**Employee Performance Review Policy**

Improvements in an employee’s performance benefit the company and also acts as a progression in an employee’s performance. Regular review of an employee’s performance gives the management an opportunity to implement necessary changes, hikes, and training; and also ensures that the employee stays dedicated to his/her work.

Additionally, since implementing an employee performance review policy requires timely reviews, it motivates the employees to perform to the best of their potential.

A performance review policy also describes the best goal-setting practices, employee training and rewards, and an employee's relationship with his or her supervisor, serving as a vital HR tool for managing an employee's ability, potential, and goals.

Because the employee performance review also serves as the foundation for the employee's bonus and appraisal, it serves a dual purpose.

**PURPOSE**

There are many reasons to use performance reviews. Some of the most important include:

* Evaluating employee performance in a systematic way
* Increasing motivation and productivity
* Improving communication with employees
* Improving employee retention and development
* Identifying areas for improvement

**DEFINITION**

Performance review (also called annual review, appraisal, or performance appraisal) is a systematic assessment of an employee's performance over one year. The goal of a performance review is to help both employees and managers recognize areas for professional growth.

## **SCOPE**

* In general, performance reviews will be conducted yearly on all employees. However, if an employee's job duties change significantly due to other reasons such as a restructure or promotion, this may necessitate a more frequent review.
* All employees will be subject to performance reviews, including the CEO and founders.
* All aspects of an employee's role and performance will be considered during the review process, including:
* Work ethic
* Quality of work output
* Contributions to company culture
* Communication skills
* Technical proficiency in job-related areas (e.g., data analysis)
* Project management abilities (for those who manage projects)

**WHAT IS THE IDEAL PERFORMANCE?**

Our company has a broad definition of what it means to perform well. To get a favorable performance evaluation, you should do the following:

* Consistently meet your goals.
* Complete your work responsibilities to the extreme of your potential.
* Demonstrate a desire to learn and grow.
* Keep the company's Code of Conduct and other policies in mind.
* Maintain an upbeat attitude and collaborate with your teammates efficiently.
* Each employee may excel in one area while still having to improve in others. However, in order to stay with our organization, you must meet a minimal quality in all of these areas and demonstrate a willingness to develop when necessary.

**EMPLOYEE PERFORMANCE REVIEW PROCESS**

The performance of employees will be evaluated on a [annually/bi-annually/quarterly] basis.

Self-evaluation and assessment by your immediate manager/supervisor, or both, will be part of the review process.

Self-review is evaluating one's own performance in light of the company's facilities and resources. This allows us to assess and choose resources that will help you improve your performance.

Your immediate supervisor and managers will take part in a Management Review to assess your progress and performance. This examination is crucial in determining incentives, raises, and promotions for employees.

During these evaluations, your manager will use our [performance review platform] to fill out your performance evaluation report and schedule a meeting with you to discuss your review. Managers want to achieve the following through these discussions:

* Talented employees should be recognized.
* Discuss employee motivations and career moves.
* Make a list of areas of improvement.
* Periodic reviews are conducted on employees who have finished their onboarding period.

**REWARDS AND TRAINING**

Your annual bonus and increase are contingent on your performance review.

Submit your performance evaluation. You will be given opportunities to be trained and expand your skills if it is determined that training in specific areas might improve your performance.

**MANAGER’S RESPONSIBILITIES**

You are responsible for the performance of your team members if you manage a team. We want you to do the following in order to run productive regular meetings and performance evaluations:

**Clearly define your goals.** Your team members should be aware of your expectations. When you add someone new to your team, make sure they are aware of their responsibilities. Set clear objectives for each team member (and team-wide if applicable.) During [annual/ bi-annual/ quarterly] performance reviews, reaffirm those objectives.

**Give helpful feedback.** Provide appropriate advice and praise to your team members during planned meetings. To help them comprehend and execute your criticism, be fair and specific.

**Keep every member of your team involved.** You and your team should be able to communicate in both directions. Make your expectations clear, but remember to consider your team members' motivations and goals. Discuss any training or development options that your team members might be interested in.

**Keep track of critical incidents involving each member of your team.** These logs can be used to evaluate your team, but they can also be used to fire, reward, or promote individuals of your team.

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