schedule monthly performance check-ins with employees. Employees should weigh in with their feedback, and managers should focus these check-ins on improving the employee's performance. The important outcome of the meetings is clarifying expectations for the employee.

Reviews should always begin with the positive contributions the employee has made, followed by a discussion of areas for improvement. Each performance issue must be clearly addressed and the manager should provide concrete examples.

If performance issues do not improve or worsen over time, it may be necessary for the manager to meet with the employee more often than once a month.

### **The Annual Review**

The annual review meeting plays a key role in an employee's professional development—it is also a meeting the employee and manager may dread. These reviews typically are held on the employee's anniversary date or on an organization-wide date that is predetermined for all employees, such as fiscal year end. Regardless of when your district chooses to schedule reviews, they should be done in a timely fashion for all employees.

Reviews are often delayed for two reasons: (1) the manager is so busy that he or she does not set aside time, or (2) there are performance issues that the manager is not prepared to address. Delaying the review meeting will negatively affect the employee's morale, which could, in turn, adversely affect team performance.

Managers should set aside adequate time before the review date to complete the review form. This process should not be rushed; speeding through the form to save time is unfair to employees, especially young professionals who anticipate ample, well-thought-out feedback.

The review should be held in a formal setting, typically in the manager's office or a small conference room. Performance discussions should never be held publicly or in social settings (i.e., during lunch at a restaurant).

An employee should have a copy of the manager's feedback before the meeting, so there are no surprises. Ongoing communication about issues as they arise is also crucial to avoid any element of surprise. The review document will help formalize and detail these conversations. Having another manager present who can provide additional feedback on the employee's performance is often helpful.

In discussing the review comments, special attention should be paid to those items on which the employee's and manager's ratings differ. If everyone understands the ratings scale and managers are having regular performance discussions with employees, there should be little deviation on scores.

Although employee feedback is important, the manager's rating is the one that ultimately goes on record. The manager should explain in detail the reasons for his or her ratings. Again, it is critical to strike a balance between the positive and negative and to provide the employee with a clear path to improvement. If issues need to be addressed, there is no better time than the review meeting to address them in an honest, forthright, and objective manner.

Some managers get so caught up in the desire to give a positive review that they forget or intentionally leave out anything negative. On the other end of the spectrum, managers can become so consumed with the areas for improvement that they do not mention any of the employee's positive attributes.

### **Help from HR**

If they are not members of the human resources department, managers should not hesitate to contact an HR staff member to help with performance reviews and performance management. Here are some ways the HR department can help.

1. First and foremost, the HR department can help establish a formal review process that includes standard evaluation forms, appropriate timetables, quantitative rating scales, and reminders. Quantitative

scales are a key element in ensuring the functionality of the review process. A well-defined scale will provide much-needed clarity. Once the process has been established, HR should provide instructions and training to employees and managers to ensure that the expectations are clear to everyone.

2. Many organizations use 360-degree reviews as an additional method of providing feedback. This process provides an opportunity for employees, managers, and peers to submit feedback. HR can help by developing and managing this 360-degree process.
3. HR can help establish formal performance improvement plans for at-risk employees and can coach managers on how to use them effectively.
4. As performance issues arise, HR should get involved and counsel managers on how to best address each situation.
5. HR can provide regular training sessions for managers to address best practices for effectively managing employee performance.

Although performance management may not be everyone's favorite topic of discussion, it is invaluable to the manager-employee relationship and the professional development of every employee. Managers who recognize the importance of the review process and take proactive measures to perform all steps effectively will

be well respected and rewarded with stronger performers. HR can provide valuable support to managers along the way.

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