

PERFORMANCE EVALUATION

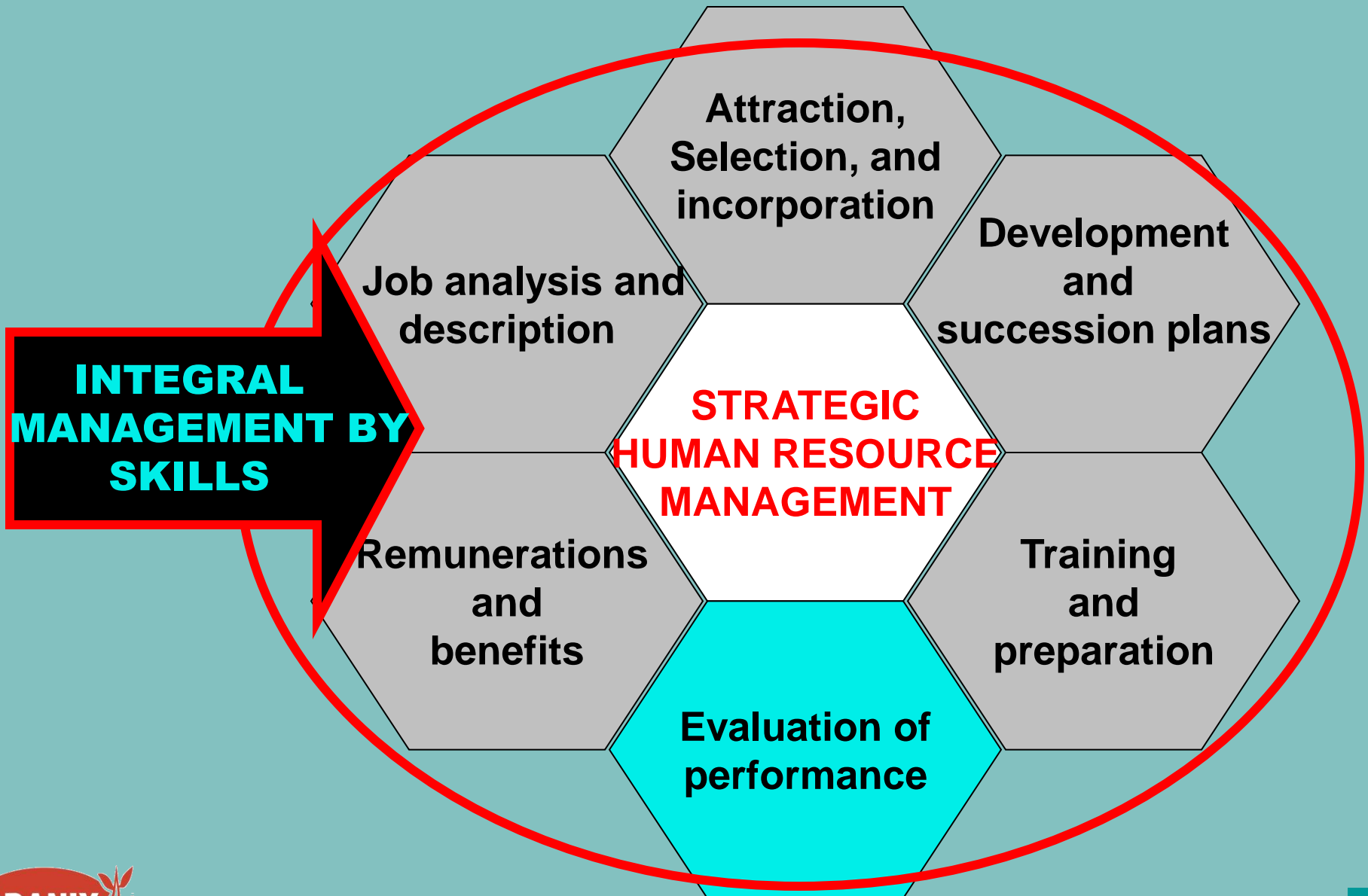


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**ARGENTINA FOOD
FACTORY**

Financial Management

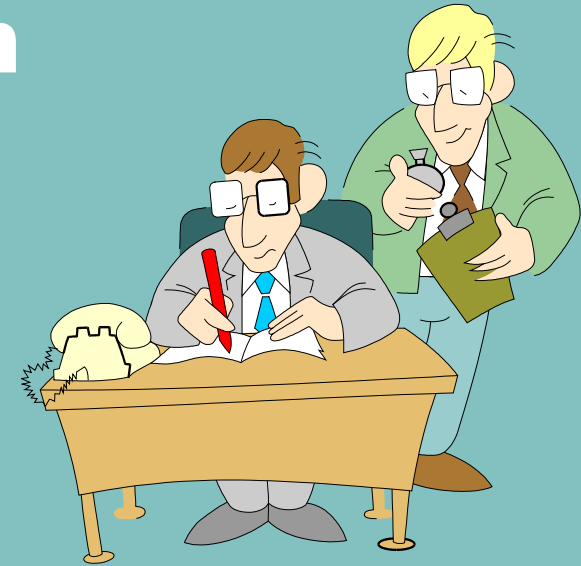
Management of HR by competencies



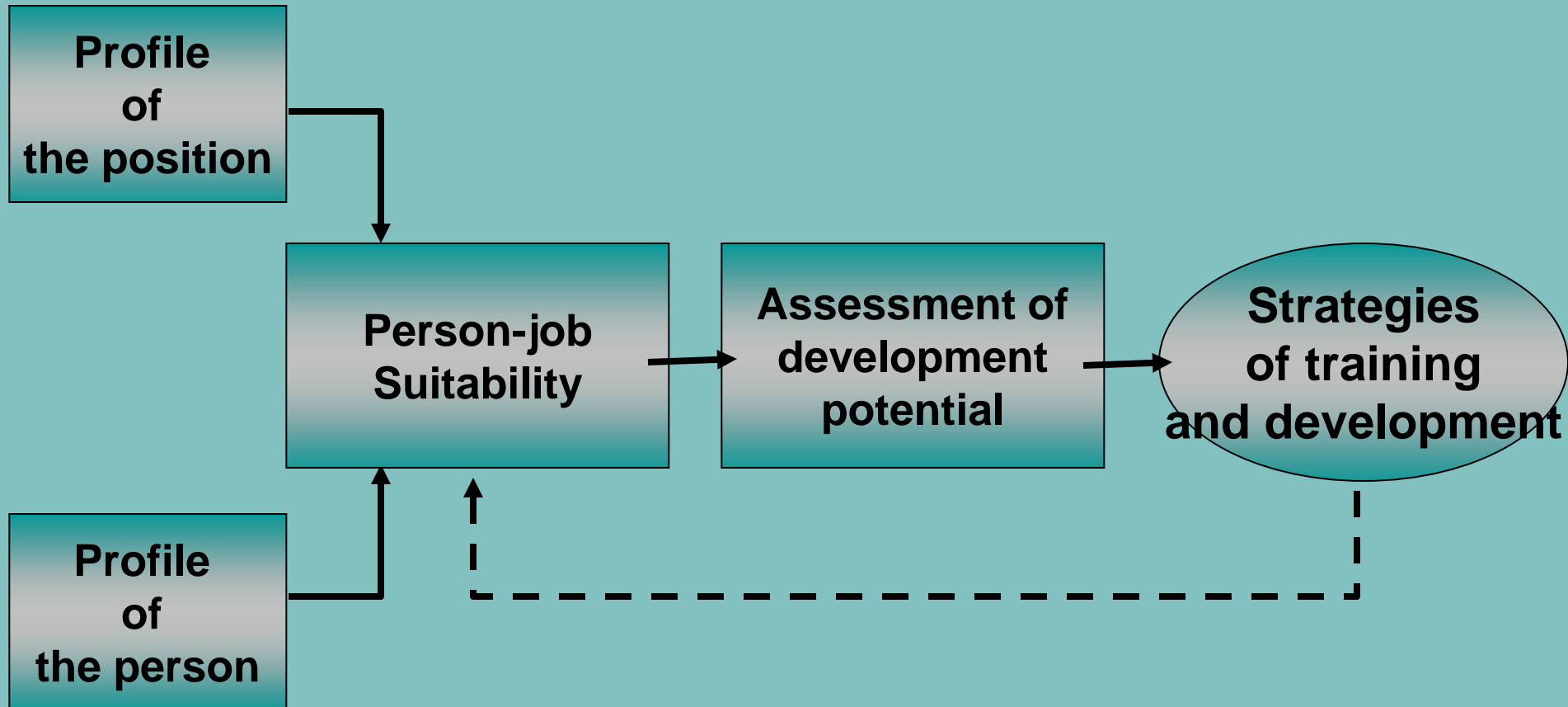
Performance Evaluation

Why evaluate performance?

- To make decisions about:
 - Promotions
 - Remuneration
- From the assessments, managers and their subordinates can meet and evaluate the employee's behavior in relation to work.
- Most people need and expect this feedback.



