


MERIT RATING OF STORE PERSONNEL
IN THE FOOD CHAINS

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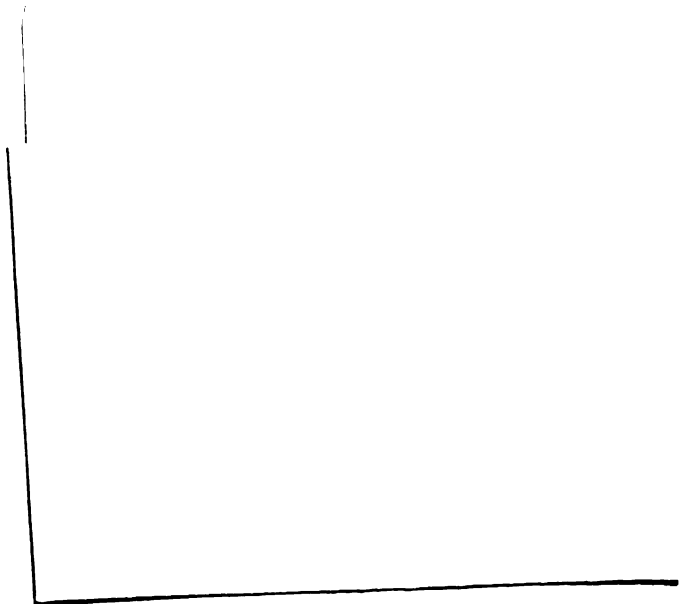
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MERIT RATING OF STORE PERSONNEL
IN THE FOOD CHAINS

By
William E. Bayer

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CHAPTER I

INTRODUCTION

Purpose of Thesis

The food chains have developed rapidly in the past twenty years because of new merchandising techniques, mechanical innovations and increased operating efficiency. Still, the personnel which form the heart of a company will always be the key factor that contributes to its success. The food chains have been quick to make use of new methods of food distribution, but they have not always been ready to adopt new personnel techniques so that they might make more efficient use of their personnel.

The use of merit rating is an example of one important personnel technique which has not been fully exploited by all of the major food chains. It is the purpose of this thesis to point out the value that merit rating can have in food chain operation, and give an insight as to how it can be successfully applied.

For the purpose of being more specific this thesis will consider the merit rating of only store employees. Store managers, supervisory personnel, and office personnel will not be considered. It is readily understandable that all groups of company personnel can not be rated in the same manner. Some food chains now have merit rating of all personnel

except at the store level. It is the contention of this writer that the people who work in the stores and actually perform the final and most important step of the company operation can be materially benefited by the use of merit rating. Because the store employees are such an important segment of the food chain operation, any technique that will develop or improve their efficiency and morale certainly deserves serious consideration.

Information received from 13 food chains now rating store employees will form much of the basis for this thesis.

Historical Development

To most people, merit rating is considered as something new, even experimental. Actually, this is not the case.

Merit rating in one form or other has been used for many years. Probably the military services were the first to use any formal plan. During World War I, and immediately following it, there was widespread interest in all forms of improved personnel administration. Merit rating came in for its full share of attention, and credit for this is due largely to the work of a group of psychologists who had been busy before the war on a rating scale for both selection of salesmen and evaluation of their work after selection. As soon as the United States entered the war, this group began at once to revise its rating scale to meet the needs of the Army. The result was the justly famous 'Army Rating Scale of World War I.'¹

After World War I, the use of merit rating in industry began to grow. "There has been wide acceptance of systematic

1. George D. Halsey. Making and Using Industrial Service Ratings. New York: Harper and Brothers, 1944. 149 pp.

merit rating devices. Surveys show that over half of the firms responding use periodic ratings of one type or another."²

During World War II, all branches of the Armed Forces used merit rating and the Air Force particularly used merit rating in the selection and evaluation of its flying personnel.

In the post-war years, merit rating of personnel has been instituted by a large percentage of the major industries. Companies such as the Proctor and Gamble Company and the General Electric Company have spent large sums of money and enlisted the services of highly qualified men to devise and test the various rating systems that they employ.

To the food chains, the whole idea of merit rating is comparatively new, especially when conducted at the store level. Since the end of World War II the food chains have increased the size and authority of their personnel departments. Because there has been more emphasis placed on the personnel administration in the food chains, it is only natural that competent personnel men have been the instigators of the use of merit rating of store personnel.

In response to a questionnaire concerning the use of merit rating of store employees, thirteen major food chains, out of a total of 21 contacted, stated that they now use some

2. Scott, Clothier, Mathewson, and Sprigel, Personnel Management. New York: McGraw-Hill Book Company, 1941. 234 pp.

form of merit rating for store employees. A large percentage of the rating plans now in use have been instituted within the past four years. It seems that the use of merit rating of store employees by the food chains is just now beginning to develop to an appreciable extent. Although the rating forms and techniques used by the food chains are elemental in comparison with those of some industrial companies that have the advantage of years of experience in merit rating, the chains are learning fast and are willing to experiment to find what rating system best fits their need.

Definition and Use of Terms

Merit rating is an orderly, systematic method of evaluating the present and potential usefulness of a store employee to his organization, usually made by the store manager, supervisor, or someone in a position to observe his performance.

The term "merit rating" will be used throughout this ^{paper} ~~thesis~~; however, many companies prefer to use other terms even though they have the same meaning as merit rating. Some examples of terms being used in the various ^{personnel} ~~food chains~~ are: review of service, employee progress report, factual appraisal report, qualifications inventory, personnel progress report, and employee development program. Some companies feel that the words "merit rating" imply that employees are actually graded and placed in a certain bracket which may make them suspicious or resentful of its use. The words "personnel

progress report", on the other hand, have a much better connotation, even though they may mean the same as merit rating.

Purpose of Merit Rating

Actually rating of store employees is going on at all times. Unconsciously, a ~~store manager~~ ^{personnel} will compare one employee against another. Impressions are made and conclusions drawn. Sometimes, however, such conclusions are based on superficial evidence, and frequently a very recent experience dominates such an appraisal. Ratings are frequently made on skimpy and inadequate evidence, and such conclusions without foundation in facts are likely to be misleading. Merit rating of ~~store~~ ^{plant} employees will overcome these deficiencies and aid in rating employees on a systematic and orderly basis.

In addition to placing rating on an orderly basis, there are two main purposes of employee rating, ~~in the food chains.~~

1. Development of personnel. Probably the most important purpose of merit rating is to use it as a device for correcting, improving, and in general raising the level of the performance of the employee on his day-to-day job assignments. Through the use of the employee interview, after the rating has been made, the ~~store manager~~ ^{plant} or supervisor can give guidance and correction to employees. One ~~large food chain~~ ^{industrial plant} in California uses merit rating for the sole purpose of forcing a discussion between the ~~store manager~~ ^{personnel} and the employees so that the good points and bad points of that individual may be discussed.

All too often employees are definitely justified in complaining that their ~~store managers~~ fail to let them know how they are getting along or what they can or should do to improve their performance. The use of merit ratings provides an excellent device which the ~~store manager~~ may use in approaching employees for the purpose of guiding them constructively in the direction of better work. The ratings are also a reminder to the ~~store manager~~ of the need for such action.

2. Evaluation of employee performance. Management is in the habit of taking regular and careful inventories of all its physical assets such as store inventories and equipment. But, unless there is an equally detailed inventory of a chain's most important asset - its people - something will be lacking. Store employees are the one asset in a ~~food-chain~~ which figures most immediately and directly upon its success or failure. Because of the size and complex organization of most ~~food-chains~~, it is necessary that the human assets are appraised as carefully as the inventory of other assets. Certainly the merits of each individual employee can not be kept in the heads of the ~~store managers~~ or supervisors. There must be an orderly system of recording each employee's individual merits so that the company has some concrete basis for selection of personnel in any action they may institute. A review of past merit ratings will, in conjunction with other background data, enable supervision more intelligently to select persons for promotion. In the past ~~few years~~ with many companies faced with a shortage of

trained personnel, there was a tendency for some companies to use a "plug the hole" type of promotion. Department heads and ~~store~~^{plant} managers were needed and management did not know the qualifications of its personnel, so that the most competent person was not always selected. Once a man is promoted, it is very difficult for both him and the company if a mistake in judgment has been made. It is the purpose of merit rating to make sure that the most competent personnel available receive promotions. Because of merit rating, these personnel qualifications are on file and positions can be filled quickly without the use of hasty judgments which may result in an unpleasant situation for both the company and the individual.

Benefits of Merit Rating

Besides the development of personnel, which improves job performance, and evaluation of employee performance, which aids in selecting for promotion, there are other benefits a ~~food chain~~^{company} may receive from an employee merit rating plan.

1. Employee Morale. When a merit rating program has been properly planned and presented to the ~~store~~^{plant} employees, it can help to increase morale and confidence in the fairness of management. When employees realize that their work and attitudes are under constant but impartial scrutiny, they feel more assured that advancement will be based on demonstrated merit and not favoritism or influence.

With this security in mind, the employee is motivated to improve his job performance for financial gain and recognition. The impartial ratings furnish something definite upon which to base future efforts. As periodic ratings are made, the employee is kept informed as to his progress. When he asks, "How am I doing?", the ^{plant} store manager or supervisor can confidently give constructive guidance toward better work, knowing that a fair, impartial record is available on which to base his suggestions.

An employee who has ambitions for promotion or unsuspected talents which deserve encouragement may be discovered in the rating process. Bringing an employee's hidden abilities into the open not only benefits management, but increases employee satisfaction and prevents any bitterness that may result from the failure to recognize an employee's real worth.

To make a merit rating plan effective, the rater, whether he be a ^{plant} store manager or a supervisor, must have a genuine interest in the improvement of each employee. Unless the rater is concerned about the progress of each individual, the rating plan will lose its full effect. Employees can not be treated as a tool of management, but must be encouraged to progress with the company. With merit rating, management can demonstrate a sincere desire to assist its employees.

2. Aid to training and selection. A merit rating system that is properly set up can aid in pointing out the particular job on which an employee is weak. He can then be sent to any

available company training schools which would help improve his job performance.

Likewise, men who have completed formal training courses offered by the company should be a good criterion of the value and effectiveness of such training programs. Store personnel that have attended company training schools and are subsequently rated inferior on the job for which they were trained, would indicate a serious defect in the training program.

New employees who receive favorable merit ratings after their initial performance on the job would certainly provide an accurate validation for the selection tests that are being used to select and place new employees.

In all of these cases, merit rating is an excellent means of cross checking certain aspects of company operation.

3. Benefit to ^{plant} store manager. The operation of a rating plan will help ^{plant} store managers to think analytically and constructively about their employees and help them assume a greater degree of consistency in the handling of employees.

It is usually easy for a ^{plant} store manager to judge an employee as good or bad, but unless he has a rating form with all the desirable traits of a good employee, it is difficult for him to determine immediately the particular weakness that accounts for all, or nearly all, of the employee's undesirability upon a certain job. Once a ^{plant} store manager ^{or supervisor} determines why an employee is unsatisfactory, it is easier for him to assist the employee to overcome his weakness and do a better job.

With the use of merit rating and a frank discussion of the rating between the ~~store~~ manager and the employee, the ~~store~~ manager can more fully understand the character and complex psychological make-up which affects each individual's actions. Many times, there are important reasons for the actions of certain employees which are not readily apparent on the surface. Through the discussion of ratings, a ~~store~~ ^{plant} manager can learn how to handle his employees more effectively by understanding their problems and be the source of closer human relations between management and ~~the store employees~~ ^{workers}.

4. Transfer, demotion or discharge. Over a period of time, if it is ascertained that an employee is not performing satisfactorily on a given job, it is necessary that some appropriate action be taken in regard to the individual. A merit rating system may aid in bringing out qualities that might be more effectively used in some other job. By transferring this individual to another job it eliminates the regrettable task of discharging an employee and may contribute to general employee morale by implying that the company is trying to go over half-way in placing employees.

When demotion or discharge is in order, the company will be considered more fair and just if it is in a position to justify its actions in terms of employee performance. An employee who has been notified of certain weaknesses and refuses the help of the ~~store~~ ^{plant} manager in taking corrective measures has only himself to blame.

5. Prevents grievances. A merit rating plan stimulates ^{plant} ~~store~~ managers to talk over with the employees possible sources of grievances before serious problems have a chance to arise. The ^{plant} ~~store~~ manager can "nip in the bud" situations between individuals that may ultimately become explosive and be hard to handle.

The employee can be encouraged to voice his opinions and feelings on how certain company policies and decisions affect him. He should also be encouraged to give suggestions on ^{plant} ~~store~~ operation and how it is managed. A smart ^{plant} ~~store~~ manager can profit from this type of upward communication and the employee will assume a sense of importance in the company operation.

6. Ultimate objective. Of course the ultimate objective of the merit rating of ~~store~~ employees is to result in a more efficient operation and thereby increase profits. With competition becoming more keen with every passing year, the progressive ^{company} ~~food chain~~ must use every technique at its command to perform a more efficient operation and keep selling costs competitive. A competitor's new ^{plants} ~~stores~~, equipment and merchandising ideas can be copied or duplicated, but a company's personnel can not. It is the job of the progressive ^{company} ~~food chain~~ to make sure that its personnel are advancing and keeping pace with all of the other technological advances that have taken place to make ^{industrial concerns} ~~food store operation~~ more efficient.

More profit, however, is not the only objective in today's leading ~~food chains~~^{companies}. Companies are stressing the use of human relations in their dealings with their employees. ~~A food chain's~~ very existence depends on the people who are employed in its stores. High profits which are attained from ~~food stores~~^{plants} staffed by unhappy people will not be lasting profits.

Thus the use of merit rating of ~~store~~^{plant} employees has a two-fold ultimate objective--to increase employee efficiency, thereby raising profits, and to act as a tool in implementing human relations among employees. Each objective is equally dependent on the other if a ~~food chain~~^{company} is expected to grow and become strong.

Method of Procedure

To obtain information for this thesis, 21 food chains were requested to furnish rating forms and other additional information, such as rating manuals and pamphlets concerning the rating of store employees. Thirteen companies sent rating forms and other material which were presently in use; seven replied that they were not rating store employees; one company did not reply.

Interviews with six food chain personnel executives provided valuable information on how merit rating is being applied at the store level.

Although this primary information gave a picture of merit rating in the food chains, it was necessary to secure other information from secondary sources. Books, periodicals and pamphlets were reviewed so that the more basic and underlying factors of merit rating could be interpreted, and their application applied to food chain use.

CHAPTER II

DEVELOPING THE MERIT RATING PLAN

The personnel responsible for developing a rating plan must remember that in the selection and design of a rating plan, all levels of management must be convinced of its value. To sell the plan and gain acceptance from all concerned, the form itself should be soundly constructed. There are many factors to be considered in developing such a rating plan. This Chapter will point out the important considerations in developing a rating plan, particularly those which deal with the design of the form itself.

