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THE PERFORMANCE APPRAISAL TOOL KIT

Redesigning Your
Performance Review Template
to Drive Individual and
Organizational Change

Building Your Performance Appraisal *Content* and *Form*

WHETHER YOU'RE BUILDING a new performance appraisal template from scratch to address your organization's current needs or upgrading your standard model to reflect your company's changing priorities, it's important that you have a menu of descriptors at your fingertips that you can employ to drive your organization to the next performance level. And since this book is meant to build flexibility into the performance management process and serve as a "Lego Land" of sorts in terms of offering alternatives and options for moving both individual and group performance forward, it becomes important that you have a library of resources available to choose from.

Revising Descriptors to Raise Company Performance Expectations

There are generally three areas of performance measurement that any organization will want to take into account when building or upgrading its performance

evaluation model: strategic initiatives, core values, and performance factors, as follows:

Strategic initiatives are set at the senior leadership level and are designed to establish organization focus and priorities. Year after year, companies face challenges of new competition: the need to work more efficiently and hold costs down, merge with and/or acquire other companies, expand into international markets, and the like. Strategic initiatives set at the organizational level ensure that everyone's trimming the sales to go in the same direction, working in harmony toward the larger organizational objective, and keeping individuals and departments focused on organizational priorities that move the ship in a new direction.

Core values represent the stable behavioral characteristics that your organization stands for, its cultural DNA, its mission statement actualized, and its cultural norms embodied and reinforced. Core values like ethical conduct and respect and inclusion in the workplace are typically codified at the policy level and define who you are in light of workplace culture and employer branding identity. They represent *how* you get work done through others and what you stand for as a corporate citizen.

Performance factors represent the core competencies of any organization, the skills, knowledge, and abilities (SKAs) of its workers to move the ball forward, execute and accomplish practical and measurable tasks, and tie individual effectiveness to overall organizational performance. Think of this category as "practical employee maintenance," where achievements and accomplishments are garnered that help individuals add value to the company while building their resumes and preparing for the next move in progression in their careers.

These categories overlap of course, and you can mix and match many of these individual areas as the designer of your organization's revised performance management program. But for ease of use and to help keep these focus areas measurable and manageable, it will be easiest to separate these three overarching categories and build customizable modules in each category. Remember as well that while core values, for example, may not change much from year to year, performance factors and certainly strategic initiatives will and should vary over time. Therefore, we'll lay these examples out in terms of both individual and organizational progression, allowing you, the architect and designer for your company's performance management system, to choose from descriptors that are meant to step up expectations over time.

In addition, as a general rule, you might want to include eight to twelve core values and performance factors on your performance appraisal template. An additional two to four strategic initiatives will likely round out your focal areas of measurement to provide a balanced overview of individual performance contributions and areas for development in light of the strategic direction of your organization. Let's start by looking at these categories one at a time, describing initially some basic, standard competencies and then moving to more creative descriptions.

Again, you can pick and choose which descriptors will work best for your organization's current needs in light of its performance management orientation as it exists today. The basic, standard competencies presented below aren't *weak* or *wrong* per se—they're just overly simplified and fairly mundane and reflect the language used in many organizations' performance review templates today. The purpose of our book, however, is to determine how to ratchet up those expectations over time (using our examples and suggestions, of course!) to strengthen that muscle of human capital as you see fit.

Finally, remember that it's a two-way street here: The more sophisticated language outlined in our recommended formats both reflects the higher-level performance expectations you've established in the past, and then also drives higher performance expectations in the future in and of themselves. For example, the core, traditional descriptors below under "productivity and efficiency" read:

"Produces high-quality work on a timely basis. Meets deadlines and maintains accurate records."

The enhanced descriptors, in comparison, might read:

"Sustains peak performance. Exhibits in-depth product knowledge and serves as a subject matter expert for others."

Clearly, the latter description connotes a much higher expectation level on the company's part and goes beyond the standard, more routine language in use in many organizations today. While the enhanced language isn't extraordinarily different than the traditional description, it may better communicate how

you're evaluating past performance and what your expectations are in this particular performance area in the future.

Don't be surprised, therefore, if this revised and more challenging content lowers overall organization scores initially. After all, up till now, employees have only been working to "produce high-quality work on a timely basis." Once you communicate up front and then capture on the back end that your new expectation is that individuals "sustain peak performance" and "serve as subject matter experts for others," your employees historically receiving scores of 4s (excellent) and 5s (exceptional) may initially trend down to 3s and 4s. Still, ratcheting up expectations isn't just a quantitative exercise: It's also spelled out qualitatively in the language you use to define what's acceptable vs. what's exceptional.

Section 1: Strategic Initiatives

Tying organizational and enterprise-wide goals to individual performance is challenging for two key reasons: It can be daunting to create a link between goals set at the organizational level and those at the individual performer level. More practically, many companies don't share what their enterprise-wide goals are because that's either considered top secret information or—more often than not—the organization hasn't created any goals for the upcoming year. And that's a big mistake on the part of senior leadership. "Performance review," in its highest form, is an *enterprise-wide* assessment of the entire organization's human capital muscle, the asset that drives all operations. Yet many senior executives view performance appraisals as one-off assessments of *individual* employees' performance and miss awareness of the critical link between individual contribution and enterprise results.

Once that "a-ha" moment happens and C-suite executives understand the value of the performance review exercise as a quantifiable scorecard of current human capital performance relative to operational results, then this "game changer" philosophy will place the entire initiative of *performance management* into a whole new context. In other words, once a tie-in is made between human capital measurement and financial and operational results, then this whole exercise of performance appraisal will assume an entirely new meaning in enlightened organizations.

That being said, just because your organization doesn't publish company-wide goals doesn't mean you can't create them yourself for your team. More likely than not, you already know the top two or three initiatives your firm is working on and what the logical goals should be over the upcoming year. Therefore, it's okay to draft these goals for your team and/or incorporate them into your departmental goals so that team members have an idea of what they should be focusing on and connecting to at the broader, macro level.

When you consider which goals would serve your enterprise at its highest level, there's much to consider: market changes, new technologies, heightened competition, leadership turnover, and anything else you could fit into a classical SWOT analysis:

- ▶ Strengths
- ▶ Weaknesses
- ▶ Opportunities
- ▶ Threats

We're not talking about esoteric concepts that are typically found in mission statements, core value or core purpose statements, or what James Collins and Jerry Porras referred to in their book *Built to Last: Successful Habits of Visionary Companies* as "BHAGs"—big, hairy, audacious goals that typically take ten to thirty years to realize. Instead, we're talking about the strategic initiatives driven at the corporate level to help the organization thrive over the upcoming twelve-month period. Examples of practical organizational goals might include the following:

- ▶ Become an employer of choice, a destination company dedicated to best practices and work-life balance in order to attract, develop, and retain the best and brightest talent.
- ▶ Develop a national awareness campaign that helps us become the top-of-mind resource for pediatricians and healthcare providers tending to the needs of chronically ill children.
- ▶ Stabilize our financial picture by marshaling resources and increasing efficiency so that we're all working toward the common goal of decreasing costs and saving time.

