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Party-Directed Mediation: Helping Others Resolve Differences
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PART V - PREVENTIVE MEDIATION

FOR COMMENT

Negotiated Performance Appraisal

After employee selection, performance appraisal is arguably the most important management tool in an organizational setting. In the traditional performance appraisal, however, the supervisor acts more as a judge of employee performance than as a coach. By so doing, unfortunately, the focus is on blame rather than on helping the employee assume responsibility for improvement.

Here we introduce a new model, that of the *negotiated performance appraisal*. Strengths of the negotiated performance appraisal are its ability to promote candid two-way communication between supervisor and subordinate. Or, talking about things that we normally do not talk about.

Even where there are no contentious feelings, people often limp along in their communication interactions. This is true in all types of organizations. The negotiated performance appraisal can not only help improve communication, but also serve as a form of preventive mediation—before negative feelings have developed or taken full hold.

Does this mean that the traditional performance appraisal approach should be discarded? Not at all. Experts in the field have often suggested that the performance appraisal should not be tied to decisions about pay raises. When appraisals are tied to pay raises, they argue, employees are more defensive and less open to change. So how should pay raise decisions be made, then, if not through the

performance appraisal? I would suggest that the traditional performance appraisal can still play a critical role in management and is ideal for making pay raise decisions. But it is in the negotiated approach where employees can truly come to grips with what it is that they need to do to maximize performance, career advancement, earnings, and job satisfaction. In volunteer organizations other worthwhile achievements can be attained.

For the employee to have enough time to respond and improve, the negotiated performance appraisal should take place at least 9 to 12 months before the traditional one. There are no such strict time requirements when the traditional approach (used to make decisions about pay) precedes the negotiated one (used as a coaching tool).

EMPLOYEE NEED FOR FEEDBACK

Although employees vary in their desire for improvement, generally employees want to know how well they are performing. Some individuals imagine the worse possible scenario when communication is weak or infrequent. Others tend to think that all is well when indeed important changes are needed.

People need positive feedback and validation on a regular basis. Few management actions can have as positive an effect on employee performance as encouraging affirmation. These constitute good-will deposits without which withdrawals cannot be made.

This does not mean supervisors should gloss over areas needing improvement.

When presented in a constructive fashion, subordinates will often be grateful for information on how to improve shortcomings. Such constructive feedback, however, “can happen only within the context of listening to and caring about the person.”²

In general, managers who tend to look for subordinate’s positive behaviors—and do so in a sincere, non-

manipulative way—will have less difficulty giving constructive feedback or suggestions. Furthermore, in the negotiated approach, the burden for performance analysis does not fall on the supervisor alone, but requires introspection on the part of the individual being evaluated.

Next to employee discipline, performance appraisal interviews are probably the most dreaded management activity. Traditional performance appraisals, as we have said, put the supervisor in a position of being the expert on the employee's performance. The subordinate often reacts with passive resistance or noticeable defensiveness. No wonder supervisors are often hesitant to deliver bad news to subordinates. It is easier to ignore it and hope it goes away.

Managers can make the task easier by putting more responsibility on the subordinate for the performance appraisal.

The best place to introduce the process is within the highest levels of the organization. The negotiated approach to performance appraisal is likely to make its most profound contributions at such levels. Mid-managers, who in turn apply the approach with their subordinates, will have already participated in a negotiated performance appraisal in the subordinate role, and will thus have understood the value this tool can have.

Facilitator Role

Although the negotiated appraisal can take place between supervisor and employee alone, the use of a third party can greatly facilitate the success of the approach. Certainly, it lends it legitimacy and seriousness, and underscores the value it has to the organization. It is not seen as just another required form or procedure.

During the pre-caucuses, the facilitator can (using the negotiation process outlined in earlier chapters) help the parties present their thoughts in the best possible light and focus on needed changes rather than defending positions. The third party is there to listen to the individuals, ask good

questions, help brainstorm, examine viability of solutions, and provide some key interpersonal negotiation training.

