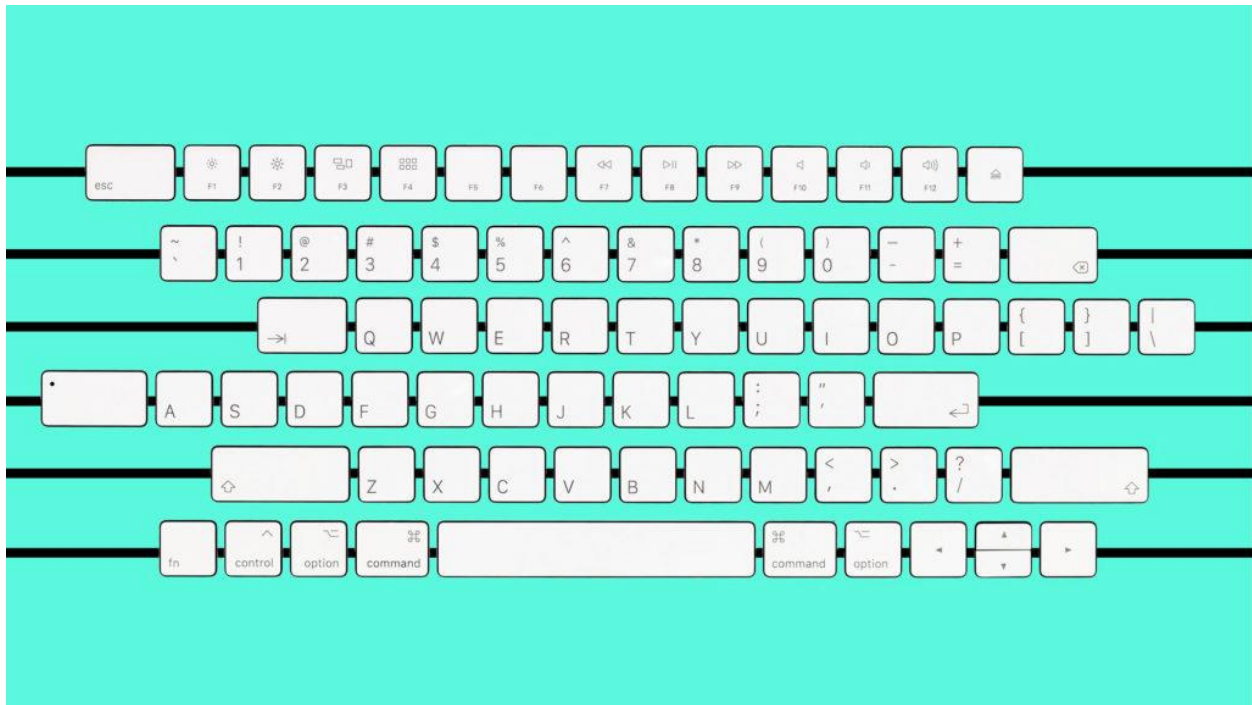


# How to Do Performance Reviews — Remotely

by Rebecca Knight | June 15, 2020 | Harvard Business Review



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You may have conducted hundreds of performance reviews over the course of your career, but in the era of Covid-19 everything is different. You and your team have been working remotely for months now in an extremely difficult situation. How do you begin to evaluate your employees' performance at such a challenging time? How much should you consider the impact of Covid-19 on your assessment? And how do you make sure you're fair-minded given everyone's different circumstances?

## What the Experts Say

Even in the best of times, no manager actually enjoys doing performance reviews. They are "tense, stressful, and anxiety-inducing," says Mark Mortensen, associate professor of organizational behavior at INSEAD. Now, amidst a global pandemic and economic crisis, performance reviews present an even greater challenge. "People are wrestling with uncertainty and existential dread," he says. Suffice it to say, your employees — even those not directly affected by the health emergency — are not operating at their best. When it comes to evaluating their job performance, "there's no template and it's not one size fits all," says Anna Tavis, a clinical associate professor of human capital management at New York University and an editor at *People + Strategy*, a journal for

HR executives. "Everyone is stretched in their own way," she says. Your goal, therefore, is "to make an empathetic assessment" based on "where your people are." Here are several strategies to help you do this.

### Reflect on your purpose

For starters, think about why you're conducting these reviews in the first place — because, as the Covid-19 crisis trudges on, you're not necessarily looking to weed out poor performers or decide who gets a raise. Rather, it's to strengthen your organization's culture and reinforce its values. "How the company treats its employees in this situation will make or break the culture," says Tavis. So, think hard about what you aim to achieve with these evaluations. "Performance evaluations are one of the strongest anchors and artifacts of your corporate culture," and you should use them wisely, says Mortensen. Talk to your boss and colleagues about the company's near-term and long-term goals. Work together to figure out how to communicate those to your workforce as part of the evaluations. "What leaders do and say now in these times is going to be remembered," he says. Show your managerial mettle. "Tend to your flock." And remember, your primary objective hasn't changed: "You're still trying to help your employees become as strong as possible."

