



Get S.M.A.R.T.er In Performance Management Participant Guide

***State of Tennessee Management and Leadership Development Pyramid of
Learning***

A Part of Level 1 Certificate Learning Series

Approved for use April 23, 2015



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Workshop Overview & Learning Objectives

The S.M.A.R.T. Performance Planning workshop is a prerequisite to Get S.M.A.R.T.er in Performance Management.

In the Get S.M.A.R.T.er workshop, the participants will:

- Explore the philosophy of higher performance
- Analyze the performance rating definitions for clarity to effectively evaluate performance
- Learn the five questions for coaching for higher performance
- Practice the skill of coaching for higher performance



Perseverance: steadfastness in doing something despite difficulty or delay in achieving success

Traditional Style of Management vs. Coaching Employees

Traditional Style	Coaching Employees
Focuses on directing the daily tasks of employees	Guides employees in making decisions
Limits employee creativity, growth and development	Enables employees to solve tough problems and actively develops skills
Limits employee initiative	Assists employees in goal setting and supports their efforts to achieve them

Effective coaching benefits both the employee and the organization. A recent study conducted by Gallup indicates, "Business units high in employee engagement more than double their odds of above-average composite performance within their own companies, and nearly triple their chances for above-average success across business units in all companies." (Q12 Meta Analysis, Gallup Consulting)

What does research say?

- Harvard Business Review Guide to Coaching Employees
- Gallup Study
- Effective coaching benefits the employee and the organization
- Effective coaching is grounded in the philosophy of performance management

Higher Performance Philosophy

“Performance Management is not about leveling performance. It is about identifying the best performers and setting standards with them as role models.” (Hay Group)

- Why should we think about higher performance?

- What are the employee benefits of this philosophy of performance management?

- What are the organizational benefits of this philosophy of performance management?

Performance Rating Scale

Activity A:

Work individually to identify and circle the key words in the definitions on the rating chart. Prepare to share answers.

<i>Performance Rating Scale</i>	<i>Definitions</i>
N/A	Not applicable
Unacceptable Performance	Unsatisfactory work outcomes
Marginal Performance	Work outcomes consistently do not meet some stated expectations
Valued Performance	Work outcomes consistently meet stated expected performance
Advanced Performance	Work outcomes consistently meet and often exceed stated expected performance
Outstanding Performance	Work outcomes consistently exceed expected performance and affect measurable improvements in organizational performance

Identifying Higher Performance

Activity B:

- Examine the work outcomes and action steps provided to your table groups.
- Use the Manager Worksheet on Coaching for Higher Performance to determine what advanced and outstanding performance could look like for the outcomes.
- Identify ideas to potentially achieve advanced or outstanding performance.
- Present group results to the large group.
- Groups will have 30 minutes to complete this activity.

Manager Worksheet on Coaching for Higher Performance

	Valued	Advanced	Outstanding
Work Outcome			
Action Steps			
Use the justification section for advanced and outstanding to justify the rating.	Justification:		Justification:

Factors to Consider:

Valued Performance:

Work outcomes ***consistently meet*** stated expected performance

Advanced Performance:

Work outcomes ***consistently meet and often exceed*** stated expected performance

Outstanding Performance:

Work outcomes ***consistently exceed*** expected performance and affect ***measurable improvements*** in ***organizational performance***

Manager Worksheet on Coaching for Higher Performance

	Valued	Advanced	Outstanding
Work Outcome	From August 9, 2014 through January 9, 2015, develop and maintain a user-friendly learner registration tracking system to provide a seamless registration process for customers as evidenced by a customer satisfaction rating of meets needs and expectations on 85% of all collected customer satisfaction surveys.	<ul style="list-style-type: none"> Maintain user friendly learner registration tracking system. Create an embedded rating system Exceeds needs and expectations on 90% of all collected customer satisfaction surveys. 	<ul style="list-style-type: none"> Develop a webinar to teach customers how to use the system. Exceeds needs and expectations on 95% of all collected customer satisfaction surveys.
Action Steps	<ol style="list-style-type: none"> From August 9, 2014 through January 9, 2015 partner with SLS team to ensure registration system meets team's needs. From August 9, 2014 through September 9, 2014 conduct research on on-line registration systems and report to director. Partner with other administrative staff to ensure training room accommodations are provided in conjunction with the registration process beginning October 2014 completed by January 9, 2015. 	<ul style="list-style-type: none"> Partner with SLS team to build registration system Conduct research on on-line registration systems Work with other administrative staff for input Convene a focus group to address customer feedback 	<ul style="list-style-type: none"> Work with SLS facilitators to create webinar Create webinar to teach users how to use the new system Partner with Edison team to create webinar Get input from other departments
Use the justification section for advanced and outstanding to justify the rating.		Justification:	Justification:
		Employee consistently met and often exceeded expected performance as evidenced by 92% of all returned surveys rating exceeds needs and expectations.	Employee consistently exceeded expected performance and affected measurable improvements to the organization as evidenced by 97% of all returned surveys rating exceeds needs and expectations and implemented a statewide training tool to help acclimate users to the new registration system.

Factors to Consider:

Valued Performance:

Work outcomes **consistently meet** stated expected performance

Advanced Performance:

Work outcomes **consistently meet and often exceed** stated expected performance

Outstanding Performance:

Work outcomes **consistently exceed** expected performance and affect **measurable improvements** in **organizational performance**

Debrief:

- What was of most value to you in participating in these activities?

- How will these activities help you evaluate all employee work outcomes?

- What are possible justifications for awarding advanced or outstanding ratings for work outcomes?

Performance Management Cycle



Notes:

The 5 Questions for Discussing Higher Performance:

1. What steps have you taken toward achieving your work outcome(s) for valued performance?
2. What obstacles are standing in the way of achieving your valued work outcome(s)?
3. What additional support do you need to accomplish your work outcome(s)?
4. What work outcomes and/or action steps do you feel you have already exceeded in accomplishing?
5. What ideas could potentially move you toward an advanced or outstanding rating?

Notes:

Skill Practice

- Working in pairs, select one participant to be the coach, and one to be the employee.
- Practice coaching employees to higher performance using the 5 questions for discussing higher performance (use 2 different worksheets with 2 separate examples).
- When notified, switch roles and repeat the activity.

1. What steps have you taken toward achieving your work outcome(s) for valued performance?

2. What obstacles are standing in the way of you achieving your valued work outcome(s)?

3. What additional support do you need to accomplish your work outcome(s)?

4. What work outcomes and/or action steps do you feel you have already exceeded in accomplishing?

5. What specific ideas can you identify that could potentially lead you toward an advanced or an outstanding rating?

Debrief:

1. What were some of your experiences as a coach in the first role play? How did the coach's experiences differ in the second role play?

2. What were obstacles employees presented that were keeping them from creating advanced and/or outstanding ideas?

3. How did you coach the employee in overcoming obstacles standing in their way of creating ideas in order to pursue advanced and/or outstanding ratings?

Summary

Did we meet the learning objectives?

- Explore the philosophy of higher performance
- Analyze the performance rating definitions for clarity to effectively evaluate performance
- Learn the five questions for coaching for higher performance
- Practice the skill of coaching for higher performance

How will you apply what you have learned in this workshop to coach for higher performance?

Immediate Favorable Actions:

1. _____

2. _____

3. _____

Resources

Harvard Business Review Guide to Coaching Employees, Harvard Business Review Press, (December 9, 2014).

Northouse, Peter G., Leadership Theory and Practice, 6th Edition, SAGE Publications, (2013).

Rusaw, Carol A. Leading Public Organizations: An Interactive Approach, Cengage Learning; 1 edition (July 17, 2000).

Staggs, Hank, 12 Truths About Difficult Conversations

Appendix

Manager Worksheet on Coaching for Higher Performance			
	Valued	Advanced	Outstanding
Work Outcome			
Action Steps			
Use the justification section for advanced and outstanding to justify the rating.		Justification:	Justification:

Factors to Consider:

- Valued Performance: Work outcomes *consistently meet* stated expected performance
- Advanced Performance: Work outcomes *consistently meet and often exceed* stated expected performance
- Outstanding Performance: Work outcomes *consistently exceed* expected performance and affect *measurable improvements* in *organizational performance*

Frequently Asked Questions

1. "What documentation do I need to have for each rating?"

Proper documentation requirements are discussed as part of the Performance Management and Performance Coaching workshops and are further outlined in the Rules of the Department of Human Resources Rule 1120-05, the Performance Management Procedures and Processing Policy (DOHR Policy #12-064), and the Performance Achievement Training Handbook (P.A.T.H.). Outstanding ratings should have been agreed upon and signed by the rater and the reviewer. These ratings must additionally be approved by the appointing authority or his/her designee prior to the performance review discussion with the employee. More information on the Performance Management Process can be found on the Department of Human Resources (DOHR) website at: <http://www.tn.gov/dohr/ogc-er/performance/perform.shtml>.

2. "What do I do if my boss says I cannot get an advanced or outstanding rating in my position?"

This is expressly not true. Every appointing authority has agreed to have every opportunity for higher performers. All employees in every position should have the opportunity to earn these ratings. All work outcomes should be written to the valued level. While identifying work outcome criteria for some positions may be more challenging, these opportunities do exist. The employee should discuss this with the rater as part of the performance coaching process or during development of the Individual Performance Plan (IPP). If the employee has further questions, these questions may be addressed through the reviewer for the employee's annual review document, the agency's human resources office, the appointing authority, or the Employee Relations Division of DOHR.

3. "Are there quotas or number limitations for overall ratings at any given level of rating?"

No. The ratings earned by employees are directly tied to the level of achievement relative to an employee's IPP within guidelines established by DOHR Policy #12-064. No quotas or allocations should be applied or directed to any given rating. Outstanding ratings are subject to review by appointing authorities, but approval is based on individual accomplishment, not arbitrary quotas.

4. "What happens if I feel there are inconsistencies in how advanced or outstanding ratings are given?"

Some employees might be concerned that there are inconsistencies in how advanced or outstanding ratings are given. Again, individual ratings are earned based on individual performance as measured against the employees work outcomes contained in the IPP. It

is the duty of the reviewer and the appointing authority to ensure ratings are applied in a consistent manner across all rated employees within an agency. Questions regarding ratings should be addressed with the rater, reviewer or the agency human resources office. The employee may also contact the appointing authority or the Employee Relations Division of DOHR.