Facilitator involvement in the pre-caucuses will vary depending on the skills of participants, and the quality of their preparation. It is helpful for facilitators to meet with the evaluators and subordinates separately and give them instructions ahead of time. This preparatory work will save much time later on.

The role of the facilitator changes substantially during the joint session. Once again, depending on the thoroughness of the groundwork and skill of the participants, the role of the facilitator can vary widely from almost a mere observer who records agreements, to a more active role making sure that dysfunctional communication tactics are avoided.

This third party role may be played by a facilitator, mediator or interpersonal relations consultant.

OVERVIEW OF THE PROCESS

Supervisors ask the subordinate to bring three lists to the performance appraisal interview: 1) areas where the employee performs well (what he contributes to the enterprise); 2) areas where the subordinate has shown recent improvement (perhaps over the last year); and 3) areas where the employee feels weak, or thinks his supervisor would like to see improvement. It is appropriate to give the employee enough time to think through these lists, perhaps two weeks or so to complete the assignment.

Because the supervisor will also fill out the three lists, employees are more likely to bring candid responses to the table. It is critical for the subordinate to hear his supervisor say something like: "I will also fill out these three lists," and then repeat the purpose of each list again. "That is, 1) areas where you perform well and what you contribute to the organization from my perspective (i.e., the supervisor's perspective); 2) areas where you have shown recent

improvement; and 3) weak areas where you still need to improve.” The key point here is that subordinates will hear their supervisor say that there are performance areas where they are valued, and just as importantly, that the employee can still improve in other aspects of the job.

When several employees are going to participate in a negotiated performance appraisal, they can all be brought together to hear an explanation of the procedure. While speaking of the lists to be filled out by the subordinate as well as the supervisor, it is a good practice to make eye contact with each individual while alluding to the positive qualities, as well as the list of areas that need improvement.

Such eye contact transmits the message to each subordinate that there are areas that the supervisor feels she excels at, and just as important, areas that need improvement. This latter point is particularly critical from a psychological perspective.

It is human nature not to want to bring up our faults; but it is also human nature to prefer to point out our own shortcomings rather than having someone else do it. This process allows the subordinate to think in terms of both his own performance expectations and perceived supervisor expectations.

There is a *fourth* list, just as significant as the first three. It is important to include it as an assignment ahead of time so the subordinate has time to think about it and come prepared. The fourth list is the employee’s response to the question: “What can I do differently, as your supervisor, so you can be more effective in your job?” Note that the supervisor is not asking the employee “do you like me?” or anything of that sort, but rather, the focus is on what changes the supervisor can make to facilitate the performance of the subordinate.

If a supervisor is not truly willing to listen to what the employee may have to say here, the negotiated performance appraisal will not work as it should, and a more traditional performance appraisal would work better.

The facilitator helps both superior and subordinate brainstorm each of their respective lists, and helps them think about concrete examples in each category within each of the lists.

Between supervisor and subordinate, a total of seven lists are filled out. While each plays an important role, three are particularly key:

For the *supervisor*, 1) preparing items that fall within List I—and thus truly celebrate the employee's achievements.

For the *subordinate*, 1) thinking through weak areas in List III, including examples of such, and perhaps just as important—arriving at one or two concrete and viable plans for improving each of the weak areas listed; and 2) assisting individuals in overcoming the apprehension of filling out List IV—the areas where the supervisor can change so that the subordinate can do a better job.

THE PERFORMANCE APPRAISAL JOINT MEETING

When the time has arrived to sit and discuss the employee's performance, a relaxed, positive atmosphere should prevail before entering into the substance of the meeting. A location without distractions is essential.

The subordinate is asked to read each list, beginning with the first. Managers should listen intently and take notes if needed, but should not interrupt the subordinate except to ask questions that help clarify an issue. Interrupting to clarify one's understanding is almost always a good move. If the employee says something the supervisor finds strange, troubling, or unclear, it is good to ask the employee to amplify or explain a point. People seldom mind being interrupted when it means having the opportunity to offer clarification. Such questions should not put the employee on the defensive, nor should they be comments disguised as questions.

