

About This Document

Owner: HR

Access & use: Restricted to Managers & HR

What it is: A guide that:

Outlines the step-by-step process for conducting annual and interim performance reviews

Provides point-and-click access to the documents needed for each step, along with instructions and examples

Provides additional information for managers on completing the Annual Performance Review Form

Who uses it: HR and Managers with direct reports

Note: This document includes sensitive information. It should not be shared with staff members who do not have responsibility for direct reports. Use caution and discretion when using or printing.

Overview

At our company, we monitor and evaluate performance at various stages of employment:

New employees or regular status employees in new positions go through a probationary period

Regular status employees participate in an annual performance review

Employees who are not meeting performance expectations undergo a performance improvement plan with their manager, and

Employees who still don't meet performance expectations after the performance improvement plan are subject to involuntary termination.

This guide for managers describes how to conduct a performance review and directs you to forms you and your employees will need. It answers questions like:

Who's eligible for performance reviews?

Who does what?

What happens when an employee doesn't meet expectations for the review period?

What if an employee and manager don't agree?

If you require support or guidance relating to probationary periods, please contact the HR Manager.

Why We Conduct Performance Reviews

To pro-actively and constructively evaluate performance

To reinforce individual strengths and support employee development

To collectively improve the Company's overall performance

To reinforce and clarify performance expectations

To measure individual contributions and accountabilities

To reward staff who exceed expectations

To strengthen retention rates

Who Participates

Regular, full-time, and part-time employees are eligible for an annual performance review.

Temporary or term employees, contractors, and consultants do not participate in the annual performance review process, though temporary or term employees may participate in an interim performance review either by request or at the discretion of their manager.


Full performance reviews are conducted for employees who were hired before November 01 of the preceding year, even if a probationary review was conducted.


Employees who were hired after November 01 of the preceding year, and have not been provided with objectives or a work plan for the following period, do not have to complete Section 1 (Evaluating the Review Period), but must complete Section 2 (Planning for the Next Review Period).


Supporting Documents

There are a number of templates and guides available to support you through the process. The rest of this Guide describes when to use each one, but they're all listed below for quick reference.

Click on an icon in the table below to open that document.

Click  to open the template or guide

Click  to open instructions on how to use the template, spreadsheet or form

Click  to open a completed example of the template or form

Note: The Doc ID column contains a unique identifier for all our HR documents. Think of it like a bar code you don't have to pay attention to, unless you want to double-check you have the right document.

Doc ID	Document Name	Description
PO-MGR-3105-R	<u>Performance Management Overview Guide</u>	A guide that provides overview information, guidelines, and tips relating to the four main areas of performance management
JE-ALL-3530-M.	<u>Job Description Form</u>	Form that provides a written statement describing the duties and responsibilities associated with a position, and the success factors and qualifications required for executing on those responsibilities
PR-ALL-3170-M.	<u>Annual Performance Review Form</u>	A comprehensive performance review form normally used for formal annual performance reviews
PR-ALL-3180-M.	<u>Interim Performance Review Form</u>	Performance review form that includes basic areas for review and discussion. Used for performance reviews in which a condensed form is more appropriate
JE-ALL-3510-R.	<u>List of Competencies</u>	A list of success traits. Used by HR, Managers, and other Staff for writing job descriptions, creating job postings, and conducting performance reviews

Doc ID	Document Name	Description
JE-ALL-3520-M.	<u>Job Procedures Form</u>	Form that documents detailed procedures for a position

Performance Review Process

Prepare

Open the PO-MGR-3105-R. Performance Management Overview Guide and review the Annual Performance Reviews section. This provides an overview of the process, along with guidelines and tips for conducting effective performance reviews.

Determine which form will be used to conduct the performance review:

PR-ALL-3170-M. Annual Performance Review Form – Longer, more comprehensive performance review form typically used for formal annual performance reviews

PR-ALL-3180-M. Interim Performance Review Form – Condensed form typically used for reviews that fall between formal annual performance reviews

Review the form you're using and its accompanying Instructions document. The Instructions document is a resource for employees that:

Clarifies the performance review process and expectations.

Provides information about how to use each Performance Review Form.

