



**Canadian
Manufacturers &
Exporters**

Performance Management Guide



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Performance Review Process

The **Annual Performance Review Package** gives you the tools you need to evaluate your employee's performance.

- **Cover Page (*Sheet 1*)**
- **Performance Rating Form (*Sheet 2*)**
- **Performance Summary Form (*Sheet 3*)**
- **Career Development Form (*Sheet 4*)**
- **Performance Rating Guide (*Sheet 5*)**

DOWNLOAD OTHER SUPPORT TOOLS FROM THE HR TOOLKIT AT:

<http://mb.cme-mec.ca/manitoba/main/people---skills.html>

- Health and Safety 101
- Job Description
- Orientation Guide – Skills for Success @ Work
- Performance Management
- Recruitment and Selection
- Introduction to Lean Tools – Video
- Introduction to Problem Solving – Video
- **iCME** (job posting & job search)
- Reading Writing Math Assessment

Step by Step Guide:



Step 1:

Annual Performance Review – Preparation

1. Look at last year's Performance Review
2. Provide **Performance Review Package** to employee to complete
 - **Performance Rating Form (Sheet 2)**
 - **Performance Rating Guide (Sheet 3)**
 - **Career Development Form (Sheet 4)**
 - **Performance Summary Form (Sheet 5)**
 - **Advise a due date for completion**
3. Provide **Performance Rating Form (Sheet 2)** and **Guide (Sheet 5)** for
 - Co-worker(s)
 - Internal Customer (if applicable)
 - External Customer (if applicable)
 - Advise a due date for completion

(We recommend using a 360 degree review where you get performance feedback from your employee, co-workers, internal customer feedback and if appropriate, external customer feedback. Two from each area would be ideal.)

4. Complete the **Performance Review Package**
 - Complete the **Performance Rating Form (Sheet 2)** and consider the following inputs:
 - completed Performance Rating from employee
 - completed Performance Rating from co-worker(s)
 - completed Performance Rating from customer(s)
 - job description and performance standards
 - your documentation notes
 - feedback or letters from customers/co-workers
 - current disciplinary memos
 - goals set from the last review
 - the previous performance review

5. Complete the **Performance Summary (Sheet 3)**:
 - this is a draft until you review with the employee

Remember to avoid:

Halo Effect - tendency to overrate a favoured employee, or an employee who had a prior good rating

Horns Effect - tendency to rate an employee lower than circumstances warrant

Recency Error - letting outstanding work [or unsatisfactory work] immediately prior to the evaluation offset an entire year of performance

Cookie Cutter Effect - not focusing on individual specific performance and rating all your employees or groups of employees the same

6. Schedule a meeting with the employee for a time and place that is mutually convenient. A conference room is a good choice for privacy without interruptions. Schedule enough time for discussion (approximately 1 hour).

Step 2: **Conducting the Annual Review**

1. Welcome the employee; put the employee at ease.
2. Have the employee give you their responses from the **Performance Rating (Sheet 2)**. Ask for specifics as to why they came up with the ratings. Then provide your summarized ratings including comments and feedback from the 360° review.



3. The employee then reviews their completion of the **Performance Summary (Sheet 3)** followed by your feedback. You can then discuss/agree on the development goals for the next year.
4. Discuss the **Career Development plans (Sheet 4)** and agree on the direction the plan will take.

General Tips:

- Listen and take notes.
- Maintain good eye contact and attentive posture.
- Reflect back to the employee your understanding of what the employee said.
- Don't interrupt, but ask questions only for clarification.
- Apply the 80/20 Rule - the employee talks 80% of the time and you talk 20% of the time.
- Be non-judgmental.
- Compare the actual specific performance results and behaviors to the standards. Stay away from an attitude or personality focus.
- Keep the appraisal open to employee input.
- Ask the employee for ideas about how to resolve problems.
- Focus on the future, not on the past.
- Emphasize strengths, as well as areas that need improvement.
- Be honest and be prepared to discuss questionable items.
- Support the employee's effort to improve.
- Set goals, expectations, and standards together for the next review
- Summarize the session and end on a positive note.

Step 3:

Annual Performance Review - Follow-up

1. Present the finalized **Performance Review Package** to the employee.
2. Confirm actions that will be taken before next review.
3. The supervisor/manager and the employee should sign the **Performance Summary**.

(Signing the appraisal does not mean the employee agrees with the appraisal; it means that the appraisal has been shared with the employee. The employee can provide a written response, which is optional.)

4. Provide the employee with a copy, and file the original in the employee's personnel file.
5. Plan for ongoing feedback about performance goals and standards throughout the year.

Step 4:

6 Month Check-up

Review goals set at the beginning of the year

1. Review the goals are on track
2. Discuss the specific actions to move goals to completion
3. Progress on Performance improvement areas are updated
4. Review



GENERAL PERFORMANCE MANAGEMENT TIPS

Talk to Your People Often

By building a great relationship with your employees you will bring trust, honesty and information. This gives you a head start in Performance Management of your people.

