

# Conducting Annual Employee Reviews

## How to Conduct Annual Reviews

An annual review can help you keep your employees happy, engaged, and focused. It is human nature to want to succeed.

Giving your employees feedback on their positive and negative attributes is part of the pathway to success. A poorly designed annual review can have the reverse effect.

In this module, we will discover how to conduct a well-designed employee annual review.

It is important when you are performing annual reviews, that the employees know what is expected of them. Setting a benchmark is how you can show your employees what you and your company expect of them. So what is a benchmark? A benchmark is a baseline standard that you or your company sets for your employees. A benchmark could mean that your employee has to have a certain quality of work, rate at which a function is processed, the number of units completed, or any combination of these. Employees should be aware of the benchmarks that are set, as soon as possible. A great way to notify new employees of benchmarks is to include them in the orientation or initial training. Keep in mind though, that there is a lot of information given to employees during orientation / initial training, so it's advisable to periodically remind your employees of the standards they are expected to meet.

## Set Benchmarks Early

Agreement with Set Benchmarks



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Now that you understand what a benchmark is, you can determine appropriate benchmarks to set. It is important when setting your benchmarks that you, your company, and employees feel like they are reasonable benchmarks. Your company wants to have optimal productivity, so the benchmark needs to be high enough to facilitate the minimum standards of the company's expected productivity. Employees need to feel like it's not impossible to meet the standard, setting the benchmark too high can make employees feel insecure, underappreciated, and cause job dissatisfaction. So how can you make sure everyone is in agreement with the benchmarks? There are several ways to do this, however the most successful is a committee. Forming a committee of employee representatives and upper management can help you make sure that everyone is onboard with the benchmarks. Keep in mind when you are setting these benchmarks that they are meant to be a baseline standard, and the goal is for employees to meet and surpass the benchmark.