

**SAMPLE  
[ORGANIZATION]**

**SUBJECT:** Performance Management Policy

**EFFECTIVE DATE:**

**REVIEW DATE(S):**

**APPROVAL:**

## **I. Introduction**

This policy's purpose is to describe the methods, timing, and principles of performance management at [ORGANIZATION]. Further, each individual who supervises employees and is responsible for their performance shall be held accountable for carrying out these responsibilities in accordance with this policy.

## **II. Philosophy**

The philosophy on which the performance management process is built recognizes the following as the most important features of the program:

- Performance management and planning is a two-way process, involving both employees and managers.
- Employee performance is assessed on objective, job-related criteria, developed and understood in advance by both the manager and subordinate.
- Job performance evaluation is based on observable job behaviors rather than personality or attitudinal factors.
- Setting objectives for future performance and growth is as important as evaluating past performance.

## **III. Objectives**

The objectives of the Performance Management system are:

- To let the employee know how s/he is doing on the job.
- To encourage communication of both the employee's and [ORGANIZATION]'s expectations and goals.
- To build stronger performance in both employees and supervisors.
- To provide a consistent, objective, and fair means of making pay adjustments.
- To help determine promotions, transfers, and other personnel actions.
- To be a tool for counseling and career planning.
- To build a permanent record of performance.

#### **IV. Appraisal Procedure**

At least one month in advance of the formal evaluation due date, supervisors will be notified that employees are due for review. This should allow adequate time for compiling performance information, completing the evaluation form, and setting an appointment with an employee.

The evaluation discussion then takes place, during which the supervisor and employee establish objectives for the following evaluation period. Employee comments are added in writing during the performance planning and appraisal discussion. Employee and manager both sign the Performance Planning and Evaluation form (the employee's signature does not necessarily mean agreement with the ratings). The completed form is sent with the required paperwork to the next level of management, who signs it and forwards it to payroll and the personnel files. Both the manager and employee may retain a copy of the completed Performance Evaluation.

#### **V. Schedule**

Performance evaluations are scheduled as follows:

- At end of introductory period (usually 90 days).
- Six months after first evaluation.
- 12 months after second evaluation and annually thereafter.

This schedule can be started over again at the time of promotion, or a new schedule can be set. Increases may occur at the time of each evaluation, but they are not guaranteed. No performance-related increase can happen without a completed appraisal.

#### **VI. Completing the Evaluation Process**

This process is designed primarily to help employees and supervisors do a better job. It is very important that employees know exactly where they stand in relation to established standards of performance. An employee is done a disservice by an evaluation that is non-specific, glosses over areas that need improvement, or is unduly harsh.

If evaluations are done with great care, searching thought, and analysis of each employee's achievements, the end result will be a highly reliable evaluation. Evaluations done hastily or without conscientious review of each employee's performance over the entire rating period will inevitably result in inequities and eventual dissatisfaction with the system.

Each evaluation should be personalized for each employee. Each manager should feel free to add statements to clarify any aspects that deserve special attention.