

Section 4.1

Performance Appraisals for Municipal Employees

Performance appraisals importance can not be understated.

Introduction

A performance appraisal or evaluation is a method of measuring an employee's achievement in an organization. Its importance cannot be overemphasized. It can be one of the most important tools for municipal managers to encourage and develop an effective and productive work force with high levels of job satisfaction. A good performance appraisal system provides employees with an indication on how well they are doing and provides them the necessary direction to improve on or build on their skills as a municipal employee. The performance appraisal provides the opportunity for the employer and employee to discuss and agree on future performance goals. In such organizations, a good performance appraisal system is a "win win" situation for the municipality and the employees.

In the absence of a regular and formalized performance review, the employees may develop traits and behaviors which are unacceptable. Such traits and behaviors may simply become further ingrained without the opportunity of feedback. When it is decided to take corrective action the problem has become so deep-rooted the final option to dealing with the situation is to consider a major reorganization or the termination of employment.

At the other end of the spectrum, where an employee is doing exceedingly well, but with no positive feedback, the employee is left to guess whether their performance is adequate or appreciated by the employer. Consequently, the employee's quality of work may deteriorate or they may seek another employer who better appreciates their efforts.

In either circumstance, the results are the same with the loss of an employee, who could have become or was a valuable asset to the municipality. To a large degree, these situations could have been avoided by a proper appraisal system.

Having said all of this, one should not consider a performance appraisal as a substitute for effective supervision. A manager must be reviewing

What are the reasons for not doing a formal performance appraisal?

and providing positive feed back and direction on a constant basis to employees. A good manager does not accumulate a list of employee problems and then only raise them at the performance appraisal. A performance appraisal should be viewed as an opportunity to move forward in a positive manner, not an event for an employee to dread.

The lack of performance reviews is due to a number of factors:

- performance appraisals were never conducted in the past and the tradition has continued;
- there is the lack of expertise or appropriate formats for conducting appraisals;
- there is the apprehension on the part of the employee that there may be an ulterior motive for performance appraisals; and
- the concern that a performance review automatically results in a salary increase.

The benefits of performance reviews have been well established in both the public and private sectors, no matter how large or how small. This review provides the benefits of appraisals for both the individual and the municipality, the types of issues that need to be considered in developing an appraisal system and finally a suggested model policy of performance appraisals and a simplified format for conducting appraisals. It should be noted, however, for an appraisal system to be truly beneficial for both the employer and employee, both should be involved in the final design, where a committee of managers and employees would work together to design a standard format best suited for their municipality. The final version should be endorsed by council, management and the employees.

The following material is based largely on reports on performance appraisals from the Alberta Municipal Affairs Department, the Maritime Municipal Training and Development Board, the Halifax Regional Municipality and the Nova Scotia Department of Human Resources. This material deals primarily with municipal staff other than the Chief Administrative Officer and the most senior managers or directors.

What is a performance appraisal?

Performance appraisals can fulfill a variety of functions, including:

- A performance appraisal is an assessment of how well an employee is fulfilling the requirements of their job and the expectations of the employer.
- It is an opportunity to share perceptions of performance and organizational concerns between the employer and employee.
- The performance appraisal involves an assessment of the employee’s behavior and the achievement of specific objectives.
- The appraisal process should include a two way dialogue between the employee and employer.
- Performance appraisal is also a dynamic and continuous process of evaluation and feedback between the employer and employee on the following:
 - goal setting for the employee and municipality
 - review of performance
 - defining job expectations
 - appraising progress
 - establishing further training needs

Appraisal System Process

There are several key objectives in developing a comprehensive performance appraisal system. The goal is to encourage a working environment which is mutually beneficial to both the employer and the employee.

1. A comprehensive performance appraisal system should focus on results as well as more subjective features such as personality traits and work habits. For a more junior employee or an employee with a very defined or narrow range of tasks, the performance may be more weighted towards objective features. While a more senior employee or those where the range of tasks is broad, there should be a greater reliance placed on subjective considerations.

