

2012 ERC Performance Management Practices Survey

July 2012

Conducted by ERC
6700 Beta Drive, Suite 300, Mayfield Village, OH 44143
440/684-9700 | 440/684-9760 (fax)
www.ercnet.org



About ERC

ERC is Northeast Ohio's largest organization dedicated to HR and workplace programs, practices, training and consulting. ERC membership provides employers access to an incredible amount of information, expertise, and cost savings that supports the attraction, retention, and development of great employees. We also host the nationally recognized NorthCoast 99 program and sponsor the ERC Health insurance program. For more information about ERC, please visit www.ercnet.org.



Table of Contents

Overview	3
Key Findings in the Survey	4
Performance Reviews	5
Performance Criteria	12
Supervisor's Role in Managing Performance	16
Other Performance Management Issues	18
Performance Management Technology	21
Respondent Demographics	23
Appendix A: Industry & Organizational Size Breakouts	24
Appendix B: Numeric Rating Scales	102
Appendix C: Self-Appraisal	105
Appendix D: Below Standard Performance	108
Appendix E: Performance Evaluation and Compensation	112

Overview

In May/June of 2012, ERC conducted a survey of organizations in Northeast Ohio to explore performance management practices 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.

All ERC members were invited to participate in the survey in May via email invitation and other promotions, and participated in the survey throughout the month. The survey officially closed on June 15, 2012. In order to provide the most reliable and accurate information, data was cleaned and duplicate records were removed. Any outliers or invalid data were also eliminated, yielding a final data set of 83 participating organizations, only from Northeast Ohio. All quantitative data was analyzed using statistical software to ensure data validity and reliability.

This report shows several frequencies and response distributions. Breakouts of data are provided for industry and number of employees. Frequencies of data responses may not total 100% exactly in some cases due to rounding of decimals or the ability for participating organizations to select multiple response options. Additionally, some breakouts may not be reported due to insufficient or invalid data.

Key Findings

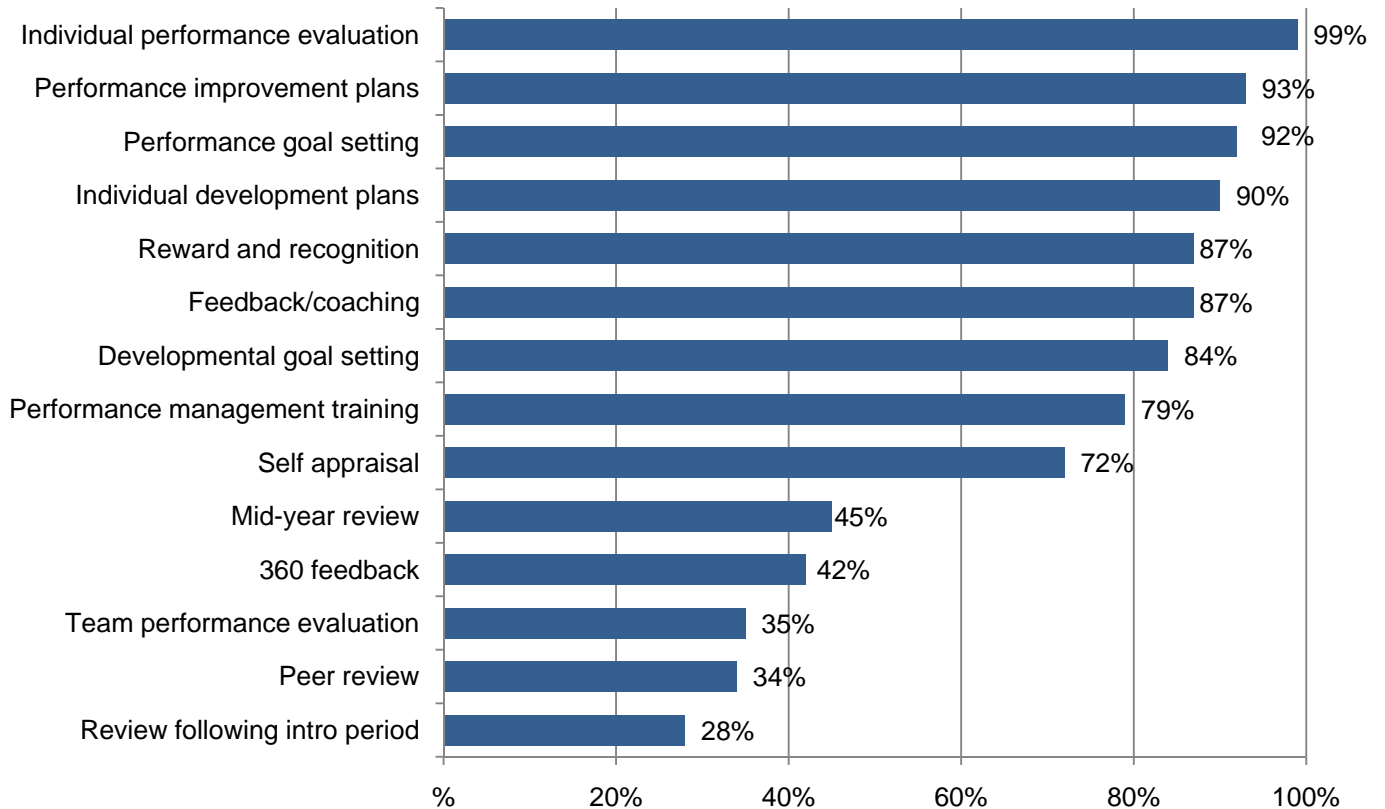
- Virtually all organizations use individual performance evaluations regardless of industry or organizational size. Performance improvement plans, goal setting and individual development plans are also highly utilized by 90% of employers or greater.
- Approximately equal numbers of organizations use a numeric scale as the format of their performance evaluations as those that use comments/summaries- just under two-thirds.
- Performance improvement plans are used by the majority of respondents and typically require employee and supervisor signatures as a formal acknowledgement of the plan. The plan's content most often includes expected behavior or results and activities to be conducted.
- Designing and implementing the performance management process within an organization is primarily driven by human resource representatives, senior managers or executives and managers.
- Supervisors commonly set performance criteria for employees, while goals tend to be set mutually (by both the employee and supervisor).
- The most frequently assessed performance criteria include quality of work, job knowledge/job specific competencies, and quantity of work/productivity. More soft-skill type criteria such as attitude/professionalism and teamwork/cooperation are also assessed by more than three-quarters of respondents.
- Supervisors have a high level of involvement with nearly every aspect of managing employee performance, but organizations typically provide supervisors with performance management training as it relates directly to the performance evaluation discussion and documentation process itself. Areas such as developmental coaching and reward and recognition are less commonly included in these trainings.
- The most commonly reported challenges organizations experience with their performance management systems are failure of supervisor to provide on-going feedback and inconsistent performance documentation by supervisors.
- Performance management technology solutions are not particularly common within this group of respondents. Additionally, the wide majority of these organizations indicate that they do not currently have plans to implement one in the foreseeable future.

Performance Reviews

Employers tend to utilize a variety of activities in their performance management programs. Nearly every organization (99%) uses individual performance evaluations. More than ninety percent of the organizations surveyed use performance improvement plans (93%), performance goal setting (92%) and individual development plans (90%). Over 70% also use reward and recognition, feedback/coaching, developmental goal setting, performance management training and self appraisal.

Fewer employers report using mid-year reviews (45%), 360 feedback (42%), team performance evaluations (35%), peer reviews (34%) and performance reviews following an introductory period (28%).

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



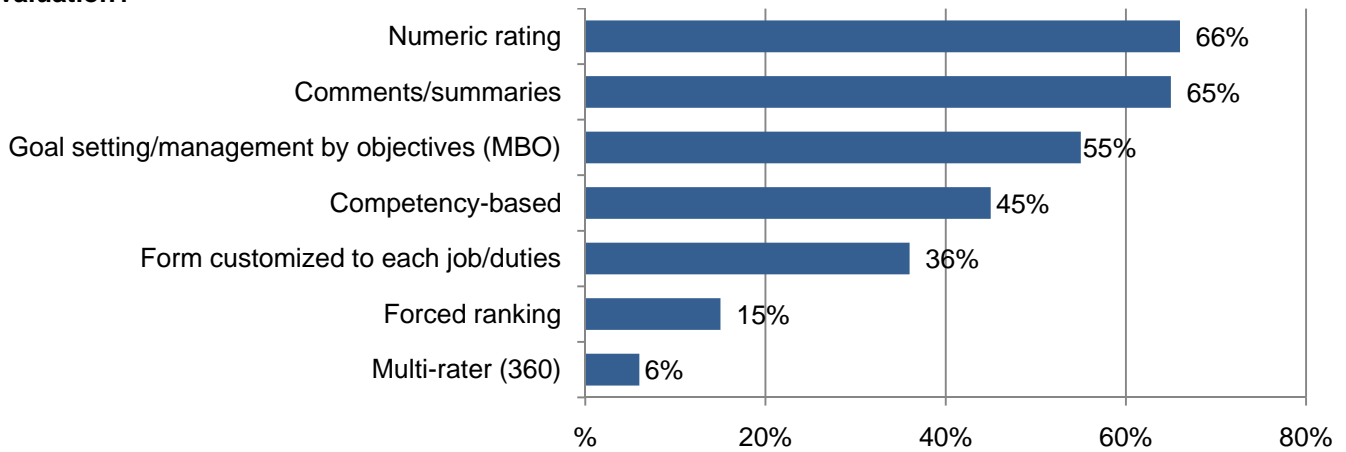
Organizations differ somewhat on the frequency in which they conduct various performance management activities. The majority of organizations conduct their performance management activities on an annual basis, particularly individual performance evaluations (77%), performance goal setting (61%), developmental goal setting (51%) and self appraisal (49%). Many organizations provide feedback/coaching and reward and recognition on an on-going basis, while others use performance improvement plans, individual development plans, performance management training and performance review following an introductory period 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	77%	17%	6%	4%	7%	4%	1%
Feedback/coaching	16%	7%	1%	41%	29%	1%	13%
Performance goal setting	61%	16%	2%	13%	11%	1%	8%
Performance improvement plans	16%	4%	0%	11%	59%	0%	7%
Reward and recognition	17%	6%	5%	36%	23%	1%	13%
Individual development plans	34%	8%	0%	15%	35%	2%	10%
Developmental goal setting	51%	11%	1%	11%	12%	4%	16%
Self appraisal	49%	8%	0%	4%	7%	1%	28%
Performance management training	15%	0%	1%	13%	32%	9%	21%
360 feedback	12%	1%	0%	1%	13%	2%	58%
Team performance evaluation	7%	2%	2%	10%	8%	0%	65%
Peer review	8%	0%	0%	1%	10%	4%	66%
Mid-year review	13%	11%	1%	1%	11%	1%	55%
Performance review following introductory period	10%	6%	6%	18%	30%	7%	22%

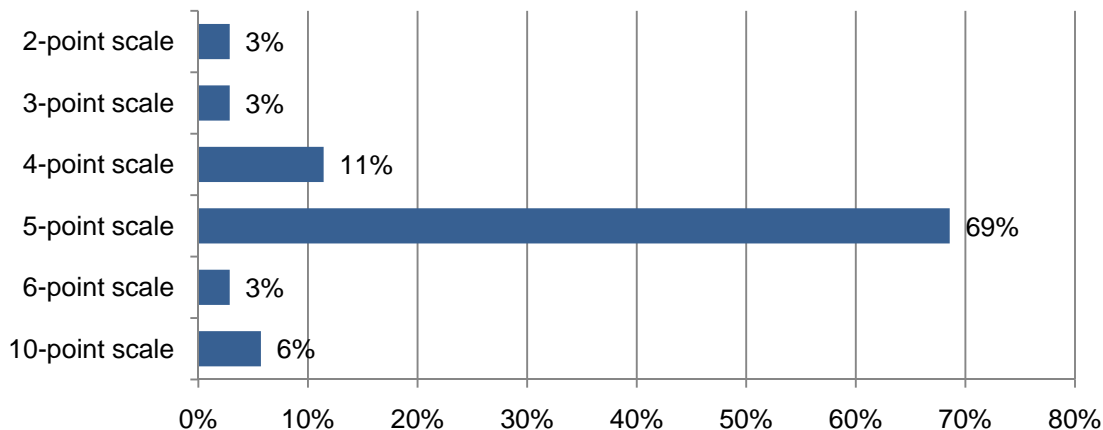
Organizations (66%) most frequently describe the format of their annual performance evaluation as that of numeric ratings. Slightly fewer organizations (65%) report using comments/summaries as the format of their evaluations. Goal setting/management by objectives is also used by more than half of organizations (55%). Competency-based evaluations are slightly less common, but are still used by 45% of organizations. Numeric rating systems and comments/summaries are common across size and industry. However, smaller organizations outside of the manufacturing industry are more likely to use more individualized performance evaluation formats such as goal setting/management by objectives (MBO) and customized forms.

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



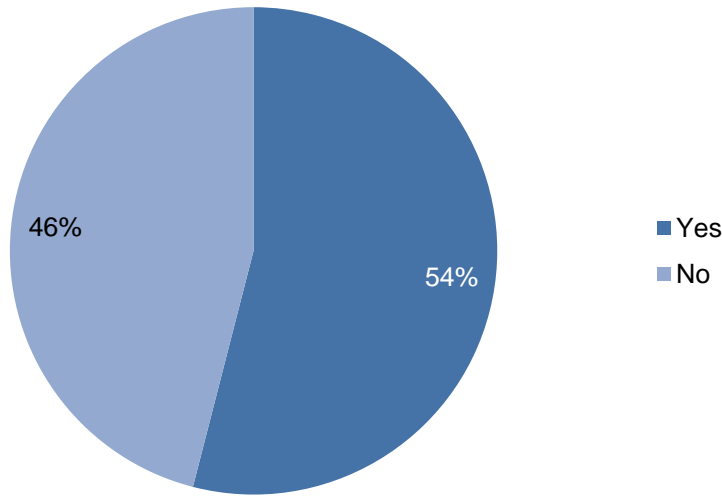
The majority of organizations (69%) that use a numeric rating for performance evaluations tend to rate employees on a five-point scale. Less frequently used are four-point (11%) and ten-point (6%) scales. Full responses are provided in Appendix B.

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



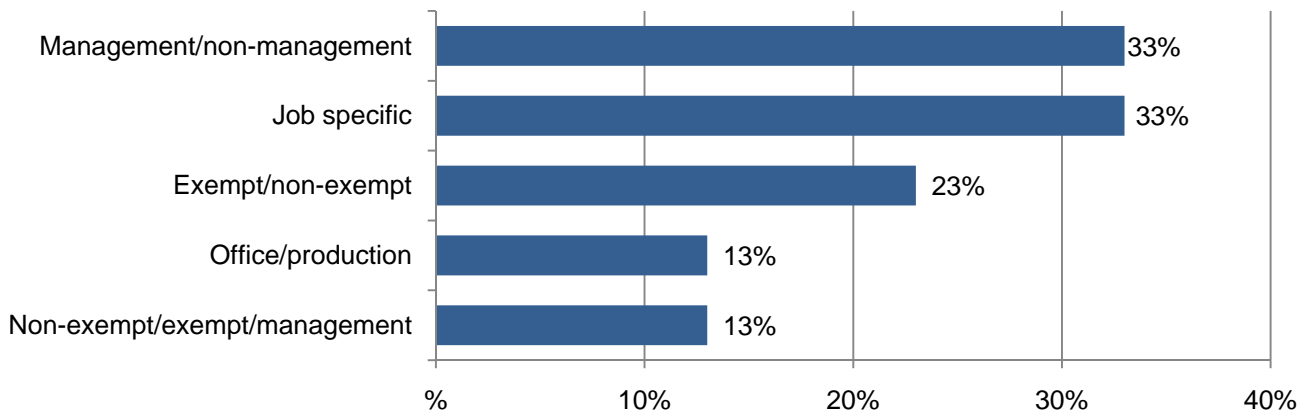
A slight majority of organizations (54%) use the same performance evaluation form to evaluate all employees. Large organizations (500+ employees) are the most likely breakout to use different evaluation forms.

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



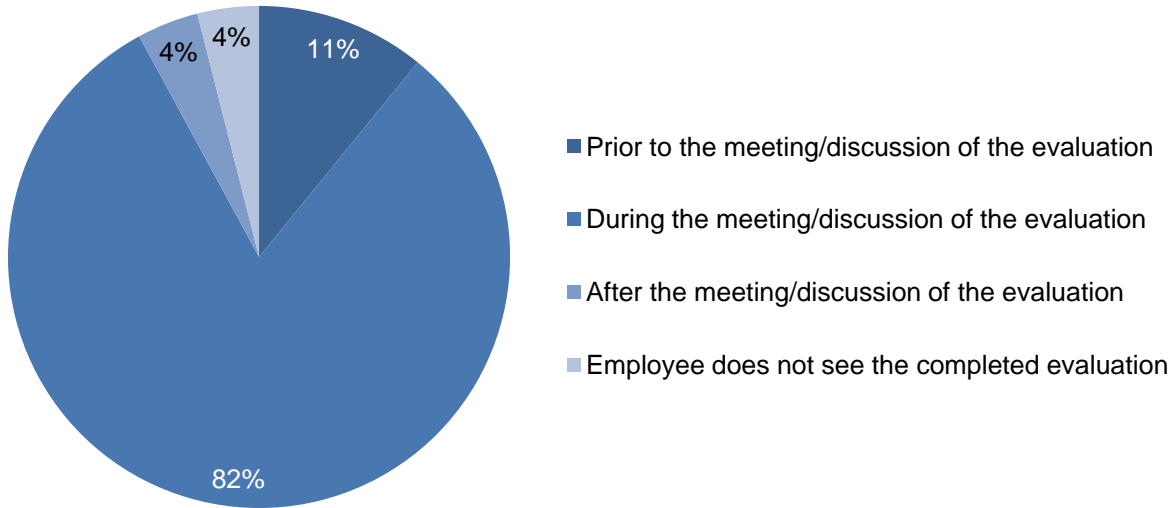
Of those organizations that do not evaluate all employees using the same form, one-third report using separate evaluations for exempt and management and non-management employees as well as for employees with different jobs (job specific). Twenty-three percent use separate forms for exempt and non-exempt employees.

