

Employee Performance Appraisals: Conducting

What is Conducting Employee Performance Appraisals?

- › An employee performance appraisal is an evaluation of an employee's job performance, typically during the past year, and an assessment of the employee's career development needs. Employee performance appraisals are also referred to as individual performance reviews (IPRs) and job evaluations
 - *What:* Employee performance appraisals provide a means for measuring job performance against organizational and professional standards. The performance appraisal for registered nurses, which is the focus of the information that follows, is part of a serial process for improving nurses' competencies and for having a positive effect on the quality of care that is provided to patients. During the meeting in which the employee performance appraisal is conducted, achievable performance goals for the upcoming year are set and strategies for accomplishing the goals are discussed
 - *How:* To conduct an employee performance appraisal with a nurse, the manager meets face to face with the employee in a private setting to evaluate the employee's performance against organizational and professional standards. Appraisal styles vary based on facility protocols and individual managers' preferences; some appraisals require that the employee complete a self-evaluation form and some require that the manager rate the employee's performance in a series of competency sets using a numeric scale (e.g., from 1 to 5, with 1 representing unacceptable or unsatisfactory [i.e., consistently falling short of meeting expectations] and 5 representing outstanding [i.e., consistently exceeding expectations]). Features that are common to most nursing appraisals are the one-on-one meeting, the systematic review of the employee's performance during the past year by reviewing nursing documentation, patient satisfaction surveys, peer evaluations, and other forms of evidence, and the creation of an individualized professional development plan for the upcoming year. The appraisal meeting typically takes about one hour
 - *Where:* Employee performance appraisals are usually conducted in the manager's office, a private interview room, or another location in the healthcare setting that affords privacy
 - *Who:* It is typically the responsibility of the nurse manager to conduct employee performance appraisals annually with registered nurses. In some healthcare organizations, including hospitals that have obtained Magnet status, self-evaluation by staff nurses and peer review by nurse colleagues are a permanent component of the annual performance appraisal (for details, see *What You Need to Know Before Conducting Employee Performance Appraisals*, below)

What is the Desired Outcome of Conducting Employee Performance Appraisals?

- › The desired outcome of conducting employee performance appraisals in the healthcare setting is to identify employees' strengths and weaknesses and motivate them to perform to their maximal potential, with the ultimate goal of improving patient care outcomes

Authors

Eliza Schub, RN, BSN

Cinahl Information Systems, Glendale, CA

Hillary Mennella, DNP, ANCC-BC

Cinahl Information Systems, Glendale, CA

Reviewers

Carita Caple, RN, BSN, MSHS

Cinahl Information Systems, Glendale, CA

Tanja Schub, BS

Cinahl Information Systems, Glendale, CA

Nursing Executive Practice Council

Glendale Adventist Medical Center,

Glendale, CA

Editor

Diane Pravikoff, RN, PhD, FAAN

Cinahl Information Systems, Glendale, CA

September 7, 2018

Why is Conducting Employee Performance Appraisals Important?

- › The employee performance appraisal process is typically an organizational requirement for nurse managers and is considered an essential component of career development for nurses
- › Completing regular employee performance evaluations is part of a serial process for the development of a strong, competent nursing staff who provide patient care based on a legal framework that is consistent with the organization's expectations. Employee performance appraisals afford nurse managers the opportunity to meet with individual employees to review strengths and weaknesses and subsequently provide direction for appropriate training and career development activities. Goals should be mutually determined, allowing the nurse to provide input during the review
- › Performance appraisals can be used to select candidates for promotion and/or increased compensation. In general, they should not be used as a basis for termination of employment

