



# Enterprising Rural Families™

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This newsletter is an instrument of the *Enterprising Rural Families: Making It Work* program of the University of Wyoming Cooperative Extension Service. For further information concerning the *Enterprising Rural Families* program or on-line course contact [information@eRuralFamilies.org](mailto:information@eRuralFamilies.org) or go to <http://eRuralFamilies.org/>.

## TIP OF THE MONTH:

### TYPES OF MANAGEMENT ACTIVITIES

#### Interpersonal

- **Figurehead**—Officially represents the business, greets visitors, and signs legal documents.
- **Leader**—Sets a tone; directs, trains, equips, counsels, and evaluates employees.
- **Liaison**—Maintains information links both inside and outside the work unit or organization.

#### Informational

- **Monitor**—Seeks and receives information, especially nonroutine, from published, as well as personal, sources in other organizations.
- **Disseminator**—Provides outside information to others in the department or business, and facilitates internal communications.
- **Spokesperson**—Tells outside stakeholders about business situations, plans, policies, achievements, and problems.

#### Decisional

- **Entrepreneur**—Identifies and introduces ideas from improvement, initiates planning for change, directs improvement projects.
- **Disturbance Handler**—Deals with internal and external crises, disputes, and other situations not resolved through routine procedures.
- **Resource Allocator**—Decides how time, staff, equipment, funds and other allocable assets are distributed throughout the business.
- **Negotiator**—Confers to reach agreement on terms of transaction with suppliers, customers, creditors, and service and labor organizations.

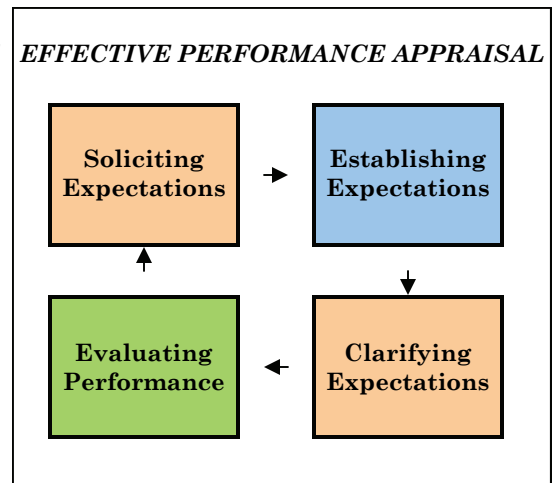
(Source: *Ag Help Wanted*)

## “Assessing Employee Performance”

By: Randy R. Weigel, Professor and UW Extension Human Development Specialist

Performance appraisal is a continuous informational process. Its essence is the observation and evaluation of behavior. Management’s decision should not be *whether* to have a performance appraisal system, but rather *what form* the appraisal takes. Monitoring performance is an ongoing responsibility of all first-line supervisors. Many companies also provide for a regular periodic evaluation of each employee’s work—a relatively formal process of evaluating performance, clarifying expectations for the future, and soliciting the employee’s ideas for improving the business.

In an effective performance appraisal, the dimensions of performance to be appraised and standards of different performance levels are clearly set forth ahead of time. These dimensions and standards help guide the appraised in their work, as well as appraisers in their observations. The evaluation process starts with the establishment of performance expectations, a benchmarking of what the employee is supposed to do and how well. The list of duties on a job description makes the perfect aid for this step, and standards of different performance levels on each task can be agreed upon by supervisor and employee together. Observation of actual performance and results comes next. Maintaining communication about the observations both facilitates real-time adjustments and keeps the eventual appraisal interview from turning into a stressful encounter.



If employees are asked to prepare an assessment of their own performance ahead of time, the appraisal interview can be framed as a sharing of perceptions and planning for the next performance period. Desirable outcomes from this meeting are both new performance expectations and plans for employee development. The employee can use the information gained through the interview for individual decisions, and a record of the appraisal is normally sent to the company files for use in management decisions.

### Utility of Performance Appraisals

Establishment of a structured appraisal program is an investment that can pay off for business owners and managers in better management decisions, as well as enhanced worker performance. To the individual, a performance appraisal represents feedback. People generally prefer to know where they stand and how they are perceived. Appraisal information can also help explain decisions that may otherwise appear arbitrary, such as giving a raise, the sponsorship of a training program, or transfer to a different assignment. Most important to the individual employee, performance appraisal provides **direction and guidance**.



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## Structuring Appraisals Systems

There are three major decisions to make when structuring a performance appraisal system: 1) who appraises, 2) when to appraise, and 3) what and how to measure.