Selection of a Rating Form

When examining the rating forms now in use by the various food chains, it is difficult to classify them into groups or assign them to certain categories for purposes of comparison. Still, there are perhaps three basic forms that are available to the food chains or any other industry.

1. Rating scale; where general traits like "dependability" are defined and the rater is asked to mark on a scale the degree to which the person possesses this trait.
2. Behavior check list; where a number of statements of specific activities involved in doing the job are given and the rater is asked to check simply whether the person does them, or he may be asked to estimate how well the person does them.

3. Ranking; where the rater is asked to list his people in rank order from "best" down to "poorest" on over-all ability or some other defined characteristic.¹

Of these three basic types of rating plans, the food chains generally use the basic construction of the rating scale; however, there are numerous variations of style and design of the rating scale type form.

The "behavior check list" type of form is seldom used because it is difficult to devise so that it may be used in rating employees who work in different departments with varying levels of responsibilities.

The "ranking" method of rating is unwieldy when there are large numbers of employees in a store, and it does not furnish specific information concerning employee ability to successfully conduct the employee interview. The Kroger Company ranks its employees in each store from "best" to "poorest", but this is merely a supplement to their rating scale type of form.

Of the 13 chain rating forms, all have the basic construction of the rating scale, but each varies in style and content to a significant degree. This points out the fact that each rating plan must be carefully adapted to the specific need of the food chain concerned.

1. Reigh Bittner. "Developing an Employee Merit Rating Procedure," Rating Employee and Supervisory Performance. New York: American Management Association, 1950. p. 26.

There is no assurance in any case that the plan successfully used by one chain will necessarily be the most desirable one for any other chain. This same point of view was expressed for industry as a whole by the National Industrial Conference Board as follows: "It may be said categorically that there is no such thing as the 'one best type of rating form'. Those that have been most successful have been tailor-made to suit the particular conditions, jobs, and objectives of the organization in which they were to be used."²

Even though a rating form should be devised to fit the particular needs of a food chain, a company which is contemplating the use of such a plan could gain valuable information by examining the forms now in use by some of the other food chains. Some proven desirable features combined with a company's individual needs could be molded into an effective rating plan at a minimum of expense and preparation.

At the present time the use of the rating scale method with individual adaptations is definitely the most widely used rating form in the food chains. Basically, this form consists of a list of traits or attributes peculiar to store employees, each being accompanied by a scale on which the rater is required to indicate the degree to which the employee possesses that

2. National Industrial Conference Board, Incorporated.
"Employee Rating," Studies in Personnel Policy,
No. 39. New York: 1942. p. 5.

trait or attribute and displays it in his work, such as the following illustration:

Friendliness: (cheerfulness and consideration toward customers and fellow employees)

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Poor	Fair	Satisfactory	Very Good	Excellent

This type of rating is popular in the food chains because in principle and in mechanics of use it is readily understood and more easily sold both to the supervisors and store managers who must be the raters, and to the employees who must be rated. In addition, this type of rating is not time-consuming for the store manager who always seems to be "short" on time. A rating scale also provides a comprehensive illustration of performance traits which serve as a guide in the employee interview.

Selling the Plan

It may be well at this time to point out one of the most important considerations in developing a merit rating plan, and that is actually selling the plan to the rest of the company. As previously stated, the food chains have begun to attract highly qualified men in their personnel departments. Sensing the value of merit rating to food store employees,

some of these men have managed to inaugurate a rating plan with all the qualifications for success, except one thing-- they themselves were the only people convinced of its worth. Sure, the president or operating staff gave their "O. K.", but only because some of the other chains were using it. It takes more to generate the success of a rating plan than just setting up the machinery with top management's approval.

Most of the personnel in a food chain, from the store employee to the store manager, and even into the supervisory ranks, do not know the "why's and wherefore's" of a merit rating plan. These are the people who must carry out the plan and unless they are convinced of its value it will be impossible to enlist their support. Many store employees, store managers and some supervisors have been in the food business for many years. They can understand new operating methods which call for new supermarkets and merchandising techniques, because the results of these changes are readily apparent. But when a rating plan is started, these same people find it hard to understand its value since its benefits take time to accrue and are difficult to perceive, important as they may be.

For a merit rating plan to be fully successful there are three groups of company personnel which must be convinced of its value as a tool for the improvement of operating efficiency and personnel relations. These groups are as follows:

1. Top Management. Since any plan of operation requires the cooperation of all affected personnel, it is only natural that it start with top management, which must strongly support the endeavor. Although this is true of all operational planning, it is particularly true in the case of employee merit rating, because of the unlimited amount of dissension that may result from an unsuccessful installation. Failure of top management to give wholehearted support to a merit rating plan is easily detected by supervisors and ^{plant} store managers. It seems that the degree of enthusiasm for any project on the part of the ^{plant} store managers is proportional to the support given the project by top management.

"Probably no rating system can succeed unless those who are intended actually to perform the rating operations are aware that the top management is vitally interested in the success of the program. If this is not the case, the interest and effort necessary for its success will be so lacking that the inertia of the group will be sufficient to vitiate the results."³

2. Operational Management. Actually the most important group that must be sold the value of a merit rating plan is the supervisors and ^{plant} store managers. These men are the very "guts" of the whole operation, and success or failure of the rating plan rests very largely in their hands. Probably the

3. Ibid., p. 60.

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most effective way of enlisting their support is by having them take part in making up the form and establishing procedures on how it is to be administered. By having small conference discussions, various groups of ~~store~~ managers and supervisors can take part in formulating a merit rating plan. Since these men will actually be doing the rating, they will take more interest in a plan which they themselves have helped to institute.

3. Employees. Unless employees are told the truth on why merit rating is started in ~~a good store~~, there will be suspicion and distrust on their part in regard to the plan. Regardless of a company's intentions in regard to its employees, the ~~store~~ ^{plant} personnel can not guess what these intentions are. The company should state clearly just what it hopes to accomplish in the use of merit rating and emphasize the fact that its chief purpose is the development of its ~~store~~ personnel. Any reasonable employee can be sold on a plan whose chief objective is primarily to their benefit. The company in turn should suggest and encourage that constructive criticism and ideas for improvement of the plan be relayed to the personnel department.

In this writer's opinion most of the failures in employee merit rating are caused by the lack of interest and understanding at all levels of management. If the program can successfully be sold to these three levels, most of the other operating problems will in turn be solved, and the operation of the plan will progress smoothly.

FAB

Selection of Traits

Since almost all of the rating plans used in the food chains are of the rating scale type which involve the selection of significant employee traits, it would be well to cover the various aspects that must be considered in the selection of these traits, since they comprise the major portion of the rating form.

Objectives of the rating plan. Before a logical decision can be made as to what items or traits are to be included in the rating form, management must definitely come to a decision as to the fundamental objectives or purposes of the plan. This decision will help in selecting traits to be used on the rating form. As an example: Are the rating results to be used when a clerk is being considered for promotion to department head or some other position where evidence of leadership or organizing ability may be of importance? Most food chains like to think that the majority of their store employees have potential abilities in excess of their present positions. This must necessarily be the case, since most food chains are still growing and must promote from within the organization. Certainly evidence of such abilities would have to be included on the rating form.

If the other purpose was development of personnel, the form would have to include traits which pertain to efficient job performance so that the good and bad features of employee performance can be discussed in the interview.

If the objectives are limited to these two specific purposes, one rating form can effectively fulfill the job it was intended to do. Any attempt to have the rating form accomplish too many functions will cause it to become undesirably bulky for the raters and lead to ultimate confusion in estimating the results.

Type employee to be rated. It is easily understood that a rating form will lose some of its value if employees on all types and levels of store jobs are rated on the same traits. A meat cutter in a self-service meat market would certainly require different capabilities from those of a head cashier who was in charge of the checkers in a supermarket. Customer courtesy and friendliness would be less important for the meat cutter than for the head checker, while quantity of work would be more important for the meat cutter and less important for the checkers. Still, most of the store employees below the store manager's level have many personal qualities and abilities which are equally important, regardless of the position they may fill. Apparently most of the food chains feel this way. Of the 13 companies now rating store employees, only three make any attempt at segregating employees for rating purposes. The additional work of having two, three or even four types of rating forms may complicate the rating procedure to the detriment of the over-all plan. However, some breakdown of the rating form to cover certain positions probably has value in the particular companies in which it is used.

The Kroger Company and Colonial Stores differentiate between their regular full-time employees and the employees in charge of the various departments of the store. Loblaw, Incorporated, has a rating form specifically for apprentice meat cutters and for apprentice store managers.

Since merit rating is comparatively new to the food chains, a company which originally initiates a merit rating plan for store employees will ordinarily use one form for the whole store group. As the company gains experience in the use of rating, it is in a better position to determine what additional forms or variations of forms would be necessary to improve the rating procedure. If a food chain can accomplish its original objective or purpose with one form for all of its store employees, there would seem to be no need for additional forms. As the rating procedures of the chains become more refined and its purposes of rating more clearly outlined, the trend will probably be toward having the rating forms approximate the job performance as nearly as possible and still be consistent with good operational management.

✓ What traits to measure? There are two primary considerations to be kept in mind in deciding what traits should be included in the rating scale of store employees. First, the traits should be those which are related to performance on the jobs of the employees to be rated, or of the jobs to which they might be considered for promotion. If only one rating form is used for all store employees, it is important that each trait apply to each individual regardless of whether he works in

grocery, meats or produce. In the second place, the traits should be as objective as possible--that is, they should represent aspects of a clerk's personality or performance that can be most readily observed by the rater, who in most cases will be the store manager.

A thorough analysis of the jobs to be covered by the rating procedure should be the basis for developing a preliminary list of traits. In the development of most rating scales, the traits to be included usually are selected through conference discussions which include members of management, district supervisors and store managers. The personnel manager, even though he will eventually be responsible for the merit rating plan, would hardly be capable of deciding what traits would have the most value in measuring employee performance. This is the point where the chain's supervisors and a selected group of store managers would prove of valuable assistance in making up the form. These are the men who know the operations of the business and have a clear conception in their minds of the traits most desirable to the employees to be rated by them. It is the job of management to furnish an opportunity for group discussion so that these men can agree on what traits should be included on the rating form. As previously stated, the supervisors and store managers who actually administer the plan will have more interest and enthusiasm for a plan which they themselves have formulated. A rating plan which is "lifted" from a competing chain and nonchalantly tossed to its operations

managers to be carried out, will have little if any chance of success.

Since it will be necessary to select traits which include requirements that are common to many of the jobs in a food store it will be important to select them with some standard in mind. In a situation similar to this, Reign Bittner suggests that the final traits to be included on the rating form should be selected on the basis of the following criteria:

1. Observability. Can the rater actually observe this trait in action? Is the worker's possession of this trait clearly evident to the rater in what the worker does? These are the questions to be answered in considering whether a trait is observable.
2. Universality. Is the trait under consideration an important characteristic in successful performance of all the jobs to be rated? Obviously, it should be if the rating procedure is to be generally applicable. It is unlikely, too, that the trait could even be observed when the job does not call it into play.
3. Distinguishability. Is the trait under question clearly distinguishable as meaning something different from another trait with a different name? Do they overlap so much in meaning that ratings on the two would be nothing more⁴ than two ratings on the same basic characteristic?

The food chains today are not all agreed on just what traits to use in rating their store employees. Since all food chains do not operate the same, it is probably natural that there should be divergent opinions. As stated before, a successful rating plan must be tailor-made for each individual

4. Reign Bittner, op. cit., p. 26.

food chain. There is a wide range of opinions as to what traits constitute the ideal clerk performance. In this regard, Table I gives an analysis of the traits now being used by 13 major food chains.

✓ Weighting of traits. It is reasonable to assume that if a rating scale for store employees is composed of ten traits, that one or more of the selected traits will be significantly more important than the remaining traits. A rating plan can cope with this problem by assigning different weights to the items according to the relative significance which they are judged to possess. Some companies contend that equal weighting of each trait would lead to a distorted total rating, if certain traits are, from the standpoint of management, considerably more important than others. ✓

On the surface it would seem like a simple matter to correct this fault--for instance, by assigning twice the point value to "initiative" as to "appearance", if management might consider "initiative" twice as important. Just double the weight of "initiative" in relation to "appearance" and the rating problem seems to be solved in arriving at the total point score of an individual rating. Actually, the weighting of traits is not a simple matter and personnel men who use them in their rating forms may not understand the effect that the weights may have on the final point score.

The true weight of a trait is determined by the variability of the ratings on that trait. By variability is meant the

TABLE I
ANALYSIS OF TRAITS USED IN STORE EMPLOYEE
RATING FORMS OF 13 FOOD CHAINS

Traits	Number of Companies Using
Dependability	11
Appearance	10
Attitude	9
Adaptability	9
Quality of work	9
Quantity of work	8
Initiative	7
Cooperation	7
Job knowledge	6
Leadership	6
Personality	5
Judgment	5
Friendliness	4
Enthusiasm	4
Courteousness	4
Health	3
Character	2
Performance	2
Personal fitness for the job	2
Attendance	2
Follows instructions	2

TABLE I (Continued)

Traits	Number of Companies Using
Possibility for future growth	1
Cost control	1
Organizing ability	1
Willingness to work at self-development	1
Seeking and accepting responsibility	1
Interest in selling	1
Interest in a career with the company	1
Honesty	1
Personal habits	1
Alertness	1
Tries to improve self	1
Housekeeping	1
Complies with company policy	1
Displays self confidence	1
Gives constructive criticism	1
Calm under pressure	1
Relations with others	1

extent to which the rating in a group of people tends to scatter over the various degrees of a trait scale.

For example, in the previously mentioned instance, where employee "initiative" was to be weighted double the weight of "appearance", if it was determined that all employees scored pretty much the same on "initiative", there would be no discriminant function in the trait regardless of the weight involved. Whereas, if these same employees had a scattered distribution in their degree of "appearance", there would be a greater variability on this particular trait and thereby automatically assume a higher relative weight than "initiative".

This degree of trait variability is known as the standard deviation. This is a statistical measurement which is often very baffling to someone not trained in statistics, but on close examination, it is more easily understood.

In order to establish the proper weight of any trait or to determine if a designated weight is valid, it is necessary to apply the rating scale to a distributed proportion of employees and then statistically analyze the variabilities of each individual trait. Most of the food chains do not have the trained personnel necessary to perform this involved procedure. This probably accounts for the fact that only two of the rating forms out of a total of 13 received from the food chains assigned any weights to the traits used on their forms.

Grand Union has nine traits on its rating form for store employees with all traits weighted equally except "friendliness" which is weighted double the point value of the other traits.

First National Stores uses a rating scale which has eight traits. Four of the traits are weighted 50 percent heavier than the other four traits. Both of these companies compute a total score on the rating form.

