



## Performance Appraisals

Conducting Performance Appraisals requires a considerable amount of time and energy. It is a tedious process, which can allow personal biases to replace the performance standards established by the Club. Negatively viewed appraisals can decrease employee morale and employees may gossip and discuss their reviews with others. Performance Appraisals can also interfere with the day-to-day constructive coaching relationship that should exist between supervisor and subordinate.

With the many concerns and numerous “pitfalls” inherent to the Performance Appraisal process, why should anyone want to conduct Performance Appraisals? The answer is simple - Employee Morale.

Conducting Performance Appraisals can be one of the most challenging tasks you encounter as a Club Manager; however, when done properly, it will be one of your most beneficial tasks. Employees are more motivated and will provide better member service when they feel good about the Club and their work environment. One of the primary reasons that employees stay in a job is because of positive recognition they receive from their supervisors. Employees require honest and constructive feedback about their performance in order to achieve their maximum potential.

### I. Communicating the Performance Appraisal System

Communication is one of the key ingredients in a successful Performance Appraisal System. Numerous methods of communication should be utilized to let employees know that performance standards are important and that they are being observed everyday. Communicating the appraisal process can take place in the employee handbook, job descriptions, in employment agreements, at new hire orientation and during staff meetings. The old adage of “expect more if you inspect more” holds true with performance appraisals.

In order to communicate the program effectively, some further decisions must be made. Will appraisals be conducted semi-annually or annually? Will they be tied to salary increase or will raises be a separate activity? How do you want to communicate the Performance System to the Board and to the employees? What is the goal or mission of the Performance Appraisal System (improving member service, professional growth and improvement, etc.)?

The Performance Appraisal System which is communicated only at the time of the review diminishes the effectiveness of the system. It reduces the process to a static system that has no value; instead of becoming a dynamic system that can create a motivating environment where everyone strives to continually improve. This overall communication is the key to a successful Performance Appraisal System. The Board should also receive feedback and updates about the Performance Appraisal program.

### II. Developing the Appraisal Form

The most effective Performance Appraisal Forms are based upon an objective set of standards. The process of building a Performance Standard System yields valuable information needed to develop training and establish standard operating procedures for the entire operation. Each category of work for a specific position should be ranked based upon various levels of performance. A Performance Standards System is comprised of:

- Job Analysis - defining units of work and tasks for each position
- Performance Standards – defining what needs to be accomplished for each unit of work
- Job Description – lists all of the above information

Some common elements and categories of appraisal forms should include:

- Categories should be related to the job, not subjective in nature - Examples of categories to be avoided include: attitude, initiative, dependability, and loyalty.
- Categories should be observable and measurable - These might include attendance, quality of work, productivity, appearance, organization and planning.
- Rating Scale that ranks the performance of the employee - The best appraisal systems are very specific about each level of performance. Each rating scale, whether it is from poor to excellent or 1-5, should have performance standards to measure each level.

Once completed and properly implemented, a Performance Standards System will improve all aspects of human resource management including hiring, firing, pay increases, disciplinary procedures, promotions, managerial development and employee reward programs. With all of these components in place, your club's long-term success rate of retaining and motivating employees will be greatly enhanced.

### **III. Determining the Interview Format**

Two different formats are commonly used to conduct Performance Appraisals. One format should be used for hourly employees and the other should be used for salaried managers.

**Hourly Employee Review** - The "Give and Take Review" is most common and appropriate for hourly employees and should be based on performance standards that are distributed during the employee's initial orientation to the club. In addition to the appraisal by the supervisor, a self-appraisal should be completed. The forms are then reviewed at a closed appraisal session. The appraisal should end by establishing measurable goals and objectives, which should be agreed to and signed off on by both parties.

**Salaried Manager Review** - The "360 Degree Review" is extremely effective for managers and key supervisors. This comprehensive appraisal combines a self-review along with reviews from supervisors, peers and subordinates. The self-review will often serve as a "wake up call" to managers whose self-perception of themselves and their performance is much higher than others view them. The 360 Degree style appraisal can be an extremely beneficial tool for managerial and team development. Companies who perform this type of comprehensive appraisal often tie it in with psychological/personality profile testing. Some resources for 360-degree reviews include:

- Profiles International [www.profilesinternational.com](http://www.profilesinternational.com)
- Caliper [www.caliperonline.com](http://www.caliperonline.com)
- Alinea Group [www.alineagroup.com](http://www.alineagroup.com)
- Reactive 360 [www.reactive360.com](http://www.reactive360.com)

### **IV. Conducting the Appraisal**

Many managers are fearful to confront others about job performance. Supervisors need to be coached on the most effective steps to conduct a performance appraisal session. Ten key steps include:

1. Review the employee's personnel file before the appraisal session for any documentation
2. Conduct the review in a quiet area with no distractions
3. Begin the session with small talk for rapport building
4. Reiterate the importance of the appraisal system and why and how it is used
5. Review goals and objectives established from the previous appraisal session
6. Review the self-evaluation form from the employee
7. Review your appraisal of the employee and encourage them to provide feedback



8. Summarize and set improvement goals and objectives with timetables. The employee should sign off on the final appraisal documentation confirming that these items have been discussed and that a plan of action has been made and agreed upon.
9. Thank the employee for participating in the Performance Appraisal System and communicate, again, the goal of the appraisal system
10. Finally, follow up on goals and objectives

## V. Avoiding the “Pitfalls”

There are some specific pitfalls that only affect Performance Appraisals. All of these are based on a style of delivery of the appraisal as illustrated below:

**Tell and Sell Approach** – This is done in a setting where the supervisor has not based the appraisal on accurate information or job standards. This approach leaves the employee doing all of the listening and reduces the goal setting dialogue. The subjectivity of this style of delivery of the appraisal leaves the employee questioning the accuracy and validity of the system.

**Authoritarian Approach** – This approach is also known as the “just listen to me tell you what I think” approach. This is an area that a supervisor can easily slip into when they become defensive from an employee comment. If the Performance Appraisal becomes derailed because of this defensive posture, the ability to set goals and objectives with the employee or gain valuable feedback is lost.

**Failure to Listen** - This is the employee’s time to talk to the supervisor and it is important to give the employee the floor and let them be a part of the club’s team. Failure to listen comes in many forms - interruptions, arguing, becoming defensive/authoritarian, no eye contact, and poor body language. The appraiser should be on the edge of their seat leaning forward, actively listening with eye contact and head nods. The appraiser should show the employee they are listening by asking pertinent follow up questions.

**Losing Control** - Some employees will bring their emotions into a situation in which their job performance is being reviewed and questioned. If the individual you are speaking to becomes emotional, your best option is to become a passive listener and let the employee “speak their mind.” Once their emotions have subsided, ask if they would like to reschedule the appraisal or continue.

The use of Performance Appraisals will enable a club’s staff to reach peak levels of performance. The appraisal is the best opportunity to give honest feedback to all employees about how they are taking care of the needs of Club Members. There are arguments that certain styles of management such as “Management by Walking Around” (MBWA) take the place of performance appraisals. This is inaccurate. A Performance Appraisal System not only gives a supervisor an opportunity to let employees know how they are performing, it gives the supervisor an opportunity to receive feedback from their employees and set goals for the future. MBWA is a chance for immediate course correction for an area that is off-course from the standards of the Club.

A well-constructed appraisal system creates an opportunity to develop performance based bonus plans, incentive contests, additional training workshops for departments based on appraisal session feedback. The time and effort dedicated to developing or enhancing a Club’s Performance Appraisal System will pay significant dividends through reduced staff turnover, increased employee moral, and - most importantly - improved Member Satisfaction!