### *Who Appraises*

Possible appraisers include the immediate supervisor, coworkers, self, subordinates, or customers/clients. The immediate supervisor most commonly conducts formal performance appraisals. It is important that the supervisor has direct knowledge of the employee's performance. In some businesses, the supervisor has broad geographic responsibilities and may not know what the employees are doing.

Peer or coworker appraisal is common in some professions and management ranks. Coworkers often have a view of an individual's performance through their daily interactions. Coworkers are often reluctant, however, to officially judge their peers.

Self-appraisal is still relatively uncommon in formal systems, though it offers several advantages. The appraisee has good access to his/her own work performance. Knowing ahead of time that they will have to assess their own work helps employees to focus on what is expected of them. People who have reviewed their own performance are more prepared to participate actively in appraisal interviews.

Performance appraisal by subordinates only applies to supervisory or management personnel. Job security, trust, and/or anonymity are prerequisites to the use of subordinate appraisal. If the appraisers fear reprisal for accurate but unflattering observations, there is little point in even attempting this approach.

The views of customers are sometimes pertinent to the appraisal of an individual employee's work particularly if the customer's relationship is of long duration or close involvement.

### *When to Appraise*

When deciding on the timing of performance appraisals, consider the newness of the employee, the age of the employee, the size of the business, and the nature of the work performed. Official appraisals can be made at the end of a project, at some set frequency, or at random—though there is some concern about “catching an employee off guard”.

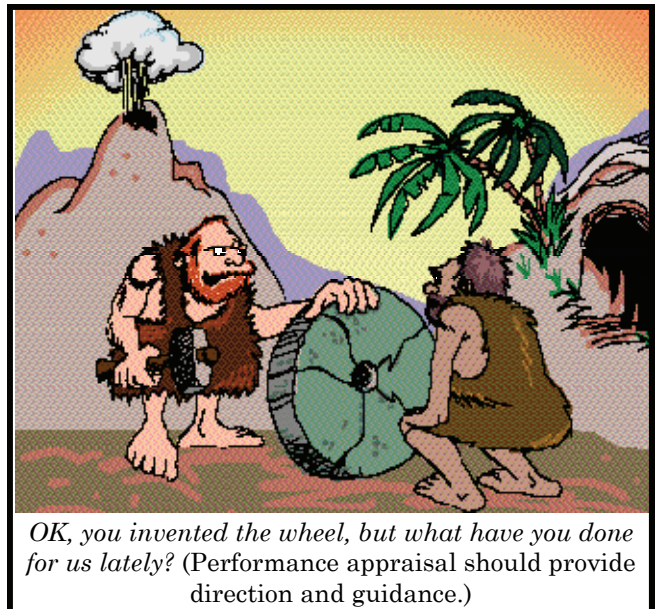
Meaningful performance appraisals ought to occur very often, perhaps even daily or weekly. This is especially appropriate for younger workers who appreciate more frequent feedback. The once-per-year interview goes best when it is the ceremony at which the content of ongoing communication is reviewed.

### *What to Measure*

There are three basic measurement options, and they are not equally useful: 1) traits—such as friendliness, strength, and skill, 2) results—such as new contracts written, widgets produced, acreage of trees pruned, and annual maintenance expense, and 3) observable behaviors—such as operates machinery, greets customers, and learns content of related jobs.

Although trait measures are often used in evaluation, they are seldom valid as measures of performance. The real question in evaluation is whether good performance occurred, regardless of ability.

Results are appealing as appraisal measures, because they appear to represent “the bottom line” of work performance. But for results to be good performance indicators, they need to be identifiable as a reflection of the appraised employee's work, and rarely are results not affected by external factors. Another drawback is that they do not provide guidance for improvement and development. Most employees whose work is clearly reflected in results already know what those results are. What they really need is information about why they achieved the results they did and what to do differently in the future in order to improve upon them.



For all the reasons indicated, and because performance IS essentially behavior, most personnel management professionals favor appraising performance in terms of observable behaviors.

(To learn more about managing labor in businesses, including family and agricultural businesses, go to: <http://AgHelpWanted.org> and view excerpts from the book *Ag Help Wanted: Guidelines for Managing Agricultural Labor*. Details on ordering the book are also available at this site.)

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#### Reference:

<sup>1</sup>Rosenberg, H., Carkner, R., Hewlett, J., Owen, L., Teegerstrom, T., Tranel, J., & Weigel, R. (2002). *Ag help wanted: Guidelines for managing agricultural labor*. Greeley, CO: Western Farm Management Extension Committee.

The three basic  
measurement options  
for performance appraisal...



1. Traits: Friendliness,  
strength and skill, etc.



2. Results: New contracts, growth,  
financial gain, etc.



3. Observable Behaviors:  
Operates machinery,  
greet customers,  
learns content of job and  
related jobs, etc.



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