

# ERC Performance Management Practices Survey

**July 2010**

**Conducted by ERC**

6700 Beta Drive, Suite 300, Mayfield Village, OH 44143  
440/684-9700 | 440/684-9760 (fax)  
[www.ercnet.org](http://www.ercnet.org)



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## Overview

In June of 2010, ERC conducted a survey on organizations in Northeast Ohio to explore performance management practices among Northeast Ohio employers specifically related to performance reviews, performance criteria, role of the supervisor in managing performance, and other performance management issues. The results show several key trends among Northeast Ohio employers in terms of their performance management practices.

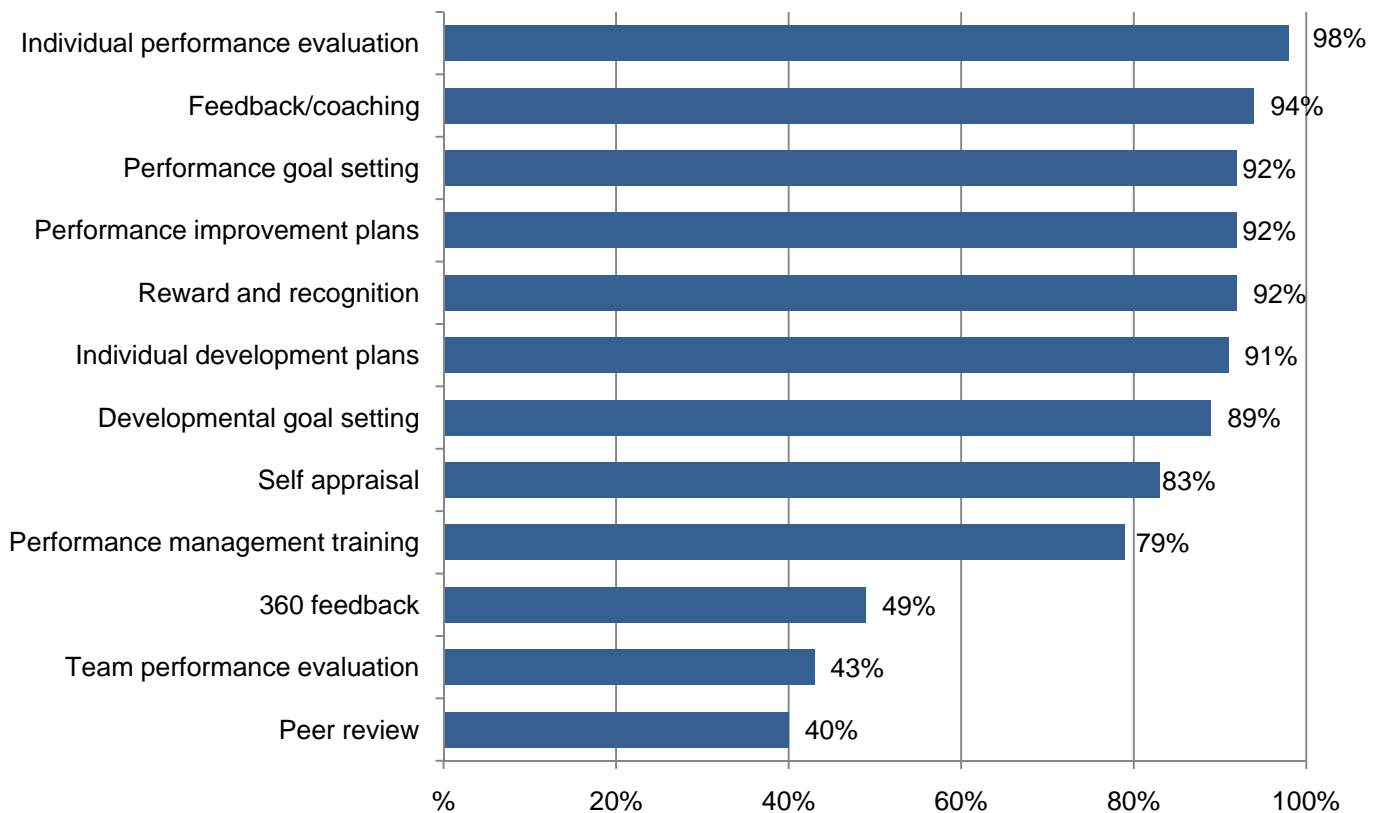
## Key findings in the survey

- Employers tend to use individual performance evaluations, feedback/coaching, and performance goal setting more than other types of performance management activities.
- Most organizations use a numeric scale as the format of their performance evaluations.
- Performance improvement plans are used by the majority of respondents and tend to most often document expected behavior or results, employee and supervisor signatures, and a target date for improvement.
- Human resource representatives, senior managers or executives, and managers and supervisors are most often consulted on the performance management process and design.
- Supervisors most often set performance criteria for employees, while goals tend to be set mutually (by both the employee and supervisor).
- In terms of performance criteria, quality of work, achievement of goals, job knowledge/job specific competencies, and quantity of work/productivity are assessed most frequently by employers.
- Organizations most often provide supervisory training in conducting a performance review discussion and documenting performance.
- The most commonly reported challenges organizations experience with their performance management systems are inconsistent performance documentation by supervisors and failure of supervisor to provide on-going feedback.

## Performance Reviews

Employers tend to utilize a variety of performance management activities. Nearly every organization (98%) uses individual performance evaluations. Feedback and coaching (94%), performance goal setting (92%), performance improvement plans (92%), reward and recognition (92%), and individual development plans (91%) were all used by over ninety percent of organizations. Over three-quarters of organizations also use developmental goal setting, self appraisals, and performance management training.

**Figure 1 | What activities are featured in your performance management program?**



Fewer employers report using 360 feedback (49%), team performance evaluations (43%), and peer reviews (40%).

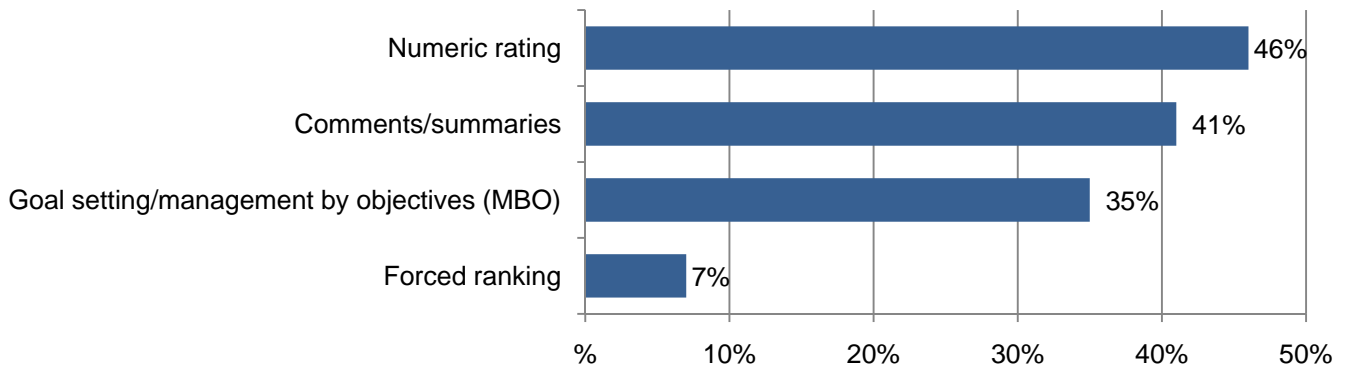
Organizations differ somewhat on the frequency in which they conduct various performance management activities. The majority of organizations conduct their performance management activities on an annual basis, particularly individual performance evaluations (76%), performance goal setting (63%), and self appraisals (56%). Many organizations provide reward and recognition and feedback/coaching on an on-going basis and use performance improvement plans, performance management training, and feedback/coaching on an as-needed basis.

**Figure 2 | How frequently do your performance management activities occur?**

	Annually	Bi-annually	Quarterly	On-going	As needed	Less often than annually	Not used
Individual performance evaluation	76%	14%	7%	3%	6%	3%	2%
Feedback/coaching	16%	5%	5%	34%	32%	3%	6%
Performance goal setting	63%	4%	2%	11%	13%	3%	8%
Performance improvement plans	16%	0%	2%	8%	60%	2%	8%
Reward and recognition	16%	1%	3%	41%	22%	4%	8%
Individual development plans	43%	3%	4%	16%	22%	1%	9%
Developmental goal setting	50%	3%	2%	11%	22%	2%	11%
Self appraisal	56%	7%	1%	1%	8%	3%	17%
Performance management training	15%	0%	1%	13%	32%	9%	21%
360 feedback	11%	1%	0%	2%	15%	2%	51%
Team performance evaluation	5%	1%	6%	5%	13%	0%	57%
Peer review	10%	0%	0%	1%	9%	4%	60%

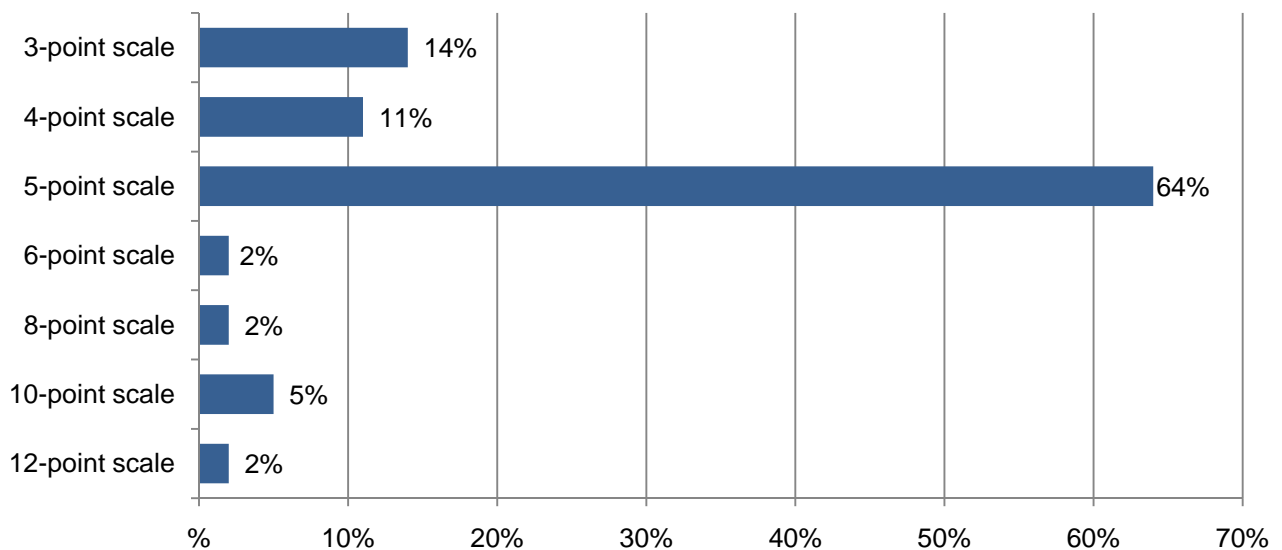
Organizations (46%) most frequently describe the format of their annual performance evaluation as that of numeric ratings. Slightly fewer organizations (41%) report using comments/summaries as the format of their evaluations. Goal setting/management by objectives was also used by some organizations (35%). As organizations get larger, they are more likely to use a numeric rating system. Smaller organizations were more likely to use comments/summaries or goal setting/management by objectives (MBO).

**Figure 3 | Which of the following best describes the format of your organization’s annual performance evaluation?**



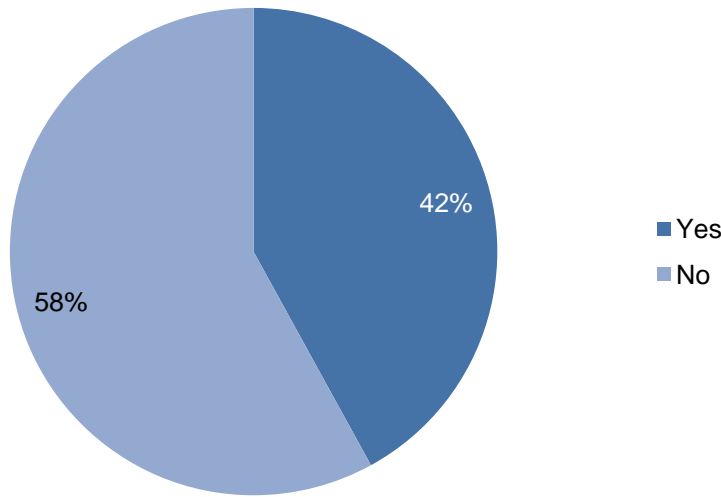
The majority of organizations (64%) that use a numeric rating for performance evaluations tend to rate employees on a five-point scale. Less frequently used are three-point (14%) and four-point (11%) scales.

**Figure 4 | If numeric ratings are used, what type of scale is employed?**



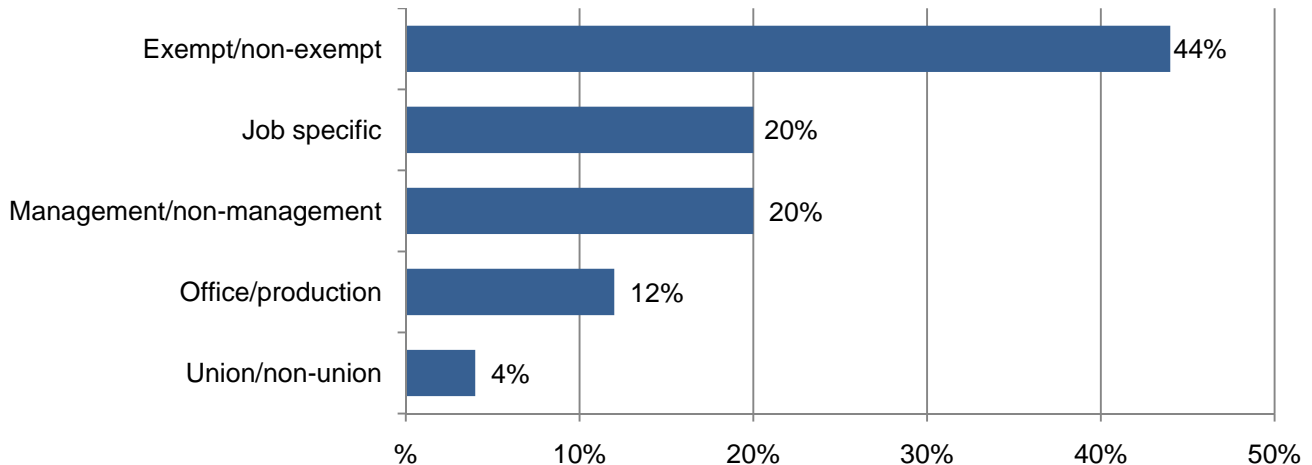
Most organizations (58%) do not use the same performance evaluation form to evaluate employees. Small organizations (1-50 employees) are more likely to use the same form for all employees while large organizations (500+ employees) are more likely to use different evaluation forms.

**Figure 5 | Are all employees evaluated using the same performance evaluation form?**



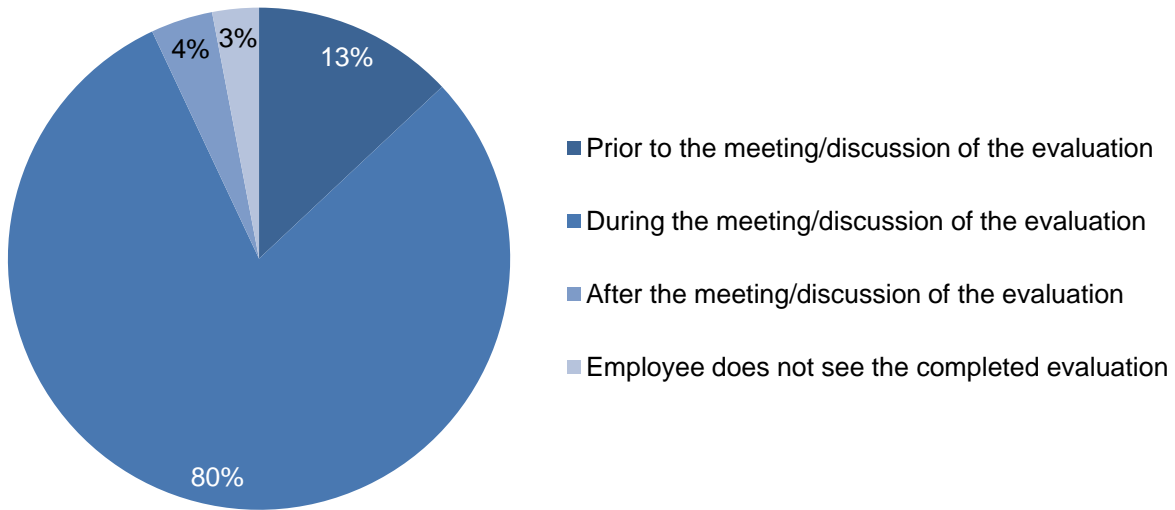
The majority of organizations (44%) use different evaluations for exempt and non-exempt employees. Some organizations use separate forms for different jobs (job specific) (20%), or for management and non-management employees (20%). Non-profit organizations are more likely to have separate forms for different jobs while manufacturing organizations are more likely to have different forms to exempt and non-exempt jobs. Small organizations are more likely to use different forms for management and non-management employees.

