
Course Learning Outcomes for Unit V

Upon completion of this unit, students should be able to:

2. Discuss the impact of employment law on an organization's policy on equal employment opportunity.
 - 2.1 Consider the role of equal employment opportunity laws in the performance evaluation process.
5. Evaluate performance-based review processes.
 - 5.1 Explore effective employer strategies to mitigate or resolve unmet employee performance expectations.
 - 5.2 Determine an effective process to evaluate employees that includes feedback on performance issues and an appropriate evaluation tool.

Required Unit Resources

In order to access the following resources, click the links below.

The videos, articles, and webpages below offer valuable information on the role of equal opportunity employment laws in the employee performance evaluation process. Additionally, they offer insight on employer strategies to affect employee performance expectations and offer feedback on performance issues.

In the following videos, transcripts and closed captioning are available once you access the videos.

Gregg Learning. (2017, January 14). [HR basics: Performance management \[Video\]](https://c24.page/4udsdbnm4jz3fzhjj6v8m8j3ek). Cielo24.
<https://c24.page/4udsdbnm4jz3fzhjj6v8m8j3ek>

HR360Inc. (2016, February 15). [Tips for having difficult conversations with employees \[Video\]](https://c24.page/5b7k89ckpre5wjh39uc8hcxdk2). Cielo24.
<https://c24.page/5b7k89ckpre5wjh39uc8hcxdk2>

Read the following articles and webpage.

Andersen, S. C., & Hjortskov, M. (2016). [Cognitive biases in performance evaluations](https://libraryresources.columbiasouthern.edu/login?url=http://search.ebscohost.com/login.aspx?direct=true&db=bsu&AN=118092397&site=ehost-live&scope=site). *Journal of Public Administration Research and Theory*, 26(4), 647–662.
<https://libraryresources.columbiasouthern.edu/login?url=http://search.ebscohost.com/login.aspx?direct=true&db=bsu&AN=118092397&site=ehost-live&scope=site>

Javitch, D. (2006). [Appraising employee performance](https://libraryresources.columbiasouthern.edu/login?url=http://search.ebscohost.com/login.aspx?direct=true&db=bsu&AN=23508243&site=ehost-live&scope=site). *Management Services*, 50(3), 19–20.
<https://libraryresources.columbiasouthern.edu/login?url=http://search.ebscohost.com/login.aspx?direct=true&db=bsu&AN=23508243&site=ehost-live&scope=site>

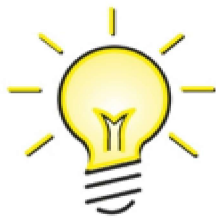
Meinert, D. (2015, April). [Reinventing reviews](https://search-proquest-com.libraryresources.columbiasouthern.edu/docview/1670108793?accountid=33337). *HR Magazine*, 60(3), 36–40, 42. <https://search-proquest-com.libraryresources.columbiasouthern.edu/docview/1670108793?accountid=33337>

Roberts, G. E. (2002). [Employee performance appraisal system participation: A technique that works](https://libraryresources.columbiasouthern.edu/login?url=http://search.ebscohost.com/login.aspx?direct=true&db=bsu&AN=8737701&site=ehost-live&scope=site). *Public Personnel Management*, 31(3), 333–342.
<https://libraryresources.columbiasouthern.edu/login?url=http://search.ebscohost.com/login.aspx?direct=true&db=bsu&AN=8737701&site=ehost-live&scope=site>

Segal, J. A. (2009, February). [A warning about warnings](https://search-proquest-com.libraryresources.columbiasouthern.edu/docview/205029010/CD0CAF798C4044FCPQ/7?accountid=33337). *HR Magazine*, 54(2), 67–70. <https://search-proquest-com.libraryresources.columbiasouthern.edu/docview/205029010/CD0CAF798C4044FCPQ/7?accountid=33337>

U.S. Equal Employment Opportunity Commission. (n.d.). [Making an employment decision?](https://www.eeoc.gov/employers/small-business/making-employment-decision) <https://www.eeoc.gov/employers/small-business/making-employment-decision>

Unit Lesson



Congratulations! The mid-level manager you hired has now been on the job for more than 6 months! You contacted the employee's supervisor to ask how the manager is doing. The supervisor stated that most of the requirements of the job are being met; however, unfortunately, there are some that the manager is not meeting.

You asked to see documentation from any meetings where performance was discussed, and the supervisor said that documentation is only completed once a year (on each employee's hiring anniversary). No other documentation is required until then unless there are issues and an employee is put on a performance improvement plan. You were not satisfied with this response, so you talked to the chief executive officer (CEO). Guess what? Now you need to research and evaluate the performance management process to see how it can be improved. You start by evaluating the importance of performance evaluations.

