

City of Firetown
Supervisors Guide to Evaluations
Firetown Training Specialist
Supervisor's Guide Performance Evaluations

Performance Evaluation is a tool you can use to help enhance the efficiency of the work unit. This tool is a means to help ensure that employees are being utilized effectively. Employees can use it as a clear indication of what is expected of them before you tell them how well they are doing, and then as feedback of how well they did.

Purpose

Performance Evaluation is a multi-purpose tool used to:

- Measure actual performance against expected performance
- Provide an opportunity for the employee and the supervisor to exchange ideas and feelings about job performance
- Identify employee training and development needs, and plan for career growth
- Identify skills and abilities for purposes of promotion, transfer, and reduction in force
- Support alignment of organization and employee goals
- Provide the basis for determining eligibility for compensation adjustments based on merit
- Provide legal protection against lawsuits for wrongful termination

The primary purpose of Performance Evaluation is to provide an opportunity for open communication about performance expectations and feedback. Most employees want feedback to understand the expectations of their employer and to improve their own performance for personal satisfaction. They prefer feedback that is timely and given in a manner that is not threatening.

Benefits

Many benefits result from the Performance Evaluation process:

- Control of the work that needs to be done
- Enhancement of employee motivation, commitment, and productivity
- Identification of goals and objectives for the employee
- Satisfaction of the basic human need for recognition
- Identification of process improvement opportunities
- Identification of employee development opportunities

Requirements

Each agency, department, and institution shall use the criteria in one or the other of the following performance management program types:

1. Individual-based performance.
 - a. Performance reviews are conducted at least annually.
 - b. Performance reviews are based on individual job-related requirements.
 - c. A standard form or approach is used.
 - d. Performance standards, or goals and objectives are used.
 - e. The review includes a review of past performance.

City of Firetown Supervisors Guide to Evaluations

- f. The review includes a discussion of how performance may be improved or how an employee's skills may be developed.
2. Team-based performance.
 - a. Performance reviews are conducted at least annually.
 - b. Performance reviews are based on overall team performance and how the employee functions as part of a team.
 - c. The emphasis of the program is on improving the quality of a service or product, constantly improving systems and processes, and on preventing problems and eliminating them.
 - d. The program provides guidance for the education, training, and self-improvement of the employee.

Employee Involvement

Performance evaluation is most effective when employees are actively involved in open discussion about their own performance expectations and about how they are doing in meeting those expectations.

Involving the employee in the performance evaluation process will make it a meaningful, worthwhile experience for you, the employee, and the organization because employees:

- Need and want to have their voices heard,
- Are more likely to consider the system as being fair if they have involvement and understand the process, and
- Are more likely to demonstrate genuine commitment to goals and performance.

Ultimate benefits realized by the organization will be increased productivity, efficiency, job satisfaction, and morale and decreased turnover.

Performance Expectations – The Basis for Effective Performance Evaluation System

Each employee must be informed of the level of performance that is needed to successfully perform his or her work. These are performance expectations describing the conditions that exist when a job is done well. They usually come from an agency's strategic plan and are communicated down through departmental goals, objectives, and individual position descriptions. Performance expectations should tie in with essential functions and qualifications required for the position as stated in the position description. (See [The Position Description](#).) "Think SMART when developing performance expectations." Expectations should be Specific, Measurable, Achievable, Realistic, and Time-bound.

Specific – The performance expectation should be one that can be witnessed or observed, defined, and concrete.

Measurable – You should be able to assess, evaluate, and distinguish between different performance levels. The end result can be identified in terms of quantity, quality, time lines, acceptable standards, or procedures. Many say the work they do is not measurable. But if it is not measurable, how then do they know if a goal has been met and if their contributions have value? Definitive results can be identified for all work.

City of Firetown Supervisors Guide to Evaluations

Achievable – Each performance expectation should be one that can be achieved by the employee without barriers that hinder its completion. However, it should not be so easily achieved that the employee is not challenged nor so difficult that the employee becomes frustrated. It should be reasonable.

Realistic – Each expectation should be an actual requirement of the employee’s job and within the parameters of the position description.

Time Bound – Each expectation should have a time frame associated with it – daily, weekly, etc.

Some factors for which expectations may be set forth and measured are:

- Job Knowledge
- Quality of Work
- Quantity of Work
- Work Habits
- Cooperation or Ability to Work with Others
- Oral and Written Communications

Steps of Effective Performance Evaluation Review

Look at the previous evaluation for:

- **Previous deficiencies in performance.**
Have they been corrected or do they continue to be a problem? If deficiencies continue, note them in the evaluation. Omitting a continued deficiency in subsequent evaluations can be interpreted as a sign that the deficiency has been corrected.
- **Dramatic change in performance.**
Determine whether your rating of the employee is consistent or whether the performance actually has changed. When there is a significant negative change in performance, the supervisor should give the employee notice, prior to the annual evaluation, that the next evaluation will be significantly lower unless substantial improvement is made.

