Adopt Leader Evaluations That Work

What does a good evaluation tool look like and how should a leader be evaluated? At Studer Group, our research and experience shows:

1. A good evaluation tool should be objective. The more objective, the better. The reason is simple: Subjective measurement leads to people being judged on personality rather than performance. But can a leader evaluation tool be 100 percent objective? We found that the answer is yes, but some organizations just aren’t comfortable with that ideal. At minimum, 80 percent of it should be objective.

2. If possible, avoid evaluations that rate employees on a meets, does not meet, and exceeds scale. A five-point system is preferable. It gives a more precise measurement of performance. It also makes being a high performer a little bit tougher. We find that 70 percent of all leaders usually have an evaluation that identifies them as high performers no matter what the performance of the organization is. We recommend a one through five rating with three being the goal, four being above the goal, and five being far above the goal.

3. No leader should be held accountable for more than 10 goals. The fewer goals someone is being held accountable for, the better. More than 10 goals per leader starts diluting results.