

The success of **Sangster's** depends on how well employees perform in their current positions. It is vitally important for all persons authorized to evaluate the performance of others to be able to effectively manage the appraisal process. Through effective and timely application, this process will enhance employee productivity and contribute significantly to the employee's professional and personal development.

It is the policy of **Sangster's** to formally evaluate the performance of each regular full-time and regular part-time employee on a regularly scheduled basis. **Sangster's** believes that employee performance evaluation should be an ongoing process that requires continual and consistent communication between employees and management.

PROCEDURES:

1. Guidelines

- a. Managers or Franchisees will initially explain, when possible, performance and conduct expectations to employees before tasks are performed.
- b. Managers or Franchisees will provide performance feedback to their employees on a regular basis, both orally and in writing when necessary.
- c. Managers or Franchisees are expected to continually observe and document their employees' performance for the following reasons:
 - To monitor progress toward previously established objectives and standards.
 - To establish a basis for providing periodic feedback and coaching.
 - To facilitate completion of the formal performance evaluation.
 - To promote fairness, accuracy, consistency and reliability of information used in conducting formal performance evaluations.
- d. Managers or Franchisees are expected to document only an employee's job-related behaviors and the results of those behaviors.
- e. Managers or Franchisees should meet with every employee formally and individually at the end of the employee's first twelve months of employment and annually thereafter. This performance discussion is the time for an extensive assessment of your employee's performance. It shall be a summary of the ongoing review and feedback conducted and documented throughout the year.

2. Process

- a. Managers or Franchisees may schedule time to meet with the employee and prepare the employee for the discussion.
- b. The manager or franchisee should be prepared to discuss these issues in basically the following order with each employee:
 - The employee's evaluation of his or her performance.
 - The manager's or franchisee's general evaluation of the employee's performance as well as any feedback from other sources.
 - Using **Sangster's** set of performance evaluation criteria, the Manager or Franchisee shall make an assessment of the employee's strengths and weaknesses.
 - Plans to improve performance (or further development if appropriate).
 - Methods in which the Manager or Franchisee can help the employee to do his or her job better.
 - Ideas the employee may have regarding his or her job, procedural changes, priorities, etc.

NOTE: All persons authorized to evaluate employees must discuss measurable behavior, not assumed attitudes or motivations.

- c. The employee should be prepared to discuss these issues in basically the following order:
 - The employee's overall evaluation of his or her own performance.
 - Examples of work performance and reasons for evaluation.
 - Strengths and weaknesses against performance criteria.
 - Plans to improve performance (training or other help needed).
 - Business ideas or suggestions.
 - Any suggestions for assistance from the franchisee.
- d. There will be no discussion of wage/salary increases during performance evaluation sessions.
- e. Wage increases based on merit may be recommended by the store manager or franchisee within 30 days of the performance evaluation.

3. Employment Evaluation Criteria

Sangster's uses certain criteria for evaluating employee performance. Listed below are the criteria.

- a. Job Knowledge and Productivity. Has the employee grasped an understanding of his or her position? Does he or she seem interested in learning more? Does the employee take ownership of what he or she does and not blame others? Are there certain areas in the job where the employee needs further knowledge or training? Does the employee have repeated errors while performing certain tasks?
- b. Quality of Work. Does the employee offer suggestions to improve procedures or policies, eliminate waste and improve customer service? Does the employee think of ways to enhance the work environment?
- c. Customer Satisfaction and Courtesy. All employees at **Sangster's** are expected to understand and meet the needs of our internal and external customers. Is this employee sensitive to who our customers are, and striving to meet their needs? Does the employee ask customers for their feedback in how they are doing? Does the employee ask customers for clarification on their needs and how **Sangster's** can serve them better?
- d. Ability to Get Along with Others. Does he or she seem willing to help others out? Take on extra tasks, when needed? Does he or she actively participate as a team member in order to accomplish the store's objectives? Does the employee demonstrate a willingness to listen and consider other's ideas and suggestions?
- e. Attendance and Promptness. How frequently is the employee absent or late? Does the employee's absence fall into a suspicious pattern?
- f. Personal Appearance and Attire. Does the employee always look presentable and adhere to **Sangster's** dress code? Does he or she wear our name badge and adhere to the dress code at all times while on the selling floor?
- g. Communication and Compliance. Does the employee follow the rules? Does he or she understand all of **Sangster's** regulatory requirements and established processes and procedures that ensure the high quality and consistency of activities?

