

PA Consulting Group

Caribbean Regional Sustainable Tourism Development Programme

CARIBBEAN HOTEL ASSOCIATION

**PERFORMANCE APPRAISAL - A STEP-BY-STEP GUIDE FOR EXECUTIVE
DIRECTORS AND SUPERVISORS OF NATIONAL HOTEL ASSOCIATIONS**



CARIBBEAN
HOTEL
ASSOCIATION



Performance Appraisal - A Step-By-Step Guide

Purpose

Annual performance appraisals are important for effective evaluation, management and development of staff and for improving the performance of national hotel associations (NHAs). For NHAs, performance appraisals serve several purposes including the following:

- (a) communicating to staff, the goals and objectives of the Association;
- (b) allocating among individual staff members, responsibility for those goals and objectives and the outputs and tasks that contribute to their attainment;
- (c) allowing the delegation of responsibilities and encouraging individual assumption of responsibility and accountability;
- (d) facilitating the monitoring and structured evaluation (using predetermined criteria) of the extent to which outputs and tasks have been completed and with what degree of competence;
- (e) allowing the Executive Director and/or Supervisor to provide feedback to staff about the quality of their performance and to identify capacity deficiencies and need for additional resources and/or training;
- (f) allowing staff to communicate to the Supervisor and/or Executive Director, problems and challenges that contribute to or affect their performance; and
- (g) assisting in staff motivation and the development of positive attitudes and behaviour.

Note that the matter of compensation should never be discussed with the employee as part of the appraisal discussion. The performance appraisal exercise looks specifically at agreed objectives, goals and standards of performance and the employee's progress toward meeting them. It also establishes for the employee, goals, objectives and tasks for the next review period.

Preparing for the Performance Appraisal

A number of actions can be taken to facilitate and make the performance appraisal process easier on both the appraiser (Executive Director or Supervisor) and the employee. These include the following:

Long-term actions

- The annual number of staff appraisals to be conducted and their approximate scheduling e.g. mid-year and end of year, should be known to employees;
- Goals should be set in the preceding period as a basis for evaluating performance in the following period;

- Supervisors/appraisers should not wait for the actual appraisal session to point out to staff, concerns to be addressed or deficiencies that should be corrected. This should be an on-going part of mentoring and coaching by supervisory staff;
- Employees and supervisors need to keep records relating to completion of tasks, problems, constraints and challenges;
- The length of some appraisal forms make the completion of them a major exercise and almost akin to an examination. It should be remembered that the most important part of the appraisal process is not the completion and scoring of the appraisal form but the quality of the exchanges between the employee and appraiser that is part of the process;

Short-term actions

- For each employee get out the following documents:
 - job description;
 - previous appraisal report and goals set from the last appraisal;
 - notes regarding staff members performance compiled over the review period;
 - letters and other feedback information on the employee;
 - disciplinary letters/memos, Employee Handbook or Procedures Manual;
- Complete a draft appraisal form noting the following:
 - goals and tasks for which the staff member has responsibility;
 - what the staff member has done well;
 - areas/activities in which performance was less than expected;
 - constraints and problems that impacted on performance; and
 - proposed options to address and improve future performance.
- Be careful to avoid the following
 - tendency to overrate favoured staff members, or to be influenced by previous performance ratings;
 - tendency to under rate a staff member's performance;

- letting outstanding /unsatisfactory work completed just prior to the evaluation positively/adversely influence the assessment of an entire year of performance; and
 - giving the same rating to all staff members.
- Provide the staff member with a copy of the draft evaluation prior to the meeting. The Executive Director/Supervisor has the option of having the staff member complete his/her own appraisal

