

Employee Evaluations

This module describes the performance evaluation process and specifically addresses the differences between new employee evaluations and annual evaluations, what to do and not do when conducting evaluations, rating characteristics, "sticky situations" and difficult conversations, and constructive feedback.

Types of Employee Evaluations



Most organizations have **annual evaluations** where they assess each employee's progress against his or her goals and objectives. In general, employees are also ranked against his or her peer group. Many organizations also have an informal **new employee evaluation** after 60 to 90 days of employment. Both evaluations serve to communicate management's perspective of the employee's performance relative to his or her job, to reveal the employee's feedback relative to performance, and to learn more about the employee's career objectives.

In general the new employee evaluation is:

- Conducted within the first 60 to 90 days of employment.
- Informal and not used for merit planning purposes.
- The basis for whether the new employee remains on the current assignment.
- Provides an opportunity for the manager to elaborate on and the new employee to learn about the annual evaluation.

The process is simple. The supervisor or manager prepared for the review observing the employee's performance, writing constructive feedback, and if necessary gathering input from the team leaders whether it be program, project, or task leaders, or any other observer of the new employee's work such as the customer. The supervisor writes an informal report and discusses it with the new employee. Most organizations require the supervisor and employee to sign the report signifying that the feedback conversation occurred. The report is retained in the employee's personnel file. The report may be as simple as a checklist as shown in the figure or it may be a written report.

New Employee Evaluation

Name: _____

Employee Number: _____

	Excellent	Satisfactory	Needs Improvement	Unsatisfactory
Quantity of Work				
Quality of Work				
Job Knowledge				
Learning Ability				
Initiative				
Judgment				
Cooperation				
Attendance				
Punctuality				
Overall Rating				

Recommendation: ☐ Continue in present job ☐ Review again in 30 days
☐ Transfer to more suitable job ☐ Terminate employee

Additional comments, observations, plans: _____

The bottom line in the new employee evaluation is the recommendation to permit the employee to continue in the current assignment, review again in 30 days, transfer to a more suitable assignment or terminate the employee.

The next item contains a video that provides a brief overview of evaluating employee performance.

Employee Evaluations

Types of Employee Evaluations

The annual evaluation process is generally:

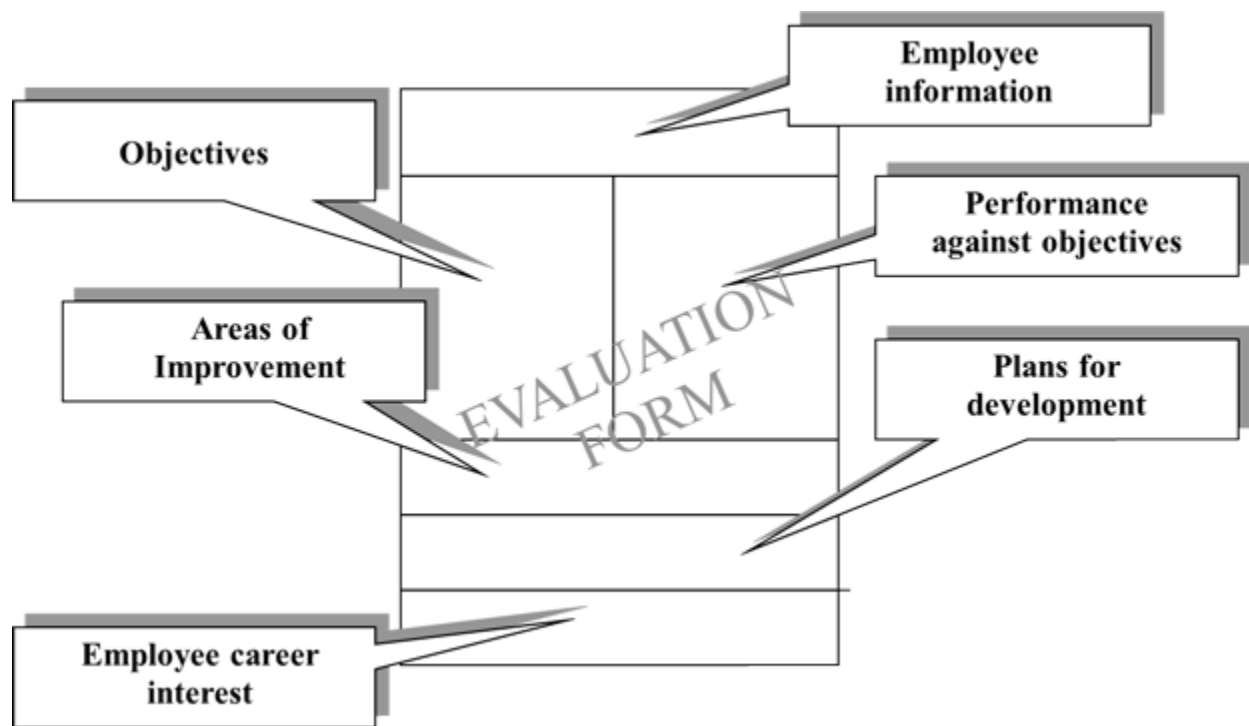
- Conducted roughly every 12 months, although this can vary by company.
- Formal and used for merit planning purposes.
- A basis for whether the employee remains on the current assignment.
- Provides an opportunity for the manager and the employee to discuss career objectives.

