

Effective Performance Review Can Help Retain Employees

How to Recruit and Retain Employees: There are a lot of creative things companies can do. But one of the smartest strategies is right under managers' noses, and many companies ignore it or under emphasize it. That strategy is to use the performance review as a tool to create a stronger bond between the employee and the manager.

If you ask any employee, "What do you want most from your manager?" you will often hear the response, "I want to know how I'm doing and how I can improve." The annual performance review is designed to create an opportunity for the manager and employee to sit down at least once a year to do just that. Yet, many managers don't like giving performance reviews. Some dread a confrontation; others just don't want to spare the time. But skimping here often leads to more time spent on filling jobs when employees leave.

Performance reviews take a lot of time and they can be a pain in the neck to complete, so it's no surprise managers don't like to do them. Many managers think that they already give their employees plenty of feedback throughout the year. Particularly in small businesses, I often hear, "I talk to my employees every day, so they should know how they're doing." Not necessarily. For example, I pride myself on giving my staff plenty of feedback throughout the year. So, I asked, "Do you really think you need a performance review?" To sum it up, their response was, "Absolutely. We want to know the big picture. All the on-going feedback is great, but we want to know how we're doing overall and how to improve in the future."

Performance reviews are a great opportunity to revisit expectations and goals. It gives the employee a chance to discuss their own perception of their performance. In addition, it opens the door to talk about the employee's career goals and how their performance ties to career growth.

Recently, while conducting a workshop for a client on a new performance review process and form, I shared with them some tips for conducting a performance review. Since it's performance review time for many businesses, here are some tips to help you do a better job of reviewing performance:

- Keep specific notes and examples throughout the evaluation period. Don't just rely on the most recent projects. One easy way to do this is to create a performance file for each employee. During the year, slip in things such as complimentary letters from customers, copies of their good work and notes to yourself. Ask

your employees to keep their own file, too.

- Seek input from other observers when appropriate. Ask for specific examples from people who work with your employees. Sometimes this information comes unsolicited, but often, you need to ask customers and co-workers what they think.
- Allow plenty of time to prepare evaluations. Don't work under pressure and never complete an evaluation when you are angry or frustrated. One of the advantages of asking others for their opinion is that you tend to get a more complete, balanced perspective, rather than just your own view.
- When possible, ask employees to complete a self-evaluation. Give them a copy of the same performance review form that you will be using. They may include things that you forgot. Also, they are often fully aware of their own shortcomings and it opens the door for discussion without defensiveness. Contrary to what you might think, employees often rate themselves lower than you would.

A good approach is to let them take the lead in discussing areas of their own performance. Saying things such as, "I see from your self-evaluation, we pretty much agree with this (positive) point." "What did you find most rewarding this year?" "What would you do differently if you could do it over again?"

- Make sure you have plenty of specific examples to make your observations clear. Concentrate exclusively on factors directly related to job performance. Use language that paints a picture for the employee. For example, "You usually don't speak in client meetings and you don't ask questions when you're stuck on a project, which contributes to a higher rate of errors and missed deadlines" is better than, "You're a poor communicator."
- Don't put anything in writing that you wouldn't say to the employee in person. If checklists and ratings are part of the evaluation, be sure written comments are consistent with the items checked. The review is just that – a review. There should be nothing that hasn't been talked about sometime in the past. If you find that you've saved up too much feedback for the formal review process, it's a signal that you haven't been talking enough throughout the year. Another hint that you're not having enough on-going dialogue is the length of the review. If your review goes over an hour and a half, it's a message that your communication needs to be increased throughout the year.

Please Note >> Millenium Staffing does not claim or imply any ownership of content on links or in articles viewed. The information contained in articles and links is informational only, and are not an endorsement of the opinions, products, or services presented. Millenium Staffing is not responsible for the legality or accuracy of information on

these sites, or for any costs incurred while using these sites.