

Annual Review Process

Policy Number: HR-COMP-002 **Effective Date:** January 1, 2020 **Last Updated:** December 15, 2023 **Owner:** People Operations **Applies To:** All employees globally

Overview

The annual review process at NovaTech Solutions evaluates performance, provides feedback, and determines compensation adjustments. This document explains how the process works and what to expect.

Annual Review Timeline

Timeframe	Activity
January 2-15	Self-assessment period opens
January 15-31	Peer feedback collection
February 1-15	Manager writes reviews
February 15-25	Calibration sessions
February 26 - March 7	Review meetings delivered
March 8-20	Compensation decisions finalized
April 1	New compensation effective

Review Components

1. Self-Assessment

Write a self-assessment covering: - Key accomplishments for the review period - Impact and outcomes of your work - Areas of growth and learning - Challenges faced and how you addressed them - Goals and development areas for next period

Tips for Self-Assessment: - Be specific with examples and data - Highlight impact, not just activities - Be honest about challenges - Keep it focused (2-3 pages recommended)

2. Peer Feedback

Select 3-5 peers to provide feedback. Peers are asked about: - Your strengths and contributions - Collaboration effectiveness - Areas for growth - Impact on team and company

Selecting Peers: - Choose people you worked closely with - Include cross-functional partners - Consider different perspectives - Your manager may add additional reviewers

3. Manager Assessment

Your manager evaluates: - Performance against goals and expectations - Demonstration of NovaTech values - Growth and development - Impact and scope of contributions - Collaboration and teamwork

Performance Ratings

Rating Scale

Rating	Description
Exceptional	Consistently exceeds expectations; extraordinary impact; role model for others
Exceeds Expectations	Frequently exceeds expectations; significant positive impact
Meets Expectations	Consistently meets expectations; solid contributor
Developing	Partially meets expectations; improvement needed
Below Expectations	Does not meet expectations; immediate improvement required

Rating Distribution

NovaTech does not use forced distribution. Ratings should reflect actual performance: - “Meets Expectations” is a strong rating - it means you’re performing well - Most employees typically receive Meets or Exceeds - Exceptional ratings are rare and meaningful

Calibration

Purpose

Calibration ensures consistent standards across the organization: - Managers discuss ratings with peers - Leadership reviews for fairness - Adjustments made for consistency

Process

1. Managers propose ratings
2. Department calibration sessions
3. Cross-functional calibration
4. Leadership review
5. Final ratings approved

Your Role

You don't participate in calibration. If you have concerns about your rating after receiving it, use the review appeal process (below).

Review Meeting

What to Expect

Your manager will schedule a 45-60 minute meeting to:

- Share your performance rating
- Discuss strengths and accomplishments
- Review areas for growth
- Provide feedback from peers
- Discuss compensation (if timing aligns)
- Set goals for the coming period

Preparing for the Meeting

- Review your self-assessment
- Consider your accomplishments and challenges
- Think about your development goals
- Prepare questions for your manager

After the Meeting

- Review is documented in Workday
- Acknowledge receipt in Workday within 7 days
- Follow up with manager on unclear points

Compensation Outcomes

Merit Increases

Based on performance rating and position in salary band:

Rating	Typical Increase Range
Exceptional	6-10%
Exceeds Expectations	4-6%
Meets Expectations	2-4%
Developing	0-2%
Below Expectations	0%

Ranges vary based on budget, band position, and market conditions.

Bonus

Annual bonus payout based on: - Individual performance rating (40%) - Company performance (60%)

Target bonus percentages vary by level. See Bonus Structure (HR-COMP-003).

Equity Refresh

High performers may receive equity refresh grants: - Typically tied to Exceeds or Exceptional ratings - Not guaranteed annually - Based on retention and contribution

Promotions

Promotions are separate from the annual review but may coincide: - Promotions can happen at any time - Review cycle is common timing - See Promotion Criteria (HR-DEV-005)

New Employees

Partial Year Review

If you joined after July 1: - Abbreviated self-assessment - Peer feedback optional - Prorated evaluation period - May receive partial merit increase

Probation Period

Employees still in probation receive a separate probationary review. See Probationary Period Policy (HR-ON-008).

Special Circumstances

Leave of Absence

If on leave during review period: - Review based on time worked - Rating reflects actual performance period - Return from leave: abbreviated review when back

Role Change

If you changed roles/managers mid-year: - Input gathered from both managers
- Current manager writes final review - Consider full year performance

Manager Change

If your manager changed: - Previous manager provides input - Current manager writes review - HR facilitates if needed

Appeals and Concerns

Informal Resolution

If you disagree with your review: 1. Discuss concerns with your manager 2. Ask for specific examples and clarification 3. Request manager reconsider if warranted

Formal Appeal

If informal resolution fails: 1. Submit written appeal to HR within 14 days 2. Include specific concerns and supporting information 3. HR investigates and responds within 21 days 4. Decision is final

When to Appeal

Appeals should focus on: - Factual errors in the review - Process violations - Failure to consider significant evidence

Appeals are not for disagreeing with judgment calls.

Documentation

What's Retained

- Self-assessment
- Manager assessment
- Performance rating
- Goals for next period

What's Confidential

Peer feedback specifics are confidential. You'll receive themes and summary, not raw feedback.

Access

Access your current and past reviews in Workday: Performance > Performance Reviews > View History

Manager Responsibilities

Preparing Reviews

- Collect feedback throughout the year
- Review self-assessment thoroughly
- Write specific, actionable feedback
- Rate fairly and consistently

Delivering Reviews

- Schedule adequate time
- Provide balanced feedback
- Listen to employee perspective
- End with forward-looking goals

Follow-Up

- Address questions promptly
- Support development goals
- Document any concerns
- Provide ongoing feedback (don't save for annual review)

Continuous Feedback

The annual review complements ongoing feedback:

- Regular 1:1s with your manager
- Quarterly check-ins on goals
- Real-time feedback encouraged
- Don't wait for annual review

Contact

For questions about the review process, contact People Operations at reviews@novatech.com or via #ask-hr on Slack.

Related Documents: Salary Bands and Levels (HR-COMP-001), Bonus Structure (HR-COMP-003), Promotion Criteria (HR-DEV-005), Goal Setting Guide (HR-DEV-010)