

Performance assessments are critical for building good teams

Accurate and instructive performance assessments are critical to building an effective team and driving enterprise value.

Growing organizations often lack the structure for conducting effective reviews and tools for assessing and communicating results. That can result in mixed messages, confusion and lack of direction for the organization and its people.

Moreover, typical performance reviews focus disproportionately on job performance at the expense of addressing social and cultural issues.

If an organization is committed to developing its people and is willing to make a commitment to training and development programs, it must also embrace the need to develop and implement an effective assessment process.

So what should be included and how do you go about making this happen?

MAJOR AREAS TO ASSESS

Performance reviews should include two fundamental areas — job performance and cultural adaptation. How is Jane doing in terms of her basic job responsibilities? And, as importantly, is she operating consistent with the mission/purpose and values of the organization?

Think of this as a quadrangular analysis. Along the left vertical side is job performance and along the bottom horizontal side is cultural adaptation. Each has a scale from one to 100.

Employees in the lower left quadrant, whose performance is below 50 percent and who are measured as below 50 percent in cultural adaptation need to go, period. Employees in the upper right quadrant, with high marks for job performance and high marks for cultural adaptation, are model employees and are keepers.

Those are the easy assessments. The more difficult assessments are those employees in



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the lower right quadrant, with below average or poor job performance but high marks for cultural adaptation, and the employees in the upper left with high job performance but low marks for cultural adaptation.

Conventional wisdom would suggest that the employees in the lower right quadrant be given an opportunity to improve job performance while continuing to champion the company's culture. The same wisdom would suggest that the high performer who simply cannot embrace and operate within the culture — consistent with the values of the organization — be dismissed.

The thinking is that it is easier to provide job training and development to someone who is aligned with your culture than it is to convert a high performer who rejects the culture. Also, that high performer can have a very negative influence on other employees.

HOW TO ASSESS

There are obviously many ways to conduct performance reviews, including subjective assessments by supervisors, 360 assessments and Web-based tools. With the advent of the Internet, there are many accessible tools for conducting and communicating performance reviews, and many excellent consulting organizations and HR departments dedicated to developing and refining such tools.

However it is done, the information must be input and collated on a confidential basis and used constructively.

In designing the assessment tool, the following areas should be considered, depending on the position of the person being assessed:

- Work skills — technical and professional; communication skills;
- Administrative skills — organization; Interaction with clients and customers — professionalism, internal and external interaction;
- Teamwork — company first, confidentiality, collaborative;
- Personal accountability — attendance, dependability, judgment, poise, flexibility, creativity, innovation;
- Significant strengths — things to build on;
- Job-related weaknesses — areas for im-

provement, training and development;

- Development — specific opportunities for training and development;
- Culture — mission and values — adaptability and commitment to the company's mission and core values.

In making the assessments, a scale of at least one to five should be adopted. If one is outstanding and five is unacceptable, two could be good, occasionally exceeds expectations; three could be satisfactory, typically meets expectations; and four could be fair, occasionally meets expectations. If the organization is large enough, a weighting of input based on the degree to which the evaluator has contact with the person being evaluated also can be incorporated into the assessment tool.

THE VALUE PROPOSITION

Why go through all of this time, effort and expense to create and execute on assessments?

Confidential and thorough tools can help management identify the winners, losers, keepers and cancers in an organization. It can help management make good decisions with speed, identify areas for training and development, isolate cancers and provide insight. It can facilitate open and honest communication within the organization, as people feel that they are being dealt with in a transparent and productive manner.

There is a takeaway — positive things to leverage and things to work on to improve performance and develop not only as an employee, but also as a person.

The highest value achieved by having effective assessment tools is building a great team. That takes an aligned commitment to identifying the winners and the keepers, building on their strengths, providing training and development in areas where there is identifiable room for improvement and continuing to improve upon the assessment process.

It's yet another step in building a great company.

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