

# The Benefits Of Conducting Performance Appraisals

## What Is A Performance Appraisal?

A performance appraisal is one important element in the broader set of processes that make up performance management. Its purpose is to identify areas for growth and improvement, to inform suitable development plans, or to inform administrative decisions on contractual areas of employment – such as pay, bonuses, promotions or redundancy. HR Team Director, Martina McAuley, said: "Performance management is not just about dealing with poor performers. It is a process that begins with getting the right employees, setting the correct expectations, coaching employees to deliver efficient, high-quality and dealing with under-performance in a proportionate and appropriate manner."

## The Advantages Of A Performance Appraisal:

### Performance Reviews Improve Communication

The performance appraisal process can provide valuable insights about your employees. The key is to communicate openly with your staff members before, during and after the review. Less than one third of employees say they always know how they perform at work and this process ensures they are clear on their performance levels. Be sure to set clear expectations throughout the year and communicate them to your staff. An employee who assumes that

everything is fine won't have the chance to correct a problem. This kind of situation can lead to frustration, reduced productivity, poor morale and potential resentment. Performance appraisals can help strengthen the bonds within your team. They not only reduce uncertainty but also allow you to set strategic goals for your staff and address behavioural issues in the early stages, but employees also have the chance to express their concerns and discuss their training and development needs. Staff can learn what is expected of them and how their performance is evaluated.

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PERFORMANCE REVIEW

- ☐ OUTSTANDING
- ☐ COMMENDABLE
- ☐ SATISFACTORY
- ☐ NEED IMPROVEMENT
- ☐ SATISFACTORY

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### **Reward Top Performers**

The purpose of performance appraisals is to identify employees' strengths and weaknesses. Managers can use this information to determine who has contributed the most to the company's growth and reward those who have made great efforts.

Managers may show unconscious bias against employees based on non-performance-related factors. That's why it's important to gather data from multiple sources and set clear expectations for each role.

### **Supporting Development**

Performance appraisals can reveal opportunities for improvement and help managers identify the training needs of

their staff, leading to a more productive organisation. They also allow you to spot potential talent. Also, companies that invest in employee development find it easier to attract and retain talent.

### **Boost Employee Morale and Motivation**

While most employees do not look forward to appraisals, these evaluations can serve as a motivational tool. Bonuses, promotions, training programs, and other outcomes of performance reviews may improve team morale. Praising your team members for their accomplishments is just as important. Encourage your employees to try to better themselves and offer specific steps for improvement. Focus on the positive and show your team how to build on those strengths.

Ensure to provide constructive feedback, regardless of an employee's performance. Encourage the top performers in your team to seek new goals and challenges. Ask your staff to complete self-assessments to determine where they see themselves and what they want to improve. Use this information to help employees achieve their full potential through ongoing feedback and training programs. It is important to remember that the performance appraisal is only a small part of the process which should be occurring continually throughout the year. Managers and employees should continually review their progress. Business leaders should give their team feedback to ensure that the organisation gets the most out of their employees.



# HRQ&A



## Is employing contractors on fixed-term contracts a solution for ensuring compliance with the IR35 rules?

If an organisation employs a contractor on a fixed-term contract, rather than through the contractor's intermediary, the engagement would be outside of the IR35 rules. However, while this approach would ensure IR35 compliance, it may not be a practical solution in the long-term.

Not all contractors will be prepared to accept a fixed-term employment contract. This approach could lead to organisations being at a disadvantage when recruiting.



## How should employers carry out 'right to work in the UK' checks for European nationals following Brexit?



Employers must continue to carry out 'right to work' checks for all workers before employing them, as was the case prior to Brexit.

Employers can continue to use European Economic Area (EEA) and Swiss passports, and national identity cards, as evidence of an individual's right to work in the UK until June 30, 2021.

Employers can also use the online checking service to confirm that a candidate has settled or pre-settled status and has the right to work in the UK. However, up to June 30, 2021, candidates do not have to agree to share their status using the online checking service.





**OUTSOURCE**

**INHOUSE**

# WHY OUTSOURCING HR IS BETTER FOR YOUR BUSINESS

Ongoing HR support for employers removes the headache caused by staffing-related issues and provides peace of mind regarding employment law compliance.

Outsourcing HR is usually more cost-effective than employing full-time, salaried employees. The national average in the UK for a HR manager salary is £43,000 per year in the UK. Would you rather pay this or avail of HR Team's fully-outsourced HR management service. There is no obligation to sign up to lengthy contracts – clients can choose a fixed monthly fee or a pay as you go option, allowing you to benefit from our knowledge and experience as and when required.