Analysis

- Analyze performance to identify gaps between expected performance and actual performance
- Analyze the causes of gaps
 - Organization or work environment-related causes
 - System or process-related causes
 - Personal causes
- Select and design an action plan to close the gaps – a plan that meets business needs, performance needs, training needs, or work environment needs
- Implement the plan
- Follow up - Measure and evaluate the impact of the plan on the performance

City of Firetown

Supervisors Guide to Evaluations

Analyzing Causes of Gaps

Management often assumes that where actual performance falls short of expected performance, employees must try harder. However, it is very important to analyze why a gap exists between expected performance and actual performance to determine if there is a cause other than inadequate employee efforts. Most causes will fall into three categories:

- **Organization or Environment-Related** – These gaps can stem from the organizational culture, leadership style or management practices, organizational structure, reporting relationships or chain of command, inadequate resources (funds, staff, equipment, training, information, etc.) and so forth. Some examples: employee reports to more than one supervisor, performance expectations were not communicated, or expectations were not met because the employee was overburdened due to staff cuts.
- **System or Process-Related** – System or process-related causes can relate to any process within an organization that becomes a roadblock to an employee meeting performance expectations. Some examples: timeframes or procedures are burdensome, procedures conflict, someone else didn't meet their timeframes, or the information reporting system is inadequate.
- **Personal** – These are gaps that are within the employee's realm of control. They can, for example, deal with situations that are going on in home life that affect work performance or depend on the employee's physical or emotional abilities. Lack of effort, motivation, or concern for the agency's efficiency can also fall under this category. Exercise caution when dealing with personal issues – remember to keep it job related, focusing on how job performance is affected. If an employee alleges that a medical condition is the cause of poor performance, contact your human resource officer or legal counsel at once. Do not attempt to resolve employees' personal problems.

The cause of a performance gap may overlap a couple categories. It is imperative that you and your employee communicate to identify the cause of the gap and arrive at solutions to eliminate or minimize the gap.

The Evaluation Meeting

Before the performance evaluation meeting:

- At least one week in advance, schedule a meeting with the employee and inform him or her of what to prepare for, i.e. self-appraisal, etc.
- Complete your review and documentation of the employee's performance, considering observations, records, and feedback from others. Focus on what the employee did and didn't do, not the employee's character or personality, unless the character or personality affects job performance and the employee's effectiveness to the organization.
- Arrange for a private office or room free of distractions for the meeting.

During the meeting:

- Put the employee at ease through informal conversation. This will enhance the free exchange of information. You can also discuss the purpose of the meeting and what you hope to accomplish.

City of Firetown Supervisors Guide to Evaluations

- Go through your evaluation. Be specific and candid in presenting your evaluation. Listen to employee feedback, take notes, and ask questions.
- Share feedback received from others.
- Explore areas of disagreement and attempt to reach consensus so that the employee will be motivated to change his or her behavior.
- Discuss areas for improvement and performance expectations for the next period.
- Establish a realistic and appropriate improvement plan if performance is below expectations.
- Encourage the employee to record his/her comments about the evaluation, and have the employee sign the copy to be filed. If the employee refuses to sign, the agency head or the agency head's designated representative should, in the presence of the employee and a witness, indicate on the copy that the employee was shown the material, was requested to sign acknowledging that the material was read, and that the employee refused to sign. By signing the copy, the employee does not indicate agreement – only that the material has been read.
- Provide the employee with a copy and place a copy in the employee's official personnel file.

Strategies and Techniques

Not all performance evaluation methods work equally well in every organization – one size does not fit all! It is important to consider the categories of employees to be appraised (i.e. managers vs non-managers), the types of jobs performed, the nature of the relationship between employees and managers, the purpose(s) which the evaluation is intended to serve. Other factors are the availability of in-house expertise, developmental costs, and how easy is it to use.

At the core of all successful evaluation formats are clearly defined and explicitly communicated standards or expectations of employee performance. Employees must understand what is expected of them.

Descriptions of the various performance evaluation methods can be found in the [Appendix](#) of this section.

You, as a supervisor, should visit with your human resources office or a representative from Human Resource Management Services regarding implementing a strategy or using a technique that will best serves your needs.