In view of the fact that relative weights of a trait are statistically involved and difficult to determine, most food chains assign equal value to all of the traits represented on the rating form. Another reason most food chains do not use weighted traits is that the purpose of the rating form is primarily devised for the development of employees through better job performance. It is not the desire of most food chain management to put an exact rating score on the head of each employee. For most food chains, merit rating is a tool for employee development, not a score card. No doubt, though, the chains that are presently using weighted traits receive the benefit of both aspects and have enough experience to control its use.

✓ Many industries outside of the food chains have experienced difficulty in the use of trait weighting. It is said that raters become suspicious of rating forms in which they can not understand the effect that weights have on the final score. Reigh Bittner gives six points which are important to keep in mind about the weighting of traits:

1. The real weight of a trait is not the same as the numerical factor you multiply the trait by in computing a total rating score.
2. The real weight of a trait depends upon its variability or standard deviation.
3. To determine the real weight of a trait, you must apply the scale to a group of men and then analyze the variability of the ratings on each individual trait.
4. Only after the real weights have been established by analyzing the ratings made, can you determine the multiplying factors which will make the traits have weights which have been determined as desirable.
5. Making the real weights conform to a desired pattern must be done by a central agency after analyzing the ratings turned in, and this is a process requiring a technician trained in statistics.
6. Any system of weights determined arbitrarily in advance of an analysis of the ratings turned in will not be the same as the true weights and will be misleading.

Subdivisions or degree of each trait. Once the number of traits has been established, it must be decided how many subdivisions of each trait will be needed. These subdivisions or degrees actually form the scale or yardstick used in rating the store employees. If the rating scale has too few subdivisions, it will be hard to differentiate between the various employees. If the scale has too many divisions, the store manager will be at odds on where to rate the employee on each trait, and develop a tendency to guess or else rate the majority of traits the same. Furthermore, most companies find it necessary to secure consistency of interpretation by

5. Ibid, p. 28.

defining in writing each degree or subdivision on the scale. This method automatically imposes a limit on the number of divisions in a scale, since it is almost impossible to define a large number of gradations from minimum to maximum in writing.

The various food chains use different subdivisions for each trait. They vary from two divisions, which include a satisfactory and unsatisfactory rating, all the way up to ten subdivisions which are now employed by one food chain.

Concerning the number of subdivisions for each trait, Yoder states: "In any case, more than five divisions are inadvisable, for most raters will be unable to distinguish more than that many degrees in quality, and three divisions will frequently be adequate."⁶

An analysis of trait subdivisions as used in the rating forms of 13 food chains is presented in Table II.

Importance of definition. Let us suppose that ten different store managers were to sit down at the same time to rate one of their grocery clerks. The first trait listed on the rating form is "initiative" with four subdivisions or degrees: "unsatisfactory", "fair", "good", and "very good". Immediately the store manager tries to interpret how that clerk has displayed "initiative" in terms of his job performance. His

6. Dale Yoder. Personnel Management and Industrial Relations. New York: Prentice-Hall, Incorporated, 1942. p. 354.

TABLE II
NUMBER OF TRAIT SUBDIVISIONS USED IN STORE EMPLOYEE
RATING FORMS OF 13 FOOD CHAINS

	Number of Companies Using
Two trait subdivisions	1
Three trait subdivisions	1
Four trait subdivisions	3
Five trait subdivisions	7
Ten trait subdivisions	1
Total	13

mind begins to wander in search of the meaning of "initiative" and how it is meant to apply in this particular situation. The store manager finds that it is an elusive word, whose intended definition is hard to pin down. When he does fix the meaning of "initiative" in his mind, he is again faced with the same problem, for he may not know exactly what is meant by the word "fair", "good", or "very good". If all ten store managers had a different understanding of the word "initiative", the rating form would instill hopeless confusion in the raters.

There should be no doubt in anyone's mind that this type of situation can exist, if there is no means of furnishing the store managers with a uniform definition or interpretation of the meaning of the various traits on the rating form. Much of the success of the rating plan is determined by the extent to which the store managers have the same understanding of the traits on which the store employees are to be rated.

"Because words and phrases do not communicate the same meanings to all, there is an ever-present language problem. This problem is doubly present in rating forms; first, in the difficulty of defining exactly such abstractions as "personality", "attitude", and "cooperation"; and second, in trying to establish a verbal unit of measurement of the degree to which these traits are present."⁷

7. Mary Wortham. "Rating of Supervisors." Bulletin 11, Industrial Relations Section, California Institute of Technology, 1944. p. 22.

One food chain solves this problem of trait definition in this manner:

Initiative: Extent to which employee performs job without waiting to be told or shown what to do.

—— Unsatisfactory: Lacks sufficient initiative to retain in job without improvement.

—— Fair: Lacks initiative to attain required job objective.

—— Good: Exercises amount of initiative required by the job.

—— Very Good: Exercises initiative beyond job requirements.

The task of assuring consistency of interpretation of the definitions of traits and subdivisions of traits is certainly a difficult one for the food chain that is planning a rating form. The personnel manager of the company could not sit down and merely write a set of definitions to apply to the rating form. Here again, the men who will actually operate the rating plan should be consulted. These are the men who know what is expected of their employees and if they can arrive at a uniform definition of the various traits, consistent ratings should result.

Some food chains do not define the traits that are used on their rating forms. In some of these cases the company may have operating or merit rating manuals in which the traits are defined. Others use short phrases, such as "catches on quickly" which might be used in place of the ambiguous word "adaptability", which would require a definition. Still others give

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a definition of a trait by means of a sentence, or even a paragraph as in the preceding example of "initiative".

The National Tea Company has an operating manual which thoroughly describes the meaning of each trait that is used on its rating form. This definition is condensed to one short sentence when the trait is presented on the actual rating form.

Number of traits. How many traits are actually needed on the rating form? It seems that this question is best answered in light of the original purposes the rating form is supposed to fulfill. For the food chains who desire to develop their personnel in the various aspects of job performance, it would seem wise to include a sufficient number of traits so that the store manager is mindful of all the important aspects of job performance in his rating and subsequent interview. It is this writer's opinion that ten or even twenty traits may not be too many, providing the rater's time is not a pressing problem. If the purpose of a rating form is to evaluate an employee at a definite level in relation to other employees, then the rating might be made on as few as five to ten traits. With a proper statistical analysis it can usually be shown that a large number of traits is not needed, since it can be proven by statistical methods that certain traits have little or no effect in the point score of an individual's rating.

Most store managers who have no understanding of the application of statistics desire a form which fully covers the qualities of a good job performance and this will involve the use of at least eight traits.

The number of traits on the rating forms received from the 13 food chains varies widely. The greatest number on any one form was 25, the smallest number was 8, and the average was 10.

Final Rating

The advisability of calculating numerical scores for final ratings has been a much debated topic, both in the food chains and in other industries. There are probably three possible positions that may be taken toward this whole problem:

1. Calculate an over-all score that is the sum of the scores on the individual traits and establish a total point score which can be used for comparison purposes in personnel evaluation. Another method is to group the total scores into a number of categories, regarding all who fall in the same category as roughly equal. For instance, all employees whose total score fell within 90 to 100 would be rated excellent.

Some companies such as the Kroger Company do not give a score on their rating forms, but have the store manager rank each employee from "best" to "poorest", which has a similar effect as over-all scoring except that the ranking sheet is kept separate from the rating form and the employee does not know his position in the ranking.

2. Disregard the use of an over-all score, but use instead the scores on each individual trait. In this way there will be no possibility that an over-all score may conceal differences on important traits.

3. Do not score the form at all.

Merit rating forms now in use by the food chains may use any one of the above methods of scoring. A more detailed description of the three methods may be helpful since there is no uniformity among the rating forms now in use by the various food chains.

Over-all scoring. In setting up over-all scores for rating forms it is customary to assign a numerical value to each subdivision of each trait used. Each successive subdivision from the "poorest" to the "best" is increased by a predetermined progression. The score of each trait is then added together to form a final score. The company which uses this method of final rating must be extremely careful so that too much importance is not attached to the final rating, either by the employee or the company.

Suppose, for example, a grocery clerk receives a numerical rating of 85. He makes up his mind after his interview with the store manager that he is going to do better so that he can attain a higher score on the following rating. He may attend a company training school and in every way make a sincere effort to improve himself. At the end of six months or a year, the ratings are repeated and this grocery clerk finds that his total rating score is only 81. When told that his rating has dropped four points, this employee is apt to give up in disgust, for he has tried everything possible to improve himself so that he might improve his performance in the company's eyes. This can indeed be a sore point in employee relations in which the

employee might feel perfectly justified in finding fault with the total score that is given him. Anyone familiar with the use of merit rating knows that rating scores can not be reliable to the extent of constantly predicting an employee's score within 10 or even 15 points. Ratings are merely opinions which have been organized and guided by the rating form and as such will never have a fine degree of accuracy in evaluation. In a situation such as this, the store manager may try to force the final rating so that the employee receives a higher score than at the last rating. In either case, considerable damage may result which might not have been necessary.

This particular problem can be remedied in part by grouping the final ratings into categories such as 90 to 100 - group I, 80 to 90 - group II, etc., or by assigning a final rating into an adjective or adverb group, such as "poor", "satisfactory", "good", and "excellent". This method avoids controversy among employees who might score a few points higher or lower than their fellow employees.

An analysis of the 13 food chain rating forms shows that only three companies make use of the total score and five companies use the "adjective" or "adverb" method of determining a final rating.

Trait scores. . Outside of the food industry, there are a number of companies which use only part scores, which is the individual score for each trait. Although this method makes it more difficult for the rater and management to summarize rating results, it does have the advantage that store employees

who are outstandingly superior or inferior in certain traits will be clearly recognized. None of the 13 food chains are presently using this method of scoring.

No scoring or final rating. Some food chains do not assign a score either to the subdivisions of the traits or to the final rating. Their apparent reasoning is that they do not wish to place a specific point score or grade on the head of each of its employees.

If the primary purpose of the rating plan is to develop the performance of its personnel, the traits alone would furnish a guide for store manager action and assist him in the subsequent interview. Certainly after rating all employees on each trait, the store manager would have a good idea of the actual relative standing on each employee, even though a total point score is not computed for him. The important advantage gained by not scoring an employee is that it eliminates undue controversy and hard feelings that may result. A store employee will readily agree that he could improve on certain aspects of his performance, but he will not approve a final rating that says he is only fair or that he has received one of the lowest scores in the store. When over-all point scores are used on a rating form, the employees who receive the lowest point scores are put on the defensive and the employee rating interview is all the more difficult for the store manager. Human nature being what it is, no man enjoys being told, or subsequently finding out through the store grapevine, that he has received the lowest

rating in the store. As long as the company informs its employees of their total rating scores, it would be naive to suppose that they would be kept confidential. The ratings of each employee soon become common knowledge which may cause some embarrassing situations and complaints as to the validity of some scores.

The proponents of no-score rating forms claim that they can use a rating plan as a tool or wedge with which the store manager might know and understand his employees better by "forcing" him, as it were, to carefully examine his personnel for the purpose of helping them to overcome weaknesses and improve existing abilities to the advantage of themselves and their company. Advocates of this method argue that since a total score rating is at best an "educated" guess, its advantages will be outweighed by its disadvantages.

Still others will argue that an employee in today's food chain store wants to know more than anything else the answer to the question, "Where do I stand?" Will a discussion of a clerk's good and bad points tell him where he stands? It may, but not in too definite terms. One must also consider the fact that the rating form is not for the use or benefit of the store manager alone. If there is no scoring or final rating whatsoever, he may know his employees' relative merits, but what about higher management? Certainly, they will want to make use of the forms when deciding various personnel actions. Some type of final rating would help them to speed up their review of the large number of forms.

Whether to score or not to score is a decision that can be more easily decided when the primary purpose of the rating plan is fully considered.

General Foods Corporation is one company that does not use a final rating of any kind in the evaluation of its employees. The National Industrial Conference Board makes the following observation:

It will be noticed that no numerical values appear on the forms. None are used after the forms have been filled in, nor are the forms subjected to any sort of statistical evaluation, the management believing that it is neither desirable nor possible to reduce records of judgment on human values to exact figures. They are recognized as being approximations only. Further, it is not believed that any total numerical score would be indicative of an individual's job behavior as is the picture revealed by the form itself, on which each personal characteristic is a separate and distinct item.

The food chains, more than any other industry, have made use of the no-scoring type of rating plan. Of the 13 food chain rating forms, five use no final rating whatsoever.

Outside of the food chains, the no-score method is used only where the prime function of the rating is to provide a basis for discussion between the rater and the employee. Because the use of some scoring method vastly facilitates further analysis and action by higher management, most firms outside of the food chains have clung to the use of scores even though it is recognized that they may be misleading if not used with care and discrimination.

8. "Employee Rating", op. cit., p.72.

Supplemental Information

In addition to the traits, their subdivisions, and the associated definitions, all of the 13 food chain rating forms provided space for additional information such as:

1. Name of employee being rated.
2. Store number and department.
3. Age and sex.
4. Job classification.
5. Length of service.
6. Date of rating.
7. Signature of rater.

In addition to the above type of information, other information of various sorts is often considered desirable. The rating forms of some food chains contain a series of questions designed for additional information. An example of some of these questions is listed below:

1. All in all are you satisfied with the employee and his progress? Explain.

2. Do you recommend promotion, demotion, transfer, discharge? Explain.

3. Is this employee well suited for the type of work he is now doing? If not, for what other line of work?

4. Plan for improvement.

5. Does he have a future with the company?

6. Has the employee shown any outstanding accomplishments or abilities in performing his work? What are they?

7. What is employee doing at present to improve himself, such as attending school, studying at home, etc.?
8. General comments.
9. What is his strongest point?
10. What is his weakest point?

Such questions are designed to lead the store manager to the formulation of conclusions about the employee and thus force the store manager to think about the rating in an organized and constructive manner. Some companies furnish a space for additional comment after each trait, so that the store manager can explain and justify his rating to the employee during the interview. This procedure, however, becomes very cumbersome to a store manager who is almost always short on time. It may be well to leave space for additional comments after each trait, but not require that it be used. In this way the store manager can extend his expression of employee ability beyond the trait scale only when he deems it necessary. Store managers are inclined to object to rating forms which ask too many questions in the supplementary information section, and may lose interest if written answers must be lengthy and detailed.

In the final analysis, the supplemental information on the rating form will depend on the purpose of the rating plan and the specific information that each food chain might consider most important.

CHAPTER III

ADMINISTERING THE RATING PLAN

After the rating form has been developed to the satisfaction of all concerned, there remains a number of very basic policy decisions to be solved before the plan can be put into actual operation.

Who Shall Do the Rating?

The principal requisite for the person who is to rate a store employee is that he must be in sufficiently close contact with him and his work for a long enough period of time so as to be able to rate the store employee fairly on each of the traits or items included in the rating plan. The store manager is the man who does the rating of store personnel for most food chains. Because his position requires that he give close supervision to everyone in the store, he cannot help but become familiar with the most minute qualities of his personnel.

