

Performance Appraisal

... the limitations

Strategic thinking or operational mindset?

- **Strategic thinking** is seeing ahead (Mintzberg 1996)
- **Learning in the workplace** would need to involve double loop learning. Single loop learning involves using one dimensional questioning which draws out one dimensional answering and double loop learning puts questioning back to the asker. (Argyris1996).
- **Double loop learning** challenges existing assumptions and develops new and innovative solutions, leading to potentially more appropriate actions (Heracleous1994).

Performance Appraisal

- What is **Performance Appraisal**?
- **Performance Appraisal** is the formal, systematic assessment of how well employees perform their jobs in relation to established standards (Huang 2000)
- Performance Appraisal is often confused with *Performance Management*

Performance Management

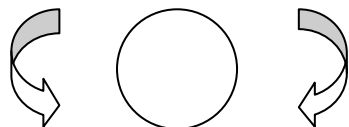
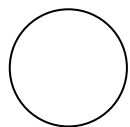
- What is **Performance Management**?
- It is a system which manages performance. Potgieter (Human Capital Magazine, undated) says it sets performance objectives aligned to strategic and/or operational plans It is the system for managing, leading, organising it and controlling performance.
- **Performance Appraisal** is the tool used to assess how well a person completes their job – a process which is part of the overall performance management system.

So let's go ...

- At what level is performance appraisal conducted in your workplace?
- Why is it done?
- Are there team and organisational performance goals to be met?
- What are some of the flow on effects of performance appraisal?

Performance Appraisal

- **Traditionally used** for career development (eg training course) of the *individual* and succession planning for organisation.
- **Done periodically** rather than as issues arise. Can also be done at ‘forming’ stage as well as ‘performing’ stage of teams. (Tuckman’s stages of group development, 1965)
- Better systems use **360° feedback** – subjective, not competency based & often felt as management imposed & daunting to go through.



The Flow-on Effects

- PA done on individuals **yet we work in teams.**
- Dysfunction is often hired in. Oops. **Has your organisation ever** looked *backwards from performance appraisal* to see what skills, knowledge and abilities should be recruited in?
- **This would assist in improving staffing composition of teams & appraising performance of teams** (performance appraisal of individuals often has team & organisational goals but 360⁰ feedback is not currently aggregated to capture value at team & organisational levels).

Recruitment & Selection – what is possible

- **Build ideal team profile** from performance appraisal of individuals (person-job fit) & teams (person-team fit) & organisations (person-organisation fit) (Burch & Anderson 2008).
- **Recruit & select** through devising & mapping competency based interpersonal, cultural & technical skills needed for the job, for that person to produce goods & services for markets/economies the organisation is in.

End Results?

- **Improved attraction, retention & staff engagement through:**
 - ✓ predictive recruitment & selection;
 - ✓ upgraded performance appraisal process for organisation, individuals & teams;
 - ✓ highly performing individuals & teams;
 - ✓ increased job & client satisfaction;
 - ✓ increased market value of organisation.

QUESTIONS?

What insights from this session are you taking back to work?

How will you apply them?

If your organisation would like a strategic thinking workshop on this topic please contact me.