

Avoiding formalities in employee appraisals, “Dienas Bizness”

Riga, Latvia – An individual approach, regular feedback and flexible solutions are needed to evaluate employees in the modern world, says Pedersen & Partners’ Latvia consultant [Guna Kalnina](#).



Traditional employee appraisals are still widely used on a global level. The most popular methods include regular structural discussions and negotiations between employer and employee based on set schedules, and the provision of 180-degree or 360-degree feedback. However, we are seeing a trend towards replacing annual evaluations with semiannual or quarterly career discussions, and many companies are looking for new solutions and creating special platforms.

We live in a century when employees usually only work for about 2-3 years in the same company. This makes annual evaluation an outdated instrument, admits Pedersen & Partners consultant Guna Kalnina. Over the last few years, several big companies (Accenture, General Electric, Motorola) have announced that they are giving up annual evaluations entirely, stating that they only give rise to inexpedient costs, unreliable data, and demotivated employees. Some companies have replaced long and complex surveys with four to six simple questions, often yes/no questions (Deloitte, Adobe, Microsoft). We are also seeing a trend away from evaluating employees with numerical levels and scores, where the manager takes on an adjudicatory role and creates a negative environment and false competition, and towards regular brief discussions with employees and positive appraisals, says [Guna Kalnina](#).

Several years ago, a Mercer Global Performance Management survey revealed that only 6% of managers felt able to talk openly with employees about their performance. “In Latvia, we are still in the process of educating our managers (borne out by the high demand for managerial skills trainings). Annual performance evaluations constitute a tool for a manager to improve his or her ability to talk with the employees, and is often the only time in the entire year when the employee gets honest performance feedback,” Guna Kalnina observes. As annual performance evaluation declines, new trends have emerged – mobile apps for real-time feedback that allow 360-degree performance appraisals to be combined with immediate feedback and the ability to modify the manager’s appraisal questions to take advantage of immediate data on the employee’s progress and development. These apps use specific algorithms to prepare employee performance evaluation charts and training plans (e.g., Workday, Glint, 15five). They are simple and attractive, and have some entertainment value. Guna points out that this reflects the sensibilities of Generation Y by providing instant and visually-attractive feedback.

“When selecting the most appropriate performance evaluation tools, the employer must first of all decide on the resources (time and money) that they want to invest,” Guna says. “The developers of the most modern tools (such as real time feedback) offer a contract for a year and charge 6-10 EUR per platform user per month. More detailed evaluation external tools can cost up to several hundred euros,” she adds. Finally, the employer must be ready to train managers and employees on the new evaluation tools. “There are some wonderful examples where the employer invites actors to do a pre-appraisal role play on the typical mistakes made by managers and employees during annual career talks”, Guna concludes.



[Guna Kalniņa](#) is a Consultant at [Pedersen & Partners](#), based in Riga, Latvia. Ms. Kalniņa brings over 10 years of extensive Human Resources experience with in-depth focus in the Aviation, IT, and Management Consulting sectors. She began her carrier as a recruitment specialist with the national carrier airBaltic Corporation, and eventually was appointed as the HR Business Partner, overseeing and implementing all HR processes (planning, recruitment, performance assessment, training, reward, and exit management). Later on she took on the HR Manager role for the Latvian office of a Swedish IT and web design consulting firm, led the HR Department of a charter and ACMI operator (covering operations in Europe, Asia and Africa), and served as the Head of HR for an IT and Management

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