- ▶ Successfully integrate the systems, policies, and cultures of our newly combined entity in light of the recent acquisition of XYZ Company.
- ▶ Maximize performance and productivity under the new ownership of the private equity firm that purchased us to ensure that we consistently meet all revenue and profit targets.
- ▶ Successfully enter the international marketplace by pursuing joint venture opportunities with key strategic partners that will help us establish a distribution presence in Europe and Asia.
- ▶ Find new ways of adapting our business to serve the triple bottom line of people, planet, and profit.
- ▶ Unleash employee creativity and foster a greater sense of innovation by focusing on our competition and overall market trends to explore new markets and marketing approaches.

Business strategies and practices like these, by definition, will likely change from year to year or at least every few years to reflect the economic realities and changing demands of the marketplace. They are meant to be fluid, alterable, and responsive to change as market conditions dictate. Still, you always want to ensure that everyone's trimming the ship's sails to move in the same direction, and having these overarching goals that reflect the enterprise's challenges will provide divisions and departments as well as individual workers with an opportunity to creatively define how they will meet that greater purpose.

Line departments like sales will clearly respond differently than staff departments like HR, IT, and accounting/finance, but that's the way it should be: Any department that focuses on raising revenue as opposed to decreasing expenses will have different controls at its discretion to leverage toward any new goal. Of course, a lot will depend on a particular organization's stage of growth, its propensity to take risk, the sense of urgency it faces in remaining relevant in its market, and the degree of control exercised by its senior leadership and/or ownership team.

And while we can't offer concrete examples here of how these strategic initiatives can be worded due to their unique nature (as opposed to the examples provided later in this chapter for core values and performance factors), we can

show you how they might play themselves out in the sample performance review templates contained in the appendixes. Therefore, please look at Appendix C to view how strategic initiatives may combine with core values and performance factors in various settings—from innovation and creativity to growth and expansion to compliance and control. These key sample templates in the appendixes are meant to save you time and offer you multiple paradigms for customizing your current performance review template and then upgrading it over time as your organizational needs change.

These living, breathing examples of model performance review templates should best be matched to your company's current stage of development as well as to immediate needs. Again, feel free to mix and match the *content* as you see fit. Combined with a *format* that captures your critical focal points, you'll be able to customize an appraisal template that crystallizes your performance expectations and that boards, senior leadership teams, and rank-and-file employees alike can love.

After all, everyone is looking to perform at a higher level, gain well-deserved recognition, and see your company thrive. They simply need a system that will show them the way. Your customized template is something that your employees will be able to rely on from this point forward to focus their career efforts and help grow your business. Likewise, C-suite executives and boards are equally hungry for consistent, predictable measures of organizational success. The overall trends and patterns in global performance appraisal that you track will point the way toward maximizing the productivity of your organization's human capital muscle, arguably its most critical and fungible asset. Performance management, it turns out—far from being a burden and onus on managers and staffers alike—may just be one of the “low-hanging fruits” that could catapult your career as an effective leader and marshal of *human resources* in their truest sense.

Section 2: Core Values

Core values are the behaviors and conduct that you expect all members of your organization to demonstrate, embody, and reinforce over time. It is a statement of who you are as a company, how you define yourself in terms of getting work done, and what culture you choose to embrace and sustain. Again, core values

typically don't change much over time. They represent the moral standard of your organizational self-identity; determine how you choose to get to the end result of success, however defined; and reinforce the behaviors that you value as an organization and as a responsible corporate citizen.

Core values may include ethical behavior, creativity and innovation, respect in the workplace, motivation and drive, diversity orientation, corporate responsibility, and overall professionalism in all aspects of your work. In short, think of what a company mission statement attempts to do in binding everyone in the organization to a common cause and focus—your company's core values tie everyone to those goals by defining how you intend to get work done with and through others. Let's look at this panel of seven core values and map out a selection of descriptors that could be easily incorporated into your performance appraisal template.

Ethical Behavior

Core values, at their root level, focus on ethics, integrity and trust:

Creates and sustains a work environment based on ethics, integrity, and trust. Serves as a role model to others in terms setting the tone for acceptable conduct. Creates an inclusive work environment where others can motivate themselves to perform at their highest level. Treats others with dignity and respect at all times and fosters a sense of camaraderie and goodwill in dealing with others.

Core values may, however, skew more toward compliance and following company policy and rules:

Consistently demonstrates the highest ethical standards. Readily discloses any potential conflicts of interest in a timely manner. Sets the tone for acceptable conduct by looking beyond the "letter" of policy to the greater "spirit" of workplace rules and guidelines. Respects confidentiality, communicates openly and proactively, maintains high standards of performance, demonstrates reasonable and consistent expectations of others, and generally sets others up for success.

Similarly, core values can also be built around organizational goals that directly impact the business:

Personifies our company motto that Quality Is Job 1. Provides outstanding and consistent customer care and attempts to exceed customers' expectations on an ongoing basis. Recognizes that coworkers represent our most critical asset and handles others with care by fostering an environment of respect and inclusion. Continuously fosters and furthers our core values of innovation, motivation, and drive for success.

You may, of course, combine items from any of these three larger categories when constructing your performance appraisal template. Just remember to add fresh language and descriptors so that the language pops and appears immediately relevant to your company's current focal areas and challenges. Recall that it's that boring, tired language that gets passed down from one generation of performance appraisal templates to the next that makes the process so onerous for managers and employees. If the words have little meaning or significance beyond blah blah blah "corporate speak," participants won't take the process seriously and will view it as a routine paper chase rather than as the most important exercise of the entire year!

Creativity and Innovation

Creativity and innovation are often associated with smaller companies (like those in the tech sector, where the founders created the first product in their garage) that are looking to break new ground and launch new products:

Regularly looks for opportunities to turn ideas into action, inject creativity into every touch point, and develop strategies for innovation. Focuses on identifying new parallels, patterns, variations, and analogies to generate fresh ideas. Thinks outside the proverbial box and volunteers well-thought-out recommendations based on sound logic and principles. Communicates openly, makes others feel welcome and safe to volunteer new ideas, and positively engages talent within the organization and across the value chain. Rethinks the routine with a fresh perspective and employs right-brain imagination with left-brain logic and planning.

Yet innovation as a general core value can apply to any workplace and any level of employee in that organization—not just to tech sector “brainiacs” operating from their garages:

Looks for new ways of reinventing the workflow in light of our department’s changing needs. Simplifies processes, learns what works, and finds creative ways of implementing new technologies, systems, and processes. Searches regularly for new methods, techniques, and tools that increase efficiency and reduce costs. Encourages open discussion and collaboration with others to rethink routine processes and generate creative alternatives. Considers innovation in the workplace an ongoing responsibility and welcomes change as an integral part of both individual and company growth.