Provide your direct report(s) with a copy of the following documents:

Annual Performance Review Form or Interim Performance Review Form

PR-ALL-3170-I. INSTRUCTIONS. Annual Performance Review Form or PR-ALL-3180-I. INSTRUCTIONS. Interim Performance Review Form

Complete First Draft Performance Review Form

Ask your employee(s) to complete the first draft of the Performance Review Form using the accompanying Instructions to guide them.

Give them a deadline date for returning the completed form to you.

Review First Draft & Add Comments

Review the Annual Performance Review section of the Performance Management Overview Guide. This contains helpful guidance on completing the form, preparing for the meeting and avoiding common pitfalls.

Review the form as completed by the employee. Do not modify the information—ratings or comments—even if you don't agree with it.

Add your own comments and ratings (where applicable) to the form. Refer to the Instructions that accompany each form for information on how to complete the form, assign ratings, etc. You may also find it helpful to refer to the following documents:

The JE-ALL-3530-M. Job Description Form for the position and accompanying Instructions. This lists the job-specific skills and competencies required to perform the job, as well as the core company success traits.

JE-ALL-3510-R. List of Competencies. This provides a list of behavioral competencies or success traits that can be used to write job descriptions, create job postings, and conduct performance reviews.

If you require technical assistance with the form or require assistance or advice on providing or receiving feedback, contact HR.

Schedule & Conduct Performance Review Meeting

Once the employee has returned their self-assessed performance review form to you and you've finalized your input, you're ready to conduct the performance review meeting.

Schedule a meeting with the employee:

Schedule at least 1 hour for each review meeting.

Book the meeting far enough in advance of the deadline for submitting signed-off performance review forms to allow for revision or follow-up discussion prior to signing.

Book an appropriate meeting room to ensure your conversation is private and free from distractions.

If applicable, flag any trouble spots in advance. For example: "During the meeting, I would like to discuss the <insert shortcoming or failure to meet goal>. Could I ask you to give that some thought before our meeting and we can discuss how we can work together on a solution?"

Inform the employee that they will have the opportunity to discuss your management techniques during the meeting. Ask them to be prepared to identify 2 areas which you excel as a manager and 2 areas for development.

Print 2 copies of the form for the review meeting. Alternatively, if you and your employee are using mobile computing devices, make sure you both have a copy of the form—with both sets of comments and ratings—on your device. Using an electronic version permits you to input changes or notes directly in the form during the meeting instead of having to do it afterward.

During the performance review meeting:

Begin on a positive note that will set the tone for the meeting.

Discuss all sections of the completed performance review form, but focus on:

Reinforcing exceptional performance.

Discussing areas for development.

Reaching alignment in areas where you and your employee's ratings differ.

Discussing training plan and goals for the next review period.

Discuss your performance as a manager:

Make the employee feel as comfortable as possible. Let them know that you would like them to be honest in their assessment of you as a manager, and that their candid feedback is important and appreciated.

Make it clear that all of your direct reports are expected to provide this type of feedback, and it's an opportunity for you to develop your management skills.

Ensure the employee identifies 2 areas which you excel as a manager and 2 areas for development.

Listen for and pay attention to feedback patterns you receive from your direct reports.

Confirm next steps:

If no changes to the performance review form are required and it's considered final, you may ask the employee to sign the form before leaving the meeting. In this case, print two copies of the final form and have him/her sign both.

If the employee wants time to reflect on the performance review and perhaps add comments to the form or discuss further ideas, allow time to do so. Schedule a follow up meeting to review any further changes or comments and sign two copies of the final form.

End the meeting on a positive note, unless you are dealing with a blatant performance improvement situation. If an employee does not take constructive or negative feedback about their performance well, you may need to end the meeting before resolution can be reached. This gives both you and the employee time to reflect and prepare for a follow up meeting to discuss a solution. In this case, you must make sure a follow up meeting is scheduled as soon as possible, within 1-3 days.

Once the form is finalized and two hard copies have been signed:

Give one copy to the employee, along with any attachments

Forward the second copy to your manager for review, including any attached comments

Your manager will sign and forward the performance review package to HR.

Completing the Forms – Additional Tips for Managers

Detailed instructions for employees and managers on how to complete the performance review forms are provided in the following documents:

PR-ALL-3170-I. INSTRUCTIONS. Annual Performance Review Form

PR-ALL-3180-I. INSTRUCTIONS. Interim Performance Review Form

The remainder of this guide provides additional guidance for managers on how to calculate summary ratings and set goals.

