



Appraising appraisals

Goodbye surprises

Some say it's as enjoyable as going to the dentist and as productive as cleaning the oven before cooking a turkey. The annual performance review, as we've known it, is coming to an end. In its place, an ongoing, more forward-looking exercise is emerging. Goodbye end-of-year surprises, hello year-round dialogue. Instead of being a source of anxiety for both supervisor and employee, the performance review, a.k.a. appraisal, can be a chance to connect and a source of motivation.

The 9 to 5 drive

Bestselling author Daniel Pink has taken a close look at what drives us to act. He concludes that true motivation hinges on autonomy, mastery and purpose. Autonomy means directing our own lives, though not necessarily independently of others. Mastery conveys the desire to get better at something that matters, perhaps choosing a target that stretches us rather than one that confirms existing abilities. Purpose answers our yearning to be part of something larger than ourselves. These three elements drive performance as well as motivation. An effective performance review touches on all three. It also focuses on the future, rather than limiting itself to past behaviour. The idea is to foster learning and set career paths that make sense to each individual.

Engagement wishes

Four out of five employees aren't delivering their full potential to help their organizations succeed. This startling statistic comes courtesy of a global workforce study by Towers Perrin (now Towers Watson), as reported in the book *Closing the Engagement Gap*. The study uncovered a discrepancy between the effort that workers put forth and what they are capable of giving. As former General Electric CEO Jack Welch said, "There are only three measurements that tell you nearly everything you need to know about your organization's overall performance: employee engagement, customer satisfaction and cash flow."

The me-to-we factor

Satisfaction and engagement are two different animals: Tommy in IT may be happy enough with his job that he doesn't want to jump ship, but he isn't keen on improving his work skills or going beyond what's always been expected of him. Engagement is sometimes measured by the "we" test – more "we's" in the mouths of employees and less "I's" can be a sign of high engagement. Engaged employees ask, "What's in it for *us*?" and not just "What's in it for *me*?"

The deep connection associated with engagement occurs at three levels:

- The head: understanding the value we add to the organization;
- The heart: feeling proud to work for the organization and inspired to do great work;
- The hands: acting on those feelings in the way we perform our role.

"The annual performance review, as we've known it, is coming to an end."



A piece of the action

Engagement implies involvement: being a participant, not a passive recipient, in the appraisal process. Having a say in setting personal goals that tie into the organizational objectives increases the likelihood that both will be met. It's also a way of ensuring that we're recognized for what matters to us.

No sign of recognition

The runaway bestseller *The Carrot Principle* detailed the results of a study of over 220,000 employees and managers worldwide. It reveals that 79% of employees who quit their jobs cited a lack of appreciation as a reason for leaving. In all, 65% of North American survey respondents said their bosses didn't recognize them in any way during the previous year. This is where appraisals come into the picture – particularly if results are linked to compensation, thus avoiding the “all sizzle and no steak” syndrome.

There are booby traps to steer clear of when appraising someone else's work. These include the halo effect – rating someone's overall performance based on our positive or negative impression of only one aspect; the contrast effect – comparing people rather than rating them against the standards of the job; the central tendency – scoring everyone right down the middle; and the mirror effect – boosting people who are similar to us. In an attempt to level the playing field, a growing number of organizations are instilling a performance culture. This translates into standardized evaluation criteria, clear accountability and a focus on development.

What's in it for all concerned?

Invariably a fresh approach to appraisals is a benefit for everyone: higher motivation for employees; shared responsibility for supervisors; improved performance and higher retention rates for organizations.

And let's remember that surprises may keep romance alive, but they can kill any enthusiasm for performance conversations.



AN INSIDER'S OUTLOOK

A value-added advantage

“Performance management is critical to the efficient functioning and progress of any institution. The new program promises more than ever to deliver a value-added advantage. Employees will contribute by identifying their objectives in line with Destination 2020. This approach greatly increases our chances of success.”

Cathy McClinton,
Faculty of Social Sciences

Read all about it!



Daniel H. Pink, ***Drive: The Surprising Truth About What Motivates Us***, New York, Riverhead, 2009.

Julie Gebauer and Don Lowman, ***Closing the Engagement Gap: How Great Companies Unlock Employee Potential for Superior Results***, New York, Penguin, 2008.

Adrian Gostick and Chester Elton, ***The Carrot Principle: How the Best Managers Use Recognition to Engage Their People, Retain Talent and Accelerate Performance***, New York, Free Press, 2009.

Jean-Claude Bernatchez, ***L'appréciation des performances au travail : de l'individu à l'équipe***, Sainte-Foy, Presses de l'Université du Québec, 2005.

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