PERFORMANCE EVALUATIONS – ARE THEY A THING OF THE PAST?

WHY THEY DON’T WORK
&
WHAT TO DO INSTEAD

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WE MUST BEGIN WITH QUESTIONS:

1. What are the goals for your workplace?
2. What type of work culture do you really want to create?
3. Does your performance appraisal process serve that end?
THE GOOD INTENTIONS AND PURPOSES OF APPRAISALS...
WHAT ARE WE TRYING TO ACCOMPLISH?

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WE ALL NEED SOMETHING FROM OUR BOSS

To know where we stand and how to get better. Let’s continue this...

But...

Dangling the possibility of money, promotion or punishment gets in the way of dialogue and supportive feedback.
IN ADDITION...

The Need to Be Noticed

In a recent survey 78% of employees cited recognition as the main motivating factor in their career. And the findings just get more interesting from there. Here are the facts behind keeping employees motivated.

- 69% of employees say they would work harder if they were better recognized.
- 52% of employees are not satisfied with the level of recognition they receive.
- 49% of employees say they would leave their current job for a company that clearly recognizes employees for their efforts.
- 39% of workers do not feel appreciated at work.
69% of HR professionals view employee engagement as an important challenge facing organizations in the future.

Answering the challenge through:

COACHING
Match employee talent, interests, and needs with company objectives.

RELATIONSHIPS
Build personal, trusting relationships with employees.

DIALOGUE
Encourage open and frequent conversations with employees to head off problems that lead to disengagement.
HERE IS WHAT EMPLOYEES SAY ABOUT PERFORMANCE APPRAISALS:

1. It mostly focuses on weaknesses & deficiencies
2. No consistency among supervisors
3. Causes fear and apprehension
4. Ratings seem arbitrary—supervisors don’t really know who did what
5. Demoralizes people who do worse than expected
6. Conversations are guarded, not productive. Most recipients just agree…others argue
7. Short-lived effects
8. The boss procrastinates…apparently the review is not important
SO, WHY DO WE HANG ONTO A PROCESS THAT DOESN’T WORK?

We Hold Onto Some Longtime Assumptions That Prevent Us From Seeing Things For Real.

Here They Are:
ASSUMPTION #1

Ratings are motivating and let people know where they stand
ASSUMPTION #2

People will not improve without tangible and specific targets and goals
ASSUMPTION #3

Appraisal processes can objectively and reliably evaluate and assess individual performance
ASSUMPTION #4

Supervisors and upper management are responsible for employee’s feedback, development, and performance
ASSUMPTION #5

People will not, of their own volition, take responsibility to develop and improve their performance.
ASSUMPTION #6

Without control, people will withhold their best effort
ASSUMPTION #7

One appraisal process can effectively serve several functions at the same time.
ASSUMPTION #8

Holding people accountable with a written formal process is an effective form of control
ASSUMPTION #9

People withhold effort if they feel they are not being extrinsically rewarded
ASSUMPTION #10

Appraisals are required by law or are necessary to assure legal documentation.
THE ABSOLUTE #1 ASSUMPTION...

Performance Appraisals Are An Effective Form of Feedback
BUT WHY DO PERFORMANCE EVALUATIONS REALLY BACKFIRE?

Though well-intentioned, appraisals are a low-trust practice that imposes a single method to achieve all purposes.

To Improve:

- Use different methods for the different goals
- Hold people accountable by talking to them immediately
- Try to understand your employee’s work style

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BUT WHY DO PERFORMANCE EVALUATIONS REALLY BACKFIRE?

The process is forced rather than voluntary...feels like judgment...are unintended lies!

We say we want teamwork, collaboration, and empowerment yet use a forced process

To Improve:
Continually encourage employees and peers to ask for feedback. It is their responsibility too!

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BUT WHY DO PERFORMANCE EVALUATIONS REALLY BACKFIRE?

Performance Appraisals are time-based (annual) events rather than project-based

To Improve:

Feedback should be “on-time” and cover:

- What went exceptionally well?
- What (in the system) impeded any progress?
- How did you feel?
- What would you do differently now if you could?
- How could I have helped you better?
BUT WHY DO PERFORMANCE EVALUATIONS REALLY BACKFIRE?

The focus rests solely on individual performance and not department or organization

To Improve:

Just keep in mind that not all projects access the strengths of all team members. If the department or team got it done satisfactorily then all is good!

- If someone repeatedly fails to pull their weight then have a frank discussion.
- PIP is perfectly acceptable
- Termination is also acceptable
BUT WHY DO PERFORMANCE EVALUATIONS REALLY BACKFIRE?

Raters don’t like them any better than the receivers because differentiation is impossible

...except for a few who are exceptional or a few who are utterly terrible

To Improve:

Teach coaching skills and a mentoring mindset
PUTTING LIPSTICK ON A PIG?

You’ve tried to figure out how to improve PAs. You’ve tried:

- Including more items?
- Changing the items?
- Fewer items?
- Changing the Likert Scale?
- Changing the item wording?
- Employee self-evaluation?
- 360 (peer) evaluation?

It is still a Performance Evaluation!
DESPITE GOOD INTENTIONS, IT IS NOT AN OBJECTIVE PROCESS

Gender, Race, Age Bias
Subjectivity
Culture of the Organization
Leniency Errors
Severity Errors
Recency Errors
Halo and Horn Errors
Fundamental Attribution Errors
NO SUPPORTIVE DATA

There is no solid evidence that it motivates people or leads to meaningful improvement.
WE NEED A NEW MODEL OF INFLUENCE
THE CHANGING ROLE OF THE ORGANIZATION

A Culture of Coaching & Mentoring

Providing & Clarifying Direction
Giving Feedback & Listening
Serving as a Source of Expert Guidance
Make Suggestions for Improvement
Providing Encouragement
Providing Resources
Supporting People in Personal Development
CHANGE IN APPROACH!

EMERGING THINKING

• Empower People
• Collaborative Teams
• Unleash Intrinsic Motivation
• Respect Diversity
• Just in Time Feedback
• Improve Processes for Communication

APPRAISALS

• Forced Process
• Individual Accountability
• Motivate With Incentives
• One Size Fits All
• Annual Event Approach
• Formal Process
• Evaluative, Not Developmental
HOW TO GET THERE

1. Conduct an assessment of the need for change
2. Approach the executive team to get a charter that reflects your focus
3. Form a small design team of passionate stakeholders
4. Look carefully at the old system and identify its aims and outcomes
5. Restate the purpose and desired outcomes
6. Develop a new set of assumptions
7. Develop a new design that entails regular and on-time coaching