5. “If you have a 100% accurate expected performance standard in a work outcome written to the valued level, how is it possible to earn higher level ratings?”

In limited circumstances, some IPP’s may have expected performance standards that require 100% accuracy when written to the valued level. An example might be an expected performance standard related to testing drug samples in a crime lab, where results are used in criminal proceedings. Accuracy of results in this example is directly critical to the success of court cases and in maintaining the credibility of the crime lab.

In those cases, there should be opportunities within other expected performance standards for the high-performing employee to earn ratings above valued. The employee should work with the rater as part of the performance management and performance coaching process to identify areas where outstanding or advanced ratings may be earned. Again, every employee should have the opportunity to earn higher level ratings. Overall ratings are based on more than one work outcome.

**RULES
OF THE
TENNESSEE DEPARTMENT OF HUMAN RESOURCES**

**CHAPTER 1120-05
PERFORMANCE PLANNING AND EVALUATION**

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1120-05-.01	Evaluations	1120-05-.05	Records
1120-05-.02	Employees to be Evaluated	1120-05-.06	Training
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1120-05-.04	Use in Making Human Resources Decisions	1120-05-.08	Repealed
		1120-05-.09	Repealed

1120-05-.01 EVALUATIONS. Each agency shall provide written plans detailing the standards of performance and the expected outcomes for all employees and shall periodically evaluate the results on dates and in such manner as prescribed by the Commissioner.

Authority: T.C.A. §§ 8-30-104, 8-30-105, and 8-30-313. **Administrative History:** (For history prior to January 2, 1988, see pages 1-2 in the Introduction at the beginning of the chapters.) Repeal and new rule filed November 18, 1987; effective January 2, 1988. Repeal and new rule filed December 14, 2010; effective May 31, 2011. Repeal and new rule filed July 5, 2012; effective October 3, 2012.

1120-05-.02 EMPLOYEES TO BE EVALUATED. The performance of all employees in the state service shall be evaluated in a manner subject to this Rule and the policies of the department.

Authority: T.C.A. §§ 8-30-104, 8-30-105, and 8-30-313. **Administrative History:** (For history prior to January 2, 1988, see pages 1-2 in the Introduction at the beginning of the chapters.) Repeal and new rule filed November 18, 1987; effective January 2, 1988. Repeal and new rule filed December 14, 2010; effective May 31, 2011. Repeal and new rule filed July 5, 2012; effective October 3, 2012.

1120-05-.03 EVALUATION PROCESS. An agency shall conduct, at a minimum, the following evaluation procedure:

- (1) Performance Plan. The supervisor and the employee shall have an initial discussion for the purpose of explaining and clarifying the performance evaluation process, defined work outcomes and behavioral expectations for which performance shall be evaluated, and the performance necessary to maintain or achieve an acceptable rating. Defined employee work outcomes and behavior expectations shall be specific, measurable, achievable, relevant to the strategic objective of the employee's state agency or division and time sensitive.
- (2) Periodic Reviews. Supervisors shall provide periodic reviews of performance to provide constructive feedback, discuss means of enhancing performance results and, if appropriate, to discuss the consequences of unsatisfactory performance. Employees shall receive a minimum of two (2) periodic reviews during the review cycle.
- (3) Evaluation of Performance. Employees shall receive a formal written evaluation of the expected performance standards at the end of the performance cycle which grants the employee the opportunity to comment.
- (4) Official Review. An official review of the performance evaluation shall occur in accordance with policy. Once approved, the evaluation becomes the record of the employee's performance.

(Rule 1120-05-.03, continued)

Authority: T.C.A. §§ 8-30-104, 8-30-105, and 8-30-313. **Administrative History:** (For history prior to January 2, 1988, see pages 1-2 in the Introduction at the beginning of the chapters.) Repeal and new rule filed November 18, 1987; effective January 2, 1988. Amendment filed January 8, 1991; effective May 1, 1991. Repeal and new rule filed December 14, 2010; effective May 31, 2011. Repeal and new rule filed July 5, 2012; effective October 3, 2012.

1120-05-.04 USE IN MAKING HUMAN RESOURCES DECISIONS. Performance evaluations may be used as follows:

- (1) to determine salary increases and decreases within the limits established by the compensation plan;
- (2) as a factor in making or denying promotions; and
- (3) as a means of determining employees:
 - (a) who are candidates for promotion or transfer; or
 - (b) who, because of a low job performance evaluation, are candidates for demotion, suspension, dismissal or reduction in force.

Authority: T.C.A. §§ 8-30-104, 8-30-105, and 8-30-313. **Administrative History:** (For history prior to January 2, 1988, see pages 1-2 in the Introduction at the beginning of the chapters.) Repeal and new rule filed November 18, 1987; effective January 2, 1988. Repeal and new rule filed December 14, 2010; effective May 31, 2011. Repeal and new rule filed July 5, 2012; effective October 3, 2012.

1120-05-.05 RECORDS. Each agency shall record the evaluation of each employee in a manner prescribed by the Commissioner. Performance evaluations of all employees shall not be considered public records under T.C.A. § 10-7-503. Nothing in this section shall be construed to limit access to these records by law enforcement agencies, courts, or other governmental agencies performing official functions.

Authority: T.C.A. §§ 8-30-104, 8-30-105, and 8-30-313. **Administrative History:** (For history prior to January 2, 1988, see pages 1-2 in the Introduction at the beginning of the chapters.) Repeal and new rule filed November 18, 1987; effective January 2, 1988. Repeal and new rule filed December 14, 2010; effective May 31, 2011. Repeal and new rule filed July 5, 2012; effective October 3, 2012.

1120-05-.06 TRAINING. The Appointing Authority shall ensure that persons responsible for conducting and/or reviewing the performance evaluation of any employee complete a training program specified by the Commissioner.

Authority: T.C.A. §§ 8-30-104, 8-30-105, and 8-30-313. **Administrative History:** (For history prior to January 2, 1988, see pages 1-2 in the Introduction at the beginning of the chapters.) Repeal and new rule filed November 18, 1987; effective January 2, 1988. Repeal and new rule filed December 14, 2010; effective May 31, 2011. Repeal and new rule filed July 5, 2012; effective October 3, 2012.

1120-05-.07 ADMINISTRATIVE REVIEW. An employee who receives a completed performance evaluation may file a request for administrative review based on procedural violations as follows:

- (1) Appointing Authority. Within fourteen (14) days of receipt of the evaluation, an employee may file a written request for review, along with all relevant documentation, to the Appointing Authority. The Appointing Authority shall respond in writing to the employee within fifteen (15) days.

(Rule 1120-05-.07, continued)

- (2) Department Review. Within fourteen (14) days of the receipt of the Appointing Authority's written decision, an employee may file a written request for review, along with all relevant documentation, to the Commissioner. The Commissioner shall issue a written response within fifteen (15) days. The decision of the Commissioner shall be final and not subject to further review.

Authority: T.C.A. §§ 8-30-104, 8-30-105, and 8-30-313. **Administrative History:** (For history prior to January 2, 1988, see pages 1-2 in the Introduction at the beginning of the chapters.) Repeal and new rule filed November 18, 1987; effective January 2, 1988. Repeal and new rule filed December 14, 2010; effective May 31, 2011. Repeal and new rule filed July 5, 2012; effective October 3, 2012.

1120-05-.08 REPEALED.

Authority: T.C.A. §§8-30-202, 8-30-203 and 8-30-204. **Administrative History:** (For history prior to January 2, 1988, see pages 1-2 in the Introduction at the beginning of the chapters.) Repeal and new rule filed November 18, 1987; effective January 2, 1988. Repeal and new rule filed December 14, 2010; effective May 31, 2011.

1120-05-.09 REPEALED.

Authority: T.C.A. §8-30-328. **Administrative History:** (For history prior to January 2, 1988, see pages 1-2 in the Introduction at the beginning of the chapters.) Repeal and new rule filed November 18, 1987; effective January 2, 1988. New rule filed August 25, 1994; effective December 29, 1994. Repeal and new rule filed December 14, 2010; effective May 31, 2011.

12 Truths about Difficult Conversations

By: Hank Staggs, Ed.D.

Leaders must engage in difficult conversations, and likely, they are needed more often than desired. According to Stone, Patton, and Heen's best-selling book, *Difficult Conversations* (2000), a difficult conversation is "anything you find it hard to talk about." Considering this definition, everyone at some point in life must engage in difficult conversations. Engaging in these conversations can sometimes cause anxiety and may be extremely challenging for many leaders. The anxiety may evolve into a temptation to delay or even avoid a needed difficult conversation. As a school leader, difficult conversations are frequent, challenging, and at no time enjoyable. Leaders may never be fully comfortable having difficult conversations; however, avoiding one could result in long-term damage for a relationship or community. The following is a compilation of lessons learned and is intended to offer suggestions and encouragement for what to do when facing a difficult conversation. These are organized in no particular order as 12 truths to consider when faced with a difficult conversation.

12 Truths to Consider When Faced with a Difficult Conversation

1. *You can't change people.* Your conversation may end up being a catalyst for change. It may offer information, clarification, expectation, and reconciliation which might influence change; however, people change on their own and nothing you say or do will change them. Trying to change someone will lead to failure.
2. *Advice is toxic.* Giving advice kills thinking in another person. It takes them off the hook, decreases responsibility, and stifles growth.
3. *There really is a third story.* Your story, their story, and the third story are all real. The third story is the gap between your story and their story. Start the conversation in this gap and seek to narrow it. Starting with your story or their story may only widen the gap further.
4. *Your story is valuable.* After starting with the third story, don't be afraid to tell your story clearly and respectfully. This is where you confront and set boundaries.
5. *You are not always right, and yes, you have contributed to the issue.* Be very cautious of being right, and likely, you have contributed in some way to the issue. Be open to share this as a means to narrow the gap in the third story. Note of caution: Prior to a termination or separation conversation, be sure to seek legal counsel and plan words carefully.
6. *Assertive and aggressive are different.* Be clear and direct using "I" statements. Avoid "you" statements as they may be perceived as attacking and aggressive and invite a defense.
7. *Truth and connection should be balanced.* Truth is the content and connection is the grace and relationship. Dr. Henry Cloud and John Townsend (2005) suggests that high truth and low connect (grace) will result in major conflict and destruction. Low truth and high connect will result in pseudo-friendliness or avoidance of conflict. Find a balance. If you are in doubt then go for more connect.