Each organization's employee evaluation process may differ, but the typical process:

1. Begins with each employee providing a self evaluation or a self-assessment of the work they performed over the last 12 months.
2. The supervisor gathering evaluation input from all team leader(s).
3. Next, the supervisor combines input from the employee, team leader(s), and personnel file including letters of commendation, customer comments, and notes, as well as his or her observations of the employee's performance.
4. The supervisor then writes the written evaluation.

5. The supervisor must select the appropriate evaluation rating according to the organization's rating scale.
6. The supervisor submits the evaluation for management review and signatures. Typically more signatures and more detail are required for exceptionally high or low evaluations.
7. Once approved, the supervisor schedules a meeting evaluation with the employee to discuss the results.
8. The supervisor conducts the evaluation reviewing duties and performance, discussing areas of improvement, addressing career objectives and plans for development. This meeting is generally 30 minutes to two 2 hours and should have no interruptions. The employee should be given the option of having current team leaders present.
9. The employee should also be given several days the option to write comments if he or she chooses.
10. Lastly the employee and supervisor sign off on the evaluations signifying the discussion was held, not necessarily that the employee agrees with the assessment.

The evaluation form is usually in report form as shown in the figure.



In general, the annual employee evaluation directly impacts merit planning and is used for promotion or additional job responsibilities, influences internal transfers, provides input that can result in demotion or even termination, and is used as criteria if reduction in force (RIF) or layoff occurs.

Rating Characteristics

When conducting an employee evaluation, it is critical to be objective, fair, and courteous. This list of dos and don'ts should assist in your preparations and conduct of the meeting itself.

Do	Don't
<ul style="list-style-type: none"> Evaluate employee relative to his or her job description, not other employees' 	<ul style="list-style-type: none"> Let claims of personal problems excuse poor performance. Everyone has

