

Yes - this is the annual appraisal that was - you remember the one that occurred annually to primarily determine ratings for salary changes!!!  
These annual appraisals are now a thing of the past, but the memories still linger on and prevent us from moving forward and embrace new ways of having regular conversations.

## Why have an appraisal?

As human beings, we like order and a structure in our lives, we like to know what we are doing, how and why – and how well we are doing it.

It's the same in business - structure and order is a business plan. Goals, Objectives, and Management Accounts show how the business is doing against the business plan.

You - as manager or owner - capture details of your products and services to know which are most beneficial to the bottom line and identify those that are not. You can then review, modify or stop delivering them.

Why not do something similar with your employees? They are the engine that delivers your business goals and they need to know what those goals are and have the skills to achieve them. They need to know how well they are doing, how their role fits in and why.

Appraisals provide a communication forum for employees and managers alike, allowing continual feedback and discussion to address any development concerns, and make changes to processes as the business evolves and moves forward. Everybody is kept engaged and informed.

Look at the appraisal, not as a “talking at” platform, but a way to take time out to think about the tasks an employee is carrying out:

- Are the tasks still relevant to the business?
- What can be done to make employees more engaged and motivated?

The employees may well have some good ideas and should be listened to. After all, it's they who are carrying out the tasks.

An appraisal is very much a forum for continuous discussion and feedback between employee and their manager.

The outcomes are always positive, even if they are not what you want to hear because they confirm the employee and business is on the right track - or provides the detail for an action plan, with targets, if it's not.

The outcomes (benefits) of having appraisals are:

- Improved relationship between employees and managers
- Plan for corrective action where processes may not be as robust as originally thought
- A development plan for an employee as required
- A more engaged and valued employee
- Pathway to increased productivity
- A better-skilled workforce

An appraisal is just like the book of accounts where you have a monthly start and end position to show changes in revenue and bottom line profit and an alert to highlight unpredicted variances.