8. *The most important part is listening.* “My goal is to see life from the other person’s perspective,” says Dr. Mark Goulston, author of *Just Listen* (2009). Not only should the leader be a committed listener, shift from listening to respond to listening to understand.
9. *Listening is #1, and preparation is #2.* The secret of masterfully engaging in a successful difficult conversation is being prepared in advance. Don’t wing it. Plan in advance.
10. *The boss card was best played when the expectations were established and standards were set.* Expectations and standards should have been set from the beginning. Once a disagreement ensues then it’s too late to pull rank if you are still seeking a peaceful resolution. Pull rank up front and set expectations during the honeymoon phase of relationships. If you failed at this one, return to #3 and #5 above and reset.
11. *Silence can do the heavy lifting.* Susan Scott in *Fierce Conversations* (2002) states, “Silence makes us nervous. So do innovation, change, and genius. Let silence do the heavy lifting.” Also, the more the conversation is emotional, the more valuable is the silence.
12. *Feelings are real and that’s okay.* Allow feelings to be felt and expressed. Monitor your own emotion and passion in order to maintain control and sensibility. Don’t get sucked in if the other person does not monitor theirs. Also, if you use, “I feel...” be sure to name a feeling and not something that the other person did. For example, “I feel that you...” is actually not a feeling. “I feel angry” is a feeling and may need to be expressed.

Difficult conversations may always be a bit uncomfortable, and that’s okay. Hopefully, these truths will offer guidance and confidence as you seek to strengthen your leadership when conversations become challenging.

Resources:

Cloud, H. and Townsend, J. (2005). *How to have that difficult conversation you’ve been avoiding*. Grand Rapids, MI: Zondervan.

Goulston, M. (2009). *Just listen: Discover the secret to getting through to absolutely anyone*. New York, N.Y: AMACOM.

<http://www.sallyfoleylewis.com>

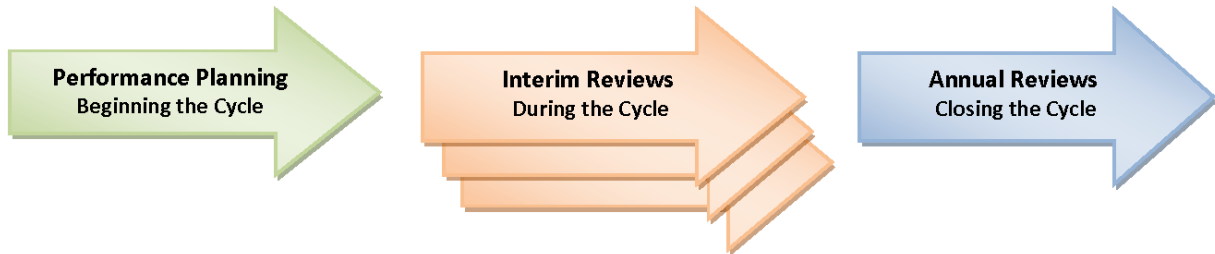
Kee, K., Anderson, K., Dearing, V., Harris, E. & Shuster, F. (2010). *Results coaching: The new essential for school leaders*. Thousand Oaks, CA: Corwin Press.

Scott, S. (2002). *Fierce conversations: Achieving success at work & in life, one conversation at a time*. New York, N.Y: Viking.

Stone, D., Patton, B., & Heen, S. (2000). *Difficult conversations: How to discuss what matters most*. New York, N.Y: Penguin Books.

Performance Achievement Training Handbook

The **P.A.T.H.** from Planning to Annual Reviews



State of Tennessee
Department of Human Resources

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What is the Purpose?

The purpose of the Performance Achievement Training Handbook (P.A.T.H.) is to explain in more detail the procedures and objectives of the Performance Management Program. The P.A.T.H. also provides each role with specific tools to keep everyone on the right track as they travel through each of the performance management procedural steps each cycle.

An effective Performance Management Program addresses what an agency, division, and individual has to achieve and how those results are accomplished.

The Performance Management Program serves two main purposes, administrative and developmental.



Administratively:

- It provides a record of employee performance.
- When used properly, it supports human resources and other administrative actions that affect the employee such as determining promotions, demotions, transfers, dismissals, reduction in force and salary adjustments.

Developmentally:

- It enhances employee performance through the identification and communication of relevant performance expectations and work outcomes.
- It methodically facilitates appropriate performance feedback, coaching and individual training and development.
- It maximizes the achievement of the agency mission and strategic direction by incorporating supportive individual and group performance standards.



The Program allows all state employees the opportunity to grow and develop by providing continuous performance feedback. The success of the employee becomes the success of the rater, the reviewer, the division and the agency. All are capable of growing together and achieving success.



Why Individual Performance Planning and Reviewing Is Important

“Review discussions” or providing “feedback” regarding employees’ performance is probably the most difficult task a supervisor (rater) faces. We know that most employees consider themselves at least “above average” in their performance and would resent raters saying otherwise, even if their performance was marginal. As a result, raters are apprehensive about confronting employees whose performance is marginal. Employees are equally apprehensive about being reviewed. Employees want to be thought well of by others, particularly by raters who are in a position to affect their future career opportunities through promotions and pay increases. Because both employees and raters are equally apprehensive about the performance review process, most raters feel that employees don’t want to discuss their performance with their raters, **but** this is **not true**.

Research shows that while employees may be apprehensive, employees in general say that the **lack** of feedback about their performance is the most critical problem they have with their raters—and the most important change their raters could make to improve their work! When asked how their productivity could be improved, a majority said better guidance on work assignments.

These facts have surprised many managers. Why would employees **want** to have a Performance Management Program? Here are some reasons:



- Employees want to know where they stand with their rater. They want to know what is expected of them and how well they are meeting those expectations.
- Most employees **want** to do a good job, and constructive feedback delivered in a non-threatening way helps them to improve their performance. A good Performance Management Program recognizes employees for good performance.

Why, then, are employees apprehensive about a Performance Management Program? Why do performance programs often not work in practice? Employees give us some good reasons:

- Too many raters do not conduct the process honestly. They rate everyone’s performance as **outstanding** even when some employees barely get the job done. To those employees who are meeting or exceeding the expectations that means their performance is not really recognized or valued. This creates a morale problem and overall productivity is affected. The rater loses credibility with employees and with higher management.
- Too many raters don’t know enough about their employees’ work to provide a sound review. They don’t know “what’s going on,” either because they don’t pay attention or don’t seem to care.
- Too many raters base their review on superficial aspects of their employees’ jobs, or on irrelevant characteristics of their employees. Even if unintentional, it is counterproductive reducing morale and the incentive to perform well.

Too many raters talk about performance only once a year, when an annual review form is filled out. That often creates more problems than it solves—it is not constructive for the employee to hear only once a year what he or she did poorly or well. The vast majority of employees want feedback about their performance **at least** several times a year.

An employee **can** be disciplined for inadequate performance—but it is less likely to be upheld when a rater fails to provide substantial evidence to support that action. Disciplining an employee, up to dismissal, for performance problems **does** become extremely difficult when performance reviews completed by the rater describe the employee’s performance of the outcomes for which the employee is being disciplined as satisfactory or valued!

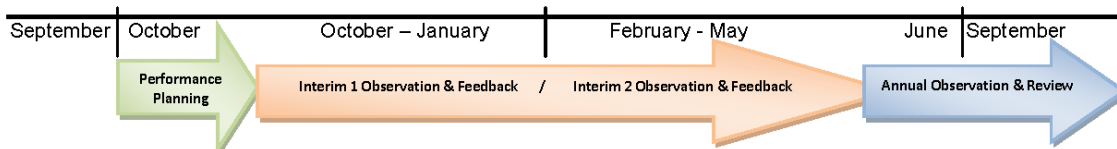
The Performance Management Program is quite different from typical performance review procedures. It is intended to be a useful tool—one that will overcome many of the problems associated with traditional procedures mentioned by raters, reviewers and employees. The program will not help you to solve **all** of the difficult problems you face as a rater or reviewer. However, we are certain that if you spend the time now to understand the basic principles underlying its use, and put it into practice in your agency, it will save you time in the long run and help you to improve the morale and the productivity of your division and agency.

It is the rater’s responsibility for maintaining the proper level of performance and conduct of employees under his or her supervision. While not every performance expectation is considered a priority work outcome, it is necessary for you as the rater to discuss with employees all of your expectations. This includes the 4 to 6 work outcome statements listed on the individual performance plan and any other expectations for which you would hold the employee accountable. Expectations not listed on the individual performance plan may be addressed outside of the Performance Management Program as appropriate.

The rater must hold the employee accountable for performance and provide coaching to reinforce and affect the necessary changes in performance and/or behaviors. If the employee fails to meet expectations or change behaviors after coaching and counseling, it is the rater’s responsibility to administer disciplinary action(s) at the step appropriate to the infraction, conduct, or performance.

Following the Standard Performance Management Cycle timeline below provides you with the optimum timeframes to conduct each procedural step with your employees from performance planning to the annual review.

Standard Performance Management Cycle



What Roles are Involved?

Knowing what role(s) you are performing during each procedural step is important to everyone's success. A person can hold many roles. For example, reviewers will perform the expectations outlined in the reviewer section of this handbook, they also will perform the rater role, and they themselves will receive an annual review as an employee. Each function has key responsibilities and actions that must be performed in order to ensure compliance and success of the program.

Click on each role indicated below to travel to the specific section of the P.A.T.H. that you will follow in performing that role.

[Reviewer](#)



[Rater](#)

[Employee](#)



The Role of the Reviewer

We begin with the role of the reviewer because this is a critical role in the program's success and credibility. Without a reviewer who is fully engaged and correctly conducting the actions described below, the program's potential success will be limited. While most people would say that the performance management process begins with the supervisor or employee, the process actually begins with the reviewer.

Who is the reviewer? The reviewer is usually the rater's immediate supervisor. The reviewer serves two main purposes. One is to assist when problems or questions arise concerning the performance management program. A second responsibility of the reviewer is to make sure that the critical procedural steps are carried out appropriately and that documentation of performance by the rater is thorough, specific, objective and supported with facts. The reviewer will ensure that all raters have successfully completed the required training of the Performance Management Program.