You can stretch the core value of innovation by setting standards and expectations that reinforce their importance on an enterprise-wide basis:

Views all employees as leaders, innovators, and change agents. Recognizes that innovation is the number one leadership competency of the future that will help our company differentiate itself from the competition. Regularly gains new perspectives from peers and team members and likewise provides constructive input relative to others’ ideas and suggestions. Fosters a spirit of creative collaboration and questions common practices in an effort to reinvent the routine. Encourages others to be inventive and take appropriate risks. Values creativity, productivity, and efficiency as the keys to career development.

Respect in the Workplace

Respect in the workplace typically has two connotations: It can be viewed as a proactive approach to interpersonal communication where others are treated with respect and dignity at all times and made to feel welcome in a spirit of inclusiveness. Or it may invoke more of a defensive posturing as a nice way of saying “sexual harassment” avoidance or enforcement of a company’s antidiscrimination policy. Let’s look at sample descriptors for both adaptations of this common core value. From a proactive, employee-friendly perspective, your performance appraisal template may measure respect in the workplace as follows:

Treats others in a professional and respectful manner at all times. Encourages individuality and fosters an environment of recognition and inclusion. Welcomes and encourages feedback and provides constructive input as opportunities arise. Regularly looks to build on others' strengths and creates win-win situations for both team members and the company. Finds creative ways of surprising and delighting both coworkers and customers alike. Builds and strengthens relationships by demonstrating selflessness and appreciation without being judgmental or overly critical of others.

By comparison, the more formal, compliance-driven approach to “respect in the workplace” as another term for discrimination and harassment avoidance may appear as follows:

Regularly complies with our mission as an equal opportunity employer. Upholds company policy in order to maintain an ethical and productive workplace. Treats coworkers and team members, vendors, suppliers, and others with respect at all times and without exception. Places a high value on maintaining and fostering a diverse workplace, free from discrimination. Encourages others to escalate matters appropriately for further resolution. Readily discloses any potential conflict of interest that may have the appearance or potential to adversely affect individual judgment or performance at work. Maintains a work environment that upholds the highest standards of business ethics and workplace behavior throughout all of our operations.

Depending on your organization's history, its level of formality with employees, and the general tone you intend to set, apply either of these sample descriptors to your performance appraisal template as you deem appropriate.

Motivation and Drive

Motivation and drive sound more like personality traits and styles than something you can legislate in the workplace. In reality, however, they can serve as important core values, especially in an organization that is driven for success and looking to develop an esprit de corps, a greater sense of camaraderie, and more fun and excitement in its day-to-day operations.

Recognizes that motivation is internal and strives to create a work environment where people can motivate themselves. Regularly helps others reach their personal best in a spirit of positive cooperation. Provides feedback in a caring and constructive manner. Continuously looks for new ways of reinventing the workflow in light of our organization's changing needs. Recognizes the value of clear communication and open recognition in helping others excel and celebrates their successes. Focuses on improving employee engagement by fostering a workplace based on trust, recognition, and mutual respect.

Recognizing that individuals are motivated for different reasons and by different things, an alternate approach that focuses more on self-development and education might sound like this:

Looks for lateral opportunities to assume greater responsibilities and broaden general business knowledge. Values learning and looks for new ways to help others excel and progress in their careers. Demonstrates a strong career focus and looks for new opportunities to add value and reinvent the workflow in light of the changing needs of the organization. Encourages teamwork and group learning by sharing knowledge freely. Provides consistent and timely feedback to others as a key development tool. Builds morale by celebrating group successes.

When drafting core values regarding motivation and drive, however, remember that motivation is internal—you can't motivate your staff members any more than they could motivate you. Instead, as a leader within your organization, you're responsible for creating an environment in which others could motivate themselves. It may sound like a fine distinction, but it's an important one because you'll always want to shift responsibility for self-improvement and professional development away from the company and toward the employee—where it rightfully belongs.

Diversity Orientation

Like other types of performance measures and goals, diversity orientation often has differing interpretations. Wise companies recognize that diversity awareness,

in its purest sense, is a key business imperative. Companies that strive to attract and retain the brightest talent meet not only their corporate goals but also their public mission. To compete for exceptional talent and meet the needs of an increasingly diverse customer population, companies are well-served to hire, train, and develop diverse populations and diverse ways of thinking and view such diversity as a source of strength and a competitive advantage:

Recognizes diversity as a critical business issue and strategic advantage. Encourages individuality and consistently creates and fosters a positive and inclusive work environment. Celebrates differences and welcomes differing points of view and orientations. Regularly demonstrates acceptance of others' differences and appreciation of others' talents. Welcomes dissenting opinions and encourages respectful challenge to the status quo. Demonstrates caring leadership by remaining sensitive to others' needs and points of view. Regularly looks for similarities rather than differences when building relationships at work or engaging in healthy disagreement. Looks for opportunities to tie diversity and inclusion to our business strategy in order to increase performance, productivity, and customer retention. Focuses on bringing out the best in others.

Likewise, however, there still remains a commitment to meeting formal diversity outreach goals (for example, via EEO-1 report filings), and diversity orientation therefore takes on more of a compliance rather than business strategy orientation:

Regularly ensures that the work environment aligns with our organization's mission and values surrounding diversity and inclusion. Identifies barriers to inclusion that may plague a team or department from time to time. Furthers the goals embodied in our company's diversity awareness training and constantly assesses our organizational climate to ensure that it is welcoming to all. Recognizes the need for continuing dialog among employees in order to change perceptions and stereotypes that lessen the value of individuals' differences and uniqueness. Avoids conduct that may constitute harassment of any protected class. Hires, develops, and promotes individuals with an eye toward enhancing our company's diversity initiatives. Ensures that a policy of equal opportunity employment is

affirmatively implemented for all persons, without regard to race, religion, color, sex, age, national origin, veterans' status, or physical or mental disability.

Corporate Responsibility

Corporate responsibility is more and more becoming a staple of any organization's core values and mission. With more attention focusing on the environment, human rights, community development, and the welfare of workers both in the United States and abroad, many organizations are assuming responsibility for making the world a better place—and not just making themselves more profitable. This is done both in recognition of the moral responsibility that companies—as corporate citizens—assume in light of the many challenges facing our world today, and also for the public recognition that comes from sponsoring a good cause. Much like a solid diversity orientation strategy, corporate responsibility is not only the right thing to do intrinsically, but it also brings with it good faith and loyalty from the public, which is good for business. In short, companies will gain a competitive advantage by appealing to the growing numbers of socially and environmentally oriented consumers, investors, and workers.

