Building a Better Appraisal Program

“Now that’s fair!”
Human Resources Areas?

- Staffing
- Benefits
- Payroll
- Organization Development
- Employee Development
Talent Development Elements

**Business Results**
- Workplace alignment
- Efficiency Standards
- Measurements of Achievement

**Performance Accountability**
- Results KPI’s
- Task Accuracy Observations
- Learning Curve
- “Trainability”

**The Employee**
- Hire date
- Job changes (what/when)
- Interview history
- Background
- Personality
- Compensation
- Personal events
- Manager history
- Demographics

**The Job**
- Job Design
- Policies
- Procedures
- Job Execution
- Measurements

**Training & Development**
- Learning Design
- Course Catalog
- Registration
- Course feedback
- Career Planning
Pay For Performance

“X” % on your annual appraisal qualifies you for the “A to B” % pay raise.

“Y” % on your annual appraisal qualifies you for the “C to D” % pay raise.
Pay For Results

“X” # of widgets >>> with “A” quality level yields you “purple” “compensation.”

“X” # of widgets >>> with “B” quality level yields you “orange” “compensation.”

“Y” # of widgets >>> with “A” quality level yields you “green” “compensation.”

“Y” # of widgets >>> with “B” quality level yields you “blue” “compensation.”
Why Are We Talking About This?

Because money matters!
When it comes to attitude.
Consider the Scenarios:

Scenario 1: a good performer to whom the Business Unit Manager is going to give a good compensation boost.

*Fair is fair, but what is the lasting impact?*
Consider the Scenarios:

Scenario 2: a **good** performer to whom the Business Unit Manager is going to give a **modest** compensation boost.

*Fair is fair, but what is the lasting impact?*
Consider the Scenarios:

Scenario 3: a poor performer to whom the Business Unit Manager is going to give a good compensation boost.

The employee: “What a nice boss!!”
The CFO: “What a chump!!”
Consider the Scenarios:

Scenario 4: a poor performer to whom the Business Unit Manager is going to give a modest compensation boost.

The employee: “What a nice boss!!”
The CFO: “They both have to go!!”
Why Are We Talking About This?

Because money matters!
When it comes to attitude.

But results come from
Attitude + ABILITY.

Ability is only developed by awareness and constant vigilance.
Key Point #1 - Appraisal Programs Have

- Accountability to KPI Results: an Annual Review
- Accountability to job task performance:
  - Continual *focused* and *structured* observation and coaching, based on clear techniques and standards (which are developed by the HR group’s awesome learning environment) a.k.a. “Performance Reviews”
Annual Reviews Create:

- Accountability to KPI Results
- A formal documentation process
- Clearly identified development need
- Measurement-based results assessment
Performance Reviews

- Focus on performance of a **specific** job task, and only **one** at a time
- Based on **observation** that is guided by either a check sheet or expert-level ability, but does not have to be the “boss”
- Include a goal and Action Plan
- Also capture “Best Practices” to be leveraged for development of others
- Strength & Weakness “inventory” can be done as of a point in time, then develop one weakness at a time
Performance Reviews Create:

- Actual awareness of what needs to be done differently
- Action plans at the tactical level
- A historical reference that is easy to use to create the Annual Review
Key Point #2 - Objective Based

Annual Reviews and Performance Reviews both use measurements of task output
Key Point #3 - Historical Perspective

Annual Reviews use historic Performance Reviews, and both use historic measurements.
Key Point #4 - Task Focus

Use Simple Things in Powerful Ways: Job Tasks

**TODAY**

**Job Description**
- Task 1
- Task 2
- Task 3
- Task 4
- Task 5
- Task 6

**TOMORROW**

- Training Learning Outcomes
- KPI Results Accountability
- Performance Reviews: Coaching and Best Practice Awareness
Leverage Your Work

Use Simple Things in Powerful Ways: Job Tasks

TODAY

Training Learning Outcomes

KPI Results Accountability

Performance Reviews

TOMORROW
Cultivisor is ready, willing & able to help you cultivate your workforce!
Thank You!