Conduct of the Performance Appraisal

- Set time and place for the appraisal well in advance and inform the staff member of the time scheduled for the appraisal. Allow sufficient time for discussion, approximately 1 – 1 ½ hours;
- Both employee and appraiser should be punctual;
- Conduct the appraisal in a room that offers complete privacy;
- Create a relaxed atmosphere for the conduct of the appraisal - use calm lowered voice, maintain eye contact and avoid a scolding tone;
- Prompt the staff member into beginning by asking for his/her assessment of his/her performance during the period under review;
- Take notes and interrupt as infrequently as possible and only to obtain clarification of specific points made;
- In responding, summarise your understanding of what was said by the staff member – do not offer comment or judgment on what was said;
- Comment on perceived strengths as well as areas that need improvement
- Compare actual with expected performance and give the performance rating for each task. *NOTE: Any variances between the Executive Director's/Supervisor's assessment and the staff member's own assessment of his/her performance will emerge at this stage and must be tactfully handled. Supervisors should try to resolve any variances at this stage rather than referring to the Executive Director for a solution. Refer to Resolving Contentious Issues below,*
- Be prepared to discuss item, issues and scores given;
- Emphasise areas of perceived strength and weakness;
- Invite the staff member's suggestions for resolving constraints and problems;
- Try to be fair and firm yet reasonable;
- Discuss, agree and set goals, expected outputs and standards for the next period. *(Refer to **Goal Setting for the Next Period** below,*
- Discuss personal development and training plans;

- Summarise session making every effort to have session end positively; and
- Undertake to have final appraisal report ready for staff member's comments and signature.

Finalising the Appraisal and Follow-up

- Complete and submit the appraisal report as soon as possible after the appraisal meeting has taken place;
- The staff member signs the report before it is signed by the Executive Director or, the Supervisor and staff member sign the report before it is referred to the Executive Director for comment and signature. NOTE: By signing the appraisal, the employee indicates that he/she has seen the final report. The staff member has the option of commenting on the report before signing it.
- The staff member is provided with a copy of the signed report. The original is made part of the staff member's personal records.

Resolving Contentious Issues

Executive Directors/Supervisors will encounter situations where a staff member is not in agreement with or becomes defensive about his/her performance during the appraisal. In these situations, Executive Directors/Supervisors should proceed as follows:

- Let the staff member express, without interruption, any issues of concern or with which he/she is not satisfied;
- Control the situation by maintaining eye contact and calm voice;
- Summarise your understanding of the issue(s);
- Avoid arguments and focus the discussion on expectations and performance;
- Do not send negative verbal signals e.g. if the staff member is usually addressed by his/her first name do not refer to him/her in the formal Mr. Ms. Mrs;
- Be patient, understanding and keep an open mind;
- Invite staff member to provide solutions for problems raised;
- Be prepared to offer to look again at specific scores, without making promises for change(s).
- So as not to present any surprises in the final appraisal report, use appropriate language to signal your inclinations e.g. "there may be some grounds for re-examining this score" or "the level of performance does not support an adjustment to this score".

Goal Setting for the Next Period

The setting of goals for each staff member is related to overall goals of the Association and the staff member's Job Description, which must be accurate and reflect the responsibilities and tasks of the staff member.

- Goals should be jointly discussed and agreed to by the Supervisor/Executive Director and staff member;
- When setting goals, focus on the following:
 - key specific responsibilities and tasks to be undertaken by the staff member during the next review period;
 - quality, timeliness, accuracy, frequency as may be appropriate for the completion of individual goals.

The Performance Appraisal Form

Two forms to facilitate the performance evaluation process are attached. The only difference between the two is the addition in the second version of a fifth column and a score of 5, where the level of performance in completing tasks is consistently below performance standard in spite of supervision, coaching and training. Some Executive Directors may wish to use this additional column and score as part of the appraisal form.

Explanation of Scores or Ratings

4. **Outstanding** Level of performance in completing all tasks consistently exceeds the standard established, especially in key areas of quality, quantity and timeliness of output. Shows team spirit, initiative, contributes ideas and assists in activities outside of key areas of responsibility.
3. **Exceed Expectations** Often exceeds performance standard for the completion of tasks. Requires minimum supervision, is reliable, professional and capable of rising to the occasion in handling the demands of work.
2. **Meets Expectations** Meets the standards and fulfills the duties and responsibilities of the position in a satisfactory and timely manner. Performance is competent with some supervision generally required.
1. **Needs Improvement** Does not always meet performance standard in all major areas of responsibility. Demonstrates ability to complete some assignments but needs supervision. Need for appropriate training and personal development.

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