Figure 6 | What employees receive different evaluations?



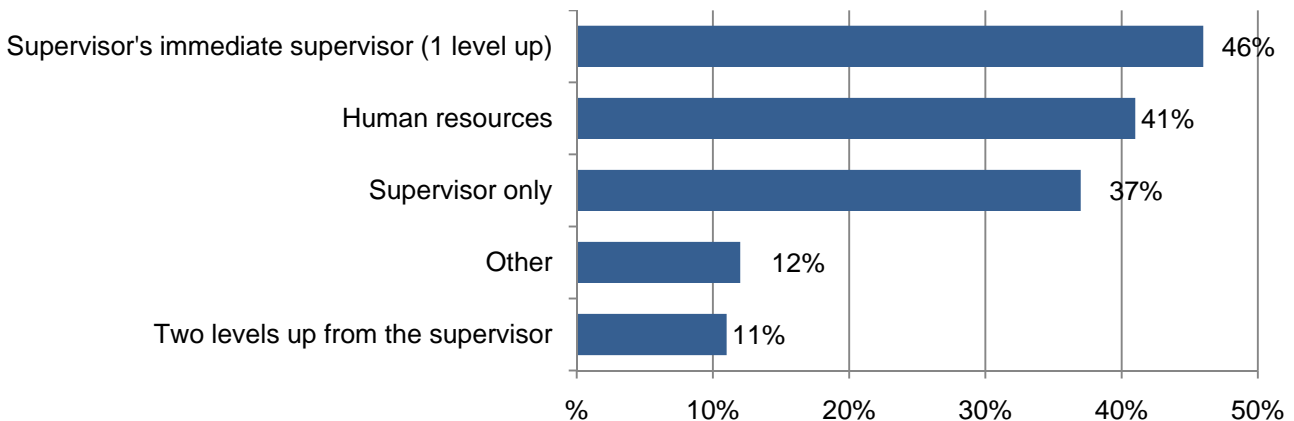
The vast majority of employers (82%) report that employees see their evaluations during the meeting or discussion of the evaluation. A few organizations (11%) provide evaluations to employees prior to the meeting or discussion.

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



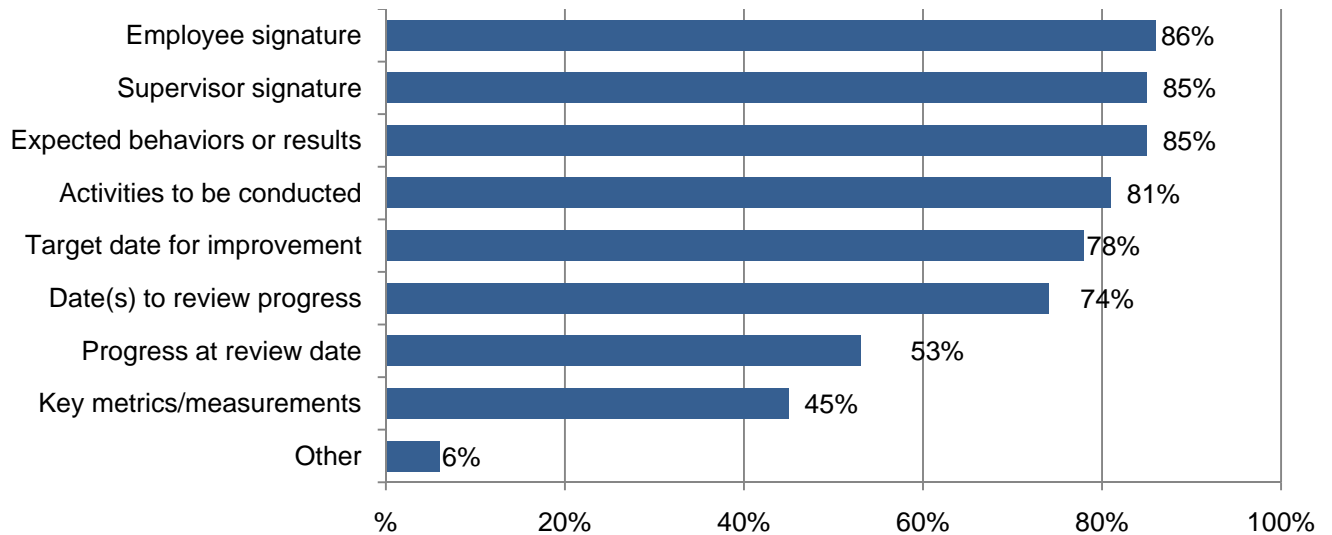
Approval of performance evaluations is most commonly provided by the supervisor’s immediate supervisor (1 level up) (46%). Human Resources (41%) is also often involved in the approval process. In some organizations (37%), only the immediate supervisor needs to approve performance evaluations. Other (12%) positions noted included top level executives such as COO, CFO and CEO. Manufacturers are the most likely industry type to report involving the HR department in performance evaluation approvals.

Figure 8 | Who approves performance evaluations?



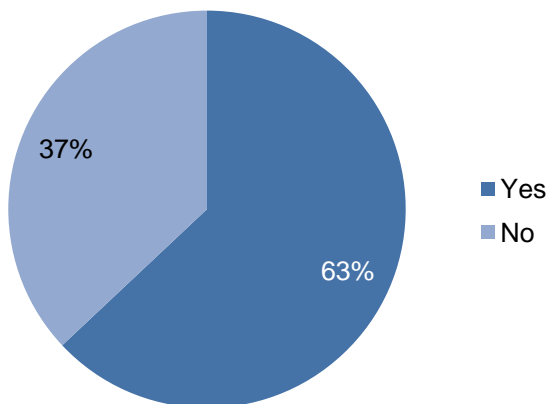
Performance improvement plans in organizations tend to include a variety of information. The vast majority of organizations include the employee (86%) and supervisor signatures (85%), expected behavior or results (85%), activities to be conducted (81%) and a target date for improvement (78%). Other (6%) aspects that are included in performance improvement plans are HR review, HR signature, and consequences for failure to comply.

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



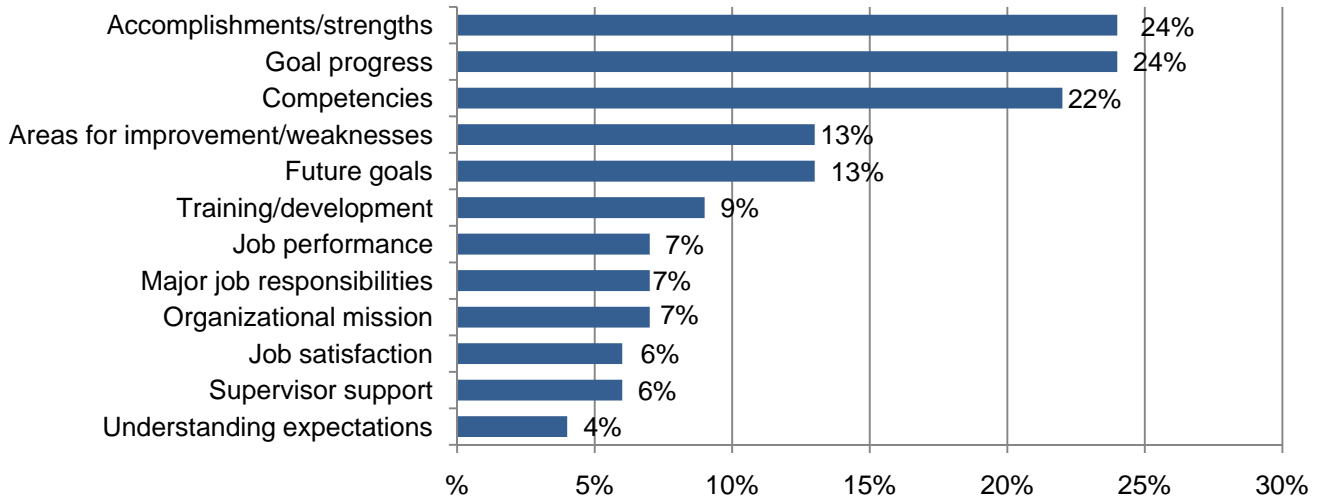
According to respondents, when organizations use self-appraisals, the employees and their supervisors typically fill out the same forms (63%). Manufacturers report a fairly even split, but non-manufacturers and non-profits tended to have employees and supervisors use the same evaluations forms for self-appraisals.

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



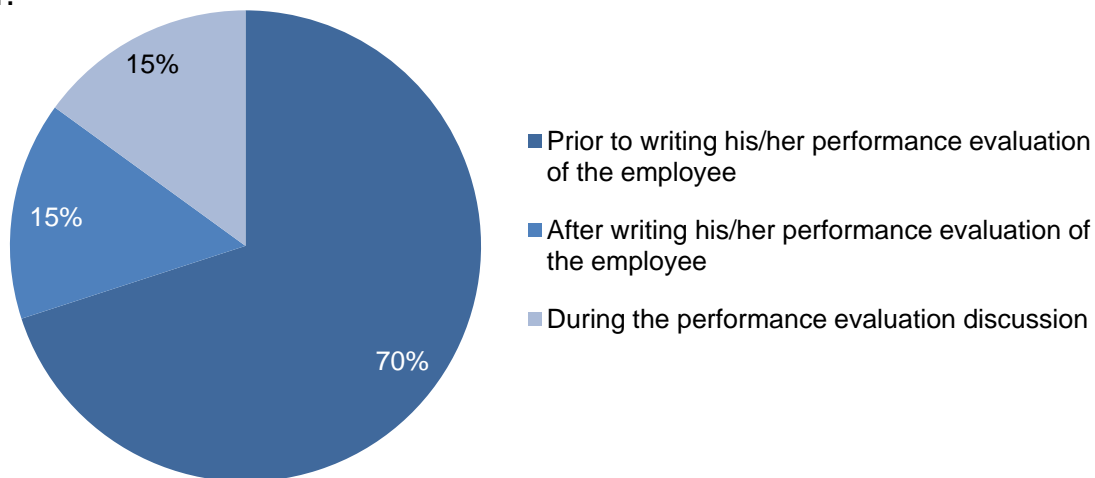
Among organizations that use self-appraisals, the most common items to evaluate are their accomplishments and strengths (24%), goal progress over the past year (24%) and competencies (22%). Full responses are provided in Appendix C.

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 (70%). Larger organizations tend to have less variation in this timing- nearly all organizations with over 200 employees allow the supervisor to see the employee's self-appraisal prior to writing his/her performance evaluation of the employee.

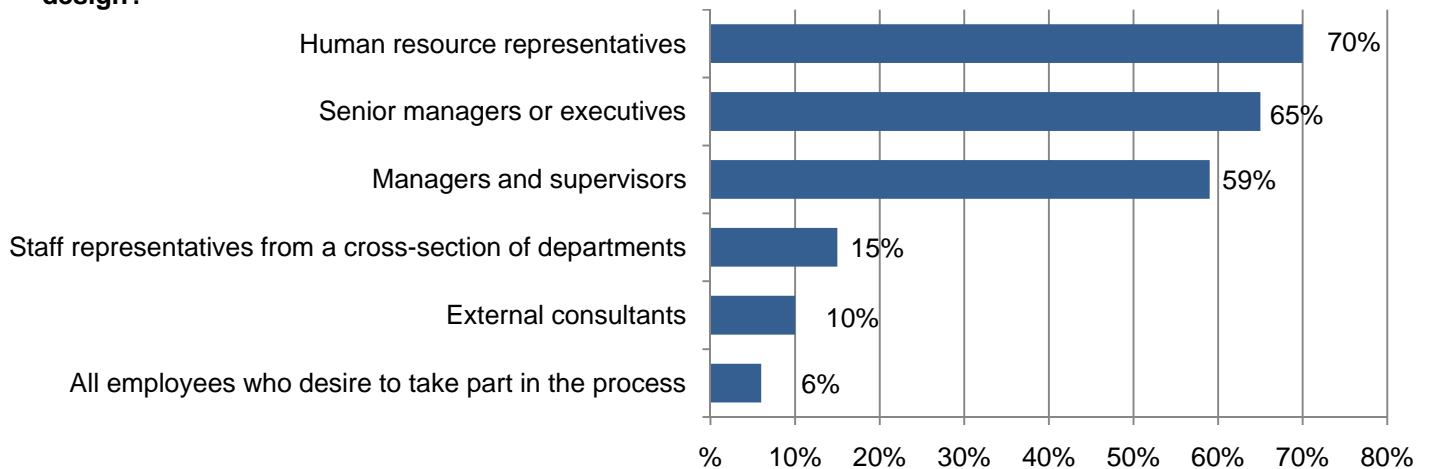
Figure 12 | If self-appraisals are used, when does the supervisor first see the employee's completed self-appraisal?



Performance Criteria

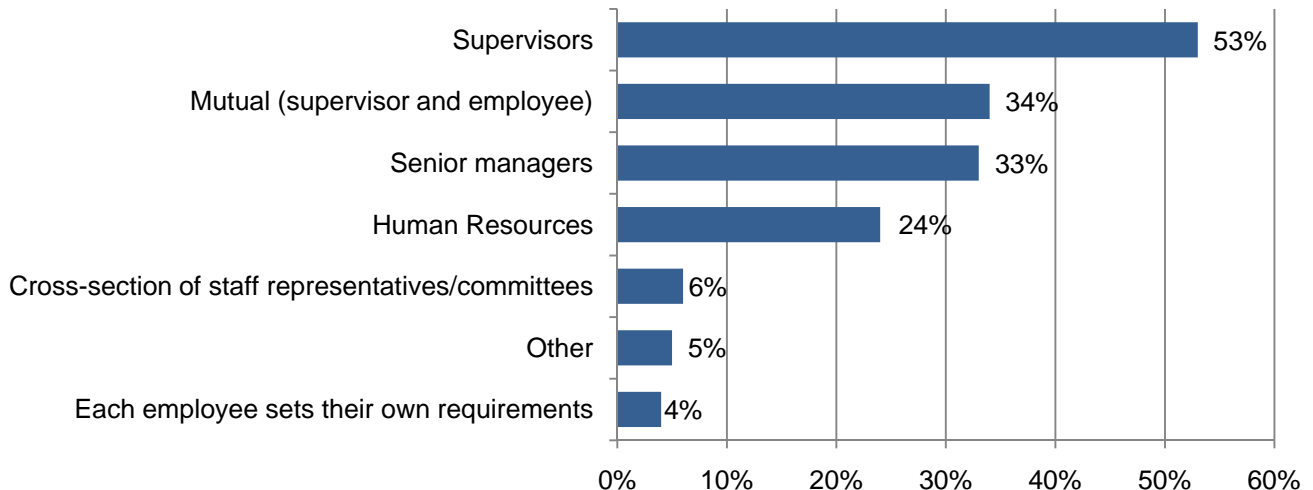
In most organizations, human resource representatives (70%), senior managers or executives (65%) and managers and supervisors (59%) are consulted on the performance management process and design. Only a few organizations consult staff representatives from a cross-section of departments (15%) and external consultants (10%).

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



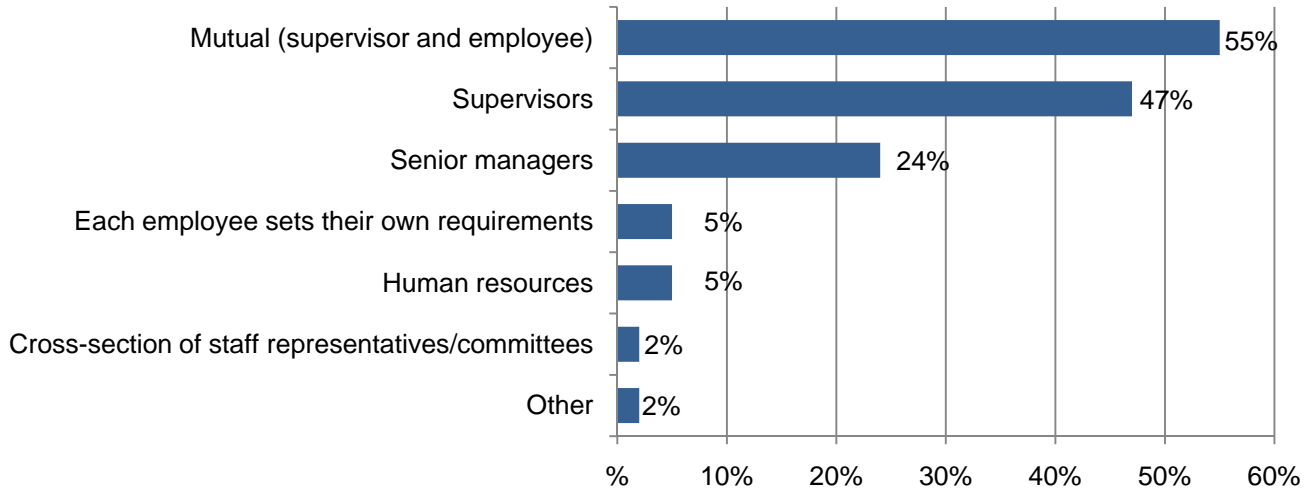
Employers cite that supervisors (53%) typically set performance criteria for employees. Thirty-four percent of organizations report that supervisors and employees mutually agree on the performance criteria for that employee. Senior managers (33%) and human resources (24%) are involved in setting performance criteria for employees less often.

Figure 14 | Who sets the performance criteria for employees?