Common Evaluation Errors

There are many errors that supervisors unconsciously make during performance evaluation. A few of the most common are:

- **Central Tendency** – Rating everyone at or near the middle of the scale to avoid the need to justify extreme positions.
- **Positive/Negative Leniency** – Rating higher or lower than the employee deserves because you want to motivate them to do better or because you think there is always room for improvement.
- **Halo (or Horns) Effect** – A single favorable or unfavorable incident colors the evaluator's judgment of the employee's overall performance.
- **Recency Effect** – A recent event colors the perception of the employee's performance for the entire period.

City of Firetown Supervisors Guide to Evaluations

- **Similar to Me** – The tendency to rate employees similar to yourself higher and those not similar lower.

Frequency

This requires that performance evaluation be done at least annually. But annual feedback alone may not be appropriate for every situation. As stated earlier, employees want feedback in a timely manner. They don't want to hear in June about how well they did last August. They want to know now while it's fresh in their mind and they can revel in their success.

Annual feedback fails to correct inadequate performance or unacceptable work behavior at the most effective time – when it occurs. It is not effective for employees to hear in June about inappropriate behavior that occurred last August. And it's not fair – the employee didn't have the opportunity to learn from what was wrong and improve during the time from the occurrence to the evaluation. Immediate feedback is the most effective method of managing performance. Day-to-day feedback is critical to obtaining immediate behavior improvement.

A continuous feedback process addresses the basic needs of the employer to provide frequent feedback to employees. Desired performance is identified and reinforced. Undesirable performance is identified and dealt with promptly - at a time when change can be made more easily. The process also addresses the basic needs of the employees to know how they are doing.

More formal performance feedback should be conducted at least annually, although semi-annually or quarterly would be better. When feedback is provided on a more frequent basis, the feedback discussions can focus more on the present and the future – not the past as in traditional annual discussions.

Conflicting Purposes of the Evaluation Process

As you saw at the beginning of this Chapter, there are many [purposes](#) for performance evaluation. Because time may be scarce and performance evaluation is seen as time consuming, the same management tool may be used for many purposes. Sometimes those purposes conflict. For example, if the employee has inadequate performance and is not eligible for a salary increase, it will be difficult to get the employee interested in discussing training and development opportunities. The employee is concentrating on how s/he can get the supervisor to increase their salary. A technique to emphasize the performance-related aspects of the evaluation process is to conduct performance evaluations at a time that does not coincide with annual salary adjustments in July.

Alternatives to conducting performance evaluations in June or July are the employee's employment anniversary date, a calendar year schedule, or another notable date.

Another conflict in the evaluation process is when an employee is rewarded with a promotion based only on good performance, without focusing on the requirements of the new job versus the employee's qualifications. If you are using performance evaluation as an indicator of future performance, ensure that the factors that were evaluated in previous positions are reflective of what is required in the new position.

City of Firetown

Supervisors Guide to Evaluations

Legal Considerations

Many of the same [laws](#) listed in the Employee Selection section, apply during any phase of the employment process or relationship – including performance evaluation. To minimize the risk of violating legal requirements:

- Ensure that the evaluation is accurate and truly reflective of the employee's actual level of performance.
- Ensure that the evaluation encompasses the entire review period and reflects performance variations during the period.
- Ensure that evaluations are based on what employees are actually required to do as stated on the [position description](#) or as otherwise assigned.
- Be cautious in making subjective judgments.
- Stick to facts that can be documented. Keep a record or notes in a working file, if need be, of occurrences that might be disputed.
- Avoid the appearance of prejudice or discrimination. Never say anything that could be interpreted as meaning that the evaluation was based on a favorable or unfavorable reaction to the employee's race, color, religion, age, sex, and national origin, veteran's status, marital status, etc.
- Avoid evaluation of personality traits and attitude. Focus on job expectations, i.e. behavioral, quantity, quality, etc.
- Make certain evaluations are consistent with other disciplinary or performance records.

Giving Constructive Performance Feedback

It is very difficult for a supervisor to address a performance issue with an employee without arousing some defensiveness. How then can you call attention to a performance deficiency in a way that is constructive?

- **Express your concern** – Communicate openly and clearly. Use "I-messages" such as "I've noticed a backlog in unprocessed applications." Avoid beginning with a question or a tone that appears you are judgmental and accusatory. Be tactful and direct – not so subtle that you create misunderstanding.
- **Understand the whole story** – Follow up your concern with a question that invites communication about the situation. For example, "What do you think is contributing to the backlog?" Listen carefully, ask questions, and confirm your understanding. Before you can solve the problem, you need to thoroughly understand the situation.
- **Reinforce correct performance or behavior** – Sometimes you may discover that poor performance is a result of good intentions. For example, suppose that the backlog of unprocessed applications is due to the fact that the employee reviews each application twice to ensure accuracy. Reinforce the concern for accuracy, while attempting to seek solutions to remedy the backlog.
- **Discuss alternatives** – Now you can discuss ways to rectify the situation. Draw out the employee's ideas. If you have a suggestion or if there is only one course of action, state it. Openly discuss the pros and cons of any alternative(s).

