



TenStep Supplemental Paper

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Improvement Opportunities

Of late performance appraisals have been getting negative reviews. Some professionals even claim that performance appraisal systems are fundamentally flawed, manipulative, abusive, autocratic and counterproductive.

If such labels are indeed accurate, the obvious conclusion would be to discard the process altogether. However such a reaction would be rather extreme. Performance appraisals provide so many benefits that employers should be loath to part with them entirely. What is required is an evaluation of the performance evaluation system, with an eye toward improving it.

Valid criticism

A major and valid criticism of appraisals is that they tend to discourage collaboration. Performance appraisals undeniably focus on individual achievements and, therefore, produce self-focus rather than a team focus. This is particularly problematic in organizations embracing Total Quality Management, of which teamwork is an important component.

However, this problem can be overcome successfully. If collaboration is essential, make it a criterion on which employees are evaluated. Appraisals that focus on--and reward--collaborative behavior encourage teamwork. Conversely, appraisals that punish employees for working contrary to the team (e.g., withholding information) discourage anti-collaborative behaviors.

The problem, then, is not an endemic part of the performance appraisal system, but a function of how we use it. As seen above, appraisals can actually encourage teamwork.

Inconsistencies

Critics also contend that appraisals are inconsistent. Evaluators often apply the same criteria in different ways or give different weight to the same criteria. However, a good performance appraisal instrument increases the potential for consistency by ensuring that all similarly situated employees are evaluated on the same criteria.

One way to improve consistency is to provide training for supervisors. In addition, wherever feasible, HR should review a draft of all supervisors' appraisals before they are finalized. Human resources should also look for patterns on appraisals that may suggest conscious or unconscious bias. Clearly, rooting out such bias early, perhaps before it affects employees is advantageous both from a practical and a legal standpoint.

A review by HR also can help avoid over evaluation of the substandard performer shortly before termination, which then makes the subsequent performance-based termination appear pre-textual. In other words, if the draft appraisal does not reflect concerns previously expressed by the supervisor about the employee, HR can send the appraisal back for re-evaluation.



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These corrective measures can ensure a significantly improved performance system so employees no longer resent performance appraisals.