### Think about what you're evaluating

Similarly, be clear in your own mind what you're basing your assessment on, says Mortensen. Are you looking at their widget sales prior to the health emergency? Or how well they're doing now? "From a principled standpoint, think about what's most important," he says. "Performance is a measure of success against a goal," adds Tavis. And at most organizations, the targets that were set last year before the Covid-19 crisis emerged "are no longer applicable" as the "goalposts have shifted" and the context has changed. Since it would be unfair to judge your employees against the company's pre-pandemic objectives, she recommends concentrating on your individual employee's growth and learning. "It would be really unfortunate if you focused on the transactional aspect of performance" when instead you could look at employees' "empathy, resilience, and capacity to adapt" during this challenging period. "Teamwork and collaboration are at a premium during this crisis," and those behaviors should be acknowledged and rewarded.

### Summon compassion

Next, fully acknowledge the vastly different and varying circumstances your team members are operating under. With your team members working from home, your approach calls for a "little more flexibility, a little more heart, and a little more leniency," says Mortensen. Some may be juggling client calls with entertaining their toddlers or helping their tweens with algebra; others may be overseeing projects while caring for elderly family members; still others may be trying to work while struggling

with feelings of isolation. “You don’t know exactly how rough it is for your employees.” As a manager, “you can’t only look at the deliverables people are providing” while “ignoring their home situations.” Show compassion. “The psychological impact of Covid is hitting people in different ways,” he says. “You need to give people a little more latitude.”

### Consider doing away with ratings

In that spirit, Tavis recommends temporarily “suspending numerical ratings.” Rating your employees “is going to be extremely difficult because, for objective reasons, many are not able to give 100%,” she says, adding that many schools have done away with student grades and are opting for a pass/fail model this semester. In place of ratings, she suggests creating “a flexible system that recognizes the hardships that many people are enduring,” and doing “more of a narrative assessment” that provides employees with specific and helpful information about what they’ve done well and where they could improve.

### Gather different kinds of data

One of the most difficult things about conducting performance reviews at a time when your team has gone remote is that you don’t have as much data as you usually do because you’re not seeing your employees in person, says Mortensen. The risk is that “your old biases, positive or negative, are going to be amplified.” Your star performers are sure “to be doing great” while your stragglers are “dropping the ball.” To tackle the problem, you need “to be conscious of those biases” and “look for other sources of data,” he says. Request self-evaluations and canvas peers for their thoughts. Tavis recommends asking others: “How is this employee proactively communicating? How are they connecting with clients and colleagues? Who are they helping? Put those [positive] questions front and center.”

### Set the right tone

Zoom fatigue is real but “for these kinds of conversations, video is really important,” says Tavis. “It’s more personal and humane.” It also allows you to see “people where they are — whether they’re working from their living rooms, their kitchens, or their closets,” she adds. Be open and warm. Pay close attention to body language — both yours and your employees. Because you’re not face-to-face, there are no “context cues, and it’s easy to have misunderstandings,” says Mortensen. “[On a screen], your employee’s head is a teeny-tiny two-dimensional thing and it’s going to be harder for you to judge” the subtext of what’s happening. Did you just crush your employee’s soul? Or is their video frozen? “You’re going to have to be much more explicit and much more verbal,” he says. Listen carefully and encourage back and forth communication. “Spend the time to really make sure things aren’t lost in translation.”

Tread lightly with poor performers...

In normal times, job reviews are a chance for managers to confront poor performers by demanding improvement. But these are not normal times. "If someone is not performing, now is not time to beat them up," says Tavis. "You need to make a conscious decision which battles to fight right now. It's not worth it to run around chasing non-performers." Instead, if someone on your team isn't delivering, you need to "find out why by asking what's going on in their lives," she says. Mortensen advises creating some "slack in the system" to deal with problem employees. If ordinarily you'd put someone on warning because they're faltering, you could instead offer a "time-bound grace period" to allow them to "get used to remote working" and turn things around. "Give those who are struggling some space" maybe even until "the end of the calendar year." But, of course, there comes a "point at which you will have to make some tough calls."

...And be effusive with your stars

On the flip side, it is critical to acknowledge your high performers — both for their morale and your organization's ability to retain them. "Your top talent will always have places to go," even in a tough employment market, says Tavis. Make sure you seize this opportunity to recognize and show appreciation for employees "who are working hard, engaged, committed, and offering their support to others." Reassurance and praise will mean a lot to your workers' peace of mind, adds Mortensen. In this economy, "people are experiencing a lot of dread and fear that they're going to be out of a job." The best way to help them "cope with uncertainty is to create some certainty," he says. Give people a baseline. "If you know that somebody's performance is not going to put them at risk, let them know."

Look to the future

Since working from home is the new normal for the foreseeable future, it's important to consider how you want to do performance evaluations going forward, says Mortensen. "In this environment, you may need more frequent, smaller evaluations such as semi-annual or quarterly check-ins. This will give you, the manager, "an opportunity to provide real feedback" and gives employees the chance "to make adjustments and calibrations." Tavis recommends thinking about how this crisis could "be a catalyst for changing your organization's performance culture." This period "represents an opportunity to pivot toward a people-focused management system, built around resilience and agility, instead of efficiency and competitiveness at any cost," she says. The former is "more sustainable in the long run."