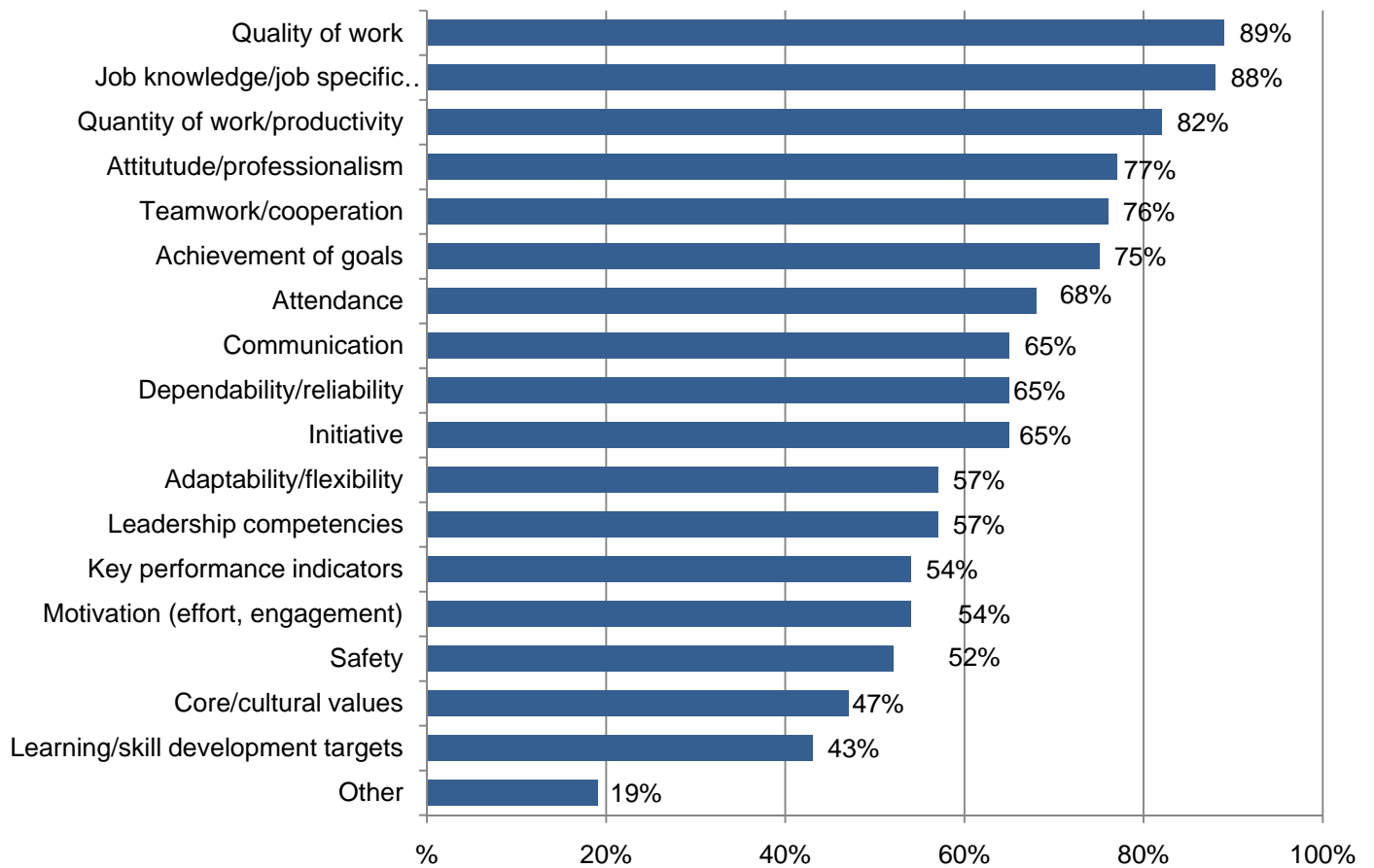
In terms of goal setting, employees and supervisors tend to mutually set goals (55%). However, in many cases the supervisor sets these goals alone (47%). Senior managers are only involved in employee goal setting 24% of the time.

Figure 15 | Who sets the goals for employees?



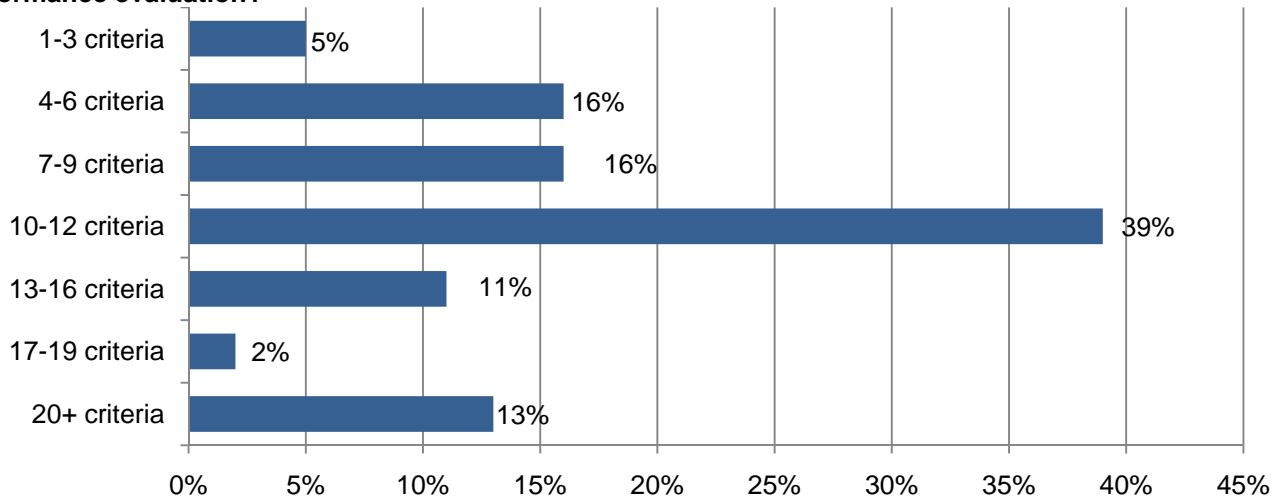
Organizations tend to assess a multitude of key performance criteria. Quality of work (89%) and job knowledge/job specific competencies (88%) are assessed most frequently. In addition, quantity of work/productivity (82%), attitude/professionalism (77%), teamwork/cooperation and achievement of goals are all assessed by over three-quarters of respondents. Core/cultural values (47%) and learning/skill development targets (43%) are evaluated less frequently. Other performance criteria assessed include problem solving, time management, communication and community building/partnership.

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 employee is evaluated on his/her performance evaluated is 12. The most common numbers of criteria assessed are 10 (20%), 12 (14%), and 5 (11%). Organizations most commonly evaluate employees on 10-12 criteria (39%).

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

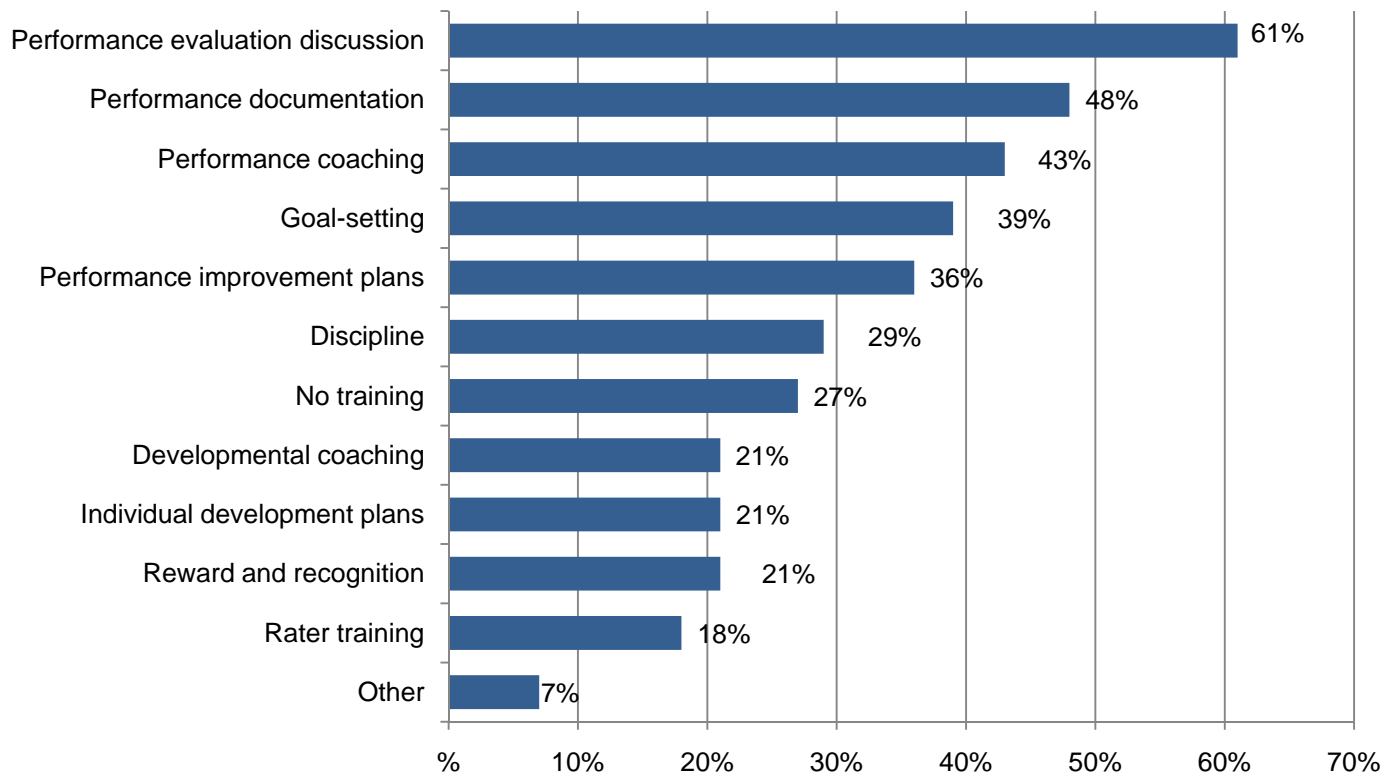


Supervisor’s Role in Managing Performance

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 (61%). Just less than half indicate they offer training in documenting performance (48%) and performance coaching (43%). Several respondents also offer training in goal setting (39%), performance improvement plans (36%) and discipline (29%). Twenty-seven percent (27%) of organizations do not provide supervisors with any training related to performance management. Other (7%) types of training include use of evaluation software and how to make pay recommendations/salary administration.

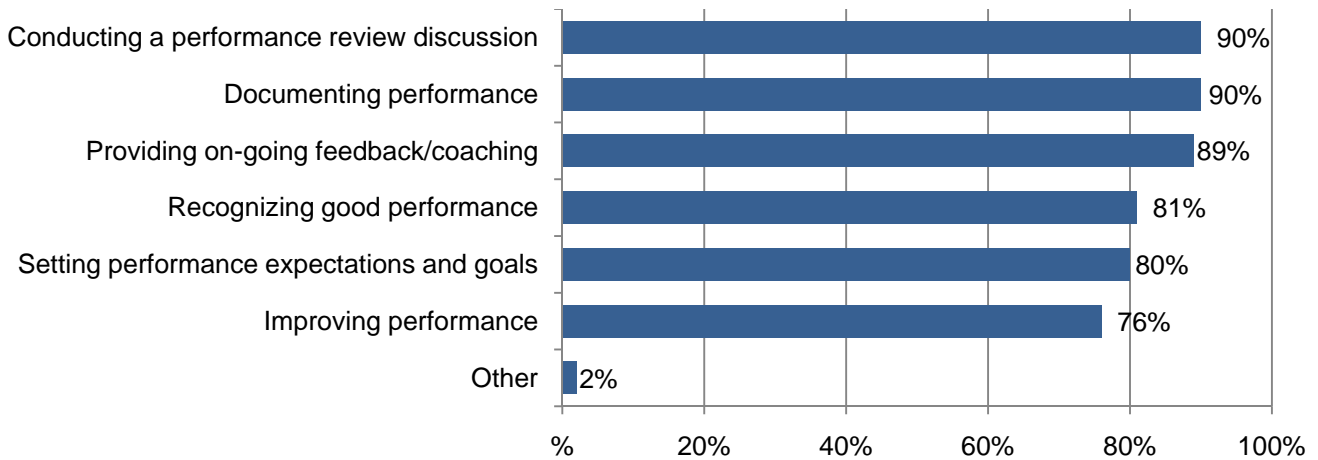
Overall, just under three-quarters (73%) of organizations reported offering some type of performance management training to their supervisors. Small organizations (1-50 employees) were slightly less likely to provide any performance management training as compared to larger organizations.

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



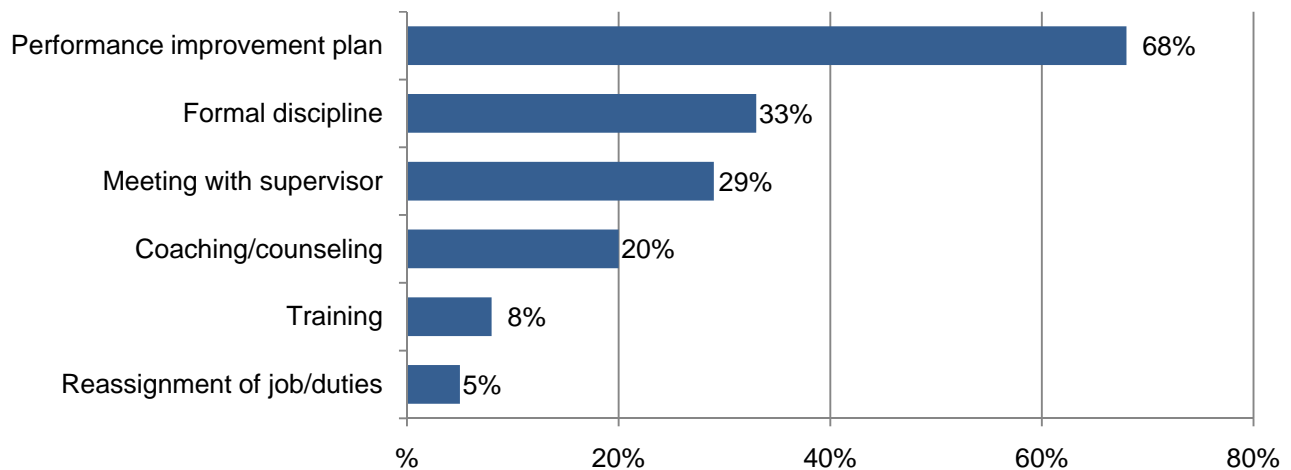
Organizations report that supervisors tend to have many responsibilities related to managing employee performance. Nearly all organizations report that supervisors conduct a performance review discussion (90%), document performance (90%), provide on-going feedback/coaching (89%), recognize good performance (81%), and set performance expectations and goals (80%).

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



Most organizations deal with below standard performance by instituting a performance improvement plan (68%). One-third use some form of formal discipline (33%), while still others use meetings with supervisors (29%), and coaching/counseling (20%). Full responses provided by respondents can be found in Appendix D.

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

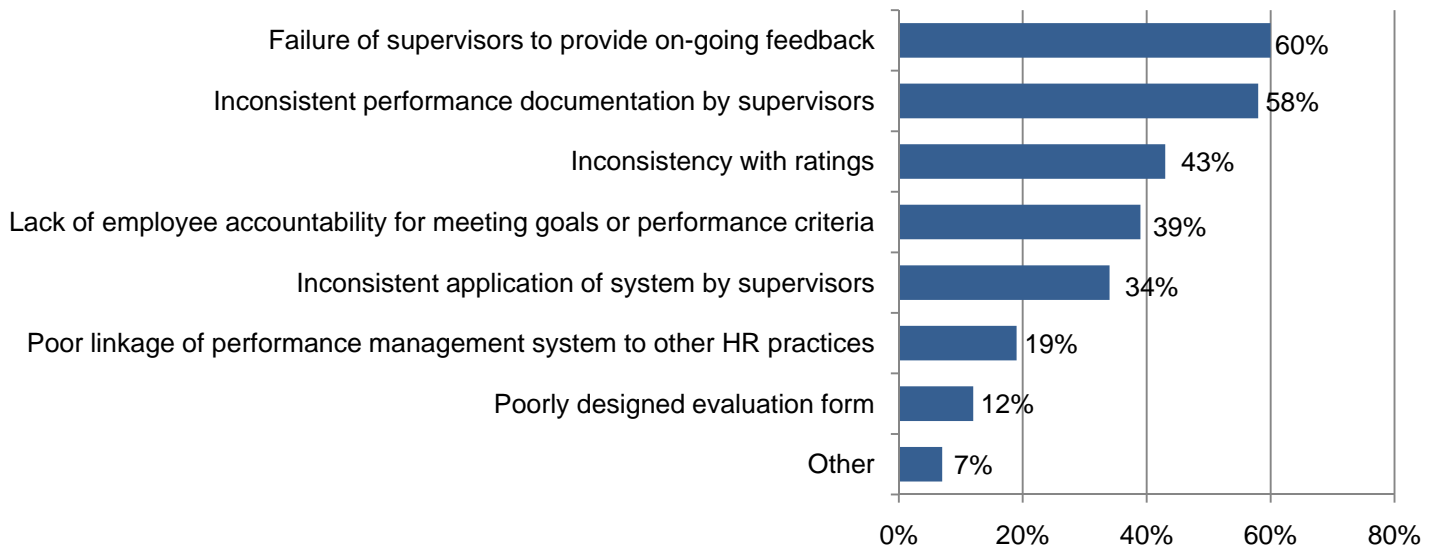


Other Performance Management Issues

Organizations report several challenges with their performance management systems. Failure of the supervisor to provide on-going feedback (60%) and inconsistent performance documentation by supervisors (58%) are the most commonly reported problems. Other somewhat common challenges cited by respondents include inconsistency with ratings (43%) and lack of employee accountability for meeting goals or performance criteria (39%). Other (7%) challenges noted include inconsistent or missing documentation of performance reviews as well as supervisors not being held accountable for completing the reviews in a timely manner.