For a store with a weekly volume of less than \$50,000, it would seem appropriate that the store manager handle all of the rating; however, there are some exceptions to this rule. Some companies have dual management in their store operation; the meat manager is in complete charge of his operation, subject only to his supervisor. The store manager may be responsible

for only grocery and produce. In this case it would seem reasonable to let the meat manager rate the personnel in his department and the grocery manager rate the remaining employees. These two in turn would be rated by their supervisors.

In stores with weekly volume in excess of \$50,000, it may be wise for the store manager, even though he has complete authority over the whole store, to delegate some of the responsibility of rating to his department heads. Some of the high volume supermarkets will have over 100 employees and the time involved in rating may become burdensome for the store manager. The task of merit rating might be fulfilled even better by an assistant manager or a department head who is closer to the store employees and therefore more qualified to judge the merits of each individual. It must be pointed out here, however, that it is most important that the ratings be made by competent personnel who fully understand the "how" and "why" of merit rating. If the store manager is the only man capable of performing an intelligent, conscientious rating, then he will have to do the ratings himself, regardless of the size of the store.

Although the store manager does the rating of store employees in most chains, there are exceptions to this rule. A few companies prefer to have their supervisors rate the department heads, instead of the store manager. This would probably give the supervisor a better "feel" of his key store personnel and aid him in making future decisions.

Colonial Stores have all of their full-time store personnel rated by the supervisor. No rating is performed by the store manager.

The individual organizational setup of each company would have much to do in determining who is going to do the rating.

How Often Shall the Ratings be Made?

Because the operation of a food store carries on at such a fast pace with conditions and people ever changing, management must decide how often its store employees are to be rated. The problem is one of arriving at a sensible rating interval--short enough to keep pace with changing conditions, yet long enough to be operationally feasible. There is probably no food chain which has adopted a merit rating plan in earnest that rates its employees less frequently than once a year. This is probably the maximum time interval that should be permitted to elapse between ratings.

It is difficult to determine the minimum interval that may elapse between ratings. Too frequent ratings will fail to reflect any appreciable changes in employee performance, and, as a consequence of this, the process of rating may tend to become highly mechanical, with the rater being unduly guided by the results of previous ratings. In addition, too frequent ratings impose a very real hardship on the store manager who is pressed

for time, thereby resulting in hurried ratings, improper interviews, and a resentment against the whole program.

Of the 13 food chains, one company rates on a quarterly basis, one rates only new or probationary employees at this time, seven rate semi-annually, and four rate on a yearly basis.

Another question which must be considered is whether employees should be rated all at one time, or on a staggered basis. It is claimed that by staggering, the store manager will have an easier task, especially in large stores where he is responsible for so many employees. Still, most food chains prefer to rate all employees at the same time because it is felt that better control can be exercised over the rating process if the rater or store manager is given a designated length of time in which to accomplish his ratings. With the company setting a designated time for all ratings, the process can be regulated to avoid busy holiday weeks or peak selling seasons in which the store manager would have little time for ratings.

Although the rating interval will be constant for full-time regular employees, new employees who are on probation may be rated initially on a much shorter interval. It is usually best to consider probationary employees as belonging in a separate category. Most of the large food chains have unions at the store level, with union contracts providing that for a specified time, (usually ranging from 30 to 90 days), new employees are considered to be on probation. This means that

the company can discharge the employee during this time for any reason, without fear of union action. Since the purpose of a probationary period is to provide a trial interval during which the employee is expected to demonstrate whether or not he can satisfactorily meet the requirements of his job, it is of utmost importance that management have a tool with which to properly evaluate its new employees just prior to the expiration of the probationary period. Once an employee completes his probationary period, the company is in a potentially difficult position as far as discharge is concerned. Unless a store manager has a guide such as the rating form, which "forces" him to sit down and take an analytical view of a new employee, he is apt to let the probationary time slip by and "wake up" too late to the realization that he has "deadwood" in his organization, on which the union may not agree.

It is this writer's opinion that a rating form can be a very useful tool in evaluating new employees during the probationary period. To the company which is contemplating the use of merit rating on a full-time basis, this would provide an excellent opportunity for introducing a plan on a limited basis.

The most important factor to consider in establishing the frequency of ratings is the amount of time that the store manager or rater will be able to devote to the rating plan. A rating that is thoroughly executed once a year is of much more value than a hurried rating that is done semi-annually or quarterly. The frequency of ratings, just as every other rating

plan decision, should be decided from the viewpoint of the people who will carry out the plan. Unless the plan receives their acceptance by having a smooth operation, it will be doomed to failure even though it may be operationally sound on paper.

Training the Raters

✓ The success of a merit rating plan hinges primarily on the following four points: (1) developing a sound plan; (2) selling the plan to the three levels of company operation; (3) making fair and equitable ratings; (4) using the ratings constructively.

The first two points were thoroughly considered in Chapter II. Now, in order to carry out the objectives of points three and four, it is absolutely necessary that the raters be trained so that they are capable of performing their part of the rating plan.

A food chain that establishes a merit rating plan and fails to give instructions and training on how to rate, will find little success, regardless of the type rating form used. Reign Bittner mentions the importance of training the raters and his ideas could very well be applied to the food chains.

A merit rating program must include specific plans and procedures for training the raters. In my opinion, lack of training of raters is the most usual source of weakness in rating programs. I am not nearly so concerned about the type of rating form to use as I am about the training of raters in use of the form adopted. The feeling is all too prevalent that the way to obtain better ratings is to get a better rating form. It is not surprising that this feeling is common, for if a tool doesn't work it is natural to look for a deficiency in the tool rather than for a fault in the user of the tool. Nevertheless, I believe

that if all raters were properly trained, almost any rating form would give reasonably good results, providing it was chosen in the first place to conform to the objectives of the rating program.¹

Of course, the training of store managers or supervisors in the use of the rating plan is not as easy as it sounds. These men are an integral part of a store operation and it is a difficult matter to have them come to the main office for several training sessions in order to learn the use of merit rating. Top management is often sold on merit rating until it reaches the point that its men must be "pulled out" of the stores for instructions and training. The store managers may also complain that they must sacrifice much of their time ordinarily devoted to other duties, to attend the training sessions. This is indeed a crucial point in many rating plans, and the eventual success of the plan may depend upon whether management will go to the extent necessary to formulate a sound rating plan. There does not seem to be too much room for compromise on this matter. It is the writer's opinion that the store managers would have to attend at least one group training session, lasting for perhaps one-half day, if the rating program is expected to enjoy any degree of success whatsoever./ By having at least one training session, members of top management could make an initial appearance at the meeting and demonstrate their interest in the project. The very idea of calling all

1. Reigh Bittner, op. cit., p. 29.

store managers into a special training session would be additional proof of the importance that management was attaching to the rating plan. During the training session, the raters could be encouraged to ask questions and express their opinions on the operation of the rating plan. The following advantages could be gained by one or more training sessions:

1. The purpose of the rating program could be clearly outlined to the store managers. Unless the purpose of the rating plan is understood, it would be impossible to generate interest and cooperation in the raters.

2. A thorough discussion and review of the rating form would help the raters understand its use and help establish uniform meanings for the various traits.

3. A discussion of some common errors encountered in the rating procedure would put the raters on guard and prevent many of the initial difficulties associated with a rating plan.

4. Instructions on how to conduct the employee interview following the rating would be of value, since many store managers fail to realize the amount of tact and finesse needed when constructive criticism is given to an employee.

Finally, as a further aid to training the raters, some of the food chains have devised a merit rating manual which gives complete instructions on the use of merit rating and a statement of company policy in this regard.

A thorough training session combined with a rating manual for operational guidance would leave no excuse for rater

incompetence and go a long way in selling the importance of the rating plan to the people who use it.

The following is a list of suggestions for effective rating used by the National Tea Company in its manual of instruction:

1. Remember that to get a "Satisfactory" rating in any factor an employee must meet the same job requirements for that factor which would be expected of a fully qualified and experienced employee.
2. New employees or those still in the trainee stage for the job are rated against the same standards as experienced employees. The back of the form provides for evaluation of trainee performance.
3. Try to disregard any general impressions of the employee being rated and concentrate on one factor at a time. Do not let performance in one factor influence ratings in another.
4. Consider the employee's performance over the entire period of the preceding six months. Do not be unduly influenced by recent or unusual occurrences. (favorable or unfavorable).
5. For every rating below "Satisfactory" have specific reasons in mind which show that the employee has not met the full requirements of his job.
6. For every rating above "Satisfactory" have specific examples in mind that show when the employee has contributed more to his work than is expected in meeting the full requirements of his job.
7. Make sure you know why you rate an employee as you do.
8. There are dangers of over-rating employees of longer service, those who get higher earnings, or those whom the rater knows better personally. Avoid these by thinking only in terms of job requirements and the employee's performance.
9. Do not hesitate to use high or low ratings if they honestly describe the employee's performance.

10. Raters often have personal tendencies to rate high or low. If most of your ratings are on the high or low side, check them to see if the employee's work actually fits the description on the forms.

11. Remember that you will discuss your rating with the employee. You cannot help him to do better by over-rating him, and may actually be recording false information that will embarrass you later. On the other hand, do not under-rate, because you will be expected to give him the reasons for your rating.²

The Employee Interview

A merit rating plan of any food chain is not complete unless there is a provision made for an employee interview so that the rater can personally discuss the rating with the employee. For the interview to be effective, the employee should be told exactly how he was evaluated on the rating form. The interview will thereby serve two important functions. First, it will let the employee know where he stands in the organization. One of the chief complaints of store employees is that the store manager or supervisor fails to acknowledge their work whether it is good or bad. They want to know what their "boss" thinks of them and what they have to do to advance. Second, the interview makes possible the fulfillment of the primary purpose of the rating plan--the development of employee performance. What a golden opportunity is presented to the store manager when he can sit down with an employee and intelligently discuss his job performance, with the purpose

2. "The Employee Service Review Plan," Manual of Instructions. National Tea Company, Chicago, Illinois. 1952.

of improving weak points and helping the employee advance. It is through a merit rating plan that this very desirable situation (employee interview) is possible, in which the store manager or rater can meet with the employee under ideal conditions and arrive at a mutual understanding. What better opportunity for employee training could be presented to the store manager? It is very doubtful that such operating advantages could be gained by any other procedure besides a rating plan.

Opposed to these important advantages, some store managers claim that the employee interview does more harm than good. They say that a frank discussion of an employee's weak points forms the basis for arguments between the employee and the store manager, with hard feelings and decreased morale the result, rather than employee improvement. Raters may also be inclined to rate all personnel high in an effort to avoid complaints during the interview, and thereby distort their actual ability on the rating form.

These complaints of the raters against the employee interview should not be discarded lightly, for it is a serious situation which exists in many of the food chains today and is one of the chief causes of an unsuccessful rating plan. The situation is not hopeless; however, it does demand attention to the fact that the raters must be trained and guided in the techniques of skillfully handling the employee interview so that maximum benefits can be derived.

The Kroger Company, which realizes the importance of the interview, has prepared an outline to guide its store managers so that they might know how to skillfully use the "improvement guide" (Kroger's rating form) in conducting store employee interviews. This outline which contains many helpful points is presented in Figure I.

The importance of the employee interview can not be over-emphasized, and the success of the rating plan will usually be in direct proportion to the rater's skill in handling the interview. Figure II gives an additional guide to follow in planning talks with employees and illustrates the mental reaction of the employee.

1

FIGURE I
EMPLOYEE INTERVIEW GUIDE³

How to Prepare for the Interview

1. Carefully complete the "improvement guide" as it applies to the individual.

- In each section enter specific examples or figures which will aid in reviewing his job performance with him.

- Make each rating on the basis of provable facts. Avoid these errors: (1) over-rating him because of long acquaintance or because he is likeable; (2) over-rating him because of his long experience, or because he has a large store, department, or section; (3) being swayed by one dramatic incident--a single unusual success, or one serious error; (4) being inclined to be too tough, too easy, or a fence straddler.

- Make your ratings accurately describe his performance. Avoid trying to make him look bad or look good, but truthfully show his performance as it is. Avoid hurrying--if there are points you are not sure of, get the facts before entering your ratings.

- Rate him strong on points on which you can give him honest compliments. Your weakest man probably has some strong points.

- Rate him weak on points on which marked improvement is needed. Your strongest man can probably improve on some points. (Bear in mind that your ability to further strengthen men who are already strong is the best guarantee of your own future success.)

3. "How to Use the Improvement Guide to Conduct a Performance Review Interview," The Kroger Company, Cincinnati, Ohio, 1953.

FIGURE I (Continued)

-
2. Establish a desire for the interview.
 - Capitalize on his natural desire to know how he stands. Advise him that you have appraised his performance.
 - Get him to tell you that he wants to know where he is strong and where he is weak.
 3. Provide time and privacy.
 - Provide a time at which both of you will be unhurried and free from pressure.
 - Get away from other people and away from job surroundings. Allow no interruptions.

How to Start the Interview

1. Emphasize that the interview is to help him to help himself.
 - Purpose is to review and discuss his performance--it is not to prod, needle, or put him "on the spot." Advise him that all of your men are getting this same opportunity.
 - Let him know that you are not going to give him advice. (Giving advice will cause him to depend on you; one of your aims is to encourage him to depend on himself.)
2. Stick to his job performance.
 - Discuss only his responsibilities and his job accomplishments. It is dangerous to compare him with other men--it invites differences of opinion, hard feelings, and the implication of favoritism.
 - Never raise a question as to his over-all ability, judgment, or willingness. To him this will mean that you lack confidence in him; you may kill his confidence in himself. (Discuss sales, operations, or expenses, BUT NOT ability, judgment, or willingness.)
3. Start the interview with an honest compliment.

FIGURE I (Continued)

How to Handle Strong Points

1. Encourage him to discuss his strong points.
 - Compliment all of his extra or unusual accomplishments. Be specific--use examples or figures; do not use "soft soap."
 - Find 2 or 3 points of agreement with him and introduce the "Improvement Guide" to show your agreement. Encourage him to talk.
 - Refer back to his strong points throughout the interview if it is necessary to encourage him.

How to Handle Weak Points

1. Get him to "see for himself" the points on which he needs to improve.
 - Do not try to fool either him or yourself--simply telling a man what he "should" or "ought" to do seldom gets results.
 - Refer to appropriate "Improvement Guide" headings and get him to tell you what should be expected of him.
 - Give him facts or figures--or ask him "WHAT" and "WHY" in order to lead him to see his own weak points. Refer to specific items on the "Improvement Guide."
 - Assist him in comparing his own performance with what he himself states, or agrees, should be expected of him.
 - Get him to agree with your ratings. (If he can demonstrate that you should change the ratings on 2 or 3 points--make the changes at once. Be fair with him.)

