

### ***HR in the Gulf Region:***

## **Making the Dreaded Appraisal Process**

MR. MILLNER: Hi, I'm Dave Millner. And I guess the question for today is, how do we make the dreaded appraisal process work? Let's face it. It's that time of that year and both you and your line managers are dreading it—it's appraisal time. Now, I've spent over 25 years trying to make appraisal processes work more effectively. And it's a tough job that continually needs the organization, HR and its line managers to take clear accountability for making the process work—whether you're using an online or a paper-based process. Now concerns and challenges underpin the process of performance management, or annual appraisals as they're more popularly known. It's supposed to be the best way of measuring the performance of employees, make staff appreciate their value to the organization, outline their career path with training and development support. I mean, this all sounds really valuable and worthwhile, and yet appraisals are not that easy, or indeed, likable.

To ensure that appraisals are conducted properly, training of managers is an absolute must. And this training is not just how to fill in the forms or how to use an online performance management system—it's about learning how to set goals, how to assess individuals' performance, and more importantly, have a meaningful dialogue with the individuals. This last point cannot be over-emphasized. It's absolutely a crucial part of ensuring that the staff are engaged, not just with the organization, but also with their line manager. Isn't it always said that people leave managers, not always organizations?

Now, although that the appraisal process is supposed to be an ongoing dialogue during the year about performance and development, it's commonly seen that most managers concentrate on the completion of the appraisal as an exercise that needs to be done as quickly as possible, rather than really focusing on the quality of the process. This isn't just a form filling-in exercise. And if this mindset hasn't been instilled into all the managers, then poor old HR has a real challenge on its hands to make the process operate effectively.

Personal biases can inevitably creep in when conducting performance reviews—and the need to have an extremely objective method of evaluating performance is vital if the process isn't going to be abused. Use prescribed rating scales and ensure that the employee has the chance to rate their own performance. Honesty and transparency are crucial watch words in performance appraisals. If there's a shortcoming, point it out along with how to overcome it. Now maybe in certain organizations, performance appraisals are generally unwelcome—this leads to fear and resentment. Never use a star performance appraisal to handle matters of discipline or admonishment. This should always be handled separately by separately arranged meetings.

Most organizations are beginning to realize that an annual appraisal without regular feedback sessions is a pretty futile exercise. An annual formal appraisal exercise is more about recording what's happened historically, rather than being an ongoing measurement process—which is what the process is supposed to be all about. Let's face it, given the growth expectations of a lot of organizations across the gulf region, despite the current difficult towns, how can you expect to grow without knowing how your most expensive asset is performing?

Appraisals only work if they're linked to objectives that are tied to the organization's business targets and expectations. Now the real knack here is to show the employee how their performance contributes to the overall success of the organization and to reward them based on either an individual, team or an organizational-based measure of success.

Implementing performance management systems is really hard. There are no quick wins here despite what anybody may say. However, appraisal processes are the glue that holds the business together—and that therefore means you need careful planning, implementation and appropriate training to make it happen. Don't take any shortcuts because I can guarantee you'll pay for them later down the line. Performance management is a management tool. It helps managers to manage, and it's about how managers manage their people. Yes, I know it's a process, but do it effectively, and suddenly the role of a line manager isn't quite as hard as it may seem. The appraisal process is there to help everyone. The challenge is to make sure that you give it a chance to work. Now given the challenges facing the region as a whole, profitability, efficiency and productivity, these things aren't going to happen without it.

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