Subjective and Objective Considerations

Two Way Dialogue	2. To provide the opportunity for two way dialogue, the appraisal should be structured where the appraiser and employee can discuss both corporate and individual goals, issues and problems. The supervisor should seek input from the employee on their objectives and goals both personal and within the organization, and any concerns they may have. It should be in a setting where the employee feels sufficiently comfortable to carry on an honest and straightforward discussion.
Consistency for all employees	3. The appraisal process should be consistent for all employees to ensure fairness for all concerned. This can be accomplished by ensuring all managers who conduct appraisal have had the same level of training and the same format and techniques are used to maintain consistency.
Continuous appraisal	4. The appraisal process should be an ongoing program of performance review and counseling. In other words, it should not simply occur just once or twice a year, but it should be dynamic and continuous. On this aspect, the distinction between effective supervision and an ongoing performance review does overlap to a certain degree. However, the performance review would concentrate more, for example, on the achievement of the employee's goal and listing of accomplishments. The effective supervision would concentrate more on providing direction and building on the employee's skills and confidence.
Documentation of Problems	5. If there is a situation where employee termination is required, the performance appraisal system should provide the evidence that the employee and employer met regularly and honestly to discuss problem areas to avoid any legal complications. The appraisal should illustrate the two parties strived to develop an action plan to resolve the problem or determine corrective action. Termination should be considered the last course of action, where it can be demonstrated that the employee was unable or unwilling to make the necessary performance changes required for their position.
Identify staff training	6. An appraisal process should be able to identify and establish practical staff training programs which would be beneficial for both parties.

Compensation

7. Performance appraisals provide the documented evidence required to determine any compensation decisions. A compensation system for a municipality, however, is a topic onto itself and will not be reviewed in detail in this section.

Employee s Problems

8. A proper performance appraisal process would provide the employee the opportunity to discuss personal circumstances, which may be affecting their work performance. For example, if an employee were facing problems in their personal life which was affecting their job performance, the employer might be more understanding to the situation.

Identification of outstanding employees

9. The performance appraisal system provides the employer the opportunity to identify those employees whose performance is exceptional. In such situations, the employer can use the opportunity to provide praise and identify promotion possibilities that would be mutually beneficial.

Enhance Staff Morale

10. A performance appraisal process should enhance employee morale due to the increased levels of communication. Evidence has illustrated in work environments, where open, honest and ongoing dialogue is a normal aspect of an organization, the employees will approach their duties with increased confidence and satisfaction, while the employer should be able to realize a greater level of motivation and commitment from the employees.

Options for Conducting Performance Appraisals

There are a variety of techniques to conducting a performance appraisal. The best approach is the one which best fits your organization. The following list is not exhaustive, however, it does provide a brief review of the spectrum of techniques available.

1. Narrative Appraisals

These are fully written, comprehensive analysis of the individual’s performance, which outlines the strengths and weaknesses of the employee. These are subjective and rely on the qualities of the employee being appraised rather than on any

objective or measurable criteria. These are open ended descriptions of individual performances based on the outline of duties of the position as delineated by the person's job description.

2. Goal Setting and Review

These include the listing of a series of goals and objectives, which are agreed upon by both the manager and employee. The criteria are used to establish whether the employee has accomplished the objectives. These achievements are directly measurable and therefore the subjectivity is reduced.

3. Rating Scales

This technique includes the listing of factors or attributes which can be described by a word or phrase to provide a checklist for rating an employee. Some of the topics could include personality traits (integrity, initiative, cooperation, etc.), quality of work, judgement, communication skills and job related skills. The employee is then rated on each factor according to the supervisor's impression on how well the person performed on a scale of one to ten, where one is unsatisfactory and ten is outstanding.

4. Employee Ranking Method

This technique requires the manager to compare the employee within the same work group. The comparison is based on the bell curve, where 20% would be in the top group, 20% would be in the worst group and the rest would be in the 60% or middle. This technique is also highly subjective and can create division amongst fellow employees.

As illustrated with the attached sample appraisal form (Appendix 4.1b), some processes can incorporate two or more of these techniques.

The Role of the Senior Staff

As with all major initiatives, the involvement and commitment of senior staff to the implementation of a performance appraisal is critical to its success. Without this commitment, there will not be the necessary

What process best fits each municipality?

follow through to the proper implementation of the program. Furthermore, staff will quickly conclude that it is not important and will not fully participate.

Senior staff should be involved in the early stages of deciding on what performance appraisal techniques would be best suited for their departments. Primarily, they will be the ones conducting the performance appraisals and they would be able to determine what technique would derive the greatest benefits. The senior staff will also require the appropriate training and orientation in performance appraisal, not only to ensure they are conducted properly, but to be able to review with their staff the purpose and philosophy behind the performance appraisal system.

