Guide to Conducting Effective Performance Review Conversations

Performance review conversations are just one element of effective performance management. The overall goal of performance management is to ensure that the organization and all of its subsystems (processes, departments, teams, employees, etc.) are working together in a way that efficiently contributes to achievement of the organization's goals. This reminds us that being busy is not the same as producing results. Good performance management redirects efforts away from busyness toward effectiveness.

Achieving good performance involves several ongoing activities:

- Aligning individual goals to College/divisional/departmental goals
- Identifying and prioritizing desired results
- Setting standards and clear goals
- Measuring progress
- Providing regular feedback
- Reinforcing activities that achieve desired results
- Intervening to redirect activities that are off-track

See Appendix 1 for an overview of the elements of effective performance management

1 Purpose
The purpose of annual performance review conversations at Carleton is to gather and analyze information on which to base…
- Recognition of efforts and achievements
- Expectations of future performance
- Identification of development needs
- Guidance on career growth options
- Reevaluation of job functions

Some of the information will come from the supervisor's first hand observations of the employee's work. Other information will come from the outputs the employee generates. More information could come from secondary sources, such as others with whom the employee interacts in the course of their work. Last, and by no means least, important information comes in the form of the employee's thoughts and opinions on their own performance.

2 Outcomes
An annual performance review conversation needs to generate three outcomes:
- A fair, documented performance appraisal for the past year based on objective evidence
- A clear performance program for the coming year that is tightly aligned to the wider departmental and organizational objectives and agreed by both supervisor and employee
- Enhanced levels or reinforcement of existing high levels of employee commitment, motivation and confidence that they can perform well

3 Preparation

The most effective performance review conversations are built on sound preparation. The supervisor can ensure that they prepare the following elements:

- Have sound knowledge of the employee's work performance in terms of specific behaviors and results achieved. This knowledge will come from their own observations, feedback from others and regular conversations with the employee

- Time and place – set up a time and place for the review meeting that is comfortable for both parties and allows sufficient time without interruptions to have a thorough discussion about performance, future plans and performance expectations, development needs and career growth aspirations and options

- A completed Annual Performance Appraisal/Goal Setting Form

- An agenda or list of issues to be discussed

- A positive attitude

4 Skills and techniques

Effective performance review conversations, like effective performance management overall, have clear focus on achieving the desired outcomes. The key strategies and skills involved are:

- Begin with the end in mind – direct every behavior and statement you make towards achieving the desired outcomes from the review conversation. This may involve putting aside personal irritations and temptations to use the review conversation as a vehicle for venting frustrations. Before saying or doing anything that you sense may be controversial, ask yourself whether it will take you closer to the desired outcomes of the conversation or further away.

- Begin by succinctly summarizing the current position on projects or where the department is in its annual cycle of activities – create a context for the discussion that relates to the department's/organization's goals

- Offer the employee the chance to reflect first by asking them how they think the year has gone for them. Listen to their answer until they are finished, without butting in or contradicting. Then agree with whatever you can and reframe anything they have said that is overly self-critical. People are often their own worst critics.

- Give effective feedback. See the guide to 'Giving Constructive Feedback' in Appendix 3 if you would like more detailed coverage of this topic. You will, ideally, have been giving regular, ongoing feedback over the time since the last formal performance review conversation, so the performance review conversation should just be a summary of the key points from the year. Feedback is best delivered in the form of Situation, Behavior, Impact. This focuses attention on the behavior and reduces the chances the employee interprets any negative feedback as a personal attack. Briefly describe the situation in which behavior you want to comment on was demonstrated.   Outline the actual behavior, then explain the impact you think it had. Bear in mind, the employee may have a different perception of the impact because they may have been paying attention to different priorities. Be prepared to explore different perceptions.

- Use a problem solving approach to focus on areas that are not going as well as the department's objectives require. Outline the gap between the results achieved and the results required. Ask the employee to reflect on where the obstacles have been that led to the gap and what their contribution has been. Acknowledge external factors outside

the employee's control and make a commitment to doing what you can about them. Encourage the employee to identify how they could do things differently that would help close the gap. Don't dwell too much on the past other than to take the necessary learning from it – focus most attention on what needs to happen in the future.