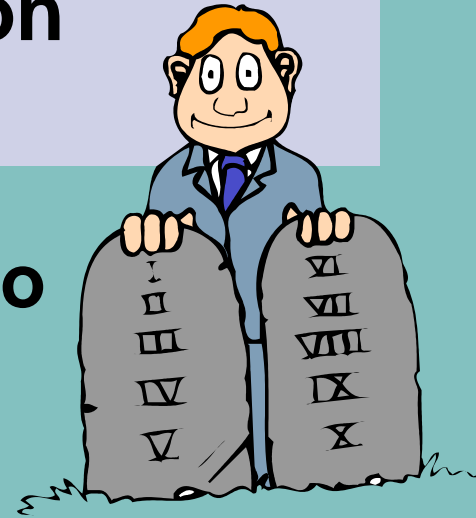
Person-job Suitability



Training of evaluators

It is key in a performance evaluation process.

- **The supervisors are the ones who perform the evaluation of their team.**
- **They should be acquainted with the techniques of evaluation used.**
- **They should evaluate fairly and objectively.**



Steps of a performance evaluation



- 1** Define the position: make sure that the supervisor and the subordinate agree on the responsibilities and the criteria of performance of the position.
- 2** Evaluate the performance depending on the job (include some kind of qualification).
- 3** Feedback: comment the performance and the progresses of the subordinate.

The performance evaluation

Can be used for much more than to increase or not salaries.



THE EVALUATION ALLOWS:

- ◆ Detecting needs of qualification.
- ◆ Discovering key people for the organization.
- ◆ Discovering that your collaborator wishes to do another thing.
- ◆ Finding the person who was looking for another position.
- ◆ Motivating people while you communicate to them a favorable performance and involve them in the objectives of the company.

The performance evaluation

Improves the
future performance
of people

**PERFORMANCE
EVALUATION**

Improves the
results
of the company



Sequence of a performance evaluation

Job description

Observed behaviors

**PERFORMANCE
EVALUATION**

Communication!



Record of the evaluation
interview



RESULTS of the performance evaluation



Description	Suggested increase
Insufficient	0%
Below average	0 – 3%
Satisfactory	4 – 5%
Good	6 – 7%
Excellent	8 – 10%
Exceptional/promotion	+ 10%

ADVICE on performance reviews

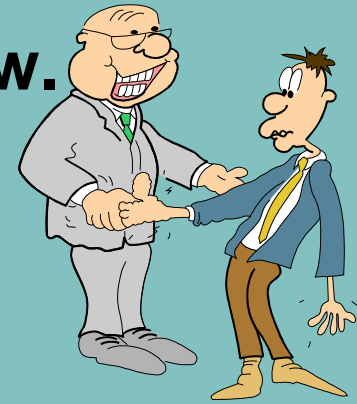
Avoid emotions and plan the evaluation meeting of evaluation.

- Be friendly
- Speak out
- Mark the positive aspects
- Indicate the negative aspects
- Present the possibilities of development
- Talk about salary
- Conclude



STEPS of the evaluation meeting

- Warm greeting that distends the interview.
- Summary: make sure the employee understands the way he was evaluated.
- Strong points and next the weak points.
- Opportunity for the employee to express his feelings.
- Salary: announce the new salary and the date in which it will be effective if he deserved a raise.
- Conclude with a positive statement, except if the performance has been very bad.



THE MOST COMMON PROBLEMS in performance evaluation

- ✦ Lack of standards
- ✦ Utilization of subjective criteria
- ✦ Application of unrealistic criteria
- ✦ Lack of agreement between the evaluated and the evaluator
- ✦ Evaluator's errors
- ✦ Bad feedback
- ✦ Negative communication



The performance evaluation in terms of skills

Evaluations should be always done in terms of how the position has been defined.

If the company works with the model of competencies, it will evaluate based on them.

The competencies are set for the entire company as a whole and then by area and/or level of position. Based on them and the level of need set for this job, the person involved will be evaluated.



What is a 360-degree performance evaluation?

