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# VALLEY BUSINESS NEWS

SANTA CLARITA VALLEY CHAMBER OF COMMERCE

# CONDUCTING PRODUCTIVE PERFORMANCE REVIEWS

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The purpose of a performance review should be to create a two-way communication between supervisors and employees, to maximize performance and de-

velop employees to their fullest potential, help recognize strengths and weaknesses, and help with career development as well as a basis for granting salary increases.

Reviewing an employee's performance

is not a once a year task, but rather an ongoing process throughout the year. The contents in a performance review should not be a surprise to an employee if ongoing discussions are occurring.

In order to conduct effective performance evaluations, you must start out with an adequate tool, i.e., the Performance Review Form. Whether you use a numerical, narrative, or combination of the two, the form should be meaningful for your organization.

## The Form

Most evaluation forms consist of broad, simple categories such as attendance, cooperation, quality and quantity of work, attitude, and job knowledge. These are important for most of us since these are the reasons we hired the person in the first place. We “expect” them to show up for work, be cooperative, do good work and have the job knowledge to perform the job.

So, why do you continue to pay an employee each year a “merit increase” for basic “expectations” or for just showing up

for work? There is nothing wrong with giving employees an increase each year but is the increase really tied to performance? How do you measure performance and how do you maximize the return on your investment?

One way is to make sure your performance review form is a meaningful document. It should not only include those broad, simple categories identified above, but should also include

*See REVIEWS on Page 5*

## THIS ISSUE

- Pg 2 Business Briefs
- Pg 3 CEO Message
- Pg 4 Legally Speaking
- Pg 7 Money Matters
- Pg 12 Open for Business

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# Reviews

*continued from page 1*

measurable goals for the employee to achieve during the review period.

These goals should have an impact on the bottom line of the organization whether it is an hourly clerical position, or the highest management position. Once goals are established, you can effectively measure the employee's accomplishments compared to the goal.

The form should allow for employee comments and an action plan when improvement is required, as well as outlining goals for the employee for the next review period. Goals should be discussed with employees prior to finalizing them to ensure "buy-in" from the employee.

## **Preparing for the Performance Review**

Whether you conduct reviews quarterly, semi-annually, or annually, managers and supervisors must take the time to prepare for the review process. Start by reviewing prior review, notes, any feedback from clients, customers, etc.

Managers should not think of the Performance Review Process as a required chore dictated by management or their human resources department but rather an opportunity to have a constructive two-way conversation with their employees to help improve the overall effectiveness of their operation and employees.

## **Review Writing Tips**

- Be objective
- Do not write a review when you are tired or angry
- Summarize input from others
- Be careful of hearsay and rumors
- Write in a positive tone
- Give examples of excellent performance as well as poor performance
- Cover the entire review period
- Identify an action plan for improvement if applicable and be specific on expectations
- Establish goals for the next review period to be discussed during the review
- Remember – No surprises!

## **When an employee leaves the review meeting, he/she should:**

- Feel supported and appreciated
- Know exactly where he/she stands on meeting expectations
- Know future career growth and opportunities within the organization

## **Common questions employees want answered during their performance review:**

- How am I doing?
- What can I do to improve?
- Do I have a chance for advancement?
- What will be expected of me before my next review?
- How will my work be evaluated during the next review period?
- What kind of support can I expect from you as my supervisor?
- How much is my increase?