- <u>Listening, questioning, silence</u>. Use active listening skills (reflecting, paraphrasing, summarizing) and open-ended questions to explore the employee's perception of their performance, priorities, personal goals and career aspirations, and to help them set performance goals for the coming year. Silence is a very good tool for encouraging people to talk further about something you think needs more reflection. See the guide to 'Effective communication skills' in Appendix 2 if you would like more detailed coverage of this area.

6   Goal setting

When developing a performance program with the employee, use the SMART approach to goal setting.

- **S**pecific - What will be achieved and why is this important? Consider also relationship with other goals and how this goal may impinge on them.

- **M**easurable - Define quality and quantity as precisely as possible.

- **A**chievable - The goal must be realistic within time and resource constraints and the within the capabilities of the employee – knowledge, skills and learning ability (with appropriate support).

- **R**elevant - The goal must relate to both the employee's role and the department's/organization's objectives, and be an obvious priority in relation to other responsibilities.

- **T**ime-bound - By when should the goal/milestone be completed? Set appropriate review dates to discuss progress regularly.

- <u>Explore support and development needs</u> to achieve the goals and identify how these will be met – eg through training, shadowing, coaching, personal reading, etc. Include discussion of career aspirations and possible development opportunities that would help the employee progress.

6 Pitfalls to avoid

- <u>Surprises</u> – there should be no surprises for the employee in their performance review conversation, unless they are pleasant ones! All feedback on performance improvements required should be delivered as close in time to when the behavior happens as practical.

- <u>Halo and horns</u> – We are naturally inclined to interpret people's behavior in light of our more general opinion of them and our perceptions are strongly influenced by whether we like people or not. The 'halo effect' refers to our tendency to give people we like the benefit of the doubt. The 'horns effect' refers to our tendency to force a negative interpretation on the behavior of those we don't particularly like. We do this to reinforce our original perceptions. It is easier to twist the information we have to fit our pre-existing perceptions rather than recognize that the perceptions were inaccurate and should be adjusted. It is uncomfortable to discover our opinions have been wrong.