FIGURE I (Continued)

-
2. Get him to express a desire to improve.
 - Ask him to state the advantages of improving. Help him along.
 - Encourage, stimulate, or challenge him, but get a clear-cut expression of desire to improve. (if he doesn't WANT TO IMPROVE, he won't improve.)
 - Do not rush him to Step 3. Be certain that understanding and desire are present.
 3. Assist him in making plans for improvement.
 - Handle each point as a problem to be solved. Get him to tell you "HOW." Stick to "Improvement Guide" items.
 - Put your own suggestions in the form of questions, such as--Will this help? Can we do this?

How to Conclude the Interview

1. Summarize plans on the "Improvement Guide".
 - Write down the principal points on which he is going to make special effort.
 - Under each point list specific steps for accomplishment. Note dates, amounts, names, etc.
 - Get his approval, comments, and signature.
2. Summarize his progress; leave him encouraged.
 - Give him a general idea of where he stands, but not to the point of promises or threats.
 - Encourage him to act on his own, to make his own decisions, and to depend on himself for success.
 - Guarantee him your support and backing.

FIGURE I (Continued)

Follow-up

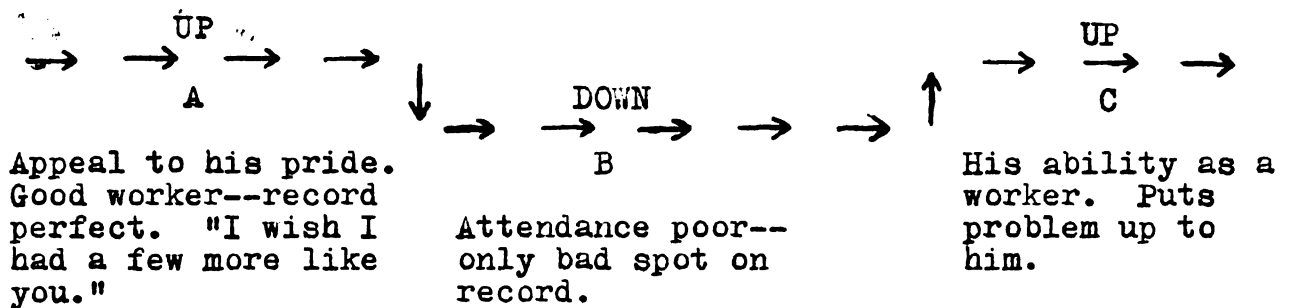
1. Help provide opportunities for him to develop.
 - Specifically check the points on which he is making special efforts in your further contacts with him.
 - Help him "grow". If he isn't growing, he is slipping.
 - Correct errors when they occur; use the steps outlined under "How to Handle Weak Points."
2. Give him credit when it is due.
 - Recognize his accomplishments and let him know.

FIGURE II
RATING GUIDE FOR EMPLOYEE INTERVIEW⁴

Step I	Step II	Step III
Start out by stressing good points of your rating	Follow up with what's wrong with the record	Repeat and conclude with other good points in record
Talk → Good Worker	This → Attendance Poor	Way → Knows His Job

Example of planned talk: "John, you are a good worker; indeed, your record on that score is perfect. I wish I had a few more like you. Is there anything I can do to help you straighten out your attendance? That is the only spot in your record which prevents me from turning in a good report about you. Knowing you as I do, and knowing the ability that you have, I can't understand this phase of your experience here. What's the story, John?"

MENTAL REACTION OF LISTENER



4. T. O. Armstrong. "Talking Your Ratings," Rating Employee and Supervisory Performance. New York: American Management Association, 1952. p. 152.

Review and Appeal

All of the 13 food chain rating forms require that the employee ratings be reviewed by someone other than the rater, and have space provided on the form for the reviewer's signature. In the majority of food chains, the reviewer will be the rater's immediate supervisor, usually the district supervisor. Some of the smaller chains may have the rating forms reviewed by merchandise managers, operations managers or the company personnel manager. It is most desirable that the reviewer have some knowledge of the employees who are rated. Because of this fact, company supervisors who make frequent contact with the stores are given the job of reviewing the rating forms.

Such a review is valuable as a device to control, insofar as possible, the effects of favoritism or lack of understanding of the plan on the part of the rater. The reviewer also receives an opportunity to "tap the pulse" of the store employees and arrive at a better understanding of their needs and desires which are certainly important when striving for good human relations with company personnel.

The reviewer, even though he may have final authority, should never change a rating form unless he has first consulted the rater to arrive at an agreement. This is most important in order to maintain the authority and prestige of the rater, since he is primarily responsible for the rating in the first place.

No matter how smoothly a rating plan may operate, no matter how fair the raters may be, sooner or later some store employee will object to the rating that he has received and the rater will find it impossible to convince the employee that he has been fairly rated. The question immediately arises: Must the employee accept the rating, or may he appeal it? Any food chain interested in the fair treatment of its employees will definitely provide the right to appeal a rating. Since the rating form becomes a permanent part of an employee's personnel record and may be the basis for future personnel decisions such as promotion, transfer or discharge, it is no more than just that the employee have the right of appeal in such an important personal matter.

A store employee should always feel free to contact a higher authority concerning any decision that to him is personally unjust. Although this situation should not be encouraged, it should never be stymied by management. In the case of merit rating, appeals can be made to the reviewer or to the personnel manager. These appeals should be handled in a very thorough manner so that the employee is treated justly and the rater's authority and respect are not destroyed. If the raters are properly trained in the techniques of the rating interview, few of these problems will develop.

Checking Results

Merit rating forms that have been filled out and sent in to the personnel office to be filed and forgotten may not justify the amount of time and money spent on them. It is true that the employee interview following the rating may deserve the most value in a food chain rating plan. Still, there are many other uses that management can make of the ratings after they are sent to the personnel department.

Colonial Stores, Incorporated, uses the results of their rating plan so that they can place the highest rating employees in a special reserve group. "When an employee's name goes on the reserve list, he should fall in line for some very special attention from all members of management with whom he comes in contact. This group should receive full consideration as a reserve inventory of personnel available for early promotion."⁵

Any other food chain could use the rating results to a similar advantage. Employees who rate the best could be segregated and receive first consideration when promotions or transfers are to be made. Without some tangible evidence of employee merits, management must promote solely on the word of a supervisor or hearsay, and many qualified employees may not be given consideration.

5. "Merit Rating and Employee Appraisal Manual."
Colonial Stores, Incorporated, Atlanta, Georgia.
1953.

June 23
The results of the rating plan can also give management an insight to future training needs. If all employees seem to be weak on a certain aspect of job performance, such as friendliness, it will be up to the company to emphasize its importance in their training schools, and alert its store managers to the problem. Likewise, the rating results could be used to detect flaws in present training programs and eliminate any deficiencies exposed by the rating results.

123 Another type of evidence, extremely difficult to develop but worth intensive effort, is a demonstration that decisions made with the assistance of rating results have been better than those made without the use of ratings. Follow-up studies over an extended period of time are required to accumulate evidence of this type. A decrease in the number of employees who fail upon promotion to the next step, a decrease in the number of grievances and absenteeism, or individual cases where a store has increased operating efficiency and improved employee relations, are the type of evidence to be developed. Once sound evidence of the rating plan is identified, it should be made known to the rest of the company so as to bolster their faith in the plan. If three of the top store managers in a company or one of its branches could honestly attest to the success of the rating plan in their stores, the other store managers would dispel much of the doubt in their minds regarding the plan, since men from their own group have endorsed it. Of course this is just another means of selling

the plan to those responsible for using it, but proven results can be a rating plan's best salesman, for "nothing succeeds like success".

Another advantage to checking the results of a merit rating plan is that it furnishes a periodic re-evaluation of the entire rating program. A rating plan that has been in operation for only a year or two will certainly require some changes if it is to profit from the experience gained from its initial operation. Rating plans must be improved primarily by means of trial and error methods. To arrive at an improved rating plan, management must keep a close check on it so that its defects may be discovered, and institute any changes needed to keep the plan up to date with the progress of the company.

CHAPTER IV

PROBLEMS INVOLVED IN MERIT RATING

Opposition at Operational Level

At the present time, the establishment of a rating plan at the store level is an extremely difficult proposition. True, a rating plan can be easily installed, but what degree of success will it have? An inherent difficulty of any retail chain system lies in the fact that a large number of retail stores in widely scattered areas are under one personnel department. Even a branch office may have as many as 150 stores. Control of the rating plan is difficult at best, when compared to the operation of a rating plan in a manufacturing plant where all of the employees are grouped in one location under the "nose" of the personnel department.

In addition to this handicap, the personnel responsible for store operation, which includes clerks, store managers and some supervisors, unless properly introduced to the rating plan, do not want anything to do with it. This opposition stems mainly from the personnel responsible for making the ratings, which in most cases is the store manager. They see a rating plan as an additional job, time-consuming, and a source of employee unrest. These men cannot visualize the benefits of a rating plan because its results are too intangible. They

are used to evaluating new methods in terms of higher sales and profit where results can be accurately gauged. There is a tendency for them to think of merit rating as an academic or personnel procedure too far removed from their job of store operation to be of any value.

This opposition should not come as a surprise, for merit rating as a tool for improved operation is a mere baby in the food chains. Since the rating of store employees is a post-war product to the chains, and on the average only a few years old, opposition can be expected.

When a rating plan is contemplated, it is very important that the company is fully aware that this opposition actually exists and does not underestimate it. Unless it is overcome by an educational process which can successfully sell the plan to those who must administer it, there will be little chance for the plan's success.

Limitations of the Rating Plan

Important as it may be to sell the rating plan to all levels of operation, it is equally important that exorbitant claims are not made in its behalf. Some companies make impossible claims for the rating plan in an effort to create enthusiasm and interest. When these claims fail to materialize, there is a considerable lack of faith in the plan or any other rating plan that may be proposed in the future.

A rating plan is just one tool in the hands of management which must be used in conjunction with other means to attain the desired results. Take the case of a pending promotion or discharge. The rating form should not be the only basis for a sound decision. True, the rating form can certainly help in determining an individual's qualifications for promotion, or his lack of qualifications for discharge, but to utilize the rating results as the sole criterion of employee merit would be foolish.

The employee interview, an important part of a chain's rating plan, furnishes the store manager an opportunity for developing his personnel. Still, it does not infer that this process is to last for just 30 minutes, once or twice a year. Developing personnel is a full-time job and the rating plan merely serves as a "kick off" or initial nudge to get the "ball rolling". It does not solve the many problems that exist in store operation, but only serves to point them out so that appropriate measures can be taken.

One general limitation of merit rating is that it is a method of obtaining opinions, and is not a strict objective way of measuring performance. Even at its best, the results should be considered as reflecting opinions and should be used as such. While there are ways of obtaining opinions that reduce errors in judgment, the end-results of rating cannot be considered as precise. Numerical ratings for two different employees of, let us say, 65 and 66, do not necessarily imply

that the second individual is better than the first. It is only natural for people to think of measurements or scores as being highly exact. It is possible to measure length, width, and thickness with great exactness, but the measurement of human traits and capacities is a long way from achieving this accuracy. There is always a zone of uncertainty surrounding any person's rating. For this reason, it is the writer's opinion that total numerical scores should not be placed on the rating forms. Employees are inclined to take a score at its face value and, being unaware of probable error or zones of uncertainty, may draw false conclusions in comparing their ratings with those of their fellow employees. Some of the causes for this probable error in merit rating will be discussed in the remaining part of the chapter.

Validity of Ratings

The validity of ratings relates to the extent that the ratings actually measure what they are supposed to measure. It is only natural for the management of a food chain to wonder if their rating plan actually measures employee performance the way it is supposed to do. This question must of necessity go pretty much unanswered, because there is no criterion with which to compare the results of the rating plan. If an objective criterion of employee performance did exist, there would be little need for a rating plan in the first place. Since there is no objective criterion for almost all of the traits rated

on the food chain rating forms, the problem of determining validity is almost impossible. Since a rating plan is primarily designed because there is a lack of objective criteria, any attempt to determine validity by searching for objective criteria would be useless.

There are statistical methods for determining the validity of a rating plan, but these statistical methods provide only a rough and, in some cases, very indirect approximation of the validity of the ratings. The statistical methods that can be used will not be considered here since they are quite involved and not generally used by the food chains, at least to the writer's knowledge.

Although the question of validity is very important and difficult to determine, it has not prevented the food chains from developing and using merit rating plans. Most of the chains realize that statistical validity is difficult to obtain, with results that are uncertain. Faced with this fact, they have been content to set up rating plans which possess a logical or face validity. Logical validity implies that the traits used on the rating form are indisputably reasonable and significant.

From this point of view, a food chain rating plan most likely to possess a high degree of validity would be the one which most fairly represented judgments of a substantial group of supervisors and store managers, who completely agreed that the selected traits were an obvious criterion of job performance.

This type of common-sense judgment presumes validity of the rating plan in the absence of an acceptable statistical check.

A certain degree of validity can be determined in the food chains, however, by follow-up procedures in which the progress of certain individuals is traced for a period of time to see how accurately the ratings actually predicted their success or failure. Although the follow-up procedure is not sufficient in itself to adequately predict validity of a rating form, its results are more concrete and readily understood by management and can prove to be a valuable asset in promoting continued faith in the rating plan.

Reliability of Ratings

In order to be reliable, a rating scale should give approximately the same results upon repetition with a given group of store personnel as it did the first time it was used, provided the group did not have time to change to an appreciable degree. If it could be determined that two different grocery clerks working in different stores had the same qualities, then their ratings should be very similar even though they had been rated by different store managers. For a rating scale to be reliable, it should consistently measure a clerk's performance whether subsequent ratings are made by a different rater or by the same rater.

Suppose a store manager would rate all of the personnel in his store, and upon completion of the ratings he would be transferred to a different store. A new store manager would take over

this store and in six months repeat the rating procedure. If both sets of ratings were very similar, varying only in the degree of change in the employees, the rating plan could be considered as being highly reliable. Whereas, if the ratings were at complete variance with each other, the rating plan would be highly unreliable. In this particular case, there could be one of two difficulties. It could be that the rating form possessed reliability and one of the raters was incompetent. Or it could be that the raters were equally qualified, but the rating form was incapable of providing reliable ratings. In either situation, the difficulty must be determined and corrected. If the rating form is at fault, it should be revised to provide the raters with a uniform conception of the traits and how they apply to employee performance. If the rating form is not at fault, then it will be necessary to train the raters so that reliable ratings can be attained.

It is not hard to visualize the importance of such consistency from a management point of view. An unreliable rating plan, giving different results upon successive applications, could in a very short time lead both store employees and store managers to a state of complete distrust of the rating plan. If this were to happen, the employees and store managers could hardly be blamed since it is entirely reasonable for them to expect successive ratings to be comparable. Unless ratings are reliable, the rater can never be certain as to whether changes in ratings are due to actual changes in the employee or to the unreliability of the rating plan.