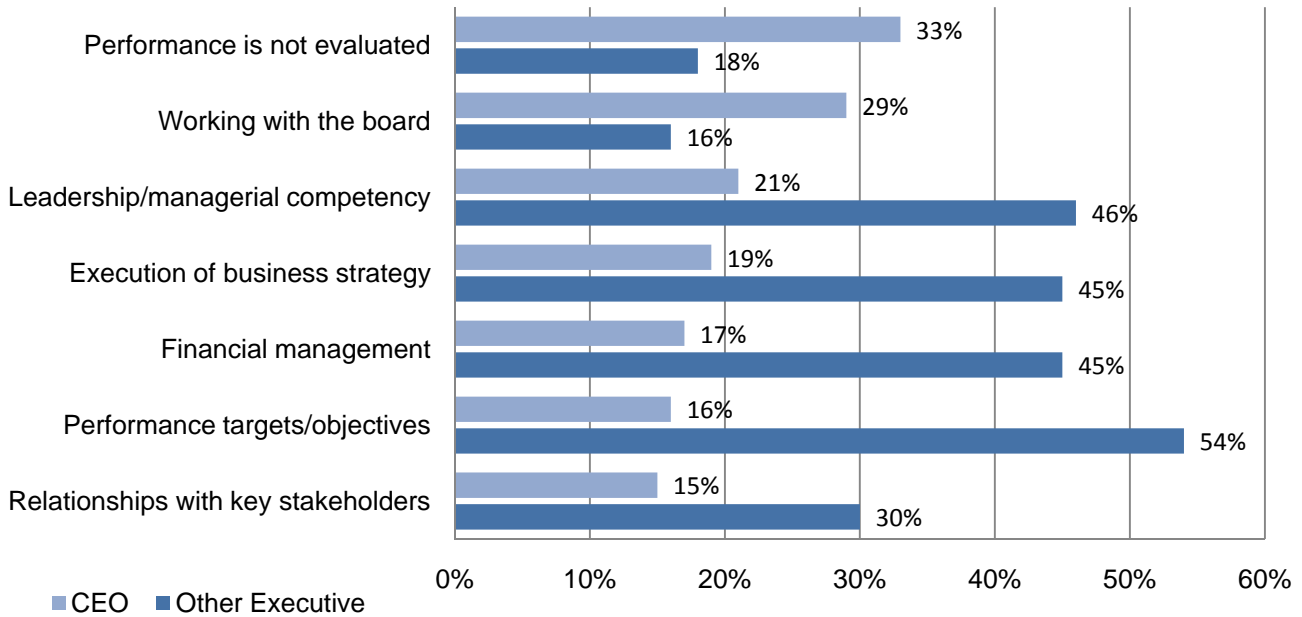
Larger organizations report the most challenges with their performance management systems when compared to smaller organizations in terms of failure of supervisors to provide on-going feedback, inconsistent performance documentation by supervisors, inconsistency with ratings and lack of employee accountability for meeting goals or performance.

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



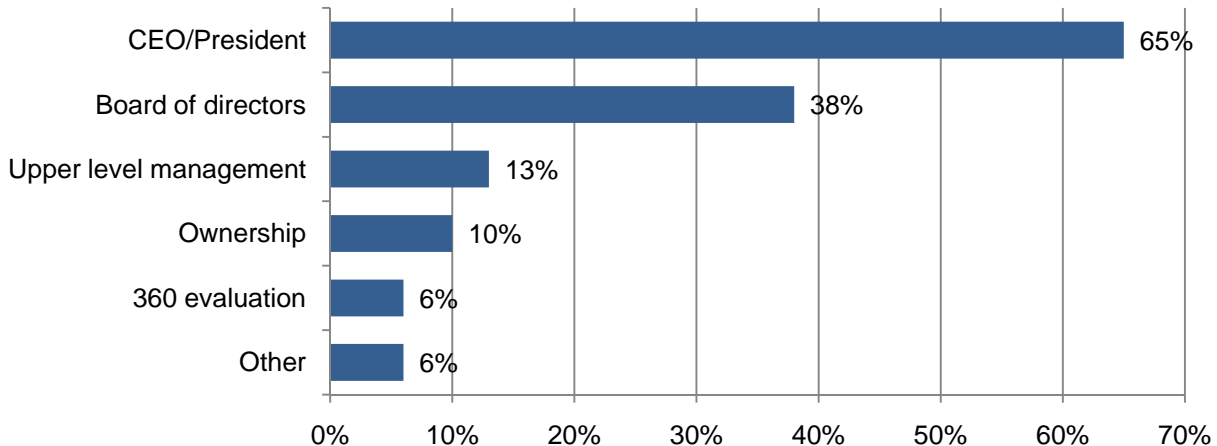
Sixty-seven percent of organizations use one or more methods to evaluate CEO performance, and 82% use at least one method to evaluate the performance of other executives. Most often, CEOs are evaluated by working with the board (29%). They are sometimes evaluated on their leadership/managerial competency, execution of business strategy and financial management, but evaluation in each of these areas is more common for other executives apart from the CEO.

Figure 22 | How are executives' performance evaluated?



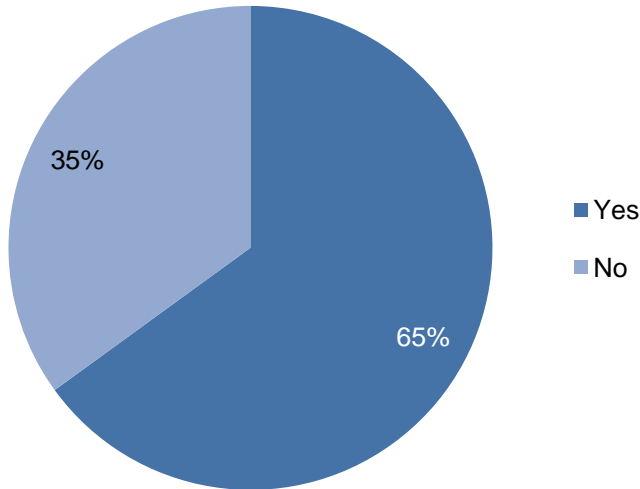
Of those organizations that evaluate executive performance, the CEO/President (67%) evaluates other executives in a majority of organizations. The Board of Directors (37%) was the most common evaluation mechanism for CEOs.

Figure 23 | If executives' performance is evaluated, by whom?



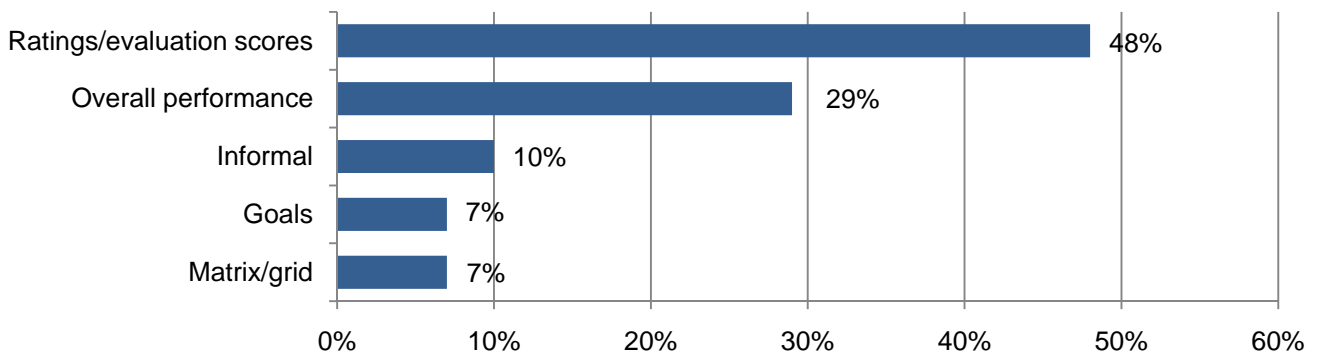
In the majority of organizations (65%), performance evaluation results and scores are tied to compensation. Full responses provided by respondents on how compensation is tied to performance evaluations can be found in Appendix E.

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



Of organizations who tie performance evaluation results to compensation, just under half (48%) use ratings or performance evaluation scores to make this determination. Overall performance is used by 29% of organizations. Ties based on informal evaluations (10%) or goals and matrix/grid methods are far less common at 7% each.

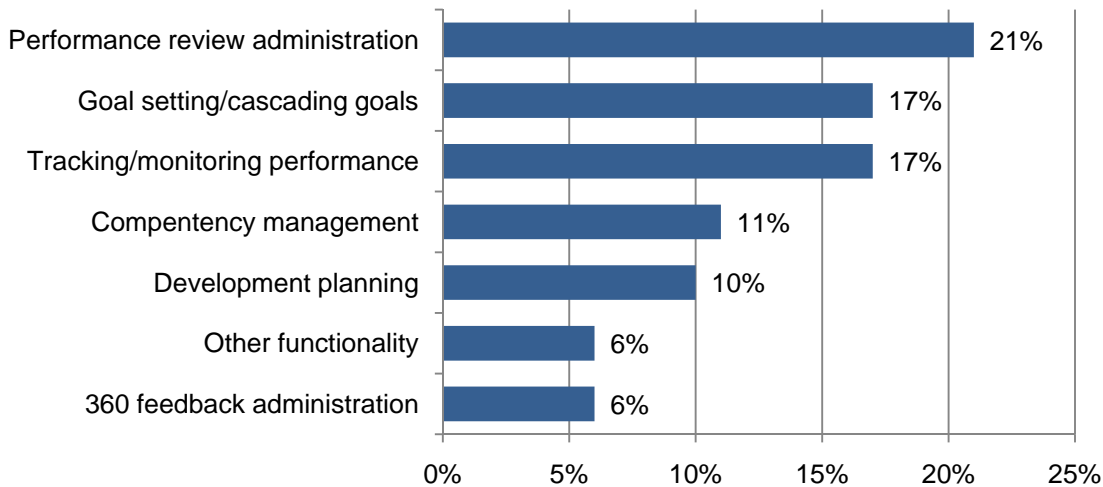
Figure 25 | How are performance evaluation results or scores tied to compensation?



Performance Management Technology

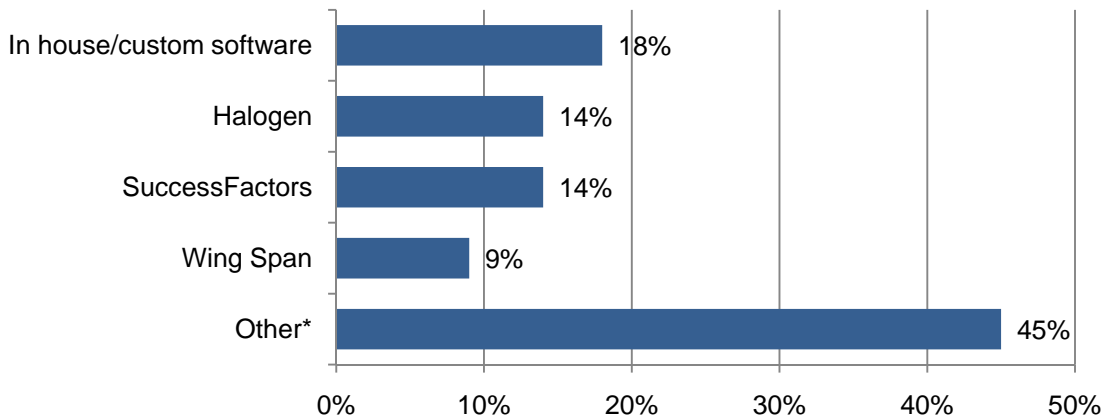
Online performance management systems are most commonly used by organizations for performance review administration (21%). These online systems are used both for goal setting/cascading goals and tracking/monitoring performance by seventeen percent of organizations. Other functionalities utilized include creating employee profiles and documenting journal notes by both supervisors and employees.

Figure 26 | Does your organization use an online performance management system to do any of the following?



Respondents use a wide variety of performance management technology systems. Systems created in house were most common at 18%. Other software products listed are reported below.

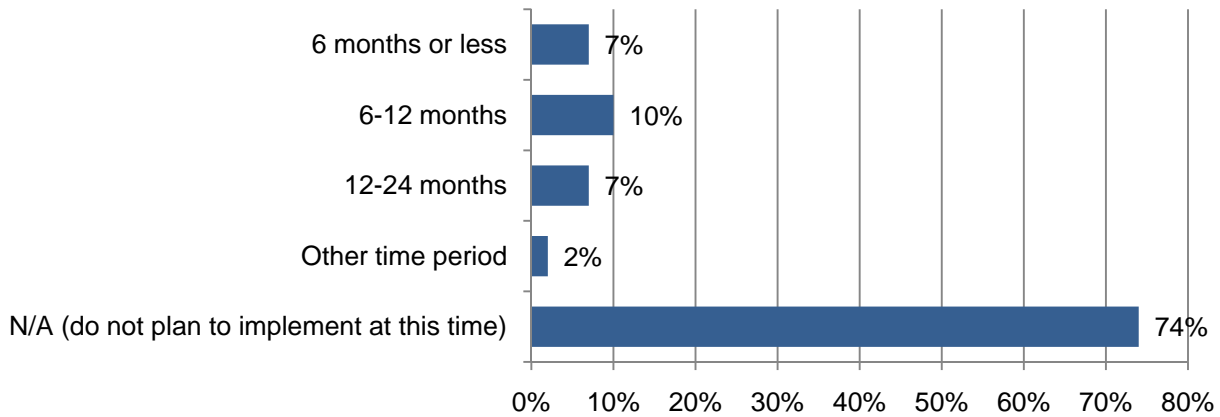
Figure 27 | If your organization uses a performance management technology system please specify the name of the software.



* N=1 for each: ADP, HayGroup 360 ESCI, Knowledge Point, Outside consultant, Paycor, Performance Manager from HealthcareSource, PerformancePro, PRADCO, Sharepoint, Taleo (Small Business Edition)

Of organizations without a performance management technology solution in place, 26% have plans to implement one at some point in the future. Eleven percent of these organizations plan to do so within the next 6-12 months.

Figure 28 | If your organization is not currently using a performance management technology solution how soon does your organization plan to implement one?



Respondent Demographics

Eighty-three (83) organizations in Northeast Ohio participated in the survey; a breakdown of the industries and sizes they represent is provided below.

Figure 29 | Respondent demographics by industry and organizational size

	Percent
Industry	
Manufacturing	43%
Non-Manufacturing	41%
Non-Profit	16%
Organizational Size	
1-50	18%
51-200	47%
201-500	28%
Over 500	7%

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
All Organizations	99%	1%
Industry		
Manufacturing	100%	0%
Non-Manufacturing	97%	3%
Non-Profit	100%	0%
Organizational Size		
1-50	93%	7%
51-200	100%	0%
201-500	100%	0%
Over 500	100%	0%

Performance improvement plans

	Yes	No
All Organizations	93%	7%
Industry		
Manufacturing	100%	0%
Non-Manufacturing	85%	15%
Non-Profit	92%	8%
Organizational Size		
1-50	73%	27%
51-200	95%	5%
201-500	100%	0%
Over 500	100%	0%

Performance goal setting

	Yes	No
All Organizations	92%	8%
Industry		
Manufacturing	94%	6%
Non-Manufacturing	88%	12%
Non-Profit	92%	8%
Organizational Size		
1-50	87%	13%
51-200	90%	10%
201-500	96%	4%
Over 500	100%	0%

Individual development plans

	Yes	No
All Organizations	90%	10%
Industry		
Manufacturing	94%	6%
Non-Manufacturing	85%	15%
Non-Profit	92%	8%
Organizational Size		
1-50	80%	20%
51-200	95%	5%
201-500	91%	9%
Over 500	83%	17%

Reward and recognition

	Yes	No
All Organizations	87%	13%
Industry		
Manufacturing	92%	8%
Non-Manufacturing	82%	18%
Non-Profit	85%	15%
Organizational Size		
1-50	87%	13%
51-200	85%	15%
201-500	87%	13%
Over 500	100%	0%

Feedback/coaching

	Yes	No
All Organizations	87%	13%
Industry		
Manufacturing	89%	11%
Non-Manufacturing	82%	18%
Non-Profit	92%	8%
Organizational Size		
1-50	80%	20%
51-200	87%	13%
201-500	87%	13%
Over 500	100%	0%

Developmental goal setting

	Yes	No
All Organizations	84%	16%
Industry		
Manufacturing	92%	8%
Non-Manufacturing	76%	24%
Non-Profit	85%	15%
Organizational Size		
1-50	67%	33%
51-200	87%	13%
201-500	87%	13%
Over 500	100%	0%

Performance management training

	Yes	No
All Organizations	78%	22%
Industry		
Manufacturing	89%	11%
Non-Manufacturing	68%	32%
Non-Profit	77%	23%
Organizational Size		
1-50	53%	47%
51-200	87%	13%
201-500	78%	22%
Over 500	83%	17%

Self-appraisal

	Yes	No
All Organizations	72%	28%
Industry		
Manufacturing	67%	33%
Non-Manufacturing	74%	26%
Non-Profit	85%	15%
Organizational Size		
1-50	67%	33%
51-200	74%	26%
201-500	70%	30%
Over 500	83%	17%

Mid-year review

	Yes	No
All Organizations	72%	28%
Industry		
Manufacturing	67%	33%
Non-Manufacturing	74%	26%
Non-Profit	85%	15%
Organizational Size		
1-50	67%	33%
51-200	74%	26%
201-500	70%	30%
Over 500	83%	17%

360 feedback

	Yes	No
All Organizations	42%	58%
Industry		
Manufacturing	53%	47%
Non-Manufacturing	47%	53%
Non-Profit	0%	100%
Organizational Size		
1-50	40%	60%
51-200	44%	56%
201-500	43%	57%
Over 500	33%	67%

Team performance evaluation

	Yes	No
All Organizations	35%	65%
Industry		
Manufacturing	44%	56%
Non-Manufacturing	29%	71%
Non-Profit	23%	77%
Organizational Size		
1-50	27%	73%
51-200	28%	72%
201-500	48%	52%
Over 500	50%	50%

Peer review

	Yes	No
All Organizations	34%	66%
Industry		
Manufacturing	39%	61%
Non-Manufacturing	38%	62%
Non-Profit	8%	92%
Organizational Size		
1-50	33%	67%
51-200	31%	69%
201-500	43%	57%
Over 500	17%	83%

Performance review following introductory period

	Yes	No
All Organizations	78%	22%
Industry		
Manufacturing	89%	11%
Non-Manufacturing	68%	32%
Non-Profit	77%	23%
Organizational Size		
1-50	60%	40%
51-200	85%	15%
201-500	74%	26%
Over 500	100%	0%

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
All Organizations	77%	17%	6%	4%	7%	4%	1%
Industry							
Manufacturing	81%	14%	6%	3%	11%	3%	0%
Non-Manufacturing	71%	21%	9%	6%	6%	6%	3%
Non-Profit	85%	15%	0%	0%	0%	0%	0%
Organizational Size							
1-50	60%	20%	0%	0%	7%	13%	7%
51-200	79%	13%	5%	3%	5%	3%	0%
201-500	83%	22%	13%	9%	13%	0%	0%
Over 500	83%	17%	0%	0%	0%	0%	0%

