UPON FURTHER REVIEW...

TAKE THE GUESSWORK OUT OF THREE EVALUATION CONUNDRUMS WHEN IT COMES TO ASSESSING TEAM MEMBERS' PERFORMANCE.

BY DAVID WHITEMYER

Replacing a team member is an onerous process, from sifting through endless résumés to conducting interviews to on-boarding the new person.

All that time is costly: A 2011 study by Harris Interactive found that organizations risk 250 percent of an employee's salary in turnover costs as a result of poor performance-management processes—including performance reviews.

The study also found that just 37 percent of employees receive useful feedback from their manager. What's more, nearly half of human resources managers don't think performance reviews are accurate appraisals, according to a 2012 survey by the Society for Human Resource Management.

That's where project managers go to work. By effectively conducting formal reviews, supplemented by informal evaluations, project managers can address team members' weaknesses, reward their good work, set future goals and implement an improvement plan—thus rendering the replacement of a team member less likely.

Of course, that's all contingent on performance reviews implemented in a consistent and timely manner. Jihan Al Sherif, continuous improvement program manager at Bahrain Airport Company, Muharraq, Bahrain, maintains monthly one-on-one chats with team members and conducts formal performance reviews every four to six months.

"The important thing is you don't want to wait and do a performance appraisal at the end of the year or end of the project," she says. "You want any corrective action to line up with the organizational objectives of the company and the project."

Because performance reviews touch on personal as well as professional issues, project managers must tread carefully. Here's how to mitigate three challenges that come up frequently during the review process.

THE CHALLENGE: NOT ALL TEAM MEMBERS ARE CREATED EQUAL

To provide thorough and fair feedback, "not only do project objectives need to be clearly defined, but the tools and capabilities needed to achieve them have to be identified and understood by both the project manager and the team member," says Rodolfo Aular-Hernandez, PMP, consultant project support at Standard Life Assurance Company in Montreal, Quebec, Canada. Team members' different personalities and methods of communication make it difficult to clearly define those objectives.

THE SOLUTION: DIVIDE AND CONQUER

Regardless of personality type, formal performance reviews are best conducted face-to-face—never by video, phone or memo, Mr. Aular-Hernandez says. Each in-person review,

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however, is different, dependent on common personality types:

- **The Defensive Team Member:** Pointed questions such as, "Why didn't you do this?" generally trigger defensive reactions in this type of personality. Project managers should steer clear of simply stating what's going wrong; instead, Mr. Aular-Hernandez suggests using open-ended questions. For example, invite them to help solve a problem by asking for their input.

- **The Go-Getter:** This hard worker isn't always the shining star. "The big challenge is to keep this team member's actions and results aligned with the project goals," he says, adding that project managers must directly address a team member if his or her actions diverge from project goals. The project manager also may want to mention if the person's extremely motivated behavior is overwhelming the rest of the team or creating unnecessary resentment.

- **The Grizzled Veteran:** This experienced team member often resists change. "Capitalize on his or her experience and knowledge," says Mr. Aular-Hernandez. During the review, project managers can invite these veterans to serve as coaches for their less seasoned counterparts. They're more likely to be receptive to critical review comments if the conversation starts with praise.

THE CHALLENGE: "YOU'RE NOT THE BOSS OF ME"

"In an ideal world, every project manager should be involved in doing reviews for their team members," Ms. Al Sherif says. That may be a simple process in project-based organizations, but it can be tricky in functional and matrix organizations where the person conducting the evaluation may not have high-level authority over the reviewee.

THE SOLUTION: COMMUNICATE AND COLLABORATE

Sometimes a team member's deficiencies or problem behaviors are the result of stresses from the func-

tional manager, and therefore not in the control of the project manager.

In those cases, the project manager and functional manager should agree ahead of time that the former will review the team member within the context of the project, says Rich Maltzman, PMP, Andover, Massachusetts, USA-based leader of learning and professional advancement in the global project management office at Alcatel-Lucent.

For example, a project manager could assess how an engineer works with programmers or marketers on the project team, rather than in the context of other engineers in the department. "The project manager sees how the engineer works with people from all other functional contributors, whereas his or her boss only sees him or her with respect to other engineers in the department," Mr. Maltzman says.

Three Questions for Every Review

Project managers have the opportunity to act as career coaches for team members when they perform formal reviews. Jihan Al Sherif, PMP, Bahrain Airport Company, Muharraq, Bahrain, recommends they include three questions in all reviews to foster productive dialogue:

1. What three things could the team improve upon?
2. If you were CEO for a day, what would you do?
3. If you were the customer on this project, would you have asked for something different?

"There are no right answers, but the questions get team members involved in the review and show how deeply they're thinking about issues," Ms. Al Sherif says.

What's the Perfect Type of Review?

The short answer: No one performance review method is ideal, because when people conduct reviews, error, bias and oversights always exist. Here are three types of reviews that attempt to reduce subjectivity:

- **Ratings Scale:** The most common method uses a numerical grading system to rate employees on a host of traits such as teamwork and technical ability. This egalitarian system puts all similar-tiered team members on the same scale.
- **Weighted Checklist:** Also called the "behavioral checklist," this method allows supervisors to provide both written and numerical feedback on behaviors that are relevant to performance, rather than just on an individual's traits.
- **360-Degree Feedback:** This method allows input from multiple people, including peers, team leaders and even clients. "It's not limited to one perspective at a time," says Rich Maltzman, PMP, Alcatel-Lucent, Andover, Massachusetts, USA. "As a recipient, you know input isn't limited to your boss; if you're a supervisor, you get feedback from your employees and peers."

After the review, project managers should always provide relevant written or verbal feedback about team members to their functional managers. "This also will gain project managers a reputation of being involved," he adds.

THE CHALLENGE: THERE'S NO "TEAM" IN INDIVIDUAL REVIEWS

Project success is based on the collective work of many; performance reviews are based on the work of one. Therein lies the paradox, says Bill Egginton, senior lecturer on program and project management at Cranfield University, Defence Academy of the United Kingdom, Wiltshire, England.

"Evaluating people at the level of the individual may detract from the needs and subsequent success of the team," he says. "Moreover, the efforts of each team member are a reflection of the quality of the team leadership, which can make it difficult to determine an individual's true strengths and weaknesses."

THE SOLUTION: USE REVIEWS TO IMPROVE MORE THAN JUST THE INDIVIDUAL

Team member performance reviews must provide for that caveat by focusing on individual expertise and contributions, as well as how well the person worked within the team. "Where the individual was part of a subteam, like a group of testers, you need to be very clear and specific about the team member's contribution: 'Henry was part of a small team that worked in tough conditions and put in extra time to ensure the quality of their deliverable,'" Mr. Maltzman says.

Recognizing that the performance reviewer, too, impacts project success, team member assessments also can serve as a wake-up call to project managers for their *own* project performance. Therefore, during reviews, Mr. Maltzman suggests project managers turn the tables and request feedback about the project, project manager, project team and processes with open-ended questions such as, "What could I have done differently to allow you to have a more effective contribution or enjoyable experience?"

He also recommends getting down to specifics by asking the team member to rate the project manager on skills such as:

- Communication
- Team-building
- Technical knowledge
- Involvement in team members' day-to-day functions
- Leadership in project team meetings

Ms. Al Sherif points out that for this strategy to work, the project manager and team member must have an open relationship, and the organizational culture must support such discussions and not hold them against the team member.

Project managers should keep in mind that most evaluations are based on snapshots in time, done by imperfect individuals, amidst a host of external factors. Ultimately, the value comes from what the team member takes away in either reward or corrective action—and what the project manager learns about becoming a better leader. **PM**