A too familiar occasion in organizations is “performance appraisal” time. It usually includes employees and managers completing a performance appraisal form or tool, having the performance discussion, talking about career development, and finally discussing salary. No wonder everyone involved is stressed.

As discussed in Chapter 25 of The Big Book of HR, the performance appraisal is an integral part of the performance management process. It is one event in the systems of managing employee performance. Good communication and training is key to the overall success.

Launching an Appraisal Process

Once an organization has designed and developed its first or a new performance appraisal, it is ready to launch. Key in the launch process is having a good communication plan in order to engage employees and managers. Publicizing frequently asked questions and answers (FAQs) is an additional way to engage the staff and reduce anxiety.

Sample Communication Plan

The company decided to introduce a new performance evaluation process and wanted to prepare the employees and managers. The following is a series of communications that were sent:

#1: Introductory Message for All Employees & Managers

The Company is introducing a new, streamlined process for performance evaluations. This process will enable us to better communicate performance expectations to all employees regarding their current role. It is an interactive process and an excellent opportunity for employees and managers to work together.

During the next few weeks, you will receive specific information about the process. In order to prepare, begin to think about the past year. Identify your major job
responsibilities as well as any performance objectives and accomplishments from last year. Consider your areas of success and the areas you’d like to strengthen. All of this information is critical in order to review your past performance, look at your future goals and objectives and align them to the company’s strategic goals.

If you have any questions or concerns, please discuss them directly with your manager.

#2 – Advisory message to managers sent two weeks prior to the performance evaluation tools being sent to the employees

The annual performance evaluation process will begin in two weeks. Attached is a schedule to assist you during this process. The schedule includes deadlines that you need to follow, and deliverables that are due at those times. This year we have simplified the performance appraisal form as well as the process. You should provide your employees with any written documentation regarding their job responsibilities.

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 16</td>
<td>Performance evaluation tools are sent to employees</td>
</tr>
<tr>
<td>By June 30</td>
<td>Employee completes the employee sections and returns the Performance Evaluation tool to the Reviewing Manager</td>
</tr>
<tr>
<td>By July 28</td>
<td>The Reviewing Manager completes the Performance Evaluation tool and conducts the Performance Discussion with employee</td>
</tr>
<tr>
<td>By Aug 4</td>
<td>All Performance Evaluation tools are returned to Human Resources</td>
</tr>
</tbody>
</table>

#3 – Message with instructions to employees

This is the official start of the performance evaluation process and attached is a copy of our new Individual Performance Evaluation for the current review period. You are asked to provide information about your major accomplishments for the past 12 months within [Sections 1A] along with information about your objectives for the next 12 months in [Section 1C] of the Performance Evaluation Tool. You must return it to your manager by COB on June 30.

This is an interactive process and we encourage a collaborative approach – between you and your manager – during this time. You manager will review your input and provide comments and feedback. Subsequently, you will meet with your manager to discuss your performance evaluation.

#4 – Reminder of Deadline to all employees

This is a reminder that June 30th is the deadline to return your completed Individual Performance Evaluation to your manager. The information in this document is essential to the performance management process and will be used by your manager to complete your performance evaluation.
#5 – Message with instructions to managers

All employees have received their Individual Performance Evaluations which should be returned to you by June 30th. Following is information and instructions to assist you with our new performance evaluation process.

Managers will use the completed Individual Performance Evaluation to assist them as they prepare the employee’s performance evaluation.

Employees are asked to provide information about your major job responsibilities and your major accomplishments for the past 12 months within Sections IA and II A of the Individual Performance Evaluation. Once you receive and review it, you should provide your comments and feedback in [Sections 1B and 2B]. You then have the opportunity in [Section 3] to rate the employee’s performance against the company’s Performance Factors. You may provide comments to support your rating. In [Section 4] you are also asked to provide an overall performance rating.

Once you have completed the manager’s sections, you should schedule a feedback session with the employee. Ideally, this date for this meeting should be no more than two weeks after the employee has completed his/her portion of the performance evaluation.

During that session you will discuss his/her performance and finalize the evaluation. Discuss with the employee any areas where you do not concur with his/her comments and why. You should also discuss areas you’ve identified as strengths as well as any development needs. You should specify development activities and timetables.

The following are examples of activities that could be considered appropriate for employee development. The list is not exhaustive, but represents commonly used methods:

- Education and development classes
- On-the-job training and cross training
- Formal college course work or certificate programs including management development programs
- Self-study or reading assignments
- Participation in projects, teams, task forces, or committees
- Coaching or consulting
- Working with a mentor
- Membership and participation in professional organizations
- Computer-based training
- Participation in projects, teams, task forces, or committees
Sample FAQs

Why are we introducing changes to the performance appraisal process?
The COMPANY is moving toward a performance management system that aligns individual performance with performance of the business.

What is changing?
As part of the performance evaluation process, objectives will be set for all associates. Action plans will also become part of the system.

Why are objectives important?
Objectives are important because they provide a framework for linking individual performance requirements to needs of the business. They promote shared understanding about roles and responsibilities. Associates know at the beginning of the performance period what they will be evaluated on.