**Figure 6 | What employees receive different evaluations?**



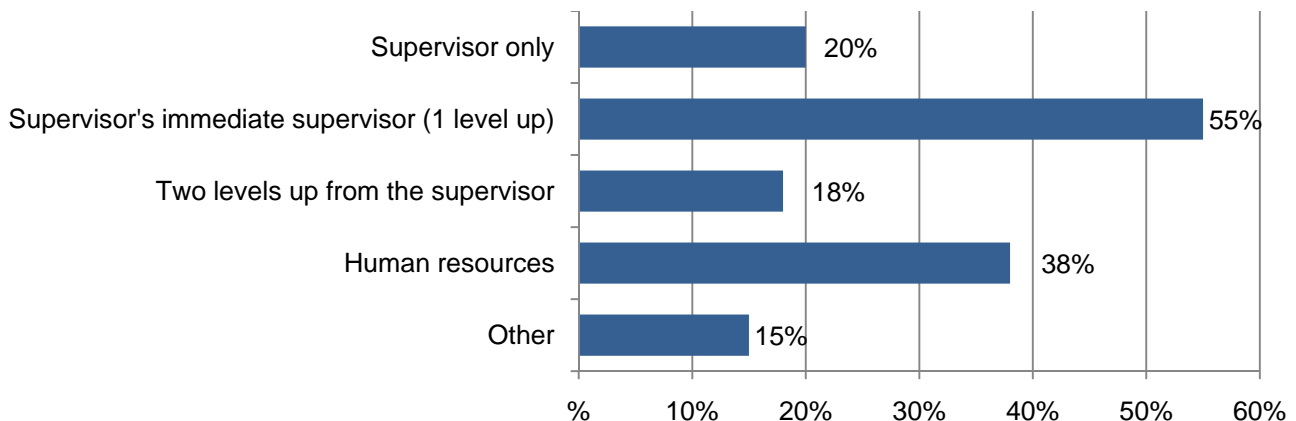
The vast majority of employers (80%) report that employees see their evaluations during the meeting or discussion of the evaluation. Some organizations (13%) provide evaluations to employees prior to the meeting or discussion.

**Figure 7 | When does the employee see their supervisor’s completed performance evaluation?**



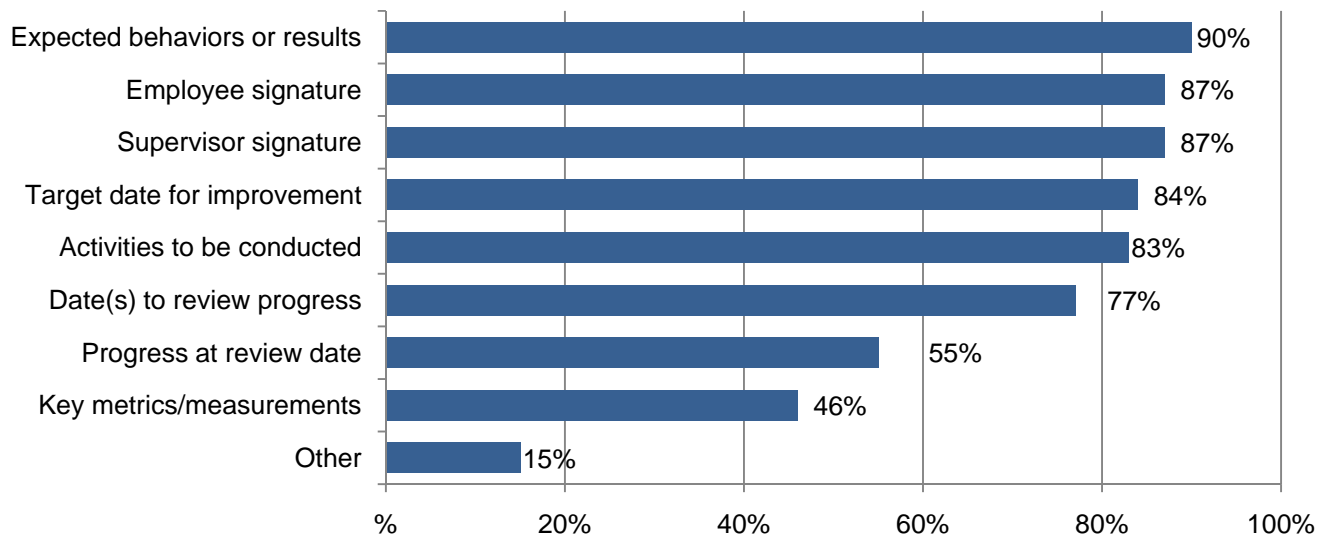
Approval of performance evaluations is most commonly provided by the supervisor’s immediate supervisor (1 level up) (55%). Human resources (38%) is also often involved in the approval process. In some organizations (20%), only the immediate supervisor needs to approve performance evaluations. Smaller organizations are more likely to report requiring only the supervisor to approve performance evaluations, compared to other employers.

**Figure 8 | Who approves performance evaluations?**



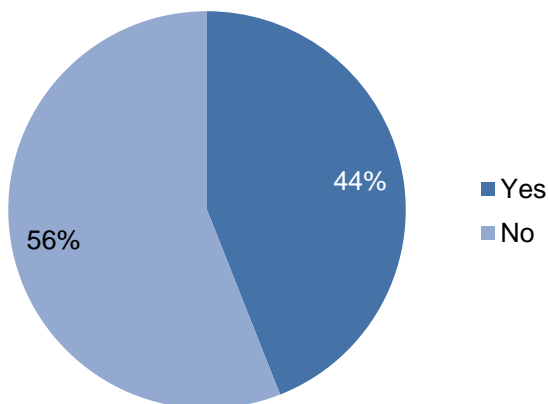
Performance improvement plans in organizations tend to include a variety of information. The majority of organizations report including the expected behavior or results (90%), employee and supervisor signatures (87%), and a target date for improvement (84%). Other (15%) aspects that are included in performance improvement plans are HR review, HR signature, and specific training goals. Less frequently included in performance improvement plans are key metrics/measurement or progress at review date.

**Figure 9 | If your organization uses performance improvement plans, what is included?**



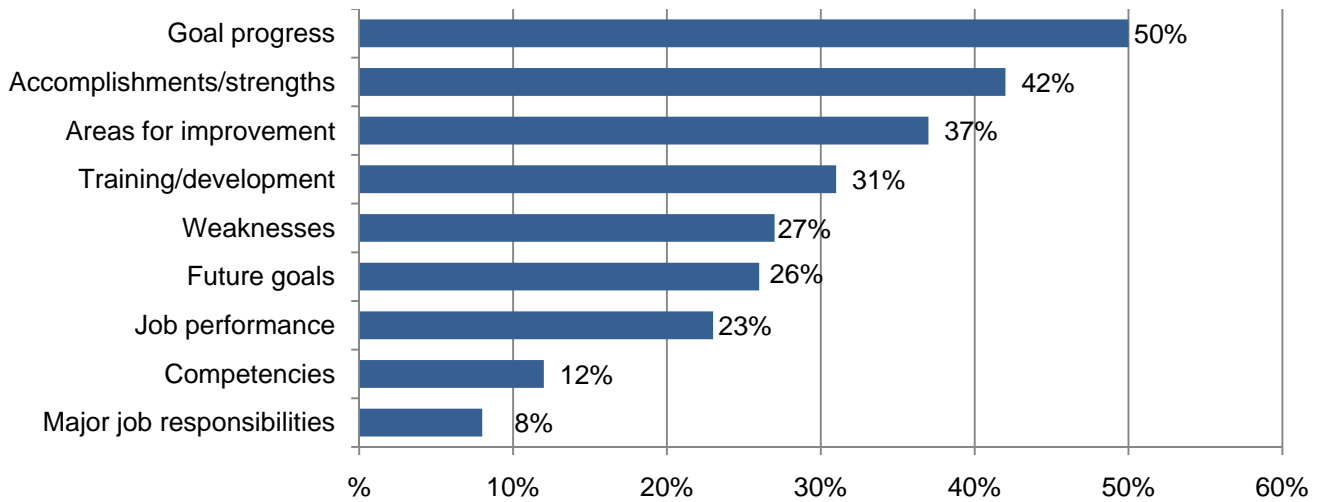
According to respondents, when organizations use self-appraisals, the employees and their supervisors typically fill out different forms (56%). Manufacturers and non-profits tended to use different forms.

**Figure 10 | If your organization uses employee self-appraisals, do employees and supervisors fill out the same evaluation form?**



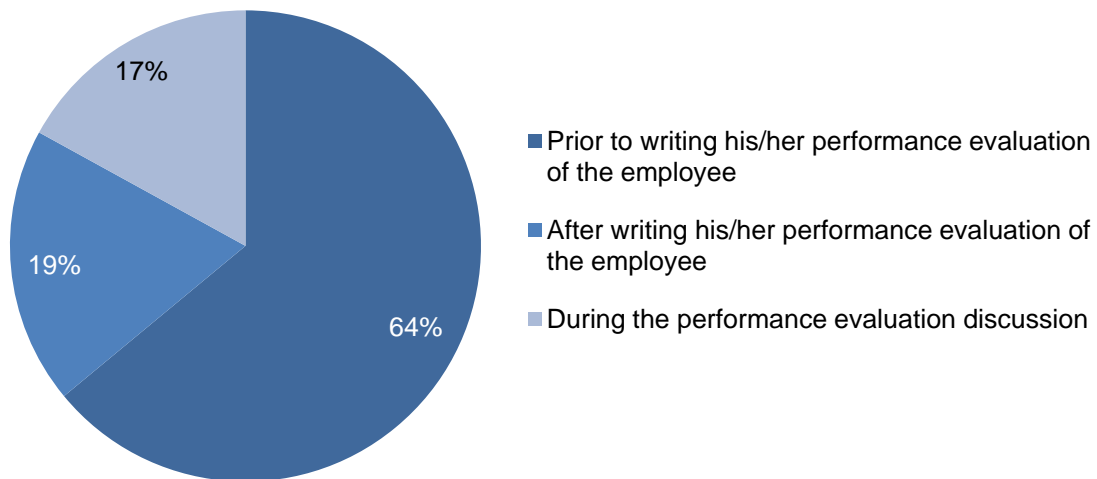
Among organizations that use self-appraisals, most have employees evaluate their goal progress over the past year (50%) and list their accomplishments and strengths (42%) and areas for improvement (37%). Full responses are provided in Appendix B.

**Figure 11 | If your organization uses a self-appraisal, what are employees asked to assess?**



According to respondents, the supervisor most frequently sees the employee's completed self-appraisal prior to writing his/her performance evaluation of the employee (64%). Fewer organizations report that supervisors see the employees' completed evaluation after writing their evaluation (19%) or during the performance evaluation discussion (17%).

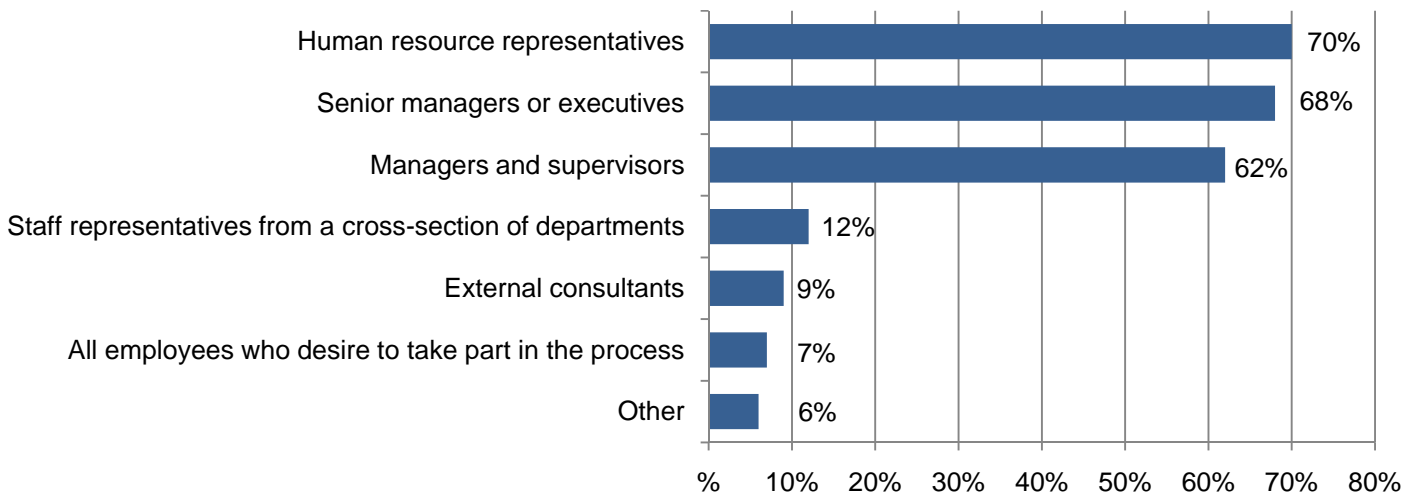
**Figure 12 | If self-appraisals are used, when does the supervisor first see the employee's completed self-appraisal?**



## Performance Criteria

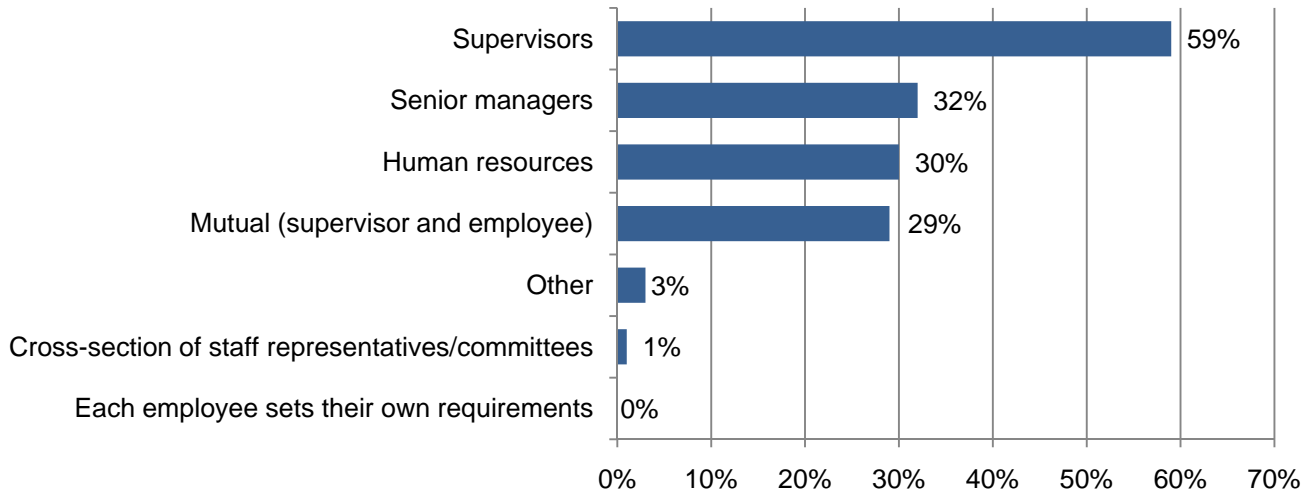
In most organizations, human resource representatives (70%), senior managers or executives (68%), and managers and supervisors (62%) are consulted on the performance management process and design. Few organizations consult staff representatives from a cross-section of departments (12%), external consultants (9%), and all employees who desire to take part in the process (7%). Other groups cited by respondents as being consulted on the performance management process and design include the board of directors, focus groups, and specific committees.