Facts and Figures

- › The authors of a 2014 literature review found that there have been conflicting processes in the healthcare employee performance appraisal process. The authors concluded that no single method of performance assessment is preferable or better than another, and that employee performance be measured using multiple assessment methods⁽⁶⁾
- › Investigators who tested a 12-item Likert scale containing three categories of MSF in a diagnostic radiology residency program found that the tool provided an opportunity for residents to self-evaluate job performance combined with feedback from peers. Overall, residents scored themselves significantly lower compared with the MSF scores for best practice behaviors in all three categories of communicator, collaborator, and excelling in one's professional role⁽⁹⁾
- › Various studies evaluated whether differences in age between managers and their employees affect performance appraisal results. The evidence is inconclusive; however, some evidence suggests that employees close in age to their managers were less engaged in their work. Furthermore, employees that were younger than their managers seemed more engaged and performed at a higher level⁽¹⁰⁾
- › A feed forward interview (FFI) is a process of active listening and appreciative inquiry whereby a manager provides positive advice to employees during performance appraisals. For example, a manager might request that the employee apply experience from previous successes to promote future achievements. Practicing positive interview techniques to discover successes benefits the employee and the organization and is a key component of FFI. Implementing an FFI process can enhance job performance, facilitate success, and improve the manager-employee relationship. Appropriate training is required to teach managers to become proficient in conducting the FFI⁽³⁾

What You Need to Know Before Conducting Employee Performance Appraisals

- › The 2015 publication of *Nursing: Scope and Standards of Practice, Third Edition* issued by the American Nurses Association (ANA) outlines the professional scope and standards of practice for registered nurses in the United States
 - The ANA recommends using the publication as a basis for registered nurses' performance appraisals. The ANA Standards of Professional Nursing Practice consist of Standards of Practice, which are based on the critical thinking model of the nursing process, and Standards of Professional Performance, which are a set of behaviors that are indicative of professional nursing competence
 - According to the ANA, the "Standards of Professional Nursing Practice are authoritative statements of the duties that all registered nurses, regardless of role, population, or specialty, are expected to perform competently"⁽¹⁾
 - The Standards of Practice are as follows:
 - Standard 1: Assessment (i.e., comprehensive data collection pertinent to the patient's needs and situation)
 - Standard 2: Diagnosis (i.e., analysis of data and formulation of diagnoses based on the patient's health needs and situation)
 - Standard 3: Outcomes Identification (i.e., identification of expected outcomes for an individualized plan of care)
 - Standard 4: Planning (i.e., development of an individualized plan of care that outlines how outcomes will be achieved)
 - Standard 5: Implementation, which includes
 - coordination of care
 - health teaching and health promotion
 - consultation (for graduate-level prepared specialty nurses or advanced practice registered nurses)
 - prescriptive authority and treatment (for advanced practice registered nurses)
 - Standard 6: Evaluation (i.e., assessment of progress in meeting desired outcomes)
 - The Standards of Professional Performance are as follows:

- Standard 7: Ethics
 - Standard 8: Culturally congruent practice
 - Standard 9: Communication
 - Standard 10: Collaboration (e.g., with patients and family members to optimize care)
 - Standard 11: Leadership
 - Standard 12: Education
 - Standard 13: Evidence-based practice & research
 - Standard 14: Quality of practice
 - Standard 15: Professional practice evaluation (i.e., self-evaluation of nursing practice with regard to professional practice standards, rules, and regulations)
 - Standard 16: Resource utilization (i.e., the appropriate use of resources to provide safe, competent, cost-effective care)
 - Standard 17: Environmental health (i.e., safe and environmentally healthy performance of nursing roles and responsibilities)
- The standards set forth by the ANA should be a permanent component of nurses' job descriptions and should be incorporated in facility policies and procedures. Performance appraisals should reflect these standards as they apply to the daily roles and responsibilities of nurses
- › The nursing performance appraisal is a collaborative process during which the nurse and manager communicate about the nurse's performance during the past year. A facility-approved, standardized appraisal form is typically used to guide the discussion. Some appraisal forms are narrative, requiring written answers to questions such as, "Has the employee met the current goal/objective, and how is this evidenced?" and "What does the employee plan to do to meet this goal by the time of the next appraisal?" Other appraisal forms quantify performance using rating scales, and might have a designated space for comments, explanations, and suggestions for performance improvement
 - › Some healthcare organizations have policies that require nurses to prepare written self-evaluations and to participate in a process of peer review as part of the performance appraisal process
 - Self-evaluations ask employees to reflect on their own strengths and weaknesses, accomplishments, and perceived challenges during the past year. In completing a self-evaluation form, an employee might answer questions such as the following:
 - Did I accomplish all requirements and goals during the past year?
 - What about my job performance during the past year makes me most proud?
 - What challenges did I face and how did I manage them?
 - Is there anything about this job that I would change?
 - The American Nursing Credentialing Center (ANCC) Magnet Recognition Program for Nursing Excellence considers peer review to be a component of exemplary practice
 - Although the peer review process can vary, it commonly includes involving nurses in hiring decisions and assessing the performance of other nurses throughout the year and during annual evaluations
 - In some healthcare settings, nurses choose the colleague who will conduct the annual review; in others, the nurse manager makes the choice of who will participate in peer review
 - In some facilities, nurses are allowed to pick a colleague who is a friend to perform peer review; in others, nurses are encouraged to choose a peer with whom they are not particularly friendly because a friend might be reluctant to provide negative feedback even if appropriate
 - A peer review form is usually relatively short and contains a limited number of categories for which coworkers should have adequate knowledge to assess one another such as the following:
 - Patient management (e.g., Does the nurse provide patient education and reinforce teaching? Does the nurse follow facility policies and protocols and adhere to professional standards of care?)
 - Priority setting and time management skills
 - Reliability (e.g., Does the nurse attend report during change of shift on time? Does the nurse complete tasks as intended?)
 - Teamwork (e.g., Does the nurse ask for help when needed? Does the nurse provide help when help is requested by others? Is help spontaneously offered?)
 - Professionalism (e.g., Does the nurse interact with patients and their families in a professional manner? Does the nurse interact with colleagues in a professional manner?)
- › For the past 20 years in the US, The Joint Commission (TJC) has advocated for the use of nurse job descriptions as the basis for performance appraisals⁽⁷⁾