Key responsibilities of the reviewer in the Performance Management Program are as follows:

Beginning the Cycle - Individual Performance Planning

- Explain the purpose of the program to the raters and discuss expectations of the rater's role.
- Ensure that each rater has the agency's strategic and operational goal(s).
- Ensure that all expected performance standards, behaviors and work outcomes are included in the individual performance plans and each relate to the strategic and/or operational goal(s) of the state agency. The reviewer may compare the individual performance plans of employees performing similar jobs and point out differences to the rater to make certain that the differences are appropriate. Examine the performance expectations and work outcomes to confirm they meet the S.M.A.R.T. formula (specific, measurable, achievable, relevant and time sensitive) requirements and are consistent with the expected performance standards defined by other raters.
- Ensure the individual performance plans are written to the mid-point of the rating scale.
- Ensure the work outcomes are prioritized in order of greatest importance.
- Approve the individual performance plan documentation once satisfied that it meets all of the above criteria.

During the Cycle - Interim Reviews (At least two interim discussions are required)

- Discuss with the rater and approve the interim review that will be provided to each employee. This is especially important for those employees whose performance is deficient or may require corrective action.
- Ensure a minimum of two interim reviews are conducted with each employee and each discussion is conducted timely.
- Ensure each of the employee's performance expectations and work outcomes are discussed during each interim review discussion.
- Approve the interim review documentation once satisfied that the interim reviews meet all of the above criteria.

Closing the Cycle - The Annual Review

- Examine the rating of each individual work outcome to verify that the justification of the rating is thorough, specific, objective and supported with facts, prior to the employee and rater discussion.
- Review the overall rating to confirm that it is adequately explained, given both the ratings of the individual work outcomes and the relative importance of each. The reviewer may need to meet with the rater to discuss any of these points and to help revise the rating, or address unclear comments.
- Approve the annual review once satisfied that the procedural steps in the Performance Management Program have been followed and conducted completely.
- Ensure the annual review discussion is conducted timely.



Refer to the [Reviewer's Checkpoints](#) tool for additional guidance.

The Role of the Rater

The rater is responsible for ensuring that employees fully understand their role in the agency achieving its strategic and/or operational goal(s), providing meaningful feedback throughout the review period to each employee, and discussing objective and fact based observations of their work outcomes.

You will find the process much more valuable in enhancing employee performance if you follow the **FACT** model:

- F** – Follow all procedural steps timely
- A** – Actively observe the employee’s behavior and results
- C** – Coach your employees
- T** – Talk about achievement and contribution throughout the process

The rater must discuss and receive approval from the reviewer before each step of the performance management process. Key responsibilities of the rater are as follows:

Beginning the Cycle - Individual Performance Planning

- Thoroughly explain the program to employees—its purpose, how it will be used in the agency, the procedural steps required, and the timing of each.
- Discuss with each employee his or her expected performance standards and describe specific expected performance work outcomes for each. Raters must state all work outcomes using the S.M.A.R.T. formula. Ensure that the employee fully understands each expectation and how performance will be reviewed.

During the Cycle - Interim Reviews (At least two interim discussions required)

- Give frequent feedback and guidance to each employee using the coaching model.
- Give praise and reinforcement for valued and consistent performance recognizing areas in which the employee is performing well.
- Discuss with the employee ways to overcome any obstacles and help the employee identify solutions or improve performance.
- Discuss each of the employee’s performance expectations and work outcomes during each interim review discussion.

Closing the Cycle - The Annual Review

- Conduct a written review of the employee’s overall performance. The annual review should be thorough, specific, objective and supported with facts.
- Always discuss the review(s) with the reviewer prior to discussing with the employee(s).

To improve the likelihood of success as a rater, it is important to plan the necessary actions for the review period. Pre-planning will help you stay on track not only with conducting each procedural step, but also help you adhere to specific timeframes.

To get started, refer to these two tools for additional guidance:

[Rater’s Performance
Management Procedural
Compliance Plan](#)

[Rater’s IPP Checklist](#)

The Role of an Employee

We are all participating in this role. The individual performance plan is created for the employee. It is the employee's role and responsibility to achieve the performance expectations and work outcomes described.

Key responsibilities of the employee are as follows:

- Actively participate and engage in all the discussions with the rater.
- Assist with identifying work outcomes, actions and solutions.



- Commit to achieving the performance expectations and work outcomes as discussed in the individual performance plan.
- Following each performance review discussion, acknowledge the discussion in Edison or sign the signature section on the paper version of the form. The employee's acknowledgement in Edison or signature when using a paper form indicates only that the employee has reviewed and been part of discussions with the rater and/or reviewer. It does not necessarily mean that the employee agrees with the comments or performance ratings.

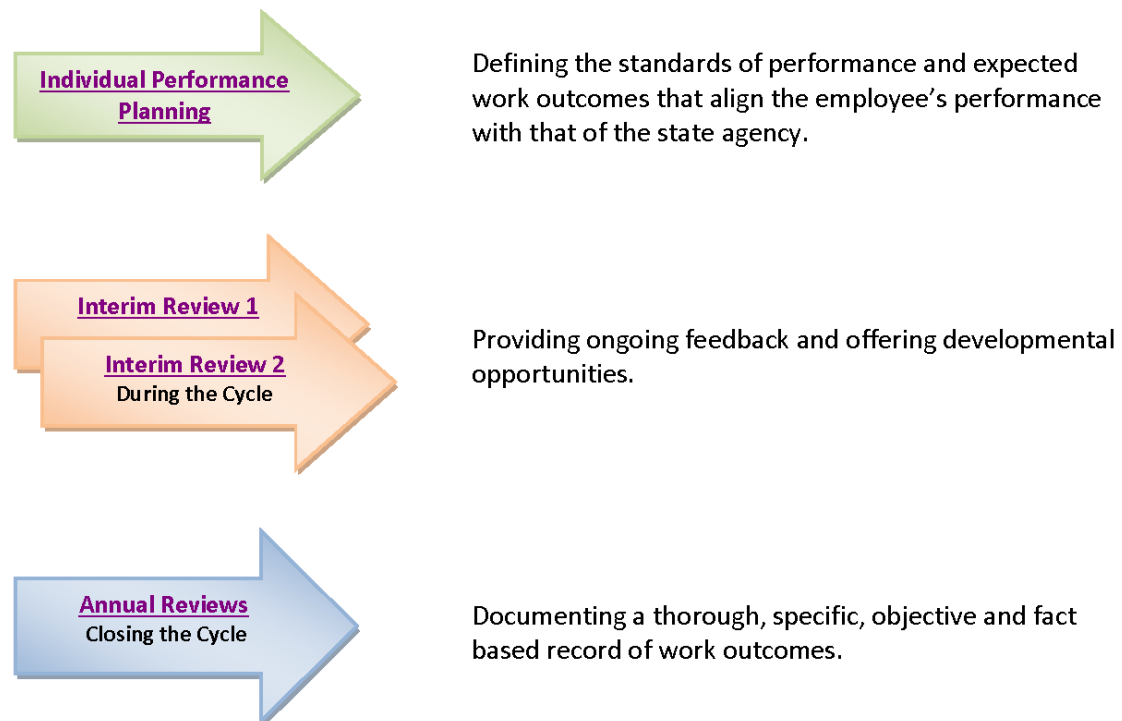


Traveling Through Each Performance Cycle

By following the entire systematic process from start to finish as outlined in this P.A.T.H., you will be creating and promoting a performance based culture where each employee's individual performance plan (IPP) is aligned with the agency's goal(s).

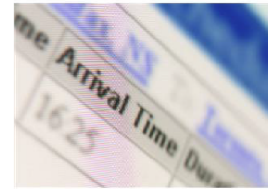
Everyone works together to achieve success. Complete success neither for the agency nor for the employee can be achieved without going through all the procedural steps of each performance cycle.

Click on each performance management procedural step indicated below to travel to the specific resources and tools you will use as you progress through each particular step of the Performance Management Program with your employee.



Explaining the Program to All Employees

As a rater, you must meet with all new employees to explain the Performance Management Program. Be sure that you have read and understand the procedures outlined in this P.A.T.H., the material covered in the S.M.A.R.T. formula training, and any additional information provided by the human resources office of your agency or division. You will also find it useful to thoroughly discuss the program with all employees, new or not, at the beginning of each review cycle.



It is best to meet with each employee individually. This will make it easier to clarify points that may be unclear and will likely make the employee more comfortable asking questions. This discussion may occur at the time you begin preparing the individual performance plan, or you may choose to explain the process to an employee first, and then prepare and discuss the individual performance plan in a later meeting.

Below are some of the key talking points to include in your discussion with each employee:

- *We are meeting today to discuss the Performance Management Program and how it is used in our agency and division.*
- *The first step in the program is to talk about the key strategic and operational goals of our agency, and to determine which work outcomes are most important. We will then describe what the expected performance standards of each work outcome will be, and record this information in the individual performance plan using the S.M.A.R.T. formula (specific, measurable, achievable, relevant, and time sensitive).*
- *From time to time, we will meet to review your performance of specific expected work outcomes and behaviors. I will want to know about any difficulties you're having and how I can help you find solutions to overcome these difficulties. Also, I will tell you my observations of your performance. I want to emphasize that these interim reviews are not formal evaluations. Interim reviews are documented discussions which provide an opportunity for us to discuss my observations of how you are progressing toward meeting the expected work outcomes. They help keep me informed on any problems you face, and for us to discuss ways for you to overcome any obstacles.*
- *I will formally review your performance by (give date). Your performance will be reviewed **only** on the expected performance standards and work outcomes outlined in your individual performance plan.*



Individual Performance Planning

Beginning the Cycle

Preparing an Individual Performance Plan (IPP)

After discussing the Performance Management Program and processes with your employee, identify the expected performance standards, behaviors and work outcomes on which the review will be based and discuss with the employee.

Refer to the [Rater's Individual Performance Planning Checklist](#) tool for additional guidance in preparing the IPP for each employee.

[Rater's Individual
Performance Planning
Checklist](#)

The purposes of writing an individual performance plan are:

- To help the employee clearly understand the strategic and operational direction of the agency.
- To help you and the employee define expected performance standards, work outcomes and actions.
- To describe how the expected performance standards will be reviewed.
- To provide initial suggestions or guidelines which may help the employee understand the performance expectations better.
- To serve as a basis for carrying out interim reviews and the annual review.

