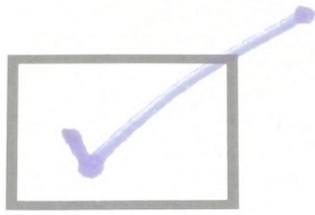


Employee Performance E



Exceptional

Alternatives to the Traditional Performance Review and How to Implement Them

When an employee cons
duties in a competent an



Unsatisfactory

When an employee con
their job duties in a cor

LORMAN[®]

Published on www.lorman.com - December 2017

Alternatives to the Traditional Performance Review and How to Implement Them, ©2017 Lorman Education Services. All Rights Reserved.

INTRODUCING

Lorman's New Approach to Continuing Education

ALL-ACCESS PASS

The All-Access Pass grants you **UNLIMITED** access to Lorman's ever-growing library of training resources:

- ✓ **Unlimited Live Webinars** - 120 live webinars added every month
- ✓ **Unlimited OnDemand and MP3 Downloads** - Over 1,500 courses available
- ✓ **Videos** - More than 1300 available
- ✓ **Slide Decks** - More than 2300 available
- ✓ **White Papers**
- ✓ **Reports**
- ✓ **Articles**
- ✓ ... and much more!

Join the thousands of other pass-holders that have already trusted us for their professional development by choosing the All-Access Pass.



Get Your All-Access Pass Today!

SAVE 20%

Learn more: www.lorman.com/pass/?s=special20

Use Discount Code Q7014393 and Priority Code 18536 to receive the 20% AAP discount.

*Discount cannot be combined with any other discounts.

The best performance reviews allow managers and human resource professionals to communicate through the sharing of ideas, opinions and information. There are several problems with traditional performance reviews. In traditional performance reviews, managers often tell the employee how they measure up and assume that they both perceive the employee's job the same way. This assumption may lead to miscommunication of job duties and how it relates to good performance.

While traditional performance reviews are usually effective at separating excellent employees and very poor employees, these types of reviews don't differentiate well among the vast middle ground. This poses a problem when performance reviews are used for bonuses and salary adjustments. Another problem with traditional performance reviews is that an employee is rated by a single person. This person may have an incomplete view or biased view of the employee's work. Lastly, traditional performance reviews may also result in off-the-cuff judgments or a halo effect. For a more balanced and complete view of an employee's performance, alternative methods provide a more balanced approach.

Alternatives to Traditional Performance Reviews

Peer reviews are one alternative to traditional performance reviews. Teammates, colleagues and peers are asked to provide input on specific aspects of an employee's performance. The information gathered is provided to the employee's direct supervisor. Peers have a unique opportunity to observe employee performance and can offer great insight into an individual's collaboration, interpersonal and on-the-job skills for the supervisor. At the same time, employees who receive feedback on their performance from peers gain valuable insight into their developmental needs and strengths. Integrating feedback from multiple sources in a performance review not only increases the perception of fairness, it improves the manager's ability to provide accurate employee ratings. Keep in mind that managers have limited ability to observe employee

performance. Peer reviews provide a more complete picture of employee performance. This way, an accurate assessment can be made.

Self-reviews entail employees rating themselves on a number of criteria and are typically done on formal survey forms. This option works well to encourage personal growth and facilitate employee development. Unlike traditional performance reviews, it gives the employee an opportunity to correct problems in a nonjudgmental manner. Instead of simply telling employees what they're doing right or wrong, self-reviews deliver an introspective point of view. It also has a low halo error and results in little paperwork for managers and human resource professionals.

Another option to traditional performance reviews is the 360 degree feedback review. This type of review provides a holistic view of employee performance by gathering information from managers, direct reports and peers. It measures teamwork, leadership, collaboration, communication and decision making. By getting feedback from a variety of sources, reviewing managers can help employees capitalize on their strengths and improve in needed areas. The 360 degree feedback review also identifies opportunities for development, and the results can be put into action plans to give the employee tools needed to develop into better employees.