**Figure 13 | Are any of the following groups consulted on the performance management process and design?**



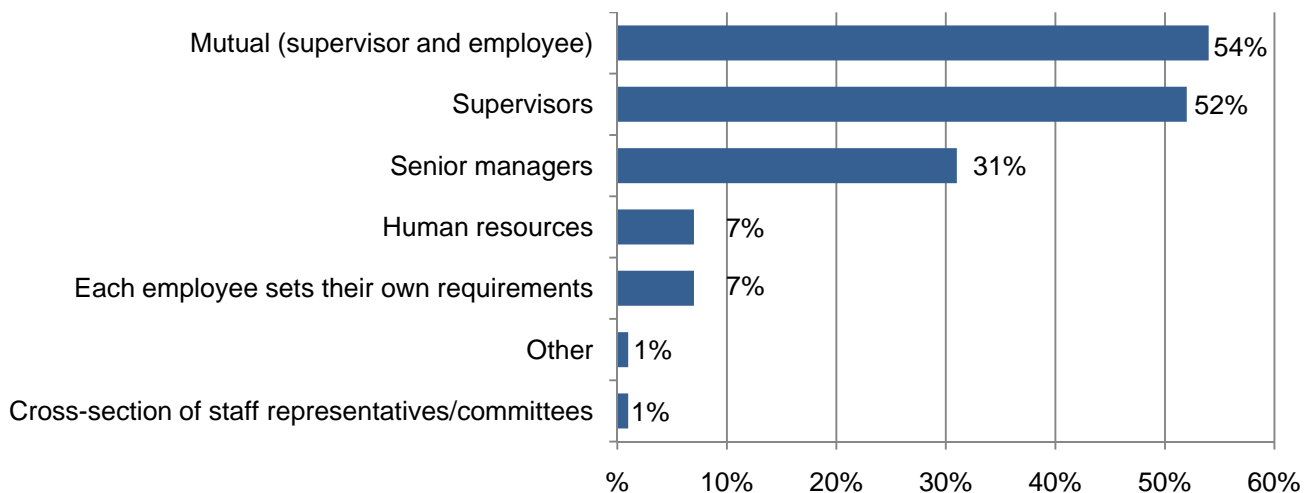
Employers cite that supervisors (59%) typically set performance criteria for employees. Senior managers (32%) and human resources (30%) are also often involved in setting performance criteria for employees. Twenty-nine percent (29%) of organizations report that supervisors and employees mutually agree on the performance criteria for that employee.

**Figure 14 | Who sets the performance criteria for employees?**



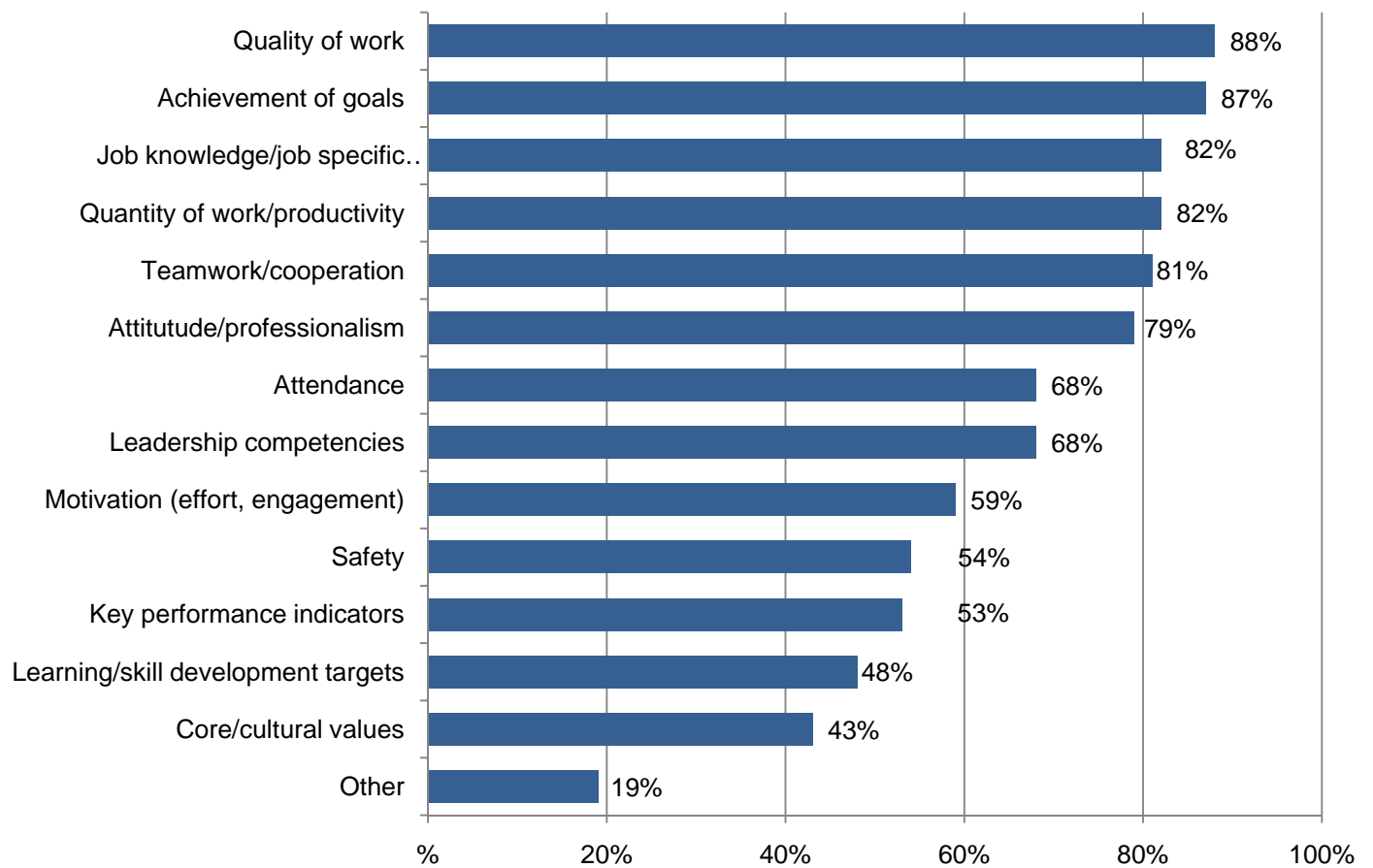
In terms of goal setting, employees and supervisors tend to mutually set goals (54%). In many cases, the supervisor alone sets these goals (52%). Senior managers (31%) are often involved in employee goal setting. Mutual goal setting occurs most frequently in manufacturing organizations.

**Figure 15 | Who sets the goals for employees?**



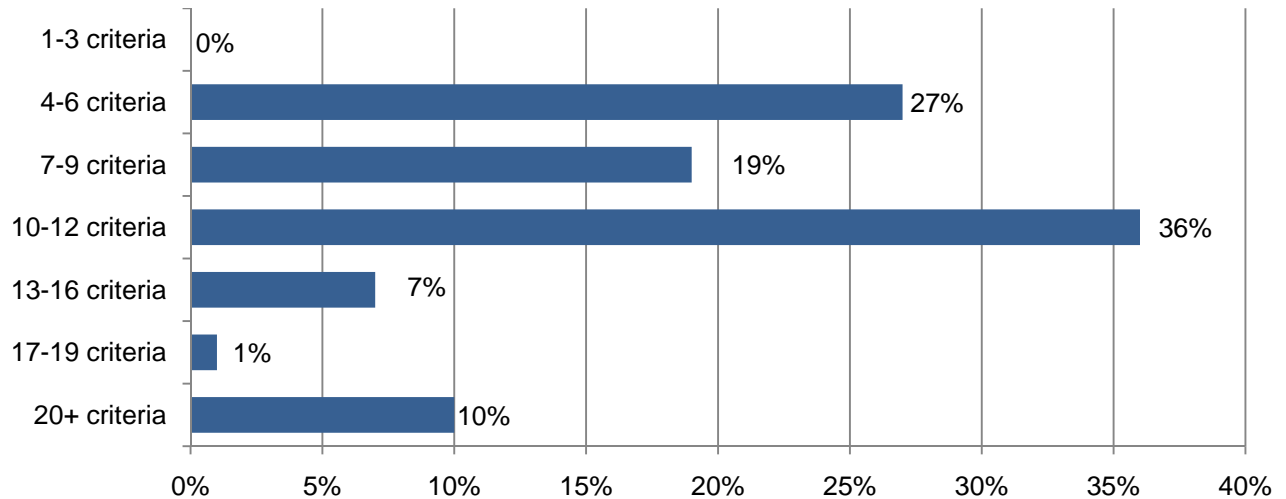
Organizations tend to assess a multitude of key performance criteria. Quality of work (88%) is assessed most frequently. Achievement of goals (87%), job knowledge/job specific competencies (82%), quantity of work/productivity (82%), and teamwork/cooperation are also frequently assessed. Key performance indicators (53%), learning/skill development targets (48%), and core/cultural values (43%) are evaluated less frequently by respondents. Other performance criteria assessed include accountability, teamwork, communication, and initiative.

**Figure 16 | What key performance criteria does your organization assess?**



Organizations tend to assess differing numbers of criteria on employees during performance evaluations. The average number of criteria in which an employees is evaluated on his/her performance evaluated is 11. The most common numbers of criteria assessed are 5 (16%), 10 (19%), and 12 (11%). Most organizations evaluate employees on 10-12 criteria (36%) or 4-6 criteria (27%).

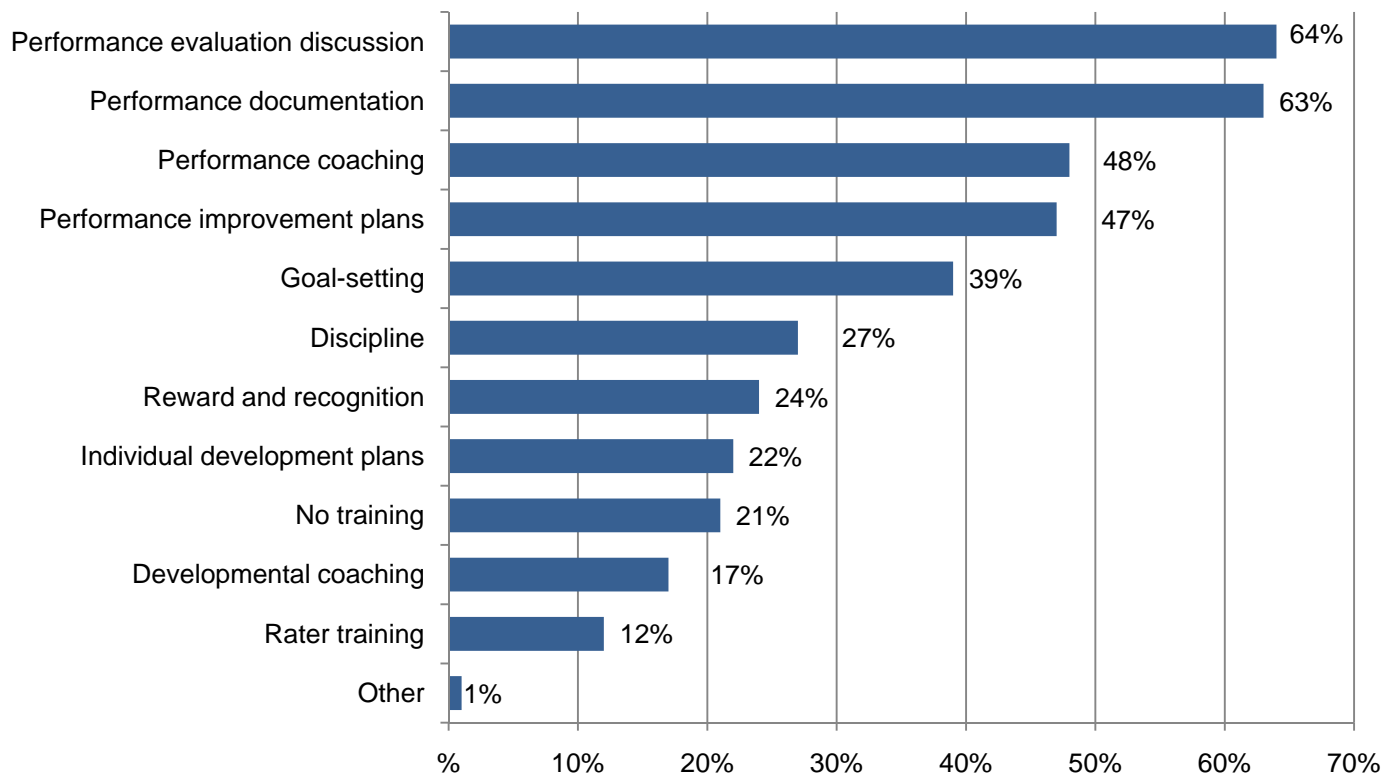
**Figure 17 | What is the average number of criteria against which an employee is evaluated on his/her performance evaluation?**



## Supervisor’s Role in Managing Performance

Organizations provide performance management training to supervisors on a number of different topics. Most employers offer supervisory training related to conducting the performance evaluation discussion (64%) and documenting performance (63%). Several respondents also offer training in performance coaching (48%), performance improvement plans (47%), and goal setting (39%). Twenty-one percent (21%) of organizations do not provide supervisors with any training related to performance management.

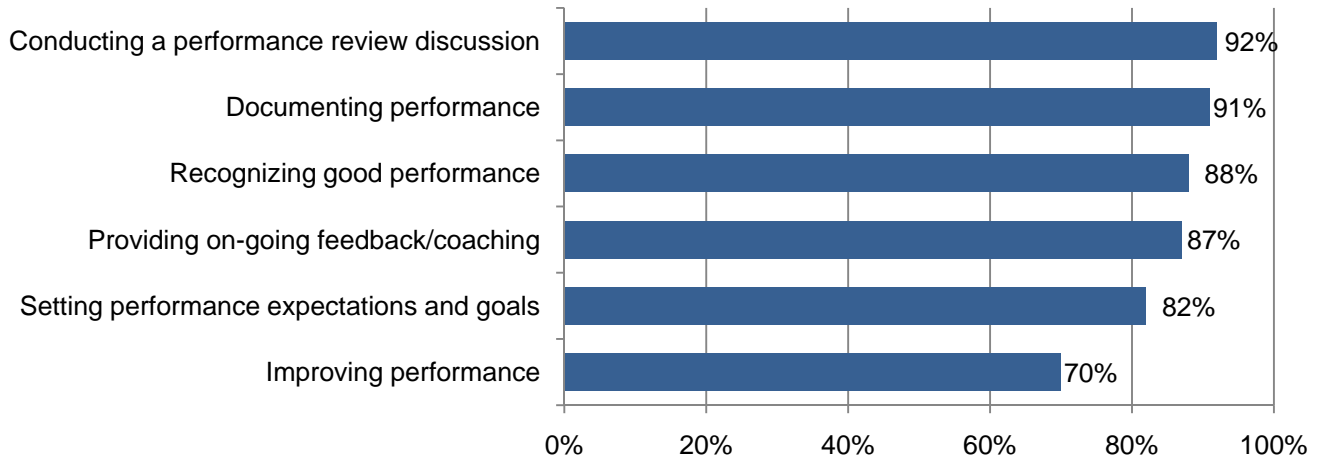
**Figure 18 | What training do supervisors receive in performance management?**



Small organizations (1-50 employees) were least likely to provide any performance management training when compared to larger organizations. Additionally, non-profit organizations were the most likely to provide performance management training to supervisors and managers.

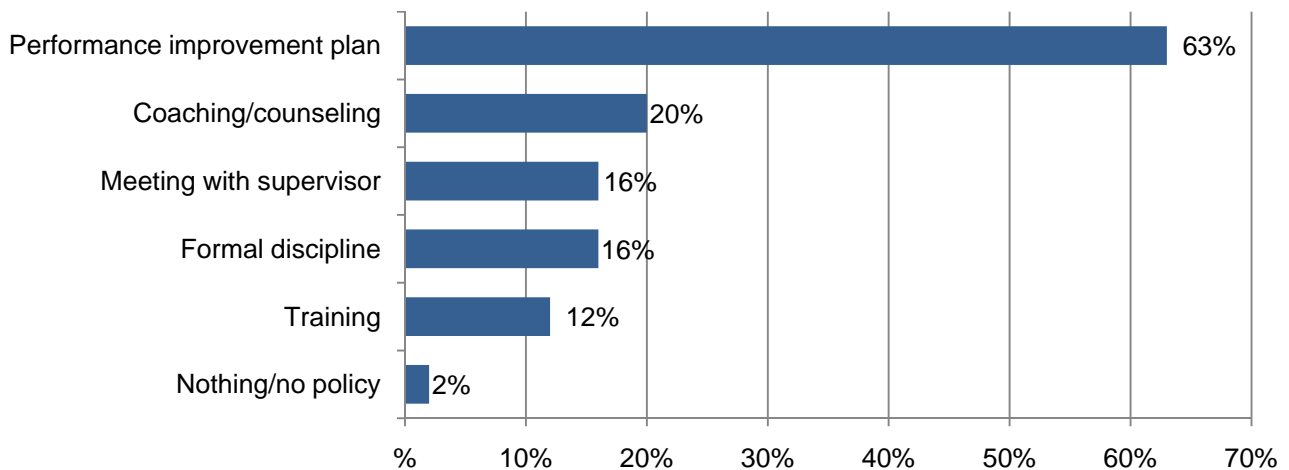
Organizations report that supervisors tend to have many responsibilities related to managing employee performance. Nearly all organizations report that supervisors conduct a performance review discussion (92%), document performance (91%), recognize good performance (88%), and set performance expectations and goals (82%).