First List

The main purposes of the first list are to 1) recognize employees' strong points and let them know these have not passed unobserved, 2) honestly build up employees so they can be more receptive to constructive criticism (an employee who is so concerned about his self-esteem, or about being attacked, will naturally become defensive and less receptive to suggestions for improvement), and 3) help avoid coloring all of an employee's behaviors with the same ink (e.g., thinking of her as a "difficult person" rather than as an employee who resorts to some "unproductive behaviors").

The supervisor can take advantage of the fact that the subordinate reads her list first to add any key areas of praise and recognition she may have left out of her own list.

This opportunity should not be taken lightly.

At one firm, a supervisor leaned heavily on an employee's early career contributions but missed the more recent ones. The subordinate's feelings were hurt. He felt that the supervisor was not paying any attention to his more recent accomplishments.

These type of errors are more likely to occur in those organizations where performance appraisals are conducted on a regular basis, and supervisors use notes from previous years. The facilitator can play a key role in the pre-caucus by asking the supervisor to especially focus on the last few years. And by having the supervisor listen carefully to items listed by the subordinate.

After the employee finishes reading her first list, the supervisor can read his list. The supervisor praises the employee's good points—as we alluded—even if the employee has already mentioned them.

The first list is the vital foundation of the negotiated performance appraisal. Time spent developing and discussing what employees do well is never wasted. In the rush of everyday activities, supervisors often focus on what

an employee is doing wrong. How often do we take time to give carefully thought out compliments? Not infrequently, employees will visibly smile when honestly complimented by their supervisor.

Employees who feel that they are performing well in at least one area of responsibility, and feel validated by their supervisors, are more likely to want to improve their performance in other areas, too. We also said that sincere compliments are good-will deposits without which withdrawals cannot be made.

An employee's feelings of self worth are strengthened by such validation, and constitute the positive force, or momentum, that gives an individual the strength and determination to try harder in areas of weakness.

Employees can quickly sense, however, when a compliment is not sincere. Also, when supervisors are negative and cannot find anything to compliment in an employee, this person often has little desire to make needed changes.

Considering the immense importance of the the first list, let us take a moment to clarify what it means to give a sincere compliment, one that is really *felt* by the recipient. When someone does something we really appreciate and we thank that individual, we could say that such thanks are worth 3 or 4 points. It is simply a matter of good manners. If we did not thank that person in some way, this individual could build up some resentment.

If we return a few hours later, or the next day, and remind that person of the positive circumstances associated with the original compliment, the power of the praise gets multiplied several fold.

As supervisors think about and prepare the first list—what the employee does well—they will come up with such descriptive words as responsible, dependable, observant, creative, efficient, hard working, thorough, takes initiative, and so on. Telling an employee that she is dependable, creative, or takes initiative is equivalent to a 3 or 4 point

accolade. The supervisor is not taking advantage of this opportunity to deliver a well thought out and powerful compliment.

If we take the expression “takes initiative” and tell a subordinate that for us, a person who takes initiative is one who not only does that which he was assigned, but completes the task in a timely basis or informs the supervisor before the due date that more time is needed to complete the job; or brings a problem outside his area of focus to the attention of the appropriate person; or may take care of a matter without being asked, that this is to take initiative. And when the supervisor then adds something to the effect that the employee has that quality, instead of a 3 or 4 point accolade, it may be worth 30 or 40 points.

The supervisor may increase the force of the compliment to 60 or 80 points by adding specific examples—also known as *critical incidents*. These critical incidents will often begin with a date, such as, “Three weeks ago...,” “Last month...,” “Yesterday...”