Unlike the other descriptions we've covered in this section, there aren't necessarily grades or levels of corporate responsibility that differentiate themselves, so we'll go with one generic descriptor you can amend for your performance appraisal template as you see fit:

Looks beyond immediate, short-term responsibilities to the greater good of others in the organization and the overall community. Strives to strengthen our organization's mission in terms of what our company stands for and will uphold to our customers. Recognizes the link between corporate goals and public purpose and becomes part of the solution. Embraces responsibility for our company's actions and encourages a positive impact through activities affecting the environment, consumers, employees, communities, and stakeholders. Recognizes that corporate success and social welfare are interdependent and participates in external philanthropic and volunteer activities to help the community as appropriate.

Professionalism

The definition or categorization of professionalism varies greatly from blue-collar to white-collar workforces. Depending on the needs of your employee population, this category may stand alone on your performance appraisal template or may be left out altogether, with its constituent parts woven into the other core value examples detailed above. A blue-collar, hourly, and sometimes union environment might focus more on compliance as follows:

Regularly displays a high level of personal integrity. Consistently acts within company guidelines. Welcomes constructive feedback from peers and staff. Treats people with dignity and respect at all times. Avoids using inappropriate jargon or idioms that tend to make others feel left out of conversations. Readily adheres to our company dress code policy and regularly meets all personal hygiene standards. Projects a positive self-image and avoids any perception of inappropriate interpersonal communication with others. Supports and maintains an inclusive and positive work environment and respects and follows company policies and procedures.

A professional, white-collar environment might inspire a different, more sophisticated approach to the definition of professionalism on a performance appraisal:

Motivates others, always leading by example. Embodies our organization's core principles of fostering a greater sense of respect, dignity, and professionalism in the workplace. Establishes immediate credibility and demonstrates vision, ambition, and passion to succeed. Demonstrates professional expertise and inspires confidence in others. Consistently displays the highest level of personal integrity. Communicates proactively when changes in plans occur and justifies exceptions to policies or practices. Maintains professionalism and composure when faced with crises and confidentiality with respect to others' private affairs. Follows ethical business practices at all times and tolerates no exceptions.

Section 3: Performance Factors

Core competencies and performance factors refer to how employees do their jobs on a regular basis and what accomplishments they achieve. Consider them the keys to practical employee maintenance—the knowledge, skills, and abilities necessary to perform at an acceptable, minimal level as well as to thrive in the role. Performance factors address how well employees executed their responsibilities throughout the review period relative to the performance expectations and values established. Broadly speaking, the most common performance factors include:

- ▶ Productivity and Time Management
- ▶ Quality and Compliance
- ▶ Communication, Teamwork, and Cooperation
- ▶ Customer Satisfaction
- ▶ Job Knowledge and Technical Skills
- ▶ Reliability and Consistency (e.g., Attendance and Punctuality)
- ▶ Leadership and Supervisory Abilities

Depending on the needs of your organization, more defined core competencies may include creativity and innovation, adaptability and change-management skills, diversity orientation, goal and objective setting, safety, strategic and critical thinking abilities, and the like. What's most important in redesigning your performance review template, however, lies in creating descriptors that will drive heightened performance. While traditional performance reviews do a mediocre job of reflecting historical performance because of their generic nature and lackluster descriptors, the templates themselves can drive future behavior by raising the bar of expectations for all involved. That's what sets a highly successful performance management program apart from others. Let's take a look at some historical approaches to drafting these descriptors and then ratcheting them up to reflect your organization's heightened needs.

Productivity and Time Management

Productivity and efficiency can be defined in a number of ways, depending on your company's current challenges or future goals, so we'll expand the tradi-

tional, core descriptors into more impactful and concrete categories that will better capture the essence of what you're measuring and want to encourage in your employees' performance.

Core, Traditional Descriptors

Demonstrates competency in job functions and an understanding of job requirements and departmental procedures. Consistently meets or exceeds productivity targets. Produces high-quality work on a timely basis. Meets deadlines and maintains accurate records. Sets priorities and adheres to schedules and plans. Establishes short- and long-term goals effectively. Regularly adheres to established policies and procedures.



Enhanced Descriptors Reflecting an Organization's Heightened Expectations

Tactical, Operational Focus

Sustains peak performance. Exhibits in-depth product knowledge and serves as a subject matter expert for others. Looks always to collaborate, organize, prioritize, simplify, and reinforce best practices. Regularly diagnoses problems that impede high performance and overcomes internal barriers to productivity. Manages successfully through frequent interruptions and remains focused when unexpected events challenge best-laid plans. Regularly completes work ahead of schedule and communicates proactively regarding potential roadblocks or delays. Readily assumes responsibility for things gone wrong, while sharing credit for things gone right.

Strategic Focus

Identifies unique ways of creating value and encourages others to employ their curiosity and imagination. Strategically partners with clients and stakeholders to present recommendations on a problem-to-solution basis. Embraces new technology and looks for new approaches to increase efficiency. Helps others think beyond the here and now and predict where our company and industry are heading. Encourages team members to take appropriate risks and embrace change. Regularly combines natural

curiosity and gut intuition with sound analysis and reasoning to strengthen our “organizational forecasting ability.” Readily develops strategies to reflect our changing business priorities. Effectively translates strategies into objectives and action plans.

Innovation and Creativity Focus

Turns ideas into action, puts creativity to work, and develops strategies for innovation. Rethinks routine processes and finds unique solutions for adding customer value. Funnels creative recommendations into practical applications. Employs right-brain imagination, creativity, and intuition with left-brain logic and planning. Searches constantly for new innovation methods, techniques, and tools. Regularly encourages greater collaboration and open discussion with peers and team members to foster a culture of innovation. Participates in and/or leads diverse product teams to cultivate a broader range of knowledge, thought, and creativity. Seeks out advanced training, educational, and career development opportunities to spur creative suggestions and solutions. Continuously looks to gain competitive advantage through creative problem solving.

Revenue-Generation Focus

Always looks for new ways of increasing revenue, decreasing costs, and saving time. Continually focuses on improving personal productivity to create higher-value end results. Sets individual priorities around potential revenue-generation activities. Creates new and more effective ways of adding value to the customer experience. Pursues opportunities for cross-selling and up-selling to maximize the outcome of every customer interaction. Recognizes and appreciates the difference between gross revenue and profit margins and seeks incremental margin improvements at all times. Avoids becoming overly involved with marginally productive tasks or in pursuing high-activity, low-margin business. Regularly helps others focus on the bigger picture of revenue generation and profit growth. Thinks relationship first, transaction second. Pursues sound business opportunities that permit sustained customer satisfaction and that promote long-term relationships.