Issues to address

The senior staff should also be prepared to address some of the other issues which might arise from staff with the introduction or changes to the current performance appraisal systems, for example:

- what impact will this process have on their security of employment, salaries and fringe benefits?
- how often will the appraisals be conducted and who would be conducting them?
- would there be an appeal process for any appraisal which staff did not agree with?
- when should the reviews be conducted (normally after the probationary period and after that on the anniversary date of employment)?
- what format should the review take?

Need for Coordinator

The municipality should also have one person coordinate the performance appraisal system. In the larger municipalities this would be the personnel officer, but in the smaller communities it could be the municipal clerk. This would ensure consistency in the application of the process across the municipality's departments.

Finally, after a performance appraisal system has been operational for a period of time, the senior staff and employees should be involved in its evaluation to forward suggestions and review improvements to the system. This will ensure the appraisal process is current and relevant to

the municipality.

**Employees included
in the design process**

The Role of Employees

Many firms and municipalities have included employees in the design of performance appraisal systems to further ensure the selection of a system which best fits their organization. Employees have a vested interest in selecting the best system. In addition, many employees have a good intuitive sense of what would and would not work for their situation, and which system would collectively derive the greatest benefits in terms of job satisfaction and career development.

**Adoption of
Performance
Appraisal Policy**

Commitment from Council

If a performance appraisal system is to be a long term success, Council will also have to be committed to the process and adopt the appropriate policy (see Appendix 4.1A). Council should be briefed on what is entailed in an appraisal process, including the advantages to the municipality and to staff, as well as a brief overview of the techniques to be used.

**Principles to consider
in designing
performance
appraisal forms.**

Format of Appraisals

The format of the performance appraisal should be straight forward and simple to use and understand without any unnecessary questions (see Appendix 4.1b). The attached sample appraisal form provides an idea of how the performance appraisal could be structured and it provides a point of departure for those municipalities which prefer to develop an appraisal form which better suits their needs.

Some of the principles which should be kept in mind when preparing for the appraisal tailored for each municipality should include the following:

1. The format should be consistent for all employees on the same level in the organization.
2. The criteria used should be measurable and be recorded on an ongoing basis.

3. The results achieved by the employee should be compared to what is expected for the position and compared to other employees in the same category.
4. The number of criteria should be kept manageable and reviewed in-depth with the employee to ensure that a commitment to these outputs is secured.
5. The formalized ratings should be communicated to the employee at regular intervals, preferably twice a year.
6. Performance targets may have to be revised to account for changes in the job, increased skills and training, domestic environment or the health of the employee.
7. The employee should see their performance rating prior to the final completion of the appraisal process.
8. The employee should be given the opportunity to comment on the performance rating and record their comments. Alternatively, the employee could complete their appraisal form and compare their results with their supervisor during the interview stage of the process.
9. All employee records should be kept confidential and in the employee's personnel files.
10. The final appraisal should be signed and initialed on every page by the supervisor conducting the appraisal and by the employee to signify that both parties have acknowledged the ratings and comments on each page.
11. The employee should receive a copy of their performance appraisal.
12. Both good and poor performance appraisals should be recognized as they occur. Positive reinforcement and constructive criticism should be communicated to the employee throughout the year. The actual appraisal should not include any surprises.
13. The areas being appraised should be based on the job duties.

Simple Rating Guide

Rating Guide

The sample appraisal guide in Appendix 4.1b provides a number of categories for an appraisal. It is set for a 1 to 10 rating system, where:

1 to 4 =	Unsatisfactory
5 to 8 =	Satisfactory
9 to 10 =	Outstanding

In assessing how an individual may be rated, the following can be used as a guide, where:

- **Outstanding:** means that the employee's performance exceeds all reasonable standards and expectations
- **Satisfactory:** means the employee's objectives are generally met and behavior is very acceptable virtually all of the time; minor problems may occur, but they are not serious and they are not repetitive
- **Unsatisfactory:** means performance is consistently below standards and expectations; problems occur quite often and are repeated; there is a need for improvement

How to Conduct the Appraisal Interview

From the perspective of the employee and the manager, a performance appraisal may not be one of the most popular tasks, but with the proper preparation, it does not have to be something to dread.

The following steps are based on the Alberta Municipal Affairs review on conducting performance appraisals and provide a good direction for those who have never conducted a performance appraisal or those who wish to attempt a new approach.