- <u>Biased attributions</u> – Humans tend to attribute their own unhelpful behaviors to external influences, like being bad-tempered because the car wouldn't start or the kids were misbehaving. They also tend to attribute other people's unhelpful behaviors to internal influences, like personality or character (eg they're just a bad-tempered kind of person).
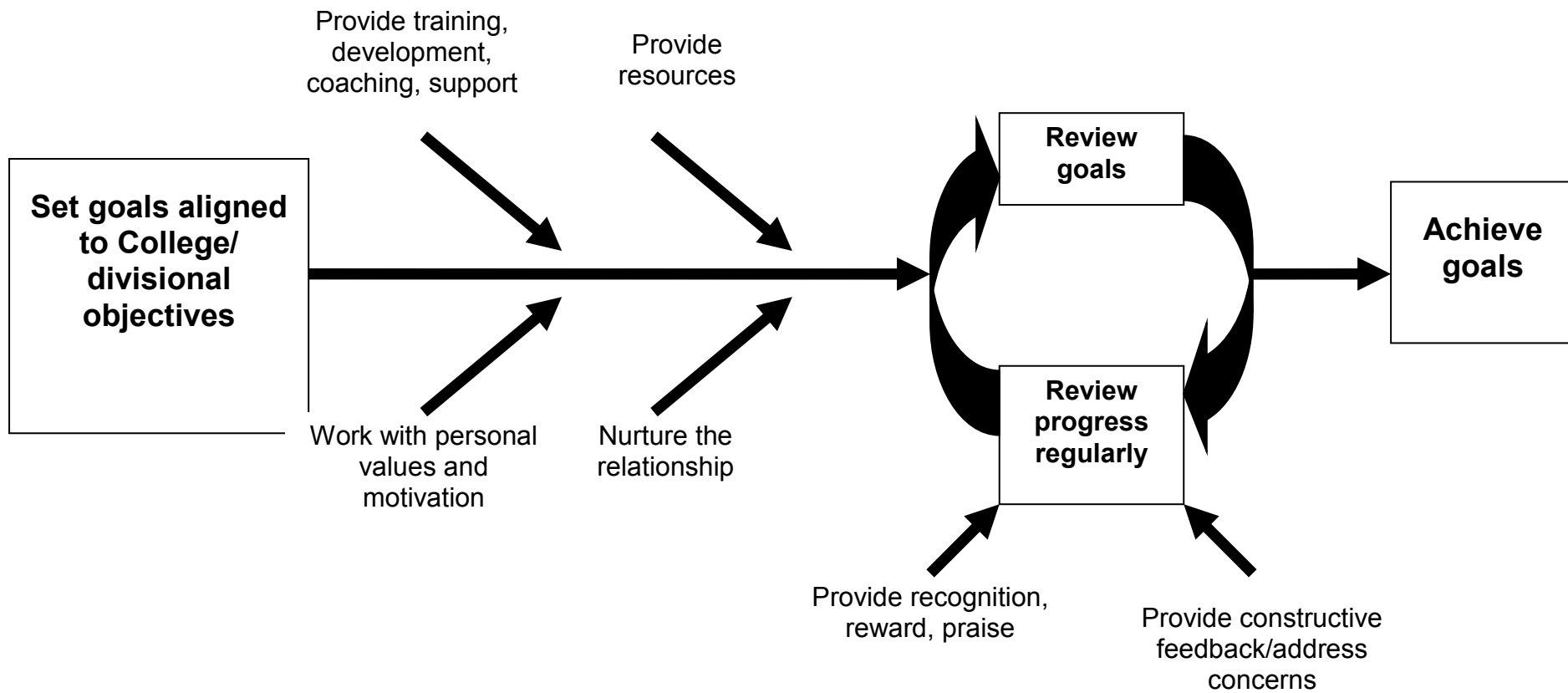
Psychologists call this the 'fundamental attribution error'. On the one hand, it can lead us to jump to unhelpful conclusions about others' behavior and accuse them unjustly. On the other hand, it can blind us to our own personal responsibility for contributing to unhelpful situations.

- Recency Bias- There is a tendency for some people to focus on "what's happened lately" when evaluating or judging something. It's the same in performance reviews. Some managers tend to weight what the employee appears to have done in the last weeks or months (either positive or negative), rather than looking at the entire period on which evaluation is supposed to be based.

- Damaging morale/relationship – People have very strong emotional reactions to situations where they feel they are being judged. Negative feedback, especially when intentions were positive, can be extremely hurtful. Feedback that is not balanced and delivered with respect for the person's dignity will destroy trust and result in defensive behavior and withdrawal from the relationship. The best prevention tactics here are to encourage the employee to reflect on their own performance and ensure that positive feedback is given whenever it is merited.

7 Self-management

- Definitions- Reflect on how you define for yourself what a successful performance review conversation looks like. Ensure your definition is not unrealistic. It doesn't have to go perfectly to be effective. You may not feel 100% comfortable with the outcome, but it may still have been effective. A helpful measure of success is whether the employee is closer to being on track by the end of the conversation than they was at the beginning. Supervisors don't become brilliant are conducting performance review conversations overnight. It takes practice and mistakes to learn and develop confidence.

- Expectations- Even when you do everything right, you may not get a positive outcome because your influence is only one half of the dynamic. You only have responsibility for your own input to the situation. You cannot control how the employee will respond. Applying the suggestions in this guide will help maximize the extent to which you get good outcomes from review conversations and minimize the extent to which your handling of them contributes to poor outcomes, but there is no magic wand. Expect things to be uncomfortable sometimes and don't interpret this as poor performance on your part. It happens and things may get messy as a result, but this can usually be sorted out, with time, effort and appropriate support from your own manager or Human Resources.