Expense-Reduction Focus

Generates creative suggestions that focus on decreasing expenses and saving time. Streamlines work processes and increases efficiency. Avoids marginally productive activities and focuses on achieving critical priorities. Volunteers constructive suggestions for improving operations. Embraces new technology in an effort to think long term and reduce cost-per-product life cycle expenses. Demonstrates a high level of awareness regarding cost containment as well as a cost-conscious approach to conserving company resources. Questions common practices and thinks of imaginative alternatives when confronted with obstacles and roadblocks. Coaches others on being both effective and efficient. Recognizes personal productivity as a key career development goal.

Quality and Compliance

Quality and compliance may focus on generic issues like effective time management and desk organization or exceptionally specific items like product quality defects under close government regulation that could have life-or-death consequences for consumers. Likewise, compliance may be described in generic form as adherence to standard operating procedures and policies, or in very strict terms regarding internal audit compliance and government reporting and disclosure. Since one size clearly doesn't fit all, we'll suggest separate descriptors to build the content of your performance review template.

Core, Traditional Descriptors

Regularly produces work product that is reasonably free from errors, waste, and rework. Remains aware of quality guidelines and keeps careful track of due dates and timelines. Prepares finished products with minimal quality defects. Ensures that error rates do not exceed acceptable thresholds. Obtains necessary approvals before implementing changes to established procedures.



Enhanced Descriptors Reflecting an Organization's Heightened Expectations

General Administrative and Operational Quality and Efficiency

Continuously strives for maximum effectiveness and efficiency. Appreciates the critical nature of well-honed organization and planning skills. Effectively manages multiple projects on parallel tracks. Views unexpected delays as opportunities to demonstrate preparedness and flexibility. Refuses to sacrifice quality for volume. Asks high-quality questions and anticipates and communicates potential problems before they occur. Demonstrates a reasonable balance between rules and regulations vs. flexibility and responsiveness. Readily anticipates and escalates potential bottlenecks, roadblocks, and pitfalls. Proposes concrete and definitive strategies and tasks in response to unforeseen challenges. Demonstrates the appropriate amount of patience, flexibility, and wise guidance in helping others manage projects through to completion.

Regulatory Quality, Efficiency, and Compliance

Establishes measurement tools and yardsticks for continuous process improvement and adjusts regularly to accommodate changing circumstances. Demonstrates best practices and finds an appropriate balance between quality and quantity. Plans resources and timelines effectively and gains appropriate budget signoff before committing to a deadline. Readily adheres to deadlines and production benchmarks. Regularly identifies streamlining measures that eliminate or reduce system redundancies. Strictly adheres to our program values of risk reduction, timely incident response, liability minimization, and loss control. Views quality as the single most essential element that allows our company to compete effectively and differentiate itself from the competition. Recognizes and assumes full responsibility for the obligation to disclose potential conflicts of interest.

Communication, Teamwork, and Cooperation

Communication, teamwork, and cooperation are critical aspects of workplace performance because almost everyone has to work in groups of some sort. Even lab scientists who dedicate their research time to growing specimens in Petri

dishes have to interact with colleagues, managers, and administrators within their hospital or research facility. It's never enough to simply grade *performance* when evaluating human capital—that's only half the equation. Employees are also equally responsible for their *conduct*—their ability to get along with others and make others feel welcome in their presence. In fact, that half of the circle is sometimes more important than the performance half! That's because poor attitudes and aggressive and hostile behavior in the workplace affect others and pull morale down (not to mention exposing companies to lawsuits for hostile work environment claims). So it's important that you remember to hold all workers accountable for both halves of the circle—performance as well as conduct.

Core, Traditional Descriptors

Communicates clearly and effectively at all levels. Produces easily understandable reports and presentations. Effectively deals with others, both internally and externally. Respects confidentiality. Provides timely feedback and follow-up and manages others' expectations appropriately.



Enhanced Descriptors Reflecting an Organization's Heightened Expectations

Communication

Cultivates a culture of openness in information sharing. Regularly solicits constructive feedback, builds consensus, and asks well-thought-out and well-prepared questions. Encourages open communication, cooperation, and the sharing of knowledge. Remains open-minded and willing to entertain others' ideas. Builds trust through regular, open, and honest communication. Demonstrates candor and level-headedness in all business dealings. Listens actively and always responds in a respectful tone. Engages appropriately when in disagreement and pushes back respectfully and in a spirit of good-faith cooperation. Speaks persuasively and convincingly but is not afraid to say, "I don't know" and then research an answer. Manages others' expectations appropriately, and proactively communicates any potential problems or roadblocks. Effectively feeds

information upward and rarely leaves others flying blind or unaware of important updates.

Teamwork and Cooperation

Regularly looks for common ground and encourages collaboration among team members. Welcomes positive confrontation rather than sweeping things under the rug. Assumes good intentions until proven otherwise and always looks to bring out the best in others. Resolves interpersonal conflict without drama or angst. Builds consensus via shared decision making. Fosters a sense of shared accountability and group responsibility. Celebrates successes and recognizes and appreciates others' contributions. Confronts problems head-on but in a firm and constructive manner. Creates a work environment based on inclusiveness, welcoming others' suggestions and points of view.

Customer Satisfaction

Customer satisfaction takes on many forms, whether the target audience is internal or external. Dealing with consumers, customers, and clients makes up one critical aspect of customer care, but workers sometimes forget that caring for coworkers is equally, if not more, important. We'll distinguish these two classifications below, depending on what you choose to focus on, but your ideal descriptor in this category will probably address both internal and external customers' needs.

Core, Traditional Descriptors

Provides prompt, courteous, and professional customer communication. Provides timely and well-informed advice to customers. Demonstrates sufficient knowledge of company products and cross-selling skills to ensure a high level of customer satisfaction. Prioritizes workload based on customers' needs. Regularly adheres to scripts and selling tips. Skillfully overcomes customer objections. Consistently gains necessary authorizations and approvals for one-off exceptions to policy.



Enhanced Descriptors Reflecting an Organization's Heightened Expectations

External Customer Focus

Demonstrates total commitment to outstanding customer service. Provides knock-your-socks-off service that consistently exceeds client expectations. Consistently exhibits creativity and flexibility in resolving customer issues. Remains customer-oriented, flexible, and responsive to last-minute changes in plans. Regularly puts the human relationship above the transaction. Looks always to surprise customers with unanticipated benefits, including lower costs and shortened delivery time frames. Effectively exceeds customer expectations by providing timely feedback and follow-up in an empathetic and caring way. Tactfully informs customers when their requests cannot be met and escalates matters for further review and approval as appropriate. Takes pride in building relationships with even the most challenging clients. Enjoys identifying “out-of-the-box” solutions for clients with special needs. Develops a loyal customer base as evidenced by a high rate of repeat business.