City of Firetown Supervisors Guide to Evaluations

- **Develop a written plan of action** – Agreeing on a workable solution leads both the employee and you to commit to resolving the problem. Putting the plan in writing ensures commitment to action.
- **Follow up** – Monitor progress and periodically provide feedback. This reinforces for the employee your commitment in resolving the situation.

Supervisory Management Development Program

The Supervisory Management Development Program is a three-part program covering communicating effectively, managing conflict, and developing people and performance management. The program was developed by Sterling Institute and Human Resource Management Services specifically for supervisors in state government and is conducted by Human Resource Management Services staff. To find out more about this program, please call Human Resource Management Services at 328-3290.

APPENDIX: Supervisor's Guide The Position Description

This step of the employment process involves becoming thoroughly familiar with the position. With equal employment opportunity laws clearly in mind and before the search for applicants begins, the needs and responsibilities of the position need to be clearly outlined in a position description.

Purpose

A position description that is current, comprehensive, and concise is an important tool to be used at various stages of the employment process. Some of those stages are:

- recruitment and posting
- interviewing and selection
- employee orientation
- training and development
- performance evaluation
- promotion and transfer
- disciplinary actions
- salary administration
- position classification
- identifying essential functions for ADA
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Position Analysis

Position analysis is a procedure by which positions are studied, with the aim of determining the duties and responsibilities of the position and the knowledge, skills, and abilities necessary to successfully perform them. The end result is a new or revised position description.

Position analysis requires a thorough familiarization with the job to learn as much as possible. Start with the following steps:

1. Spend time with the incumbent at the job site, observing and conversing while the incumbent performs various tasks. If the position is vacant, gather information about the position from other sources, such as previous position descriptions, co-workers, etc.

City of Firetown Supervisors Guide to Evaluations

2. Identify specific position activities, work behaviors or other attributes required for satisfactory performance.
3. Determine the reporting relationships—in terms of both supervision exercised and received.
4. Observe the work environment as to physical working conditions, travel required, schedules (shifts), etc.
5. Gather and document as much information as possible.

Next, analyze the information to:

1. Determine the type and amount of education and work experience that will prepare someone to do the work.
2. Determine measurable skills and credentials (e.g., a certain typing standard or licensure) that are required.
3. Identify intangible criteria that is required or helpful in successful performance of the job, e.g., interpersonal skill, initiative, creativity, self-confidence, etc. The intangible job-related criteria can be used to help make the final decision between applicants who are quite similarly qualified.

Once information is gathered and documented, it can be used to prepare a complete and precise position description or to update an existing description.

What Should Be Included In a Position Description?

- Position title and position number.
- Position's status (regular, temporary) and full-time equivalent rate.
- Agency and location of position.
- Name of supervisor.
- Compensation information.
- Status under the Fair Labor Standards Act (exempt, non-exempt).
- Purpose of position.
- Narrative description of the position.
- List of essential duties and responsibilities in order of importance and distinguished as essential (include frequency, extent of authority, and independent judgment).
- List of non-essential duties and responsibilities and distinguished as non-essential.
- Other duties that may be required or assigned. (These will be marginal duties.)
- Minimum requirements for satisfactory performance—detailed knowledge and skill, and physical and mental ability requirements. Include any tests or certifications required.
- Preferred qualifications for the position.
- Extent of authority and reporting relationships.
- Features of working conditions (e.g. travel, unusual work hours, environmental conditions, etc.)
- Equipment and machinery used.
- Date of review.

The position description should be reviewed carefully to ensure that the content is directly relevant to the position and isn't discriminatory under such laws as the ADA. For

City of Firetown Supervisors Guide to Evaluations

example, task statements should describe what the tasks are and not how they are customarily performed. Minimum qualifications should include detailed statements on knowledge and skills required in addition to a certain level of education or work experience.

So that position descriptions can withstand possible legal challenge, they should be reviewed on a regular basis and updated or rewritten as necessary. A timely reminder to review position descriptions might be the annual performance review of an individual.

Methods of Performance Evaluation

Each of the performance evaluation methods listed below may be used to varying degrees. We recommend that agencies analyze their specific needs and choose any combination of the following that best meets those needs. Human Resource Management Services will, upon request, assist agencies in their analysis.