Importance of Performance Evaluations

Haigh (2018) posits that performance evaluations involve a process that uses set standards to evaluate employee performance over a specified time frame. Performance evaluations serve to benefit the employee, the supervisor, the organization as a whole, and even the organization's stakeholders. The performance evaluation is very important, as this is the time when employees get formal feedback about their performance, and the evaluation often sets the stage to determine pay increases, bonuses, incentives, and promotional opportunities. Evaluations may be used to discuss career planning and to identify opportunities for an employee's future growth and development.

If there are performance concerns, disciplinary action may be taken, which may include termination. From an employee's perspective, when there is a process that is managed correctly, the employee will be more motivated and inspired to do his or her job.

Performance Management

As the human resources (HR) director, you understand that performance management focuses on the connectedness between monitoring employee performance and developing processes to improve employee performance so organizational objectives can be met. The first thing to remember is employee performance should be evaluated. Yes, this may be time consuming, but employees should understand what is expected of them as well as understand how their strengths and weaknesses are being perceived and contributing to their performance. Expectations for future job performance as well as any changes related to job responsibilities should be discussed so that the employee is clear on what is required of him or her.

Should you focus on an annual evaluation process, or should you focus on an evaluation process that provides ongoing, real-time feedback? Is there a way to do both? Many companies still use the annual evaluation, but is this enough? If you were asked about something that happened 6 months ago, you may struggle to remember the details and facts. Annual evaluations focus more on past behaviors while ongoing evaluations focus on what is currently relevant through real-time reviews (Haigh, 2018). Real-time evaluations

are motivating, more effective, and can positively impact an employee's focus. They also can keep the employee apprised of how he or she is progressing so that there are no surprises during the annual evaluation. Bolden-Barrett (2018) found that performance reviews are becoming shorter and more frequent as they provide a more forward-thinking perspective. If there is an issue, you are not waiting to address it in an annual review. You are addressing it when it happens, and then you will monitor the employee's progress in resolving issues. This benefits both the employee and the organization.

According to the U.S. Equal Employment Opportunity Commission (EEOC, n.d.), helping supervisors understand their role and responsibilities can prevent lawsuits. The importance of applying consistent performance expectations cannot be understated, as you do not want to put the organization in a position of having potential legal problems arise from unfair treatment. Performance evaluations must be based on job responsibilities, and if responsibilities change, this should be clearly documented and shared with employees. When employees are wrongfully terminated or there is a harassment lawsuit, Guerin (n.d.) supports the importance of evaluating employee performance without bias or retaliation. When bias or retaliation are found, there could be severe legal ramifications for the organization. As an example, Haigh (2018) shared a Silicon study of 250 performance reviews. The study found that three-quarters of the women were criticized for their personalities while men were praised for their aggressive behavior. Performance evaluations should be consistent and without bias.

Developing a Performance Evaluations Process and a Performance Evaluation Instrument

After you have determined the frequency of the evaluations, the next thing you will do is to review the specific job description. Evaluations are job-based, not peer-based, which means that you must evaluate based on the employee's performance of the job requirements vs. how he or she is doing compared to his or her peers.

What are the knowledge, skills, and abilities (KSAs) that are documented and required to fulfil the job expectations? For example, if you were evaluating a director of safety, you may evaluate his or her contribution to accident prevention or occupational safety and health (OSH) compliance. Also, you must consider what competencies are required for the position. Competencies can include communication skills, teamwork, decision-making, multitasking, and ethical behavior.

In determining the type of performance evaluation instrument to utilize, you need to develop and/or select one that is easy to use, is relevant, and is based on the employee's job responsibilities. There are many choices, some of which are listed below.

- Graphic rating scales: Evaluate performance based on characteristics on a continuum of low to high.
- Behavior rating scales (BARS): Evaluate performance based on job behavior on a scale of performance.
- Ranking: List employees, and rate them from lowest to highest based on performance.
- Forced distribution: Rate performance based on a bell-shaped curve.
- Narrative evaluations: Provide a written evaluation that is descriptive.
- Management by objective: Managers and the employees develop performance goals together.

When developing rating scales, the standards are typically expressed numerically (e.g., one to five, with five being the highest level of performance). Other numerical ratings may be used, but they should be consistent across the organization. Do not use a one-to-five scale in one department and a one-to-10 scale in another. Standards can also be expressed as a description, such as *exceeds expectations*, *meets expectations*, and *does not meet expectations*. Regardless of the scale used, descriptions and feedback should be provided in each area. A rating of five given by one supervisor may mean something different than a five given by another supervisor. Employees sometimes may have more than one supervisor; therefore, it is prudent to offer training to management and supervisors on the expectations of the performance evaluation process; this way, everyone is on the same page and evaluating consistently.

Methods to Evaluate Employee Performance

It is not uncommon for the lowest-level supervisor to evaluate an employee. Supervisors provide an assessment of the quality of the work being performed, as they may be the ones more familiar with an employee's work. Root (2019) identified several methods, in addition to the traditional supervisor evaluation, that can be used during performance evaluations. These include evaluations by coworkers and 360-degree

evaluations. Such evaluations can have an advantage as the employee is provided with feedback from different stakeholders. Employees may also have the opportunity to evaluate their supervisors. Vranjes (2016) reported that it is also very helpful to have employees evaluate themselves; this way, the employee's perspective about his or her performance is shared with the supervisor who plays an important role as an evaluator in the process.