In the category ‘observant,’ for instance, a dairy supervisor may give the example: “Two weeks ago, when I was speaking with the veterinarian, you interrupted us to tell us that the milk tank refrigeration was off. Your observant eye saved us thousands of dollars.” An executive may say to his assistant, “At the last sales meeting with our French clients, when I was giving my talk, you noticed I had forgotten to bring the samples, and managed to make all the right phone calls and get those to me at the very moment in the presentation when I needed them. I still don’t know how you noticed, or what strings you had to pull to get those samples to me. Not only did it save me from a great embarrassment, but we ended up impressing our clients and securing a contract with them.”

For every positive category, the supervisor needs to explain what it is about that category that is so important, and hopefully provide at least two examples of the evaluated behavior.

The purpose of list number one is to celebrate the accomplishments of the subordinates. On one occasion, the general manager being evaluated truly felt the sincerity and the power of the compliments she was hearing, and joined the celebration by adding several examples of the positive behavior that was being discussed. 100 points!

The word celebrate implies taking time to stop and dwell on what has been accomplished. Anything we can do to prolong the time that we spend on the first list, will help this process of celebrating. For instance, one facilitator has extended the time spent on the first list by asking the supervisor to read the whole list before going into the details. And after the supervisor finishes with the details, she will also read her summary notes to the subordinate.

Have you ever said something nice to a person only to have them ask you what it is you just said? I have noticed that people often ask for repetition when hearing nice things about themselves that they appreciate, but either have not heard in general, or have not heard them from this particular individual.

A manager once asked, “Besides pay, what tools do managers have at their disposal to help motivate people?” One clear answer is employee validation. I would dare say that few people ever receive the type of powerful praise we have been discussing. Individuals seldom receive these well thought out compliments from someone in the workplace or out of it.

In your youth, did you have a favorite uncle, teacher or someone else who really believed in your potential? And as a result, when this person was around, you tried to give them your very best in return? Conversely, have there been people in your life who thought you would never amount to anything? People who never inspired you to prove them wrong—at least not while they were around?

I do not recall where I read or heard about a manager who began each day with ten coins in one pocket. Every time he praised an employee, he moved a coin from one

pocket to the other. His goal was to move all coins every day. With time, he no longer needed the coins as he became a person who looked for good in others. In effect, the first list permits us to look for the good in others.

I know of managers who have implemented the negotiated performance appraisal and who have approached me to say how it has changed their organizational climate for the better. Such a positive climate, has, in turn, helped improve productivity in a noticeable way.

Interestingly, some of the reasons people may not compliment others include *fear* that the subordinate: 1) may ask for a raise; 2) reduce his efforts; or, 3) think he has nothing to improve on.

Each of these fears is legitimate.

Yet, the negotiated performance appraisal permits supervisors to compliment freely, because each of these issues is in some way incorporated into the discussion. For instance, the employee will learn what she needs to do in order to improve her chances of obtaining a raise when those are considered through a traditional performance appraisal later on; and because the negotiated performance appraisal will spend considerable time in a conversation about what the employee can improve, there is little worry about spending time talking about what the subordinate does well.

The negotiated performance appraisal promotes the talking about things we normally do not talk about in organizations. This communication process is, to a large extent, responsible for reducing budding conflicts before they get out of hand.

Returning to the performance appraisal, if the subordinate brings up, as one of his good points, a performance issue that the supervisor considers a weak point, the supervisor attempts to understand the employee's perspective, and under no circumstance disagrees with the employee at this point.

It should be understood, also, that most positive traits,

when taken to their extreme, can turn into a weakness.¹ For instance, while perseverance is a positive trait, when taken to the extreme, it may mean an employee who does not understand that there is such a thing as spending too much time on an assignment—refusing to move on to other more critical issues.

While there may be disagreements between the manager and subordinate about whether something is a positive trait, this is not the time for such a discussion. The opportunity will present itself when discussing areas that the employee needs to improve. Nor should supervisors cloud the positive issues by telling the employee now that this point belongs both under the positive employee contributions and the list of items that need improvement. Nonetheless, when discussing employees' weak points later on, it can be very beneficial to remind them of their positive traits.

