

Don't Scrap Your Performance Appraisal System: Turn It Around

If you read the decades-long criticisms of the typical annual performance appraisal it's difficult to reach any conclusion other than they are broken (McGregor, 1957; Meyer, Kay & French, 1965; Nickols, 1997; Coens & Jenkins, 2000; Culbert, 2010). After years of criticizing them and arguing that they should be scrapped I have come to believe that turning them around is a better option and, as it turns out, a relatively easy task. I think a few simple actions can double the effectiveness and value of the typical performance appraisal system and significantly reduce the grief, hassle and costs associated with them. So, let me come straight to the main point: How to turn around the performance appraisal system.

First, turn around or reverse the roles of the appraising manager and the employee being appraised. Currently, the manager is the author of the performance appraisal and the employee is the audience. Reverse that: Make the employee the author and the manager the audience. That's right; have the employee write the performance appraisal and have the manager review and comment. As a side benefit, you significantly redistribute the burden of preparing performance appraisals. For a manager with a dozen or more direct reports that's a big relief. It goes without saying that if the employees are authoring their own appraisals they are also having considerable say in the matter. This is especially important in relation to establishing the goals against which performance will be assessed.

Second, stop trying to get managers to hold more frequent performance-related conversations. Turn that around, too. Instead, require employees to schedule performance briefing sessions with their bosses. Instead of being called to the manager's office to hear what the manager has to say, the employee meets with the boss to bring the boss up to date on the employee's perfor-

mance; where things stand, what's going well and what isn't, what kinds of obstacles and barriers are being encountered, where the employee needs help, and what the boss can do to help. Keep the boss in the position of audience and keep the employee in the position of keeping the boss informed and up to date. If the employee doesn't need to update the boss or get the boss' support so be it. If the employee needs to get on the boss' calendar that will happen. If the boss avoids such updates that's a different matter.

Third, get rid of that awful five-point rating scale. Substitute a 10-point scale in its place. Have the employee and the manager both rate the employee's performance using that 10-point scale. They do it in the Olympics and on "Dancing with the Stars" so why not do it in performance appraisals? Both scores stand; part of the record as it were. Make the employee a judge, too. And make the manager one of the judges instead of *the* judge. Big differences in ratings are a sign that a conversation to clarify matters is in order.

The strategy and ideas outlined above are simple enough but they do require attention to detail. For example, there need to be guidelines for employees regarding how to write their own appraisals; similar guidelines must be established for the briefing sessions and associated conversations. For example, the end-of-year session should begin with the manager having already read the written self-appraisal and asking some questions of clarification. The periodic briefing conversations can also begin with questions of clarification and then move on to the update. Then, too, there needs to be a policy and procedure in place for dealing with situations in which the employee and the manager are far apart in the scores they assign to the employee's performance. In short, these simple ideas will succeed

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only if they are carefully and thoughtfully implemented. In addition, no one ever gets it right the first time so there will be a period of testing and revision to work out the kinks that are associated with introducing a new way of doing things.

The benefits of this new way of appraising performance far outweigh any costs or risks. Consider the following list of benefits:

- Repositions managers as the audience for appraisals instead of the authors and repositions employees as authors instead of audience.
- Relieves managers of the burden of writing multiple appraisals; every employee writes only one appraisal – his or her own.
- Managers can add comments as they see fit.
- Shifts the role of the manager from judge to collaborator.
- Engages the employees as active participants in the appraisal process instead of positioning them as passive recipients of managerial judgments.
- Gives the employees a say in their appraisals.
- Moves the communications associated with appraisals from a narrow, one-way street to a broad, two-way boulevard.
- Managers and employees share the responsibility for producing an accurate appraisal.
- Focuses appraisals squarely on performance instead of side issues such as promotions, assignments and pay raises.
- Easily and inexpensively implemented with minimal impact on existing software systems.
- This is a change that is likely to be welcomed by all concerned.

Chances are you can implement these changes to your company's performance appraisal system and process with little or no outside assistance, so I encourage you to give it some thought, present the ideas to others, garner their approval and support, then move forward. There's precious little to lose and a great deal to be gained.

References

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