The Evaluator

Vranjes (2016) discusses the importance of selecting the person who will review the employee. The evaluator should be objective and professional at all times. Evaluators should be trained as to how to conduct a performance evaluation meeting, what should or should not be said, and the importance of consistency across all evaluations. The evaluator should, whenever possible, be a direct supervisor and someone who understands and is familiar with the employee's performance. The evaluator should not be a friend or a relative and should not be someone with a history of demonstrating bias or unfair practices. If the employee has ever filed a complaint or grievance against his or her supervisor or member of management, it is wise for another leader to be present or to conduct that employee's evaluation. This protects both the employee and the organization.

Potential Evaluator Bias

The goal is to have an evaluation process that is consistent, fair, and unbiased. Even though best efforts can be made to keep the evaluation objective, it is not always possible. Knowing about the types of biases will allow you to develop training and development to address this.

Recency effect: Consider the following scenario: An employee missed a deadline 2 weeks before the due date, which had an impact on customers. Previous to that, no deadlines had been missed. When evaluating the employee, the evaluator gave the employee a low score in this category because of this one incident. The supervisor only focused on this deadline and not others. This is an example of the *recency effect*.

Pattern errors: *Central tendency* is a pattern exhibited by an evaluator who rates all of his or her direct reports as average. A strictness error is a pattern when everyone is rated on the low end of the rating scale (e.g., on a rating scale of one to five, all employees received all ones or twos). On the other end of the spectrum, you have what is called *leniency error*, which is where all employees receive all fives.

Rater bias: If employees in a certain generation are rated as unreliable, then this is an example of *rater bias*. Allowing values or biases in the evaluation process is a problem. Kaplan et al. (2018) found that when the supervisor/evaluator exhibited rater bias, there was the increased risk for conflict between the supervisor and the employee. There could also be conflict and dysfunctional behavior when there are differences between a supervisor's evaluation and the employee's self-evaluation. However, it is important to note that these differences may not always lead to conflict.

Halo and horn effect: If you have an employee who never misses work, is your go-to person, and is always willing to work extra hours, you might tend to overlook some minor performance issues. This is the *halo effect*, which is when one positive performance standard becomes the focus and primary influence on the evaluation. The *horn effect* is the opposite; this would be when an employee has a negative issue or habit (e.g., always late coming back from lunch, poor communication or interaction with coworkers), and the overall direction or tone of the evaluation is influenced and impacted as a result.

Contrast error: Let's say there are two different employees, and the supervisor compares and contrasts their performance when developing the evaluation for one of them. The evaluation and the feedback should be based on performance expectations and not what other employees do or do not do. This is *contrast error bias*, and it should be avoided.

Conducting the Evaluation

A performance evaluation discussion should be scheduled well in advance for planning purposes and should allow adequate time so as not to rush through the discussion. Meeting over lunch while talking between bites or while walking to the parking lot are never preferable locations for the evaluation meeting. Try at all costs not to reschedule or postpone the evaluation, as this can create anxiety on the part of the employee. Ensure the evaluation is dated on the date it was actually conducted.

A meeting should take place in a quiet and private location that allows the evaluator and employee to have an uninterrupted conversation. It is often helpful to suggest phones be muted and to offer a beverage to help put the employee at ease. Keep a pen and notepad available to take any notes needed (e.g., follow-up discussion, questions). The location should ideally be out of view of other employees. If possible, try to sit at a table as opposed to across the desk from the employee. This will often encourage more open conversation. Consider having another member of management (within that person's chain of command) also attend the evaluation. Sometimes, having a witness present may be necessary (e.g., in the case of a negative review). Also, if an evaluation is between a supervisor and employee of the opposite sex, there may be circumstances in which you might consider having a person of the same sex as the employee in the room.

Expectations for employee performance improvement should be discussed, as should be any warnings about further action that might occur if improvement is not gained. Having difficult conversations is never easy. Examples of performance shortcomings should be provided for any negative. More importantly, provide coaching, and suggest goals or remediation that the employee can use to improve his or her performance.

Discussions during the meeting should not be one-sided. The employee should have the opportunity to provide feedback during the evaluation and on the evaluation form. It is important that the employee and the supervisor sign and date the evaluation form. If the employee refuses to do so, this should be clearly documented. Once the evaluation is complete, a copy should be provided to the employee, and the original should be placed in the employee's official personnel file.

Conclusion

Now that you understand performance evaluations, your focus will shift in Unit VI to the importance of leadership and the impact that leaders have on motivation. As the HR director, you know this is critical since you have realized from your experience doing the performance evaluations that true leaders can and should inspire employees to reach high levels of performance.

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