



INTERIOR
PLANTSCAPE
ASSOCIATION

Staff Performance Review

MOTIVATE, MANAGE AND REWARD

Staff performance reviews

Finding and keeping good staff is a challenge for most businesses. Conducting performance reviews is an effective way to recognise and reward staff contributions, which can help you retain the expertise you need and minimise your business's staff turnover and recruiting costs.

Many business leaders find that the daily demands of operating a business keep them from properly evaluating how their business is performing. Finding the time to review business and staff performance can help you improve the way your business runs and build a strong and effective team. Establishing a performance review process is an essential part of effective business leadership.

Staff performance reviews are generally conducted every 6 or 12 months by each team member's supervisor. They can be used to:

- Identify performance issues early
- Provide feedback
- Build skills and confidence
- Set clear performance measures
- Keep your staff motivated and accountable.

This guide explains the steps you need to take to run an effective performance review process

Performance review benefits

Staff performance reviews help you recognise and value your team members, clarify their roles and identify training and development needs. Performance reviews also help you create a culture of open communication in your business.

The results of performance reviews can help you make decisions about salary increases and pay grading - allowing you to improve budget forecasts for the coming financial year.

You find out who is doing their job

You can use performance reviews to find out if your staff are meeting the expectations of their job descriptions and:

- Reward staff who are bringing value to your business. Workplace relationships will prosper in a culture that recognises achievement and values accountability.
- Use review processes to evaluate performance and behavioural issues and take steps to address them. Identify training and development needs and help staff plan their career development.
- Set targets for staff performance that help you address inferior performance and reward effectiveness.

Performance reviews allow you to define the roles and responsibilities of your staff and help them to reflect, consolidate, plan and review their work performance. Review discussions are a chance to ensure each staff member knows how they contribute to your business and its aims. Look for opportunities to better align your staff roles with the emerging directions of your business.

You can promote open communication

By talking to staff about their performance, you can promote a culture of open communication, discuss any weaknesses or problems your staff have and help them find solutions. Create discussions that help you

ensure you're taking care of your staff and giving them the best chance of developing, achieving and rising in their roles.

Involving your management team in developing and implementing your performance review process is essential to creating a positive culture of feedback and improvement. This process will also help motivate your team and build their understanding of, and commitment to, your business.

Preparing for performance reviews

Good planning, clear objectives and accurate role descriptions will help you use performance reviews to measure and improve your team's work. Effective performance reviews rely on good preparation. Taking the time to understand each team member's role, and defining your expectations and requirements, will help you and your staff get the most out of the review.

Articulate your goals

Write a clear description of your business's goals and objectives. Describe future directions for your business to help your staff understand and work towards your goals.

Write or review job descriptions

Set clear expectations for your team members by giving them a detailed description of their job and its duties.

Use staff job descriptions to define a set of goals and targets for each staff member. Ensure they are interested in working towards these goals as part of their job.

Define performance measures

Review the targets you have set for your team members and define a set of measures that will help you evaluate your staff's performance. These measures will allow you to identify performance problems and reward performance achievements.

Use a combination of measures relevant to the role to evaluate performance. Measures could include:

Quantity - the number of product units processed, developed, sold or made each week (a product may be anything from a strategy document to a retail item, depending on the nature of the business and role)

Quality - the number of units that failed to meet your quality standards (work rejected or redone)

Positive feedback from customers - using customer satisfaction surveys and business records

Timeliness - work performed efficiently within required business time frames

Cost-effectiveness - the value of financial benefits secured by the team member measured against the costs involved in securing those benefits

Absenteeism - number of days absent from work

Tardiness - lateness to work; missed work deadlines

Creativity - creative approaches to achieving results that are consistent with business values

Behaviours that harm the workplace environment - such as gossip, patterns of criticism and negativity, argumentative or confrontational behaviour

Personal appearance and grooming - dress and personal grooming habits suitable to the workplace and type of customers

Adherence to policy - performance consistent with the values and objectives of the business

Appraisals - assessments by the manager, team members, peers and self.

Develop a review document

Design an evaluation form that helps you clarify the review process for staff and capture information in staff reviews. Your form should clearly communicate goals, job descriptions, requirements and measures - and include space for making notes and comments and assigning ratings.

Review staff records

Ask your management team for any documented critical incidents - both positive and negative - involving your staff. You may also want to review customer complaint and feedback records to see how customers find your staff.

Encourage staff self-reflection

Ask your staff to prepare for the session by reflecting on and evaluating their own performance. For example, have each staff member and assessor rate the staff member's performance to see if their scores match up.

Conducting performance reviews

Creating a culture that promotes reviewing and improving performance will help you grow a strong and effective business. Approaching performance review discussions positively and productively is an important step in building your team's confidence in the process.

Schedule sessions once or twice a year. Maintaining an annual schedule for formal performance review sessions will encourage your team to view performance reviews as part of normal, healthy business function.

Supervisors who have daily contact with the team members in review are best placed to conduct performance review sessions. You may wish to see the results and discuss them with your senior staff members after the sessions. Make sure your management team members are applying your performance standards fairly across your team and handling sensitive conversations with courtesy and consideration.

Prepare staff for feedback

Let your team members know to expect feedback on their performance. Also let them know that the purpose of the feedback is to recognise their significant value to your business and help them reach their potential.

You may also like to ask staff to give you feedback about their job and the business, as this can be valuable in business planning. Acknowledging concerns and comments from your staff will ensure they feel recognised and understood.