What is a learning plan?
A learning plan outlines specific learning or training activities that are tied to objectives. It is a short-term plan designed to assist in meeting the associate’s objectives in the coming year.

How does a learning plan differ from an Individual Development Plan?
An Individual Development Plan (IDP) is tied to longer term career development goals. Working on this plan helps prepare you for your next career move. Associates are responsible for creating an IDP. Managers are responsible for creating a learning plan as part of the performance objective setting process.

What is Career Development?
Career development is an employer’s effort to match individual associate goals with the needs of the organization.

Who is responsible for Career Development?
Career Development is a shared responsibility between the associate, the manager and the organization. Individual career aspirations may not be met if the respective goals of the associate and the organization are not in alignment.

As an associate, what am I responsible for?
Associates are responsible for:

- Understanding THE COMPANY’s strategic goals & objectives
- Aligning your career goals with THE COMPANY’s goals
- Creating an Individual Development Plan (IDP)
• Initiating career discussions with your manager
• Soliciting feedback from your manager

As a manager, what am I responsible for?
• Providing annual learning plan (part of the expectation setting process)
• Supporting the plan and providing on-going coaching & feedback

Why is the annual performance appraisal important?
The performance appraisal provides many things for all THE COMPANY associates. Some examples include:

• Assessment of your performance against expectations
• Assessment of your growth
• Provide feedback about performance progress and contributions to THE COMPANY
• Basis for determining your Compensation Level and salary increase recommendation
• Appropriate time for review of IDP with manager

Why is the “collaborative” process so important?
The collaborative process is important because THE COMPANY strongly believes that associates and managers should work together to set goals and objectives for the associate, the business unit, and the organization as a whole. In order for this process to be successful and effective, associates must “buy into” and support this new system. Managers need to work with associates to help them develop competencies so that they can contribute to the strategic goals of the organization. Managers and associates can learn from each other.
Training and Preparation

Training employees and managers is equally important. It will help to insure that they are motivated to use the system and that they use the system efficiently. Classroom training is a desirable format because it will train both groups on how to provide and receive feedback effectively and to understand and practice their roles in the feedback process.

Performance Management Training Topics

- Philosophy and uses of the system
- Description of the rating process
- Roles and responsibilities of employees and managers
- How to plan performance, set expectations and set objectives
- How to provide accurate evaluations, minimizing rating errors and rating inflation
- The importance of ongoing, constructive, specific feedback
- How to seek feedback effectively from others
- How to react and act on feedback in a constructive manner
- How to give feedback in a manner that minimizes defensiveness and maintains self-esteem
- How to identify and address development needs.
- If an automated system is being implemented, how to use the system and related software.

Integrating the Appraisal into the Performance Management System

Once the key components of the system have been developed and implemented, and an appraisal process has been launched, it is important to continue communicating to managers and employees that performance management as a cycle or a circle rather than a straight line. It can be used whenever a manager has to evaluate performance or deliver a positive or negative performance message to an employee. Performance and development discussions can and should occur throughout the year. Section 4 of The Big Book of HR is devoted to Employee Development.
Learn more from *The Big Book of HR*

- Available at [www.amazon.com](http://www.amazon.com), [www.barnesandnoble.com](http://www.barnesandnoble.com), and the SHRMStore [http://shrmstore.shrm.org](http://shrmstore.shrm.org/)

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**About the Authors:**

Cornelia Gamlem SPHR is founder and President of the GEMS Group ltd. She consults with a wide range of clients on topics related to HR initiatives and business effectiveness. Prior to starting her consulting practice, she served in a senior HR leadership role in a Fortune 500 IT services company with employees around the globe. She has been an active volunteer with the Society for Human Resource Management (SHRM) where she held a number of leadership positions including serving on its National Board of Directors, its Global Forum board of Directors and chairing its Workplace Diversity Committee. Her expertise provided her the opportunity to testify before the EEOC on three occasions. She is also the co–author of two books on affirmative action.

Barbara Mitchell is the Managing Partner of The Mitchell Group a human resources and organizational development consulting practice. Prior to co–founding The Millennium Group International, LLC, she served in senior HR leadership roles with Marriott International and Human
Genome Sciences. She consults with a wide variety of clients on issues around people—hiring, retaining, engaging the best talent available. Her clients are in both the for-profit and not-for-profit sectors. She has been an active volunteer with SHRM and held leadership positions including serving on its National Special Expert Panel on Consulting and Outsourcing. She is a past President of the Employment Management Association, which was a professional emphasis group of the society and is a past President of the Personnel and Industrial Relations Association (PIRA) of Los Angeles, the Leesburg/Greater Loudoun (VA) SHRM chapter and WTPF, the Forum for HR Professionals.

Both Cornelia and Barbara have addressed local and national industry conferences, been interviewed across the country regarding human resource and business leadership issues, and been quoted in major media publications.

The Information in this eBook complements the chapter on Performance Management in *The Big Book of HR*.

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