Adding Value to the Performance Evaluation Process

Key Points

- It is impossible to hire the right people with the right skill-sets without a detailed job description.
- Goals and responsibilities must complement each other in the job description.
- Reviewing documented goal reports with employees helps them work through issues or obstacles they may be encountering.

Source: www.sxc.hu

The performance evaluation is a comprehensive tool-set used to advance the strategic objectives of an organization. It is not a single document or a single event, it is an ongoing process; one that begins before each employee's initial job interview. As such, it is important for the process to receive the focus and attention of senior management, managers, and employees.

Performance Evaluations Begin with a Job Description

It is imperative for every position within a company to have a detailed job description. Without it, it is impossible to ensure the right jobs exist, and that the right people—with the right skill-sets—are hired. Job descriptions also help managers and employees set meaningful goals that adhere to the strategic goals of department managers.

Job descriptions, the foundation for the entire performance evaluation process, must be as complete as possible to ensure success. All job descriptions should include the following information:

- Responsibilities of the position
- Skill-set needed by the employee
- Whom the position will interact with and support
- Logical career path for the position

Employee Input Is Important During the Goal-Setting Process

Set goals according to the responsibilities contained within the job description. If the two do not complement each other, update the job description to align with the responsibilities of the position. Otherwise, the goals will be too far removed from the job the employee was hired to perform. The goal-setting process should leverage job responsibilities. The process should also assign quantities, time frames, or service levels for each job task (as applicable), including goals for special projects or short-term initiatives.

Goals need to be set with input from the employee so that he or she understands and agrees to the commitments made. Employees who contribute to the goal-setting process are more likely to achieve those goals because they feel a sense of ownership. Building a formal goal-setting process enables managers (and employees) to objectively evaluate employee performance.

SMARTS (objective) goals are the most achievable:

- Specific—make sure goals are specific and detailed. Employees are more likely to achieve their goals if they understand what is being asked of them.

- Measurable—when goals are measurable, employees are able to track their progress.
- Agreed Upon—employees need to participate in and understand the commitments made.
- Realistic—employees need to know that their goals are achievable with existing resources and skill-sets.
- Timely—it is important for goals to have start-to-finish time restraints.
- Stretch—slightly increase existing goals to further incentivize employees.

In some cases, additional rewards are provided for employees who meet stretch goals.

Goal Reports Enhance Performance Evaluations

Reviewing documented goal reports with employees each week helps them work through issues or obstacles they may be encountering, and gives managers a better understanding of any gaps that exist in employee skill-sets; progress against key topics, and key strategic deliverables that may be behind schedule. This allows managers and senior management to forecast how well their company will meet future goals, and determine if strategy changes need to be implemented. Moreover, a formal goal process provides managers and senior management an additional tool that contains real data—not opinion—to assist the organizational leadership in making well-informed decisions.

Goals serve as the basis metric for future employee evaluations so they should be documented and approved by both the employee and the direct supervisor before they are finalized.

Strengthen and Add Value to Your Performance Evaluation Process

You will strengthen and add value to your current performance evaluation process by using these building blocks effectively. Solid job descriptions, goals, and metrics provide objective data that will ensure that employee evaluations are conducted fairly, and senior managers are making informed decisions. Moreover, these tools ensure that employees are focused on the strategies of the organization, and you will be confident that you are hiring the right people for the right job.