Multisource Assessment (360-Degree Feedback, Full-circle Appraisal)

This method differs significantly from the traditional supervisor/subordinate performance evaluation. Multisource assessment involves gathering information from a number of customers who actually deal with the employee providing feedback – both internal and external. Internal customers include the immediate supervisor, other managers, co-workers, and subordinates. External customers may include clients, applicants, consultants, staff from other agencies, legislators, etc. The basis of this method is to provide a broader assessment of how an employee is doing on the job. This method is viewed as an optimal tool for identifying areas for improvement, guiding behavioral change, and generally enhancing performance management capabilities because it is not dependent on a single individual's perceptions. It makes the employee much more accountable to the various customers because they now have input into the employee's performance rating.

Self-Appraisal

Provides the opportunity for employees to evaluate their own performance and express how they think they've performed without being influenced by their supervisor's judgments. Supervisors also evaluate performance on the same factors and use that as a basis to compare responses. This can reveal areas of agreement or highlight differences of opinion. The advantage of this method is that it provides more interaction between supervisors and subordinates, greater agreement on performance expectations, and greater accountability for performance through increased employee participation in the review process. Supervisors still have the responsibility to write reviews and provide the employee with honest communication about performance. They must also be able to provide explanations for differences of opinion about performance so employees can understand what they are doing wrong and how they can do things better.

City of Firetown

Supervisors Guide to Evaluations

Subordinate Appraisal of Managers (Upward appraisal)

Supervisors are reviewed by those they supervise. This method serves to provide feedback on the qualitative aspects of management performance – how well they communicate, provide direction, delegate responsibility, etc. Employees' fear of reprisal may inhibit them from honestly providing feedback on their supervisor's performance. However, providing anonymity and working with supervisors to handle constructive criticism may guard against that.

Peer

This method involves coworkers evaluating an employee. It is based on the premise that individuals can relate to an employee as their equal and are in the best position to judge the employee's performance because they understand the nature of the job and are familiar with the activities of the employee. This method is particularly useful in organizations having self-directed work teams, but could be used in other settings as well. An advantage is that peer appraisal relates more to results than efforts. Disadvantages perceived are that peers are too lenient and tend to give high ratings to friends and low ratings to those they dislike.

Management by Objectives (MBO)

MBO is a form of results-oriented appraisal. It is commonly used for supervisors, but may be used for other employees as well. It requires that both the supervisor and the subordinate agree upon specific objectives in the form of measurable results. The objectives are the standards of performance. MBO is intended to motivate stronger performance on the part of managers and employees. It is assumed that if employees meet their goals, supervisors will meet their goals, and organizations will then meet their goals. MBO has the following components: (1) major objectives to be accomplished within specified dates, (2) action plans and milestones for accomplishing the objectives, (3) periodic meetings with the manager and employee to review progress and make corrections if necessary, and (4) an assessment of employee performance at the end of the MBO cycle. An advantage of MBO is that it is a participative approach in which employees have input in setting their own objectives, as well as being involved in decisions that affect the objectives of the organization. MBO has been criticized as being based on numerical quotas rather than continuous improvement process, and that it focuses on the performance of individuals at the expense of teamwork. It is also time consuming, requiring a considerable amount of administrative work.

Continuous Improvement Review

Concentrates on current day-to-day results that can be linked directly to organization-wide improvements in quality and productivity. However, the formal evaluation must accurately reflect the entire review period, i.e. probationary, annual, etc.

City of Firetown

Supervisors Guide to Evaluations

Behaviorally-anchored Rating Scale

This is a method where standards are described in the form of behavior expected of an employee. The descriptions are based on critical incidents determined to be characteristic of the various levels of performance. The descriptions help to provide objectivity in rating. This tends to focus on activity rather than results.

Trait Format

This format describes traits of an individual. Some examples are initiative, dependability, and cooperation. Be aware that while those traits may be factors affecting an individual's performance, to evaluate traits alone becomes subjective and is, therefore, difficult to defend.

Critical Incident Method

This involves observing and recording information about unusually good or unusually poor behavior. It is usually used in conjunction with another rating technique to support the evaluation and provides specific examples to discuss with the employee.

Documentation should be factual, objective, and job-related.

Essay or Narrative Format

This format is a simple approach that requires evaluators to write or answer questions about past performance, strengths and weaknesses, training and development needs, etc...

This format is very suitable to jobs in which there are few quantifiable results, and it provides opportunity for considerable detail about performance issues. The format, however, is difficult to use for comparing performance with other employees.