Build Feedback In

On the job, two-way feedback processes gets rid of the nasty surprises that give Performance Management a bad name. By building it in as a natural activity, you take the edge away.

Be Honest

By being frank and honest, which the preparation work in building a great relationship has afforded you, both parties treat each other with respect and see each other as working for everyone's benefit.

Notice Great Performance

When you see good stuff, let people know. Celebrate successes.

Have a System

Performance Management is a process and needs some formality. This need not be complicated, but it needs to be organized and have timescales.

Keep it Simple

If you have a strong relationship with your employees, you already know what they are about. Formal discussions can be straight forward with formality kept to a minimum.

Be Very Positive

Celebrate great performance! Focus on what's going well. It's about successes and building on strengths.



Achieve Their Needs

Remember that we all have needs that we want fulfilled. By working with your employees to create outcomes that will do this, you will strengthen your relationships and channel effort in a constructive direction.

Tackle Discipline

By setting clear standards in your business that everyone understands and signs on to, discipline becomes much easier. Performance Management is not about managing discipline. That has to be managed in a different way through positive discipline steps.

Learn from Mistakes

As part of regular on-the-job and informal review, mistakes will come to light; things will go wrong. By using the “What went well?” and “What could you do differently?” format, the unsatisfactory performance becomes controllable and a positive step.

Annual Performance Review Package

Sheet 1

Employee Name:		Employee Number:	
Department:		Shift:	
Completed by:			
Review Type:			
Date of Review:			
Date of Next Review:			

To Be Completed by Supervisor/Manager:

Employee is eligible and approved for a pay increase based on the applicable pay scale. *New pay rate approved: Yes No N/A

Supervisor/Manager: _____ **Effective Date: _____

***Pay adjustments are effective at the beginning of the nearest pay period - the Effective Date, listed above, may be adjusted to reflect this.*

OFFICE USE ONLY: Actual Effective Date: _____ Date Processed: _____

 Compensation & Benefits: _____

Performance Rating

Sheet 2

Employee Name: _____

Date: _____

Factor	Details	Specific Requirements	Rating	Comments
Measure: Communication		Section Total	0	Minimal Acceptable Rating = 8
Communication	Oral	Expresses oneself clearly in conversations, meetings and interactions with co-workers, leadership and visitors		
	Written	Expresses oneself clearly in written memos, letters, and documentation		
	Comprehension	Understands, follows and relays verbal and written instructions		
Measure: Quality of Product, Process and Performance		Section Total	0	Minimal Acceptable Rating = 16
Performance	Problem Solving	Identifies problems, determines root cause, suggests possible solutions and carries out appropriate actions		
	Attendance	Punctual and reliable		
	Job Knowledge	Understands and completes everyday job responsibilities without assistance		
Quality	Thoroughness	Explores all possible outcomes, identifies important details, and follows through to completion		
	Productivity	Uses time effectively		
	Accuracy	Produces and completes work with a minimal amount of errors		
Measure: Personal Management		Section Total	0	Minimal Acceptable Rating = 19
Team Work	Conflict Resolution	Expresses and resolves conflict with others in a respectful and constructive manner		
	Cooperation	Supports initiatives and collaborates with others to achieve results		
Interpersonal	Respectful Workplace	Shows respect for others		
Personal Awareness	Stress Management	Functions effectively under stress, maintains self control in all situations and displays a willingness to resolve issues in a positive manner		
Initiatives	Training & Development	Participates in training and developments opportunities		
	New Initiatives	Demonstrates support for change		
	Accountability	Assumes responsibility, follows through on work assignments and commitments		