Don't rush the time

Allow around 1.5 hours for performance review sessions - this gives team members enough time to become comfortable in the discussion and carefully work through the issues for discussion.

Open positively

Acknowledge the strengths and contributions of team members early in the discussion. Crediting their efforts will let them know they're valued, make them more receptive to constructive feedback, and help them enter the conversation comfortably.

Discuss staff performance

Focus the early part of your discussion on past performance, and then apply those learning's to future goals, planning and performance.

Work through the objectives, goals and targets, focusing on areas of need, opportunity and merit - and reflect on objectives set at the previous discussion.

Provide rewards and remedies

Consider ways to solve staff problems and reward good performance that recognise the needs and preferences of each team member. For example, offer a fixed-period work-from-home day to a staff member with family needs.

Also allow staff to find their own solutions. They will be more inclined to adopt solutions and suggestions for improvement if they have been involved in identifying them.

Clarify next steps

Agree on a new or revised set of objectives and discuss your initial proposals for training and development, new incentives, rewards or other measures. Be measured, positive and confident in making recommendations about training and development needs.

Keep good records of the discussion

Your attention to maintaining performance review paperwork will help you build valuable records that will inform your future reviews and staff development decisions. Be sure to include records of critical incidents.

Outcomes of performance reviews

Effective performance reviews produce outcomes that benefit your staff and your business. Agreeing on outcomes, setting goals, and following up on staff feedback will show your staff you are committed to meeting their needs. Consider these tips to help you and your management team make the most of the performance review process.

Agree on outcomes and set goals

The points of agreement made in your performance review need to be clarified in writing promptly after the session. Ensure both participants clearly state their agreement to these outcomes. Your outcomes should cover development recommendations, any offers of rewards and issues for further discussion and resolution.

Agreed future goals and objectives need clear time limits. Setting time frames will help your staff make positive, tangible progress and allow you to measure that progress.

Keep your promises

If you have offered to work further on an issue with a team member, be sure to schedule time for the necessary discussions and steps. Staff who are encouraged by your support will become quickly disillusioned if you fail to follow through.

Give your staff the tools

Identify training or coaching that is closely matched to the skills you need to cultivate in each team member. Schedule routine catch-ups with your staff to see how they are progressing. If you aren't seeing results towards your agreed objectives, change your course of action.

Consider a mentoring program

Mentoring is an inexpensive and highly effective way to build and strengthen your team. Mentoring is developing one-to-one relationships designed to build skills by sharing professional and personal insights and experiences. Consider establishing a mentoring program that allows you and senior team members to focus on the individual development needs of your team members.

Choose appropriate rewards

Consider rewards for your staff that are well matched to their individual needs. Flexible working hours or extra leave entitlements, for example, may be more appealing to some staff members than simple financial incentives. Tailored incentives also show you are paying attention to your staff and their needs.

If you choose financial incentives, take care that your policy is clear and fairly applied based on merit criteria. In choosing financial rewards, you might consider a one-off, flat bonus for chosen staff at the end of the financial year, or percentage increases based on staff performance levels.

View performance reviews as the beginning, not the end

A good performance review process is ongoing. Use your performance review processes to build stronger, more open relationships between your managers and team members. Emphasise the importance of ongoing appraisals, and ensure you and your team continue to identify development needs and measure their success. Your investment in your staff can earn your business a lasting, loyal and expert team.

Template- Job performance appraisal

When you conduct performance appraisals with individual employees it is imperative to have a form to record their progress along with their goals for the future. That way you can track their progress from one appraisal meeting to the next. I have provided a sample appraisal form below. You could modify it to match the headings in your employee's job description.

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EMPLOYEE'S DETAILS

Name	
Position	
Years/months employed in this position	
Date of this review	Date of next review
Reviewer (name and position title)	

PROGRESS TOWARDS GOALS IDENTIFIED IN LAST PERFORMANCE REVIEW (IF APPLICABLE)

Goal	Action Taken	Completed	Comments

EMPLOYEE COMMENTS AND OPPORUNITY TO EVEALUTE OWN PERFORMANCE

e.g. I have trouble communicating with clients when I do the maintenance job. I would be more confident if I had training in customer service.

REVIEW THE MAJOR SKILLS REQUIRED TO FULFIL THIS POSITIONS'S DUTIES

Check the relevant boxes to indicate the employee's performance in each area. If additional tasks have been performed, ensure these are added here and also to the employee's job description if required.

Task description (taken from job description)	N/A	Poor	Satisfactory	Good	Excellent	Comments
<i>e.g. Customer service</i>		x				<i>Customer service training required</i>

GENERAL COMMENTS ABOUT THE EMPLOYEE'S PERFORMANCE

e.g. Harry is well-presented, popular with staff member but unfortunately tends to lose confidence when dealing with clients when maintaining their plants.

ACTION PLAN – goals for next review period

Goal	Action Required	Date for completion
<i>e. g Complete customer service course</i>	<i>Book Course & complete practical exam</i>	<i>November</i>

ADDITIONAL INFORMATION ABOUT THE ACTION PLAN OR GOALS FOR NEXT REVIEW PERIOD

ACKNOWLEDGEMENT OF PERFORMING APPRAISAL

Reviewer's Signature

Date

Employee's Signature

Date

Signatures indicate that everyone who participated in this review agreed that information and comments written here were true and correct.