Performance improvement plans

	Annually	Bi-annually	Quarterly	On-going	As needed	Less often than annually	Not used
All Organizations	16%	4%	0%	11%	59%	0%	7%
Industry							
Manufacturing	17%	6%	0%	3%	61%	0%	0%
Non-Manufacturing	15%	3%	0%	18%	53%	0%	15%
Non-Profit	15%	0%	0%	15%	69%	0%	8%
Organizational Size							
1-50	20%	7%	0%	13%	33%	0%	27%
51-200	15%	0%	0%	13%	56%	0%	5%
201-500	13%	4%	0%	9%	74%	0%	0%
Over 500	17%	17%	0%	0%	83%	0%	0%

Performance goal setting

	Annually	Bi-annually	Quarterly	On-going	As needed	Less often than annually	Not used
All Organizations	61%	16%	2%	13%	11%	1%	8%
Industry							
Manufacturing	58%	19%	0%	8%	14%	3%	6%
Non-Manufacturing	59%	12%	6%	24%	12%	0%	12%
Non-Profit	77%	15%	0%	0%	0%	0%	8%
Organizational Size							
1-50	40%	20%	0%	7%	7%	0%	13%
51-200	56%	8%	3%	18%	10%	3%	10%
201-500	78%	26%	4%	13%	17%	0%	4%
Over 500	83%	17%	0%	0%	0%	0%	0%

Individual development plans

	Annually	Bi-annually	Quarterly	On-going	As needed	Less often than annually	Not used
All Organizations	34%	8%	0%	14%	35%	2%	10%
Industry							
Manufacturing	47%	11%	0%	8%	28%	3%	6%
Non-Manufacturing	21%	9%	0%	24%	38%	3%	15%
Non-Profit	31%	0%	0%	8%	46%	0%	8%
Organizational Size							
1-50	13%	7%	0%	20%	33%	0%	20%
51-200	36%	5%	0%	15%	28%	5%	5%
201-500	39%	13%	0%	13%	52%	0%	9%
Over 500	50%	17%	0%	0%	17%	0%	17%

Reward and recognition

	Annually	Bi-annually	Quarterly	On-going	As needed	Less often than annually	Not used
All Organizations	17%	6%	5%	36%	23%	1%	13%
Industry							
Manufacturing	19%	8%	3%	25%	33%	3%	8%
Non-Manufacturing	12%	3%	9%	50%	15%	0%	18%
Non-Profit	23%	8%	0%	31%	15%	0%	15%
Organizational Size							
1-50	13%	0%	0%	40%	13%	0%	13%
51-200	8%	3%	3%	28%	26%	0%	15%
201-500	26%	13%	13%	48%	30%	4%	13%
Over 500	50%	17%	0%	33%	0%	0%	0%

Feedback/coaching

	Annually	Bi-annually	Quarterly	On-going	As needed	Less often than annually	Not used
All Organizations	16%	7%	1%	41%	29%	1%	13%
Industry							
Manufacturing	17%	6%	0%	39%	39%	0%	11%
Non-Manufacturing	9%	6%	3%	44%	21%	3%	18%
Non-Profit	31%	15%	0%	38%	23%	0%	8%
Organizational Size							
1-50	20%	0%	0%	33%	20%	0%	20%
51-200	10%	8%	0%	36%	26%	3%	13%
201-500	22%	9%	4%	48%	39%	0%	13%
Over 500	17%	17%	0%	67%	33%	0%	0%

Developmental goal setting

	Annually	Bi-annually	Quarterly	On-going	As needed	Less often than annually	Not used
All Organizations	51%	11%	1%	11%	12%	4%	16%
Industry							
Manufacturing	53%	17%	0%	6%	14%	3%	8%
Non-Manufacturing	44%	6%	3%	21%	12%	3%	24%
Non-Profit	62%	8%	0%	0%	8%	8%	15%
Organizational Size							
1-50	33%	7%	0%	7%	7%	0%	33%
51-200	51%	5%	3%	13%	10%	5%	13%
201-500	52%	22%	0%	13%	22%	4%	13%
Over 500	83%	17%	0%	0%	0%	0%	0%

Performance management training

	Annually	Bi-annually	Quarterly	On-going	As needed	Less often than annually	Not used
All Organizations	20%	1%	0%	7%	31%	10%	22%
Industry							
Manufacturing	28%	0%	0%	3%	31%	11%	11%
Non-Manufacturing	15%	3%	0%	9%	35%	3%	32%
Non-Profit	15%	0%	0%	15%	23%	23%	23%
Organizational Size							
1-50	0%	0%	0%	13%	20%	7%	47%
51-200	21%	0%	0%	3%	38%	13%	13%
201-500	30%	4%	0%	9%	30%	9%	22%
Over 500	33%	0%	0%	7%	17%	0%	17%

Self appraisal

	Annually	Bi-annually	Quarterly	On-going	As needed	Less often than annually	Not used
All Organizations	49%	8%	0%	4%	7%	1%	28%
Industry							
Manufacturing	39%	8%	0%	3%	8%	3%	33%
Non-Manufacturing	53%	9%	0%	6%	6%	0%	26%
Non-Profit	69%	8%	0%	0%	8%	0%	15%
Organizational Size							
1-50	47%	13%	0%	7%	0%	0%	33%
51-200	46%	5%	0%	5%	8%	3%	26%
201-500	57%	9%	0%	0%	9%	0%	30%
Over 500	50%	17%	0%	0%	17%	0%	17%

Mid-year review

	Annually	Bi-annually	Quarterly	On-going	As needed	Less often than annually	Not used
All Organizations	13%	11%	1%	1%	11%	1%	55%
Industry							
Manufacturing	19%	8%	3%	0%	14%	3%	42%
Non-Manufacturing	9%	12%	0%	3%	12%	0%	62%
Non-Profit	8%	15%	0%	0%	0%	0%	77%
Organizational Size							
1-50	7%	13%	0%	0%	7%	0%	67%
51-200	10%	5%	3%	3%	10%	3%	56%
201-500	22%	17%	0%	0%	17%	0%	43%
Over 500	17%	17%	0%	0%	0%	0%	67%

360 feedback

	Annually	Bi-annually	Quarterly	On-going	As needed	Less often than annually	Not used
All Organizations	12%	1%	0%	1%	13%	2%	58%
Industry							
Manufacturing	8%	0%	0%	0%	19%	3%	47%
Non-Manufacturing	18%	3%	0%	3%	12%	3%	53%
Non-Profit	8%	0%	0%	0%	0%	0%	100%
Organizational Size							
1-50	27%	7%	0%	7%	0%	0%	60%
51-200	10%	0%	0%	0%	10%	5%	56%
201-500	9%	0%	0%	0%	26%	0%	57%
Over 500	0%	0%	0%	0%	17%	0%	67%

Team performance evaluation

	Annually	Bi-annually	Quarterly	On-going	As needed	Less often than annually	Not used
All Organizations	7%	2%	2%	10%	8%	0%	65%
Industry							
Manufacturing	8%	3%	0%	14%	11%	0%	56%
Non-Manufacturing	6%	3%	6%	3%	9%	0%	71%
Non-Profit	8%	0%	0%	15%	0%	0%	77%
Organizational Size							
1-50	7%	0%	7%	7%	7%	0%	73%
51-200	5%	3%	3%	5%	3%	0%	72%
201-500	13%	4%	0%	13%	22%	0%	52%
Over 500	0%	0%	0%	33%	0%	0%	50%

Peer review

	Annually	Bi-annually	Quarterly	On-going	As needed	Less often than annually	Not used
All Organizations	8%	0%	0%	1%	10%	4%	66%
Industry							
Manufacturing	11%	0%	0%	0%	6%	0%	61%
Non-Manufacturing	9%	0%	0%	3%	15%	9%	62%
Non-Profit	0%	0%	0%	0%	8%	0%	92%
Organizational Size							
1-50	7%	0%	0%	7%	7%	7%	67%
51-200	10%	0%	0%	0%	8%	0%	69%
201-500	9%	0%	0%	0%	17%	9%	57%
Over 500	0%	0%	0%	0%	0%	0%	83%

Performance review following introductory period

	Annually	Bi-annually	Quarterly	On-going	As needed	Less often than annually	Not used
All Organizations	10%	6%	6%	18%	30%	4%	22%
Industry							
Manufacturing	14%	0%	6%	19%	39%	6%	11%
Non-Manufacturing	6%	3%	9%	15%	26%	3%	32%
Non-Profit	8%	31%	0%	23%	15%	0%	23%
Organizational Size							
1-50	20%	7%	7%	7%	20%	0%	40%
51-200	10%	5%	8%	18%	28%	5%	15%
201-500	4%	0%	0%	26%	48%	0%	26%
Over 500	0%	33%	17%	17%	0%	17%	0%

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

	Numeric rating	Comments/ summaries	Goal setting/ MBOs	Competency -based	Customized form	Forced ranking	Multi-rater (360)
All Organizations	66%	65%	55%	45%	36%	14%	6%
Industry							
Manufacturing	67%	67%	47%	47%	11%	8%	3%
Non-Manufacturing	65%	59%	62%	38%	53%	21%	12%
Non-Profit	69%	77%	62%	54%	62%	15%	0%
Organizational Size							
1-50	47%	60%	53%	27%	47%	20%	7%
51-200	67%	64%	56%	49%	41%	15%	8%
201-500	78%	65%	61%	48%	26%	13%	4%
Over 500	67%	83%	33%	50%	17%	0%	0%

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

	2-point	3-point	4-point	5-point	6-point	10-point
All Organizations	6%	3%	14%	69%	3%	6%
Industry						
Manufacturing	8%	0%	8%	77%	0%	8%
Non-Manufacturing	0%	0%	14%	71%	7%	7%
Non-Profit	13%	13%	25%	50%	0%	0%
Organizational Size						
1-50	0%	0%	0%	67%	0%	33%
51-200	12%	0%	18%	65%	6%	0%
201-500	0%	9%	9%	73%	0%	9%
Over 500	0%	0%	25%	75%	0%	0%

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

	Yes	No
All Organizations	54%	46%
Industry		
Manufacturing	56%	44%
Non-Manufacturing	56%	44%
Non-Profit	46%	54%
Organizational Size		
1-50	53%	47%
51-200	56%	44%
201-500	61%	39%
Over 500	17%	83%

Figure 6a | What employees receive different evaluations?

	Management/ non-management	Job specific	Exempt/ non-exempt	Office/ production	Non-exempt/ exempt/ management
All Organizations	28%	25%	22%	13%	13%
Industry					
Manufacturing	13%	7%	33%	27%	20%
Non-Manufacturing	40%	50%	10%	0%	0%
Non-Profit	43%	29%	14%	0%	14%
Organizational Size					
1-50	25%	50%	25%	0%	0%
51-200	27%	20%	13%	20%	20%
201-500	13%	25%	50%	13%	0%
Over 500	60%	20%	0%	0%	20%

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
All Organizations	11%	81%	4%	4%
Industry				
Manufacturing	9%	86%	6%	0%
Non-Manufacturing	12%	76%	3%	9%
Non-Profit	15%	85%	0%	0%
Organizational Size				
1-50	14%	71%	0%	14%
51-200	10%	85%	5%	0%
201-500	14%	77%	5%	5%
Over 500	0%	100%	0%	0%

Figure 8a | Who approves performance evaluations?

	Supervisor only	1 level up	2 levels up	Human resources	Other
All Organizations	37%	46%	11%	41%	12%
Industry					
Manufacturing	39%	56%	22%	50%	3%
Non-Manufacturing	32%	38%	3%	38%	21%
Non-Profit	46%	38%	0%	23%	15%
Organizational Size					
1-50	40%	27%	0%	13%	27%
51-200	51%	31%	13%	38%	10%
201-500	22%	78%	13%	65%	4%
Over 500	0%	67%	17%	33%	17%

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

Employee signature

	Yes	No
All Organizations	86%	14%
Industry		
Manufacturing	88%	12%
Non-Manufacturing	79%	21%
Non-Profit	100%	0%
Organizational Size		
1-50	60%	40%
51-200	89%	11%
201-500	95%	5%
Over 500	100%	0%

Supervisor signature

	Yes	No
All Organizations	85%	15%
Industry		
Manufacturing	88%	12%
Non-Manufacturing	76%	24%
Non-Profit	100%	0%
Organizational Size		
1-50	53%	47%
51-200	89%	11%
201-500	95%	5%
Over 500	100%	0%

Expected behaviors or results

	Yes	No
All Organizations	85%	15%
Industry		
Manufacturing	79%	21%
Non-Manufacturing	85%	15%
Non-Profit	100%	0%
Organizational Size		
1-50	80%	20%
51-200	84%	16%
201-500	86%	14%
Over 500	100%	0%

Activities to be conducted

	Yes	No
All Organizations	81%	19%
Industry		
Manufacturing	76%	24%
Non-Manufacturing	82%	18%
Non-Profit	92%	8%
Organizational Size		
1-50	67%	33%
51-200	81%	19%
201-500	91%	9%
Over 500	83%	17%

Target date for improvement

	Yes	No
All Organizations	78%	23%
Industry		
Manufacturing	79%	21%
Non-Manufacturing	70%	30%
Non-Profit	92%	8%
Organizational Size		
1-50	67%	33%
51-200	76%	24%
201-500	82%	18%
Over 500	100%	0%

Date(s) to review progress

	Yes	No
All Organizations	74%	26%
Industry		
Manufacturing	74%	26%
Non-Manufacturing	67%	33%
Non-Profit	92%	8%
Organizational Size		
1-50	60%	40%
51-200	78%	22%
201-500	68%	32%
Over 500	100%	0%

Progress at review date

	Yes	No
All Organizations	53%	48%
Industry		
Manufacturing	56%	44%
Non-Manufacturing	48%	52%
Non-Profit	54%	46%
Organizational Size		
1-50	27%	73%
51-200	54%	46%
201-500	64%	36%
Over 500	67%	33%

Key metrics/measurements

	Yes	No
All Organizations	45%	55%
Industry		
Manufacturing	47%	53%
Non-Manufacturing	42%	58%
Non-Profit	46%	54%
Organizational Size		
1-50	27%	73%
51-200	35%	65%
201-500	64%	36%
Over 500	83%	17%

Other

	Yes	No
All Organizations	6%	94%
Industry		
Manufacturing	6%	94%
Non-Manufacturing	6%	94%
Non-Profit	8%	92%
Organizational Size		
1-50	7%	93%
51-200	3%	97%
201-500	9%	91%
Over 500	17%	83%

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

	Yes	No
All Organizations	63%	37%
Industry		
Manufacturing	47%	53%
Non-Manufacturing	71%	29%
Non-Profit	73%	27%
Organizational Size		
1-50	56%	44%
51-200	77%	23%
201-500	53%	47%
Over 500	25%	75%

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

Accomplishments/strengths

	Yes	No
All Organizations	24%	76%
Industry		
Manufacturing	39%	61%
Non-Manufacturing	15%	85%
Non-Profit	20%	80%
Organizational Size		
1-50	27%	73%
51-200	16%	84%
201-500	33%	67%
Over 500	33%	67%

Goal progress

	Yes	No
All Organizations	24%	76%
Industry		
Manufacturing	17%	83%
Non-Manufacturing	23%	77%
Non-Profit	40%	60%
Organizational Size		
1-50	36%	64%
51-200	24%	76%
201-500	7%	93%
Over 500	67%	33%

Competencies

	Yes	No
All Organizations	22%	78%
Industry		
Manufacturing	33%	67%
Non-Manufacturing	12%	88%
Non-Profit	30%	70%
Organizational Size		
1-50	9%	91%
51-200	24%	76%
201-500	20%	80%
Over 500	67%	33%

Areas for improvement/weaknesses

	Yes	No
All Organizations	13%	87%
Industry		
Manufacturing	28%	72%
Non-Manufacturing	8%	92%
Non-Profit	0%	100%
Organizational Size		
1-50	18%	82%
51-200	8%	92%
201-500	20%	80%
Over 500	0%	100%

Future goals

	Yes	No
All Organizations	13%	87%
Industry		
Manufacturing	28%	72%
Non-Manufacturing	4%	96%
Non-Profit	10%	90%
Organizational Size		
1-50	0%	100%
51-200	8%	92%
201-500	27%	73%
Over 500	33%	67%

Training/development

	Yes	No
All Organizations	13%	87%
Industry		
Manufacturing	28%	72%
Non-Manufacturing	8%	92%
Non-Profit	0%	100%
Organizational Size		
1-50	18%	82%
51-200	8%	92%
201-500	20%	80%
Over 500	0%	100%

Job performance

	Yes	No
All Organizations	7%	93%
Industry		
Manufacturing	11%	89%
Non-Manufacturing	8%	92%
Non-Profit	0%	100%
Organizational Size		
1-50	18%	82%
51-200	0%	100%
201-500	13%	87%
Over 500	0%	100%

Major job responsibilities

	Yes	No
All Organizations	7%	93%
Industry		
Manufacturing	6%	94%
Non-Manufacturing	12%	88%
Non-Profit	0%	100%
Organizational Size		
1-50	18%	82%
51-200	4%	96%
201-500	7%	93%
Over 500	0%	100%

Organizational Mission

	Yes	No
All Organizations	7%	93%
Industry		
Manufacturing	11%	89%
Non-Manufacturing	0%	100%
Non-Profit	20%	80%
Organizational Size		
1-50	0%	100%
51-200	8%	92%
201-500	7%	93%
Over 500	33%	67%

Job satisfaction

	Yes	No
All Organizations	6%	94%
Industry		
Manufacturing	6%	94%
Non-Manufacturing	8%	92%
Non-Profit	0%	100%
Organizational Size		
1-50	9%	91%
51-200	8%	92%
201-500	0%	100%
Over 500	0%	100%

Supervisor support

	Yes	No
All Organizations	6%	94%
Industry		
Manufacturing	17%	83%
Non-Manufacturing	0%	100%
Non-Profit	0%	100%
Organizational Size		
1-50	0%	100%
51-200	4%	96%
201-500	13%	87%
Over 500	0%	100%

