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Conducting Effective Performance Evaluations

By Lisa A. Miller and Paul R. Garry

Regular performance evaluations are an essential tool for monitoring performance and determining promotions and wage increases. They can also serve an important risk management function: protecting employers, including dentists, from accusations of unfair labor practices.

If an employee who has been fired for poor performance files a lawsuit alleging discrimination, his or her performance evaluations will be a key piece of evidence. If prior evaluations reflect that the employee was not performing adequately, the employer is in a position to argue that the employee was aware of the deficiencies, but failed to take the necessary steps to improve. It is thus critical that performance evaluations be completed accurately and honestly, even at the risk of causing friction.

The following guidelines can help you improve your employee evaluation skills.

- **Do performance appraisals on a regular basis.** Employee performance reviews should be given at least once a year. Unless they are given periodically, performance reviews have little value for either employee or employer.
- **Use objective criteria** when possible. For example, data entry clerks can be rated based on the number of errors divided by the total data input. Establish evaluation criteria in advance and share these criteria with the employee (such as the ability to deal with patients or mastery of certain technical skills).
- **Be consistent.** Be able to articulate the reasons for giving one employee a higher performance rating than another. A “gut feeling” that one person works harder than another does not hold up well in court.
- **Prepare a complete evaluation.** Spend the time to write a thorough evaluation, giving *specific* examples of an employee’s strengths and weaknesses. For instance, if an employee is not demonstrating teamwork, provide examples (with supporting details) of situations in which the employee failed to assist other staff members. The more specific the example, the easier it will be to establish that the evaluation is accurate.
- **Identify ways to improve performance.** This demonstrates an employer’s good faith in trying to help the employee improve and will rebut the claim that the employer was simply trying to get rid of an employee.
- **Set reachable, specific and business-related goals.** Inform employees when you expect them to attain their goals.
- **Be honest.** Often supervisors are not completely honest in their evaluations for fear of discouraging employees or hurting their feelings. However, softening the truth can be detrimental later.

Supervisors must candidly evaluate the strengths and weaknesses of their staff members. Criticism should be both honest and constructive, pointing out the areas that need work and suggesting methods to improve performance.

The performance evaluation should be presented to the employee by the supervisor who prepared it. The employee should be given the opportunity to read and review the evaluation and make oral or written comments. If the employee makes an adverse written comment, the employer should respond.

The employee should also be required to sign the evaluation – not to show agreement with it, but to acknowledge receipt. If the employee refuses to sign the evaluation, the supervisor should note in the file that the employee had been given the opportunity to read and review it. Keep all evaluations and responses in the employee's personnel file.

Handled correctly, performance evaluations are more than a pro forma exercise. They can be a powerful communication and motivational tool for employers. It pays for dentists to give this process the time and attention it deserves.

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