## What does HR outsourcing involve?

HR consultants perform a large variety of tasks while always maintaining employment law compliance. HR tasks include performance management, the creation/updating of employee

contracts and company handbooks, managing recruitment and selection, absence management, managing disciplinary and grievance procedures, overseeing redundancies and much more. Every business needs to manage HR, however business owners may not have the time and/or resources to do so. Outsourcing HR can be a flexible and cost-effective solution, here's why:

## Benefits of outsourcing HR

- Reduced cost.
- Increased efficiency.
- Improved management information.
- Access to HR expertise to ensure best practice.
- Increased flexibility and speed of response.
- Employment law compliance.
- Reduced staff turnover.

## Questions to ask yourself before outsourcing HR:

1. Do I have a high staff turnover rate?
2. Are my staff records up to date and stored properly?
3. Do my employees have a staff handbook and do all employees have access to it?
4. Do I need help with staff recruitment and retention?
5. Is a performance review process in place?

Don't leave your business vulnerable to costly litigation issues or at risk from breaches of employment law.

Outsourcing HR ensures that your staffing matters are in good hands and are being handled lawfully and appropriately – let the experts do it for you.

## HR TEAM'S NEXT HR ESSENTIAL 60 WEBINAR

# THE PERFORMANCE APPRAISAL

### What will you learn from the webinar?

The performance appraisal is an effective tool in ensuring that employees receive structured feedback on their overall performance.



Many organisations do not approach the performance appraisal in the most effective way, often resulting in negative consequences. This webinar will give employers a snapshot on the following elements of the performance appraisal:

1. Performance Management versus Performance Appraisals.
2. How to put a robust performance management structure in place (The B.E.T. system) to get the most out of the appraisal process.
3. How to manage staff performance on a day to day basis (feedback and communication) so that the performance appraisal is more of a constructive exercise and an overview of the timeframe concerned.
4. How to conduct an effective performance appraisal and what paperwork to use.
5. The Dos and Don'ts of the performance appraisal.

### Who should participate?

Line managers, supervisors/team leaders, middle/senior managers, HR personnel and business owners.

### About HR Team

HR Team is a leading consultancy firm which provides HR, employment law, and health and safety services to employers in Ireland and the UK.

The firm provides employment law and strategic human resource services to business start-ups, SMEs and large multi-national organisations. HR Team has offices in Dublin, Derry and Belfast.

### When is the webinar?

**Date:** Thursday, March 25, 2021

**Time:** 10.00am – 11.00am

**Cost:** Complimentary

Please join this webinar by clicking [here](#).

## FORTHCOMING HR AND EMPLOYMENT LAW WEBINARS IN 2021

HR Team has a number of free employment law and HR Essential 60 webinars planned throughout 2021.

Employers and managers will gain expert insight from our highly experienced HR professionals during these interactive 60-minute sessions.

Whether you have a specific HR question related to Covid-19 or you want to keep up with the ever-evolving developments, we invite you to join our experts as they discuss the key areas that are affecting employers right now.

Registration is free. The full list of upcoming HR Essential 60 webinars, along with links to join the respective events, are below.

### Thursday, March 25

#### The Performance Appraisal

Time: 10am-11am

Join the webinar [here](#).

### Thursday, April 29

#### Managing Sickness

#### Absence

Join the webinar [here](#).

### Thursday, May 27

#### The Disciplinary Process

Join the webinar [here](#).

### Friday, June 25

#### The Grievance Process

Join the webinar [here](#).

### Thursday, September 23

#### Recruitment and Selection

Join the webinar [here](#).

### Thursday, October 28

#### Managing Social Media in the Workplace

Join the webinar [here](#).

### Thursday, November 25

#### Managing the Probationary Period

Join the webinar [here](#).

### Thursday, December 16

#### Setting Employee Targets for the Year Ahead

Join the webinar [here](#).

### Cost of Webinars: Complimentary

### Who should participate?

Line managers, supervisors/team leaders, middle/senior managers, HR personnel and business owners.

### Do you have an employment law question?

We help business start-ups, SMEs and large multinational organisations. Call to speak to us today on any aspect of employment law or strategic human resource services. **Tel: 028 71271 882 or from ROI: 01 695 0749.**

Alternatively, contact us via email:

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