Second List

The function of the second list is to permit employees to discuss weak areas they have been working on. Of course, when an employee says she has improved in an area it does not mean she has totally conquered the problem. As before, the supervisor listens and asks for clarification, without interrupting the employee. The supervisor acknowledges the comments of the employee, and then reads his own list. While the second list often takes relatively little time to discuss compared to the first and third list, it is important for subordinates to have the opportunity to speak about these matters.

Third List

The rationale of the third list (as well as the others) is to help make good employees better and to help those who are performing poorly improve. Everyone can improve. Just as managers may color employees with negative strokes and not recognize the good in them, supervisors can also neglect to help outstanding employees reach their full potential.

This may be done by failing to acknowledge strengths or by ignoring weak areas, as insignificant as they may appear. In the process of sharing lists, areas of misunderstanding can be cleared up. A manager may have incorrectly assumed, for instance, that his supervisor was upset about his willingness to point out potential challenges, when, in fact, the supervisor was quite pleased even though she had not mentioned it.

Again, allow the employee to go first. Permit the employee to read his complete list uninterrupted, except to ask for clarification when needed. Ideally, the employee's self-report will be complete and accurate.

When an employee speaks of something as being a problem, challenge, or weak area, the supervisor should not jump right in and say, "I agree, I also think this is a weak area for you."

In fact, when it comes time for the supervisor to read her third list, there is no need to repeat what the employee has said. Instead, the supervisor brings up any issues that have not been raised thus far. A key point to remember is that when employees acknowledge something as a weak point, they have taken ownership of that problem.

In some situations employees may become overly self-critical in an effort to evoke a compliment or to have the supervisor reduce the seriousness of the situation. If the employee's performance was truly deficient in some area—the supervisor may ask, "what makes you think you did so badly?"

Once the subordinate has acknowledged his need for improvement, the supervisor needs to be careful not to fall into a more traditional role: that of an expert telling someone about his faults. Instead, the supervisor can now be an active listener, offering support and help to the subordinate in changing unwanted behavior.

Once the third list is constructed out of employee comments plus any additions made by the supervisor, the supervisor can now turn the time over to the subordinate, for

a discussion of specific items from the employee's list.

The manager might say something like, "Yukiori, you say that you could improve on your organizational skills. Tell me what specific steps you would like to take during the next few months to strengthen these."

Supervisors do not have to pick items to discuss from the employee's list in the order that they were given, but rather, may opt to choose an issue that appears to have a more straightforward solution. Or, the supervisor may ask the employee to choose an area to begin the discussion.

When it comes to solutions, some employees may provide overly vague or simplistic ones, such as, "I'll try harder." Good intentions may not yield positive results, however, unless plans for exactly what will be done differently are evaluated. Nor does it help when an employee sets unrealistically high goals that have no reasonable chance of being carried out.

As solutions are examined, managers may be asking, "How will we know in three weeks, three months, or a year, that the goal is being met?"

One of the key roles played by a facilitator is to help subordinates arrive at this meeting prepared with several viable solutions to each of the areas of weakness.

Despite what has been said about allowing the employee to solve his own problems, sometimes it helps to offer a few alternatives when none have been brought up. What is most critical is for the subordinate to feel empowered to accept, modify or reject the suggestions.

Depending on the extensiveness and importance of the challenge involved, thinking through a particular work process and all the likely places where problems may be introduced may be helpful in better understanding the complete problem. The effectiveness of brainstorming sessions may depend on the willingness of participants to think outside traditional solutions.

The more concrete and specific the solutions, the greater the potential for success. An employee in charge of the shop

came to an agreement with his supervisor on how to make tools accessible to others and at the same time reduce the unorganized way through which tools were leaving the shop and not returning. Another employee agreed to give colleagues advance notice that he would need them rather than demanding instant help, unless, of course, it involved an emergency.

By the time the employee and supervisor are reviewing the third list, both individuals may be emotionally drained. There is the temptation to solve a difficulty with haste and expediency. Also, the employee may begin to get defensive, negating all the good that was mentioned at the beginning of the meeting.

