

4-1-1982

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Recommended Citation

Hodge, John (1981) "The Appraisal Interview and the Marginal Employee," *West Michigan Management Memo*: Vol. 2: Iss. 2, Article 8. Available at: <http://scholarworks.gvsu.edu/wmbm/vol2/iss2/8>

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The Appraisal Interview and the Marginal Employee

One of the best ways for a manager to develop and maintain an efficient operating department is to provide employees with timely evaluations of their job performance. If this is not done, supervisors run the risk of under-utilizing their employees, and efforts toward employee development will be significantly handicapped. The problems associated with inadequate evaluations are compounded when we consider their impact on an employee whose performance is below par: the "marginal employee."

Employees may be classified as "marginal" because they are either underqualified or overqualified for their position. In many cases, the problem is not lack of skills but low motivation that has not been monitored and challenged by an efficiently run employee evaluation program. There is a tendency for supervisors to ignore marginal employees, hoping they will go away; they usually don't, of course. Eventually the frustrated supervisor resorts to one of two solutions: The employee is either fired or transferred to another department, thus becoming someone else's problem.

Early Identification Is the Key

There are several techniques supervisors can use to minimize these problems. Although marginal employees require special attention, they still must be held accountable to the same performance standards established for all employees. The process begins with the development of procedures to ensure early identification of problem employees. Early identification is important in order to minimize costs to both the employee and the company. Early identification also enhances the possibility that the supervisor's strategy to improve the marginal employee's performance will be successful. There are certain essential tasks required of the supervisor throughout this identification process. The supervisor should:

1. Develop specific standards of performance for all employees. New employees should be advised of their job requirements during the first days of employment. It is important that timely reviews of performance be conducted during the first year. For instance, quarterly reviews could be done to review areas of success and difficulty being experienced by the new employee.

2. Specify where the employee's performance is less than acceptable. The emphasis should be on what the employee is or is not doing, not why. It is usually helpful to make a list of exactly what expectations the employee is failing to meet. The important point is that the supervisor should be prepared to share with the employee exactly where the employee is failing and where improvements need to be made.

3. The supervisor should consider how marginal employees are affecting other employees. Marginal employees can create morale problems if they are allowed to continue with substandard performance. The other employees will question why they should maximize their efforts when marginal employees can "get away with" substandard performance. Because of this, a good supervisor will not allow inferior performance to occur unchecked.

4. Before finalizing the identification process and developing an action plan, the supervisor should consider if a review of the overall situation with other managerial personnel is advisable. The supervisor's boss and the personnel manager may provide helpful information and support if included. For instance, if discharge is being contemplated, consideration should be given to the difficulty involved with replacing the employee. In some cases, it is less costly to retrain a marginal employee (if that employee is receptive to the supervisor's efforts) than to hire a new employee. For highly skilled jobs, a realistic assessment of the job market must be made.

5. The supervisor should also take into consideration the employee's length of service. As a general rule, the longer the term of service, the more it is worth the effort to salvage the employee. Even with recently hired workers, most supervisors will benefit from discussing minor problems before taking drastic disciplinary actions, such as firing.

6. The manager should also review his or her relationship with the troublesome employee, keeping in mind that a positive and open supervisory-employee relationship adds to the possi-

bility of success. Employees sometimes have difficulty with their jobs because of inadequate supervision. Thus, the supervisor should review the quality of supervision being given to the problem performer.

The Interview

At this point the supervisor should develop an overall action plan which includes conducting a performance appraisal interview with the employee. Since the interview results in a two-way exchange of information, it provides a unique opportunity for the supervisor and the employee to share ideas and feelings. The following ideas are guidelines supervisors may follow when preparing to conduct a performance appraisal interview:

1. Select a time and place that provide the best opportunity for success. The interview should be held in private with the supervisor left free from interruptions.
2. Give the employee advance notice. This may result in the employee having serious thoughts about his job performance as he anticipates the interview.
3. The supervisor should have a firm opinion about the appraisal and his overall evaluation of the employee's performance. Although the supervisor should listen to the employee's explanation, it is paramount that the supervisor communicate any conclusions and their ramifications to the employee.
4. The supervisor should use specific examples to support his conclusions. Generalizations such as "you need to work harder" usually do not have the same impact as specific examples of inadequate performance. Tell the employee exactly what is being done wrong and exactly what needs to be done in order to improve.
5. Give the employee an opportunity to explain his performance and what he can do to achieve improvement. To the extent the supervisor and employee can agree on the nature of the problem and a solution, the greater the likelihood of a successful performance change by the employee. It is important for the employee to perceive the supervisor as being helpful and desirous of his success.

