



Ingredients of Performance Appraisal

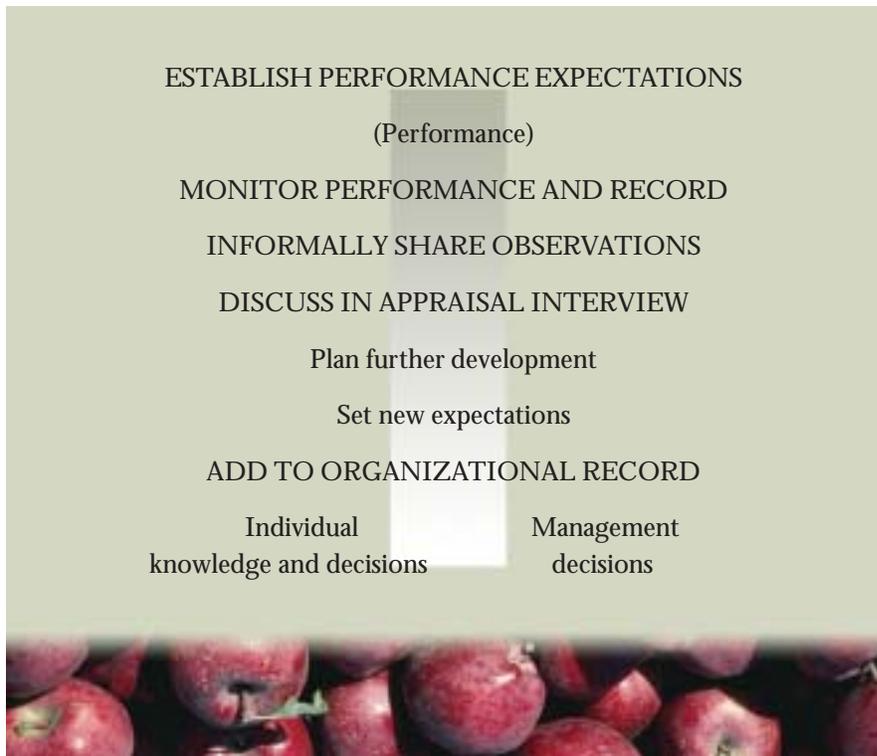
Like pick-up trucks, formal performance appraisal systems come in different models. The stripped model, at rock bottom price, requires only two elements: an episode of work (performance) and an appraiser. A better model, with wheels, requires a recipient of the appraisal information (e.g., the employee, a personnel manager, etc.). An equipped model also would include a record of the appraisal and standards or expectations to guide the appraisal—some basis for turning raw observation into evaluation. To answer a question about how the cowboy, gardener, mechanic, or new supervisor is working out, you have to implicitly add, “Compared to what?”

In the deluxe model of performance appraisal, the dimensions of performance to be appraised and standards of different performance levels are clearly set forth ahead of time. These dimensions and standards help guide the appraised in their work, as well as appraisers in their observations, throughout a performance period. Ideally, they are codified on an “instrument,” or appraisal form, on which the appraisal is eventually recorded. A final option on this deluxe model is training for appraisers.

The elements outlined above can be combined in different systems. An example flow of procedural steps is shown in Figure 5.6. The process starts with the establishment of performance expectations, a touchstone of what the employee is supposed to do and how well. The list of duties on a job description makes the perfect aid for this step, and standards of different performance levels on each task can be agreed upon by supervisor and employee together. Observation of actual performance and results comes next. Maintaining communication about the observations both facilitates real-time adjustments and keeps the eventual appraisal interview from turning into a stressful revelation of horrors.

If employees are asked to prepare an assessment of their own performance ahead of time, the appraisal interview can be framed as a sharing of perceptions and planning for the next performance period. Desirable outcomes from this meeting are both new performance expectations and plans for employee development. The employee can use the information gained through the interview for individual decisions, and a record of the appraisal is normally sent to the company files for use in management decisions.

Figure 5.6. Steps in sample performance appraisal process.



Utility of Performance Appraisal

Establishment of a structured appraisal program is an investment that can pay off for agricultural producers in better management decisions, as well as enhanced worker performance. To the individual, a performance appraisal represents feedback, if nothing else. People generally prefer to know where they stand and how they are perceived. Uncertainty produces stress, making people anxious, uncomfortable, forgetful, bitter, resentful, or otherwise unwell in ways that may haunt the employer. Performance appraisals also help people make sense of the world and understand why it treats them as it does. Appraisal information explains decisions that may otherwise appear arbitrary, such as the granting of a raise, the sponsorship of a training program, or the transfer to a distant ranch. Most important to the individual employee, performance appraisal provides *direction and guidance*.

These steps also benefit the employer. The farm where employees get informative feedback, understanding, and guidance reaps the benefits of a healthier, less distracted, more knowledgeable, and ultimately more skillful staff. Appraisal information helps organizations additionally in respect to communication, reward distribution, personnel planning, training needs assessment, and employee selection. The process provides a stimulus and structure for regrettably infrequent employee-supervisor dialogue.