1. *Plan the Approach*

Supervisor

- review employee's performance during the full appraisal period
- review employee's personnel file to review previous performance appraisal, changes in performance since the

last assessment, what training was suggested and what occurred and if there has been any changes in their job description

- review appraisal format and assess employee's performance

2. Schedule Appointment

Supervisor

- decide on the best date, time and place (free of interruptions) for the interview
- set aside sufficient time for the interview
- notify employee of appraisal and confirm time, date and place
- send appraisal form to employee to fill out (if part of the process)

Employee

- review previous performance appraisal or appraisal form and determine what has changed since then
- review performance criteria
- conduct self assessment based on appraisal form
- determine short term and long term goals
- ensure that fellow employees are aware of appraisal interview and if necessary arrange for someone to cover for the time period

3. Conduct Interview -Opening

Supervisor

- review format of appraisal
- outline key job responsibilities and job expectations
- review past appraisal with goals

Employee

- seek clarification on what is intended by appraisal

Conduct Interview

Supervisor

- request employee to provide feedback on the job expectations and their assessment of results achieved
- review subjective considerations, for example attitude teamwork, cooperation, loyalty
- provide comments on those aspects of the employee's performance which you consider to be above standard, be specific and use examples
- highlight those areas of performance which may be below expectations or standards, and review with employee
- based on strengths and weaknesses of performance, discuss what training would be appropriate
- seek commitment from employee to improve sub-standard areas of performance
- review employees long and short term goals

Employee

- provide feedback on position expectations and personal performance
- provide comments to supervisor on subjective aspects of job performance
- comment on areas of strengths and weaknesses
- discuss training opportunities to address weaknesses and to achieve long and short term goals
- commit to seeking necessary improvements, if necessary

Closing Comments

Supervisor

- review any final comments
- discuss the follow-up steps to appraisal
- review salary considerations, if applicable
- express appreciation for employee's candid comments
- sign off appraisal form (or later include comments from employee)
- forward copy of appraisal form to employee and to personnel file
- may want to discuss career future, as appropriate

Identifying the obstacles to a proper performance appraisal before the interview.

Employee

- provide comments pertaining to their total job performance
- seek clarification on any follow-up required
- sign off appraisal form

Appraisal Obstacles

Those who have been involved in performance appraisals will recognize that problems can and do occur. By following a standard appraisal format and following the suggested procedures, many of these problems can be avoided as both the supervisor and employee are equally prepared for the appraisal and are aware of the procedure. The following list of appraisal obstacles is not exhaustive, but it does provide a few areas of concern, which should be kept in mind.

- **Lack of commitment:** an employee can quickly sense if the appraisal is viewed as a supervisory obligation rather than a useful management process
- **Lack of ongoing feedback:** performance appraisals provide the forum for an ongoing process, whereby the supervisor provides feedback throughout the year
- **Failure to provide negative feedback:** if there is a problem with an employee, the supervisor should not make the mistake in thinking that the problem will go away, it must be addressed. In many instances the employee may not be aware there is a problem
- **Lack of training:** if there are identified weaknesses or agreed upon long and short term goals which require further training, the supervisor should follow through on their commitment
- **Focus on larger picture:** remain focused on the larger picture and do not focus on minor issues, they should only be used to make a point
- **Previous problems:** if there has been a previous problem which has been properly handled and resolved, it should not be brought up again at subsequent appraisals, except to reinforce new behaviour

- **Looking forward:** do not dwell only on past performances, it is an opportunity to develop an action plan for future improvement
- **Two way appraisal:** an appraisal session is a two way dialogue rather than a self dissection or monologue
- **Ignoring new information:** the employee should be encouraged provide information pertaining to any training programs or courses they have taken since the last appraisal or any projects they have been involved in that the supervisor may not be aware of
- **Halo Effect:** this reflects the tendency of the supervisor to evaluate an employee highly for a variety of reasons:
 - the supervisor personally gets along well with the employee
 - the employee is judged to have high potential, although they have yet to deliver
 - the supervisor may rate the employee highly because of a strength in one area, but the employee is weak in other areas
 - the employee did a great job on a project in the past
 - the supervisor feels sorry for an employee's circumstances and gives them extra credit
- **Horns effect:** this reflects the tendency of the supervisor to rate an employee lower than they deserve for a variety of reasons:
 - there is a personality or style clash between the supervisor and employee
 - the last project the employee was involved in did not go well
 - the employee is a nonconformist and is rated lower because they are different
 - the supervisor has overly high expectations for the employee
 - the employee is part of a group which has been collectively assessed poorly

Evaluating new employees

Probationary Evaluations

A probationary evaluation is to determine whether a new employee is capable of the position. The supervisor needs to carefully assess whether or not the employee will meet the requirements of the position and fit in with the municipal organization.

