

PERFORMANCE REVIEW AUDIT *

Use this audit to evaluate your assessment and avoid assessment problems. Many errors in performance assessments commonly occur because of a lack of preparation, sloppy record keeping, or simple human error. Make sure your performance assessments aren't tarnished by these missteps. Answer the following:

	QUESTION	YES	NO	NOT SURE
1	The evaluation is based on facts, including the employee's job description and notes made in an employee log.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Rating scales are developed with specific reference to job requirements, and each rating is supported with examples of employee behavior.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Each performance indicator is considered independently, without regard to achievement in other areas.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Performance ratings accurately reflect employee achievement, so a variety of high, average and low scores are given.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	Ratings are not affected by personal feelings about the employee.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	Employees are rated according to the work they do, not who they are.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

THE SEVEN SINS

Author Steven Hronec says most companies use performance measures that have little relationship to company goals and that don't help correct work processes to achieve meaningful change. He lists the seven sins that reveal the problems with traditional performance measures:

- 1. Measure Output Only:** Many companies rely on financial measures and other systems that quantify only the results of employee efforts, rather than the work required to produce the output.
- 2. Short-Term:** Hronec believes many companies limit themselves by setting improvement goals only into the next quarter, rather than focusing on the next five or 10 years, which is the time necessary to produce real change.
- 3. Lack Integration:** Often, performance measures are developed separately from company goals, so they do not support company objectives.
- 4. Historic:** By focusing on output and financial results, traditional performance measures come too late to make needed corrections in work processes.
- 5. Isolated And Remote:** When departments set their own performance measures, competing incentives and conflicting objectives hamper the organization's efforts as a whole.
- 6. Too Complex:** Hronec believes most performance measures are unnecessarily complex. Simplifying standards helps employees understand what management really expects of them.
- 7. Not Connected To The Customer:** Every performance measure should be tied directly to a customer need, Hronec says. "What's your biggest point of leverage? The customer."

**Source: HR Specialist*