Internal Coworker Focus

Regularly builds strong, supportive, and constructive relationships with peers and company leaders. Brings out the best in people by demonstrating care and concern about their well-being. Remains sensitive to others' needs and assumes good intentions unless and until proven otherwise. Exercises an appropriate amount of discretion, diplomacy, and tact when working with peers and customers alike. Effectively manages coworkers' expectations and engages in constructive debate when disagreement arises. Sets others up for success and creates win-win opportunities for coworkers and clients alike. Demonstrates the highest level of ethics and values when dealing with others.

Job Knowledge and Technical Skills

The skills, knowledge, and abilities (SKAs) to perform a particular job vary greatly and are subsequently difficult to capture in any type of generic per-

formance review template. Specific degrees, certifications, continuing education credits, and the like represent concrete requirements necessary to continue employment in a particular role (think doctors, lawyers, CPAs, and airline pilots). In comparison, hourly workers who must demonstrate on-the-job mastery in particular areas may also have challenging and rigorous protocols to follow in order to perform their positions effectively, although of a significantly different nature than the professionals named above (think customer service agents, general contractors, and quality assurance technicians). Therefore, we'll develop the core, traditional descriptors below to target more of the professional (i.e., white-collar) vs. trade (i.e., blue-collar) skills, knowledge, and abilities.

Core, Traditional Descriptors

Demonstrates mastery in core areas of responsibility. Employs tools and systems effectively and efficiently to further business operations. Hones skills to address the changing needs of our business. Remains cognizant of industry trends and stays abreast of changing laws and policies. Effectively differentiates key priorities from less critical activities and designs work processes that maximize efficiency and effectiveness.



Enhanced Descriptors Reflecting an Organization's Heightened Expectations

Professional SKAs

Consistently demonstrates master-level performance and serves as a subject matter expert and best practices guru. Displays sound judgment under pressure. Readily identifies the core issue at hand and then makes confident decisions once all facts have been gathered. Demonstrates a unique focus on results and prioritizes issues to minimize roadblocks or unnecessary hurdles. Trusts instincts when it comes to disclosing and escalating matters requiring additional review and signoff. Considers both policy and past practices when rendering a decision, and proactively escalates matters that may have precedent-setting value. Maintains an extensive network of industry associates. Proactively stays abreast of industry trends and patterns as well as happenings at competing firms. Demonstrates appropriate organizational forecasting ability, and tracks

and trends progress toward goals and initiatives at hand. Drives change effectively by influencing others and maintains the gravitas to “hold a room” of peers or senior leaders. Updates and validates required certifications via continuing education credits as necessary.

Trade SKAs

Demonstrates a thorough knowledge of key areas of responsibility. Continuously develops the breadth and depth of his or her skill set. Engages in rotational job-shadowing assignments when available to learn others’ roles and gain a broader functional understanding of our department and of the workflow. Regularly looks for opportunities to learn about our company and industry that go beyond immediate areas of responsibility. Demonstrates appropriate curiosity, inquisitiveness, and engagement in reinventing the workflow in light of our department’s changing needs. Documents common processes and steps using checklists to ensure consistency and thoroughness. Willingly transfers knowledge to others to raise performance standards across department. Stands out among peers in terms of job knowledge and skills development.

Reliability and Consistency (e.g., Attendance and Punctuality)

Reliability and consistency represent more than just the basics of showing up to work on time: They speak to the core of an individual’s level of dedication and willingness to remain committed to his or her coworkers, department, and the company as a whole. Reliability means that others can depend on you not only to hold your own weight but to pitch in and contribute when faced with unforeseen circumstances and last-minute changes in plan. While many organizations often defer to a simple “fog the mirror” test to measure a worker’s penchant for reliability and consistency, our enhanced descriptions attempt to set the standard for higher expectations and overall performance.

Core, Traditional Descriptors

Demonstrates regular and punctual attendance on a consistent basis, arrives at the workstation when scheduled, remains flexible in scheduling, and meets commitments to work overtime as needed. Regularly

demonstrates a commitment to safety and follows all safety rules and guidelines. Engages in good housekeeping practices and takes proper care of equipment. Meets requirements of 100 percent participation in safety training. Uses sound judgment when it comes to gaining advance approval or taking immediate action. Accepts responsibility and accountability for actions at work.



Enhanced Descriptors Reflecting an Organization's Heightened Expectations

Lives the company mission and values. Focuses on continuous improvement of our organization's core competencies in an effort to make us stronger and more competitive in the marketplace. Raises the bar in terms of performance expectations and contributions to our organization's bottom line. Remains a consistent and reliable resource for others, is widely trusted and respected, and sets the standard for impeccable integrity and character. Demonstrates a keen sense of responsibility and commitment to the perception of our department internally and of our company externally. Serves as a role model and "best practices" ambassador in terms of commitment, reliability, and consistency. Can be relied on in times of unexpected change, goes above and beyond the call of duty, and exercises leadership when faced with emergencies or last-minute changes in plan. Works independently, consistently handles a fair workload, and steps up when needed to fill in for others. Organizes people and activities well, combines tasks to maximize efficiency, looks for opportunities for synergy and integration whenever possible, and accepts personal accountability for results.

Leadership and Supervisory Abilities

Whoever said that "strong leaders are made, not born" had it half right. In fact, some people are just born to lead and thrive on the challenge of gaining consensus and moving people to action in a certain direction. On the other hand, leadership is a core skill set that can be grown and developed much like a muscle, and we all know of fairly quiet youngsters who turned into highly suc-

cessful leaders as adults, often due to particular people influencing their lives at critical points in time. Books have been written on “leadership” development, which typically focus on motivating others to follow you. In comparison, “supervisory management” is typically more associated with providing direction and structure to others in relation to immediate tasks that need to be completed (as opposed to inspiring devotion and loyalty, which both fall under the “leadership” umbrella). Let’s see how we could move from the generic to the specific to craft compelling content that differentiates leadership from supervision.

Core, Traditional Descriptors

Leads effectively by providing appropriate feedback and direction to staff. Delegates and assigns work in a manner consistent with departmental workflow and company policy. Listens openly and encourages feedback while creating and maintaining an inclusive work environment. Effectively manages time card processing, schedules work appropriately, and sets performance expectations to reach and exceed departmental goals.



Enhanced Descriptors Reflecting an Organization’s Heightened Expectations

Supervision and Management

Provides an appropriate amount of structure, direction, and feedback to ensure a high level of group performance. Defines, delegates, and directs work in a flexible manner. Recognizes that proper delegation, communication, and the setting of priorities and goals help employees feel empowered and self-motivated. Sets realistic work demands and a fair distribution of assignments. Structures projects and assignments with clear goals and measurable outcomes so that team members can creatively individualize solutions. Empowers teams to embrace change opportunities. Inspires team members to take ownership of their own performance improvement and career development. Finds creative ways of working toward consensus. Creates internal competition by forming teams tasked with identifying viable solutions to ongoing quality chal-

lenges. Focuses team on not getting bogged down in analysis paralysis. Plans, prioritizes, and executes in light of budget guidelines and constraints. Collects best practice ideas from team members for getting work done more effectively and efficiently. Views individual differences as value-adds to group thought. Ensures that new hires work their plan and plan their work consistently on a day-in, day-out basis. Adheres consistently to safety standards and all company policies and protocols. Focuses on measurable outcomes, sets incremental milestone targets, and celebrates victories and successes along the way. Manages with a conscience and places integrity, ethics, and trust above all else.