- TJC contends that there are three basic tenets that contribute to a meaningful annual employee performance appraisal, as follows⁽⁸⁾:
 - An overall view of the employee’s experience in that year
 - An accountability structure to establish a transparent working environment, which includes employee performance goals and what to expect if the employee fails to meet performance goals
 - Goals that are aligned with the organization that determine specifically how the employee contributes to the organization as a whole
- › The employee performance appraisal process can be an uncomfortable experience for nurses and managers alike. Because employee performance appraisals typically involve some extent of criticism, the process can elicit negative reactions from employees and cause managers to feel guilty and anxious about giving negative feedback. It is of utmost importance for managers to maintain a positive, helpful attitude when providing both praise and criticism during the appraisal. The intent is to motivate, not discourage, the employee⁽²⁾
- › Adhering to a core set of practices when conducting employee performance appraisals can help overcome some of the psychological and emotional challenges the process poses. Recommended practices include the following:⁽³⁾
 - Setting and communicating clear expectations for employee performance through a structured, systematic, and serial feedback process. Expectations should be
 - consistent with professional practice standards
 - congruent with facility policies and procedures
 - within the employee’s legal scope of practice
 - Avoiding surprises during the appraisal. An employee who has received no criticism from his/her manager, peers, and/or the clinical nurse specialist (CNS) should not suddenly find out during the appraisal that he/she has multiple performance issues
 - Performance issues should be handled as they occur, and management of those issues should be supported by timely and thorough documentation by the manager. Documentation should be signed by the employee and manager when appropriate
 - Similarly, praise and other recognition should be provided as it is deserved throughout the year, not just during the annual appraisal. This should also be documented
 - Evidence of performance throughout the year should be kept in the employee’s personnel file and be accessible for the annual performance appraisal
 - Encouraging professional development throughout the year by regularly checking with the employee to evaluate progress toward goals established during the last appraisal. Goals should be challenging but achievable
 - Taking time to explain the performance appraisal process to employees prior to their respective meetings. Verifying that nurses understand appraisals are meant to be a positive experience is important
- › Online tools that are available to assist managers with conducting employee performance appraisals include the following:
 - Archer North’s Performance-Appraisal: The Complete Online Guide at <http://www.performance-appraisal.com/#sthash.xBZ8Nj1t.dpbs>
 - International Society for Performance Improvement at <http://www.ispi.org/>
 - Performance Management and Appraisal Help Center at <https://www.thebalance.com/human-resources-4074009>
- › Preliminary steps that should be performed before conducting an employee performance appraisal include the following:
 - Familiarize yourself with the employee performance appraisal system established in your healthcare facility
 - Set a date, time, and place for the appraisal meeting in advance; verify with the employee that he or she will be available at that time, and make sure you schedule sufficient time away from other responsibilities. In general, employee appraisal meetings should be held around the same time of the year (e.g., within the same month for all of your nurses)
 - Prepare the employee for the appraisal meeting by explaining
 - that the meeting should last for about one hour
 - the basic structure and purpose of the meeting
 - what documentation to bring or submit before the meeting. Documentation the employee might be responsible for includes
 - reflective journal entries, although these are sometimes viewed as too subjective to form a basis for evaluation of performance
 - minutes from meetings the employee attended
 - patient care plans (with patient identifiers omitted for confidentiality purposes)
 - certificates earned from training programs or continuing education courses