Understanding expectations

	Yes	No
All Organizations	4%	96%
Industry		
Manufacturing	6%	94%
Non-Manufacturing	0%	100%
Non-Profit	10%	90%
Organizational Size		
1-50	0%	100%
51-200	8%	92%
201-500	0%	100%
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
All Organizations	70%	15%	15%
Industry			
Manufacturing	70%	15%	15%
Non-Manufacturing	64%	16%	20%
Non-Profit	89%	11%	0%
Organizational Size			
1-50	40%	30%	30%
51-200	65%	15%	19%
201-500	93%	7%	0%
Over 500	100%	0%	0%

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

Human resource representatives

	Yes	No
All Organizations	70%	30%
Industry		
Manufacturing	78%	22%
Non-Manufacturing	62%	38%
Non-Profit	69%	31%
Organizational Size		
1-50	53%	47%
51-200	69%	31%
201-500	78%	22%
Over 500	83%	17%

Senior managers or executives

	Yes	No
All Organizations	65%	35%
Industry		
Manufacturing	72%	28%
Non-Manufacturing	66%	44%
Non-Profit	69%	31%
Organizational Size		
1-50	33%	67%
51-200	69%	31%
201-500	74%	26%
Over 500	83%	17%

Managers and supervisors

	Yes	No
All Organizations	59%	41%
Industry		
Manufacturing	61%	39%
Non-Manufacturing	65%	35%
Non-Profit	38%	62%
Organizational Size		
1-50	40%	60%
51-200	59%	41%
201-500	65%	35%
Over 500	83%	17%

Staff representatives from a cross-section of departments

	Yes	No
All Organizations	14%	86%
Industry		
Manufacturing	8%	92%
Non-Manufacturing	18%	82%
Non-Profit	23%	77%
Organizational Size		
1-50	13%	87%
51-200	18%	82%
201-500	9%	91%
Over 500	17%	83%

External consultants

	Yes	No
All Organizations	10%	90%
Industry		
Manufacturing	6%	94%
Non-Manufacturing	12%	88%
Non-Profit	15%	85%
Organizational Size		
1-50	7%	93%
51-200	5%	95%
201-500	17%	83%
Over 500	17%	83%

All employees who desire to take part in the process

	Yes	No
All Organizations	6%	94%
Industry		
Manufacturing	6%	94%
Non-Manufacturing	9%	91%
Non-Profit	0%	100%
Organizational Size		
1-50	7%	93%
51-200	3%	97%
201-500	9%	91%
Over 500	17%	83%

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

Supervisors

	Yes	No
All Organizations	53%	47%
Industry		
Manufacturing	58%	42%
Non-Manufacturing	50%	50%
Non-Profit	46%	54%
Organizational Size		
1-50	33%	67%
51-200	56%	44%
201-500	48%	52%
Over 500	100%	0%

Mutual (supervisor and employee)

	Yes	No
All Organizations	34%	66%
Industry		
Manufacturing	28%	72%
Non-Manufacturing	38%	62%
Non-Profit	38%	62%
Organizational Size		
1-50	33%	67%
51-200	33%	67%
201-500	39%	61%
Over 500	17%	83%

Senior managers

	Yes	No
All Organizations	33%	67%
Industry		
Manufacturing	31%	69%
Non-Manufacturing	29%	71%
Non-Profit	46%	54%
Organizational Size		
1-50	20%	80%
51-200	41%	59%
201-500	22%	78%
Over 500	50%	50%

Human resources

	Yes	No
All Organizations	24%	76%
Industry		
Manufacturing	28%	72%
Non-Manufacturing	21%	79%
Non-Profit	23%	77%
Organizational Size		
1-50	13%	87%
51-200	23%	77%
201-500	35%	65%
Over 500	17%	83%

Cross-section of staff representatives

	Yes	No
All Organizations	6%	94%
Industry		
Manufacturing	3%	97%
Non-Manufacturing	12%	88%
Non-Profit	0%	100%
Organizational Size		
1-50	20%	80%
51-200	3%	97%
201-500	4%	96%
Over 500	0%	100%

Other

	Yes	No
All Organizations	5%	95%
Industry		
Manufacturing	3%	97%
Non-Manufacturing	6%	94%
Non-Profit	8%	92%
Organizational Size		
1-50	13%	87%
51-200	3%	97%
201-500	4%	96%
Over 500	0%	100%

Each employee sets their own requirements

	Yes	No
All Organizations	4%	96%
Industry		
Manufacturing	3%	97%
Non-Manufacturing	6%	94%
Non-Profit	0%	100%
Organizational Size		
1-50	7%	93%
51-200	3%	97%
201-500	4%	96%
Over 500	0%	100%

Figure 15a | Who sets the goals for employees?

Mutual (supervisor and employee)

	Yes	No
All Organizations	55%	45%
Industry		
Manufacturing	53%	47%
Non-Manufacturing	56%	44%
Non-Profit	62%	38%
Organizational Size		
1-50	53%	47%
51-200	56%	44%
201-500	57%	43%
Over 500	50%	50%

Supervisors

	Yes	No
All Organizations	47%	53%
Industry		
Manufacturing	53%	47%
Non-Manufacturing	44%	56%
Non-Profit	38%	62%
Organizational Size		
1-50	27%	73%
51-200	51%	49%
201-500	48%	52%
Over 500	67%	33%

Senior managers

	Yes	No
All Organizations	24%	76%
Industry		
Manufacturing	31%	69%
Non-Manufacturing	24%	76%
Non-Profit	8%	92%
Organizational Size		
1-50	20%	80%
51-200	18%	82%
201-500	35%	65%
Over 500	33%	67%

Each employee sets their own requirements

	Yes	No
All Organizations	5%	95%
Industry		
Manufacturing	3%	97%
Non-Manufacturing	9%	91%
Non-Profit	0%	100%
Organizational Size		
1-50	13%	87%
51-200	0%	100%
201-500	9%	91%
Over 500	0%	100%

Human resources

	Yes	No
All Organizations	5%	95%
Industry		
Manufacturing	8%	92%
Non-Manufacturing	0%	100%
Non-Profit	8%	92%
Organizational Size		
1-50	7%	93%
51-200	5%	95%
201-500	4%	96%
Over 500	0%	100%

Cross-section of staff representatives/committees

	Yes	No
All Organizations	2%	98%
Industry		
Manufacturing	0%	100%
Non-Manufacturing	3%	97%
Non-Profit	8%	92%
Organizational Size		
1-50	0%	100%
51-200	0%	100%
201-500	4%	96%
Over 500	17%	83%

Other

	Yes	No
All Organizations	2%	98%
Industry		
Manufacturing	3%	97%
Non-Manufacturing	3%	97%
Non-Profit	0%	100%
Organizational Size		
1-50	7%	93%
51-200	0%	100%
201-500	4%	96%
Over 500	0%	100%

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

Quality of work

	Yes	No
All Organizations	89%	11%
Industry		
Manufacturing	94%	6%
Non-Manufacturing	85%	15%
Non-Profit	85%	15%
Organizational Size		
1-50	87%	13%
51-200	90%	10%
201-500	91%	9%
Over 500	83%	17%

Job knowledge/job specific competencies

	Yes	No
All Organizations	88%	12%
Industry		
Manufacturing	92%	8%
Non-Manufacturing	85%	15%
Non-Profit	85%	15%
Organizational Size		
1-50	87%	13%
51-200	92%	8%
201-500	83%	17%
Over 500	83%	17%

Quantity of work/productivity

	Yes	No
All Organizations	82%	18%
Industry		
Manufacturing	92%	8%
Non-Manufacturing	68%	32%
Non-Profit	92%	8%
Organizational Size		
1-50	73%	27%
51-200	87%	13%
201-500	78%	22%
Over 500	83%	17%

Attitude/professionalism

	Yes	No
All Organizations	77%	23%
Industry		
Manufacturing	86%	14%
Non-Manufacturing	68%	32%
Non-Profit	77%	23%
Organizational Size		
1-50	67%	33%
51-200	85%	15%
201-500	74%	26%
Over 500	67%	33%

Teamwork/cooperation

	Yes	No
All Organizations	76%	24%
Industry		
Manufacturing	83%	17%
Non-Manufacturing	65%	35%
Non-Profit	85%	15%
Organizational Size		
1-50	53%	47%
51-200	79%	21%
201-500	87%	13%
Over 500	67%	33%

Achievement of goals

	Yes	No
All Organizations	75%	25%
Industry		
Manufacturing	67%	33%
Non-Manufacturing	79%	21%
Non-Profit	85%	15%
Organizational Size		
1-50	67%	33%
51-200	82%	18%
201-500	65%	35%
Over 500	83%	17%

Attendance

	Yes	No
All Organizations	67%	33%
Industry		
Manufacturing	92%	8%
Non-Manufacturing	44%	56%
Non-Profit	62%	38%
Organizational Size		
1-50	47%	53%
51-200	72%	28%
201-500	74%	26%
Over 500	67%	33%

Communication

	Yes	No
All Organizations	65%	35%
Industry		
Manufacturing	67%	33%
Non-Manufacturing	62%	38%
Non-Profit	69%	31%
Organizational Size		
1-50	47%	53%
51-200	64%	36%
201-500	74%	26%
Over 500	83%	17%

Dependability/reliability

	Yes	No
All Organizations	65%	35%
Industry		
Manufacturing	75%	25%
Non-Manufacturing	59%	41%
Non-Profit	54%	46%
Organizational Size		
1-50	47%	53%
51-200	72%	28%
201-500	70%	30%
Over 500	50%	50%

Initiative

	Yes	No
All Organizations	65%	35%
Industry		
Manufacturing	75%	25%
Non-Manufacturing	56%	44%
Non-Profit	62%	38%
Organizational Size		
1-50	53%	47%
51-200	72%	28%
201-500	65%	35%
Over 500	50%	50%

Adaptability/flexibility

	Yes	No
All Organizations	57%	43%
Industry		
Manufacturing	64%	36%
Non-Manufacturing	53%	47%
Non-Profit	46%	54%
Organizational Size		
1-50	27%	73%
51-200	62%	38%
201-500	70%	30%
Over 500	50%	50%

Leadership competencies

	Yes	No
All Organizations	57%	43%
Industry		
Manufacturing	58%	42%
Non-Manufacturing	53%	47%
Non-Profit	62%	38%
Organizational Size		
1-50	40%	60%
51-200	56%	44%
201-500	65%	35%
Over 500	67%	33%

Key performance indicators

	Yes	No
All Organizations	54%	46%
Industry		
Manufacturing	58%	42%
Non-Manufacturing	53%	47%
Non-Profit	46%	54%
Organizational Size		
1-50	47%	53%
51-200	46%	54%
201-500	74%	26%
Over 500	50%	50%

Motivation (effort, engagement)

	Yes	No
All Organizations	54%	46%
Industry		
Manufacturing	56%	44%
Non-Manufacturing	56%	44%
Non-Profit	46%	54%
Organizational Size		
1-50	60%	40%
51-200	62%	38%
201-500	39%	61%
Over 500	50%	50%

Safety

	Yes	No
All Organizations	52%	48%
Industry		
Manufacturing	81%	19%
Non-Manufacturing	29%	71%
Non-Profit	31%	69%
Organizational Size		
1-50	20%	80%
51-200	51%	49%
201-500	70%	30%
Over 500	67%	33%

Core/cultural values

	Yes	No
All Organizations	47%	53%
Industry		
Manufacturing	42%	58%
Non-Manufacturing	53%	47%
Non-Profit	46%	54%
Organizational Size		
1-50	40%	60%
51-200	41%	59%
201-500	57%	43%
Over 500	67%	33%

Learning/skill development targets

	Yes	No
All Organizations	43%	57%
Industry		
Manufacturing	39%	61%
Non-Manufacturing	47%	53%
Non-Profit	46%	54%
Organizational Size		
1-50	47%	53%
51-200	38%	62%
201-500	52%	48%
Over 500	33%	67%

Other

	Yes	No
All Organizations	19%	81%
Industry		
Manufacturing	14%	86%
Non-Manufacturing	15%	85%
Non-Profit	46%	54%
Organizational Size		
1-50	13%	87%
51-200	10%	90%
201-500	26%	74%
Over 500	67%	33%

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+
All Organizations	3%	17%	16%	39%	11%	2%	13%
Industry							
Manufacturing	0%	14%	24%	45%	7%	3%	7%
Non-Manufacturing	8%	23%	4%	31%	15%	0%	19%
Non-Profit	0%	11%	22%	44%	11%	0%	11%
Organizational Size							
1-50	18%	36%	0%	9%	18%	0%	18%
51-200	0%	15%	15%	52%	7%	4%	7%
201-500	0%	14%	18%	41%	14%	0%	14%
Over 500	0%	0%	50%	25%	0%	0%	25%

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

Performance evaluation discussion

	Yes	No
All Organizations	61%	39%
Industry		
Manufacturing	67%	33%
Non-Manufacturing	59%	41%
Non-Profit	54%	46%
Organizational Size		
1-50	47%	53%
51-200	64%	36%
201-500	65%	35%
Over 500	67%	33%

Performance documentation

	Yes	No
All Organizations	48%	52%
Industry		
Manufacturing	61%	39%
Non-Manufacturing	41%	59%
Non-Profit	31%	69%
Organizational Size		
1-50	40%	60%
51-200	44%	56%
201-500	61%	39%
Over 500	50%	50%

Performance coaching

	Yes	No
All Organizations	43%	57%
Industry		
Manufacturing	47%	53%
Non-Manufacturing	41%	59%
Non-Profit	38%	62%
Organizational Size		
1-50	27%	73%
51-200	33%	67%
201-500	61%	39%
Over 500	83%	17%

Goal setting

	Yes	No
All Organizations	39%	61%
Industry		
Manufacturing	44%	56%
Non-Manufacturing	32%	68%
Non-Profit	38%	62%
Organizational Size		
1-50	20%	80%
51-200	36%	64%
201-500	57%	43%
Over 500	33%	67%

Performance improvement plans

	Yes	No
All Organizations	36%	64%
Industry		
Manufacturing	36%	64%
Non-Manufacturing	38%	62%
Non-Profit	31%	69%
Organizational Size		
1-50	20%	80%
51-200	38%	62%
201-500	43%	57%
Over 500	33%	67%

Discipline

	Yes	No
All Organizations	29%	71%
Industry		
Manufacturing	31%	69%
Non-Manufacturing	29%	71%
Non-Profit	23%	77%
Organizational Size		
1-50	13%	87%
51-200	23%	77%
201-500	39%	61%
Over 500	67%	33%

No training

	Yes	No
All Organizations	27%	73%
Industry		
Manufacturing	19%	81%
Non-Manufacturing	29%	71%
Non-Profit	38%	62%
Organizational Size		
1-50	33%	67%
51-200	26%	74%
201-500	26%	74%
Over 500	17%	83%

Developmental coaching

	Yes	No
All Organizations	20%	80%
Industry		
Manufacturing	19%	81%
Non-Manufacturing	21%	79%
Non-Profit	23%	77%
Organizational Size		
1-50	13%	87%
51-200	15%	85%
201-500	30%	70%
Over 500	33%	67%

Individual development plans

	Yes	No
All Organizations	20%	80%
Industry		
Manufacturing	17%	83%
Non-Manufacturing	24%	76%
Non-Profit	23%	77%
Organizational Size		
1-50	13%	87%
51-200	15%	85%
201-500	26%	74%
Over 500	50%	50%

Reward and recognition

	Yes	No
All Organizations	20%	80%
Industry		
Manufacturing	22%	78%
Non-Manufacturing	15%	85%
Non-Profit	31%	69%
Organizational Size		
1-50	7%	93%
51-200	15%	85%
201-500	35%	65%
Over 500	33%	67%

Rater training

	Yes	No
All Organizations	18%	82%
Industry		
Manufacturing	22%	78%
Non-Manufacturing	21%	79%
Non-Profit	0%	100%
Organizational Size		
1-50	0%	100%
51-200	21%	79%
201-500	26%	74%
Over 500	17%	83%

Other

	Yes	No
All Organizations	7%	93%
Industry		
Manufacturing	3%	97%
Non-Manufacturing	3%	97%
Non-Profit	31%	69%
Organizational Size		
1-50	0%	100%
51-200	3%	97%
201-500	9%	91%
Over 500	50%	50%

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

Conducting a performance review discussion

	Yes	No
All Organizations	90%	10%
Industry		
Manufacturing	94%	6%
Non-Manufacturing	82%	18%
Non-Profit	100%	0%
Organizational Size		
1-50	73%	27%
51-200	92%	8%
201-500	96%	4%
Over 500	100%	0%

Documenting performance

	Yes	No
All Organizations	90%	10%
Industry		
Manufacturing	94%	6%
Non-Manufacturing	82%	18%
Non-Profit	100%	0%
Organizational Size		
1-50	67%	33%
51-200	92%	8%
201-500	100%	0%
Over 500	100%	0%

Providing on-going feedback/coaching

	Yes	No
All Organizations	89%	11%
Industry		
Manufacturing	94%	6%
Non-Manufacturing	79%	21%
Non-Profit	100%	0%
Organizational Size		
1-50	73%	27%
51-200	95%	5%
201-500	87%	13%
Over 500	100%	0%

Recognizing good performance

	Yes	No
All Organizations	81%	19%
Industry		
Manufacturing	83%	17%
Non-Manufacturing	79%	21%
Non-Profit	77%	23%
Organizational Size		
1-50	67%	33%
51-200	74%	26%
201-500	96%	4%
Over 500	100%	0%

Setting performance expectations and goals

	Yes	No
All Organizations	80%	20%
Industry		
Manufacturing	81%	19%
Non-Manufacturing	74%	26%
Non-Profit	92%	8%
Organizational Size		
1-50	60%	40%
51-200	82%	18%
201-500	83%	17%
Over 500	100%	0%

Improving performance

	Yes	No
All Organizations	76%	24%
Industry		
Manufacturing	78%	22%
Non-Manufacturing	71%	29%
Non-Profit	85%	15%
Organizational Size		
1-50	60%	40%
51-200	77%	23%
201-500	83%	17%
Over 500	83%	17%

