

Performance Appraisal Policy

Effective Date: September 20, 2025

Approved By: Jane Smith, HR Director

Applies To: All Employees of **Acme Corporation**

1. Purpose

The purpose of this policy is to establish a consistent and transparent process for evaluating employee performance at **Acme Corporation**. Performance appraisals support employee development, career growth, and alignment with organizational goals.

2. Scope

This policy applies to all full-time, part-time, and eligible contract employees of **Acme Corporation**.

3. Objectives of Performance Appraisal

- Assess individual employee performance against established goals and competencies.
 - Provide constructive feedback to employees for development and improvement.
 - Identify training and development needs.
 - Inform decisions regarding promotions, salary adjustments, and career planning.
 - Recognize and reward high performance.
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4. Performance Appraisal Frequency

- **Annual Appraisal:** All employees will undergo a formal performance review **once per year**.
- **Mid-Year Review:** Optional mid-year reviews may be conducted for feedback and goal adjustments.
- **Probationary Appraisal:** Employees on probation will have an appraisal at the end of the probation period.

5. Performance Evaluation Criteria

Employees will be evaluated based on:

- 1. **Job Knowledge & Skills**
 - 2. **Quality of Work**
 - 3. **Productivity**
 - 4. **Communication**
 - 5. **Teamwork & Collaboration**
 - 6. **Initiative & Problem Solving**
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6. Performance Rating Scale

Rating	Description
5 – Outstanding	Consistently exceeds expectations; exceptional contribution.
4 – Exceeds Expectations	Frequently exceeds expectations; strong performance.
3 – Meets Expectations	Meets expectations consistently; solid performance.
2 – Needs Improvement	Occasionally meets expectations; requires improvement.
1 – Unsatisfactory	Rarely meets expectations; significant improvement needed.

7. Sample Employee Appraisal

Employee Name: John Doe
Job Title: Software Engineer
Department: Technology
Review Period: Jan 1, 2025 – Dec 31, 2025

Criteria	Rating	Comments
Job Knowledge & Skills	4	Demonstrates strong technical expertise and quickly adapts to new tools.

Criteria	Rating	Comments
Quality of Work	5	Produces highly accurate code with minimal errors.
Productivity	4	Consistently meets project deadlines and contributes to team deliverables.
Communication	3	Communicates clearly with team members but can improve cross-department updates.
Teamwork & Collaboration	5	Actively mentors junior engineers and fosters a collaborative environment.
Initiative & Problem Solving	4	Suggests innovative solutions and improves existing processes.

Overall Rating: 4.2 – Exceeds Expectations

Manager Feedback:

"John has shown excellent growth this year, particularly in mentoring and problem-solving. Focus for next year: improve inter-department communication and lead one new project independently."

Goals for Next Review Period:

1. Lead development of new internal tool by Q3 2026.
2. Conduct at least 2 cross-department presentations.
3. Complete advanced cloud architecture certification by December 2026.

8. Training & Development

- John will attend leadership and communication workshops to improve cross-department collaboration.
- High-performing employees are encouraged to participate in mentorship programs and advanced technical training.

9. Confidentiality

Performance appraisals are confidential. Only the employee, manager, and HR department have access to appraisal documentation.

10. Policy Review

This policy will be reviewed annually and updated to reflect changes in organizational needs or legal requirements.