By clearly defining performance expectations for each employee, expected work outcomes and actions can be more readily understood and acted upon. If an employee knows what “expected performance” means in concrete terms, it is easier to focus their efforts and achieve the necessary results. Similarly, if acceptable performance is clearly defined, it is much easier for you to take corrective action when performance is unacceptable.

The most difficult task is clearly defining the expected performance. These expectations **must** be objective and clearly describe performance that is specific, measurable, achievable, relevant, and time sensitive. The more specific you describe your expectations; the more readily they will be understood by an employee. The less clear your performance expectations are, the more difficult it will be to provide specific feedback and to evaluate the employee's performance later.



[Edison Link](#)

The rater provides the document to the reviewer. The reviewer must approve the IPP prior to the discussion with the employee. Following the IPP discussion between the rater and employee, the IPP section in Edison must be acknowledged by the employee.

Interim Reviews

During the Cycle

Conducting an effective Interim Review

A fundamental characteristic of effective raters is the skill to provide feedback to employees which is complete, open, honest, and clearly focuses on performance of the work outcomes. The interim review discussions may be the single most important element of the Performance Management Program.

Refer to the [Processing Steps – Interim Reviews](#) tool for additional guidance on preparing for and conducting an interim review. The interim reviews are the key to one of the rater's most important responsibilities, **enhancing employee performance**.

[Processing Steps](#)
[Interim Reviews](#)

The major objectives of the interim reviews are:

- To give praise and reinforcement for valued and consistent performance.
- To provide coaching and guidance on expected performance standards and work outcomes with which the employee may be having difficulty.
- To consider ways to overcome any work problems that may have developed.

The Importance of Feedback

Some employees have stated that management discusses their performance with them only when there is a serious problem. Interim reviews should be regularly carried out with **all** employees. When conducted properly, interim reviews are a valuable use of time.

“Positive” feedback serves the important function of recognizing an employee's achievements and competencies. It serves to increase an individual's feelings of self worth. The interim review discussion should **always** include positive feedback concerning those aspects of an individual's performance which he or she is handling well. Feedback to change behavior is equally valuable **if it is constructive**. If it is clearly oriented toward solving a problem and improving the employee's work performance, it is likely to be well received and appreciated by the employee.



The key to providing constructive feedback is to focus on performance—on specific work outcomes and behaviors of the employee—not on the employee's personal “traits” or characteristics. To the extent that you focus on the person and attack the employee personally, you are **not** providing constructive feedback. Express confidence and respect for the employee. Be concrete in describing the specific outcomes, behaviors or accomplishments which are needed, or in describing the specific outcomes or behaviors which are inappropriate. Recognize that your goal is to help the employee succeed.

Identifying and Solving Problems

A second important purpose served by interim review discussions is to identify and attempt to solve problems that the employee may be encountering on the job. There may well be problems of which you were previously unaware, or have devoted little or no attention.

For example:

- An employee might have difficulty understanding how a particular performance expectation should be carried out.
- An employee may be experiencing a problem in obtaining needed information from you or from others.
- There may be a problem in the agency and/or division over which the employee has no control that is slowing things down.
- The employee may anticipate a problem arising in the future, and it might be useful to discuss that problem and ways to minimize its possible impact.

Planning and Preparing for Interim Review Discussions

There must be at least two interim reviews during the review period. If you observe the employee struggling or if you have other important feedback, you may choose to conduct the first interim review soon after the individual performance plan is initiated. However, you may not conduct the interim review within the first 30 days of the individual performance plan discussion. If it has been less than 30 days from the last discussion, you may need to discuss with the employee as part of normal supervisory counseling. In planning an interim review discussion with an individual employee, arrange ***in advance*** for a time to meet. The employee should have sufficient time to prepare for the discussion. This conversation should be conducted in private, ***not*** in a location where others are also present or can overhear the discussion.

Before you meet with the employee, ***prepare*** for the discussion:

1. Review the individual performance plan. Consider each work outcome and your observations of how the employee has achieved or is achieving them.
2. You might find it advantageous to conduct more than two interim reviews. This is especially true if the performance is **unacceptable or marginal**. However, you ***must*** discuss each work outcome during each interim review discussion.
3. For each work outcome, identify specific areas of achievement or areas that are opportunities for improvement. Be specific. You may find that the employee has not been able to act on a particular work outcome by the time you meet to discuss progress. In these situations, you will want to check on the status and see what is being planned for future implementation. It may be useful to jot these plans down so you will not forget them in the course of your discussion.
4. The reviewer must approve the interim review prior to discussion with the employee. Discuss your interim review documentation with the reviewer prior to the meeting with the employee. He or she may have good suggestions on how to help an employee improve performance or how you can make better use of the Performance Management Program.

Conducting the Interim Review Discussion

Begin the discussion by asking the employee to review the work outcomes with you. Ask about obstacles he or she is encountering on the job and how the employee thinks these obstacles can be overcome and what assistance is needed. Be very clear on this point—while it is ultimately the responsibility of the employee to perform the work outcomes as expected, it is your responsibility to remove obstacles as appropriate to help the employee do so.

Next, discuss each work outcome one at a time. Ask how well the employee thinks he or she has performed each one. Then, discuss your observations, ***both positive and those performance behaviors needing to be changed***. It is important to explain and describe your observations in concrete terms. The employee should understand exactly what you expect.

The employee may ask what their rating is. Ratings are not assigned during the interim reviews. This is to keep the conversation focused on the employee's actions and outcomes rather than labeling the employee. At this point in the conversation, any ratings provided should be positioned as *"If I had to rate your performance today based on your work so far, I would rate your performance as (rating). But more importantly, let's discuss what is going well and what you might do differently around your performance of this work outcome."* (The rating scale is found in the annual review section of this document). State what you have observed regarding the employee's performance to date. It is important to give specific examples of work outcomes or behaviors that support your observations. Most importantly, the employee must see that there is time in the rest of the cycle to improve. You do not want the employee to feel that you have already made up your mind and that there is no point in trying to improve. Remember, not assigning or discussing ratings during the interim review discussions improves the likelihood of meaningful discussions. You will notice there is no place to record ratings at this point in the process, either in Edison or on the paper forms.

Ask the employee if he or she agrees with your observations, and if not, find out why. It is especially important to identify any problems of which you were unaware. For example, the employee may have additional training needs that the rater is able to address through coaching or training.

Discuss any suggestions you have concerning how the employee might improve his or her performance, particularly if the performance is **unacceptable** or **marginal**. Seek the employee's suggestions and come to an agreement with the employee on what actions they will take to achieve the desired performance level.

Describe the performance expectations that the employee must meet to improve performance, and agree on a reasonable length of time within which the performance should be improved. For instance, if the employee's performance for the current review period is unacceptable, describe in specific detail what your performance expectations include. State the implications of continued performance of each work outcome at its present level.

Don't be afraid to discuss your differences concerning the quality of the employee's performance. It is especially important to discuss these kinds of disagreements. You should not avoid conflict by simply agreeing with your employee. By avoiding these discussions, you could miss valuable information brought up by your employee about aspects of his or her performance which you had not considered or which you were unaware. Disagreements about performance can often be resolved by clarifying in greater detail what you are observing and what you expect.

After discussing any disagreements about performance, you should make sure that the employee understands the specific performance expectations, behaviors and work outcomes that you will require before considering the performance as improved. Unless the employee understands exactly what he or she must do to perform better, it is unlikely that the employee's performance will improve. This is true regardless of the employee's present level of performance.

Documenting the Interim Review

It is required to **document** the interim review discussion by completing the interim review section in Edison or manually completing the form(s) provided for that purpose. Use the interim review section of the annual review document in Edison or use the form provided by the Department of Human Resources (DOHR) which you may find on the DOHR website. Good documentation of the interim reviews is especially important and useful when completing the annual review at the end of the review cycle. If you have done a good job of recording the feedback you have provided to the employee, both positive and corrective, and if you have described in concrete terms the employee's level of performance of each work outcome in the interim review section, it will be relatively easy to reach accurate and objective ratings of performance during the annual review process.

[Processing Steps](#)
[Interim Reviews](#)

[Edison Link](#)

During each interim review step, the interim review section in Edison must be documented and approved by the reviewer prior to the discussion with the employee. Copies may be given to the employee.

Summary for Interim Reviews

At least two interim reviews must be conducted after completing the individual performance plan and before the annual review. More than two may be useful particularly if the employee needs to improve in one or more aspects of performance.

The key points to keep in mind are these:

- The Interim Review should not be a negative experience for the employee. Be certain that you always point out what the employee is doing well, and that you express your confidence that the employee can meet the expectations of the job.
- If changes in the employee's performance are needed, be sure to outline the specific things the employee should do to improve performance and the time for achieving improvements. You might find it advantageous to conduct more than two interim reviews during the review cycle. This is especially true if the performance is **marginal** or **unacceptable**. However, you **must** discuss each work outcome during the course of the review cycle and prior to the annual review.
- Ensure that you provide the interim review documentation to the reviewer, who must approve the documentation prior to discussing with the employee.
- Be prepared to discuss what the employee might do to obtain a higher level of performance even when the employee is performing to the stated expectations.
- Following the discussion with the employee, if revisions are necessary, the rater must discuss this change and ensure that the reviewer is in agreement. The revised documentation must be reapproved by the reviewer prior to acknowledgement by the employee.

Annual Reviews

Closing the Cycle

Discussing Your Observations with Your Employees

The annual review discussion should be a positive and engaging experience carried out with all employees. If you have done a good job in completing the individual performance plan and discussing the employee's performance during interim reviews, the annual review should not be a surprise to the employee. By closely observing the employee's performance and documenting specific examples, the rater will be better prepared to explain their observations of the employee's performance.