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

Performance improvement plan

	Yes	No
All Organizations	68%	32%
Industry		
Manufacturing	64%	36%
Non-Manufacturing	69%	31%
Non-Profit	75%	25%
Organizational Size		
1-50	70%	30%
51-200	66%	34%
201-500	61%	39%
Over 500	100%	0%

Formal discipline

	Yes	No
All Organizations	33%	67%
Industry		
Manufacturing	36%	64%
Non-Manufacturing	23%	77%
Non-Profit	50%	50%
Organizational Size		
1-50	20%	80%
51-200	38%	63%
201-500	44%	56%
Over 500	0%	100%

Meeting with the supervisor

	Yes	No
All Organizations	29%	71%
Industry		
Manufacturing	21%	79%
Non-Manufacturing	38%	62%
Non-Profit	25%	75%
Organizational Size		
1-50	50%	50%
51-200	31%	69%
201-500	22%	78%
Over 500	0%	100%

Coaching/counseling

	Yes	No
All Organizations	20%	80%
Industry		
Manufacturing	25%	75%
Non-Manufacturing	19%	81%
Non-Profit	8%	92%
Organizational Size		
1-50	0%	100%
51-200	13%	88%
201-500	44%	56%
Over 500	17%	83%

Training

	Yes	No
All Organizations	8%	92%
Industry		
Manufacturing	11%	89%
Non-Manufacturing	8%	92%
Non-Profit	0%	100%
Organizational Size		
1-50	20%	80%
51-200	3%	97%
201-500	6%	94%
Over 500	17%	83%

Reassignment of job/duties

	Yes	No
All Organizations	5%	95%
Industry		
Manufacturing	7%	93%
Non-Manufacturing	0%	100%
Non-Profit	8%	92%
Organizational Size		
1-50	0%	100%
51-200	0%	100%
201-500	11%	89%
Over 500	17%	83%

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

Failure of supervisors to provide on-going feedback

	Yes	No
All Organizations	60%	40%
Industry		
Manufacturing	58%	42%
Non-Manufacturing	53%	47%
Non-Profit	85%	15%
Organizational Size		
1-50	40%	60%
51-200	56%	44%
201-500	74%	26%
Over 500	83%	17%

Inconsistent performance documentation by supervisors

	Yes	No
All Organizations	58%	42%
Industry		
Manufacturing	47%	53%
Non-Manufacturing	62%	38%
Non-Profit	77%	23%
Organizational Size		
1-50	40%	60%
51-200	59%	41%
201-500	65%	35%
Over 500	67%	33%

Inconsistency with ratings

	Yes	No
All Organizations	43%	57%
Industry		
Manufacturing	53%	47%
Non-Manufacturing	29%	71%
Non-Profit	54%	46%
Organizational Size		
1-50	27%	73%
51-200	46%	54%
201-500	43%	57%
Over 500	67%	33%

Lack of employee accountability for meeting goals or performance

	Yes	No
All Organizations	39%	61%
Industry		
Manufacturing	39%	61%
Non-Manufacturing	26%	74%
Non-Profit	69%	31%
Organizational Size		
1-50	13%	87%
51-200	49%	51%
201-500	35%	65%
Over 500	50%	50%

Inconsistent application of system by supervisors

	Yes	No
All Organizations	34%	66%
Industry		
Manufacturing	25%	75%
Non-Manufacturing	41%	59%
Non-Profit	38%	62%
Organizational Size		
1-50	27%	73%
51-200	31%	69%
201-500	48%	52%
Over 500	17%	83%

Poor linkages of performance management system to other HR practices

	Yes	No
All Organizations	19%	81%
Industry		
Manufacturing	17%	83%
Non-Manufacturing	12%	88%
Non-Profit	46%	54%
Organizational Size		
1-50	13%	87%
51-200	21%	79%
201-500	17%	83%
Over 500	33%	67%

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

	Yes	No
All Organizations	12%	88%
Industry		
Manufacturing	17%	83%
Non-Manufacturing	6%	94%
Non-Profit	15%	85%
Organizational Size		
1-50	13%	87%
51-200	15%	85%
201-500	9%	91%
Over 500	0%	100%

Other

	Yes	No
All Organizations	7%	93%
Industry		
Manufacturing	6%	94%
Non-Manufacturing	9%	91%
Non-Profit	8%	92%
Organizational Size		
1-50	13%	87%
51-200	3%	97%
201-500	9%	91%
Over 500	17%	83%

Figure 22a | How are executives' performance evaluated?

Executive performance is not evaluated

	CEO	Other Executive
All Organizations	33%	18%
Industry		
Manufacturing	33%	19%
Non-Manufacturing	32%	24%
Non-Profit	31%	0%
Organizational Size		
1-50	33%	33%
51-200	38%	15%
201-500	22%	17%
Over 500	33%	0%

Working with the board

	CEO	Other Executive
All Organizations	29%	16%
Industry		
Manufacturing	28%	17%
Non-Manufacturing	18%	15%
Non-Profit	62%	15%
Organizational Size		
1-50	7%	13%
51-200	38%	18%
201-500	17%	13%
Over 500	67%	17%

Leadership/managerial competency

	CEO	Other Executive
All Organizations	20%	46%
Industry		
Manufacturing	25%	44%
Non-Manufacturing	18%	41%
Non-Profit	15%	62%
Organizational Size		
1-50	13%	33%
51-200	18%	49%
201-500	22%	52%
Over 500	50%	33%

Execution of business strategy

	CEO	Other Executive
All Organizations	19%	45%
Industry		
Manufacturing	19%	44%
Non-Manufacturing	21%	38%
Non-Profit	15%	62%
Organizational Size		
1-50	20%	20%
51-200	18%	54%
201-500	13%	48%
Over 500	50%	33%

Financial management

	CEO	Other Executive
All Organizations	17%	45%
Industry		
Manufacturing	22%	36%
Non-Manufacturing	6%	56%
Non-Profit	31%	38%
Organizational Size		
1-50	0%	27%
51-200	21%	44%
201-500	9%	65%
Over 500	67%	17%

Performance targets/objectives

	CEO	Other Executive
All Organizations	16%	54%
Industry		
Manufacturing	25%	47%
Non-Manufacturing	9%	59%
Non-Profit	8%	62%
Organizational Size		
1-50	7%	40%
51-200	18%	62%
201-500	9%	57%
Over 500	50%	33%

Relationships with key stakeholders

	CEO	Other Executive
All Organizations	14%	30%
Industry		
Manufacturing	17%	22%
Non-Manufacturing	12%	35%
Non-Profit	15%	38%
Organizational Size		
1-50	7%	27%
51-200	10%	36%
201-500	17%	26%
Over 500	50%	17%

Figure 23a | If executives' performance is evaluated, by whom?

CEO/president

	Yes	No
All Organizations	65%	35%
Industry		
Manufacturing	71%	29%
Non-Manufacturing	64%	36%
Non-Profit	56%	44%
Organizational Size		
1-50	44%	56%
51-200	73%	27%
201-500	67%	33%
Over 500	67%	33%

Board of directors

	Yes	No
All Organizations	38%	62%
Industry		
Manufacturing	33%	67%
Non-Manufacturing	27%	73%
Non-Profit	78%	22%
Organizational Size		
1-50	33%	67%
51-200	50%	50%
201-500	27%	73%
Over 500	33%	67%

Upper level management

	Yes	No
All Organizations	13%	87%
Industry		
Manufacturing	5%	95%
Non-Manufacturing	27%	73%
Non-Profit	0%	100%
Organizational Size		
1-50	0%	100%
51-200	23%	77%
201-500	13%	87%
Over 500	0%	100%

Ownership

	Yes	No
All Organizations	10%	90%
Industry		
Manufacturing	14%	86%
Non-Manufacturing	9%	91%
Non-Profit	0%	100%
Organizational Size		
1-50	11%	89%
51-200	0%	100%
201-500	20%	80%
Over 500	17%	83%

360 evaluation

	Yes	No
All Organizations	6%	94%
Industry		
Manufacturing	0%	100%
Non-Manufacturing	14%	86%
Non-Profit	0%	100%
Organizational Size		
1-50	11%	89%
51-200	5%	95%
201-500	7%	93%
Over 500	0%	100%

Other

	Yes	No
All Organizations	6%	94%
Industry		
Manufacturing	5%	95%
Non-Manufacturing	9%	91%
Non-Profit	0%	100%
Organizational Size		
1-50	11%	89%
51-200	5%	95%
201-500	7%	93%
Over 500	0%	100%

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

	Yes	No
All Organizations	65%	35%
Industry		
Manufacturing	60%	40%
Non-Manufacturing	73%	27%
Non-Profit	62%	38%
Organizational Size		
1-50	71%	29%
51-200	54%	46%
201-500	77%	23%
Over 500	83%	17%

Figure 25a | How are performance evaluation results or scores tied to compensation?

	Ratings	Overall performance	Informal	Matrix/grid	Goals
All Organizations	48%	29%	10%	7%	7%
Industry					
Manufacturing	69%	31%	0%	0%	0%
Non-Manufacturing	33%	33%	19%	5%	10%
Non-Profit	50%	13%	0%	25%	13%
Organizational Size					
1-50	38%	13%	38%	0%	13%
51-200	29%	35%	6%	18%	12%
201-500	62%	38%	0%	0%	0%
Over 500	100%	0%	0%	0%	0%

Figure 26a | Does your organization use an online performance management system to do any of the following?

Performance review administration

	Yes	No
All Organizations	20%	80%
Industry		
Manufacturing	19%	81%
Non-Manufacturing	21%	79%
Non-Profit	23%	77%
Organizational Size		
1-50	7%	93%
51-200	15%	85%
201-500	30%	70%
Over 500	50%	50%

Goal setting/cascading goals

	Yes	No
All Organizations	17%	83%
Industry		
Manufacturing	19%	81%
Non-Manufacturing	15%	85%
Non-Profit	15%	85%
Organizational Size		
1-50	7%	93%
51-200	15%	85%
201-500	26%	74%
Over 500	17%	83%

Tracking/monitoring performance

	Yes	No
All Organizations	17%	83%
Industry		
Manufacturing	19%	81%
Non-Manufacturing	15%	85%
Non-Profit	15%	85%
Organizational Size		
1-50	7%	93%
51-200	15%	85%
201-500	26%	74%
Over 500	17%	83%

Competency management

	Yes	No
All Organizations	11%	89%
Industry		
Manufacturing	11%	89%
Non-Manufacturing	12%	88%
Non-Profit	8%	92%
Organizational Size		
1-50	0%	100%
51-200	10%	90%
201-500	22%	78%
Over 500	0%	100%

Development planning

	Yes	No
All Organizations	10%	90%
Industry		
Manufacturing	14%	86%
Non-Manufacturing	6%	94%
Non-Profit	8%	92%
Organizational Size		
1-50	7%	93%
51-200	8%	92%
201-500	17%	83%
Over 500	0%	100%

360 Feedback

	Yes	No
All Organizations	6%	94%
Industry		
Manufacturing	6%	94%
Non-Manufacturing	9%	91%
Non-Profit	0%	100%
Organizational Size		
1-50	0%	100%
51-200	3%	97%
201-500	17%	83%
Over 500	0%	100%

Other

	Yes	No
All Organizations	6%	94%
Industry		
Manufacturing	3%	97%
Non-Manufacturing	9%	91%
Non-Profit	8%	92%
Organizational Size		
1-50	0%	100%
51-200	5%	95%
201-500	9%	91%
Over 500	17%	83%

Figure 28a | If your organization is not currently using a performance management technology solution how soon does your organization plan to implement one?

	6 months or less	6-12 months	12-24 months	Other time period	N/A (do not plan to implement)
All Organizations	7%	10%	7%	2%	74%
Industry					
Manufacturing	0%	13%	17%	0%	71%
Non-Manufacturing	13%	8%	0%	4%	75%
Non-Profit	10%	10%	0%	0%	80%
Organizational Size					
1-50	9%	18%	0%	0%	73%
51-200	7%	0%	10%	3%	79%
201-500	7%	14%	7%	0%	71%
Over 500	0%	50%	0%	0%	50%

Appendix B: Numeric Rating Scales

- Two scales used
 - 1 = Does Not Meet, 2 = Meets, 3 = Exceeds
 - 1 = Does Not Meet, 2 = Inconsistently Meets, 3 = Meets, 4 = Exceeds, 5 = Far Exceeds
- 1 = Unsatisfactory; 2 = Needs Development; 3 = Meets Expectations; 4 = Exceeds Expectations; 5 = Substantially Exceeds Expectations
- 5 = Exceptional; 4 = Exceed Expectations; 3 = Meets Expectations; 2 = Below Expectations; 1 = Unsatisfactory
- 1 = Significantly Exceeds Expectations; 2 = Exceeds Expectations; 3 = Meets Expectations; 4 = Needs Improvement; 5 = Unsatisfactory
- 1 = Unsatisfactory/Needs improvement; 2=Below Average Performer; 3=Solid Performer; 4=Above Average/Excellent Performer; 5=Exceptional/Outstanding Performer
- 4 = Exceptional performance; 3 = Exceeds Requirements; 2 = Meets Requirements; 1 = Marginal; 0 = Unsatisfactory
- 1 = Unacceptable; 2 = Below expectations; 3 = Satisfactory; 4= Above average; 5 = Exceptional
- 1 = Unsatisfactory; 2 = Needs Improvement; 3 = Meets Job Requirements; 4 = Exceed Job Requirements; 5 = Outstanding
- 1 = Did not meet expectations; 2 = Met some expectations; 3 = Met expectation; 4 = Exceeded expectations; 5 = Significantly exceeds expectations
- 1 = unsatisfactory; 2 = needs improvement; 3 = satisfactory; 4 = excellent
- 1 = Unacceptable; 2 = Fair/Marginally Proficient; 3 = Good/Fully Proficient; 4 = Very Good/Excellent; 5 = Distinguished
- Dual rating: number(competency) and letter (results)
 - 1 = does not meet; 3 = meets 5 = exceeds
 - Letters: U = unsatisfactory, N = Needs improvement, P = performing, H = highly performing, O = outstanding
- 1 = Does not meet requirements; 2 = Meets requirements; 3 = Exceeds requirements
- 0 = Does not meet expectations; 1 = Meets expectations
- 5 = High Performer; 4 = Valued Performer; 3 = Contributor; 2 = Needs Improvement; 1 = Unacceptable
- 1 = Needs improvement; 2 = Meets performance expectations; 3 = Consistently exceeds performance expectations
- 1 = Does not meet; 2 = Minimal meets; 3 = Meets; 4 = Exceeds; 5 = Over achieves
- 1 = unsatisfactory; 3 = Good; 5 = Outstanding
- 0 = Unsatisfactory; 1 = Improvement needed; 2 = Satisfactory; 3 = Very Good; 4 = Outstanding
- 1 = Does not meet requirements; 2 = Meets requirements; 3 = Exceeds requirements

- 1 = Unsatisfactory- Performance falls substantially short of job requirements. Consequences may include, but are not limited to, reassignment, termination, corrective action, demotion or redefinition of duties; 2 = Marginal- Performance does not meet an acceptable level in all areas. Improvement is needed; 3 = Satisfactory- Has performed at a fully satisfactory level, meets the requirements of the job in all respects and occasionally exceeds job performance standard; 4 = Distinctive Performance- Performance is significantly better than average. Performance consistently exceeds standards; 5 = Outstanding- Exceptional performance of unusually high caliber. Remarkable achievement and pacesetting performance.
- 1 = Fails to meet minimum standards; 2 = Objectives missed/minimally acceptable; 3 = Job duties completed competently/thoroughly; 4 = Consistently achieves challenging objectives; 5 = Exceeds expectations
- 5 = Outstanding: always surpasses expectations of this job factor & is recognized by peers as a leader & positive example for others; 4 = Above Expectations: consistently achieves and often exceeds performance required for this job factor; 3 = Meets Expectations (norm): meets all expectation of this job factor, successfully performs duties as listed in job description; 2 = Below Expectations: occasionally fails to meet this job factor expectation (additional coaching may be warranted); 1 = Not Acceptable: consistently fails to meet this job factor expectation (job performance improvement plan is required)
- 1 = Performance Unacceptable; 2 = Needs Improvement; 3 = Meets Expectations; 4 = Exceeds Expectations
- 1 = Does not meet requirements, 2= Needs Improvement 3 = Meets requirements, 3 = Exceeds requirements 5= Outstanding
- 5 = Exceeds; 4 = Meets; 3 = Needs improvement; 2 = Unsatisfactory
- 5 = Exceptional: Consistently exceeds all relevant performance standards. Provides leadership, fosters teamwork, is highly productive, innovative, responsive and generates top quality work. Active in industry-related professional and/or community groups; 4 = Exceeds Expectations: Consistently meets and often exceeds all relevant performance standards. Shows initiative and versatility, works collaboratively, has strong technical & interpersonal skills or has achieved significant improvement in these areas; 3 = Meets Expectations: Meets all relevant performance standards. Seldom exceeds or falls short of desired results or objectives. Lacks appropriate level of skills or is inexperienced/still learning the scope of the job; 2 = Below Expectations: Sometimes meets the performance standards. Seldom exceeds and often falls short of desired results. Performance has declined significantly, or employee has not sustained adequate improvement, as required since the last performance review or performance improvement plan; 1 = Needs Improvement: Consistently falls short of performance standards.
- 5 = Outstanding; 4 = Commendable; 3 = Successful; 2 = Marginal; 1 = Unsatisfactory
- 1 = Ineffective; 2 = Fair; 3 = Good; 4 = Superior
- 1= Does not meet requirements; 2= Meets requirements; 3= Exceeds requirements
- 1= Unacceptable; 2= Needs improvement; 3=Meets expectations; 4=Exceeds expectations