- Managing emotions- If you are not confident conducting performance review conversations, chances are they cause fairly high levels of anxiety and can pre-occupy your thoughts to an unhelpful extent. Make sure your expectations are realistic and seek out appropriate training, support and coaching from your manager, from Human Resources if you have particular concerns about a specific employee, and from training. Try not to let your anxieties lead you to expect the worst as this may become self-fulfilling. Follow the tips in this guide and use each performance review conversation as a learning experience.

Basics of Performance Management

Provide training, development, coaching, support

Provide resources

Set goals aligned to College/ divisional objectives

Review goals

Review progress regularly

Achieve goals

Work with personal values and motivation

Nurture the relationship

Provide recognition, reward, praise

Provide constructive feedback/address concerns

Effective communication skills

"Seek first to understand, then to be understood"

Stephen Covey

The starting point for really effective communication is the willingness to put yourself in the other person's shoes: put your own perspective aside while you imagine viewing the situation from their point of view. Once you have understood their world and communicated this effectively to them, the other person is much more likely to be willing to listen to understand your perspective. The goal of effective communication is shared understanding – that the message received is the one you intended the individual to hear. Do everything you can to achieve this goal.

Barriers to effective communication:
- Inattention – allowing distractions to intervene
- Listening only for a gap to tell your side – interrupting or part-listening while rehearsing what to say
- Hearing what is expected – allowing pre-judgements or your own perspective to color what you hear
- Listening for points of disagreement – looking for an opportunity to contradict instead of focusing on positives and constructive solutions
- Feeling defensive – allowing your own emotions to cloud the message

Skills:

Ask questions
- to seek clarification
- to get further information
- to probe deeper
- use reflective questions to defuse emotion, create understanding, communicate empathy
- use open-ended, neutral questions to explore their perception without imposing yours

Demonstrate listening and genuine interest
- use supportive and encouraging words
- reflection – repeat back key statements they make in their original words
- paraphrasing – repeat back what they say in your own words to check your understanding
- summarizing – to clarify, pace the conversation, gain agreement and keep conversation on track

Non-verbal skills
- supportive gestures – smiles, nods of the head
- eye contact – direct but not staring
- note taking – where appropriate
- look interested – facing speaker, leaning slightly forward, calm manner, open facial expression and body language
- use silence to prompt further exploration – don't feel the need to fill gaps in the conversation

Observe the speaker and listen for what is not said, as well as for what is said. Pay attention to signs of mismatch between the verbal and non-verbal messages they give, or between what they say they believe and how they have acted. Provide feedback on this mismatch if you think it would be helpful.

Giving Constructive Feedback

There are some simple basic principles for giving constructive feedback which increase the likelihood that the feedback is heard and acted upon positively, without damaging morale or the relationship between the employee and their supervisor.

The direct purpose of feedback is to make the employee aware of the impact of actions that are either particularly helpful or unhelpful. This needs to be done in a way that the employee will feel is objective and balanced. A secondary purpose of feedback is to help the employee see how they could adjust their actions so that they are more effective in achieving agreed goals. The person giving feedback doesn't have control over this – only the employee can decide to act differently (unless the situation is escalated to a disciplinary action, but even then the control is limited).

Tips on giving constructive feedback:

Set clear goals
Poor goal setting can be the cause of poor performance. The employee is working hard to achieve what they believe are their goals and priorities while the manager wishes they would prioritize their efforts differently. There is the assumption that they both agree on the goals to be achieved, but they're actually aiming in different directions without knowing it. To avoid the need (in many cases) to give negative feedback, take time over SMART goal setting to ensure you are both on the same page in the first place.

Sensitivity
Set up the feedback conversation sensitively. Give it your undivided attention (don't take calls or allow interruptions) and give the employee privacy. If this can't be accomplished in the moment the need for feedback arises, make arrangements with the employee to meet at the first possible opportunity. Conduct the conversation in a non-threatening environment and pay attention to seat heights (eye levels should be roughly equal), body language, tone of voice and ensure there are no physical barriers between you, such as a desk.

