

## The need to have appraisals – it can shape your future

Organisations today know that outstanding business achievement requires the best possible performance by every team and every employee. Individuals, teams and organisations all depend on relevant feedback to improve the way they perform.

Whether the primary focus is customer satisfaction, process performance or employee effectiveness, leading organisations now regard feedback as an essential business tool.

In the 21st century, with the growth of technology and innovation in most industries, it is possible that your competitors will be able to match you on product and price, and possibly, therefore, gain the competitive edge in the constant endeavour to reach and satisfy customers. In order to maintain that edge yourself, you need to provide a quicker, better, and more efficient service than your competitors.

To do that, you need a knowledgeable, committed and highly motivated workforce. It's your people that will make the difference. You need to be prepared to invest a little time on a one-to-one basis with each member of your team.

The main aim of any appraisal system (many companies call them performance management systems or performance reviews) is to improve the performance of each member of staff within the company.

It is a formal record that provides an opportunity to review past performance, and, more importantly, concentrate on plans for future development.

It is a two-way discussion, allowing the individual member of staff to express their feelings about their progress and to discuss any training and development needs. It presents to them possible opportunities for career progression within the company.

### **Benefits for staff:**

If your appraisal system is user-friendly and well administered then you should find that it encourages your staff to perform well and perhaps seek career advancement.

It allows your staff an opportunity to have the undivided attention of their line manager so that they can put forward their views and ideas on a one-to-one basis. During the meeting the staff member can arrive at the true value of their position to the company and gauge how well they are fulfilling their function.

Whether we like having the actual appraisals or not, by providing guidance and demonstrating how to improve performance (and hence rewards) they do become very much appreciated.

In an ideal world the line manager will have already acknowledged outstanding performance as it happens. But when a business is doing well and people are busy it is easy to overlook those that are creating the success. The appraisal provides the opportunity to record it formally.

Training needs can be identified and a training plan or objectives agreed with the employee. It may also be an appropriate time to discuss career opportunities and career plans.

**Benefits for the Company:**

If you have a culture where staff feel that they have some control over their own development and have an understanding of how their performance and skills can contribute to the success of the company, they will be more motivated and more committed to helping the company achieve its goals and objectives.

You can't turn your company's objectives into reality by yourself. You need to bring your whole team with you. An effective appraisal system is just one of the measures that will help you to do that.

Knowing that their efforts to do a good job are recognised by management, and their views and opinions are being listened to, is a great motivator. Your staff are likely to be more productive and more willing to put in that little bit extra when needed if an effective appraisal system is being employed.

**It sounds wonderful doesn't it? So why isn't it like that?**

Consider the following about performance management and appraisal:

Many companies have performance management systems that don't work very well, and cost more in time and effort than they are worth.

Managers hate to do them and will find any excuse to avoid doing them.

Most employees hate them with a passion. Even though they would like to know how they are doing, if the system is ineffective, staff can become resentful. At worst, they see it as something to be approached with dread (on a par with going to the dentist), at best, it's seen as a complete waste of their time.

Most systems used don't even provide protection from claims for unfair dismissal or discrimination, although most managers believe their appraisal system protects them.

A badly implemented performance management and appraisal system is worse than none at all.

One of the main reasons that appraisal systems are often ineffective is because many companies fail to recognise the importance of training.

When you introduce a new appraisal system or change an existing system, everybody needs to be trained on all aspects of it.

Most companies will train their managers on how to conduct an appraisal interview or write up an appraisal record. What they often fail to do is train the employees on their involvement in the appraisal process and their contribution to it. Any performance review only works well when the manager and the employee both have a clear understanding of the appraisal system and what is expected of them.

They also fail to recognise that if the system changes it's vital that all users of the appraisal process are trained on how the new system is meant to operate.

You could have the best appraisal system in the world, but if its not implemented properly then it won't work.

Performance appraisals aren't fun. But a lot of the time they are ineffective because managers get it wrong, ending up destroying a process that is important to everyone [or should be].

Here are just a few of the common mistakes that will ultimately destroy the credibility of an appraisal system. When managers: -

**Spend more time on reviewing the past than on performance planning, or discussing ongoing performance.**

The appraisal should be a rolling process that goes on all the time - a process that is based on good communication between manager and employee. More time should be spent on preventing performance problems throughout the year than evaluating them at the end of the year. When managers "keep their finger on the pulse", the appraisal is comfortable and easy to do, because there won't be any surprises.

**Forget that the purpose of appraisal is improvement, not blame**

We do appraisals to improve performance, not find a donkey to pin a tail on or blame. Laying blame is pointless and doesn't achieve anything. You can't change the past, but you can shape the future. Performance appraisal should be about getting manager and employee working in partnership in order that everyone gets better at what they do.

**Surprise employees during appraisal**

Want to really create bad feeling? That's what will happen if you don't talk to staff during the year or don't deal with issues as they arise. You will compound the problem further if you save them up and drop them in the employees lap at the appraisal. Nothing should ever come as a surprise at an appraisal meeting. Everything should have been dealt with or discussed at the time it happened.

**Think all employees should be assessed in exactly the same way using the same procedures.**

Do all employees need the same things to improve their performance? Of course not. Within any industry there are many different jobs. It stands to reason that you can't evaluate the chief executive of your company using the same approach as you use for the person who cleans the factory floor. So why do managers insist on evaluating the receptionist using the same tools and criteria as the food technologist? Usually it's because there is a desire to standardise the form across a company. That's understandable - but totally impractical.

There are many different types of appraisal or performance management systems. The most effective system is one that is tailored to the specific needs of your company.

**For an appraisal system to work well it needs to meet these four criteria:**

Easy to administer and user friendly

Have commitment from, and be understood by, all involved

Seen by both management and employee as time well spent

Place the emphasis on improving performance

There is a need to refocus on performance management and concentrate on its essentials. That is to see the appraisal process as a communication process between two people that needs to be flexible and meets the needs of the manager, the company and the employee. The aim being that all can work in partnership to improve individual performance, team performance and company performance.



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