Most personnel problems begin with the inappropriate selection of the employees, therefore a good selection process can not be over stated. If there are a number of small problems in the first few months they should not be overlooked as they may point to larger issues or personality deficiencies.

Problem employees

Termination Evaluations

There are times when a problem may exist with a person. The key is for the supervisor to identify the problems early and then provide corrective counseling.

When performance problems persist and have been described in a regular performance appraisal, or during ongoing supervision, the matter should be dealt with immediately. In a private setting, a frank discussion should take place between the supervisor and the employee. The attention should be focused on the problem area and the seriousness of the situation should be understood by the employee.

The supervisor should explore the reasons for the problem by asking the employee for their view on why these problems have become part of their work performance. The supervisor and the employee should work together to determine what needs to be done to correct the problem and they should both seek a basic agreement and ownership for the necessary changes. The action plan should be written down and formally agreed to by both parties.

Depending on the severity of the problem, there should be a follow-up appraisal of the situation within an appropriate period of time (to be determined depending on the situation). If outside counseling is required the supervisor should refer the employee to the personnel officer or appropriate agencies (for example, drug or alcohol treatment counselor, social worker, etc.). An in-depth assessment should take place after outside counseling has been completed or has commenced (depending on the situation).

Salary increase with positive performance appraisals

If the employee does not respond appropriately to the assessment or does not show appropriate levels of improvement the last option is the termination of the employee. The supervisor should review the legal requirements to dismissal procedures with the municipal solicitor. These should be properly documented throughout the termination process.

Compensation

Invariably, the question arises as to whether performance appraisals should be tied to employee compensation. For many municipalities, compensation is dealt with separately through collective agreements which determine compensation adjustments based on length of service, combined with performance. In such situations, the performance appraisals should be seen as a valuable function on its own merits.

If compensation is to be tied to the performance appraisal system, it is critical that the municipality have a sound and defensible performance appraisal system in place which takes into account performance and merit salary increases. It is imperative that such a system is equally understood by supervisors and employees.

Conclusion

A properly designed performance appraisal system can be the cornerstone to developing and maintaining a productive municipal workforce which enjoys high levels of job satisfaction. It does require a commitment from Council, senior staff and the employees in the design and implementation.

Appendix 4.1a

**Performance
Appraisal Policy**

The following policy is just one example of a Performance Appraisal Policy, which is largely based on the policy suggested by the Maritime Municipal Training and Development Board. Copies of their full Appraisal Policy as well as a host of other policies which are applicable to municipal government are available from the Maritime Municipal Training and Development Board (MMTDB) on a diskette. Please check their website at www.munisource.org or contact them at:

MMTDB
6100 University Avenue
Halifax, N.S.
B3H 3B7

Phone: 902-494-3712
Fax: 902-494-1961
munisource@munisource.org

Performance Appraisal Policy

It is the policy of the Municipality of _____ to ensure that formal and informal performance appraisal processes are developed and implemented.

1.0 Specific Objectives

1.1 The objectives of this policy are to:

- a. establish a process whereby the work performance of each employee in the municipality can be informally evaluated on an ongoing basis
- b. establish standards for quality and quantity of work
- c. provide an annual formal review of each employee's work performance

- d. encourage employees to continually consider their own work performance and to set personal performance standards and goals
- e. assist in identifying specific requirements for the training and development of individual employees (or, if applicable, groups or categories of employees)
- f. permanently record, on an objective basis, the work performance of each employee
- g. encourage the use of a performance appraisal system as a means of determining whether or not salary adjustments are warranted

2.0 Responsibilities

2.1 The Council (or its designated committee) will:

- a. review, amend and adopt changes to the Performance Appraisal Policy as recommended by Chief Administrative Officer
- b. review the performance of the Chief Administrative Officer in accordance with this policy

Where there is any conflict between the policies adopted by the Municipality of _____ and the policies set forth in the appropriate collective agreement, or policies set forth in a statute of the provincial or federal government, collective agreements or the provincial or federal statute shall supersede such other policies.

2.2 The Chief Administrative Officer (or designate) will:

- a. oversee the implementation and maintenance of the Performance Evaluation Policy throughout the municipality with the assistance of, and in consultation with, department heads
- b. monitor the effectiveness of the performance evaluation process and recommend necessary additions, deletions, or modifications to the Performance Evaluation Policy where considered appropriate

- c. conduct informal and formal performance appraisals. The informal approach should be an ongoing process whereby the Chief Administrative Officer, staff person(s), or manager provides continuous feedback to those individuals for whom they are directly responsible.