## Principles to Remember

### Do

Approach your evaluations with more flexibility, leniency, empathy, and compassion.

Recognize and show appreciation for employees who are engaged and working hard. It's critical for their morale — and for your organization's ability to retain them.

Use video for this conversation. It is more personal and humane.

### Don't

Be hard-hearted toward your poor performers. Give them a time-bound grace period to get used to working remotely and to turn things around.

Let your old biases creep in. Seek out alternative data. Ask colleagues and reports for information on how well other employees are communicating, collaborating, and helping.

Revert to business as usual — instead, think about how to do performance reviews better. In this environment, semi-annual or quarterly evaluations may be optimal.

## Advice in Practice

Case Study #1: Show your top employees how much you value and appreciate them

Sara Holtz, senior director of internal communications at Ellie Mae, the mortgage software company, had already completed the 2019 review portion of the performance management process for her team. However, due to the pandemic, the company's head of HR urged her and other frontline managers to engage in more frequent conversations about employee performance and development.

"During this unprecedented time, it is important for me, as a manager, to set the right tone and to visibly and actively support my teammates," she says. "I need them to know that my goal is to help them develop and improve even as they adjust to unbelievable circumstances."

One of her recent conversations with an employee — we'll call her "Jennifer" — was particularly illuminating. Jennifer has long been a top performer on Sara's team; and recently, she had gone above and beyond her usual responsibilities. Sara wanted to make sure that Jennifer knew how much her extra efforts were being noticed and appreciated.

When Sara started the discussion over the video conference line, however, she learned that Jennifer had a different perspective. Since the crisis started, she'd been working non-stop and she was feeling overwhelmed and on the verge of burnout. On top of that, Jennifer found it challenging to adjust to virtual communications with colleagues.

Sara empathized. She offered resources and support. “I encouraged her to pause and take a break,” she says. “I assured her that I know things are tough right now, but I also wanted her to know how much we value her.”

During the conversation, Sara talked to Jennifer about how the company’s objectives were shifting. She encouraged Jennifer to make goals for the future.

“We are in a different world now than when our 2019 performance conversations happened,” she says. “Our roles and demands were changing due to Covid and a fully remote workforce, and I wanted to help Jennifer think about what that meant for her professional career.”

She and Jennifer ended up having a productive performance conversation about ways that Jennifer could continue to develop and contribute to the company.

“We’re all humans first, and the more we feel connected to the business, our leaders and each other, the more productive and engaged we become,” she says. “At the end of the day, business continues, but a shared emphasis on delivering for the business while understanding personal challenges is key.”

#### Case Study #2: Be compassionate and offer to help your employees

Sirmara Campbell, Chief Human Resources Officer at LaSalle Network, a national staffing, recruiting, and culture firm, says that while employee performance reviews have no doubt changed due to the pandemic, the goal remains the same.

The point of performance reviews, she says, is to “give employees the opportunity to develop,” which in turn helps the company grow. “Even at a time of heightened stress, we still need to make sure we are providing useful feedback to help the employee and the company move forward.”

A recent performance evaluation with one of the company’s employees — we’ll call him “John” — stands out in Sirmara’s mind. Prior to the health emergency, John had been a consistent performer. But since the office has gone virtual, Sirmara noticed that he wasn’t quite the same. “John is someone who thrives working closely with colleagues — it was his source of learning and motivation,” she says. “Suddenly he’s had to go 100% virtual for the first time, and it’s been a transition. He’s had to make a lot of adjustments.”

Sirmara needed more data to identify the reason behind the performance dip, so she spoke with John’s direct manager. She learned that John, who is a father, suddenly became a both full-time employee and full-time parent when his children’s schools were closed due to the pandemic. “John’s manager and I were empathetic about the situation, understanding John and other employees are experiencing things now that no one planned for.”

When it came time for the quarterly virtual performance evaluation between John, his manager, and Sirmara, this was addressed. "We acknowledged that he had a lot going on," she says. "However, this is why it's important to evaluate the employee for the entire performance period, taking into account performance prior to the outbreak, and not fall into the trap of being impacted by the recency effect, where you just consider an employee's recent performance."

Sirmara wanted the overall message to John to reinforce his personal goals, as well as the company's goals. "We explained to him that we understand he can't hit every deadline like he once did in the office, however, we also outlined our expectations of what we believe he can achieve."

Sirmara and John's direct manager offered their assistance. "He needed to know that we would do everything in our power to help him and that he had our continued investment in him as an individual." Together, they figured out a way to shift his hours so that he could get his work done, and also be there for his family. John was appreciative of the added flexibility.

A week after the evaluation, Sirmara and John's manager checked in with him. John was getting used to his new schedule, but already found that it was better. Sirmara also felt good about the review. "Managers must be able to have transparent conversations with their staff," she says.