Employee Performance Evaluation or Performance Rating is defined as an orderly and systematic approach to appraising an employee's performance on the job.

A. OBJECTIVES OF PERFORMANCE RATING

The most obvious objective of an employee performance evaluation program is the establishment of communication, on a regular basis, between supervisors and employees regarding performance. Additional objectives include:

- 1. Maintain up-to-date job descriptions.
- 2. Assist the department head and City Administrator in making decisions regarding training, reclassifications, promotions or retention of an employee.
- 3. Improve the hiring process.
- 4. Provide those employees whose work have not been fully satisfactory the opportunity to learn how to improve their work.
- 5. Improve employee morale.

B. RATING PROCESS

The employee performance evaluation <u>form</u> that will be utilized in this process is attached.

Department heads are responsible for the overall employee performance evaluation program within their department. However, the employee's immediate supervisor shall be responsible for evaluating all employees under their control, providing the supervisor supervises the employee at least 50 of the time.

All employees shall be evaluated at least annually, no later than the employee's anniversary date, except probationary employees (including promoted employees) who shall be evaluated quarterly.

Forms, stating the employee's name, last review date and due date shall be sent from the Human Resources Department to all departments at least one (1) month before it is due.

C. Evaluating Performance.

Regardless of the method or form used in performance rating, the evaluation of the employee's performance will always contain some element of subjectivity. However, subjectivity can be reduced by recognizing the following typical sources of rater bias:

• <u>The "Halo Effect":</u> Employees that are liked are seen as excellent in every area; if disliked, deficient in every area.

- Overweighing of Recent Occurrences: This includes either favorable or unfavorable.
- <u>"Central Tendency":</u> Supervisors, reluctant to rate an employee either high or low, rates the employee average to avoid justification.
- <u>The "Sunflower Effect":</u> All employees are rated high in order to look good to the supervisor's boss.

Employee performance can be accurately rated only if both, the supervisor and the employee, have the same expectations for their accomplishments. That's why one of the most important questions the supervisor must keep in mind when evaluating is, "Does the employee know what I expect"?

It is imperative that the supervisor be fair and accurate in rating performance and must be very specific about the events or behaviors that are used to substantiate the appraisal. The supervisor should not compare one employee with another. Employees should be assessed according to their behavior in terms of the performance standards or criteria that have been established for that employee and attached to the evaluation.

D. Preparing for the Evaluation Interview.

Whenever the supervisor has completed the evaluation form, and at least one (1) week prior to the employee interview, employees should be given a copy of the last evaluation performed in an effort to refresh their memory as to any weaknesses they may have had, depicting those areas needing improvement.

A specific time and place should be set at the same time employees are given their last evaluation. The location should be one that is comfortable, private and free, as much as possible, of any interruptions.

In preparing for the evaluation interview, supervisors are urged to keep the following factors in mind:

- 1. Decide in advance what you would like the results to be.
- 2. Consider the effect on the morale of the employee.
- 3. Have clearly in mind the strong and weak points of the employee.
- 4. From your discussion, what do you want the employee to specifically change.

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5. Have specific plans as to how performance can be improved.

E. Conducting the Interview.

A well conducted evaluation interview should have two (2) distinct features—performance feedback and goal setting.

Performance feedback involves supervisors sharing with the employee their perception of how well the employee has reached the agreed upon goals and standards previously established. Goal setting allows the supervisor (and the employee) to identify those areas requiring changes in an effort to increase the employee's proficiency. The goal statement then becomes the basis for future performance ratings and goal setting.

The following are general comments and should be used as a guide for supervisors in these interviews:

- 1. Employees should be made to feel at ease providing an informal attitude and atmosphere—supervisors are urged to come out from behind the desk and truly communicate with the employee.
- 2. Supervisors should explain to the employees the purpose of the evaluation and relate the various factors being used to rate them.
- 3. Supervisors are urged to explain in their own words the performance rating and not read it to the employee.
- 4. The interview should begin on a positive tone with those items that are praiseworthy.
- 5. Employees should not feel that they are being preached, rather, after stating the facts, ask the employee if there is a reason—get their side of the story and then develop a solution to the problem.
- 6. The solution to a problem should come from the employee with some guidance from the supervisor. In this way, employees are much more likely to do something about the problem.
- 7. The supervisor should finish the meeting. Don't leave the employee hanging in mid-air—put a conclusion to the meeting with a statement of confidence in the employee.
- 8. Provide at least 15-minutes for each interview—really get to know the employee.

F. Follow-Up.

Follow-up on the evaluation is a very important step. The supervisor should write down important points covered during the interview, especially those which will require some follow-up activity by either the supervisor or the employee. Supervisors should be

prepared to live up to any action to which they committed themselves or the City. If, for any reason, supervisors cannot deliver on a commitment, they should explain immediately to the employee. Periodically, preferably after a 3-month period, supervisors should follow-up with an employee in any performance area which has been below standard. Performance feedback should not come only during the formal performance evaluation process. It should be an on-going event that examines both the supervisor's expectations and the employee's accomplishments.