



TenStep Supplemental Paper

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Getting Reviews Right

Reviewing employees' performance is always a nettlesome project - and it's becoming even more so. In the past year, US organizations faced a spate of lawsuits over performance appraisals, claiming unfairness to women, minorities, and older employees. The presence of these suits highlights the potential for misunderstanding or mistakes to enter the equation-and the dangerous nature of appraisals that become too subjective. A checklist:

The general characteristics of good, legally defensible performance appraisals are:

First, the behaviors and traits on which employees are being evaluated should be job related. Second, from a purely legal perspective, to the extent possible, a performance evaluation based on objective criteria is more likely to reduce the legal risks.

What about employees whose jobs are more esoteric?

Depending on the nature of the job, it's unavoidable to have some subjective measures. There are certain kinds of jobs where it's just very difficult to objectify all the criteria. You can evaluate employees on [whether] they've achieved the objectives that were established for them.

If you establish specific objectives for employees and make them clear in advance, that's a tremendous advantage in terms of being able to justify and defend the performance appraisals after the fact.

Should managers undergo training on how to properly conduct appraisals?

It's important for managers to be trained in conducting performance appraisals so that they're familiar with the instrument - what the various terms on it mean and what the ratings mean and so on. Just because employees happen to be good employees doesn't mean that without any training they're good.

From a legal point of view, how often should the appraisals be conducted?

They need to be done consistently and in a timely fashion. Managers generally don't view performance appraisals as part of their work, so it's the sort of thing that gets put off - particularly if the reviews are going to be critical. They're not pleasant things to do, so people avoid doing them. So a lot of times, a company has in place a performance-appraisal system, but the extent to which they're actually done may be very spotty. You may have one department where they're done pretty regularly and another where they're not done at all.

Any other trouble spots of which HR should be aware?

There's one thing managers often do on performance appraisals that they should stay away from. Instead of talking about behaviors, they talk about why people are behaving a certain way. Generally speaking, that's not appropriate for performance appraisals. If somebody is not working in a timely fashion, managers shouldn't guess at why that is. It's



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better if the manager just sticks with the facts and the behavior, which is: deadlines aren't being met. Ask the employee what's the problem rather than speculating on the employee's motivation. Because once the manager does that, it tends to get into personal things instead of job-related things--and that's to be avoided.