Types of Employees Who Benefit from Alternative Performance Reviews

Employees are human beings who possess different levels of emotional intelligence skills. Those high in this skill are likely to react negatively to feedback from a traditional review, which is typically a one-way street. Those low in this skill area are likely to react defensively at the first sign of invalidation during a traditional performance review, which can have a negative impact on their productivity. Both those on the high and low end of emotional intelligence skills benefit from alternative performance reviews due to being more in control of the process with their own input and have a greater acceptance

of peer feedback versus feedback from those in authority.

Employees who are proactive and creative also gain from alternative performance reviews. This method gives them an opportunity to share their ideas and exercise their leadership skills. For employers, an unknown shining star is likely to be discovered with the engaging process of alternative performance reviews.

For the most part, all types of employees can benefit from alternative performance reviews, even when used in conjunction with traditional performance reviews. The whole goal of alternative performance reviews is to open a genuine dialogue between supervisor and employee. Together, supervisors and employees work cohesively to find solutions to performance challenges while reviewing accomplishments and future goals. It changes the playing field from boss to mentor.

How to Get Buy-In From Decision Makers

For managers and human resource professionals, transitioning from traditional performance reviews to alternative ones can pose some challenges. The bottom line is that approval is needed from top decision makers in the organization. Achieving buy-in is not a singular event. Instead, it is a continuing process. Before approaching the main decision makers, the groundwork for defining the problems with traditional performance reviews should be completed.

Map out any organization areas that could experience a performance boost from the proposal of alternative performance reviews. Perform research that drives home the facts. For example, recent research by psychologists at Kansas State University and Texas A & M University examined how people react to negative feedback received in traditional performance reviews. While conventional wisdom states that those who are really motivated to improve performance respond well to critical feedback, the

study proved that conventional wisdom is a myth. Those who were motivated to learn and grow in their jobs were significantly bothered by negative feedback. Traditional performance reviews can discourage even the best performers. Use studies from organizations like the Society for Human Resource Management that showed 90 percent of traditional performance reviews are painful for employees and don't work.

How to Transition to the Alternative Performance Review

Human resource professionals and managers play an important role in performance reviews by ensuring that the process is fair, accurate and managed properly. When transitioning from the traditional performance review to an alternative one, the human resource department of a company should have all their ducks lined up in a row. Readiness is essential. The human resource department may even be responsible for developing questionnaires and other materials to measure performance for peer reviews and self-reviews.

Human resource departments can also develop their own 360 degree assessment review. Working with the leaders of the organization can help identify competencies and expectations that are tied to the organization's core strategy, mission and values in each department. Collaborating with the senior person in each department will provide valuable input. In addition, managers and human resource professionals can get their buy-in, which will be important to the program's success. Another option is to take a look at some of the established 360 surveys that are already available.

Managers and supervisors should be briefed and trained in the new evaluation process. This should entail scheduled company meetings where those responsible for conducting the performance reviews are given the opportunity to view the new testing materials. When peer reviews are being used, managers and supervisors should have an outlined list of peers to give the assessment to. It is also recommended to hold

an employee meeting to discuss the switch from traditional performance reviews to alternative ones. This way, there are no surprises, and employee questions and concerns can be properly addressed.

Using non-traditional performance reviews fills the gaps of traditional performance reviews and avoids the pitfalls of the halo effect, subjective reviews and negative feelings in the workplace. It's an innovative approach to building partnerships for successful performance between managers and employees.

The material appearing in this website is for informational purposes only and is not legal advice. Transmission of this information is not intended to create, and receipt does not constitute, an attorney-client relationship. The information provided herein is intended only as general information which may or may not reflect the most current developments. Although these materials may be prepared by professionals, they should not be used as a substitute for professional services. If legal or other professional advice is required, the services of a professional should be sought.

The opinions or viewpoints expressed herein do not necessarily reflect those of Lorman Education Services. All materials and content were prepared by persons and/or entities other than Lorman Education Services, and said other persons and/or entities are solely responsible for their content.

Any links to other websites are not intended to be referrals or endorsements of these sites. The links provided are maintained by the respective organizations, and they are solely responsible for the content of their own sites.