- 1= Failing; 2= Fair; 3= Good; 4= Very Good; 5= Outstanding
- 0-3 = Does not meet; 4-7 = Usually meets; 8-10 = Exceeds
- 1.0 = Does not meet expectations; 1.5 = Nearly Meets expectations; 2.0 = Meets expectations; 2.5 = Nearly Exceeds expectations; 3.0 = Exceeds expectations"
- 1 = Underperforming; 2 = Emerging; 3 = Competent; 4 = Strength; 5 = Mastery
- 3 = Consistently exceeds standards; 2 = Consistently meets/sometimes exceeds standards; 1 = Meets standards; 0 = Does not meet standards
- 1 = Unsatisfactory; 2 = Fair; 3 = Good; 4 = Very good; 5 = Excellent"
- 1 = Never meets and often falls short of desired results; 2 = Almost meets and often accomplishes desired results; 3 = Accomplishes desired results; 4 = Often exceeds desired results; 5 = Greatly exceeds all desired results
- 1 = Unsatisfactory; 2 = Need Improvement; 3 = Competent/Meets Expectations; 4 = Exceeds Expectations
- 1 = Does not meet requirements; 2 = Sometimes meets requirements; 3 = Meets requirements; 4 = Sometimes exceeds expectations; 5 = Always exceeds expectations
- 1 = Unsatisfactory; 2 = Needs Improvement; 3 = Meets Requirements; 4 = Exceeds Requirements; 5 = Outstanding
- 1 = Unacceptable; 2 = Requires improvement; 3 = Competent; 4 = Very good; 5 = Excellent
- 1 = Does not meet expectations; 2 = Needs development; 3 = Meets expectations; 4 = Exceeds Expectations; 5 = Substantially Exceeds Expectations
- 5 = Exceeds Expectation (Exempt & Non-Exempt); 4 = Strong (Exempt); 3 = Proficient (Exempt) Meets Expectations (Non-Exempt); 1=Needs Improvement (Exempt & Non-Exempt)
- 1 = Outstanding; 2 = Very Good; 3 = Average; 4 = Below Average; 5 = Unsatisfactory
- 1 = Below expectations; 3 = Meets expectations; 5 = Exceeds expectations
- 1 = Excels; 2 = Exceeds Expectations; 3 = Meets expectations; 4 = Below expectations; 5 = Needs immediate improvement; 6 = Performance Improvement Plan
- We have a 5 point ranking. Each # has its own criteria per the section in the review that it pertains to. For example: 5 = Perfect attendance; 3 = Average attendance; 1 = Below average
- 1 = Performance well below the minimum position requirements. Requires immediate review and action including implementation of Performance Improvement Plan (PIP); 2 = Partially achieves, performance is inconsistent, development required in deficient areas; 3 = Achieves expectations, good, solid performance meeting position requirements; 4 = Exceeds expectations; consistently generates results exceeding expectations; 5 = Outstanding performance that results in extraordinary and exceptional accomplishments with significant contributions to goals of the department or organization.
- 1 = Fails to meet expectations; 2 = Partially satisfies expectations; 3 = Meets expectations; 4 = Exceeds expectations; 5 = Greatly exceeds expectations

Appendix C: Self-Appraisal

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

- Team Members assess their fundamentals
- Areas of assessment include: Accomplishments/Job Knowledge, Quality of Work/Productivity, Customer Commitment, and Communication
- They assess competencies, their goals, mission effectiveness, strengths, next year's goals, any training needed.
- Whether or not they know what is expected of them? Are their areas where they need additional training? Do they know the mission of the organization?
- We've only just conducted 360 reviews on upper and middle management in the last 6 months and we have not determined yet whether it will be an ongoing process.
- Employee assesses goals/accomplishments and individual competencies/behaviors assigned.
- Our self evaluation focuses on the performance goals that were set for them that year. They provide narrative responses to how they feel they accomplished or didn't accomplish those goals and describe what roadblocks they hit. The form is entirely narrative and is different from the supervisor appraisal form.
- Position factors, individual goals
- They have defined goals; they are asked to explain what has been achieved for these goals.
- Overall performance, quality, quantity, improvement since last review, area needing supervisor assistance
- They are asked to self assess their goal accomplishment, their competency display and an overall comments section
- Their accomplishments of goals and objectives during the previous year.
- Evaluate key behaviors
- Attendance & Punctuality:(e.g., acceptable overall attendance, here on time, schedules vacation in advance)
- Flexibility:(e.g., accepts overtime as needed to meet deadlines and work demands)
- Productivity/Quantity of Work(e.g., productivity meets/exceeds standards, completes all assignments within specified time limits, integrates new tasks/priorities into existing responsibilities)
- Reliability: (e.g., can multi-task assignments, adjusts to unexpected changes in work demands to meet timetables, can deliver timely results and follow up)
- Job Specific Knowledge & Skills: (e.g., demonstrates professional knowledge/skills to perform essential job duties; up-to-date on industry/discipline news, equipment, best practices, works without supervision, shows initiative in learning new/related job skills)
- Project Management Skills: (e.g., balances constraints of time, cost & scope/quality; practical judgment for solution)
- Business Communication Skills: (e.g., proposals/reports/presentations, letters & memos)

- Interpersonal Communication Skills: (e.g., ability to get along with co-workers and outside partners clear, positive, productive communication in all formats: verbal, email, written)
- Computer Skills: e.g., MS Word/Excel, internet/email, other job specific programs relevant to position)
- Collaboration/Teamwork/Mentoring Skills: (e.g., willingness to take on additional assignments, helps others without being asked, puts differences aside, “can do” attitude, contributes to department and interdepartmental projects and priorities)
- Policies/Procedures:(e.g., follows all company rules/policies, including safety initiatives and procurement/ cost savings guidelines, follows all department SOPs and documentation: submits accurate timesheets, checklists)
- Quality Improvement/Innovation or Creativity: (e.g., shares good ideas and seeks new ideas to improve workplace and work flow)
- Supervisory employees only
 - Leadership:(e.g., able to collaborate, motivate /train /delegate, resolve conflict fairly & timely)
 - Business Development: (e.g., can develop new ideas/leads)
- Have performance requirements been made clear to me?
- Do I have what I need to meet these performance requirements?
- Do I believe my opinions count?
- Do I understand how my work supports the company mission?
- Do I believe [organization name] is committed to customer care and quality?
- Am I provided with opportunities to grow?
- What were your accomplishments and strengths this year? What are some areas you feel you need improvement? How could your supervisor help you do a better job? What training or development would help improve your performance? What ideas for your own goals do you have for this coming year?
- Certain managers use this tool and it's not company-wide. List important accomplishments, biggest disappointments and improvement areas.
- Exempt associates only do self-appraisals on demonstration of competencies and business goal attainment
- Competencies and objectives
- Employee completes their appraisal and submits to their supervisor for review and comment. The review meeting is a dialogue.
- Self appraisals are not routinely used throughout the organization but some managers use them to help with the appraisal discussion. HR does not see them beforehand.
- Employees evaluate themselves on 1) job knowledge, 2) what they like about their job, 3) what they like least about their job, 4) what would they change about their job if they could, 5) what goals did you meet since the last evaluation, 6) what goals would you like to accomplish before the next evaluation, 7)

initiative, 8) attitude, 9) rate themselves (needs improvement, average, above average, excellent).

Employees use a similar form when evaluating their supervisor, but it is more simple

- Specific accomplishments for the past year; areas of concern; strengths and best part of job; things that would make job more fulfilling; additional experience/training needed; specific goals for next period; short/long-term career goals.
- Following and living out the [organization name] Charter and Good Place Principals? Achieving the results intended for the Role? Why or Why Not? How do others see you? How do you get along with others? What do you want to work on and become in the next few months and year?
- Assess core and role specific competencies and their goals
- Employee self-appraisal consists of separate target questions specific to their function area and/or level of position.
- Management receives appraisal form and evaluates his/her own Leadership Skills; Flexibility/Problem Solving/Decision-Making skills; Technical/Professional skills; Administrative skills; Communication skills; Interpersonal skills; Creativity; Initiative; Persistence; Ability to work with other; Leadership; Attitude
- Assess their goals and where they are at in attaining them.
- Likes, dislikes, areas for improvement, goals
- Goals that they achieved. Goals that they want to achieve. What I did best. What I want to do better at.
- Employees are asked to write in paragraph form what they did well over the past 12 months and what they are most proud of. In addition, we ask employees to articulate career goals so the manager/company can assist the employee achieve their desire results.

Appendix D: Below Standard Performance

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

- Timely, informal feedback, coaching sessions, progressive discipline, PIP's
- Usually put on a development plan initially. If no improvement, release employee
- Coach for improvement, discipline; reassign to put in a position where the person can be successful.
- Coaching/counseling/PIP as needed. Progressive discipline up to and including termination.
- Performance Improvement Plan
- Performance meeting is held, plan is established, training & necessary follow-ups are scheduled.
- Documentation and discussion with the employee about the areas of concern. A plan for improvement with timeline is created, if performance is not improved action is taken.
- They are put on a Performance Improvement Plan
- Individual Improvements Plans are developed with goals and deadlines, supervisory assistance can be offered, realignment of duties can be discussed.
- Performance Improvement Plan
- Staff may be terminated immediately or we may put them on a PIP (performance improvement plan) and monitor continued improved
- There must be a written action plan for below standard performance.
- Progressive discipline approach, starts with verbal counseling, then writing and finally a formal performance improvement plan
- Monthly performance reviews with measurement against specific performance improvement metrics
- Informal conversation to discuss the expectation and how the standards were missed. If the performance doesn't improve, a verbal warning is given. If the performance doesn't improve a written warning is given. If the performance still doesn't improve we give a 3 day suspension and a written warning. This includes a performance improvement plan detailing the expectations of the manager/organization. If performance doesn't improve the employee will likely be terminated at this point.
- Performance plan over the next 90 days, no improvement, then out
- A below standard employee would not fare well with our company. Because our business depends on repeat business below standard performers would not set well with our customers nor the team they work with. These types of employees would not be employed by us. They would be dismissed immediately if it wasn't something we could coach and assist with for improvement.
- Open communication and official documentation
- Coaching, counseling by manager, PIP
- Performance Improvement Plans for non-union employees. Progressive discipline for union employees.
- Supervisor fills out an employee corrective action plan and discusses what corrections need to be made with the employee.
- Establish a process improvement plan

- Conversation with the employee to determine if they have all of the resources they need to perform at the expected level; Additional training; Performance improvement plans are implemented when necessary.
- Evaluate, improvement plan, follow-up
- Job Coaching
- Corrective action
- Employees will receive a written warning with specify metrics of items that need to be met within a certain time frame.
- Individual are couched and retrained
- First a conversation between supervisor and employee. Next is a memo to file (if there is an 'incident' of problems (vs. poor performance) the memo might happen immediately. Next would be the PIP and finally a final warning and separation
- Progressive problem solving.
- unrecorded conference on issues
- Document issues
- Warning
- Termination
- Set goals for improvement and continued meetings with employee to achieve the goals. If no improvement is achieved employee will be referred to EAP and/or terminated
- Review with employee and improvement plan.
- 90 Day review and set goals for improvement.
- Documented conversations and disciplinary process
- We have a good group and don't have too much of this. We use PIP if need be and utilize local resources to help get employee back on track
- The supervisor works with the employee to set goals and development practices for below standard performance.
- Standards are discussed and the employee is given time to improve on performance then they are re-evaluated.
- A performance improvement plan is developed and implemented; regular review dates are documented; if still no improvement, the progressive disciplinary system is started
- Development plan to give the individual an opportunity to improve if appropriate.
- Performance Improvement Agreements or PIPS
- Below standard performers are given a 90 Day Action Plan with clear goals/objectives.
- Develops individual improvement plan with supervisor, employee and COO. Includes behaviors, goals, and dates to achieve same.
- Document the problems then go through progressive discipline (Verbal Warnings, Written Warnings, Performance Improvement Plans, Up to Termination)

- Verbal discussion with written notes for the file. Written evaluation with discussion.
- Verbal and related discussion, then a written warning and corrective action plan, then dismissal
- Training, feedback, coaching, Performance Improvement Plans
- 1:1 Coaching
- Corrective Action Sequence
 - Verbal Warning
 - Written Warning
 - Final Written Warning
- Ongoing performance feedback and development planning, if non-performance continues, employee may be counseled up to termination.
- Depending on the situation, employees who are not performing are usually placed on a performance improvement plan which outlines 1) problem behavior/performance, expected behaviors, action plan, timeline, and final review date.
- Documented conversation with the employee and a specific improvement plan agreed upon between the supervisor and employee complete with dates and reviews.
- Expectations are set and monitored by both manager and employee, based on a certain timeframe.
- They will be placed on a 90-day probationary period and re-trained. If there is no improvement, the employee-employer relationship is terminated
- The issue is addressed with the employee verbally with a discussion of expectations for improvement; if no improvement, then the issue is documented and formally addressed with employee; continued lack of improvement, a 2nd written warning is issued by HR.
- They are placed on a Performance Improvement Plan.
- We give a period of time for improvement based upon the work performance area. Also, any increase can be held back until the standard of performance has been corrected or improved.
- Create a plan, specifying areas for improvement, dates of review and consequences for no improvement.
- Discussion with employee with an e-mail backing up the discussion. If not improvement, a formal counseling statement is given to the employee.
- Below standard performance is discussed with employee and a Performance Improvement plan is developed with a timeline in place. If employee doesn't adhere or cannot improve, termination ensues.
- Manager/HR meets with employee. May already have performance improvement plan prepared for initial meeting. If not, prepare (Performance Improvement Plan) PIP and meet with employee for review of PIP. Follow up meetings with employee on the specific dates indicated in the performance improvement plan.
- Supervisors/managers discuss below standard performance with individual and together work on plan to improve with follow-up on date specified. Supervisor documents improvements for discussion at specified date.
- Performance Improvement Plan

- Discipline Steps
 - Discuss with employee
 - Agree on improvement
 - Monitor improvement
- We coach team members the best that we can. We only strive to hire for a position once. If coaching does not work, then we ask the employee if this job is right for them.
- Progressive discipline
- Typically when a performance issue arises, the manager, employee and HR get together to discuss the challenges and why the individual is performing below the standard. The company will work with the employee to improve the performance through the development of an IDP (Individual Development Plan). Managers are expected to meet with employees at least once a week to review the performance of the employee. Any adjustments are made and tools are provided to employees. At the end of the process, the hope is to get the employee back to an acceptable performance level. However, if that is not the case, and all efforts have been exhausted, the employee can be separated.
- Performance improvement plan when appropriate. 5 step process:
 1. Documented coaching
 2. Documented verbal warning
 3. First written warning
 4. Second written warning/suspension
 5. Final written warning/termination
- Initial verbal discussion followed by documented warnings or performance improvement plan.

Appendix E: Performance Evaluation and Compensation

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

- Goals are tied, other performance factors are not
- For the Executives some of their compensation is 'at risk' depending on goal attainment. If goals are hit, predetermined bonuses are rewarded
- Less productive/enthusiastic personnel are sometimes given less of pay increase in order to reward other employees that are excelling.
- On informal basis
- No standard form and no standard compensation formula. If they are improving and doing a good job they are rewarded.
- Staff is grouped in like groupings and scores are added, averaged, Standard deviation, then folks are placed into 'buckets'.
- Take the overall performance management score and use the compensation grid to see where the individual falls within the quartiles. Used as a guideline for the merit increase.
- Compensation matrix based on performance evaluation
- Our Vice-President has a quarterly performance bonus bases on performance.
- Individual review affects both raises and bonus
- Compensation is based on performance as well as the salary surveys of ERC with the job title.
- Pay for performance
- The better the review the higher the raise.
- Pay is strictly based on performance
- Pay for Performance - Employee and Management
- Achievement of MBO's - Executives
- Achievement of Company Performance Goals - Execs
- While appraisals and salary reviews don't happen at the same time they are both related to compensation. Appraisals are annual during the employee's anniversary month while salary reviews occur in spring. Performance is a factor in receiving a compensation increase however there isn't a formal scoring system in place.
- Merit Increases are tied to performance
- Pay for Performance is fundamental to compensation recommendations
- Based on company and employee performance, this determines amount of an employee's raise or bonus.
- We receive annual increases. Each department can allocate increases based on their budget and performance of employees.
- Typically employees' merit increases are based on the overall performance of the employee.

- Our executives are treated the same as other employees; use the same performance evaluation and same method of calculating increases. Only if budgets are tight, would the executives perhaps not be eligible for an increase.
- A full raise amount is not able to be given to those with scores lower than a 3 in any area.
- Overall evaluation score is tied to annual merit increase cycle. Individual goal attainment is linked to the company's incentive program.
- Merits awarded based on performance rating
- Rating score equates to a increase range
- Annual increases are only awarded to those receiving high performance evaluation ratings. Scores, however, are not tied to a specific percentage of an increase- the amount is still discretionary at this point.
- Percentage based on evaluation score (e.g.) 1-3% increase, those scoring below 1.5 = 1%; those scoring 1.6-2.5 = 2%; those scoring 2.6-3 = 3%
- Evaluation is tied to percentage awarded.
- Not 100% tied, but a poor evaluation will limit the raise if any warranted. Obviously if a person is a top performer and evaluated well it will build case for an increase in compensation.
- Raise amounts tie in to performance; for example, someone who scores all 2's (needs improvement) will receive a below average raise. Someone who scores all 4's (exceeds expectations) will receive an above average raise.
- Somewhat. They are usually both completed at the same time of the year and depending on the performance evaluation an increase can be higher or lower than a general increase percentage.
- Employees who do not meet expectations will not receive an increase. Employees who are high performers usually receive a performance bonus in addition to their annual increase. This year our scoring has changed but expect employees will receive different increase amounts based on their scores.
- Evaluation results and relative placement in the pay range each play a part in the annual pay increase opportunities for all employees. We consider the employee's pay relative to the medium competitive comp for that role as well as their performance during the past year.
- Score times the rate increase %
- Merit increases are based on scores. Budget is 3%. If you are an "Exceeds" will get a 4% or 5% increase whereas "Needs Improvement" will not receive or only will receive 1%.
- The better the score, the more improvement from previous evaluation, the better the compensation raise.
- Scoring is tied to percentages which are tied to performance bonuses.
- Proprietary formula
- The higher the rating scores, the higher the percentage increase.
- People receive an increase identically commensurate with appraisal score. i.e., an average score of 3 translates into a 3% pay increase; score of 4 = 4% increase, etc. Scores of 2 or 1 generally do not receive an increase.

2012 ERC Performance Management Practices Survey Conducted by ERC

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

Be sure to follow us online for the latest survey information from ERC:



www.ercnet.org



[linkedin.com/groups?gid=86241](https://www.linkedin.com/groups?gid=86241)



twitter.com/connectwithERC