

# Beyond the Horizons Consulting

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## Therapy for Business®

Have you ever wondered why some organizations function so well, while others seem to have nothing but logjams? — Leaders need to have vision which they communicate clearly to their employees. Leaders also need to engage their workers emotionally in the tasks at hand. Sometimes an organization needs a little therapy!

**Our April Newsletter examines five different methods by which to evaluate employee performance. We continue by looking at the all -important question of how to choose or develop objective raters. Our April article begins on page 2 of the Newsletter.**



Beyond the Horizons Consulting offers a variety of services for individuals, teams, and organizations.

- ◆ Individual coaching for managers is a process that begins by identifying your style, what you want to retain and strengthen, and what you want to modify. Objective assessments are part of the process, as are also a mutual give-and-take process of creative problem solving and supportive guidance.
- ◆ We offer group seminars on identifying and dealing with stress in a relaxing and supportive

environment.

- ◆ Our team building seminars will help your team or department run more smoothly, whether it is a brand-new team or one that has been put together after a reorganization.
- ◆ Our communication seminars identify crucial parts of the communication equation and help you put them all together by using role play, among other practical, hands-on experiences.
- ◆ Critical Incident Stress Debriefing (CISD) is a special tool we are equipped to provide to your business whenever there is a traumatic incident — death of a coworker, robbery, layoffs, etc. — in the workplace.
- ◆ We also offer group seminars utilizing excellent tools, including the Myers-Briggs Type Indicator or the DISC, to help you see *in black-and-white* differences in personality type and behavior.
- ◆ Our conflict resolution services help opposing parties identify mutual purpose(s) and restore harmony to the workplace.
- ◆ It is our pleasure to tailor a seminar to your company's, department's, or team's needs!

Our serene, off-site location appears featured in our May and June 2005 Newsletters.

**Call us to schedule a complimentary consultation for yourself or your business!**

**Our helpful Office Administrator, Stan, will work with you to schedule a meeting time that fits your schedule.**

Stan and Jean Eva can be reached at (505) 466-4990, or on-line at [info@beyondthehorizonsconsulting.com](mailto:info@beyondthehorizonsconsulting.com).

## Sources of Performance Ratings

### GRAPHIC RATING SCALES

These are much like the 0 - 100% or A - F scales used in most public school systems. The disadvantages of such scales — besides the common fact of subjectivity among all these methods — are that they can suffer from halo effect and central tendency errors. “Halo effect” means that the rater has a tendency to overrate an employee’s performance, possibly because the rater likes that person or because giving team members good ratings is thought to enhance the manager’s overall performance.

### EMPLOYEE COMPARISONS

One method is *rank ordering* all team members, that is, from best to worst. This again might involve huge subjective judgments. Another method is via *forced distribution*. Here we basically use a bell curve to designate the best (“A”) employees, who clearly represent a minority, the average (“C”) employees, who represent the majority, and the worst (“F”) employees, who like the A’s represent a minority.

### CRITICAL INCIDENTS

This method involves using a team to identify those behaviors which are *hallmarks* for a particular job. For example, in customer service it may be key for an agent to ask at the end of a conversation with a customer, “Have I answered all your questions?” This item would then come at the top of a *behaviorally anchored rating scale (BARS)*. The most important question for managers and teams to ask as they develop a BARS is, “Is the observable behavior a true measure of the actual performance behavior?”

### SELF-ASSESSMENTS

Self-assessments are valuable in that they demand mindfulness on the part of the respondent. They get employees thinking about their own performance and may be a greater motivator than any other method of assessment, particularly with certain personality types. A caution, however: Certain individuals tend consistently to evaluate themselves higher — or lower — than an objective rater would.

### PEER ASSESSMENTS

These instruments tend to have high reliability, perhaps as

high as 80 - 90%. Here are some possibilities for peer assessments:

- 1 Peer nominations: Certain individuals are singled out by the team who demonstrate noticeably high performance on any number of dimensions.
- 2 Peer ratings: Employees evaluate each other on a number of dimensions using a 1 - 5 rating scale.
- 3 Peer rankings: Who among the group is the best on a particular aspect of performing the job? Who is worst? The advantage of combining both No. 2 and No. 3 is that there is breadth of rating over a number of dimensions. Thus the overall “portrait” of the person’s performance which emerges is multidimensional and rich in information. In addition, no one person gets to say all; thus the instru-



ment is less subjective. It also takes into account day-to-day observations of those who may best be able to appraise an employee’s per-

formance — his/her coworkers.

### QUESTIONS TO ASK IN CHOOSING A RATER

If a company decides to use individual raters rather than or in addition to peer assessments, a number of factors arise in choosing unbiased raters. First of all, let us reiterate that the person who rates an employee on a given assessment should *not* be the same person who determines the actual amount of the raise. There should of course be a scale to be used as a guideline in determining monetary bonuses and raises, based on appraisals, longevity with the company, peer ratings or nominations, and the like.

Raters themselves can be biased on a number of counts. If a manager is evaluating a direct report, s/he may feel, without necessarily being aware of it, that the employee’s performance reflects directly upon her. Thus a supervisor’s judgment may be clouded by a need to preserve an aura of excellence, which then produces a “halo effect” on the appraisal(s). The question to ask is, “Can I (can this rater) be objective in evaluating the performance of workers I have personally trained and am currently responsible for?”