**Figure 19 | What role do supervisors play in managing employee performance?**



Most organizations deal with below standard performance by instituting a performance improvement plan (63%). Many also use coaching/counseling (20%), meetings with supervisors (16%), and formal discipline procedures (16%). Full responses provided by respondents can be found in Appendix C.

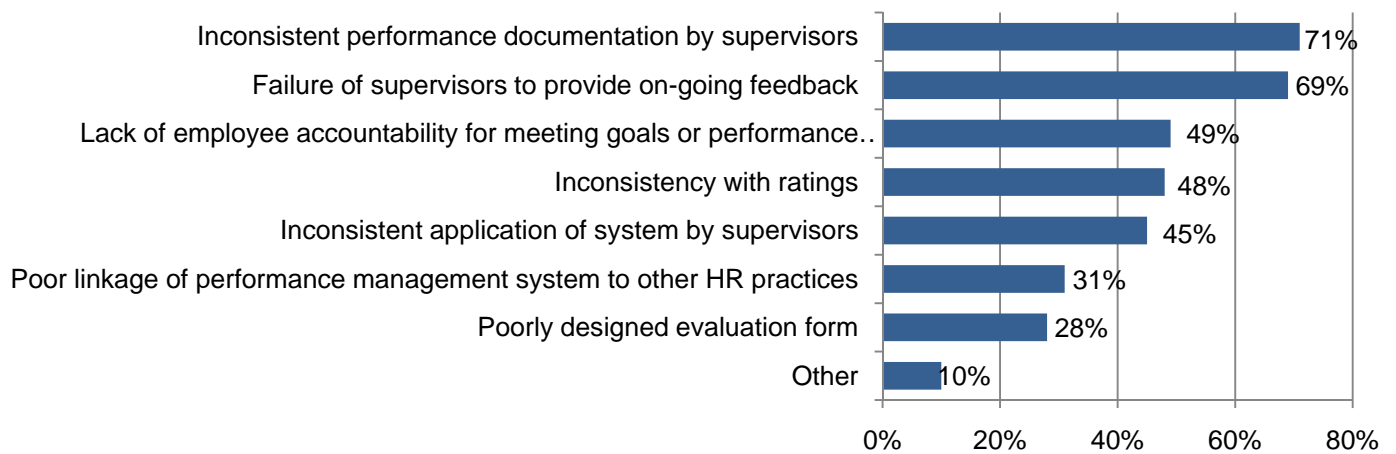
**Figure 20 | Please explain the process by which your organization deals with below standard performance?**



## Other Performance Management Issues

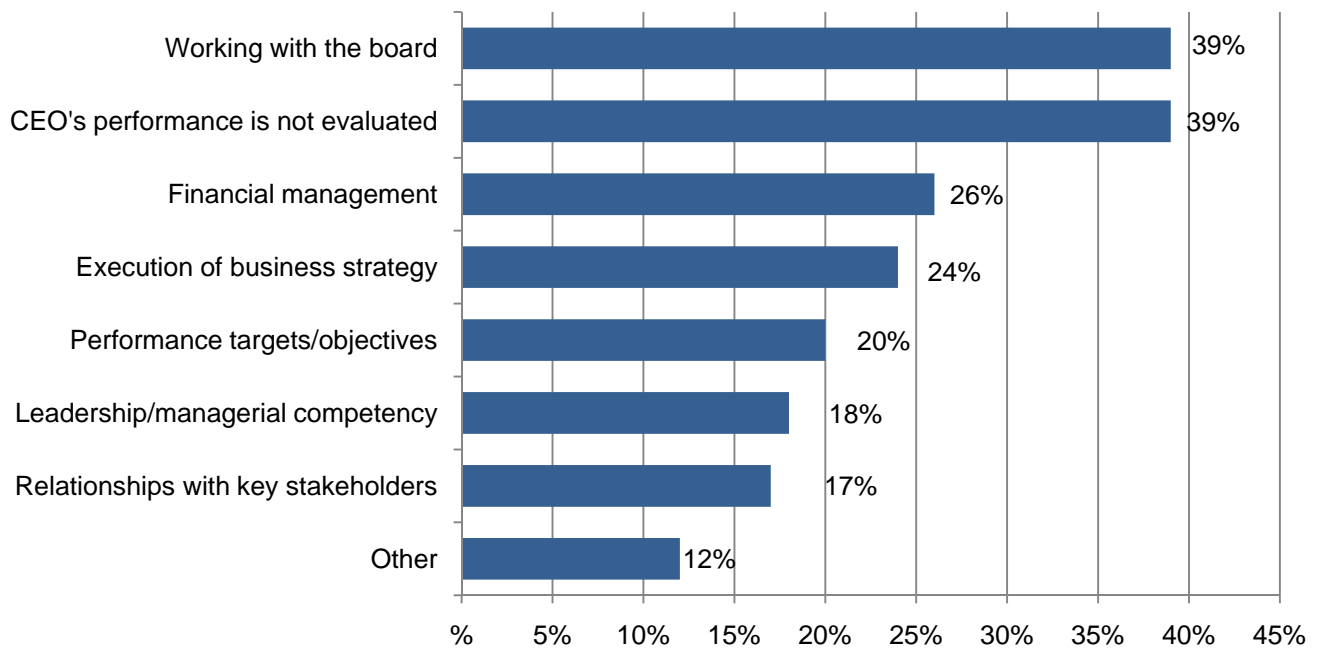
Organizations report several challenges they experience in their performance management systems. Inconsistent performance documentation by supervisors (71%) and failure of supervisor to provide on-going feedback (69%) are the most commonly reported problems. Other challenges cited by respondents include incomplete evaluation forms and the time it takes to complete a form. Non-profit organizations were the least likely to experience challenges in terms of inconsistent performance documentation by supervisors.

**Figure 21 | Does your organization’s performance management system experience any of the following challenges?**



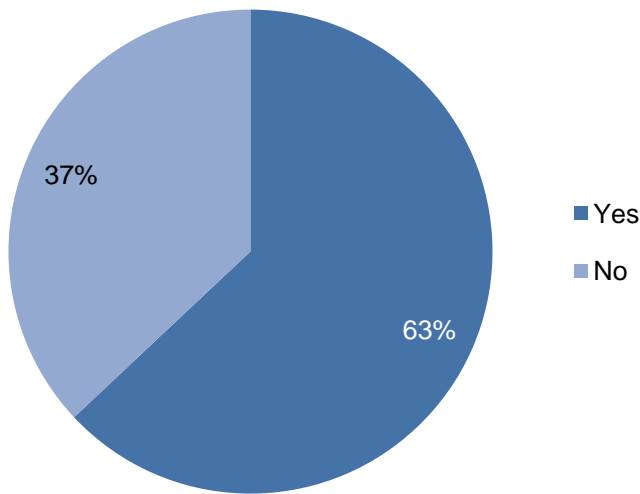
Sixty-one percent (61%) of organizations evaluate their CEOs in one or more ways. Most often, CEOs are evaluated by working with the board (39%). They are often also evaluated on their financial management, execution of business strategy, and performance targets and objectives. Other methods (12%) in which CEOs are evaluated include the board president, other executives, and unknown evaluation processes. All non-profit organizations evaluate their CEO's performance, however, many manufacturing and non-manufacturing organizations report not evaluating their CEOs.

**Figure 22 | How is the CEO's performance evaluated?**



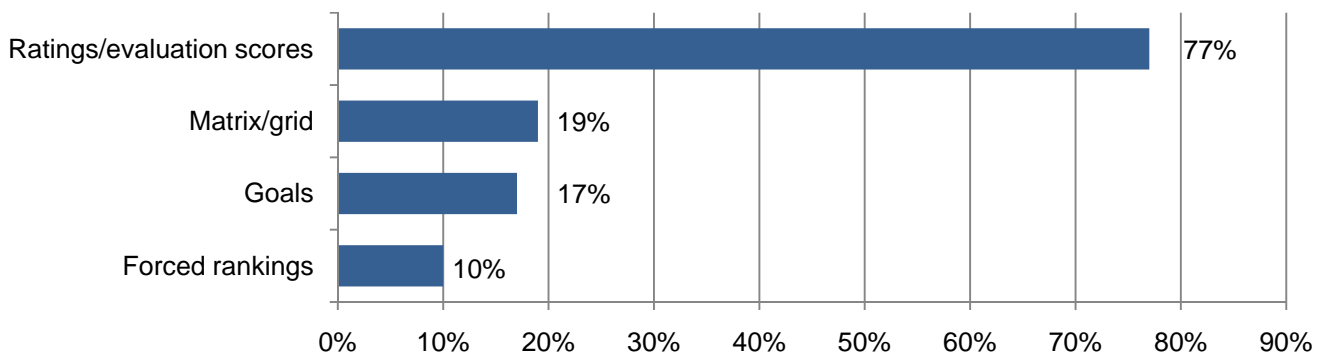
In the majority of organizations (63%), performance evaluation results and scores are tied to compensation. In most cases, employees with higher evaluation scores receive larger amounts of incentive or variable pay. Non-profit and small organizations (1-50 employees) are least likely to tie performance evaluation results or scores to compensation. Full responses provided by respondents on how compensation is tied to performance evaluations can be found in Appendix D.

**Figure 23 | Are performance evaluation results or scores tied to compensation?**



Of organizations who tie performance evaluation results to compensation, the majority (77%) use ratings or performance evaluation scores to make this determination. Matrices and grids (19%) and attainment of goals (17%) are sometimes used to link performance evaluation results or scores to compensation. Forced rankings (10%) are less likely to be used in organizations.

**Figure 24 | How are performance evaluation results or scores tied to compensation?**



## Respondent Demographics

Ninety-six (96) organizations in Northeast Ohio participated in the survey; a breakdown of the industries and sizes they represent is provided below.

**Figure 25 | Respondent demographics by industry and organizational size**

	Percent
<b>Industry</b>	
Manufacturing	54%
Non-Manufacturing	26%
Non-Profit	20%
<b>Organizational Size</b>	
1-50	16%
51-200	55%
201-500	16%
Over 500	13%

## Appendix A: Industry and Organizational Size Breakouts

Due to the quantity of differences in survey responses by industry and organizational size, the following breakouts are provided for each question.

**Figure 1a | What activities are featured in your performance management program?**

### Individual performance evaluation

	Yes	No
<b>All Organizations</b>	98%	2%
<b>Industry</b>		
Manufacturing	96%	4%
Non-Manufacturing	100%	0%
Non-Profit	100%	0%
<b>Organizational Size</b>		
1-50	93%	7%
51-200	98%	2%
201-500	100%	0%
Over 500	100%	0%

### Feedback/coaching

	Yes	No
<b>All Organizations</b>	94%	6%
<b>Industry</b>		
Manufacturing	92%	8%
Non-Manufacturing	96%	4%
Non-Profit	95%	5%
<b>Organizational Size</b>		
1-50	80%	20%
51-200	94%	6%
201-500	100%	0%
Over 500	100%	0%

**Performance goal setting**

	Yes	No
<b>All Organizations</b>	92%	8%
<b>Industry</b>		
Manufacturing	90%	10%
Non-Manufacturing	92%	8%
Non-Profit	95%	5%
<b>Organizational Size</b>		
1-50	87%	13%
51-200	91%	9%
201-500	93%	7%
Over 500	100%	0%

**Performance improvement plans**

	Yes	No
<b>All Organizations</b>	92%	8%
<b>Industry</b>		
Manufacturing	92%	8%
Non-Manufacturing	92%	8%
Non-Profit	90%	10%
<b>Organizational Size</b>		
1-50	73%	27%
51-200	93%	7%
201-500	100%	0%
Over 500	100%	0%

**Reward and recognition**

	Yes	No
<b>All Organizations</b>	92%	8%
<b>Industry</b>		
Manufacturing	92%	8%
Non-Manufacturing	92%	8%
Non-Profit	90%	10%
<b>Organizational Size</b>		
1-50	93%	7%
51-200	91%	9%
201-500	100%	0%
Over 500	85%	15%

**Individual development plans**

	Yes	No
<b>All Organizations</b>	91%	9%
<b>Industry</b>		
Manufacturing	94%	6%
Non-Manufacturing	84%	16%
Non-Profit	90%	10%
<b>Organizational Size</b>		
1-50	73%	27%
51-200	94%	6%
201-500	93%	7%
Over 500	92%	8%

**Developmental goal setting**

	Yes	No
<b>All Organizations</b>	89%	11%
<b>Industry</b>		
Manufacturing	90%	10%
Non-Manufacturing	84%	16%
Non-Profit	90%	10%
<b>Organizational Size</b>		
1-50	87%	13%
51-200	87%	13%
201-500	93%	7%
Over 500	92%	8%

**Self-appraisal**

	Yes	No
<b>All Organizations</b>	83%	17%
<b>Industry</b>		
Manufacturing	77%	23%
Non-Manufacturing	92%	8%
Non-Profit	90%	10%
<b>Organizational Size</b>		
1-50	80%	20%
51-200	81%	19%
201-500	87%	13%
Over 500	92%	8%

**Performance management training**

	Yes	No
<b>All Organizations</b>	79%	21%
<b>Industry</b>		
Manufacturing	81%	19%
Non-Manufacturing	76%	24%
Non-Profit	79%	21%
<b>Organizational Size</b>		
1-50	67%	33%
51-200	79%	21%
201-500	87%	13%
Over 500	85%	15%

**360 feedback**

	Yes	No
<b>All Organizations</b>	49%	51%
<b>Industry</b>		
Manufacturing	46%	54%
Non-Manufacturing	44%	56%
Non-Profit	63%	37%
<b>Organizational Size</b>		
1-50	47%	53%
51-200	43%	57%
201-500	60%	40%
Over 500	62%	38%

**Team performance evaluation**

	Yes	No
<b>All Organizations</b>	43%	57%
<b>Industry</b>		
Manufacturing	40%	60%
Non-Manufacturing	32%	68%
Non-Profit	63%	37%
<b>Organizational Size</b>		
1-50	53%	47%
51-200	38%	62%
201-500	47%	53%
Over 500	46%	54%

**Peer review**

	Yes	No
<b>All Organizations</b>	40%	60%
<b>Industry</b>		
Manufacturing	29%	71%
Non-Manufacturing	44%	56%
Non-Profit	63%	37%
<b>Organizational Size</b>		
1-50	47%	53%
51-200	30%	70%
201-500	47%	53%
Over 500	62%	38%

**Figure 2a | What activities are featured in your performance management program and how frequently do they occur?**

**Individual performance evaluation**

	Annually	Bi-annually	Quarterly	On-going	As needed	Less often than annually	Not used
<b>All Organizations</b>	76%	14%	7%	3%	6%	3%	2%
<b>Industry</b>							
Manufacturing	67%	17%	12%	2%	10%	4%	4%
Non-Manufacturing	88%	8%	0%	4%	4%	4%	0%
Non-Profit	84%	11%	5%	5%	0%	0%	0%
<b>Organizational Size</b>							
1-50	80%	13%	7%	7%	7%	0%	7%
51-200	76%	15%	6%	4%	6%	4%	2%
201-500	73%	7%	13%	0%	7%	7%	0%
Over 500	77%	15%	8%	0%	8%	0%	0%

**Feedback/coaching**

	Annually	Bi-annually	Quarterly	On-going	As needed	Less often than annually	Not used
<b>All Organizations</b>	16%	5%	5%	34%	32%	3%	6%
<b>Industry</b>							
Manufacturing	10%	6%	10%	29%	39%	0%	8%
Non-Manufacturing	20%	4%	0%	40%	28%	8%	4%
Non-Profit	26%	5%	0%	42%	21%	5%	5%
<b>Organizational Size</b>							
1-50	20%	7%	0%	27%	20%	0%	20%
51-200	13%	6%	6%	32%	38%	6%	6%
201-500	7%	0%	13%	40%	27%	0%	0%
Over 500	31%	8%	0%	46%	31%	0%	0%

