

# ABC LTD

## Appraisal System for Management and Staff

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### Purpose

1. In line with our Vision of “Creating Delighted Customers by Providing the Complete Service”, we are introducing an appraisal system that we believe will help focus staff on its delivery.
2. The introduction of a successful appraisal system is well known to bring cohesion, accountability, consistency of delivery and identification of individual training needs to help individuals progress their careers, as well as helping the company to thrive and provide quality long-term employment.

### Procedure

1. We will assess the previous six months of the staff members (or shorter period as appropriate) in terms of performance against job description, agreed targets and agreed training.
2. Agree Action Plan for next assessment period (maximum six months).
3. Agree personal development and training needs.
4. Line manager to arrange date for review meeting and give appraisee the appraisal sheets.
5. Appraisee to self-assess prior to review meeting and bring appraisal sheets to meeting.
6. Don't rush it! Do not underestimate how long a thorough appraisal takes. It's counter-productive if the appraisee feels their manager has one eye on the clock. We suggest allowing an hour or more of *uninterrupted* time for each appraisal.
7. Appraisal form, target score for next appraisal, and Action Plan to be completed jointly by appraisee and line manager, signed by both, and passed to appraiser's line manager for review.
8. If an appraisee feels he/she has been unjustly scored he/she may request a review by the Managing Director, whose opinion is final.
9. Once the assessment form is complete each column's ticks are added up and totalled at the bottom of the form.

#### EXAMPLE

TOTAL TICKS PER COLUMN (A)

COLUMN WEIGHTING (B)

COLUMN VALUE (C = A X B)

**FINAL SCORE** (sum of row C)

V. GOOD	GOOD	OK	POOR	V. POOR
3	4	8	2	1
+2	+1	0	-1	-2
+6	+4	0	-2	-2
				<b>+6</b>

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### 10. Explanation of “Final Score”

- a. We expect the appraisee to achieve a final score of zero or better.
- b. Where a final score is negative, help will be given to the appraisee to improve to zero and better at the next assessment.
- c. The appraisee will be expected to put in the effort to reverse individual negative scores of poor and v poor by the next assessment.
- d. A negative final score of up to – 5 will automatically mean the next review is within three months.
- e. A negative final score of in excess of – 5 will automatically mean the next review is within one month.
- f. Annual salary review increments and bonus payments may be awarded on the basis of reviews during the year with the final score of all assessments during the year averaging at zero and better. *Example illustration:-*

below average performance	no pay increase
average performance	Cost of living index
above average performance	Cost of living + 1%
excellent performance	Cost of living + 2%

- g. Continual negative final scores at assessments will lead to disciplinary action being taken for continual poor performance.

11. As part of the assessment a review of the job description should take place. The opportunity exists to amend the job description as changing circumstances dictate.

12. Appraiser to take notes of/make comment on:

- a. Good scores
- b. Disputed scores, the nature of the dispute and the reason for the final score. The appraiser has the right to over-ride the appraisee’s self-assessment.
- c. The specific assistance needed (if any) to help the appraisee improve his/her scoring.
- d. Training needs of the appraisee.

13. The appraiser will keep a record of critical incidents, i.e. specific occurrences of good or bad performance, throughout the year. These incidents will be discussed with the appraisee as and when they happen, and will form part of the next appraisal

14. Setting agreed Targets will be based on the Operating and Marketing Plans and appropriate departmental financials such as sales, margins, costs.

15. Training needs will be agreed through the job description scoring and the appropriate development needs of the individual agreed in advance with the line manager.

Management is open to constructive suggestions from all staff to improve the effectiveness of our appraisal processes.