Leadership

Supports our organization's strategic plan and ensures that business practices are consistent with our mission. Sets a high standard for integrity and respect and is consistently viewed as objective and fair. Engenders trust by communicating openly with others, shares feedback in a constructive fashion, and addresses problematic situations head-on in a spirit of positive confrontation. Serves as a model of cooperation, sharing, and goodwill. Assumes good intentions and practices selfless leadership. Sets others up for success and inspires others to reach their personal best and stand out among their peers.

Engages team in setting specific, measurable goals as well as concrete outcomes. Creates an environment in which team members can find new ways of motivating themselves in light of our organization's changing needs. Is highly self-aware and holds others accountable for their own perception management. Regularly celebrates successes and learns from mistakes while making it safe for others to take risks and volunteer innovative recommendations. Focuses on aligning team members by setting a common vision and measuring progress toward particular goals. Creates a common mindset of learning, growing, and acquiring new skills.

Uses training opportunities to develop creative people, innovative teams, and profitable revenue streams. Strives to provide a healthy work-life balance and maintain perspective in light of constantly changing priorities.

Strives to provide open-book leadership so that team members understand the financial and operational drivers of organizational success.

Style Guide: Gussying Up Your Performance Appraisal Template

Okay, let's face it. Most employees feel strongly that their company's performance review template is pretty lousy. They all look and feel the same—a simple categorizing of nouns like productivity, communication, and teamwork, followed by boxes with scores checked off. Sometimes there's a narrative comment that attempts to justify the grade, but those comments are often sweeping generalizations of impressions without much forethought or concrete evidence.

But how do you reinvent a standard report card? No matter how fancy we choose to get, we do indeed have to cover the basic performance areas and how each individual in the company has fared under those general categories in his or her particular roles, right? Well, yes and no, and here's where the creativity comes in.

To begin, let's look at an equally “boring” template: the typical employment offer letter. Standard offer letters provide new hires with the following information:

- ▶ Date of hire
- ▶ Title
- ▶ Salary
- ▶ Supervisor (name and/or title)
- ▶ Introductory period duration and benefits eligibility date

Oh, and don't forget the most welcoming part of all—the employment-at-will statement, which basically says that while we're so happy to have you join our company and look forward to a long-term and mutually rewarding working relationship, we can fire you at any time for any reason, with or without cause or notice. Can you get more “exciting” about welcoming someone to a whole new chapter in his or her career?

Unfortunately the employment landscape has become so fraught with peril from a litigation standpoint that lots of “legal speak” has inadvertently made its

way even into the most benign of documents, all so that companies can defend themselves from sometimes specious claims from a tiny minority of the working population. We get that and realize we can't change the entire system, and because performance reviews are critical anchor documents that could be used to defend a company's decision to terminate or select someone for layoff, they also fall under more of a formal, legal umbrella and require careful wording.

In short, a series of acceptable performance reviews—combined with an absence of corrective action of any kind—could justify a plaintiff's attorney's claim that his or her client (i.e., your ex-employee) was wrongfully terminated because the company did not have just cause to terminate and the individual was consequently denied workplace due process. So we want to be creative, but not *too* creative, when taking a fresh look at reinventing language around offer letters and performance review templates. (*Important:* Make sure that qualified legal counsel vets any changes you're planning on making to these kinds of documents in light of state and local laws and ordinances.)

But what if an offer letter—while still protecting the company legally—could assume a whole new approach to welcoming a new hire on board? What would a redesigned employment offer letter look like that could excite the candidate while simultaneously getting the message out that the company retains the right to terminate at whim? Here's a brief overview of the components of a reinvented and reinvigorated offer letter that might help us return it to its original purpose of clarifying the terms of employment while welcoming new hires to the company for what could be their best employment decision with the most career potential ever:

- ▶ Who we are and what makes us unique
- ▶ What we do
- ▶ How we do it
- ▶ Who we do it for
- ▶ Your responsibilities and impact
- ▶ How you can help bring us to the next level
- ▶ Role specifics and challenges
- ▶ Legal disclaimers and next steps

If you're sensing a much greater emphasis on marketing and branding, then you're getting the idea of how to take a ho-hum form like an employment offer letter and reinvent it to make it a much more accurate statement of who your company is, why you're special, why this role has significance and importance, and what purpose a new hire may assume in terms of helping the company achieve its mission. Of course you could still include all the employment-at-will jargon to protect the company legally, but you could compartmentalize that information and combine it with "next steps" regarding new hire orientation and the like so new hires don't feel like they'll be out the door if they make one bad decision.

The \$64,000 question is: How do we reinvent the performance review template with that same marketing and branding focus to engage employees while protecting the company legally? How can we make the form itself something that engages employees from first sight? First, let's review the core elements of a typical performance review form to see where things stand today:

- ▶ Performance rating definitions
- ▶ Performance factors
- ▶ Goals and objectives
- ▶ Overall score

Now, let's look at options that could help us engage employees and help them come to see this "report card" as a key development tool focused on helping them excel in their careers and make the company more productive and successful. With that marketing purpose in mind, the revised content might include the following sections:

- ▶ Organizational and/or departmental goals (where we're going)
- ▶ Core values (brand awareness and identity as well as culture)
- ▶ Performance factors (enablers that drive productivity)
- ▶ Narrative results (with concrete indicators expressed in dollars and/or percentages)
- ▶ Career development plan
- ▶ Current "overall impact" evaluation (aka "overall score")

While this list isn't meant to be exhaustive, and you could probably develop other categories that would work best in your company, it's meant to get your modeling off to a good start. Let's see if we can break these overview areas down a bit more to round out their overall feel and usage in the following example of a performance review introduction:

Sample Employee Annual Performance Report

We recognize that our employees are the crucial ingredient to the quality and success of our mission delivery. It is our commitment to support the development of our staff both professionally and personally and in doing so to create an organization with the ability to exceed the expectations of our customers and the communities we serve. The primary purpose of this performance review is to culminate an entire year's performance and feedback in one place to encourage staff development and to strengthen our organization's overall effectiveness.

Each individual and role within our organization has high impact and high value. We consider each employee a partner in our business, and we strive to nurture each individual's intelligence, humanity, sense of humor, and dedication for the betterment of the entire organization and our community as a whole.