**Performance goal setting**

	Annually	Bi-annually	Quarterly	On-going	As needed	Less often than annually	Not used
<b>All Organizations</b>	63%	4%	2%	11%	13%	3%	8%
<b>Industry</b>							
Manufacturing	54%	2%	4%	12%	12%	6%	10%
Non-Manufacturing	72%	8%	0%	8%	16%	0%	8%
Non-Profit	74%	5%	0%	16%	11%	0%	5%
<b>Organizational Size</b>							
1-50	40%	7%	0%	13%	27%	0%	13%
51-200	68%	7%	2%	8%	9%	4%	9%
201-500	40%	0%	7%	20%	7%	7%	7%
Over 500	92%	0%	0%	15%	15%	0%	0%

**Performance improvement plans**

	Annually	Bi-annually	Quarterly	On-going	As needed	Less often than annually	Not used
<b>All Organizations</b>	16%	0%	2%	8%	60%	2%	8%
<b>Industry</b>							
Manufacturing	14%	0%	2%	10%	62%	4%	8%
Non-Manufacturing	20%	0%	0%	4%	64%	0%	8%
Non-Profit	16%	0%	5%	11%	53%	0%	11%
<b>Organizational Size</b>							
1-50	13%	0%	7%	13%	33%	0%	27%
51-200	21%	0%	2%	8%	57%	4%	8%
201-500	7%	0%	0%	7%	80%	0%	0%
Over 500	8%	0%	0%	8%	85%	0%	0%

**Reward and recognition**

	Annually	Bi-annually	Quarterly	On-going	As needed	Less often than annually	Not used
<b>All Organizations</b>	16%	1%	3%	41%	22%	4%	8%
<b>Industry</b>							
Manufacturing	15%	2%	2%	46%	19%	6%	8%
Non-Manufacturing	8%	0%	8%	28%	32%	4%	8%
Non-Profit	26%	2%	0%	42%	16%	0%	11%
<b>Organizational Size</b>							
1-50	27%	0%	0%	33%	27%	0%	7%
51-200	15%	2%	4%	40%	21%	8%	9%
201-500	13%	0%	0%	53%	20%	0%	0%
Over 500	8%	0%	8%	39%	23%	0%	15%

**Individual development plans**

	Annually	Bi-annually	Quarterly	On-going	As needed	Less often than annually	Not used
<b>All Organizations</b>	43%	3%	4%	16%	22%	1%	9%
<b>Industry</b>							
Manufacturing	37%	4%	8%	17%	25%	2%	6%
Non-Manufacturing	52%	4%	0%	8%	20%	0%	16%
Non-Profit	47%	0%	0%	21%	16%	0%	11%
<b>Organizational Size</b>							
1-50	20%	7%	0%	27%	13%	0%	27%
51-200	49%	4%	4%	13%	25%	2%	6%
201-500	27%	0%	13%	13%	27%	0%	7%
Over 500	62%	0%	0%	15%	15%	0%	8%

**Developmental goal setting**

	Annually	Bi-annually	Quarterly	On-going	As needed	Less often than annually	Not used
<b>All Organizations</b>	50%	3%	2%	11%	22%	2%	11%
<b>Industry</b>							
Manufacturing	48%	2%	4%	10%	21%	4%	10%
Non-Manufacturing	52%	4%	0%	12%	24%	0%	16%
Non-Profit	53%	5%	0%	16%	21%	0%	11%
<b>Organizational Size</b>							
1-50	33%	7%	7%	13%	20%	0%	13%
51-200	57%	4%	2%	9%	21%	2%	13%
201-500	33%	0%	0%	13%	20%	7%	7%
Over 500	62%	0%	0%	15%	31%	0%	8%

**Self appraisal**

	Annually	Bi-annually	Quarterly	On-going	As needed	Less often than annually	Not used
<b>All Organizations</b>	56%	7%	1%	1%	8%	3%	17%
<b>Industry</b>							
Manufacturing	44%	8%	2%	2%	10%	4%	23%
Non-Manufacturing	80%	4%	0%	0%	4%	4%	8%
Non-Profit	58%	11%	0%	0%	11%	0%	11%
<b>Organizational Size</b>							
1-50	53%	7%	0%	0%	7%	0%	20%
51-200	57%	8%	0%	0%	9%	4%	19%
201-500	53%	0%	7%	0%	7%	7%	13%
Over 500	62%	15%	0%	8%	8%	0%	8%

**Performance management training**

	Annually	Bi-annually	Quarterly	On-going	As needed	Less often than annually	Not used
<b>All Organizations</b>	15%	0%	1%	13%	32%	9%	21%
<b>Industry</b>							
Manufacturing	10%	0%	0%	10%	44%	10%	19%
Non-Manufacturing	24%	0%	0%	8%	20%	12%	24%
Non-Profit	16%	0%	5%	26%	16%	5%	21%
<b>Organizational Size</b>							
1-50	7%	0%	0%	13%	33%	0%	33%
51-200	15%	0%	0%	13%	30%	13%	21%
201-500	13%	0%	0%	7%	40%	13%	13%
Over 500	23%	0%	8%	15%	31%	0%	15%

**360 feedback**

	Annually	Bi-annually	Quarterly	On-going	As needed	Less often than annually	Not used
<b>All Organizations</b>	11%	1%	0%	2%	15%	2%	51%
<b>Industry</b>							
Manufacturing	8%	0%	0%	0%	21%	2%	54%
Non-Manufacturing	24%	0%	0%	0%	8%	0%	56%
Non-Profit	5%	5%	0%	11%	5%	5%	37%
<b>Organizational Size</b>							
1-50	20%	0%	0%	7%	0%	0%	53%
51-200	8%	0%	0%	2%	13%	2%	57%
201-500	7%	0%	0%	0%	27%	7%	40%
Over 500	23%	8%	0%	0%	23%	0%	39%

**Team performance evaluation**

	Annually	Bi-annually	Quarterly	On-going	As needed	Less often than annually	Not used
<b>All Organizations</b>	5%	1%	6%	5%	13%	0%	57%
<b>Industry</b>							
Manufacturing	8%	2%	4%	6%	15%	0%	60%
Non-Manufacturing	4%	0%	4%	8%	4%	0%	68%
Non-Profit	0%	0%	16%	0%	16%	0%	37%
<b>Organizational Size</b>							
1-50	7%	0%	20%	7%	0%	0%	47%
51-200	6%	2%	4%	6%	13%	0%	62%
201-500	0%	0%	7%	0%	20%	0%	53%
Over 500	8%	0%	0%	8%	15%	0%	54%

**Peer review**

	Annually	Bi-annually	Quarterly	On-going	As needed	Less often than annually	Not used
<b>All Organizations</b>	10%	0%	0%	1%	9%	4%	60%
<b>Industry</b>							
Manufacturing	4%	0%	0%	2%	10%	2%	71%
Non-Manufacturing	20%	0%	0%	0%	8%	4%	56%
Non-Profit	16%	0%	0%	0%	11%	11%	37%
<b>Organizational Size</b>							
1-50	20%	0%	0%	0%	0%	7%	53%
51-200	8%	0%	0%	0%	6%	6%	70%
201-500	0%	0%	0%	0%	20%	0%	53%
Over 500	23%	0%	0%	8%	23%	0%	39%

**Figure 3a | Which of the following best describes the format of your organization’s annual performance evaluation?**

	Numeric rating	Comments/ summaries	Goal setting/ Management by objectives (MBO)	Forced ranking
<b>All Organizations</b>	46%	41%	35%	7%
<b>Industry</b>				
Manufacturing	40%	35%	29%	10%
Non-Manufacturing	60%	48%	40%	0%
Non-Profit	42%	47%	47%	11%
<b>Organizational Size</b>				
1-50	13%	27%	33%	0%
51-200	47%	41%	45%	8%
201-500	53%	47%	20%	0%
Over 500	69%	46%	15%	23%

**Figure 4a | If numeric ratings are used, what type of scale is employed?**

	3-point	4-point	5-point	6-point	8-point	10-point	12-point
<b>All Organizations</b>	14%	11%	64%	2%	2%	5%	2%
<b>Industry</b>							
Manufacturing	14%	19%	57%	5%	0%	0%	5%
Non-Manufacturing	13%	7%	67%	0%	0%	13%	0%
Non-Profit	13%	0%	74%	0%	13%	0%	0%
<b>Organizational Size</b>							
1-50	0%	0%	50%	50%	0%	0%	0%
51-200	12%	20%	56%	0%	0%	8%	4%
201-500	13%	0%	75%	0%	12%	0%	0%
Over 500	22%	0%	78%	0%	0%	0%	0%

**Figure 5a | Are all employees evaluated using the same performance evaluation form?**

	Yes	No
<b>All Organizations</b>	42%	58%
<b>Industry</b>		
Manufacturing	31%	69%
Non-Manufacturing	48%	52%
Non-Profit	63%	37%
<b>Organizational Size</b>		
1-50	73%	27%
51-200	40%	60%
201-500	40%	60%
Over 500	15%	85%

**Figure 6a | What employees receive different evaluations?**

	Exempt/non exempt	Job specific	Management/non -management	Office/ production	Union/non-union
<b>All Organizations</b>	44%	20%	20%	12%	4%
<b>Industry</b>					
Manufacturing	59%	3%	17%	18%	3%
Non-Manufacturing	31%	30%	31%	0%	8%
Non-Profit	0%	86%	14%	0%	0%
<b>Organizational Size</b>					
1-50	0%	33%	67%	0%	0%
51-200	52%	16%	13%	16%	3%
201-500	56%	11%	33%	0%	0%
Over 500	27%	36%	19%	9%	9%

**Figure 7a | When does the employee see their supervisor’s completed performance evaluation?**

	Prior to the meeting/discussion of the evaluation	During the meeting/discussion of the evaluation	After the meeting/discussion of the evaluation	Employee does not see evaluation
<b>All Organizations</b>	13%	80%	4%	3%
<b>Industry</b>				
Manufacturing	6%	87%	3%	4%
Non-Manufacturing	20%	68%	8%	4%
Non-Profit	21%	79%	0%	0%
<b>Organizational Size</b>				
1-50	13%	80%	0%	7%
51-200	11%	79%	6%	4%
201-500	7%	93%	0%	0%
Over 500	23%	69%	8%	0%

**Figure 8a | Who approves performance evaluations?**

	Supervisor only	1 level up	2 levels up	Human resources	Other
<b>All Organizations</b>	20%	55%	18%	38%	15%
<b>Industry</b>					
Manufacturing	12%	67%	17%	44%	12%
Non-Manufacturing	28%	48%	20%	40%	12%
Non-Profit	32%	32%	16%	16%	26%
<b>Organizational Size</b>					
1-50	33%	27%	7%	7%	47%
51-200	19%	68%	17%	45%	9%
201-500	20%	53%	13%	60%	0%
Over 500	8%	39%	39%	15%	15%

Figure 9a | If your organization uses performance improvement plans, what is included?

**Expected behaviors or results**

	Yes	No
<b>All Organizations</b>	90%	10%
<b>Industry</b>		
Manufacturing	90%	10%
Non-Manufacturing	92%	8%
Non-Profit	84%	16%
<b>Organizational Size</b>		
1-50	80%	20%
51-200	89%	11%
201-500	93%	7%
Over 500	100%	0%

**Employee signature**

	Yes	No
<b>All Organizations</b>	87%	13%
<b>Industry</b>		
Manufacturing	83%	17%
Non-Manufacturing	92%	8%
Non-Profit	90%	10%
<b>Organizational Size</b>		
1-50	73%	27%
51-200	85%	15%
201-500	93%	7%
Over 500	100%	0%

**Supervisor signature**

	Yes	No
<b>All Organizations</b>	87%	13%
<b>Industry</b>		
Manufacturing	83%	17%
Non-Manufacturing	92%	8%
Non-Profit	90%	10%
<b>Organizational Size</b>		
1-50	73%	27%
51-200	85%	15%
201-500	93%	7%
Over 500	100%	0%

**Target date for improvement**

	Yes	No
<b>All Organizations</b>	84%	16%
<b>Industry</b>		
Manufacturing	83%	17%
Non-Manufacturing	88%	12%
Non-Profit	84%	16%
<b>Organizational Size</b>		
1-50	60%	40%
51-200	89%	11%
201-500	80%	20%
Over 500	100%	0%

**Activities to be conducted**

	Yes	No
<b>All Organizations</b>	83%	17%
<b>Industry</b>		
Manufacturing	81%	19%
Non-Manufacturing	88%	12%
Non-Profit	84%	16%
<b>Organizational Size</b>		
1-50	73%	27%
51-200	87%	13%
201-500	80%	20%
Over 500	85%	15%

**Date(s) to review progress**

	Yes	No
<b>All Organizations</b>	77%	23%
<b>Industry</b>		
Manufacturing	71%	29%
Non-Manufacturing	92%	8%
Non-Profit	74%	26%
<b>Organizational Size</b>		
1-50	60%	40%
51-200	76%	24%
201-500	80%	20%
Over 500	100%	0%

**Progress at review date**

	Yes	No
<b>All Organizations</b>	55%	45%
<b>Industry</b>		
Manufacturing	50%	50%
Non-Manufacturing	56%	44%
Non-Profit	68%	32%
<b>Organizational Size</b>		
1-50	60%	40%
51-200	59%	41%
201-500	40%	60%
Over 500	54%	46%

**Key metrics/measurements**

	Yes	No
<b>All Organizations</b>	46%	54%
<b>Industry</b>		
Manufacturing	44%	56%
Non-Manufacturing	56%	44%
Non-Profit	37%	63%
<b>Organizational Size</b>		
1-50	60%	40%
51-200	55%	45%
201-500	67%	33%
Over 500	31%	69%

**Other**

	Yes	No
<b>All Organizations</b>	15%	85%
<b>Industry</b>		
Manufacturing	12%	88%
Non-Manufacturing	12%	88%
Non-Profit	26%	74%
<b>Organizational Size</b>		
1-50	47%	53%
51-200	9%	91%
201-500	0%	100%
Over 500	15%	85%

**Figure 10a | If your organization uses employee self-appraisals, do employees and supervisors fill out the same evaluation form?**

	Yes	No
<b>All Organizations</b>	44%	56%
<b>Industry</b>		
Manufacturing	40%	60%
Non-Manufacturing	60%	40%
Non-Profit	32%	68%
<b>Organizational Size</b>		
1-50	27%	73%
51-200	51%	49%
201-500	27%	73%
Over 500	54%	46%

Figure 11a | If your organization uses a self-appraisal, what are employees asked to assess?