The formal approach should involve one or two reviews conducted at specific times on an annual basis. The reviews will be formally documented by way of using the Employee Performance Evaluation Form.

2.3 Department heads will:

- a. administer and co-ordinate performance evaluations within their respective departments, where applicable, in consultation with the Chief Administrative Officer
- b. perform informal and formal performance appraisals
- c. recommend to the Chief Administrative Officer changes required in the performance appraisal process
- d. report annually to the Chief Administrative Officer on the departmental results of the formal performance evaluations undertaken

2.4 Supervisors will:

- a. administer and co-ordinate performance evaluations within their respective departments, in consultation with their department head and, where appropriate, the Chief Administrative Officer
- b. perform both informal and formal performance appraisals
- c. prior to the completion of the annual formal evaluation and discussion of this evaluation with the employee, review the following aspects of the employee's record:

- attendance record with the municipality
 - relevant background
 - education
 - work history
 - duties, responsibilities, standards and/or measures of performance pertaining to the employee's position and/or applicable rules and regulations of the municipality or department
 - previous performance appraisal documents of the employee
 - productivity and quality control records if these are retained
 - samples of reports, project results, or other work products generated by the employee
 - opinions of other employees and supervisors who, in the course of their work, had dealings with the employee during the assessment period
- d. make every effort to be as objective as possible, basing the evaluation on standards of performance and applicable rules

3.0 General Procedure

3.1 Upon the introduction of the Performance Evaluation Policy, or the implementation of a revised policy:

- a. employees will be made aware of the new procedures
- b. managers and supervisors will be provided with an orientation session so that each may become thoroughly familiar with the performance appraisal system adopted by the municipality

3.2 Probationary Period Performance Evaluation: Two months prior to the completion of an employee's probationary period, the supervisor (in consultation with the employee) will complete a probationary performance evaluation report in accordance with the probationary period.

3.3 Annual Formal Evaluation:

- a. Completion of formal report: Annually, during a

predetermined period of time, the employee's supervisor will formally record a rating of the quality of work performed, general work habits, attendance, and attitude on the Employee Performance Evaluation Form (see Appendix 4.1b).

- b. The formal interview: The supervisor will discuss the employee's annual formal performance appraisal report with the employee in order to reinforce an ongoing mutual understanding between the employee and the supervisor in terms of:
- the duties, responsibilities, and requirements of the position, and expected performance level
 - any weak areas in the employee's performance and means to address these areas of concern
 - positive aspects of the employee's performance and measures to maintain or further enhance these positive features
 - short-term work goals which the employee should attempt to achieve
 - long-term career objectives of the employee

The formal evaluation form will be signed by the employee and supervisor following the interview and discussion.

Following the formal interview between the employee and the supervisor, the completed form will be forwarded to a reviewing officer (usually the department head or the Chief Administrative Officer). The reviewing officer shall examine the performance appraisal report against the standard expected of the employee and add any remarks to the form.

3.4 Appeals: Employees who feel that their overall rating does not represent a true evaluation of their performance over the review period should try to resolve these differences with their supervisor.

If an informal agreement cannot be reached, the employee shall be given the opportunity to appeal, in writing, to the Chief Administrative Officer (or some other designated official), within 15 days of the interview.

3.5 Department Heads' Reports: The department heads shall report to the Chief Administrative Officer at the end of each year on:

- a. completion of the annual formal performance appraisal for each employee in their respective departments
- b. overall results of the performance appraisal process
- c. the steps to be taken to improve the performance of departmental employees during the upcoming year (e.g. recommended training and development activities or changes in the quantity or allocation of work undertaken)

3.6 Effect on Salary: The municipality shall prepare a Compensation Policy, which should be in part based on outstanding, satisfactory and unsatisfactory evaluation ratings of individual employees.

3.7 Retention of the Performance Appraisal Records: Following completion (including signatures), one copy of the evaluation shall be placed in the employee's personnel file and a copy shall be given to the employee and to the supervisor completing the report.

3.8 Points to Remember During the Appraisal Process:

- a. Criticisms or praise should be communicated to employees, and discussed, on an ongoing basis.
- b. The purpose of the evaluation process should be explained. Point out that the review can make the employee a more valuable member of staff and provide greater opportunities for job satisfaction, usefulness, and promotion.
- c. Vague, indefensible, or undefinable criticisms of performance should be avoided.
- d. Talk about positive performance first.
- e. Remember that you are discussing an employee's performance; the objective is to improve performance, not to condemn the individual.

