Applications in Human Resource Management

5th Edition

Stella Nkomo
University of South Africa

Myron Fottler
University of Central Florida

R. Bruce McAfee
Old Dominion University
PERFORMANCE APPRAISAL

59. EXERCISE

EvalSim—A Performance Evaluation Exercise

I. Objectives:
   A. To familiarize you with some of the problems related to the use of performance appraisals and to provide alternative approaches for solving these problems.
   B. To give you practice in making decisions and writing memos to employees regarding performance appraisal issues.
   C. To familiarize you with the major duties or tasks that personnel specialists must perform with regard to a firm’s performance evaluation system.

II. Out-of-Class Preparation Time: 20 minutes to read exercise plus one hour to complete E-mail Items either individually or with group members and write memos.

III. In-Class Time Suggested: 45 minutes to discuss all E-mail Items.

IV. Procedures: This exercise can be done individually or in groups of three to five members, at the instructor’s option. You are to begin by reading all of the material presented in this exercise. Assume that you are responsible for developing and maintaining the O’Leary Organization’s performance appraisal system. You are to assume further that the items that follow were waiting in your E-mail when you arrived at work after a three-week vacation. You (or your team) are to respond in writing to each employee who sent you an E-mail. Second, explain on a separate sheet of paper what additional actions you would take with reference to each item. For example, if you believe that you should gather additional information before making a final decision on an item, explain what information you would want. Or, if you believe that additional memos or discussions with someone in the company are needed, explain this. You (or your team) should bring both the memos and the “Additional Action” sheets to class. Be prepared to present and defend these materials during the class discussion.
The O'Leary Organization is a medium-sized organization with headquarters located in the midwestern United States. You may assume that the organization is a manufacturing company, a hospital, an insurance company, a university, or virtually any other medium-sized organization with which you are familiar.

The O'Leary Organization's Human Resource Department is organized in the manner shown below:

![Diagram showing the organization structure of the Human Resource Department]

The Training and Development section consists of you or your team. In addition to conducting training, you have full responsibility for the organization's performance evaluation system. Included among your duties are:

1. Determining which employees will be evaluated.
2. Determining how frequently employees will be evaluated.
3. Determining which appraisal format should be used.
4. Determining which job categories will be used to evaluate the employee's job performance.
5. Determining who should evaluate each employee.
6. Insuring that all evaluators know how to complete the organization's performance appraisal form and how to conduct evaluation interviews.
7. Establishing the performance appraisal system and insuring that all employees adhere to it.
8. Maintaining all performance appraisal records.

The O'Leary Organization's present performance appraisal system, which you see to assume you or your team designed, requires that all employees be evaluated by their supervisor on a periodic basis. All employees are evaluated at the end of a 90-day period (the probationary period) and on a yearly basis thereafter. The performance appraisal form used by the organization is shown in Exhibit 3.1. Supervisors are required to complete this form for each of their employees at the appropriate time, discuss the evaluation with him or her, ask the employee to sign the form at the end of the evaluation interview, and return the completed form to the Human Resource Department.
Exhibit 3.3 The O'Leary Organization Performance Appraisal Form

NAME ___________________________ SOCIAL SECURITY NO. ___________________________
TITLE ___________________________ DEPARTMENT ___________________________
TODAY'S DATE ___________________________ APPRAISAL PERIOD FROM ___ TO ___ Annual ___________________________

PART I Performance Rating (All Employees)

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Utility</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Attendance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Attitude</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Appearance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Conduct</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Initiative</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Work with Group</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Promotability</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quantity of Work</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quality of Work</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overall Level of Performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

REMARKS ___________________________

Prepared by ___________________________ Title ___________________________

COMMENTS BY REVIEWED EMPLOYEE: ___________________________

Employee's Signature ___________________________ Date ___________________________

(Employee signature does not indicate agreement, merely acknowledgment of this report.)

1 — Unsatisfactory 2 — Below Average 3 — Satisfactory 4 — Good 5 — Excellent

Exercise 59: Exhibit 3—A Performance Evaluation Exercise
E-Mail Items

Item 1: Memorandum
To: HR Department
From: Tom Morris, Accounting Department
Subject: 90-Day Employee Evaluation

I just received my 90-day employee evaluation and received mostly “3’s” on it. My boss explained his evaluation to me by saying that I was making good progress on the job. He asked that, if I continue to show improvement, I will receive “4’s” and “5’s” like the more experienced employees do. Why am I being evaluated against older, more experienced workers? That doesn’t seem right. I believe that, considering my limited experience, I deserve “excellent” evaluations.

