

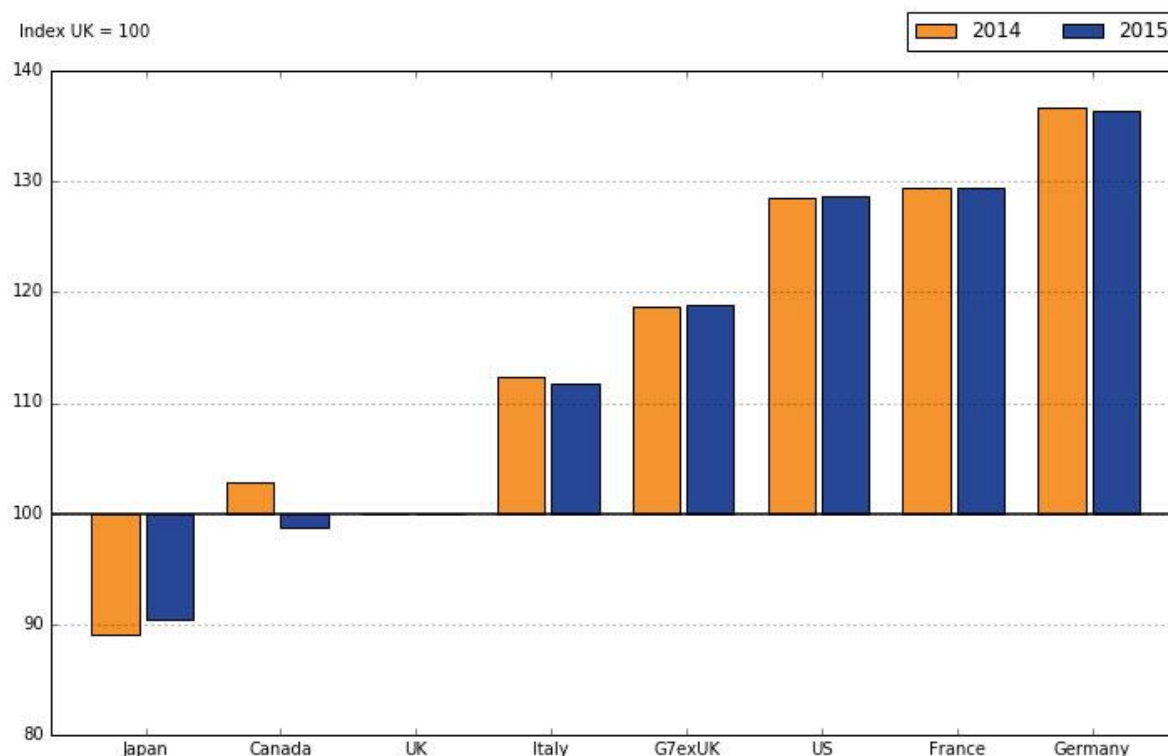
Appraisals and how employers can actively improve employee performance

Whether or not you use appraisals software, getting your people engaged and pointing them in the right direction is a vital part of managing staff performance.

Speaking about performance, The UK isn't exactly the poster child for getting it right. Only in April, [the Guardian](#) reported that despite having narrowed the productivity gap in the late 1900s and early 2000s, it started to widen again and [has continued to widen since](#).

Britain's output per hour worked is now 22.2% lower than that of the US, 22.7% lower than in France and 26.7% lower than in Germany. Italy has shown no productivity growth since the turn of the millennium but still leads the UK by more than 10% and the only G7 countries with weaker productivity than the UK are Japan and Canada.

Here's how we look on the ONS Graph:



So why can't UK businesses get staff performance right?

In my opinion, the so-called modern view of 'scrapping performance appraisals' is NOT helping. Those who HAVE scrapped appraisals successfully haven't scrapped staff monitoring, they've actually replaced the annual appraisal with a more effective system of

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regular feedback and reviews - and they are seeing tangible results. Those companies who heard 'scrap staff appraisals' and thought 'yay, one thing less I have to bother with' are seeing a measurable drop in performance, according to the [CIPD](#).