- f. Take into account that some failures of an employee may be the responsibility of the supervisor.

3.9 Definitions of Rating Used in Employee Performance Evaluation:

- a. Satisfactory is that level of performance which is considered adequate to meet the requirements of the job. Some day-to-day variation is to be expected and may range, on occasion, from poor to very good. For the most part, however, satisfactory performance would be neither below the required level, nor consistently superior to the required standards.
- b. Unsatisfactory is that level of performance which consistently falls below the requirements of the job. It does not mean that every aspect of the individual's performance is below adequate standards but that, in general, the employee does not meet the minimum requirements.
- c. An outstanding rating is reserved for the individual who consistently surpasses standards of adequate performance. Individuals who consistently do a good job should be rated satisfactory, not outstanding. An occasional instance of superior performance is not sufficient justification for an outstanding rating. Outstanding performance requires that the individual, more often than not, has exceeded the supervisor's expectations for satisfactory performance.

Performance Appraisal - Appendix 4.1B

Employee Performance Evaluation Form

The following is just one example of a format which may be used in conducting a performance appraisal. This form is based on the MMTDB and the Region of Queens performance appraisal forms.

It is intended to serve as a guide only. Both general and specific categories may be changed to meet the specific size, structure, and human resource requirements of different municipalities. As such, the scales may require adjustment. Each subcategory should be rated on the accompanying scale and then totaled and calculated into the equation at the bottom of the category. Overall results will be compiled at the conclusion of the form.

Municipality of _____	
Date:	_____
Employees Name:	_____
Employee Number:	_____
Job Position:	_____
Department:	_____
Completed by:	_____
Appraisal Period:	from: _____ to: _____
_____	_____
Employee's Signature	Supervisor's Signature

Department Manager's Signature	

Category #1 Achievement of Results

Items	Rating									
	<i>Unsatisfactory</i>				<i>Satisfactory</i>			<i>Outstanding</i>		
Achieve set targets/objectives	1	2	3	4	5	6	7	8	9	10
Successfully completes assigned projects	1	2	3	4	5	6	7	8	9	10
Meets set deadlines	1	2	3	4	5	6	7	8	9	10
Successfully produces required volume of work	1	2	3	4	5	6	7	8	9	10
Organizes work environment	1	2	3	4	5	6	7	8	9	10
Budgets for resources	1	2	3	4	5	6	7	8	9	10

Point Score = ((add the 5 numbers circled above) X 10) ÷ 5 = _____%

Remarks:

CATEGORY # 2 INITIATIVE AND PLANNING

Items	Rating									
	<i>Unsatisfactory</i>			<i>Satisfactory</i>				<i>Outstanding</i>		
	1	2	3	4	5	6	7	8	9	10
Asks for assistance when needed										
Willingly takes action without specific instructions, when appropriate										
Independently establishes sound objectives or priorities										
Develops and maintains schedules or courses of action										
Willingly takes on new or increased responsibilities										
Undertakes self-development activities										

Point Score = ((add the 6 numbers circled above) X 10) ÷ 6 = _____%

Remarks:

Employee's Initials

Supervisor's Initials

CATEGORY # 3 Quality of Work

Items	Rating									
	<i>Unsatisfactory</i>				<i>Satisfactory</i>			<i>Outstanding</i>		
	1	2	3	4	5	6	7	8	9	10
Completes work in a timely and efficient manner										
Ensures work is thorough and accurate										
Requires thorough and accurate work from others										
Decision making is proactive and does not procrastinate										
Innovative creative problem solving										
Looks for ways to improve and promote quality										
Monitors own work to ensure quality and quantity										

Point Score = ((add the 7 numbers circled above) X 10) ÷ 7 = _____

Remarks:

CATEGORY # 4 General Qualities and Abilities

Items	Rating									
	<i>Unsatisfactory</i>				<i>Satisfactory</i>			<i>Outstanding</i>		
	1	2	3	4	5	6	7	8	9	10
Attendance Record	1	2	3	4	5	6	7	8	9	10
Punctuality	1	2	3	4	5	6	7	8	9	10
Time management skills	1	2	3	4	5	6	7	8	9	10
Ability to handle a number of tasks simultaneously	1	2	3	4	5	6	7	8	9	10
Willingness to spend extra time at work when required	1	2	3	4	5	6	7	8	9	10
Willingness to learn and stay informed on relevant work related issues	1	2	3	4	5	6	7	8	9	10
Willingness to accept new ideas and approaches	1	2	3	4	5	6	7	8	9	10
Develops positive working relationships and contributes to groups success	1	2	3	4	5	6	7	8	9	10