1

Unlike the problem of validity, the reliability of rating scales is relatively easy to determine by means of statistical techniques.

The most widely used method of computing the consistency of the rating method is to compare the ratings completed at one time with those completed at the end of a stated interval.

If there is little difference between the two ratings, it may be assumed that the same thing is being measured consistently; in other words, that the ratings are reliable. It should not be expected, however, that perfect agreement will be achieved. The ratee is likely to change, or the attitude, point of view, or method of the rater is likely to be different. If the interval between ratings is sufficiently short (probably not over six months), these changes usually can be expected to be of insignificant size.¹

Most of the food chains, however, have not progressed to the point of using statistical methods for determining reliability. The degree of reliability of their rating plans is determined more by a sense of feel of the situation and by the amount of difficulty arising from this problem.

The degree of validity and reliability in a rating plan is difficult to determine for the average food chain. Since these two factors are known to be lacking in some degree in all rating plans, management should use caution before placing undue emphasis on the rating results.

1. Randolph S. Driver. "The Validity and Reliability of Ratings," Personnel. 17 (March, 1941), p. 187.

Rater Tendencies

Some of the most troublesome problems in a rating plan originate within the raters. Since each rater has his own individual psychological make-up, it is not surprising to find that they may form different tendencies in regard to making the ratings. These rater tendencies cause immeasurable damage to a rating plan and it is necessary for management to pick them out and eliminate them by educating and training its raters so that they may be aware of their existence. The three most important rater tendencies are: halo effect, central tendency, and leniency.

Halo effect. By halo effect is meant the tendency to rate a given employee on the basis of the rater's over-all general impression or by rating an employee on the basis of one particularly outstanding quality, such as cooperation. This rater impression has its effect on all of the traits in the rating scale, in such a manner that the untrained rater is completely unaware that it actually exists. How many times has a store manager proclaimed a certain clerk his best man, because he will do anything he is told to do? Valuable as this cooperation may be, it does not eliminate the need for other important performance qualities. It is most urgent that all raters are aware of this tendency in evaluating store personnel.

Central tendency. As the name implies, "central tendency" refers to the inclination of some raters to type their employees

as "average" to an unreasonably large degree. This tendency could be caused by a poorly designed form, lack of rater training, or by a rater who is either in a hurry to finish the form or else too lazy to perform the necessary work for a comprehensive rating. The "central tendency" suggests that the rater did not take time to read the form, but merely checked it off in the most expedient manner. Although it is possible for ratings of this type to occur in some instances, an unusual number of cases would warrant an investigation for possible misuse on the part of the rater.

Leniency. The error of "leniency" is the tendency of the rater to rate employees higher than they should be rated. This tendency is particularly evident in the case of employees who should be rated on the bottom of the scale for certain traits, and instead are rated average or slightly below. Most store managers want to be "good Joe's" and be liked by their store personnel. They hesitate to pass severe criticism on employees whom they have known and liked for months or even years. Store managers also fear that such adverse ratings may be the source of trouble in the employee interview. They would much rather talk over ratings with an employee who is rated average or above, than one who must be told certain aspects of his performance must be improved.

This tendency is probably the most prevalent rater defect in the food chains. Still, ratings must be as objective as possible if the desired results are to be attained. The

solution lies in training the raters and instilling confidence in their ability to approach tactfully a subject which the employee--deep down inside--knows to exist.

CHAPTER V

ILLUSTRATION OF SOME FOOD CHAIN RATING FORMS

Throughout this thesis the writer has endeavored to point out what is necessary in establishing an effective rating plan. As previously stated, the rating form itself is an important part of any plan. Store employee rating forms from six food chains are presented in this Chapter so that the reader may see forms now used in actual operation.

The illustrated forms were selected because they all present a different type of design, even though the basic construction is of the rating scale type.

It is not the intention of the writer to criticize or praise any particular form, but rather to point out the significant features of each form. By referring to the previous Chapters, it will be possible to determine which forms incorporate features that are considered desirable by the writer.

Although each food chain should design its own rating form, adaptable to its own operation and objectives, the following rating forms may provide constructive ideas in the formulation of such a rating form.

COLONIAL STORES, INCORPORATED

Merit Rating and Employee Appraisal Forms

In 1953 Colonial Stores, Incorporated, adopted a rating plan for its store employees and provided a rating manual to aid in the use of administering the plan. The two outstanding features of the plan are:

1. Separate rating forms are provided for full-time clerks and the store department managers. Each rating form has 12 traits which are listed as either performance traits or personality traits.

2. A reserve group is established for both the full-time clerks and the department managers. Employees who rate sufficiently high are placed in a reserve group where they can be more closely observed and considered for future promotion. Once in the reserve group, employees are rated on an employee appraisal form, different from that used on employees not in a reserve group. Thus, there are four different rating forms in use for the rating of store employees.

Other features:

1. All ratings made by the supervisor (none by the store manager) every six months.

2. All ratings reviewed by Division Manager of Stores Operations.

3. No total point score is calculated.



MERIT RATING
(Full Time Store Clerks)
(Excluding Reserve Group)

81

Employee's Name.....Store or Dept.....

Position.....How long in this position?.....

DEFINITION OF TERMS

AVERAGE: Employee's performance meets the job requirements at the time of rating. **THIS IS THE BASIC STANDARD FOR RATING ANY FACTOR BELOW.**

FAIR: Employee's performance is below the requirements for the job and must improve to be satisfactory.

UNSATISFACTORY: Employee's performance is deficient enough to justify release from present job unless improvement is made.

VERY GOOD: Employee's performance is beyond the ordinary requirements for good performance for the job.

OUTSTANDING: Employee's performance is excellent, approaching the best possible for the job. Should be considered for promotion.

(PERFORMANCE TRAITS)	NO OPPORTUNITY TO OBSERVE	UNSATISFACTORY	FAIR	AVERAGE	VERY GOOD	OUTSTANDING		(PERSONALITY TRAITS)	NO OPPORTUNITY TO OBSERVE	UNSATISFACTORY	FAIR	AVERAGE	VERY GOOD	OUTSTANDING
QUALITY OF WORK	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		APPEARANCE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ability to perform accurately, neatly and completely all the duties of the job.								The look of cleanliness, neatness and general good grooming.						
QUANTITY OF WORK	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		ATTITUDE TOWARD OTHERS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Efficient use of time for maximum productivity.								Ability to get along with others and maintain their respect and confidence. Courteous.						
DEPENDABILITY	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		CHARACTER	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Extent to which employee can be counted on to carry out all instructions conscientiously, report on time, stay on the job, and fulfill responsibilities.								Possession of the principles of right and wrong—honesty, sincerity, loyalty and ethics.						
JUDGMENT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		HEALTH	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The intelligence and thought used in carrying out job assignments. Ability to think and act calmly, logically and rapidly.								The state of being sound in body and mind.						
KNOWLEDGE OF THE JOB	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		AMBITION AND ENTHUSIASM	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Understanding of basic fundamentals, techniques, and procedures of the job.								Interest and enthusiasm in work. Desire for further honor and attainment.						
LEARNING ABILITY	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		INITIATIVE AND RESOURCEFULNESS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ability to learn quickly and to remember what is learned. Ease of adjustment.								Energy or aptitude to originate action and follow through in the absence of instructions.						

FIGURE III. COLONIAL STORES, INCORPORATED

MERIT RATING

Does this employee have a future with Colonial?.....

What are your plans for his future? (Be specific, include recommendation for Company Schools).....

What is the employee doing at present to improve himself, such as attending school, studying at home, taking part in outside activities, etc.?.....

Present Rating

Previous Rating

SUMMARY (Check one):has potential great enough to warrant being considered for the "Reserve" group

.....has some future potential

.....satisfactory in present job

.....should be replaced or transferred

(To where?.....)

REMARKS:

What was the employee's reaction to this rating and these plans for his future?

Rated by: Date.....

Reviewed with General Supt.:

Genl. Supt's Comments:

Route original copy to Div. Mgr. of Stores Operations.....

then to Personnel Dept. (for filing in employee's personal record).

Dist. Supt. should keep a copy of this rating in his personnel files.



MERIT RATING
(Store Department Managers)
(Excluding Reserve Group)

Employee's Name _____ Store or Dept. _____

on _____ How long in this position? _____

DEFINITION OF TERMS

AVERAGE: Employee's performance meets the job requirements at the time of rating. THIS IS THE BASIC STANDARD FOR RATING ANY FACTOR BELOW.

POOR: Employee's performance is below the requirements for the job and must improve to be satisfactory.

UNSATISFACTORY: Employee's performance is deficient enough to warrant release from present job unless improvement is made.

VERY GOOD: Employee's performance is beyond the ordinary requirements for good performance for the job.

OUTSTANDING: Employee's performance is excellent, approaching the best possible for the job. Should be considered for promotion.

(PERFORMANCE TRAITS)

NO OPPORTUNITY
TO OBSERVE
UNSATISFACTORY
FAIR
AVERAGE
VERY GOOD
OUTSTANDING

MANAGING ABILITY

☐ ☐ ☐ ☐ ☐ ☐

Accomplishment of job responsibility in orderly, efficient manner. Selection of right people to fit jobs, training and development of those people, delegation of responsibility and authority to get the job done.

KNOWLEDGE OF THE JOB

☐ ☐ ☐ ☐ ☐ ☐

Understanding of basic fundamentals, techniques and procedures of his job.

WORK PERFORMANCE

☐ ☐ ☐ ☐ ☐ ☐

Application to job at hand and resultant productivity.

ABILITY TO INSPIRE AND INFLUENCE OTHERS

☐ ☐ ☐ ☐ ☐ ☐

Capacity of inspiring others by conveying ideas and plans and influencing them to greater determination and unity of purpose.

WISDOM

☐ ☐ ☐ ☐ ☐ ☐

Intelligence and thought used in arriving at decisions. The ability to think and act calmly, logically and rapidly.

(PERSONALITY TRAITS)

NO OPPORTUNITY
TO OBSERVE
UNSATISFACTORY
FAIR
AVERAGE
VERY GOOD
OUTSTANDING

CHARACTER

☐ ☐ ☐ ☐ ☐ ☐

Possession of the principles of right and wrong—honesty, sincerity, loyalty and ethics.

HEALTH

☐ ☐ ☐ ☐ ☐ ☐

The state of being sound in body and mind.

EMOTIONAL STABILITY

☐ ☐ ☐ ☐ ☐ ☐

Ability to control emotional expression and behavior.

VISION

☐ ☐ ☐ ☐ ☐ ☐

Ability to formulate new ideas, utilizing facts and past experiences, and to see future possibilities.

AMBITION AND ENTHUSIASM

☐ ☐ ☐ ☐ ☐ ☐

Interest and enthusiasm in work. Desire for further honor and attainment.

INITIATIVE

☐ ☐ ☐ ☐ ☐ ☐

Energy and aptitude to originate action and carry out decisions. Courage to defend principles and conclusions.

RESPONSIBILITY

☐ ☐ ☐ ☐ ☐ ☐

Willingness to assume and discharge functions of management.

MERIT RATING

Does this manager have a future with Colonial?.....

What are your plans for his future? (Be specific).....

What is the manager doing at present to improve himself, such as attending school, studying at home, taking part in outside activities, etc.?.....

Present Rating

Previous Rating

SUMMARY (Check one):has potential great enough to warrant being considered for the "Reserve" group

.....has some future potential

.....satisfactory in present job

.....should be replaced or transferred

(To where?.....)

REMARKS:

What was the manager's reaction to this rating and these plans for his future?

Rated by: Date.....

Reviewed with General Supt.:

Genl. Supt's Comments:

Route original copy to Div. Mgr. of Stores Operations.....

then to Personnel Dept. (for filing in employee's personal record).

Dist. Supt. should keep a copy of this rating in his personnel files.

Name _____ last _____ first _____ middle _____
Present Class # _____ Since _____ Store # _____

If the employee is now in or is being recommended for the Reserve Group, this form should be used in lieu of Merit Rating Form 3037.

PERSONALITY

APPEARANCE

Definition: The look of cleanliness, neatness and general good grooming.

- ☐ Occasionally appears sloppy. Disheveled hair. Hands unclean.
- ☐ Satisfactory appearance. Uses normal care in grooming.
- ☐ Takes pride in appearance, hair neatly combed. Clean-shaven. Clothes clean. Exercises care with store uniform.
- ☐ Exceptionally neat. Very favorable effect on customers and fellow employees.

Since last appraisal: Appearance hasImproved;Not changed;Gone back. Recommendations for improvement (be specific):

.....

.....

HEALTH

Definition: The state of being sound in body and mind.

- ☐ Below average health. Explain:
- ☐ Loses little time because of health. Has normal physical and mental vigor.
- ☐ Well and hearty. Possesses reserve energy, both physical and mental. Well adjusted—calm in emergencies.
- ☐ Health and vigor stimulating to others. Never tires. Almost always relaxed.

Since last appraisal: Health hasImproved;Not Changed;Gone back. Recommendations for improvement (be specific):

.....

.....

CHARACTER

Definition: The possession of the principles of right and wrong—honesty, sincerity, loyalty, and ethics.

- ☐ Fundamentally honest, sincere and loyal, with good reputation. Conversation is clean.
- ☐ Thoroughly dependable, honest, sincere. Does not side-step blame. High degree of integrity.
- ☐ Scrupulously honest and loyal. Has moral courage. Highly respected. Work can be absolutely depended upon.

Since last appraisal: Character hasImproved;Not changed;Gone back. Recommendations for improvement (be specific):

.....

.....

Assume that the boxes represent "Average," "Very Good," and "Outstanding." Check the most appropriate. Cross out or modify inappropriate words or phrases that appear in that block. Underscore words or phrases appearing in other blocks that aptly describe the employee.

ATTITUDE TOWARD OTHERS

Definition: Ability to get along with others and maintain their respect and confidence.

- ☐ Reasonably considerate and helpful. May have an occasional "off day," but generally acceptable. Usually receptive to suggestions. Greets people with a smile. Controls temper.
- ☐ Willing and eager to please. Works in harmony with others. Adaptable and tactful. Usually friendly. Cooperative. Smiles a lot.
- ☐ Well liked by everyone. Very courteous and considerate. Almost always friendly and smiling. Goes "out of his way" to be helpful.

Since last appraisal: Attitude hasImproved;Not changed;Gone back. Recommendations for improvement (be specific):.....

.....

.....

AMBITION

Definition: The desire for honor, superiority and attainment.

- ☐ Has some personal desires to succeed. Wants to improve his standard of living. Has average motivation.
- ☐ Continually seeking greater responsibilities. Eager to please. Enjoys competition. Working to qualify for next job ahead.
- ☐ Has strong desire to acquire recognition and advancement and acts toward these ends without sacrificing performance standards. Very energetic and industrious.

Since last appraisal: Ambition hasImproved;Not changed;Gone back. Recommendation for improvement (be specific):.....

.....