The role of the facilitator is to not only watch for viable solutions and agreements, but also be sensitive to participant emotions. The facilitator will want to encourage further conversation when there seems to be an inordinate amount of negative emotion.

Negative emotion often means that while individuals may be agreeing, they may be doing so simply to get past a topic, but that deep inside they may have serious questions as to how a matter will be truly resolved. The facilitator may ask, "Javiera, are you comfortable with that agreement?" If this feeling persists, the facilitator may raise the issue again.

The worst thing that can occur is for the parties to simply plow through without concern for people's feelings or the viability of agreements. This is not to say, of course, that in the natural course of conversation there will not be a number of tense or challenging moments in the joint session.

Periodically, the supervisor may want to remind the employee of something discussed in the first list (what the employee does well).

Take, for instance, a situation where the subordinate and supervisor may have been discussing an employee's tendency to be a little self-righteous and discount other

people's opinions. The manager senses that the employee is beginning to feel somewhat discouraged and deflated in the process of searching for a viable solution.

The supervisor may say something like: "You know, Kenny, I realize that it is *because* you care so much about this operation, *because* you take pride in your work, *because* you want things done just right, that you wish to express your opinions. And we certainly want to keep hearing them. The challenge, as I see it, is how do we encourage others to feel that their opinions are important? Especially those who are shy about giving their opinions to begin with?"

There may come a point, occasionally, that more good can be done by continuing the appraisal at a different time. It is at these points when supervisor and employee may want to set a date to meet again (say, in two or four weeks) and brainstorm potential solutions. When the parties are well prepared in the pre-caucus, it will truly be an exceptional case that will require a second joint session.

All items need to be discussed before ending this part of the appraisal and moving on to the fourth list. This includes all of the items from the supervisor's list that have not been adequately covered.

In providing feedback to subordinates on below-standard performance, it is unfortunately easy to generalize, or to fall back onto more traditional performance appraisal approaches. Ones in which the supervisor assumes the position of expert on the employee's performance. Instead, supervisors need to separate the specific area of performance needing improvement, or risk failing to communicate.

For instance, a subordinate may be demoralized by hearing he is a poor listener, as he puts much effort into that area. Instead, he may be told he tends to avoid conversations that involve disagreement.

While an essential part of the negotiated performance appraisal involves sharing positive critical incidents or

examples, the approach taken when dealing with negative issues is somewhat different.

In an earlier chapter we spoke of using as little a hammer as possible when introducing negative feedback. The hope is that the subordinate will explain his understanding of the challenge without having to spell it all out. Only if the employee seems lost, do we increase the hammer size slowly, first introducing the general principle in more detail and then adding a few critical incidents if it is necessary.

The supervisor wants to avoid negative labels. Telling an employee that she is lazy, stubborn, inconsiderate, or does not take initiative is likely to yield negative and defensive reactions. But it would be fine to say something like, "I would like to see you work very hard at finding possible solutions before bringing me a problem you are facing."

Before closing this portion of the performance appraisal meeting, it is important to refocus and remind the employee of some of the positive contributions she has made to the organization. Where multiple joint sessions are required, every effort needs to be made to start and end each meeting on a positive note.

Also, sometime before ending this portion of the joint session, it is good to review exactly what has been agreed to (a copy of these decisions may be printed out and given to each participant for further review and for a record of the meeting) as well as detailing pending issues that still require solutions. Without specific goals and objectives with timetables for their execution, the performance appraisal most likely will do more harm than good. Following through on the timely achievement of these goals is just as vital. A valid alternative is to work on the detailed list of agreements after the fourth list.

Fourth List

The fourth list is based on the question asked by the superior, "What can I do differently as your supervisor so you can be more effective in your job?."

When sincerely asked and when employees are given time to prepare a thoughtful answer, especially after the employee is put on notice that his own performance is being evaluated in such detail, this question can greatly improve the performance appraisal process.