Manager Review & Comments

Both the Interim and Annual Performance Review Forms contain orange-labelled fields for employee comments, followed by black-labelled fields for manager comments. When you review an employee's first draft, make sure they have:

Completed the Overview table at the start of the form correctly. Complete any fields left blank and correct any errors.

Followed the Instructions and appropriately completed all the orange-labelled fields in the remaining sections. Do not make changes to their ratings or comments; simply add your own.

Not completed the Summary Rating or Sign-Off sections. If so, remove their ratings and comments.

Calculating Summary Ratings

This section does not apply to the Interim Performance Review Form as that form doesn't include any fields for individual competency or summary ratings.

However, the Annual Performance Review Form contains 5 sections that require individual ratings and a Manager Summary Rating:

Goal Achievement

Job-Specific Skills

Company Core Success Traits

Position Success Traits

Management/Leadership Competencies (only for managers with direct reports)

Assign individual ratings as per the rating scale in the Annual Performance Review Form instructions. Strive for consistency in how you apply the ratings—consistency across your direct reports, and consistency with other managers. You may even want to get together with other managers to discuss scenarios and examples of when you would apply each type of rating.

Section Summary Ratings

Once the individual goal and competency ratings have been assigned, calculate a summary rating for each section:

Add up the total value of the ratings and divide by the number of items rated. See example:

Goal #	Rating
1	4
2	2
3	3
Total:	9 divided by 3 goals = Section summary rating of 3

Exclude any item with a “5” rating as those items are deemed ‘not applicable’

Summary ratings do not require a whole number. Round averaged ratings to a single decimal point where required

Record the calculated summary ratings and without adjusting the results. Some discretion may be applied in the overall final summary rating, but the summary ratings for each section should simply be based on a calculation.

Final Summary Rating

Add up the summary ratings for each section and divide by the number of sections. See example:

Section	Rating
Goal Achievement	3
Job-Specific Skills	2
Company Core Success Traits	3
Position Success Traits	2
Management/Leadership Competencies	n/a
Total:	10 divided by 4 sections = Final summary rating of 2.5

The final summary rating must be rounded to a whole number.

The highest level of reward is given to employees with a rating of 1

Second and third highest rewards are given to employees with ratings of 2 and 3 respectively

Employees with a rating of 4 are not eligible for any reward, and it’s expected the manager will take action to either work with the employee to improve performance, or terminate employment.

This is where some manager discretion may be applied. You may encounter circumstances where you feel that rounding the final summary rating to the nearest whole number doesn’t accurately reflect the overall performance of the employee. In these cases, you may opt to round up instead of down (e.g., rounding a calculation of 2.6 up to a 2) as long as reasonable rationale is provided in the comments.

Remember that the final performance review form is reviewed by your manager and HR and you should be able to explain why you bumped an employee’s final summary rating up or down.

Setting SMART Goals

This section does not apply to the Interim Performance Review Form as that form doesn’t include evaluation of goal achievement or setting new goals.

On the Annual Performance Review Form, however, there are two sections where goals are written—achievement of goals for the review period, and planning achievement goals for the next period.

Setting “SMART” goals refers to setting goals that meet the following criteria:

Specific. Goals and objectives are well-defined and easily understood by anyone who has a basic understanding of the project/subject. Expected results/outcomes are stated. For example, “Increase

website hits/traffic by 10% for Q1, 10% for Q2, 15% in Q3 and 20% in Q4” is specific, whereas “Increase revenues” is not.

Measurable. Goals states how you will know when the goal/objective has been achieved. For example, if the goal pertains to quantity, specify milestones to help ensure that the outcome meets expectations.

Attainable. Goals are realistic and attainable. The employee is challenged to grow their skills and talents, but the goal/objective is not out of reach for the individual. At the same time, it’s not set below performance expectations or Company standards.

Relevant. Individual goals and objectives are tied to Company goals/objectives. Individual objectives that meet personal, professional, and departmental goals can strengthen the individual’s commitment to the vision and mission of the Company. Completing these goals may also help prepare individuals for positions of greater responsibility.

Timely. The schedule is challenging, yet realistic. Deadlines have been set for milestones that lead up to the final outcome.