Performance Rating Guide

Sheet 3

Factor	Details	Specific Requirements	1.0	2.0	3.0	4.0
Measure: Communication						
Communication	Oral	Expresses one self clearly in conversations, meetings and interactions with co-workers, leadership and visitors	Not able to communicate thoughts and ideas clearly	Has difficulty communicating thoughts and ideas; making an effort to do so	Able to communicate clearly and effectively	Able to express thoughts, ideas and concerns in a professional manner and assists others
	Written	Expresses one self clearly in written memos, letters, and documentation	not able to clearly communicate thoughts and ideas in writing	Has difficulty communicating thoughts and ideas through written documents but is making an effort to do so	Able to communicate clearly and effectively through written documents	Able to express written proposals, ideas and solutions in a professional manner and assists others
	Comprehension	Understands and follows verbal and written instructions	Unable to follow verbal or written instructions	Experiences difficulty following verbal or written instructions but is making an effort to do so	Able to follow verbal or written instruction; asks for clarification when necessary	Able to follow complex instructions independently
Measure: Quality of Product, Process and Performance						
Performance	Problem Solving	Identifies problems, determines root cause, suggests possible solutions and carries out appropriate actions	Unable to identify and/or anticipate problems; ignores problems	Able to identify and anticipate problems; seldom provides possible solutions	Able to identify and anticipate problems; provide possible solutions; participates in the implementation of solutions when possible	Anticipates what needs to be done and takes appropriate action before being asked or the situation requires it. Refers appropriate situations to leaders
	Attendance	Punctual and reliable	Absenteeism percentage greater than 10% and/or two or more unexcused lates and/or absences	Absenteeism percentage of 5% or greater and/or one unexcused late and/or absence	Absenteeism percentage of less than 5% and no unexcused lates or absences	Perfect attendance; puts in the necessary time to meet commitments
	Job Knowledge	Understands and completes everyday job responsibilities without assistance	Needs frequent assistance and supervision to complete tasks	Requires occasional clarification and assistance to complete tasks	Understands and completes job tasks without assistance	Coaches and assists others in completing tasks
Measure: Quality of Product, Process and Performance <i>cont'd</i>						
Quality	Thoroughness	Explores possible outcomes when necessary; identifies important details, and follows through to completion	Does not pay attention to detail; No consideration of consequences	Catches/foresees some details, misses other important details; follow-up is incomplete	Pays attention to detail, explores options, and follows through to completion	Follows through to completion, while identifying improvements in processes
	Productivity	Uses time effectively	Requires reminders to return to work; below standard work outputs; uses work time for personal matters	Completes work, unable to meet deadlines without supervision or working overtime	Manages own work schedule so tasks are completed in a timely matter	Completes work at an above average rate; consistently meets or exceeds deadlines; makes effective use of downtime and coaches others
	Accuracy	Produces and completes work with a minimal amount of errors	Work often needs to be redone because of amount of errors	Produces work but requires assistance to identify errors	Identifies and resolves errors	Assists others with data integrity

Measure: Personal Management						
Team Work	Conflict Resolution	Expresses and resolves conflict with others in a respectful and constructive manner	Responds to conflict with verbal or physical outbursts; instigates conflict among co-workers	Avoids conflict; unable to resolve issues without assistance	Able to discuss conflict with co-workers and works to find a solution; seeks appropriate assistance when necessary	Encourages conflict resolution among team by acting as a mediator; refers appropriate issues to leadership.
	Cooperation	Supports initiatives and collaborates with others in and outside the department to achieve results	Works against the best interests of the team	Does not work effectively within team environment; cooperates reluctantly	Works effectively within team environment; makes effort to participate and help others	Promotes and encourages team work throughout the organization; motivates others to participate
Interpersonal	Respectful Workplace	Shows respect for others	Documentation of inappropriate language, gestures, behavior or contact; ignores company policies	Understands what inappropriate language, gestures behavior or contact is; generally adheres to company policies	Uses appropriate language and behaviors; to show respect for others; follows company policies	Promotes company policy and a respectful workplace by coaching and encouraging others to do the same
Measure: Personal Management (cont'd)						
Personal Awareness	Stress Management	Functions effectively under stress, maintains self control in all situations and displays a willingness to resolve issues in a positive manner	Not able to maintain self control under stress; becomes irritable and unapproachable	Able to maintain self control in most situations; has some difficulty dealing with stressful situations and/or recognizing need for support	Remains calm throughout stressful situations; does not allow stress to negatively affect their performance or work relationships	Supports others in stressful situations; Encourages possible solutions to stress
Initiates	Training & Development	Participates in training and development opportunities	Resistant to training and development opportunities	Takes required training as suggested by leadership, with minimal effort	Shows enthusiasm about training and development opportunities	Seeks out opportunities for training and development; progress oriented
	New Initiatives	Demonstrates support for change	Does not support change; returns to old methods	Indifferent to change; offers no opinions	Accepts change; demonstrates a willingness to try and accept new methods	Leads change in continuous improvement; encourages others to participate in new methods; actively searches for opportunities to get involved in Change Projects
	Accountability	Assumes responsibility for behaviour and performance, follows through on work assignments and commitments	Documentation of policy infraction in file; rarely meets commitments and deadlines; chooses not to adapt behavior based on situations.	Follows policy and procedures reluctantly; sometimes takes responsibility for behavior and performance; irregular follow through on commitments	Willing to make commitments and follows through; adheres to policy and procedures; takes responsibility for behaviours and performance	Supports policy and procedures and encourages others to do the same; Has a broader scope of commitments, encourages team to ensure follow through

Career Development Plan

Employee Name: _____

Current Position: _____

Target Position: _____

Supervisor/Manager: _____

Date: _____

1. Training & Education Required

2. Skills & Experience Required

3. What can the Company do?

4. What will you do?

5. Actions to be taken before next Review:
1. _____
2. _____
3. _____
4. _____
5. _____

Employee Name: _____

Date: _____

Employee Comments

Supervisor/Manager Comments

Development Goals:

What will the Company do to help you succeed?

What will you do to succeed in meeting these goals?

Employee signature

Date

Supervisor/Manager signature

Date