Also, because this question is asked last, employees are more likely to speak up, especially now that they know how serious the process is.

The wording is such that it elicits genuine subordinate input. When the employee speaks in response to such a question, the supervisor needs to control the natural tendency to want to defend or explain past behaviors. The supervisor needs first to make an effort to understand the employee's perspective and avoid becoming defensive.

One employer had a standard operating procedure where anyone ordering supplies had to check the prices with three different vendors within a given time period. As a result of this negotiated appraisal process, a top manager made a suggestion to his employer, "You keep the notebook with current data on costs for materials in your office. When you are not here, I have to make the three calls before I place an order. Instead, if I had access to that book, I could check to see if you had already made one or more of the required calls. When I do end up having to make calls, these can be annotated and dated with the new data right on your notebook. Then, that saves you time, also."

As soon as the employee realizes that the purpose of the discussion is to *solve problems* rather than *assign blame*, difficulties are more likely to be raised and shared. This is an opportunity to fix challenges and make tasks run more effectively. The reason this approach works so well is that when a supervisor recognizes—and acts on—the need to make changes in her own behavior, she will make it easier for the evaluated subordinate to also make positive changes.

The most effective performance appraisals not only involve a discussion between an employee and corresponding supervisor, but also examine the relationships

between the evaluated employee and others with whom he may come in contact. So, for instance, instead of asking for anonymous evaluations from a colleague with whom the employee works with on a regular basis, each can answer the question for the other, of how to best provide mutual help. And they do so in a collaborative, rather than competitive, environment. The same may be said of two business partners.

FOLLOW-UP TO NEGOTIATED APPROACH

A follow-up meeting a month or two after the initial performance appraisal to discuss where the employee has improved, as well as areas that need special attention, is necessary. At one operation, an employee had improved in a number of areas, but several key weak areas soon surfaced—including some that were not discussed in the original meeting. The supervisor was highly frustrated and wondered if this employee could be rescued. Fortunately, they met once again for a successful follow-up appraisal.

In many ways, the follow-up is similar to the original meeting. The employee who was appraised should have the opportunity to come prepared to discuss what has worked and has not worked for him thus far. The supervisor likewise prepares the same way.

Focusing first on the positive is as critical to the success of the follow-up meeting as it was to the original one. The idea is to prevent blaming and defensive behavior. While the negotiated approach to performance appraisal does not guarantee success, it does an excellent job of making it clear what each party has to do to achieve that success. The discussion, then, is about specific points that are standing in the way of the employee reaching her full potential.

Where the negotiated performance appraisal has been used with an individual whose performance has been substandard, supervisors should be alert to positive changes made by the employee and praise these. Managers often

have a tendency to forgive deficiencies, almost to a fault. But once a supervisor decides that enough is enough, she may have trouble seeing and recognizing positive employee progress.

When the negotiated performance appraisal is tied to a more traditional appraisal for making compensation decisions, this also constitutes a form of follow-up and an encouragement for the employee to put forth her best efforts. To take advantage of this process, employees should be notified from the outset that a more traditional performance appraisal will be used to make pay decisions and determine if goals have been met. It is also useful to let employees periodically know how they are doing, from management's perspective, in meeting the goals that have been set through the negotiated approach.

SUMMARY

The negotiated performance appraisal, much like the Party-Directed Mediation, is composed of both pre-caucusing and a joint session. While in day-to-day life people in organizations often avoid sensitive topics, the negotiated performance appraisal encourages the talking about things people often do not talk about. As a result, this is an excellent tool for avoiding conflicts or dealing with disagreement before the matter degenerates into a contentious battle. The negotiated performance appraisal model facilitates effective conversation through a combination of good-will deposits and a frank conversation about needed improvement—one that avoids focusing on blame.

CHAPTER 12—REFERENCES

1. Oaks, Dallin H. Our Strengths Can Become Our Downfall. *BYU Magazine*, November 1992, based on speech given at Brigham Young University, 7 June 1992, pp. 34, 38, 42-43.