The major objectives of the annual review are:

- Bringing closure to the current review process for the cycle
- Providing an official record of employee performance for a specific period of time
- Providing the employee the opportunity to comment on the annual review

There are questions raters should ask themselves, in advance, to better prepare for annual review discussions:

1. *Has the employee had at least 30 days since the second interim review or last discussion to perform to the feedback?*
2. *Is each work outcome that was previously discussed in the individual performance plan still relevant?*
3. *Have I prioritized the stated work outcomes so that areas of greatest importance can be appropriately considered in ratings?*
4. *Have I praised solidly valued performance where appropriate and avoided nitpicking relatively insignificant items?*
5. *Have I planned to seek approval of the reviewer prior to discussing the annual review with the employee?*
6. *Will the employee be surprised by my feedback of the observed performance and achievements?*

Before you discuss the annual review with the employee, you must first obtain approval of the reviewer to ensure you are both in agreement about the ratings and the rating justifications. After you evaluated the employee's performance, documented your ratings and met with the reviewer, discuss your observations with the employee.

[Edison Link](#)

When you've discussed your observations and ratings with the employee, the annual review must be acknowledged by the employee in Edison.

Prior to your discussion with the employee, the reviewer **must** approve the annual review in Edison or sign the annual review form signifying that the annual review documentation is consistent with the principles outlined in the Performance Management Program.



The annual review is a critical record of the employee's performance. The date of the discussion and the ratings must be recorded in Edison to demonstrate that the performance management procedural steps are being followed for compliance purposes. Documentation must be complete and accurate.

Refer to the [Processing Steps – Annual Review](#) tool for additional guidance on discussing the annual review.

[Processing Steps
Annual Review](#)

What is a Rating Scale?

Rating Performance of Work Outcomes

The usefulness of this Performance Management Program will depend upon the discussions you conduct throughout the performance review cycle, the accuracy of the individual work outcome ratings and the overall rating you assign. Accurate ratings should not be difficult to assign if you have observed the employee's performance and if you have provided coaching to the employee during the interim review discussions. Please keep in mind that ratings are only assigned and recorded during the annual review. The employee's performance of each work outcome can be evaluated on a continuum from **unacceptable** to **outstanding**. To help the rater determine where the employee's performance falls along this continuum, anchor points are provided. The anchor point is represented by a descriptor that is then given a definition. (The N/A option is discussed later.) "**Outstanding**" performance is the best possible performance that can reasonably be expected of *any* employee. "**Unacceptable**" describes performance that is unsatisfactory and could subject that employee to an adverse administrative action. The other descriptors on the scale—"marginal", "valued", and "advanced"—represent intermediate anchor points. The rating scale for performance expectations is explained on the following pages. You will need to refer back to this scale when determining the rating for each employee's performance.

What Each Rating Means

By itself, a rating does not fully describe an employee's performance. To be meaningful, you **must** discuss with the employee what each of these terms means when applied to his or her performance. Since the annual review is an official record of the employee's performance, it could have a significant impact upon you and your employee. It is vital that you and the employee understand the rating scale and its impact on administrative decisions.

Our Rating Scale is based on anchor points described as follows:

Individual Work Outcome Rating Scale Definitions	
Not Applicable (N/A)	Does not currently apply
Unacceptable Performance	Unsatisfactory work outcome
Marginal Performance	Work outcome consistently does not meet some aspects of the stated expectation
Valued Performance	Work outcome consistently meets stated expected performance
Advanced Performance	Work outcome consistently meets and often exceeds stated expected performance
Outstanding Performance	Work outcome clearly exceeds expected performance and affects measurable improvements in organizational performance

A rating of "**Unacceptable**" - *unacceptable* should be used when the employee's performance did not meet the criteria specified in the work outcome and is sufficiently weak that the employee's work must be frequently checked to be certain that it is done properly; when the employee's inadequate performance limits the ability of the agency and/or division to achieve its goals; when the rater or another employee must "cover" for inadequate performance by the employee; when the employee's performance causes an excessive number of complaints from persons the employee serves; or for similar reasons which can be described by the rater.

Unacceptable implies that the expected performance standards described on the individual performance plan are almost never met. It also means that if *all* work outcomes were handled in this fashion by the employee, the employee would have to show immediate improvement or be subject to adverse administrative action.

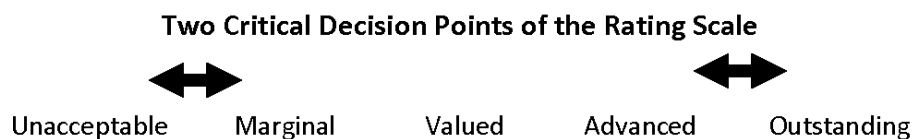
A rating of “**unacceptable**” for one or more of the employee’s work outcomes does not necessarily mean that the rater is recommending that the employee be suspended, dismissed, or demoted. The relationship between the ratings of each work outcome and the rating of the overall performance is critical to this decision (see page 23).

A rating of “Marginal” - *marginal* describes a level of the employee’s performance did not meet some or all of the criteria specified in the work outcome and clearly needs improvement. The employee consistently does not meet some aspects of the stated expectation.

A rating of “Valued” - This rating is used to describe a solid performer and *valued* performance. Performance of the work outcome met the performance expectations defined on the individual performance plan. There is no immediate need to improve performance. There are no major deficiencies in the employee’s performance of the work outcome.

A rating of “Advanced” - *advanced* means that the criteria specified in the work outcome statement was consistently met and often exceeded. There are relatively few ways in which the employee’s performance of the work outcome could be improved.

A rating of “Outstanding” - When the defined performance expectations were clearly exceeded and affected measurable improvements in organizational performance, the rating of performance is “*outstanding*.”



Two decision points on this scale are particularly significant. These points are shown above. One point distinguishes “**advanced**” from “**outstanding**” performance of a work outcome, or the conditions under which the outcome would be rated “**outstanding**” rather than “**advanced**.” If the performance often exceeded the expected work outcome, it would probably be considered “**advanced**.” However, if the performance clearly exceeded the expected work outcome and affected measurable improvements in organizational performance, then it should probably be considered “**outstanding**.”

Keep in mind two factors in defining the meaning of “**outstanding**.” First, performance described as “**outstanding**” must be achievable. If no one could conceivably perform the work outcome in the way you have defined it, you are being unrealistic. A rating of “**outstanding**” must be an achievable outcome, not one that only a superhuman could be expected to reach.

Second, it must describe behaviors or achievements that are under the control of the employee. It is the employee’s responsibility to keep you informed of factors that may be hindering performance. It is your responsibility to meet periodically with employees, in addition to the interim review discussions, to learn about these obstacles, to take whatever actions may be possible to overcome them, and to ensure that individual employees are not penalized for factors over which they have no control.

The other critical decision point on the performance rating scale illustrated above distinguishes a rating of “**unacceptable**” from a rating of “**marginal**.” A rating of “**unacceptable**” means that the employee is not meeting the expected work outcome and immediate changes in performance are required. The rating of “**marginal**” means that although the employee is meeting some aspects of the expected outcome, the employee’s performance is not consistently meeting the stated outcome.

Essentially, then, when you are deciding whether to rate an outcome as “**unacceptable**” or as “**marginal**”, you are making the following decision: “If this was the employee’s only work outcome, would I be willing to tolerate the present level of performance of the work outcome for a specified period of time to allow for improvement? If not, is this employee’s performance so unacceptable that disciplinary action is warranted if improvement is not immediate?”

This decision is especially critical when working with an employee on probation. If a probationary employee is performing at an “**unacceptable**” or “**marginal**” level, action must be taken to remove the employee from that position prior to the end of the probationary period.

The N/A Option

In some cases, due to an unusual circumstance, the employee being rated may not have had the opportunity to carry out an expected performance standard or specific work outcome. Since the employee has not performed the work outcome, a rating cannot be given. In such a case, the rater should leave the work outcome on the review form. The work outcome was recorded in Edison or on the form at the beginning of the review cycle; therefore the rater should simply mark or select N/A (not applicable). This way a record is kept which shows the employee in this position was assigned the work outcome, and that, even though the employee did not have the opportunity to perform it, it is still considered a major part of the job.

Note that the N/A option should not be used if the employee does not perform a work outcome because of inadequacy or inefficiency on the employee’s part. If this is the case, the rater should rate the employee’s lack of performance using the standard rating scale.

Documenting the Performance Ratings of Each Work Outcome

Just as the ratings for each expected performance standard must be carried out with great care, so must the documentation supporting your ratings. Documentation of the ratings is so important that the reviewer **must** return it to the rater if documentation is incomplete or inappropriate. Examples of this type of documentation include such vague statements as “doing a great job,” “performance is satisfactory,” “needs improvement”, and so on. The description must be **explicit** and include concrete examples of the employee’s performance of the stated performance standard. Examples are, “of fifteen case reports submitted, all were on time and only one required a minor revision,” or “requires close supervision because during the past quarter 75% of the submitted recommendations were based on insufficient information.” Good documentation is based on direct observation and description of the employee’s performance or work outcomes, not on vague statements about the employee’s personality or attitude. Remember that a rating of “**outstanding**” is defined as work outcomes consistently exceed expected performance and affects measurable improvements in organizational performance. So when the rater indicates an employee’s performance is “**outstanding**,” the rater must provide clear descriptions that the work outcome was consistent with performance at the “**outstanding**” level.

The Overall Rating

In addition to rating and justifying each work outcome statement at the end of the review cycle, you must also provide an overall rating of the employee's performance. The rating scale is used to determine the overall rating as follows:

Overall Rating Scale Definitions	
Unacceptable Performance	Unsatisfactory work outcomes
Marginal Performance	Work outcomes consistently do not meet some stated expectations
Valued Performance	Work outcomes consistently meet stated expected performance
Advanced Performance	Work outcomes consistently meet and often exceed stated expected performance
Outstanding Performance	Work outcomes consistently exceed expected performance and affect measurable improvements in organizational performance

To reach a decision concerning the appropriate overall rating, you should consider both how well the employee has carried out each work outcome, and the relative importance of the various work outcomes to the job as a whole. Simply adding up your individual ratings and using the average may not make much sense. Some work outcomes may be so important that their performance should be given more weight than others in determining the overall rating.

It's also important to consider what a particular overall rating means for the employee. The overall rating describes specific decisions you would make about the employee, given the employee's performance in this particular job. *For example, if an employee is given a rating of "unacceptable" on any work outcome, that employee cannot be rated above "marginal" on the overall rating.* The decision of whether the employee's performance warrants an overall rating of "unacceptable" or "marginal" is up to the rater, in conjunction with the reviewer, and should be based on the specific work outcome requirements discussed with the employee in the individual performance plan and interim reviews. If you have been specific in describing performance that the employee should display to perform at the next higher level, then the rating the employee deserves should be clear and not a matter of guesswork. This decision should also depend on how critical the work outcomes and behavior standards rated as "unacceptable" are to the job. If these are a major part of the job, or are very important to the overall performance of the job, then the rater should give an overall rating of "unacceptable."