Do	Don't
performance.	personal problems to some extent.
<ul style="list-style-type: none"> Treat the evaluation as the single most important event each year during the employee's career. 	<ul style="list-style-type: none"> Create unrealistic expectations relative to advancement opportunities or new assignments.
<ul style="list-style-type: none"> Ensure that the written evaluation concludes with positive data, even if overall evaluation is poor. 	<ul style="list-style-type: none"> Make any reference to age, sex, race, religion, marital status, handicaps, or ethnic origin that could be viewed as discriminatory.
<ul style="list-style-type: none"> Be candid, tactful, and honest (don't be afraid to say "I don't know and I'll have to get back to you with an answer.") 	<ul style="list-style-type: none"> Engage in distracting or disruptive behavior during conduct of the evaluation including talking to other employees, talking on the phone, or reading manuals.
<ul style="list-style-type: none"> Be prepared to discuss salary adjustment and promotional opportunities. Most employees will ask. 	<ul style="list-style-type: none"> Evaluate personality. Poor performers are always nice guys.
<ul style="list-style-type: none"> Encourage the employee to ask questions and to further the discussion. 	<ul style="list-style-type: none"> Bring in other employee's performance.
<ul style="list-style-type: none"> Document performance evidence throughout the year. 	<ul style="list-style-type: none"> Delay the evaluation date.
<ul style="list-style-type: none"> Recognize the employee's positive and negative performance when it occurs rather than just waiting for the annual evaluation. He or she will appreciate the heads up. 	<ul style="list-style-type: none"> Surprise the employee. If an employee is not performing well, discuss it as soon as it is observed giving the employee time to improve the behavior.

Organizations use different grading schemas to rate employees in the annual evaluation process. Some possible grading scales include numbers, i.e., 1 through 5 where 1 is best possible performance; letter grades, for example, A, B, C, D, F which is similar to the academic grading scale; or adjectival ratings, for example, outstanding, excellent, highly satisfactory, satisfactory, or unsatisfactory. Regardless of the notation, the levels are characterized by certain attributes as shown in the table.

Rating		Characteristics
A	Outstanding	<ul style="list-style-type: none"> Exceptionally high quality work leaving little or nothing to be desired Generally makes contributions to the organization which are far above position requirements Little or no supervision required Management can always depend on these individuals
B	Excellent	<ul style="list-style-type: none"> Performance is marked by initiative and high quality Demonstrates knowledge and mastery of his or her position Regularly makes valuable contributions
C	Highly Satisfactory	<ul style="list-style-type: none"> Attends to and accomplishes all assigned duties Unusual problems are properly considered and generally well handled Strives to improve Contribution is usually beyond that expected
D	Satisfactory	<ul style="list-style-type: none"> Performance meets the requirements of the position Position is covered in an adequate manner Responsibilities are handled competently
F	Unsatisfactory	<ul style="list-style-type: none"> Performance does not meet the requirements of the position There is a track record of substandard performance In the managers judgment, the employee will not achieve a higher rating on their current position due to lack of ability or other serious problem

Sticky Situations



Sticky situations when the employee and the manager disagree with how the employee is performing the work. Examples of sticky situations are when the employee doesn't agree with the rating, when the employee has performed well but has not been promoted, when the employee has been distracted during the evaluation period by personal problems, or when the employee works long hours. Let's discuss these examples and suggestions you can do to alleviate the situation.

When an **employee doesn't agree with the rating**, be sure to listen to and document the employee's position, encourage the employee to write a rebuttal, make sure you can cite specifics to back up the evaluation, and encourage the employee to talk to your manager or the human resources representative.

When the **employee performed well but was not promoted**, explain the promotional policy of the organization and make sure all sections within the organization comply with the policy. Also make sure

the employee realizes that promotions depend on organizational structure, the balance of grade levels, individual performance, and time in grade.

When an **employee was distracted during the evaluation period by a personal problem** including divorce, death, or illness in the family, a discussion should occur as soon as the issue is known. Prior to the review, support the employee within the limits of your working arrangements. Suggest flexible scheduling, a non-standard work week, or personal leave; and refer the employee to company sponsored or private counselling. During the review, encourage the employee to document the extraordinary circumstances without detailing personal information. The supervisor can also append a statement to indicate that other performance periods indicate this to be an exception.

When the **employee typically worked significant hours each week**, for example, over 50 hours per week, should the employee be paid overtime? This will depend on company policy and the quantity and quality of the work during those extra hours. If a manager requested the work and the employee's performance is outstanding, the manager should approve paid overtime or provide a bonus award as appropriate. If the employee is simply not performing his or her work efficiently, this requires another conversation to help understand why the employee requires extra time. If possible, assign another employee to assist.

Sticky situations can escalate quickly so it is important to be up front and candid with the employee as soon as the issue surfaces.