Point Score = ((add the 8 numbers circled above) X 10) ÷ 8 = _____%

Remarks:

CATEGORY #5 Judgement

Items	Rating									
	<i>Unsatisfactory</i>				<i>Satisfactory</i>			<i>Outstanding</i>		
Ability to analyze problem situations quickly and accurately	1	2	3	4	5	6	7	8	9	10
Ability to make sound decision when required	1	2	3	4	5	6	7	8	9	10
Ability to react to adversity in a logical and practical manner	1	2	3	4	5	6	7	8	9	10
Ability to prioritize work of action	1	2	3	4	5	6	7	8	9	10

Point Score = ((add the 4 numbers circled above) X 10) ÷ 4 = _____%

Remarks:

CATEGORY # 6 Communication and Interpersonal Skills

Items	Rating									
	<i>Unsatisfactory</i>				<i>Satisfactory</i>			<i>Outstanding</i>		
	1	2	3	4	5	6	7	8	9	10
Uses effective verbal communication skills										
Uses effective written communication skills										
Ability to work in a team environment										
Uses effective communication skills with colleagues										
Uses effective communication skills with clients										
Ability to accept direction and constructive criticism from colleagues										

Point Score = ((add the 6 numbers circled above) X 10) ÷ 6 = _____%

Remarks:

CATEGORY # 7 Job Related Skills

Items	Rating									
	<i>Unsatisfactory</i>				<i>Satisfactory</i>			<i>Outstanding</i>		
	1	2	3	4	5	6	7	8	9	10
Proficient in required skills and knowledge										
Demonstrates ability to learn new skills										
Keeps current with new knowledge and skills										
Requires minimal supervision										
Understands government organizational relationships										
Has thorough knowledge and understanding of departmental policies and procedures										
Skills/knowledge/understanding of computer applications or machines or equipment required for the job										
Uses resources effectively and efficiently										

Point Score = ((add the 8 numbers circled above) X 10) ÷ 8 = _____%

Remarks:

CATEGORY # 8 Customer Services

(Note: Customer Service includes both internal and external clients, where internal clients can include requests from other departments within the municipality and external clients can include the public and other government agencies.)

Items	Rating									
	<i>Unsatisfactory</i>				<i>Satisfactory</i>			<i>Outstanding</i>		
Exhibits courtesy and care	1	2	3	4	5	6	7	8	9	10
Deals with difficult customers	1	2	3	4	5	6	7	8	9	10
Takes responsibility in representing the municipality's intended image	1	2	3	4	5	6	7	8	9	10
Displays appropriate business etiquette	1	2	3	4	5	6	7	8	9	10
Responds to internal and external customers in a timely manner	1	2	3	4	5	6	7	8	9	10

Point Score = ((add the 5 numbers circled above) X 10) ÷ 5 = _____%

Remarks:

Overall Rating

Category	Score
1	_____ %
2	_____ %
3	_____ %
4	_____ %
5	_____ %
6	_____ %
7	_____ %
8	_____ %

Total _____ ÷ 800 = _____ %

Percentage Rating

Unsatisfactory	(0 to 49.9%)
Satisfactory	(50 to 84.9%)
Outstanding	(85 to 100%)

Areas where the employee is outstanding: _____

Employee's Initials

Supervisor's Initials

Areas where employee needs improvement: _____

GOALS

The following short and long term goals for improvement of employee performance will be developed in collaboration with the reviewer(s) and will be based upon results of the performance appraisal.

The goals may address the following questions:

1. What has to be improved?
2. What training/education programs will be undertaken as a result of the assessment?
3. What is the time frame necessary to reach these goals?
4. What are some of the specific measurable output goals?

Short Term Goals (Six months to one year)

Short Term Goal 1:

Short Term Goal 2:

Short Term Goal 3:

Short Term Goal 4:

Employee's Initials

Supervisor's Initials

Long Term Goals (one to four years)

Long Term Goal 1:

Long Term Goal 2:

Long Term Goal 3:

Long Term Goal 4:

Employee's Initials

Supervisor's Initials