**Goal progress**

	Yes	No
<b>All Organizations</b>	50%	50%
<b>Industry</b>		
Manufacturing	42%	58%
Non-Manufacturing	67%	33%
Non-Profit	50%	50%
<b>Organizational Size</b>		
1-50	50%	50%
51-200	58%	42%
201-500	40%	60%
Over 500	40%	60%

**Accomplishments/strengths**

	Yes	No
<b>All Organizations</b>	42%	58%
<b>Industry</b>		
Manufacturing	42%	58%
Non-Manufacturing	33%	67%
Non-Profit	50%	50%
<b>Organizational Size</b>		
1-50	75%	25%
51-200	50%	50%
201-500	0%	100%
Over 500	40%	60%

**Areas for Improvement**

	Yes	No
<b>All Organizations</b>	37%	63%
<b>Industry</b>		
Manufacturing	42%	58%
Non-Manufacturing	71%	29%
Non-Profit	0%	100%
<b>Organizational Size</b>		
1-50	0%	100%
51-200	62%	38%
201-500	40%	60%
Over 500	0%	100%

**Training/development**

	Yes	No
<b>All Organizations</b>	31%	69%
<b>Industry</b>		
Manufacturing	50%	50%
Non-Manufacturing	17%	83%
Non-Profit	13%	87%
<b>Organizational Size</b>		
1-50	25%	75%
51-200	41%	58%
201-500	20%	80%
Over 500	20%	100%

**Future goals/goals for improvement**

	Yes	No
<b>All Organizations</b>	31%	69%
<b>Industry</b>		
Manufacturing	33%	67%
Non-Manufacturing	50%	50%
Non-Profit	13%	87%
<b>Organizational Size</b>		
1-50	25%	75%
51-200	50%	50%
201-500	20%	80%
Over 500	0%	100%

**Failings/weaknesses**

	Yes	No
<b>All Organizations</b>	27%	73%
<b>Industry</b>		
Manufacturing	33%	67%
Non-Manufacturing	17%	83%
Non-Profit	25%	75%
<b>Organizational Size</b>		
1-50	25%	75%
51-200	42%	58%
201-500	0%	100%
Over 500	20%	80%

**Future goals**

	Yes	No
<b>All Organizations</b>	26%	74%
<b>Industry</b>		
Manufacturing	33%	67%
Non-Manufacturing	29%	71%
Non-Profit	13%	87%
<b>Organizational Size</b>		
1-50	25%	75%
51-200	46%	54%
201-500	0%	100%
Over 500	0%	100%

**Job performance**

	Yes	No
<b>All Organizations</b>	23%	77%
<b>Industry</b>		
Manufacturing	25%	75%
Non-Manufacturing	17%	83%
Non-Profit	25%	75%
<b>Organizational Size</b>		
1-50	25%	75%
51-200	42%	58%
201-500	0%	100%
Over 500	0%	100%

**Competencies**

	Yes	No
<b>All Organizations</b>	12%	88%
<b>Industry</b>		
Manufacturing	8%	92%
Non-Manufacturing	17%	83%
Non-Profit	13%	87%
<b>Organizational Size</b>		
1-50	25%	75%
51-200	17%	83%
201-500	0%	100%
Over 500	0%	100%

**Major job responsibilities**

	Yes	No
<b>All Organizations</b>	8%	92%
<b>Industry</b>		
Manufacturing	17%	83%
Non-Manufacturing	0%	100%
Non-Profit	0%	100%
<b>Organizational Size</b>		
1-50	0%	100%
51-200	0%	100%
201-500	40%	60%
Over 500	0%	100%

**Figure 12a | If self-appraisals are used, when does the supervisor first see the employee's completed self-appraisal?**

	Prior to writing his/her performance evaluation of the employee	After writing his/her performance evaluation of the employee	During the performance evaluation discussion
<b>All Organizations</b>	64%	19%	17%
<b>Industry</b>			
Manufacturing	55%	30%	15%
Non-Manufacturing	74%	13%	13%
Non-Profit	71%	0%	29%
<b>Organizational Size</b>			
1-50	46%	27%	27%
51-200	69%	15%	16%
201-500	63%	25%	12%
Over 500	67%	16%	17%

**Figure 13a | Are any of the following groups consulted on the performance management process and design?**

**Human resource representatives**

	Yes	No
<b>All Organizations</b>	70%	30%
<b>Industry</b>		
Manufacturing	71%	29%
Non-Manufacturing	76%	24%
Non-Profit	58%	42%
<b>Organizational Size</b>		
1-50	27%	73%
51-200	77%	23%
201-500	73%	27%
Over 500	85%	15%

**Senior managers or executives**

	Yes	No
<b>All Organizations</b>	68%	32%
<b>Industry</b>		
Manufacturing	69%	31%
Non-Manufacturing	64%	36%
Non-Profit	68%	32%
<b>Organizational Size</b>		
1-50	60%	40%
51-200	72%	28%
201-500	67%	33%
Over 500	62%	38%

**Managers and supervisors**

	Yes	No
<b>All Organizations</b>	62%	38%
<b>Industry</b>		
Manufacturing	62%	38%
Non-Manufacturing	60%	40%
Non-Profit	63%	37%
<b>Organizational Size</b>		
1-50	60%	40%
51-200	60%	40%
201-500	53%	47%
Over 500	77%	23%

**Staff representatives from a cross-section of departments**

	Yes	No
<b>All Organizations</b>	12%	88%
<b>Industry</b>		
Manufacturing	10%	90%
Non-Manufacturing	12%	88%
Non-Profit	16%	84%
<b>Organizational Size</b>		
1-50	7%	93%
51-200	11%	89%
201-500	0%	100%
Over 500	31%	69%

**External consultants**

	Yes	No
<b>All Organizations</b>	9%	91%
<b>Industry</b>		
Manufacturing	10%	90%
Non-Manufacturing	4%	96%
Non-Profit	16%	84%
<b>Organizational Size</b>		
1-50	7%	93%
51-200	8%	92%
201-500	20%	80%
Over 500	8%	92%

**All employees who desire to take part in the process**

	Yes	No
<b>All Organizations</b>	7%	93%
<b>Industry</b>		
Manufacturing	8%	92%
Non-Manufacturing	8%	92%
Non-Profit	5%	95%
<b>Organizational Size</b>		
1-50	0%	100%
51-200	6%	94%
201-500	7%	93%
Over 500	23%	77%

**Other**

	Yes	No
<b>All Organizations</b>	6%	94%
<b>Industry</b>		
Manufacturing	4%	96%
Non-Manufacturing	4%	96%
Non-Profit	16%	84%
<b>Organizational Size</b>		
1-50	7%	93%
51-200	2%	98%
201-500	7%	93%
Over 500	23%	77%

**Figure 14a | Who sets the performance criteria for employees?**

**Supervisors**

	Yes	No
<b>All Organizations</b>	59%	41%
<b>Industry</b>		
Manufacturing	60%	40%
Non-Manufacturing	64%	36%
Non-Profit	53%	47%
<b>Organizational Size</b>		
1-50	47%	53%
51-200	62%	38%
201-500	60%	40%
Over 500	62%	38%

**Senior managers**

	Yes	No
<b>All Organizations</b>	32%	68%
<b>Industry</b>		
Manufacturing	31%	69%
Non-Manufacturing	36%	64%
Non-Profit	32%	68%
<b>Organizational Size</b>		
1-50	40%	60%
51-200	38%	64%
201-500	27%	73%
Over 500	15%	85%

**Human resources**

	Yes	No
<b>All Organizations</b>	30%	70%
<b>Industry</b>		
Manufacturing	33%	67%
Non-Manufacturing	24%	76%
Non-Profit	32%	68%
<b>Organizational Size</b>		
1-50	13%	87%
51-200	36%	64%
201-500	33%	67%
Over 500	23%	77%

**Mutual (supervisor and employee)**

	Yes	No
<b>All Organizations</b>	29%	71%
<b>Industry</b>		
Manufacturing	35%	65%
Non-Manufacturing	32%	68%
Non-Profit	11%	89%
<b>Organizational Size</b>		
1-50	33%	67%
51-200	30%	70%
201-500	27%	73%
Over 500	23%	77%

**Other**

	Yes	No
<b>All Organizations</b>	3%	97%
<b>Industry</b>		
Manufacturing	2%	98%
Non-Manufacturing	0%	100%
Non-Profit	11%	89%
<b>Organizational Size</b>		
1-50	13%	87%
51-200	2%	98%
201-500	0%	100%
Over 500	0%	100%

**Cross-section of staff representatives**

	Yes	No
<b>All Organizations</b>	1%	99%
<b>Industry</b>		
Manufacturing	0%	100%
Non-Manufacturing	0%	100%
Non-Profit	5%	95%
<b>Organizational Size</b>		
1-50	0%	100%
51-200	0%	100%
201-500	0%	100%
Over 500	8%	92%

**Each employee sets their own requirements**

	Yes	No
<b>All Organizations</b>	0%	100%
<b>Industry</b>		
Manufacturing	0%	100%
Non-Manufacturing	0%	100%
Non-Profit	0%	100%
<b>Organizational Size</b>		
1-50	0%	100%
51-200	0%	100%
201-500	0%	100%
Over 500	0%	100%

Figure 15a | Who sets the goals for employees?

**Mutual (supervisor and employee)**

	Yes	No
<b>All Organizations</b>	54%	46%
<b>Industry</b>		
Manufacturing	62%	38%
Non-Manufacturing	52%	48%
Non-Profit	37%	63%
<b>Organizational Size</b>		
1-50	40%	60%
51-200	55%	45%
201-500	60%	40%
Over 500	62%	38%

**Supervisors**

	Yes	No
<b>All Organizations</b>	52%	48%
<b>Industry</b>		
Manufacturing	50%	50%
Non-Manufacturing	56%	44%
Non-Profit	53%	47%
<b>Organizational Size</b>		
1-50	40%	60%
51-200	60%	40%
201-500	53%	47%
Over 500	31%	69%

**Senior managers**

	Yes	No
<b>All Organizations</b>	31%	69%
<b>Industry</b>		
Manufacturing	35%	65%
Non-Manufacturing	32%	68%
Non-Profit	21%	79%
<b>Organizational Size</b>		
1-50	47%	53%
51-200	34%	66%
201-500	27%	73%
Over 500	8%	92%

**Human resources**

	Yes	No
<b>All Organizations</b>	7%	93%
<b>Industry</b>		
Manufacturing	6%	94%
Non-Manufacturing	12%	88%
Non-Profit	5%	95%
<b>Organizational Size</b>		
1-50	7%	93%
51-200	8%	92%
201-500	7%	93%
Over 500	8%	92%

**Each employee sets their own requirements**

	Yes	No
<b>All Organizations</b>	7%	93%
<b>Industry</b>		
Manufacturing	8%	92%
Non-Manufacturing	8%	92%
Non-Profit	5%	95%
<b>Organizational Size</b>		
1-50	7%	93%
51-200	9%	91%
201-500	7%	93%
Over 500	0%	100%

**Cross-section of staff representatives/committees**

	Yes	No
<b>All Organizations</b>	1%	99%
<b>Industry</b>		
Manufacturing	0%	100%
Non-Manufacturing	0%	100%
Non-Profit	5%	95%
<b>Organizational Size</b>		
1-50	0%	100%
51-200	0%	100%
201-500	0%	100%
Over 500	8%	92%

**Other**

	Yes	No
<b>All Organizations</b>	1%	99%
<b>Industry</b>		
Manufacturing	0%	100%
Non-Manufacturing	0%	100%
Non-Profit	5%	95%
<b>Organizational Size</b>		
1-50	7%	93%
51-200	0%	100%
201-500	0%	100%
Over 500	0%	100%

**Figure 16a | What key performance criteria does your organization assess?**

**Quality of work**

	Yes	No
<b>All Organizations</b>	88%	12%
<b>Industry</b>		
Manufacturing	85%	15%
Non-Manufacturing	96%	4%
Non-Profit	84%	16%
<b>Organizational Size</b>		
1-50	80%	20%
51-200	93%	7%
201-500	73%	27%
Over 500	92%	8%

**Achievement of goals**

	Yes	No
<b>All Organizations</b>	87%	13%
<b>Industry</b>		
Manufacturing	85%	15%
Non-Manufacturing	96%	4%
Non-Profit	79%	21%
<b>Organizational Size</b>		
1-50	80%	20%
51-200	87%	13%
201-500	87%	13%
Over 500	92%	8%

**Job knowledge/job specific competencies**

	Yes	No
<b>All Organizations</b>	82%	18%
<b>Industry</b>		
Manufacturing	89%	11%
Non-Manufacturing	88%	12%
Non-Profit	58%	42%
<b>Organizational Size</b>		
1-50	60%	40%
51-200	87%	13%
201-500	80%	20%
Over 500	92%	8%

**Quantity of work/productivity**

	Yes	No
<b>All Organizations</b>	82%	18%
<b>Industry</b>		
Manufacturing	81%	19%
Non-Manufacturing	88%	12%
Non-Profit	79%	21%
<b>Organizational Size</b>		
1-50	67%	33%
51-200	89%	11%
201-500	73%	27%
Over 500	85%	15%

**Teamwork/cooperation**

	Yes	No
<b>All Organizations</b>	81%	19%
<b>Industry</b>		
Manufacturing	81%	19%
Non-Manufacturing	88%	12%
Non-Profit	74%	26%
<b>Organizational Size</b>		
1-50	73%	27%
51-200	85%	15%
201-500	80%	20%
Over 500	77%	23%

**Attitude/professionalism**

	Yes	No
<b>All Organizations</b>	79%	21%
<b>Industry</b>		
Manufacturing	79%	21%
Non-Manufacturing	88%	12%
Non-Profit	68%	32%
<b>Organizational Size</b>		
1-50	73%	27%
51-200	85%	15%
201-500	73%	27%
Over 500	69%	31%

**Attendance**

	Yes	No
<b>All Organizations</b>	68%	32%
<b>Industry</b>		
Manufacturing	69%	31%
Non-Manufacturing	80%	20%
Non-Profit	47%	53%
<b>Organizational Size</b>		
1-50	47%	53%
51-200	77%	23%
201-500	60%	40%
Over 500	62%	38%

**Leadership competencies**

	Yes	No
<b>All Organizations</b>	68%	32%
<b>Industry</b>		
Manufacturing	69%	31%
Non-Manufacturing	72%	28%
Non-Profit	58%	42%
<b>Organizational Size</b>		
1-50	53%	47%
51-200	64%	36%
201-500	80%	20%
Over 500	85%	15%

**Motivation (effort, engagement)**

	Yes	No
<b>All Organizations</b>	59%	41%
<b>Industry</b>		
Manufacturing	62%	38%
Non-Manufacturing	64%	36%
Non-Profit	47%	53%
<b>Organizational Size</b>		
1-50	47%	53%
51-200	68%	32%
201-500	47%	53%
Over 500	54%	46%

**Safety**

	Yes	No
<b>All Organizations</b>	54%	46%
<b>Industry</b>		
Manufacturing	71%	29%
Non-Manufacturing	40%	60%
Non-Profit	26%	74%
<b>Organizational Size</b>		
1-50	27%	73%
51-200	62%	38%
201-500	53%	47%
Over 500	54%	46%

**Key performance indicators**

	Yes	No
<b>All Organizations</b>	53%	47%
<b>Industry</b>		
Manufacturing	48%	52%
Non-Manufacturing	56%	44%
Non-Profit	63%	37%
<b>Organizational Size</b>		
1-50	40%	60%
51-200	51%	49%
201-500	60%	40%
Over 500	69%	31%

**Learning/skill development targets**

	Yes	No
<b>All Organizations</b>	48%	52%
<b>Industry</b>		
Manufacturing	50%	50%
Non-Manufacturing	60%	40%
Non-Profit	26%	74%
<b>Organizational Size</b>		
1-50	47%	53%
51-200	53%	47%
201-500	27%	73%
Over 500	54%	46%

**Core/cultural values**

	Yes	No
<b>All Organizations</b>	43%	57%
<b>Industry</b>		
Manufacturing	50%	50%
Non-Manufacturing	60%	40%
Non-Profit	26%	74%
<b>Organizational Size</b>		
1-50	47%	53%
51-200	53%	47%
201-500	27%	73%
Over 500	54%	46%

**Other**

	Yes	No
<b>All Organizations</b>	19%	81%
<b>Industry</b>		
Manufacturing	21%	79%
Non-Manufacturing	16%	84%
Non-Profit	16%	84%
<b>Organizational Size</b>		
1-50	73%	27%
51-200	81%	19%
201-500	93%	7%
Over 500	77%	23%

**Figure 17a | What is the average number of criteria against which an employee is evaluated on his/her performance evaluation?**

	1-3	4-6	7-9	10-12	13-16	17-19	20+
<b>All Organizations</b>	0%	27%	19%	36%	7%	1%	10%
<b>Industry</b>							
Manufacturing	0%	21%	14%	47%	9%	2%	7%
Non-Manufacturing	0%	38%	24%	19%	5%	0%	14%
Non-Profit	0%	29%	23%	29%	6%	0%	12%
<b>Organizational Size</b>							
1-50	0%	50%	25%	17%	0%	0%	8%
51-200	0%	21%	14%	44%	7%	2%	12%
201-500	0%	21%	21%	43%	14%	0%	0%
Over 500	0%	33%	25%	17%	8%	0%	17%

Figure 18a | What training do supervisors receive in performance management?