INITIATIVE, RESOURCEFULNESS, ENTHUSIASM

Definition: Energy or aptitude to originate action and follow through in the absence of instructions.

- ☐ Will voluntarily take action in normal situations. Can handle ordinary problems, but requires frequent supervision.
- ☐ Resourceful in handling most situations. Requires little supervision. Self-confident.
- ☐ Very self-reliant, persistent, positive. Usually successful in overcoming problems. Enthusiatic.

Since last appraised: Initiative hasImproved;Not changed;Gone back. Recommendations for improvements (be specific):.....

.....

Assume that the boxes represent "Average," "Very Good," and "Outstanding." Check the most appropriate. Cross out or modify inappropriate words or phrases that appear in that block. Underscore words or phrases appearing in other blocks that aptly describe the employee.

PERFORMANCE

KNOWLEDGE OF THE JOB

Definition: The understanding of basic fundamentals, techniques, and procedures of the job.

- ☐ Satisfactorily acquainted with his job. Scope of experience and training is limited. Knows enough about 1 or 2 other jobs to be useful on them in a pinch.
- ☐ Well informed. Needs assistance only occasionally. Useful on several different jobs.
- ☐ Thorough knowledge of basic fundamentals, techniques and procedures of the job. Wide knowledge of most all jobs he is likely to be involved in. Makes the most of his skill and experience.

How long has he been in his present type of work:Less than 6 months;6 mos. to 1 year;1 to 2 years;Over 2 years.

Since last appraisal: Knowledge hasImproved;Not changed;Gone back. Recommendations for improvement (be specific):

QUALITY OF WORK

Definition: The efficient use of time for maximum productivity.

- ☐ Average worker. Works steadily. Shows ordinary interest and application in his job. Does little work not specifically assigned.
- ☐ Fast, efficient worker. Always does a full day's work. Keeps busy without close supervision.
- ☐ Exceptionally industrious and conscientious in work. Drives himself hard. Usually does more than is expected

Since last appraisal: Quantity hasImproved;Not changed;Gone back. Recommendations for improvement (be specific):

QUALITY OF WORK

Definition: Ability to perform accurately, neatly and completely all the duties of the job.

- ☐ Work usually passable. Some wasted effort, but most details satisfactorily attended to.
- ☐ Usually thorough. Few errors. Careful, neat worker.
- ☐ High degree of usefulness. Errors extremely rare. Exceptionally neat and orderly. Very thorough in attending to details without wasted effort. Consistently does outstanding work.

Since last appraisal: Quality hasImproved;Not changed;Gone back. Recommendations for improvement (be specific):

DEPENDABILITY

Definition: Extent to which employee can be counted on to carry out all instructions conscientiously, report on time, stay on the job and fulfill responsibilities.

- ☐ Usually prompt and dependable. Average supervision required. Tries to follow instructions carefully.
- ☐ Can be counted on for successful completion of work. A reliable and willing worker. Rarely needs any follow-up. Tries to be careful.
- ☐ Deserves utmost confidence. Very little need to check work. Practically no time lost (3 days or less in 6 month period). Follows instructions conscientiously.

Since last appraisal: Dependability hasImproved;Not changed;Gone back. Recommendations for improvement (be specific):

JUDGMENT

Definition: The intelligence and thought used in arriving at decisions. The ability to think and act calmly, logically and rapidly.

- ☐ Jumps at conclusions. Makes decisions on matters which should be referred to supervisor. His conclusions often need correcting.
- ☐ Judgment dependable on matters of routine nature. Can usually be relied upon in normal situations. Adequate judgment for a satisfactory performance.
- ☐ Uses good common sense. Most decisions acceptable. Generally logical.
- ☐ Sound judgment. Decisions based on thorough analysis. Consistently accurate in making wise decisions.

Since last appraisal: Judgment hasImproved;Not changed;Gone back. Recommendations for improvement (be specific):

LEARNING ABILITY

Definition: Ability to learn quickly and to remember what is learned. Ease of adjustment to a new job.

- ☐ Requires average instruction to do satisfactory work. Routine worker. Follows instructions well, but seldom thinks for himself.
- ☐ Learns easily. Good memory. Grasps new ideas with minimum amount of instructions. Tries to plan work and suggests occasional improvements.
- ☐ Catches on quickly. Seldom forgets. Needs little or no instruction. Plans work effectively.

Since last appraisal: Learning ability hasImproved;Not changed;Gone back. Recommendation for improvement (be specific):

Assume that the boxes represent "Average," "Very Good," and "Outstanding." Check the most appropriate. Cross out or modify inappropriate words or phrases that appear in that block. Underscore words or phrases appearing in other blocks that aptly describe the employee.

In the light of the appraisal on the preceding pages, what are the individual's... STRONG CHARACTERISTICS?

AREAS REQUIRING IMPROVEMENT IN ABILITY?

Are there any limiting factors such as health, habits or character that would impede his results in carrying out greater responsibilities?..... If "Yes," explain:

To improve the individual in his present assignment or for advancement, what SPECIFIC training recommendations do you have?

What does he hope to achieve within the company?

What is he doing to improve himself both personally and in relation to his present position?

As a result of your discussion, list the immediate steps or plans you have agreed upon for the individual's improvement.....

Appraisal discussed with the individual by..... Position..... Date.....

*"All men resent being told they are doing a poor job, but they welcome being told how to do better."

Name _____
last first middle

Present Class # _____ Since _____ Store # _____

If the employee is now in or is being recommended for the Reserve Group, this form should be used in lieu of Merit Rating Form 3038.

PERSONALITY

CHARACTER

Definition: The possession of the principles of right and wrong—honesty, sincerity, loyalty, and ethics.

- ☐ Fundamentally honest, sincere and loyal, with good reputation. Generally applies rules of the game.
- ☐ Rarely shows partiality or prejudice. Thoroughly dependable, honest, sincere and tolerant. Does not side-step blame. High degree of integrity.
- ☐ Highly respected for fairness. Scrupulously honest and loyal. Has moral courage.

Since last appraisal: Character has.....Improved;Not changed;Gone back. Recommendations for improvement (be specific):

.....

.....

HEALTH

Definition: The state of being sound in body and mind.

- ☐ Below average health. Explain:.....
- ☐ Loses little time because of health. Has normal physical and mental vigor.
- ☐ Well and hearty. Possesses reserve energy, both physical and mental. Well adjusted.
- ☐ Health and vigor stimulating to others. Never tires.

Since last appraisal: Health has.....Improved;Not changed;Gone back. Recommendations for improvement (be specific):

.....

.....

EMOTIONAL STABILITY

Definition: The ability to control emotional expression and behavior.

- ☐ Usually retains even keel. Emotional outbursts infrequent. Appears to possess a sense of humor.
- ☐ Maintains good behavior balance in most situations. Has a good sense of humor. Calm in emergencies.
- ☐ Self-possessed. Outstanding ability to adjust self to personalities and circumstances. Excellent sense of humor. Almost always relaxed.

Since last appraisal: Stability has.....Improved;Not changed;Gone back. Recommendations for improvement (be specific):

.....

.....

Assume that the boxes represent "Average," "Very Good," and "Outstanding." Check the most appropriate. Cross out or modify inappropriate words or phrases that appear in that block. Underscore words or phrases appearing in other blocks that aptly describe the employee.

PERSONALITY

VISION

Definition: The ability to formulate new ideas, utilizing facts and past experiences, and to see future possibilities.

- ☐ Usually considers all implications and possibilities. Thinks ahead on routine tasks.
- ☐ Open-minded. Alert in seeking new facts. Quick to grasp situations.
- ☐ Keen searching mentality. Extremely resourceful in developing new ideas. Plans ahead on regular and special tasks.

Since last appraisal: Vision has.....Improved;Not changed;Gone back. Recommendations for improvement (be specific):.....

.....

.....

AMBITION

Definition: The desire and will for preferment, honor, superiority, power and attainment.

- ☐ Has some personal desires to succeed. Wants to improve his standard of living. Has average motivation.
- ☐ Continually seeking greater responsibilities. Eager to please. Enjoys competition. Working to qualify for a higher position.
- ☐ Has a strong desire to acquire recognition and advancement, and acts toward these ends without sacrificing performance standards. Very energetic and industrious.

Since last appraisal: Ambition has.....Improved;Not changed;Gone back. Recommendations for improvement (be specific):.....

.....

.....

INITIATIVE

Definition: Energy or aptitude to originate action and carry out decisions. Courage to defend principles and conclusions.

- ☐ Generally exhibits strength of will and force in taking action on problems having a normal pattern, otherwise hesitant and cautious.
- ☐ Resourceful in handling most situations. Self-starter. Persistent and positive. Faces facts squarely with conviction. Usually decisive in difficult problems.
- ☐ Dynamic, independent and original. Assumes active leadership and is generally "one step ahead." Makes prompt decisions and backs them up.

Since last appraisal: Initiative has.....Improved;Not changed;Gone back. Recommendations for improvement (be specific):.....

.....

.....

PERFORMANCE

KNOWLEDGE OF THE JOB

Definition: The understanding of basic fundamentals, techniques and procedures of his job.

- ☐ Satisfactorily acquainted with his function. Scope of experience and training limited.
- ☐ Practical knowledge of function above average. Well-informed on many major new developments.
- ☐ Thorough knowledge of basic fundamentals. Techniques and procedures fortified by experience. Outstanding grasp of future developments.

Since last appraisal: Knowledge has.....Improved;Not changed;Gone back. Recommendations for improvement (be specific):

.....

.....

JOB PERFORMANCE

Definition: Application to job at hand and resultant productivity.

- ☐ Applies himself favorably to most problems. Generally productive. Some wasted effort, but most functions satisfactorily attended to.
- ☐ Does a very satisfactory job. Has good work capacity and commendable attitude. Few errors. Usually thorough.
- ☐ Quality and quantity of work outstanding. Has large capacity and ability for original application. Errors rare. Thorough in attending to details without wasted effort. Exceptionally industrious and conscientious.

Since last appraisal: Performance has.....Improved;Not changed;Gone back. Recommendations for improvement (be specific):

.....

.....

ORGANIZING ABILITY

Definition: Ability to arrange for the accomplishment of his job responsibility in an orderly, efficient manner. Selection of right personnel to fit job requirements, training and development of these personnel, delegation of responsibility and authority to get the job done.

- ☐ Some attempt at delegation on normal routine affairs. Needs guidance on major changes. Normally trains satisfactorily.
- ☐ Successful in apportioning work load effectively. Needs little guidance in coordinating major efforts. Appraises personnel rather accurately and builds efficient organization.
- ☐ Delegates authority very effectively. Recognizes broad objectives clearly and arranges for most effective accomplishment. Keen ability to select and develop subordinates. Efficient use of time.

Since last appraisal: Org. Ability hasImproved;Not changed;Gone back. Recommendations for improvement (be specific):

.....

.....

Assume that the boxes represent "Average," "Very Good," and "Outstanding." Check the most appropriate. Cross out or modify inappropriate words or phrases that appear in that block. Underscore words or phrases appearing in other blocks that aptly describe the employee.

ABILITY TO INSPIRE AND INFLUENCE OTHERS

Definition: The faculty of inspiring others by conveying ideas and plans, and influencing them to greater determination and unity of purpose.

- ☐ Conventional in manner, spirit and enthusiasm. Conveys ideas but does not motivate entire group. Reasonably considerate and helpful. Controls temper. Usually receptive to suggestions.
- ☐ Stimulates others. Employees enjoy working with him. Adaptable and tactful. Cooperative. Works in harmony with the group.
- ☐ Expresses self effectively. Commands high respect. Knows how to criticize and when to praise. High inspirational qualities. Gets excellent teamwork. Very courteous and considerate.

Since last appraisal: Influence has.....Improved;Not changed;Gone back. Recommendations for improvement (be specific):

.....

.....

JUDGMENT

Definition: The intelligence and thought used in arriving at decisions. The ability to think and act calmly, logically and rapidly.

- ☐ Judgment dependable on matters of routine nature. Can usually be relied upon in normal situations. Adequate judgment for satisfactory performance.
- ☐ Picks out important facts and arrives at correct conclusions. Open-minded. Uses good common sense. Most decisions acceptable. Generally logical.
- ☐ Sound judgment. Decisions based on thorough analysis. Consistently accurate in making wise decisions.

Since last appraisal: Judgment has.....Improved;Not changed;Gone back. Recommendations for improvement (be specific):

.....

.....

RESPONSIBILITY

Definition: The willingness to assume and discharge functions of management.

- ☐ Generally accepts and discharges delegated responsibility willingly. Requires only general supervision.
- ☐ Willingly accepts obligations. Requires only minimum follow-up. Sticks with problem to satisfactory conclusion.
- ☐ Seeks additional responsibility and authority. Manages functions in an outstanding manner. Unruffled in the face of consequences.

Since last appraisal: Responsibility has.....Improved;Not changed;Gone back. Recommendations for improvement (be specific):

.....

.....

Assume that the boxes represent "Average," "Very Good," and "Outstanding." Check the most appropriate. Cross out or modify inappropriate words or phrases that appear in that block. Underscore words or phrases appearing in other blocks that aptly describe the employee.

APPRAISAL SUMMARY
and
PLAN FOR DEVELOPMENT*

In the light of the appraisal on the preceding pages, what are the individual's...**STRONG MANAGEMENT CHARACTERISTICS?** _____

AREAS REQUIRING IMPROVEMENT IN MANAGEMENT ABILITY? _____

Are there any limiting factors such as health, habits or character that would impede his results in carrying out greater responsibilities? _____ If "Yes,"
explain: _____

TRAINING PLANS

To improve the individual in his present assignment or for advancement, what **SPECIFIC** training recommendations do you have? _____

DISCUSSION WITH THE INDIVIDUAL

What does he hope to achieve within the company? _____

What is he doing to improve himself both personally and in relation to his present position? _____

As a result of your discussion, list the immediate steps or plans you have agreed upon for the individual's improvement and development. _____

Appraisal discussed with
the individual by _____ Position _____ Date _____

FIRST NATIONAL STORES
Store Employees Quarterly Rating

First National Stores has a very concise rating form which is confined to one page, thereby keeping the rating time to a minimum. Its important features are:

1. Total point score is determined. Yearly averages for each individual trait and total quarterly scores are figured.
2. Half of the employee traits are weighted 50 percent heavier than the other half.
3. Section for comments provided after each trait and at the bottom of the form.
4. Employees rated quarterly by their immediate supervisor.
5. Previous ratings can be observed during each subsequent rating, which may result in rater influence.
6. Fewer than average number of traits are used, and without trait definitions, a rating manual would be required.