The old, manual process was far from being effective but obviously better than nothing. However, with modern tools giving managers access to more feedback than ever before, automating much of the laborious process, delivering regular performance appraisals could deliver the performance improvements the UK is clearly crying out for.

So how can we get staff engaged, motivated and productive?

Obviously, as the developers of leading Appraisals Software, Activ Appraisals, we don't believe in scrapping appraisals - however, the manual process is flawed and doesn't result in improved performance. It's not the appraisal that's at fault, but how they were being used.

Not every has our software, which will make these steps easier to put into place, but all businesses should follow these practices to deliver real, measurable improvements in staff productivity and performance:

1. Get Managers on Board

Having an effective performance review starts with getting the attitude towards appraisals right.

Appraisals software can help provide a framework for the process, but enthusiasm, energy, commitment and drive from the line manager is the most important part in delivering a successful appraisal. How can you get your staff enthused, on board and performing in line with company goals when the people who are supposed to engage them view it as a paper ticking exercise?

No matter how often you decide to hold review meetings (and increasingly these are being done quarterly), they need to be viewed as an opportunity to engage, refine, improve and deliver - and should be seen as positive for everyone involved.

2. Have a consistent process across the company

In an increasingly litigious society, it isn't only important to be fair, but to be seen to be fair - for appraisals, this means the process and scoring mechanism needs to be consistent and fair across the board. Using appraisals software will make this easier, but

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even if you use a manual system, managers need to know what the guidelines are and stick to them.

3. Make the process two way by obtaining feedback ahead of the meeting

Of course, managers can seek feedback from an employee during the appraisal meeting with a simple 'how do you think you are doing?'. However, this does not give managers the opportunity to plan their response to any issues raised and the staff member concerned may feel a little awkward bringing any issues up.

We recommend inviting feedback from the employee ahead of any performance review meeting. Typically a 'performance review questionnaire' is the easiest way to do this.

Activ Appraisals software (like most appraisals systems) has questionnaires built in. Administrators can create any number of different questionnaires to suit different job roles.

The software automatically invites the employee to complete the form electronically ahead of a review meeting, which is forwarded to the appraiser in advance of a review. While software makes this process easier, it is of course still possible in a manual process - it's definitely something we believe is a vital part of the engagement process.

4. Obtain feedback from HR, peers and other managers

Traditional appraisals only consider feedback from the line manager doing the appraisal, but that's only one side of the story. We recommend where possible that managers also seek peer reviews and speak to other managers, who may be seeing skills that you have missed. This is typically referred to as a 360 degree appraisals process. Activ Appraisals supports this, although it is optional, we find it valuable.

5. View performance improvements as an ongoing process

In our experience, when appraisals are not delivering staff development, it is because they are being seen as an annual process that is usually one way (manager tells staff what they think!)

In a modern workforce, even if you only meet formally once a year, progress should be continual, and so should recognition. We encourage regular performance meetings even

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if goals set are annual, and encourage line managers and their staff to talk about how objectives can be achieved across the whole review period.

When achievements are made, encourage line managers to deliver praise.

This again can be greatly helped by software, Activ Appraisals allows managers to record noteworthy achievements throughout the period. These could be forgotten if relying on memory alone, and notes are often lost - but they shouldn't be.

Performance improvement is the sign of a great line manager, and there is no greater motivator than being thanked for something in an appraisal that you yourself had forgotten about! Likewise, if you have concerns, but don't speak about them make notes at the time in case the issue still needs to be tackled during an appraisals meeting. Again, good software will allow you to do this, but it is possible to do this manually.

6. View performance challenges as shared problems

When you meet with your employee, look at the whole picture, for example, their training records, attendance record, any disability issues etc. (including hidden issues like asthma, diabetes or epilepsy). The performance review meeting is an opportunity to enquire whether a staff member needs extra support, or additional training to achieve performance improvements across all areas. The performance appraisal is a two way process, it isn't just guidance from you to the employee, its also asking them how you can help them overcome obstacles at work or home and what support they need to achieve the mutual goals you set.