This year has had an extraordinary number of financial challenges, not just for our company and industry but also for the economy as a whole. As a result, we've focused on reducing expenses and streamlining operational costs in order to generate efficiencies in scale and to mitigate the need to lay off members of our team. We're happy to say that we were successful in our efforts and did not lay off anyone this past year, but the economy still remains a struggle, and we have additional work ahead of us.

In addition, besides stabilizing our cash flow and reducing operational expenses by 7 percent overall, we successfully incorporated into our fold XYZ Company, an organization that provides us with several distinct advantages for servicing our markets and expanding our presence. Systems, policies, and cultures needed to be integrated, and members of XYZ needed to feel welcome. We're happy to say that while significant additional work lies ahead of us, we consider the acquisition of XYZ a total success.

These achievements are concrete, they should be celebrated, and the organization as a whole should be proud of its efforts. On behalf of the entire senior leadership team, we wish to thank all employees for their unique contributions this past year.

Core Values

The primary purpose of this performance review is to encourage staff development and strengthen our organization's overall effectiveness by:

- ▶ Recognizing specific areas of achievement
- ▶ Stimulating improved performance
- ▶ Clearly defining the goals and objectives of the organization so they could be individually tailored to our employees' individual areas of responsibility
- ▶ Developing mutually established employee-focused goals and objectives
- ▶ Pinpointing areas of greatest effectiveness and additional improvement
- ▶ Increasing employer-employee communications

To this end, the review itself will incorporate many of the core values we've focused on as a company this year, including:

- ▶ Innovation and creativity
- ▶ Excellence in leadership and communication
- ▶ Ethics, integrity, and trust
- ▶ Adaptability and change management
- ▶ Self-development and teamwork

Please keep these core values in mind as the framework around which your performance is evaluated and your key development areas are highlighted.

Performance Factors

We strive to administer thoughtful and careful reviews to all employees. Performance review success depends on both the manager's willingness to complete a constructive and objective assessment as well as the employee's willingness to respond to constructive suggestions for improvement and work with his or her manager to identify and establish goals and objectives that eliminate performance barriers and heighten employee engagement and commitment. While performance factors may change from year to year depending on the current challenges our company may be facing at any given time, this year's most critical performance factors include:

- ▶ Productivity and volume
- ▶ Quality and safety
- ▶ Customer satisfaction
- ▶ Organizational and planning skills
- ▶ Problem-solving skills and results orientation

As you are aware, these were the critical skills identified to help us through the past year in light of the opportunities and challenges that our organization was facing, and they will consequently receive the most emphasis in this review.

Narrative Results

Whenever possible, supervisors have endeavored to provide concrete performance feedback, especially in terms of dollars or percentages that relate to increased revenues, decreased expenses, or saved time. These indicators, however, resulted from all employees' self-assessments, submitted prior to supervisory evaluation exercises, as well as quantified achievements shared throughout the review year, either in one-on-one interval reviews or via quarterly achievement calendars and similar tools. Therefore, if concrete and measurable assessments are not as clearly documented as you would like, you are encouraged to provide your supervisors with more quantifiable data throughout the review year.

Career Development Plan

While the performance review looks backward in terms of assessing past performance, the goal-setting section of the review is in many ways more significant because it represents your future. We realize that career development is the glue that binds people to any company, and our goal is to help you obtain the skills, knowledge, and abilities you require to excel in your chosen career path. Please help your supervisor understand the priorities that are important to you in light of the feedback shared. We strongly believe that while you acquire skills that help you build your resume, our company benefits from the enhanced contributions you make. Every employee is primarily responsible, however, for setting the goals and trajectory of his or her own career development; company supervisors and managers, in comparison, will endeavor to act as coaches and mentors to help you get where you want to go, but they will follow your lead according to your own desires and ambitions.

Current “Overall Impact” Evaluation

The overall score at the conclusion of the evaluation represents the general impact that each employee has had on our operations in general. Just as a reminder, we expect the workforce scores to approximate the following:

≤5%	Distinguished Performance
30%	Superior Performance
50%	Fully Successful Performance
10%	Partially Successful Performance
≤5%	Unsuccessful Performance

Clearly, therefore, the majority of employees will fall under the “fully successful” category, meaning that performance consistently meets the critical requirements of the position and the individual continually performs at the level expected. In general, a “fully successful” score, or 3 in our ranking system, is something to be proud of and celebrated.

Wow—what an intro! If your initial thought is that this is going to make the form way too long, then we’d ask you to step back and think about its importance. The form needs to be longer because it needs to express a whole lot more than just “how you did over the past year.” By sharing organizational challenges and results, core values and performance factors that played an important role in this year’s evaluation, and overall grading trends, you’re producing a holistic document that honors the individual’s full contributions over an entire year of service. It respects people’s intelligence and explains the rationale for the criteria you’ve used in arriving at your current assessment.

Yes, it may feel like a mini annual report of sorts, but shouldn’t an annual review warrant that level of gravitas? In short, you’ll have outlined the key performance measures and the individual’s specific and concrete performance results against those benchmarks in light of your organization’s most recent challenges. This type of format raises the dignity of the evaluation process by placing all employees in the role of partner and business driver. They deserve this type of feedback as a prelude to the specific review of their contributions that follows.

Note as well that this level of detail doesn’t mean that you have to customize all these additional sections of the review for each member of your team—it

simply means that you'll want to give some thought to building these marketing principles into the template itself so that all employees receive basically the same message (with slightly different twists for those in finance vs. IT vs. sales vs. research, and the like). In other words, each department may have a slightly different interpretation of the message above, but 90 percent of the message crafted should fit everyone in the company at any given time, so little additional customization for your particular department should be necessary.

In addition, you'll notice how simple and easy it will be to communicate new challenges and performance measurements for the upcoming review period. While no company has a crystal ball that indicates the future challenges it may face, sharing in advance the following year's key organizational goals, core values, and performance drivers that will be emphasized makes it much easier for employees to involve themselves in the organization's growth and development. Of course some future plans can't be shared in advance—that goes without saying—but outlining your firm's broad goals and employee performance expectations will go a long way in minimizing the disconnect workers often feel from the senior leadership of their companies or from the companies themselves as a whole.

Bottom Line: Make the format beautiful and dignified! Use this critically important record—perhaps the most important document of the entire year for any worker in corporate America—as a distinct expression of your organization's uniqueness. Customize it as a quick and thoughtful exercise, and then replicate it across all performance review platforms as a template meant to engage employees, celebrate successes, and of course protect the company legally.

With this revised template structure in hand, you can then add and customize specific modules for broad classifications of workers—sales, customer care, manufacturing, technical, and even the CEO—so that your form and your content work together to become not only an accurate assessor of historical performance, but equally, if not more importantly, an exciting tool for career development and personal growth. Now *that's* what a performance management scorecard should look like in a twenty-first-century workplace!