**Performance evaluation discussion**

	Yes	No
<b>All Organizations</b>	64%	36%
<b>Industry</b>		
Manufacturing	62%	38%
Non-Manufacturing	60%	40%
Non-Profit	74%	26%
<b>Organizational Size</b>		
1-50	47%	53%
51-200	58%	42%
201-500	80%	20%
Over 500	85%	15%

**Performance documentation**

	Yes	No
<b>All Organizations</b>	63%	37%
<b>Industry</b>		
Manufacturing	58%	42%
Non-Manufacturing	72%	28%
Non-Profit	63%	37%
<b>Organizational Size</b>		
1-50	53%	47%
51-200	62%	38%
201-500	60%	40%
Over 500	77%	23%

**Performance coaching**

	Yes	No
<b>All Organizations</b>	48%	52%
<b>Industry</b>		
Manufacturing	44%	56%
Non-Manufacturing	56%	44%
Non-Profit	47%	53%
<b>Organizational Size</b>		
1-50	13%	87%
51-200	55%	45%
201-500	47%	53%
Over 500	62%	38%

**Performance improvement plans**

	Yes	No
<b>All Organizations</b>	47%	53%
<b>Industry</b>		
Manufacturing	48%	52%
Non-Manufacturing	44%	56%
Non-Profit	47%	53%
<b>Organizational Size</b>		
1-50	27%	73%
51-200	51%	49%
201-500	40%	60%
Over 500	62%	38%

**Goal setting**

	Yes	No
<b>All Organizations</b>	39%	61%
<b>Industry</b>		
Manufacturing	35%	65%
Non-Manufacturing	20%	80%
Non-Profit	16%	84%
<b>Organizational Size</b>		
1-50	7%	93%
51-200	30%	70%
201-500	40%	60%
Over 500	23%	77%

**Discipline**

	Yes	No
<b>All Organizations</b>	27%	73%
<b>Industry</b>		
Manufacturing	27%	73%
Non-Manufacturing	24%	76%
Non-Profit	16%	84%
<b>Organizational Size</b>		
1-50	7%	93%
51-200	28%	70%
201-500	27%	73%
Over 500	23%	77%

**Reward and recognition**

	Yes	No
<b>All Organizations</b>	24%	76%
<b>Industry</b>		
Manufacturing	21%	79%
Non-Manufacturing	16%	84%
Non-Profit	32%	68%
<b>Organizational Size</b>		
1-50	20%	80%
51-200	25%	75%
201-500	87%	13%
Over 500	77%	23%

**Individual development plans**

	Yes	No
<b>All Organizations</b>	22%	78%
<b>Industry</b>		
Manufacturing	23%	77%
Non-Manufacturing	24%	76%
Non-Profit	11%	89%
<b>Organizational Size</b>		
1-50	33%	67%
51-200	25%	75%
201-500	13%	87%
Over 500	0%	100%

**No training**

	Yes	No
<b>All Organizations</b>	21%	79%
<b>Industry</b>		
Manufacturing	77%	23%
Non-Manufacturing	76%	24%
Non-Profit	90%	10%
<b>Organizational Size</b>		
1-50	67%	33%
51-200	76%	24%
201-500	87%	13%
Over 500	100%	0%

**Developmental coaching**

	Yes	No
<b>All Organizations</b>	17%	83%
<b>Industry</b>		
Manufacturing	19%	81%
Non-Manufacturing	12%	88%
Non-Profit	15%	85%
<b>Organizational Size</b>		
1-50	0%	100%
51-200	23%	77%
201-500	7%	93%
Over 500	23%	77%

**Rater training**

	Yes	No
<b>All Organizations</b>	12%	88%
<b>Industry</b>		
Manufacturing	6%	94%
Non-Manufacturing	20%	80%
Non-Profit	16%	84%
<b>Organizational Size</b>		
1-50	0%	100%
51-200	15%	85%
201-500	7%	93%
Over 500	15%	85%

**Other**

	Yes	No
<b>All Organizations</b>	1%	99%
<b>Industry</b>		
Manufacturing	0%	100%
Non-Manufacturing	0%	100%
Non-Profit	5%	95%
<b>Organizational Size</b>		
1-50	0%	100%
51-200	2%	98%
201-500	0%	100%
Over 500	0%	100%

Figure 19a | What role do your supervisors play in managing employee performance?

**Conducting a performance review discussion**

	Yes	No
<b>All Organizations</b>	92%	8%
<b>Industry</b>		
Manufacturing	89%	11%
Non-Manufacturing	96%	4%
Non-Profit	95%	5%
<b>Organizational Size</b>		
1-50	80%	20%
51-200	94%	6%
201-500	87%	13%
Over 500	100%	0%

**Documenting performance**

	Yes	No
<b>All Organizations</b>	91%	9%
<b>Industry</b>		
Manufacturing	92%	8%
Non-Manufacturing	84%	16%
Non-Profit	95%	5%
<b>Organizational Size</b>		
1-50	80%	20%
51-200	93%	7%
201-500	93%	7%
Over 500	92%	8%

**Recognizing good performance**

	Yes	No
<b>All Organizations</b>	88%	12%
<b>Industry</b>		
Manufacturing	85%	15%
Non-Manufacturing	92%	8%
Non-Profit	90%	10%
<b>Organizational Size</b>		
1-50	93%	7%
51-200	87%	13%
201-500	87%	13%
Over 500	85%	15%

**Providing on-going feedback/coaching**

	Yes	No
<b>All Organizations</b>	87%	13%
<b>Industry</b>		
Manufacturing	83%	17%
Non-Manufacturing	88%	12%
Non-Profit	95%	5%
<b>Organizational Size</b>		
1-50	80%	20%
51-200	91%	9%
201-500	73%	27%
Over 500	92%	8%

**Setting performance expectations and goals**

	Yes	No
<b>All Organizations</b>	82%	18%
<b>Industry</b>		
Manufacturing	75%	25%
Non-Manufacturing	96%	4%
Non-Profit	84%	16%
<b>Organizational Size</b>		
1-50	87%	13%
51-200	79%	21%
201-500	73%	27%
Over 500	100%	0%

**Improving performance**

	Yes	No
<b>All Organizations</b>	70%	30%
<b>Industry</b>		
Manufacturing	75%	25%
Non-Manufacturing	72%	28%
Non-Profit	58%	42%
<b>Organizational Size</b>		
1-50	67%	33%
51-200	68%	32%
201-500	67%	33%
Over 500	92%	8%

**Figure 20a | Please explain the process by which your organization deals with below standard performance.**

**Performance improvement plan**

	Yes	No
<b>All Organizations</b>	63%	37%
<b>Industry</b>		
Manufacturing	62%	38%
Non-Manufacturing	72%	28%
Non-Profit	53%	47%
<b>Organizational Size</b>		
1-50	33%	67%
51-200	70%	30%
201-500	67%	33%
Over 500	62%	38%

**Coaching/counseling**

	Yes	No
<b>All Organizations</b>	20%	80%
<b>Industry</b>		
Manufacturing	15%	85%
Non-Manufacturing	28%	72%
Non-Profit	21%	79%
<b>Organizational Size</b>		
1-50	7%	93%
51-200	25%	75%
201-500	20%	80%
Over 500	15%	85%

**Meeting with the supervisor**

	Yes	No
<b>All Organizations</b>	16%	84%
<b>Industry</b>		
Manufacturing	17%	83%
Non-Manufacturing	12%	88%
Non-Profit	16%	84%
<b>Organizational Size</b>		
1-50	20%	80%
51-200	19%	81%
201-500	7%	93%
Over 500	8%	92%

**Formal discipline**

	Yes	No
<b>All Organizations</b>	16%	84%
<b>Industry</b>		
Manufacturing	15%	85%
Non-Manufacturing	16%	84%
Non-Profit	16%	84%
<b>Organizational Size</b>		
1-50	13%	87%
51-200	17%	83%
201-500	13%	87%
Over 500	15%	85%

**Training**

	Yes	No
<b>All Organizations</b>	12%	88%
<b>Industry</b>		
Manufacturing	8%	92%
Non-Manufacturing	16%	84%
Non-Profit	16%	84%
<b>Organizational Size</b>		
1-50	13%	87%
51-200	11%	89%
201-500	7%	93%
Over 500	15%	85%

**Nothing/no policy**

	Yes	No
<b>All Organizations</b>	2%	98%
<b>Industry</b>		
Manufacturing	2%	98%
Non-Manufacturing	4%	96%
Non-Profit	0%	100%
<b>Organizational Size</b>		
1-50	7%	93%
51-200	0%	100%
201-500	7%	93%
Over 500	0%	100%

**Figure 21a | Does your organization’s performance management system experience any of the following challenges?**

**Inconsistent performance documentation by supervisors**

	Yes	No
<b>All Organizations</b>	71%	29%
<b>Industry</b>		
Manufacturing	79%	21%
Non-Manufacturing	76%	24%
Non-Profit	42%	58%
<b>Organizational Size</b>		
1-50	53%	47%
51-200	72%	28%
201-500	80%	20%
Over 500	77%	23%

**Failure of supervisors to provide on-going feedback**

	Yes	No
<b>All Organizations</b>	69%	31%
<b>Industry</b>		
Manufacturing	73%	27%
Non-Manufacturing	64%	36%
Non-Profit	63%	37%
<b>Organizational Size</b>		
1-50	47%	53%
51-200	76%	24%
201-500	67%	33%
Over 500	69%	31%

**Lack of employee accountability for meeting goals or performance**

	Yes	No
<b>All Organizations</b>	49%	51%
<b>Industry</b>		
Manufacturing	48%	52%
Non-Manufacturing	52%	48%
Non-Profit	47%	53%
<b>Organizational Size</b>		
1-50	40%	60%
51-200	55%	45%
201-500	40%	60%
Over 500	46%	54%

**Inconsistency with ratings**

	Yes	No
<b>All Organizations</b>	48%	52%
<b>Industry</b>		
Manufacturing	48%	52%
Non-Manufacturing	52%	48%
Non-Profit	42%	58%
<b>Organizational Size</b>		
1-50	33%	67%
51-200	47%	53%
201-500	46%	54%
Over 500	69%	31%

**Inconsistent application of system by supervisors**

	Yes	No
<b>All Organizations</b>	45%	55%
<b>Industry</b>		
Manufacturing	44%	56%
Non-Manufacturing	48%	52%
Non-Profit	42%	58%
<b>Organizational Size</b>		
1-50	40%	60%
51-200	43%	57%
201-500	47%	53%
Over 500	54%	46%

**Poor linkages of performance management system to other HR practices**

	Yes	No
<b>All Organizations</b>	31%	69%
<b>Industry</b>		
Manufacturing	39%	61%
Non-Manufacturing	16%	84%
Non-Profit	32%	68%
<b>Organizational Size</b>		
1-50	20%	80%
51-200	32%	68%
201-500	40%	60%
Over 500	31%	69%

**Poorly designed evaluation form (i.e., inaccurately measures performance)**

	Yes	No
<b>All Organizations</b>	28%	72%
<b>Industry</b>		
Manufacturing	29%	71%
Non-Manufacturing	20%	80%
Non-Profit	37%	63%
<b>Organizational Size</b>		
1-50	13%	87%
51-200	32%	68%
201-500	27%	73%
Over 500	31%	69%

**Other**

	Yes	No
<b>All Organizations</b>	10%	90%
<b>Industry</b>		
Manufacturing	12%	88%
Non-Manufacturing	12%	88%
Non-Profit	5%	95%
<b>Organizational Size</b>		
1-50	7%	93%
51-200	11%	89%
201-500	7%	93%
Over 500	15%	85%

Figure 22a | How is the CEO’s performance evaluated?

**Working with the board**

	Yes	No
<b>All Organizations</b>	39%	61%
<b>Industry</b>		
Manufacturing	31%	69%
Non-Manufacturing	24%	76%
Non-Profit	79%	21%
<b>Organizational Size</b>		
1-50	53%	47%
51-200	26%	74%
201-500	47%	53%
Over 500	62%	38%

**CEO's performance is not evaluated**

	Yes	No
<b>All Organizations</b>	39%	61%
<b>Industry</b>		
Manufacturing	46%	54%
Non-Manufacturing	52%	48%
Non-Profit	0%	100%
<b>Organizational Size</b>		
1-50	33%	67%
51-200	43%	57%
201-500	40%	60%
Over 500	23%	77%

**Financial management**

	Yes	No
<b>All Organizations</b>	26%	74%
<b>Industry</b>		
Manufacturing	19%	81%
Non-Manufacturing	24%	76%
Non-Profit	47%	53%
<b>Organizational Size</b>		
1-50	47%	53%
51-200	21%	79%
201-500	20%	80%
Over 500	31%	69%

**Execution of business strategy**

	Yes	No
<b>All Organizations</b>	24%	76%
<b>Industry</b>		
Manufacturing	17%	83%
Non-Manufacturing	24%	76%
Non-Profit	42%	58%
<b>Organizational Size</b>		
1-50	33%	67%
51-200	21%	79%
201-500	20%	80%
Over 500	31%	69%

**Performance targets/objectives**

	Yes	No
<b>All Organizations</b>	20%	80%
<b>Industry</b>		
Manufacturing	17%	83%
Non-Manufacturing	16%	84%
Non-Profit	32%	68%
<b>Organizational Size</b>		
1-50	20%	80%
51-200	17%	83%
201-500	20%	80%
Over 500	31%	69%

**Leadership/managerial competency**

	Yes	No
<b>All Organizations</b>	18%	82%
<b>Industry</b>		
Manufacturing	12%	88%
Non-Manufacturing	12%	88%
Non-Profit	42%	58%
<b>Organizational Size</b>		
1-50	33%	67%
51-200	9%	91%
201-500	20%	80%
Over 500	31%	69%

**Relationships with key stakeholders**

	Yes	No
<b>All Organizations</b>	17%	83%
<b>Industry</b>		
Manufacturing	10%	90%
Non-Manufacturing	16%	84%
Non-Profit	37%	63%
<b>Organizational Size</b>		
1-50	20%	80%
51-200	13%	87%
201-500	13%	87%
Over 500	31%	69%

**Other**

	Yes	No
<b>All Organizations</b>	12%	88%
<b>Industry</b>		
Manufacturing	14%	86%
Non-Manufacturing	4%	96%
Non-Profit	16%	84%
<b>Organizational Size</b>		
1-50	13%	87%
51-200	13%	87%
201-500	7%	93%
Over 500	8%	92%

**Figure 23a | Are performance evaluation results or scores tied to compensation?**

	Yes	No
<b>All Organizations</b>	63%	37%
<b>Industry</b>		
Manufacturing	67%	33%
Non-Manufacturing	64%	36%
Non-Profit	53%	47%
<b>Organizational Size</b>		
1-50	53%	47%
51-200	64%	36%
201-500	73%	27%
Over 500	62%	38%

**Figure 24a | Are performance evaluation results or scores tied to compensation?**

	Ratings/evaluation scores	Matrix/grid	Goals	Forced rankings
<b>All Organizations</b>	77%	19%	17%	10%
<b>Industry</b>				
Manufacturing	62%	23%	19%	8%
Non-Manufacturing	78%	0%	11%	22%
Non-Profit	71%	29%	14%	0%
<b>Organizational Size</b>				
1-50	80%	0%	20%	20%
51-200	64%	24%	16%	8%
201-500	75%	13%	13%	13%
Over 500	50%	25%	25%	0%

## Appendix B: Self-Appraisal

The following are what employees are asked to assess in organizations that give employee self-appraisals.

- Employees are asked the following questions:
  - How do you feel that you met your goals?
  - What were some of your accomplishments throughout the year?
  - Where do you feel that you felt short throughout the year?
- Employees use the same appraisal form that supervisor uses. Employees are asked to complete self evaluation using all competencies in their job description.
- Managers may elect to ask employees for a self evaluation. It is the same appraisal form as their supervisor.
- The form used for employees is different from Supervisor's evaluation form. Employees are asked to comment on the following: what they feel is their main responsibilities; the progress of previous goals; and training opportunities.
- Employees are asked the following:
  - Thinking about your performance over the past year, what are you most proud of (biggest contributions / accomplishments)?
  - How do you feel you can improve your performance and contributions for next year?
  - What have been your greatest challenges this year?
  - What steps have you taken in your professional growth and development?
  - What would help you develop as an employee?
  - What can we do to help you be more effective in your job?
  - What do you like most and least about your job?
- All employees use the same self appraisal. They assess their own strengths, areas of improvement, their interest, and their goals.
- We have an Employee and a Manager Comments section on the Max Plan (our performance appraisal system). Both are asked to assess whether the goals were met based on the measurement criteria agreed to by both the Manager and the Employee. They have to write S/TAR comments.
- Employees are asked to evaluate themselves on basic criteria including planning, goal setting, time management, and job performance.
- Employees use the same appraisal format as their supervisor.
- Employees are asked the following:
  - How well did you meet the set goals/objectives?
  - What are some other significant accomplishments?
  - What would you like to focus on in the coming year?
  - List three things your team leader does to help you in your role.
  - List three things your team leader could do to increase your job satisfaction.