Sangster's

PERFORMANCE EVALUATION

Employee Name:	Evaluating Manager/Franchisee:
Position:	Evaluation Date:
Definitions:	
A - Above Standard: 95 - 100%	Employee consistently <u>exceeds</u> expectations
B - Consistently Meets Standard: 80 - 94%	Employee regularly <u>meets</u> expectations.
C - Needs to Improve: 65 - 79%	Employee <u>does not regularly meet</u> expectations, but continues to show <u>signs of improvement</u> .
D - Does Not Meet Standard: 40 - 64%	The employee <u>does not regularly</u> meet expectations and <u>does not show progressive signs of improvement</u> .
Assessment & Comment:	This column should contain <u>examples</u> of the rationale for the rating.
Overall Rating:	The employee's overall rating is an average of all the ratings.
S*M*A*R*T Development Plan:	This section should be completed for all areas in which the employee must strive, improve and be recognized.

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Job Responsibilities	Rating (1 - 5)	Assessment and Comments
Job Knowledge and Productivity - Knows job procedures and is skillful in performance of assigned job duties. - Tries to improve job performance. - Uses time and effort efficiently. - Tends to be helpful and productive beyond assigned duties. - Plans time to accomplish the assigned tasks within the specified time frames.	_____ _____ _____ _____ _____	
Quality of Work - Report, documents, and paperwork are accurate, neat and thoroughly complete. - Reports and paperwork is turned in on time. - Is dependable and on the job ready for an assignment when scheduled. - Able to perform job with little or no supervision. - Is persistent in carrying out job duties, regardless of what may occur.	_____ _____ _____ _____ _____	
Customer Satisfaction and Courtesy - Shows kindness and consideration to fellow employees and customers. - Shows respect to supervisor. - Overall attitude is positive. - Properly evaluates situations and makes sound judgments when having to make decisions.	_____ _____ _____ _____	
Job Responsibilities Ability to Get Along with Others - Gets along with others, demonstrates willingness to make the company better and assists beyond assigned duties.	Rating (1 - 5) _____	Assessment and Comments

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Attendance and Promptness - Does not use time for non-business purposes, is dependable and on the job when scheduled.	
Personal Appearance and Attire - Adheres to the established company standards governing personal grooming and appearance.	
Communication and Compliance - Readily accepts responsibility and properly follows instructions. - Communicates ideas and results of work effectively both orally and verbally.	
Other - Economizes on supplies and does not waste anything.	

Overall Rating

Total Score: _____	Comments:
Possible Score = <u>100</u>	
Alphabet Rating: _____	

I have reviewed and discussed the above with management. I understand that I may offer any related comments in writing at any time and have them placed in my personnel file.

Employee's Signature: _____ **Date:** _____

I have discussed this form and its contents with the above employee.

Evaluating Supervisor Signature: _____ **Date:** _____

S*M*A*R*T DEVELOPMENT PLAN

(Specific * Measurable * Attainable * Reasonable * Time Sensitive)

Areas of strength:

Areas in need of improvement:

Goals: (List major job related development goals and any personal improvement plan for the coming period with target dates)

Comments: (Each individual is encouraged to add any comments to this review. If additional space is required, attach a separate sheet.)

Employee Acknowledgment:

I am signing this evaluation to indicate that my manager/supervisor and I have had a discussion on my work performance, development goals, my performance plan and the above comments.

Employee's Signature: _____ **Date:** _____

Evaluating Supervisor Signature: _____ **Date:** _____