Dos and don’ts for evaluating direct reports’ performance

Tags: Articles, Assessing Your Team

If evaluating your direct reports’ performance feels stressful and difficult, that’s because it is. We’ve put together some tips to help you gather the information you’ll need. For tips on delivery, see our article Evaluating direct reports: Dos and don’ts for documentation and delivery.

The preparation phase

Don’t: Immediately jump to the performance feedback off the top of your head.

Do: Gather data about each direct report from multiple data sources over time.

No manager can remember everything important about a direct report over several months or a year. So as tempting as it might be to just start giving performance feedback or writing reviews, a better first step is to collect and review data.

This crucial process will help you avoid two major pitfalls: 1.) basing your feedback solely on what’s freshest in your mind (i.e., what happened most recently), which may be relevant but isn’t the whole story; and 2.) basing your feedback on vague impressions and opinions, versus specific results and examples.

Plus, by taking the time to collect and review data, you’ll have a host of anecdotes and numbers at your fingertips to back up the assertions you make in your feedback.

There are probably more sources available to you than you realize, such as:

- Notes and/or agendas from weekly 1-on-1s (for example, you could pull up all of the Jhana 1-on-1 prep worksheets you’ve used over time)
- Old emails, such as status reports your direct reports have sent you, ideas they’ve pitched and praise or complaints about them that others passed along
- Reports and notes in software like Salesforce and/or from meetings your direct reports participated in
- Feedback from customers and peer managers who have overseen your direct reports on various projects (if you haven’t received any, go get it!)
- Your direct reports’ past performance conversations and reviews (if you’ve been

managing them a while), which will help you gain perspective on how they're doing relative to previous months or years

Don't: Get so wrapped up in handling your worst performers you give your top ones short shrift.

Do: Devote more — or at least equal — prep time to your best people.

Most managers' performance-feedback stress centers on the difficult task of telling underperformers they're not measuring up (for more on that, see our articles How to give redirecting feedback and Talking with problem employees). As a result, you may find yourself spending an inordinate amount of time preparing for your underperformers' feedback conversations.

This is understandable, but more detrimental than you might think. All of that time you're devoting to your worst performers means less time for your best ones, who are the people really moving your team forward.

If you've rationalized this injustice by assuming your top performers' feedback conversations will be the "easy" ones to complete — a common perception, given that it's more fun to deliver good news — you aren't pushing yourself to be a great coach. Helping exceptional people is a hard and important task. It requires you to stretch your thinking beyond your expectations and consider someone's true potential. If you don't, you'll miss the opportunity to harness all of that brainpower and ambition to help your team shine beyond your wildest dreams.

There's also this: You may know your great performers are great. But does your manager know? Does HR know? Documented performance feedback gives you the opportunity to fill other key people in on what someone special has accomplished — and make the case that he or she can accomplish even more for your company.

For more tips on coaching overachievers, see our article Struggling to coach an ambitious person.

The evaluation phase

Don't: Evaluate performance based on gut feelings and impressions.

Do: Be on guard for biases, and evaluate performance using documented standards.

Complete objectivity is impossible; we all have biases and blind spots. For example, in one recent study, linguist Kieran Snyder looked at performance reviews completed by both male and female managers at tech companies of various sizes and found that 58.9 percent of high-performing male employees received negative feedback in their reviews, while 87.9 percent of high-performing women did.

Simply being aware of your susceptibility to bias — instead of assuming you'll never fall prey to it — is a good first step (for more tips, see our article The halo effect: A devil of a problem for managers).

Another powerful, and more tangible, way to strive for objectivity is to refer back to any performance-oriented documents you and your direct reports have created for the time period you'll be discussing. Depending on your company's policies, as well as your own preferences, these could include a set of performance and/or development goals, feedback documented in your 1-on-1 notes, or the original job descriptions for each team member's role.

Will such documentation make the evaluation process easy? No. You may still struggle with complex issues, such as how to evaluate someone on more nuanced, behavioral competencies like listening or teamwork.

Still, don't let the perfect be the enemy of the good. Some documented standards are way better than none.

Don't: Have too many — or too few — glowing performance feedback conversations.

Do: Consider the implications of the bell curve (for both your team and the entire company) and decide on an appropriate strategy for balancing your evaluations.

Should you evaluate each direct report on a relative basis (i.e., how someone compares to others on your team and even across your whole company) or an absolute basis (i.e., how someone compares to the "ideal" model for his or her role)?

Sounds like a simple question. It's not. The so-called bell curve is one of the touchiest, trickiest issues you'll have to deal with when you evaluate performance.

It may help to consider two extreme scenarios. On the one hand, you have "stack ranking" policies, which limit high rankings to a certain number of employees so that teams would always follow the bell curve. (Microsoft famously had this policy until 2013; see this article for more details.) Not only do policies like this create a dog-eat-dog corporate culture, they also result in some undeservedly low reviews on teams with a disproportionate number of high performers.

On the other hand, flatly refusing to measure performance on a relative basis can burn top performers just as badly. Let's say "evaluation inflation" (a tendency for performance marks to be unrealistically high) is a reality at your organization. Holding your best people to an ideal model, which may or may not even be achievable, could result in rankings well below their peers on other teams. Who's going to get a raise or a promotion if that happens? There's only so much budget to go around, and your people might get left out in the cold.

Given these pitfalls, your best bet may be to take a balanced approach. If you're giving too many poor performers a "pass" because you don't want to have uncomfortable conversations — or too many high performers a "meet expectations" because you have really high standards — your disregard for the bell curve could be doing more harm than good.

It's important to understand the practices, politics and culture around performance evaluations and conversations at your company and look out for your people.

For tips on delivering performance feedback, see our article Evaluating direct reports: Dos and don'ts for documentation and delivery.