7.) Consider using competencies

By establishing what competencies are required to perform a particular role, you can then decide whether your staff have the required skills and identify training and development needs which can be addressed.

This gives managers an objective standard which ensures consistency across the performance appraisals process. Some competencies may be personal characteristics that apply to all roles, e.g. the employee understands how to answer the telephone in the agreed manner, whereas some may be job-specific, e.g. the employee knows how to operate a certain piece of machinery.

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An appraisal is a good time to review competencies and put a plan in place to address any competency issues. Again, Activ Appraisals has a competency library built in, but it is possible to do this manually.

8. Prepare - then prepare some more!

A lazy manager turning up unmotivated and unprepared is never going to improve an employee's performance.

By reviewing and preparing all the above AHEAD of the meeting, during the performance appraisal itself, managers will simply deliver constructive feedback and then move on to agreeing new SMART objectives with the staff member.

9. The art of sandwiching

A 2013 World at Work study found 64 percent of employers believe recognition has an extremely positive effect on employee engagement and retention, so find some way of recording positive events and good performance as they occur throughout the year and reinforce good behaviour by praising the employee for these achievements.

Ideally, you should regularly give positive feedback and not just wait until a performance review.

If you have to give criticism during a review, an article in Entrepreneur.com suggests using the following approach to ensure motivation remains high:

- Discuss the issue, not the person. Don't use language like, "you should," "you didn't," or "your skills." Instead, discuss the problem, "customers can't get what they need," or "this isn't clear" or "other staff are finding it difficult to focus".
- Talk about what's going well. Compliment the employee on their strengths. Encourage the employee to do more of what she already knows how to do well. Then, when you give the negative feedback, the employee won't feel like everything they do is wrong.
- Use objective evidence to support your evaluation. It's harder to argue if you use an evidence based approach when discussing performance. Visual performance reports can help demonstrate issues with data to help everyone understand the big picture goals.
- Get on the employee's level. One of the worst things that can lead a review conversation awry is the employee feeling at a lower level of intelligence or skill.

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Don't talk down to the employee, as if they are 'less intelligent' because performance is suffering.

- Try to understand the source of why performance may be suffering. Relate to the employee by sharing a personal story about a similar problem, and explain how it was resolved.
- Most importantly, reaffirm faith in the employee. Express the importance of the employee's valuable skills, and assure them they can improve. Remind them they were hired for a reason. Feedback will only make them stronger, as long as they channel it into accomplishing the right objectives – which brings us on to the next key area, setting SMART objectives.

10. Agree new objectives - and make them SMART

Activ Appraisals guides your managers to set SMART objectives for their team by entering an objective statement, but if you don't have appraisals software, you can still use objective statements.

In order to be SMART, objective statements should:

(S) State a detailed, specific description of the objective

(M) Explain how success will be measured

(A) Agree how the objective will be achieved

(R) The goal must be realistic, so consider any training and resources that will be required

(T) Agree a target date for completion

Defining the SMART objectives is just the start of the process, it is vital to ensure an ongoing Evaluation and Review of these objectives in between performance reviews. Make sure that you discuss objectives with your employee and agree them together.

After a review meeting

What happens after the performance review is as important to productivity as what took place during it. Sending your employee a copy of what was agreed ensures that both parties are happy with what was agreed and gains 'buy in' from the employee. Again, Activ Appraisals forwards this automatically, and also submits it to senior management for sign off if necessary. However, this process is also possible to do manually.

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That 'once a year' formal meeting, however, shouldn't be the only time you communicate. The optimum way to maintain staff engagement is to keep the dialogue open, with employees and managers able to objectives or request training at any time.

Activ Appraisals software provides a forum for doing this, automatically notifying both parties when these are made. However, even if you use email, managers should try to find a way of maintaining a constant dialogue in between performance appraisal meetings.

Ultimately, reviewing performance is an ongoing two-way process. Managers who understand this will ultimately achieve the best improvements, no matter how frequently they choose to formally meet your staff. If they don't get this, maybe it's time we trained Managers better on conducting appraisals and performance reviews.