- For managers who take advantage of this, employee self appraises on the same form he/she will be evaluated on.
- Employees are asked to use the same categories on the self-appraisal used by the supervisors' formal appraisal; however the employee rates him or herself on a 1-5 scale, where the supervisors' scale is Needs Improvement, Meets Requirements, Exceeds Requirements, Outstanding which includes a mandatory explanation paragraph for each category rating.
- The form is the same as the supervisor. The questions are:
  - Do you understand your job description and have you revised it with Supervisor lately
  - During performance period do you have the skills to carry out job, in an effective and efficient manner?
  - Did you identify opportunity for improvement?
  - What were your major accomplishment, strengths, and improve opportunities?
  - What goals would you like to set and complete during the next year?
  - Other comments relevant to performance this period?
- Employees are asked:
  - List major accomplishments
  - List growth/development/training
  - List barriers to achieving goals
  - Set work goals and development goals together
  - Plan training
- All employees list their key accomplishments, any challenges they experienced, and where they would like training focused in the upcoming year.
- Goal and objectives. The same appraisal form is used by the supervisor and the employee.
- They are asked to review their own performance, request any additional training, and bring up any stumbling blocks they may be exposed to. No each supervisor may use a different format.
- Employees uses the same appraisal as supervisor, assessing Quantity & Quality of work, proficiency, initiative, dependability, conduct, attitude, attendance, punctuality, interpersonal relations and leadership
- Employees assess: Customer Service, Technical Knowledge, Productivity, Professionalism, Teamwork, Development, Communication, Innovation and Creativity, Leadership, and Safety.
- A different appraisal form used. Rating and comments on their goal achievements, their contribution to achievement of organizational goals, objectives for coming year and comments on what they need to do their job.
- Employees rate accomplishments based on previous FYE goal setting. Employees use the same appraisal as supervisor.
- Usually the employee completes for appraisal and then reviews it with the supervisor who then adds his/her comments and the employee can also provide comments

- Daily performances, project performances, performance against objectives, progress against future goals. Employees use the same form as their supervisor.
- They provide input as to their major responsibilities and supervisor and employee agree upon the performance objectives for each major responsibility.
- Employee and supervisor use same form with 4 point scale on areas related to Job/Planning, Innovation, Relationships and Management/Leadership.
- Employee and supervisor use the same appraisal, assessing:
  - Accomplishments in the past year
  - Areas that need improvement
  - How manager can assist
  - Training that they feel would be helpful
  - Specific goals they would like to achieve
  - Additional comments
- Employees assess important accomplishments, Biggest Disappointments, and areas to focus improvement
- Employees complete information on the progress of their goals and projects they have worked on. It is the same appraisal that is completed by the supervisor, but the supervisor adds comments to the employee input and assigns the numeric ratings.
- The employees provide comments on their strengths, accomplishments, unfulfilled goal/expectations, and ideas and opinions related to the company overall. Employees and supervisors use the same form.
- Employees appraise their performance/goal document created for performance year
- Employees appraisal includes the following: achievements, productivity, safety, teamwork, dependability, job knowledge, skills/training, attendance, initiative, customer service, and overall summary.
- Employees assess their progress on goals and areas where they want to develop in coming year.
- Employee rate themselves on competencies tied to their position; achievement of goals / objectives.
- Employees rate achievements for the year
- Employees rate themselves on key result areas
- Employees are asked:
  - How do you feel you did this year?
  - What could you improve?
  - What did you do well this year?
  - What would you like to do?"
- Employees are given a list of questions for discussion. This is optional for employees.
- The employees do not use the same appraisal as their supervisor. They are asked:
  - Please comment on your performance pertaining to your job's principal accountabilities.
  - Please comment on your performance pertaining to your annual goals.
  - Attach copy of your goal sheet.

- List other major accomplishments completed during the reporting period.
- What type of assistance, guidance or support do you expect from your supervisor and others with the company?
- Indicate areas of career development and long-range goals.
- What are you currently doing or wish to do in the future to prepare yourself for added responsibility or improved performance?
- Indicate any other questions or areas about your job or general comments that should be discussed at the Performance Review meeting.
- Employees are asked:
  - Did they meet their goals,
  - What achievements did they have,
  - What areas do they think need improvement,
  - What did they do to impact profitability,
  - What are next year's goals?
- Employees assess goal accomplishment and demonstration of performance in each competency area.

## Appendix C: Below Standard Performance

The following are processes by which organizations deal with below standard performance

- Low evaluation employees have a performance improvement plan put together, and this is re-evaluated within 90 days.
- Employee and Labor Relations and HRD provide consultation services to managers to help them address performance issues. We may involve formal performance improvement plans, discipline, or training opportunities.
- We use a Performance Improvement Plan written by the immediate supervisor, with guidance/approval from HR. HR ensures plan is followed up on appropriate date(s).
- We have personal discussions with that employee and put write ups in the files.
- Performance Improvement Plans and coaching are used mostly to help employees reach standard performance if they are below it.
- We capture poor performers through our HR Metrics. We have a spreadsheet which Managers fill out Mid-Year for those that are at a DNM or PM status. Performance is captured again Year End - during the time between Mid-Year and Year End HR is working with Management to ensure we are “managing up” or “managing out” the poor performers.
- Employees are evaluated and specific plans of correction are identified for each area with subpar performance. Dates are attached to the plan of correction to insure improvement is made within a 3-month time period. If unable to complete the improvement plan, the employee is either terminated or assigned a different job.
- We ignore it and hope it goes away (which it never does).
- We use a progressive discipline plan, has a verbal warning, followed by a written warning, which is followed by termination.
- We create performance development plans that set objectives clearly, and we begin to measure performance more regularly.
- First, we have initial meetings with the manager; then maybe subsequent meeting with HR and/or the COO (depending on the position).
- We have personal discussions, hands-on training, classes, seminars; and webinars.
- We use a Corrective Action Plan.
- Usually we create an action plan by which we state what has been deficient and what needs to be corrected by a certain date.
- The performance appraisal is completed and approved by supervisor's supervisor. This is evaluated by the HR Department, and the performance plan put in place and meeting with the associate is held.
- We have an open discussion with the employee, as well as periodic reviews to help the employee improve. We give training or retraining as needed.
- We use Performance Improvement Plans.

- We use verbal coaching and a Performance Improvement Plan.
- The employee is set up on a performance improvement plan with specific goals and timetables for completion, usually 60-90 day intervals.
- We establish goals and objectives to meet. If these are not met, improvement plans are established. If this is not met, termination occurs.
- Employees are put on Performance Improvement Plans reviewed monthly for 2 to 6 months.
- Coaching and progressive discipline are used for substandard employees.
- We typically use informal coaching or managing or formal Work Improvement Plans
- The employee is talked to and written up. If things aren't improved, then suspension or termination can result.
- We use a WIP - Work Improvement Program. Unacceptable performance is documented. An improvement plan is implemented and the time table for re-evaluation is set. Also, on-going review is put into place. Performance either improves or employee is evaluated for another position he/she would be better qualified for and/or terminated.
- We use coaching, goal setting, and we discuss performance on a monthly basis.
- Performance is documented. Manager outlines the expectations for the employee and a path to improvement is outlined.
- Employees are coached to improve performance. If they don't, then they are put on a PIP (performance improvement plan). If things don't improve they may be transferred or terminated.
- A performance improvement plan is typically initiated.
- Depending on the situation, we will either start with a verbal counseling or a written counseling statement. We set clear expectations of the issue that needs improvement, steps for improvement, and consequences if improvement is not made.
- The action plan developed and communicated with specific time line for completion.
- It depends on the situation. This could be informal coaching, written disciplinary action, formal performance improvement plan, etc.
- Quarterly skill assessments are great indicators of performance. We use an excel spreadsheet with 5 core specific performance areas that are numbered on scale of 1-5. If performance is rated 'flat' or 'low' we respond with training or a refresher in that skill or subject area. Once training takes place, we see the matrix numbers improve. We've never had anyone stay below standard performance.
- The employee is coached, provided with an improvement plan, and provided the necessary access to training to assist with improving performance.
- Supervisor meets with employee to discuss problem and work on solution. Several options are discussed and next review/goal date is set for 3 to 6 months in the future.
- We use counseling and provide time limits to meet and discuss process for improvement.
- We have a performance improvement plan with goal setting and dates in which to complete the plan.

- If they are someone who is perceived to be a keeper and we believe that they can be successful on the job, they would be put on a performance improvement program to help them achieve success. One-on-one discussion is followed up with documentation letting them know they are not meeting expectations and that improvement is needed to continue employment. They may be terminated. There is no increase in salary if the employee has not met or exceeded their set targets.
- We have a 90-day action plan process for performance at the bottom of the rating scale.
- A formal performance improvement plan is developed. The employee is informed and improvements plan is shared. Weekly meetings of employee and supervisor to discuss progress.
- The correction action program can be as many as four steps. The program has verbal notice, written notice, final notice, and dismissal
- A performance improvement plan is developed and implemented.
- Progressive discipline process is used.
- A 90-day Performance Improvement Plan is utilized.
- We use a progressive discipline process to manage poor performance. As a part of the review process, we use performance improvement plans.
- When poor performance is identified by a manager, a trainer assesses employee to help the manager develop performance improvement plan. Regular meetings are held with the employee to gauge progress.
- Performance improvement plans are used. Typically, this is a 90-day process for review and determination.
- We place the employee on a performance improvement plan and give them a time frame to develop their performance to an average level.
- The Supervisor coaches the employee. If needed, a performance improvement plan is developed with the employee and HR.
- Below standard performance issues are discussed and a determination is mutually made between the employee and supervisor of how to proceed, areas of higher guidance, and re-evaluated in 60-90 days
- Performance improvement plans, write-ups, additional training, etc. are used depending on what the situation is.
- Employees are placed on monthly improvement plan - evaluated at end of each month
- A Performance Improvement Plan is implemented, with required improvements identified and a date by which they must be demonstrated.
- We use coaching / counseling; performance improvement plans; identification of skill gaps; and provision of training.
- Employees are given goals to meet and time frames in which to meet the goals. Follow up meetings are scheduled to review whether goals have been achieved.
- Below standard performance would be coached and re-trained if necessary. Deadlines would be set for improvement. If improvement did not occur re-assignment or termination would occur.
- We use individual meetings and training if necessary.

- Performance improvement plans, termination, and re-assignments are used.
- We use documentation, discussion with employee, set goals, follow ups, and discipline if needed.
- We use coaching, first informal, and then move to documented using a performance improvement plan or progressive corrective action.
- A 6 month review process is used.
- A plan is put together by the supervisor detailing the area(s) requiring improvement and what that improvement is. The supervisor, the employee and HR typically meet in 30-90 days to review progress or lack thereof.
- We ask “Do they know expectations?” We then communicate expectations of the job. We try to determine the cause – is it can't or won't? If it is a “can't”, training is used, and then possible termination. If it is a “won't,” counseling is used, and then possible termination”
- We meet regularly with the team member (we as in HR, supervisor and next level) and set goals. If the goals are not achieved, then a warning is issued. If it is not corrected, termination results.
- Performance not meeting expectations must be discussed with 2nd level manager and HR prior to employee review discussion. Development plans or a performance improvement process may be instituted at that time, or other times throughout year if warranted.
- We deal with poor performance through performance improvement plans or progressive discipline.
- Disciplinary process (verbal, written) is used, followed by a Performance Improvement Plan.
- Hourly employees are given counseling and work Improvement Plans. If necessary, disciplinary action - verbal, written, one day off without pay, three days off without pay, Termination in a rolling calendar.
- We use ongoing coaching, performance improvement plans, and/or disciplinary measures.
- HR and manager would work with employee to develop a performance improvement plan. The plan would be agreed upon and documented and then followed through.
- We put the employee on a performance improvement plan which the supervisor, along with HR, develops and discusses with employee. There is a regular follow up every 30 days.
- Supervisor counsels employee and documents the below standard performance, the steps to improve, and outcome of continued below standard performance.
- An action plan is established to remedy deficiencies. Goals, outcomes, and timelines clearly are indicated to the employee.
- Coaching, counseling, and performance improvement plans are used.

## Appendix D: Performance Evaluation and Compensation

The following are processes by which organizations tie performance evaluation and compensation.

- Compensation is based on an overall summary of exceeds expectations, meets expectations, and needs improvement.
- Evaluations are linked to compensation for a certain group of management employees. However, the current economic climate has kept us from merit based pay. We gone to across the board increases for all employees for now and hope to get back to merit in the near future.
- After reviews are written, each area receives a ranked list by wage. This helps us to ensure people are paid appropriately within their peer group.
- Bonuses are 100% performance driven. Merit is tied to core job and bonuses are tied to goals.
- "Raise pool" is determined by compensation. Raises are allocated within departments based on individual reviews/rankings.
- Compensation increase based upon performance rating as well as company ability to provide raises.
- There is a grid that we have that ties the evaluation score to the percent of increase.
- The compensation increases range for meets expectations and for exceeds expectations. Performance improvement plans are created for does not meet expectations.
- The performance bonus for managers has a personal criteria part that has a performance component to it. They must have a "meets standard" to be considered for a merit review.
- Manager bonus plans require a "meets a standard rating" to receive bonus and to be considered for merit review.
- Performance evaluations are tied to compensation increases.
- Overall score tied to pay increase ranges.
- 50% of incentive compensation is tied to performance evaluations.
- Overall ratings drive merit increases using matrix of rating and the employees' position in grade.
- Evaluations are not directly tied in, but lower rated employees are given lower % raises.
- If employees do not meet their goals, their increase reflects as such.
- This is also an on-going work in process that we continue to strive to get better at. When increases are distributed better, performers receive a higher percentage of the amount that is available for that area for increases.
- We develop a merit grid that gives a recommended salary increase based on overall performance rating and the salary grade quartile that employee's salary is in.
- We have no formal pay for performance program; poor performers typically don't receive an increase, outstanding performers often receive larger increases.
- Eligibility for a salary increase at time of evaluation and the percentage of this increase can vary based on ratings. HR reviews all salary increases to ensure consistency throughout the organization.

- Currently, employees can receive the rating of exceeds standards meets standards does not meet standards. Those receiving exceeds receive a larger increase than those receiving meets. Those receiving does not meet standards do not receive any increase.
- An employee with a lower performance evaluation will likely receive a lower pay increase rate than an employee with a higher evaluation. If they have not worked on or met the goals set for them in previous reviews their compensation will not be as high as well.
- Employees have to meet or exceed KPI's goals that have been set in order to receive an increase in salary.
- Compensation increases are weighted on scores
- Compensation and evaluations are somewhat related. They are usually both done at the same time of the year, and depending on the performance evaluation, an increase can be slightly higher or lower than expected.
- An employee must receive an average or higher rating to move to the next pay step.
- HIPO added value, no increase for most, and a performance improvement plan for low performance.
- Merit increases/bonuses are based upon performance
- Percent of increase determined by total scores. Below average employees don't get increase until performance improves.
- This is based upon the merit budget, performance matrix, and the compensation system.
- The better the evaluation results the higher percentage merit increase the employee receives.
- Performance results are ranked and analyzed to determine annual pay increases and bonuses.
- The higher the rating of an employee, the higher the increase to a maximum percentage
- Total score is tied in to Comp Ratio matrix.
- Ratings relate to specific percent increases.
- Compensation and evaluations are not related in a formula-driven way, but merit increases are differentiated based on performance. E.g., with a 3.5% budget, we would see some get 0 and some get 7%.
- We use a forced ranking system, which leads to forced increases.
- We are currently on a wage freeze; however, prior to the freeze, if an employee is performing at an acceptable level, they will be given a wage increase.
- In the past there has been some connection but there haven't been evaluations or raises for 3 years.
- Compensation and evaluations are indirectly related in that a range is set and compensation falls within the range depending on evaluation results.
- Performance evaluation and goals are tied to year-end bonuses.
- Employees who have improved and meet/surpass goals are given max increases. Employees with "no improvement" or "meeting goals", have no immediate increase, but given a period of time to improve and 2nd review to receive increase.
- We use a matrix. Performance results are on one axis, position within range on other axis. For the same performance rating, the lower the position in the range results in the higher the % of compensation.

- The 5 point system identifies compensation amount.
- Depending on the overall rating received, employees receive increase based on where they fall as the numbers relate to: Outstanding, Exceeds Expectations or Meets Expectations.
- Annual performance evaluation is tied to merit increase. Increases are scaled based on ratings; managers have some discretion when awarding increases.
- Grid of results and pay range penetration are starting points for increases.
- Increases are budget determined. Exceptional performers may receive more depending on budget considerations.
- For exempt employees, the portion of goals met is tied to the portion of compensation they receive.
- Based on the five point system, the employee is rewarded more money as their score increases. Rankings with 3 points receive a certain increase, rankings with 4 points a higher increase, and rankings with 5 points are the superstars who would receive the highest increase.
- Rating is utilized when determining whether employee receives budgeted increase, lower, or higher.
- An individual's overall performance and values ratings are plotted on a grid which corresponds to percentage increase.
- Meets expectations and exceed expectations are tied to step increases.
- They have been historically. We've had a pay freeze for the last two years and going forward the scores will not be tied to increases.
- Evaluations and compensation are tied together by staff review and HR working with CFO.

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## **ERC Performance Management Practices Survey**

Conducted by ERC

6700 Beta Drive, Suite 300, Mayfield Village, OH 44143

440/684-9700 | 440/684-9760 (fax)

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