If you conclude that the employee's overall performance is "unacceptable" or "marginal", the employee is being put on notice that an adverse administrative decision is possible. An employee receiving an overall rating of "unacceptable" may be subject to disciplinary action or already be under disciplinary action. However, the rater should discuss any proposed disciplinary action with the reviewer and/or the agency human resources office. Because the rater has already discussed the needed performance changes with the employee, the rater may choose to proceed with disciplinary action or to give the employee a specified period of time in which to improve. It is important that the employee know at the time of the individual performance plan that the rater has these options. If the employee was given a "grace period" to improve performance, then that employee's performance should have reached the "valued" level by the end of a given time period. If the employee did not improve sufficiently during the specified period of time, then an adverse action should be taken. Don't make the error of many raters, who avoid rating an employee's performance as "unacceptable" where it is appropriate because they wish to avoid confronting the employee.

In the last section of the annual review form is a “Rater Overall Rating Justification” section. Here you must explain how you reached your decision on the overall rating. For example, how did you consider particular work outcomes to be especially important? You should provide the facts and considerations concerning the employee’s performance that led you to assign the overall rating. Writing these facts and considerations down so that they would make sense to an outsider can help you be clear in your own mind about the basis of your rating. ***This explanation may be the single most important documentation of the annual review.*** If you cannot explain how you came to your overall rating, then you probably need to rethink the rating you assigned. Administrative decisions such as possible promotions or even disciplinary actions may, in part, be based (at some point) on your overall rating. Therefore, your decision on the overall rating deserves very careful thought and consideration. The description of employee performance for each work outcome should clearly support each rating and the performance ratings should support and justify the overall rating. If there could be any question about this to an outsider, it would be best to note a few additional explanatory comments.

Other situations where additional rater comments might be appropriate include the following:

- To recognize particularly outstanding areas of performance or achievement.
- To point out significant problem areas in performance which require immediate improvement.
- To recommend areas for employee development or ways the employee can achieve higher ratings in the future.

Approvals

The reviewer serves as the final approver for annual reviews with ratings of “advanced”, “valued”, and “marginal”.

The appointing authority or designee acting in this role must approve all annual reviews with ratings of “outstanding” or “unacceptable” prior to the discussion with the employee.

Common Rater Errors

When formulating your ratings, keep in mind some common errors that raters make:

Halo effect – This occurs when the rater allows one or more positive aspects of an employee's performance to influence the overall review so that the employee's ratings in each category generally are unjustifiably inflated.

Horn effect – When a rater allows a negative aspect of an employee's performance to influence the overall review so that the employee's rating in each category generally are underrated. This is the opposite of the halo effect.

Restriction of range – This error occurs when the rater fails to use the entire range of descriptors on the rating scale properly. For example, the rater may consistently give "**outstanding**" ratings regardless of actual performance (this is known as a "leniency" restriction of range error). A "severity" restriction of range error may occur when a rater commonly rates employees as needing improvement because of unrealistic standards. Another restriction of range error, known as a "central tendency" error, may occur when a rater gives all employees a middle of the range or "**valued**" rating, due to a fear of singling out an employee with "**advanced**" or "**marginal**" performance.

Contrast error – When the rater compares employees to one another, instead of applying the individual performance standards and work outcomes to the employee, a contrast error has occurred.

Frame of reference error – This error occurs when the rater compares the employee's performance to the rater's own personal standards for the work outcomes, instead of applying the actual expected performance standards established for the work outcomes to the employee.

First impression error – The rater permits an initial favorable or unfavorable judgment about the employee to taint the rater's perception about the employee's actual performance, creating a first impression rating error.

Recency error – The rater evaluates the employee's performance based on events that are close in time to the rating, rather than conducting an evaluation that takes into account the events that occurred throughout the performance management cycle (from the individual performance planning discussion to the annual review).



How to Handle Changes During the Cycle

While all work is important, some outcomes are more significant than others. Remember, the IPP documents the four to six most important work outcomes the employee will deliver during the review period. However, these four to six work outcomes do not encompass the employee's entire job. All employees are assigned work that may not be part of his or her every day activities (i.e., budget preparation, projects, or filling in for another employee during a leave of absence). In addition, changes in responsibilities may occur as a result of reorganization, changes in procedures, or similar reasons. If a new assignment during the review cycle results in a work outcome that occupies a considerable portion of the employee's time, or which is of critical importance, the rater may need to add it to the individual performance plan.

In order to rate a work outcome that was added to the IPP during the review cycle, there must be adequate time between assignment of the new work outcome and the date of the annual review (at least 30 days between each procedural step or a minimum of 90 days). To be rated, the employee must receive two interim review discussions about their performance. If new work outcomes are added to the individual performance plan with *less than* 90 days for observation and review before the annual review is due, the new work outcomes should be marked not applicable (N/A) since there was not sufficient time to observe the employee's performance. Any work outcomes added to the individual performance plan resulting in a rating at the end of the review period must be approved by the reviewer and acknowledged by the employee.



Requesting an Administrative Review

An employee may request a review of a completed annual review when the employee believes that one of the procedural steps has been violated. An employee may file a written request for review along with any appropriate documentation to the agency appointing authority within fourteen (14) calendar days after the date of the annual review. The appointing authority shall respond in writing to the employee within fifteen (15) days. If the employee is not satisfied with the decision of the appointing authority, the employee may file a written request for administrative review along with any relevant documentation to the Commissioner of the Department of Human Resources within fourteen (14) calendar days of the appointing authority's decision. The Commissioner will review all written material and shall respond to the employee in writing within fifteen (15) days. The decision of the Commissioner is final and not subject to further review.



Requests for administrative review of an annual review will not be considered solely due to disagreement with a rating. Administrative reviews will only cover completed annual reviews and only when there were perceived procedural violations.

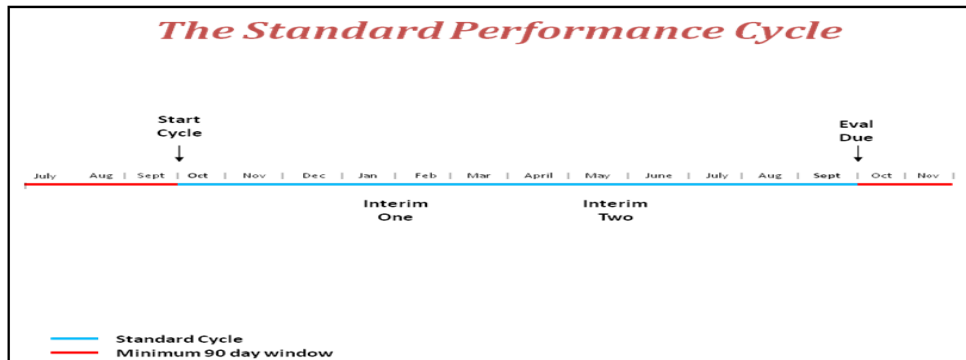
Requests for administrative review of an annual review must:

- a. Be in writing and contain appropriate documentation
- b. Be submitted to the appointing authority within 14 days (after the annual review)

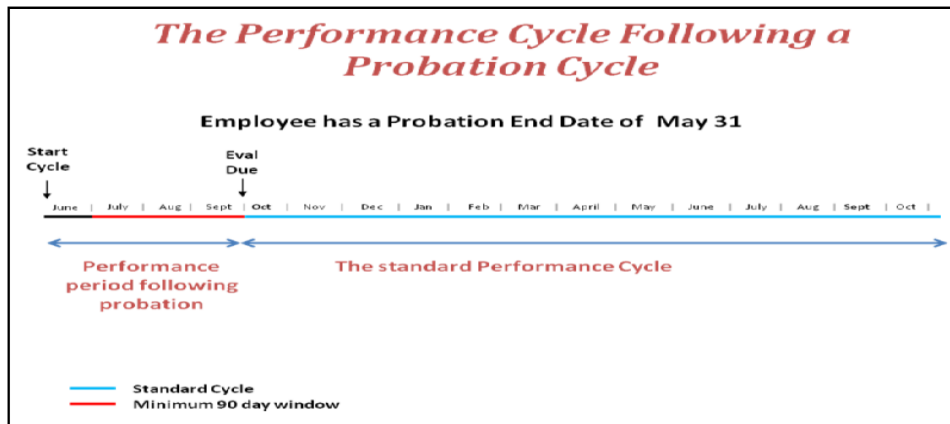
It's Time to do What?

Below are examples of the how the timing of the performance cycle applies to various employees based on their start dates in the performance management cycle.

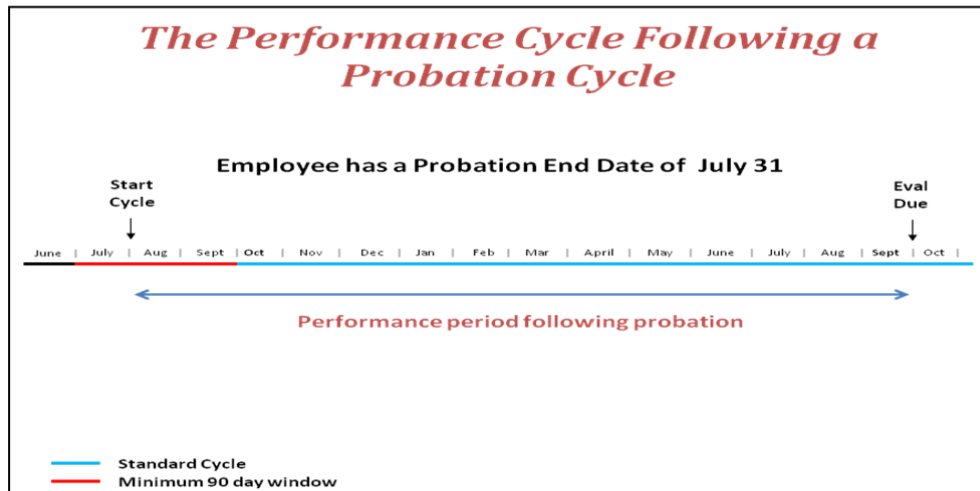
Example 1: The standard performance cycle begins October 1st and continues through September 30th of the following year. This allows the employee to have a full year of performance that will be reviewed. The individual performance plan would be discussed during the first 30 days, between October 1st and October 31st. The first interim review discussion would then ideally occur between January and February, the second interim review would ideally occur between May and June and then the annual review would take place in late August to early mid-September. Completing the annual review cycle by mid-September allows the approval and closing processes to occur timely.