Let the employee reflect first
We are often our own worst critics. Make sure that you are both on the same page regarding goals and priorities – ask the employee to describe their assumptions about these before deciding whether it is feedback or clarification of goals that the conversation should focus on.

If possible, offer the employee the opportunity to reflect first and talk through their own perceptions of what is working and what is not. You could start with "Let's talk about ……. How do you think it's going?" There is a good chance that the employee will be their own worst critic and there will be no need for the feedback to come from the manager. The manager's role then becomes to guide choices about alternative actions and to motivate and encourage the employee to try these alternatives.

If the employee does not reflect critically on their own, the manager can then provide examples of specific instances when things did not go well or goals were not achieved (see below). Be selective – if there are several things that are not going well, choose carefully which ones to work on that will create the biggest improvement in performance. Trying to cover all areas that need improvement may be overwhelming. Also, the quantity of change that they'll need to attempt will be unsustainable – setting them up for failure. Set up some short term successes so you can sincerely provide positive feedback and encouragement before introducing more change when they are ready.

The person is not the problem
Separate the employee's intentions from their actions and from the problem. Most people have positive intentions most of the time. Problems often arise because they chose in good faith to act in a way that turned out to be unsuccessful. Start by acknowledging positive intentions, or, if positive intentions are not clear, invite the employee to reflect on what they intended to achieve. There will often be a logic to their thought processes that is not evident to the manager, but makes sense once explained.

Even if you are skeptical about the employee's intentions and fear that they may actually be the problem, there are very few helpful options for you down this path of thinking, other than working towards a formal disciplinary procedure. Suspend your skepticism if possible and try out these tips, at least to the point you have concrete evidence that they are not working. Don't go looking for negatives; actively look for positives to build on – we're apt to find what we're looking for!

Be specific
Use the formula "Situation-Behavior-Impact". Stick to talking about behavior and be specific – avoid all personal comments that imply the person is the problem. Describe instances of specific behavior and the consequences that came from them. For example: "On Tuesday when you were working on….., you did/said ……and XYZ happened". If possible, talk only about things you have witnessed yourself, rather than about things that others have told you. Stay away from using 'never' or 'always' to describe behaviors – these will not be true and will undermine your own argument.

Timing
Give feedback as soon as possible after the event. Don't leave feedback for annual performance reviews. There should be no surprises at an annual performance review – it should be a summary of events that have already been discussed throughout the year.

Balance
Make a point, on a regular basis, of giving positive feedback whenever the opportunity arises. The goal is to give at least 3 pieces of positive feedback for every one piece of negative feedback. This helps the employee feel confident that your view of their performance is balanced and objective. If you are struggling to think of positive things to say, it may be because you have got into the habit of only expecting negative things from a particular employee. It is likely there will be something positive if you look hard enough. Try to give positive feedback on its own as often as possible. Don't always pair it with negative feedback. Otherwise, the employee will not hear the positive comments – they will only hear it as an insincere attempt to soften the negative feedback.

Summarize
End the conversation with a summary of what actions have been agreed. Ideally, ask the employee to summarize. If absolutely necessary, follow up with a written memo, but don't do this if the conversation has gone OK or if this is the first time you've given the employee significant negative feedback. Sometimes people will appear at the time not to have taken in what has been discussed, but will reflect on it later and adjust their actions appropriately. Give them the chance to show they are willing to make changes – don't assume they won't because you're getting a quiet or non-committal reaction from them at the time.

Support change actively
Pay attention to the employee's efforts and make a point of praising and reinforcing behaviors that you want them to demonstrate. Change only happens with conscious effort, initially. The employee may unintentionally lapse occasionally. Don't hold this against them. Remember the last time you tried to do something differently (eg. change eating habits or get more exercise) – it wasn't easy and the lapses didn't reflect bad intentions. Offer practical support such as access to training, shadowing someone who is really good at the behaviors you want the employee to demonstrate, etc. Find out from the employee what they feel would help them make the change.