- transcripts or other documentation from degree advancement courses
- completed self-appraisal form (which is typically submitted to the manager for review prior to the meeting)
- Carefully review and assess the contents of the employee's
 - personnel file, making sure it is up to date
 - appraisal form from last year, if applicable, noting goals that were established for this appraisal period
 - self-appraisal form, if applicable
- Prior to the meeting, draft a preliminary appraisal if this is standard practice in your facility
- On the day of the meeting, set up the physical environment of the meeting room so that it is neat, comfortable, private, and safe
 - Make sure the ambient temperature is neither too warm nor too cool
 - Arrange chairs so that you will be sitting next to rather than across from the employee
 - Remove any sharp objects (e.g., scissors, letter openers) from view
- Initiate actions to avoid or minimize interruptions during the meeting (e.g., silence your cell phone, notify others that you will be unavailable for the designated time period)
- › Gather necessary materials for the appraisal meeting, which can include the following:
 - Facility-approved performance appraisal form, with preliminary notes, comments, and/or ratings
 - Employee's self-appraisal form, if applicable
 - Facility policies and procedures manual
 - Employee-specific job description
 - A printed list of applicable professional performance standards
 - Last year's performance appraisal, if applicable, with goals that were established to be accomplished during the year
 - Evidence of the employee's performance during the past year (e.g., examples of nursing progress notes and/or patient care plans written by the employee; documentation related to disciplinary action; peer review notes; documentation by the CNS [if applicable] regarding the employee's observed performance; employee-specific feedback from patient satisfaction surveys)
 - Pen or pencil

How to Conduct an Employee Performance Appraisal

- › Greet the employee by name and invite him or her into the meeting room
- › Establish privacy by closing the door
- › Offer a seat and, if available, something to drink
- › To protect your own safety, make sure you sit closest to the door and keep sharp objects out of view
- › Thank the employee for meeting with you
- › Using an upbeat, conversational tone, express enthusiasm about the meeting and briefly review the employee appraisal process⁽⁷⁾
- › Explain that you have reviewed the employee's file, previous appraisal, self-evaluation form, and supporting evidence of performance
- › Converse with the employee about his or her achievements during the past year. Ask open-ended questions and allow the employee ample opportunity to talk and present evidence of job performance and professional achievements⁽⁷⁾
- › In a systematic but casual fashion, jointly evaluate the nurse's performance in each competency set or category and against each goal listed on the appraisal form
- › Measure actual performance results and behaviors based on gathered evidence against standards. Avoid making judgments that are not supported by evidence
- › Provide negative feedback in a constructive, professional manner⁽⁷⁾
 - Be straightforward and specific about the performance issue
 - Balance negative feedback with praise
 - Be helpful and suggest ideas for performance improvement and professional development (e.g., consult with a more experienced nurse for advice, attend a training session or seminar)
- › Discuss questionable items (e.g., items for which there is disagreement between your appraisal and the employee's self-appraisal) in a professional manner. Perform the following if the employee becomes defensive, angry, or withdrawn during the appraisal:
 - Remain neutral and calm, and maintain eye contact⁽⁷⁾