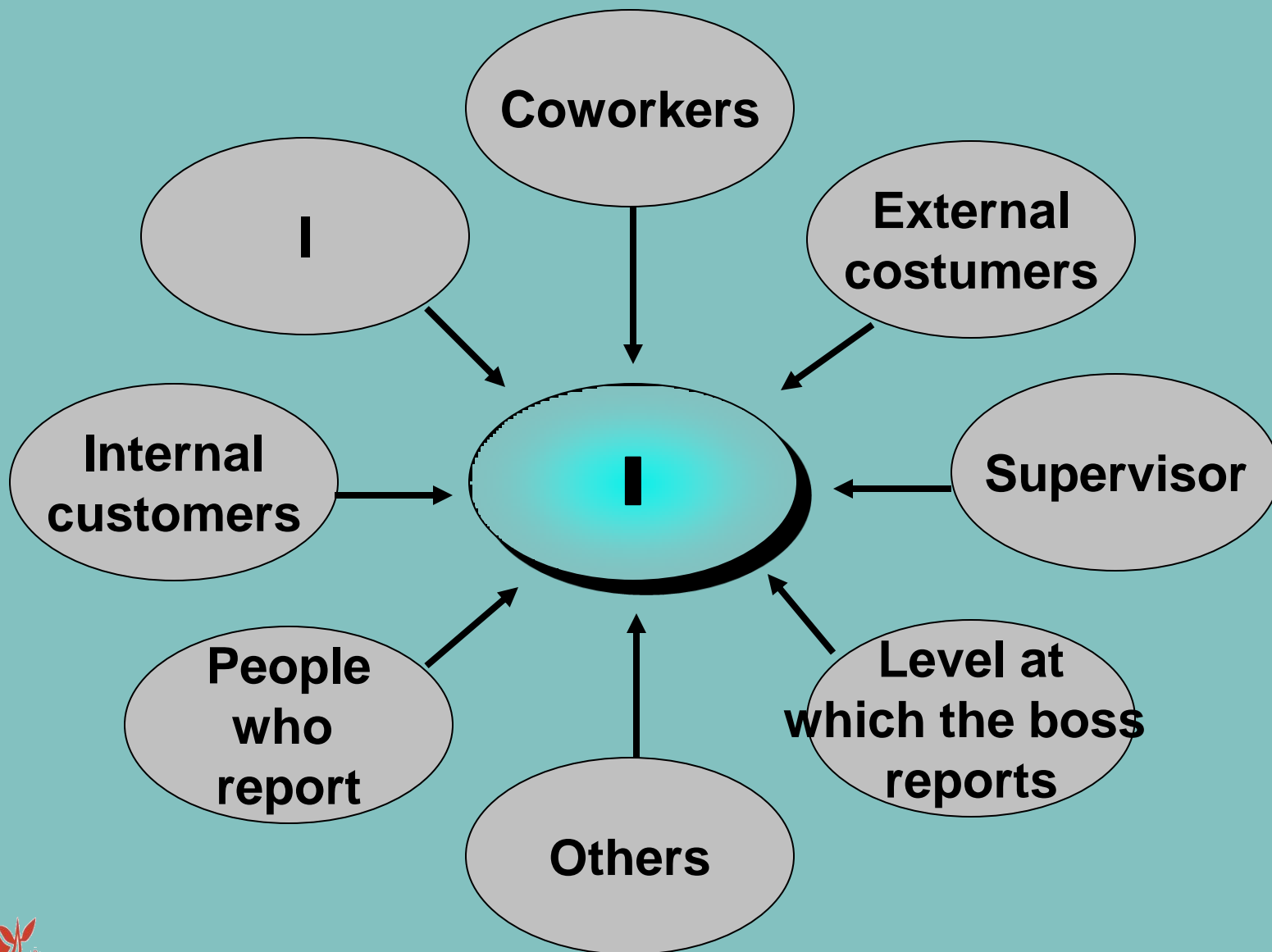
It is a sophisticated system of performance evaluation used, in general, by big multinational companies.

The person is evaluated by his entire environment: bosses, peers, and subordinates.

For example: a person is evaluated by his boss –as in a traditional pattern, and additionally, the boss of the boss, two or three peers, and two or three subordinates etc. Other people can be included, as providers or clients. The greater the number of evaluators, greater will be the level of reliability of the system.



360° *feedback* or 360° evaluation



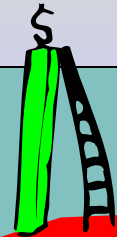
Summary of the performance evaluations with the management of careers

Performance evaluations

Succession plans, transfers, and/or promotions at the individual level

Career plans of the organization

Psychological contract



The role of HR in the two processes: performance evaluation and career management

- It is an consultant (*staff*).
- Designs the tool.
- Helps their fulfillment.
- Cares for the objectivity of the system.
- Manages the tool.
- The true evaluators and designers of the career are the boss and the boss of the boss (*mentoring*).

