

How2 use appraisal to develop your staff

Author: Northumbria University

Introduction

Staff are the most valuable and expensive resource available to you. Few managers would dream of allowing machinery and vehicles to run without frequent checks on performance and without regular maintenance. Appraisal fulfils the same functions for your people.

For members of staff, appraisal answers the key questions:

- How well am I doing?
- How can I improve?

For managers and the organisation, appraisal answers the question:

- How do we get the best out of our people?

Without effective appraisal:

- Poor performance is not corrected
- Good performance goes un-rewarded
- Training needs are neither identified nor met
- People's potential remains unfulfilled
- Individual activity is not co-ordinated with the objectives of the business

Main

The two main types of appraisal: Formal & Informal

Informal appraisal:

- Goes on all the time
- Provides encouragement
- Provides feedback on a regular basis
- Reinforces positive behaviour/performance
- Corrects undesirable behaviour/performance
- May involve little or no preparation
- Reviews a short period of time.

Formal appraisal:

- Tends to happen once or twice a year
- May be linked to salary etc.
- Needs careful preparation
- Reviews a longer period of time
- Sometimes split into: (a) one that deals with past performance; (b) one that deals with training and development, in order to encourage openness.

In a team or medium department, informal appraisal is often more important than formal appraisal. You know your staff; you know what they can do and what they do do. The key to informal appraisal is to make it conscious. If you have the impression that someone is late every morning, make a point of consciously checking your impression - you could be wrong!

Appraisal can be used for the following purposes:

To reward performance:

- Through recognition and praise and through tangible benefits.
- By giving feedback on positive aspects of employee performance and therefore reinforcing desirable behaviour

To identify training and development needs:

Via informal appraisal plus a more formal review. Formal appraisals can address deep-seated training needs and allow discussion of the individual's needs-based development.

To identify staff potential:

- Informal appraisal gives managers an opportunity to see what their staff are capable of.
- Formal appraisal gives employees the chance to explore their longer-term aspirations.

To identify future career moves:

- As part of your human resource planning
- Enhances the loyalty and motivation of existing staff

To set performance objectives:

- Gives employees the chance to agree targets for the future
- Enables employees to know what is expected of them
- Aligns employee objectives with the objectives of the business
- Enhances performance if objectives are realistic and achievable

To motivate staff:

- Gives employees feedback on their performance
- Helps employees know what is expected of them and how well they are doing against those objectives
- Enables staff to feel in control of their jobs.

The key to successful appraisals:

Trust and respect

Your staff must trust and respect you, and you them, otherwise appraisal will not be a dialogue and will be less effective. They don't have to love you, or you them! Trust and respect comes from seeing the contribution each member of staff

makes, from regular contact with them, and from accurate knowledge of their performance.

Common standards

Everyone should be judged against the same criteria - you can't have easier targets for some and harder for others. Your standards should be measurable - e.g., production units, sales etc. and be realistic.

Allow room for standards such as "attitude to work" - but be sure you know what you mean by this.

Dialogue

Listen - don't just talk. Ask for staff views, see things through their eyes, put your point of view, and explain your reasoning. Staff can only act on feedback they understand.

Effective measurement and feedback

Everyone should know the measures being used. Feedback should be regular, accurate, and constructive, and should use the measures chosen as a key part of the feedback. Measures should only take account of those factors that are within the employees' control - you can't expect them to carry the can or receive praise for something, which is outside their control.

Relevant follow-up

If you identify a need, do something about it, as soon as possible, otherwise appraisal becomes meaningless.

How to carry out successful appraisals:

Informal

The key to informal appraisal is to know how each employee is performing and to let them know that you know. Check production figures, sales, etc. on a regular basis so that you know who is doing what.

Talk to employees on a regular basis about what they are doing, what is going well, and what could go better. Ask them how they feel about their performance.

During a quiet moment, as you go around talking to individual employees, agree an aspect of performance that can be improved - don't be tempted to come up with a long list, give them something to concentrate on.

Use the '*praise sandwich*' technique - put any negative aspects of performance between two positive aspects of performance. That way you will remember to pick out good points as well as bad, and they will believe that they can improve - after all, they received praise for some things.

Make a point of checking at a suitable interval how things are going. Are individuals improving in the agreed areas? Do they need help/training/resources? Let them know that you know how things are going.

Formal:

Make sure you have agreed objectives with employees, so they know what they are trying to achieve. Objectives should be measurable and achievable.

Tell employees a week or two before a formal appraisal interview and ask them to think about their performance over the past year/six months and suitable targets/goals for the next year/six months. You may have a form for them to complete. Arrange a time and place for the interview - somewhere you won't be interrupted. Be relaxed - and don't carry out appraisals across a desk, it sets up a 'them and us' attitude.

Start with a general discussion of how things are going, and how the employee feels about his or her work. Are there any problems/worries/concerns? What do they like most/like least?

Review past performance against agreed objectives. Identify gaps, and reason for gaps. Discuss these, and discuss training and development needs, and employee career aspirations.

Agree new targets and any training and development plans.

Prioritise improvements needed/aimed for. Are employees clear about their main aims?

Remember to listen and to discuss and agree. Staff should understand what is being asked of them and why, and should feel they have had a hand in setting targets.