Item 2: Memorandum
To: HR Department
From: Paul Luchs, Computer Center
Subject: Performance Evaluation

Joe Mercia and I started together at the O’Leary Organization two years ago. We are both in the Computer Center doing the same job, only he works one shift, and I work another. Two weeks ago, when we compared our performance evaluations, I discovered that he received all “5’s” whereas I received mostly “4’s.” The thing that irks me is that he and I both know we are doing as equally good jobs. His boss is just more lenient in his evaluation than is my boss. I don’t think this whole system is fair, particularly since he may get promoted (based on his performance evaluation) before I do. Can’t something be done about this?

Item 3: Memorandum
To: HR Department
From: Jill Best, Manager
Subject: Last Performance Appraisal Form

Six weeks ago when our offices were being remodeled, one of the janitors accidentally threw away a small stack of papers. Included in the stack was a performance appraisal form which I had just completed on one of my subordinates, Karen Whitemore. I know you need this form, but it is gone. What should I do?

Item 4: Memorandum
To: HR Department
From: Sue Peters, Supervisor
Subject: Administering Employee Evaluations

I have recently received from your office a request to conduct evaluations this month on three of my employees. As you probably know, I was promoted to this supervisory position just one week ago as a result of the former supervisor’s termination. I don’t feel that I can presently conduct a fair evaluation of these employees. Do you want me to do them anyway?
Item 5

Memorandum

To: HR Department
From: Sarina Kelly, Supervisor
Subject: Evaluation of Karen Blackwell

Yesterday afternoon, I conducted an evaluation interview with Karen Blackwell and when I told her I gave her a "3" on "Work with Group" she got quite upset and defensive. She said the evaluation should have been at least a "4" and probably a "5." I attempted to explain my evaluation to her, but she wouldn't listen. Instead, she continued to argue with me. Karen received a "4" evaluation last year on "Work with Group" and a "3.5" overall evaluation this year. What should I do if this happens again?

Item 6

Memorandum

To: HR Department
From: Howard Adams, Supervisor
Subject: Necessity of Signing Evaluation Forms

Recently, I conducted a performance evaluation interview with Harold Wallace. At the end of the interview, when I asked him to sign the appraisal form at the bottom, he refused. I asked him if the evaluation was accurate, and he said yes. I also explained to him that signing the form only represented an acknowledgment that he had been evaluated. He replied that he had nothing to gain from signing the form, and, therefore, why sign it? I don't know what I should do. Harold is somewhat of a problem and is often quite stubborn.

Item 7

Memorandum

To: HR Department
From: Margaret Wendell, Purchasing
Subject: Annual Performance Review

I have a rather troublesome question to ask you. I would ask it of my boss but she is currently in the hospital. For the last 23 years, I have received an overall performance review, and my evaluations have all shown that I am an excellent employee. I am six years from retirement and, frankly, I have reached the point where performance evaluations aren't of any consequence to me. I know I am doing a good job. I know I won't get promoted or transferred, and I am at the top of my pay grade. So why should I continue to be evaluated formally?

Item 8

Memorandum

To: HR Department
From: Sarah Wade, Maintenance Engineer
Subject: Employee Appraisal Form

When I was over in the HR Department yesterday, looking at my personnel file, I saw the appraisal form which was completed on me one month ago. I was shocked to see the following statement written on it under "Remarks": "Sarah has a very poor work attitude and doesn't appear willing to change it." My boss, Marilyn Turner, had also changed my evaluation on "attitude" from a "4" to a "2." I am positive the negative statement was not on the evaluation form when I signed it. Needless to say, I want you to do something about this!

Exercise 59 EvalSim—A Performance Evaluation Exercise
Item 9
Memorandum
To: HR Department
From: Chris Green, Supervisor
Subject: Performance Evaluation of Bill Young

Next week, I must conduct a performance evaluation interview with Bill Young who works by himself in the evenings. While I was completing the evaluation form on him, I realized that it was impossible for me to evaluate him on one of the evaluation categories, "Work with Group." What should I do? I am afraid if I leave it blank it will affect his "Overall Level of Performance" score and, hence, his chances for promotion.

Item 10
Memorandum
To: HR Department
From: Jeff Baker, Finance Department
Subject: Confidentiality of Performance Evaluation

As you know, I have been experiencing a series of personal problems during the past year, all of which have adversely affected my job performance. These problems reflected themselves in my recent performance evaluation as my "marks" skipped from mostly "A's" to mostly "B's." I can't disagree with my evaluation, but I don't think it was right for your boss, Helen Jackson, to tell two of my co-workers that she had given me a "C" on "Quality of Work." It seems to me that this type of information should be none of their business.