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6. The supervisor should concentrate on the employee's behavior and not on his personality. This will reduce the natural tendency we all have of being defensive when we think someone is attacking us personally. The focus should be on *what* the employee is doing wrong, not *why*. In fact, the employee knows why he does what he does better than the supervisor. In other words, calling someone lazy (the why) seldom helps. But specifically pointing out work that did not get done gets to the main point.
7. Don't try to resolve all problems with one interview. The interview should be seen as being part of the overall supervisory relationship between manager and employee. Too often, the supervisor, frustrated with the employee's poor performance, will overwhelm him with unrealistic demands. Such demands may discourage the employee rather than motivate him. A supervisor should expect

improvement at a level (rate) that approaches or is equal to standard job requirements for all employees.

8. Set targets for future accomplishments. When the interview is concluded, the employee should have a clear understanding of what he has been doing wrong and what is expected of him in the future. Particular emphasis should be given to areas of expected improvement.
9. The supervisor should close the interview by emphasizing his commitment to the employee's efforts to become successful. The supervisor should offer any support the employee may require to improve. Although the employee is the only person capable of reversing the situation, his perception of a supportive environment will increase his motivation to change. Supervising marginal employees in a supportive manner while simultaneously insisting on maintaining com-

pany standards will usually effect a positive response from the employee.

Whether or not an employee's performance will improve is determined by a multitude of factors—many beyond the control of the supervisor. However, the development and implementation of an effective evaluation program will improve the probability of success. It is very doubtful if improvement will occur without such a program.

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Accounting Student Receives National Award



Garth Deur, a Seidman College graduate student, earned one of the top scores among nearly 67,000 candidates from across the United States who took the Certified Public Accountant (C.P.A.) examination last November.

Deur and three other Michigan residents who were among the top 101 scores will receive Elijah Watt Sells High Distinction Awards for the grades they earned on the exam.

Deur, a Fremont resident, will earn his master's degree in business administration from Seidman College of Business and Administration in May. He will join the staff of Arthur Andersen & Co., the national accounting firm, in its Grand Rapids office in July.

The Sells Awards, established in 1923, are presented to C.P.A. candidates who take all four sections of the Uniform Certified Public Accountant Examination at one time and receive the highest grades. The American Institute of Certified Public Accountants sponsors awards including medals for the top three scorers and certificates for performance with high distinction.

The Sells Award is not the first honor Deur has received. He was the 1981 recipient of Seidman College's Richard H. Giles Scholarship, a \$4,000 award for one year of full-time work in the Seidman graduate accounting program. Recipients of the Giles award are selected on the basis of their academic potential, interest in accounting, financial need, and potential for making outstanding contributions in the field of accounting.

Deur was also one of two Grand Valley students named recently to receive a *Wall Street Journal* Award, given annually to one graduate student and one undergraduate student at Grand Valley and other colleges and universities. Faculty members select students for the awards on the basis of their academic achievements, contributions to the college, and leadership. The award includes a one-year subscription to the *Wall Street Journal* and an engraved paperweight.

Deur is a graduate of Western Michigan Christian High School in Muskegon. He earned a B.S. degree in business administration from Calvin College in Grand Rapids in 1978 and was employed as a general manager for Deur Chevrolet Sales in Fremont before enrolling in Seidman College.

Economic Essay Contest

One hundred students have submitted entries in the high school economic essay contest sponsored by the Economic Club of Grand Rapids in cooperation with the Enrichment Fund of the Seidman College of Business. "What Should Be Done to Revitalize Michigan's Economy?" is the topic for the Spring 1982 Composition Awards.

The contest offers a total of \$2,300 in cash and scholarship awards, including \$250 for the first place winner. Recipients of the awards will be announced at the May 3 meeting of the Economic Club.

Marvin DeVries, dean of Seidman College of Business, is serving as chair of the committee of judges for the awards.