- Continue to address the employee by name, which shows respect
 - Encourage the employee to express his or her concerns. Listen to and paraphrase what is said, and maintain the focus and structure of the appraisal. Do not compromise or withdraw criticism if doing so jeopardizes the integrity of the evaluation^(Z)
 - Allow the employee to document his or her rebuttal
- › Work together to set challenging but achievable goals for the next appraisal^(Z)
 - › With the employee, create an individual development plan for meeting new goals; senior nurses might be more self-sufficient in establishing a personal development plan, and less experienced nurses might require guidance and suggestions from the manager
 - › Summarize the session and end on a positive note, thanking the employee for his or her time and attention to the appraisal process^(Z)
 - › After the appraisal meeting, document the employee's official appraisal, incorporating what was discussed in the meeting into the finalized document. If the document calls for ratings, verify that they are supported by evidence
 - › Sign the finalized appraisal^(Z)
 - › Present the finalized appraisal to the employee and have the employee sign it^(Z)
 - › Provide the employee with a copy of the appraisal, and place the original copy in the employee's personnel file

What to Expect After Conducting Employee Performance Appraisals

- › After conducting an employee performance appraisal with a registered nurse
 - strengths and weaknesses will be identified, and a personal development plan will be established for the next appraisal period that has been mutually agreed to
 - the nurse will demonstrate motivation to maintain or improve performance to meet professional and organizational standards
- › Employees will perceive having been appraised in a fair manner that promotes professional development
- › Serial feedback will be provided to employees about performance goals and standards throughout the year

Red Flags

- › For a variety of reasons, conducting performance appraisals can be a difficult task for managers whose nurses practice in the community setting. To be meaningful, the performance appraisal process must be tailored to the employee's individualized situation
- › When using care plans or other patient care documents as evidence of the employee's performance, all patient identifiers should be removed to protect confidentiality
- › Managers must be adept in completing employee performance appraisals; this includes integrating leadership skills and being cognizant of personal biases. Employee performance appraisals must include an honest evaluation of an employee's actual job performance, not their intent or effort. Employee performance appraisals are not disciplinary processes

References

1. American Nurses Association. (2015). In *Nursing: Scope and standards of practice* (3rd ed., pp. 53-84). Silver Spring, MD: American Nurses Association. **(GI)**
2. Bearden, A., & Maletta, C. (2015). Performance management and compensation. In L. Rousel (Ed.), *Management and leadership for nurse administrators: Navigate 2 advantage access* (7th ed., pp. 675-676). Burlington, MA: Jones & Bartlett Learning. **(GI)**
3. Budworth, M. H., Latham, G. P., & Manroop, L. (2015). Looking forward to performance improvement: A field test of the feedforward interview for performance management. *Human Resource Management, 54*(1), 45-54. doi:10.1002/hrm.21618 **(R)**
4. Davis, K. K., Capozzoli, J., & Parks, J. (2009). Implementing peer review: Guidelines for managers and staff. *Nursing Administration Quarterly, 33*(3), 251-257. doi:10.1097/NAQ.0b013e3181accb62 **(G)**
5. George, V., & Haag-Heitman, B. (2011). Nursing peer review: The manager's role. *Journal of Nursing Management, 19*(2), 254-259. doi:10.1111/j.1365-2834.2011.01225.x **(RV)**
6. Lizarondo, L., Grimmer, K., & Kumar, S. (2014). Assisting allied health in performance evaluation: A systematic review. *BMC Health Services Research, 14*(1). doi:10.1186/s12913-014-0572-7 **(RV)**
7. Marquis, B. L., & Huston, C. J. (2017). In B. L. Marquis & C. J. Huston (Eds.), *Leadership roles and management functions in nursing. Theory and application* (9th ed., pp. 646-672). Philadelphia, PA: Wolters Kluwer. **(GI)**
8. Pianezza, P. (2015). Annual evaluations: Three basic tenets. *Briefings on The Joint Commission, 26*(2), 12. **(R)**
9. Probyn, L., Lang, C., Tomlinson, G., & Bandiera, G. (2014). Multisource feedback and self-assessment of the communicator, collaborator, and professional CanMEDS roles for diagnostic radiology residents. *Canadian Association of Radiologists Journal, 64*(4). **(R)**
10. Yang, J., & Matz-Costa, C. (2018). Age diversity in the workplace: The effect of relational age within supervisor-employee dyads on employees' work engagement. *International Journal of Aging & Human Development, 87*(2), 156-183. doi:10.1177/0091415017709798 **(RV)**