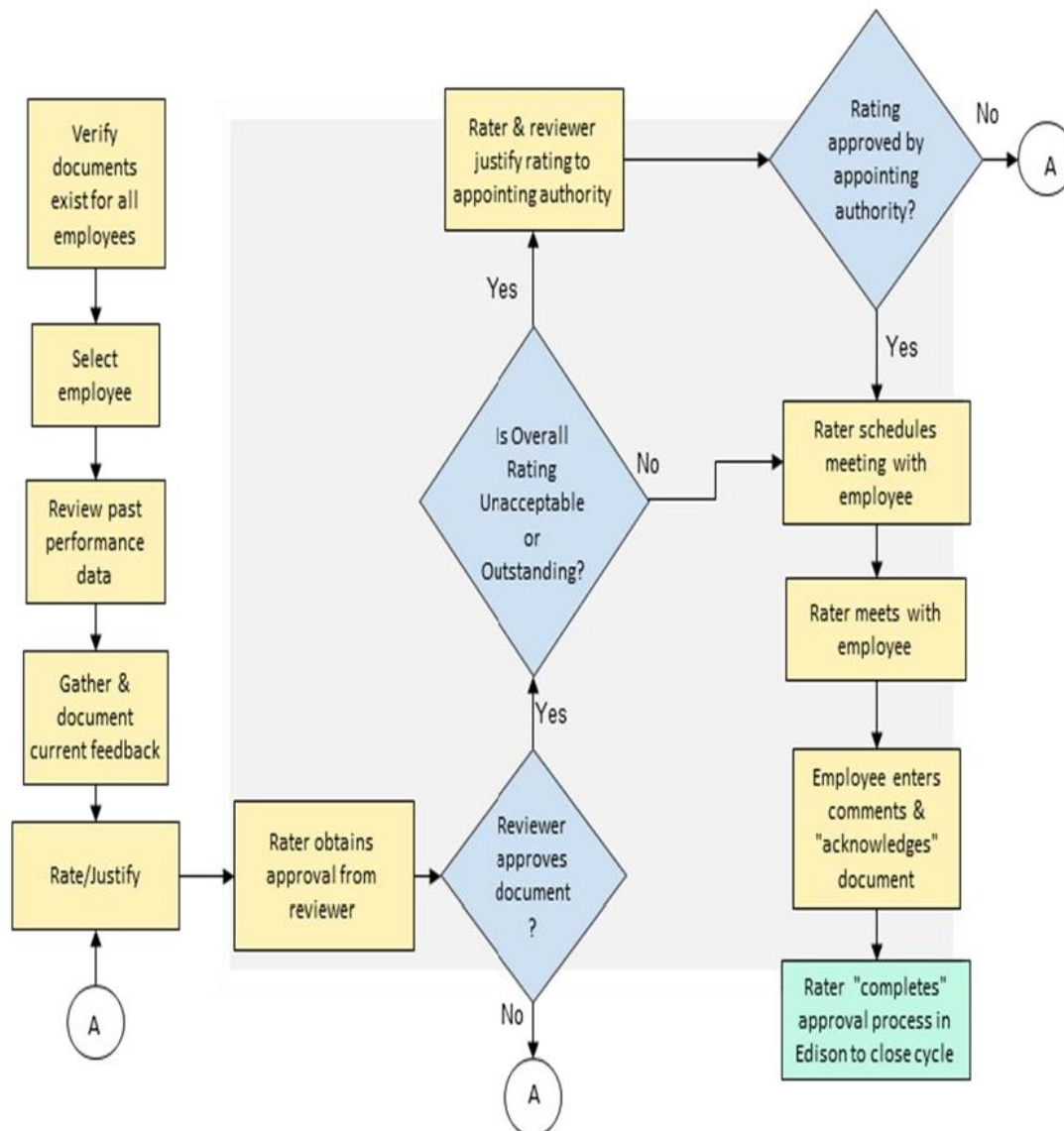
Example 2: The example below shows how you would move an employee whose probation end date is May 31st onto the standard performance cycle. The minimum amount of time to conduct an entire review period is 90 days. In this example, there are 90 days between the end of the probation period and the beginning of the standard performance cycle. Therefore, the rater would start the employee's new performance cycle on June 1st and conduct an individual performance planning discussion between June 1st and June 30th. The first interim review discussion would be conducted by July 31st, the second interim review would occur by August 31st and an annual review discussion would be conducted the end of September. The rater is now ready to begin the standard performance cycle and the employee in this example would be prepared to start the process October 1st.



Example 3: The following example shows an employee whose probation end date is July 31st. There is not enough time, the minimum 90 days needed, to conduct an entire performance review cycle for this employee. The rater will provide the employee with an extended performance period starting in August and ending in September of the following year, which is when the standard performance cycle closes. By extending the review period, the employee will easily fold into the standard performance cycle. The rater will conduct the individual performance planning discussion between August 1st and August 31st. All other subsequent reviews can be conducted within the same time period as all other non - probationary employees that are on the standard performance cycle as indicated in Example 1.



Process Map Reference for Raters



At Your Fingertips – Resources and Tools

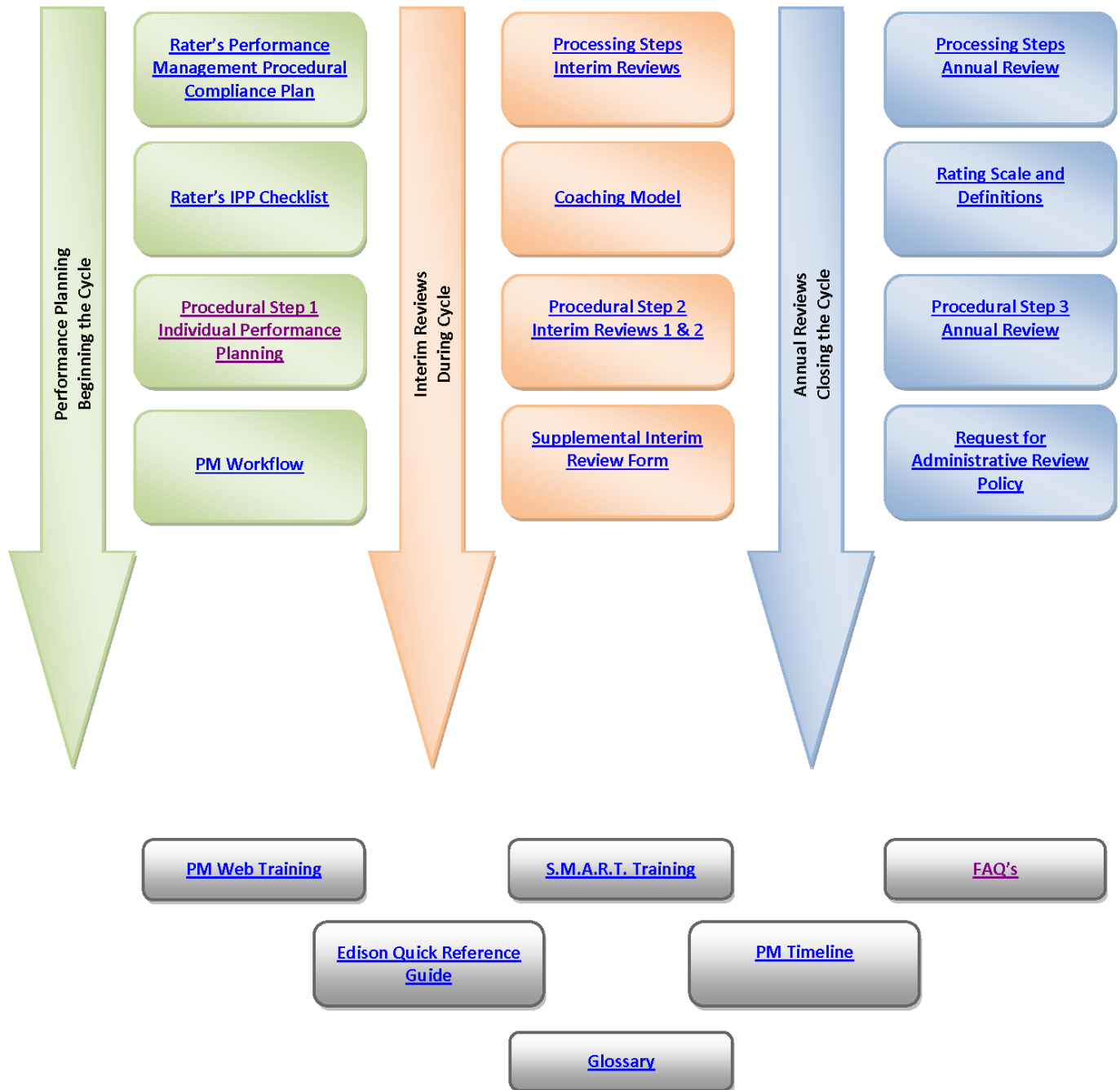
Below are quick links to the resources and tools you will be utilizing throughout the Performance Management Program.

[DOHR ER Webpage](#)

[The Rules](#)

[The Policy](#)

[Reviewer's Checkpoints](#)



Has the Journey Ended?

The Journey is just beginning. Remember, an employee's success is your success.

Set and discuss expectations at the beginning of your journey. Make sure these expectations are specific, measurable, achievable, relevant and time sensitive. This will help maximize the achievement of the organizational mission and strategic direction.

Provide feedback along the way. Help each employee stay on the correct path and not get lost.

There should be no surprises for either of you. Timely, objective feedback is always appropriate.

Reviewing performance is not a single event. Performance management is a journey. Everyone plays a role to ensure success. Everyone knows what direction to head in and how to get there. The steps have been mapped out and the time frames have been established. Ultimately, performance management needs to be seen as something that is lived day to day as opposed to a process saved up for two or three conversations a year.

The journey doesn't end, it continues as new destinations are mapped out year after year.



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