

Waiting for Santa



When do you do formal employee performance reviews? Is it annually, semi-annually, quarterly or never? There is probably something to be said for all of them, but I'm an advocate of never, especially in small companies. I'm talking "formal" now – you know where they say you are 8 out of 10 on "works and plays well with others". I do believe that employees need to know when they are doing something right and when they are doing something wrong, but saving up all the information for a formal review is not the answer. Unless you are a meticulous note taker the review is only going to contain the information most recent in the reviewer's mind. It is kind of like Christmas when everyone tries to be very, very good before Santa arrives.

While I am an advocate of "never" for smaller companies I do believe that problems or issues need to be addressed, but at the time they occur, not some arbitrary date in the future. By making suggestions to correct inappropriate actions and praising the appropriate actions you and the employee are consistently working to improve performance on both sides as you move throughout the year.

This way when it comes to annual discussions you can concentrate on setting goals you need the employee to work with you on to improve the company and you can do raises based on the company's bottom line. If the employee is still working for you their performance would warrant a raise if you can afford one. By making performance reviews as an ongoing process you have taken some of the angst out of annual reviews.

Setting goals with your employees is so much more beneficial. Chances are they know their weaknesses and also know what might be helpful to improve the company's bottom line. Caution: You don't set the goals, you work together to set the goals for the coming year and you get the buy in you need.

However, if you have supervisors that only tell their employees negative things, then you have another problem that we can discuss at a different time. Don't make your employees "Wait for Santa" make sure Santa visits them throughout the entire year.