STORE EMPLOYEES QUARTERLY RATING

Last name	First	Middle	Social Security Number		
Home address	City	State	Phone No.	Date of Birth	Education
1. _____					
2. _____					
3. _____					
Former Employers	Address	Date Started	Date Left	Reason	
Male — Female Sex	Single-Married-Widow-Divorced Marital Status		No. of Dependents		
Date Employed	Avg. Wk. Hrs.	Position	Store Address		

RATINGS	DATE SCORED →								Yearly Avg.					Yearly Avg.	Comments
	Above Avg.	Avg.	Below Avg.	Poor	1	2	3	4		1	2	3	4		
Initiative	15	12	9	6											
Attitude	15	12	9	6											
Adaptability	15	12	9	6											
Dependability	15	12	9	6											
Performance	10	8	6	4											
Appearance	10	8	6	4											
Courteousness	10	8	6	4											
Cooperation	10	8	6	4											
Total Score															

Comments:—

Supervisor	Superintendent	5-7-52-5M F-88 77-S-5
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FIGURE IV. FIRST NATIONAL STORES

GRAND UNION COMPANY
Personnel Progress Report

Grand Union has only recently begun to rate its store employees. The significant aspects of their rating plan are as follows:

1. A total point score is computed, with individual scores for each trait.
2. All traits weighted the same except "friendliness" which has twice the weight of other traits.
3. Pertinent questions under each trait, concerning job performance, help the rater determine the rating and provide discussion material for the interview.
4. Each employee rated by his immediate supervisor, usually every six months.

Because the Grand Union Company has expanded rapidly in recent years, it has used a rating plan so that they might promote as much as possible from within their own organization.

GRAND UNION PERSONNEL PROGRESS REPORT

TOTAL SCORE _____

Name _____ Rating Date _____

How long with the Company? _____ How long has he worked for you? _____ Rated By _____

EXPLANATION: In order that we may know the progress being made by an employee working under your direction, we ask that you carefully and objectively rate him on this form. Before rating a man on any trait, be sure to read carefully the descriptive phrases appearing below the line indicating various degrees of the trait. Then check the box which, in your opinion, fairly and accurately measures the individual's standing, and place the score in the "score" box.

After you have placed your check in the box, answer the questions regarding the trait. These questions should be answered yes, no, not always, sometime, maybe, or with a question mark. Wherever possible, you should use a yes or no reply. After completing the form, kindly place the total score in the right hand corner of this report.

MAKE EACH JUDGMENT AS HONESTLY AND AS OBJECTIVELY AS YOU CAN

1. FRIENDLINESS:

20	14	8	2	0	SCORE
Warm, pleasant, friendly person	Friendly and courteous most of the time	Cool and Reserved	Occasionally Haughty or unfriendly	Seldom smiles Unfriendly type	

Does he smile easily? _____ Does he have a friendly helpful attitude toward customers? _____ Does he handle customers complaints in an understanding and courteous manner? _____ Does he make friends easily? _____ Does he work well with others in the store? _____

2. ATTITUDE:

10	7	4	1	0	SCORE
Very open minded Top team worker	Welcomes suggestions and criticisms	Acceptable No problem	Not very cooperative Sometimes difficult	Disloyal Antagonistic	

Is he pleasant and willing? _____ Does he work well with others? _____ Is he open-minded regarding suggestions and criticisms? _____ Is he approachable and likable? _____ Is he a difficult individual with which to work? _____

3. QUANTITY OF WORK:

10	7	4	1	0	SCORE
Very industrious Looks for work	Does more than is expected of him	Standard Speed	Below average output	Must be prodded continually	

Does this man do his share of work? _____ Is he lazy? _____ Must he be told what to do all the time? _____ Does he stand around idle? _____ Does he show initiative in keeping store clean? _____ Is he prompt to do as he is told? _____ Does he work hard and consistently? _____

4. QUALITY OF WORK:

10	7	4	1	0	SCORE
Splendid work Minimum of waste	Above average quality	Meets normal standards	Below standard	Frequent errors Wasteful—clipped	

Does this man measure up to Grand Union high standards for quality of work? _____ Does he handle customers courteously and in a friendly manner? _____ Does he accept and respect Company policies? _____ Is he conscious of expenses? _____ Do you feel he is doing his work as well as he can? _____ Is he accurate on detail work, such as credits, bookkeeping? _____ Must he be told repeatedly to do the same thing? _____

FIGURE V. GRAND UNION COMPANY

5. JOB KNOWLEDGE:

10	7	4	1	0	SCORE
Has complete grasp of entire line	Well informed on most of line	Has operating knowledge	Slow in absorbing details of operation	Has not grasped fundamentals	

Is he satisfactorily assimilating the various details of the operation?_____ Has he demonstrated that he can profit from experience?_____ Has he continued to acquire knowledge?_____ Has he learned all he should have about the business for the time he has been with us?_____ Do you think he has made better than average progress in learning the business?_____

6. PERSONAL FITNESS FOR THE JOB:

10	7	4	1	0	SCORE
Recommend without question	Confident that he will work out	Average	Doubtful that he will work out	Should not be kept	

As a result of your experience with this man, do you feel he belongs in our business?_____ Do you think he likes the business?_____ Does he ever give the impression he is "above" the job?_____ Is he interested in display and merchandising?_____ Is he capable of setting up displays well?_____ Would you consider him a good merchant?_____

7. PERSONAL APPEARANCE:

10	7	4	1	0	SCORE
Immaculate	Clean cut Well dressed	Average	Generally untidy	Unkempt Sub-standard	

Does he shave daily?_____ Hair well groomed?_____ Hands and nails clean?_____ Shoes clean?_____ General clean cut appearance?_____ Does he observe the rules of personal hygiene?_____ Does he wear clothes practical and suitable for the work being performed?_____ Regardless of the type clothes worn, are they neat and clean?_____

8. JUDGMENT:

10	7	4	1	0	SCORE
Exceptionally keen Analyzes all angles before deciding	Above average Uses forethought	Acts judiciously in ordinary circumstances	Sometimes impulsive and erratic	Does not think straight	

Does he think well and logically?_____ Do you believe his judgment would be dependable under stress?_____ Does he tend to jump to conclusions?_____ Does he express opinions freely without much evidence?_____ Is he really a thorough thinker?_____

9. POSSIBILITY FOR FUTURE GROWTH:

10	7	4	1	0	SCORE
Excellent prospect and will grow indefinitely	Good leader and above average	Average Prospect	He might, but do not recommend with confidence	Possibility for future growth	

Does he appear to be ambitious to get ahead?_____ Is he a good leader?_____ Is he imaginative?_____ Does he accept responsibility?_____ Should he be promoted?_____ If so, to what position?_____ If not ready for promotion, state in General Remarks Section the reasons why not. In your estimation, how long will it be before he will be ready for promotion?_____ months

Remarks:

Signature of person rated

HENKE AND PILLOT, INCORPORATED

Factual Appraisal Report

This chain has a very comprehensive rating form, in which the first page is reviewed with the employee and signed by him. The second page is then filled out by the store manager and sent to the personnel department. Its important features are:

1. Two traits, numbers 10 and 11, provide for the rating of supervisory employees, thereby giving the form more flexibility.

2. A total score is computed, with a possible grade of 90 for the clerks and 110 for the department managers. This score is computed at the office and is not revealed to the employee during the interview.

3. Each trait and its subdivisions are thoroughly defined on the rating form to ensure uniform interpretation by the raters.

4. Second page provides adequate space for additional rater comments and plans for future action.

5. Ratings made by the store manager every six months.

Code #29162

FACTUAL APPRAISAL REPORT
HENKE AND PILLOT, INC.

Employee's Name	Store No.	Salary	Date of Last Increase	
Job Title	Dept.	Code	Amount Last Increase	
<p>THE FOLLOWING GENERAL DEFINITIONS APPLY TO EACH FACTOR RATED BELOW: (This is the basic standard for rating any factor below)</p> <p>UNSATISFACTORY: The employee's performance with respect to a factor is deficient enough to justify release from present job unless improvement is made. FAIR: The employee's performance with respect to a factor is below the requirements for the job and must improve to be satisfactory.</p> <p>GOOD: The employee's performance with respect to a factor meets the job requirements as the job is defined at the time of rating. VERY GOOD: The employee's performance with respect to a factor is beyond the ordinary requirements for good performance for the job.</p>				
RATE ON FACTORS BELOW	UNSATISFACTORY	FAIR	GOOD	VERY GOOD
1. QUANTITY OF WORK: A. Volume of work regularly produced. B. Speed and consistency of output. C. Sales (Personal)	Output inadequate to retain in job without improvement. <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Output below job requirements. <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Output satisfies job requirements. <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Output exceeds satisfactory job requirements. <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
2. QUALITY OF WORK: Extent to which work produced meets quality requirements of accuracy, thoroughness, and effectiveness.	Quality too poor to retain in job without improvement. <input type="checkbox"/>	Work below standard quality requirements. <input type="checkbox"/>	Work satisfies quality requirements. <input type="checkbox"/>	Quality high, work very well done. <input type="checkbox"/>
3. DEPENDABILITY: Extent to which employee can be counted on to carry out instructions, report on time, stay on the job, and fulfill responsibilities.	Too unreliable to retain in job without improvement. <input type="checkbox"/>	Not fully dependable. <input type="checkbox"/>	Can be relied on to fulfill job demands. <input type="checkbox"/>	Exceeds normal job requirements. <input type="checkbox"/>
4. JOB ATTITUDE: Amount of interest and enthusiasm shown in work.	Attitude too poor to retain in job without improvement. <input type="checkbox"/>	Attitude needs improvement to be acceptable. <input type="checkbox"/>	Favorable or acceptable attitude. <input type="checkbox"/>	High degree of enthusiasm and interest. <input type="checkbox"/>
5. ADAPTABILITY: Extent to which employee is able to perform variety of assignments within scope of job duties.	Range of duties performed too limited to retain in job without improvement. <input type="checkbox"/>	Performs somewhat limited range of required duties. <input type="checkbox"/>	Performs full range of ordinary job requirements. <input type="checkbox"/>	Can perform all of the required and many of the unusual tasks within scope of job. <input type="checkbox"/>
6. JOB KNOWLEDGE: Extent of job information and understanding possessed by employee in handling merchandise, equipment and paperwork.	Knowledge inadequate to retain in job without improvement. <input type="checkbox"/>	Lacks required knowledge. <input type="checkbox"/>	Knowledge satisfies ordinary job requirements. <input type="checkbox"/>	Very well informed on all phases of work. <input type="checkbox"/>
7. INITIATIVE: Extent to which employee performs job without waiting to be told or shown what to do.	Lacks sufficient initiative to retain in job without improvement. <input type="checkbox"/>	Lacks initiative to attain required job objective. <input type="checkbox"/>	Exercises amount of initiative required by the job. <input type="checkbox"/>	Exercises initiative beyond job requirements. <input type="checkbox"/>
8. COURTESY & COOPERATION: Extent to which employee exhibits courtesy and cooperation with customers, co-workers and others.	Relations too ineffective to retain in job without improvement. <input type="checkbox"/>	Does not always get along well with others; irritating, not cooperative. <input type="checkbox"/>	Maintains effective working relations with others. Fully cooperative. <input type="checkbox"/>	Ability superior to normal job requirements. Goes out of way to cooperate. <input type="checkbox"/>
9. PERSONAL APPEARANCE:	Inadequate to retain in present job. <input type="checkbox"/>	Does not fully meet requirements in present job. <input type="checkbox"/>	Good appearance. <input type="checkbox"/>	Appearance beyond satisfactory fulfillment of job requirements. <input type="checkbox"/>
Please Note: Only Department Manager, Store Manager, Buyers, and Supervisors will be rated on points 10 and 11.				
10. OPERATING EFFICIENCY OF UNIT: A. Gross Profit Performance B. Supply Expense Control C. Merchandise Follow-Through D. Unit Housekeeping E. Salary Control	Inadequate to retain in present job. <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Does not fully meet requirements in present job. <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Good performance of unit. <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Superior fulfillment of job requirements. <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
11. LEADERSHIP: Ability to lead and train subordinates.	Inadequate to retain in present job. <input type="checkbox"/>	Does not fully meet requirements in present job. <input type="checkbox"/>	Satisfies job requirements. <input type="checkbox"/>	Superior to normal job requirements. <input type="checkbox"/>

Note: FILL OUT BACK OF FORM. IMPORTANT!!

FIGURE VI. HENKE AND PILLOT, INCORPORATED

1. Has employee shown any outstanding accomplishments or abilities in performing his work? What are they?

2. What is employee doing at present to improve himself, such as attending school, studying at home, etc. ?

3. What is employee doing at present as an active participant and contributor to community activities such as civic and charitable organizations? (Applies to store managers and group managers only.)

4. General Comments.

ACTION

☐ **Leave on present job**
(Recommend action for improvement such as Training, Change of attitude, Change in pay, Encouragement, etc.)

☐ **Put on probation:** _____ **Until what date?** _____

☐ **Replace:** ☐ **Promote to** _____
☐ **Transfer to job of same classification**
☐ **Terminate**

When should recommended action be taken?_____

Check the current status of this individual:

<input type="checkbox"/> Immediately Promotable	<input type="checkbox"/> Questionable Because New
<input type="checkbox"/> Promotable	<input type="checkbox"/> Unsatisfactory
<input type="checkbox"/> Satisfactory on present job	

APPRAISAL MADE BY:

REVIEWED BY:

Store Manager _____

Group Manager

or

Group Manager _____

Division Manager _____

or

Division Manager _____

Personnel Director _____

The Factual, Operating and Merchandising Performance sections of this report have been discussed with the employee by _____

Name _____

Title

(Salary changes are not to be discussed with employee until approved.)

[illegible]

THE KROGER COMPANY

Improvement Guide for Store Employees

The Kroger Company has been one of the most ardent supporters of merit rating at all levels of personnel. The rating of store employees has been in effect for a number of years, and although its use is optional for each of its branches, it has received good acceptance.

An important point to note in the Kroger rating form is the presentation of employee traits. There are three general traits listed with six to nine associated traits under each of the three general headings. These traits are presented in short phrases which effectively projects the intended meaning, thereby eliminating the need of trait definitions. These traits give a very sharp and accurate description of job performance so as to pinpoint observation.

Other important features of the Kroger form are:

1. Only three trait subdivisions; however, adequate space for any qualifying remarks is provided.
2. Special section for the rating of department heads with objective operating data concerning percent of sales and gross profit.
3. No final rating is given to employee; instead they are ranked in order from "best" to "poorest" by each store manager. Employee sees rating form but not ranking sheet.
4. Entire page provides space for comments and future plans.
5. Employees are rated yearly by the store manager.

**KROGER
IMPROVEMENT GUIDE FOR STORE EMPLOYEES**

NAME _____ AGE _____ SEX _____ STORE _____
 JOB CLASSIFICATION _____ DIST. _____ BRANCH _____
 JOB ASSIGNMENT _____ HOW LONG HAVE YOU SUPERVISED THIS EMPLOYEE? _____

HOW TO USE CHECK LIST: To review job performance, place an "X" in the left hand column opposite those points on which improvement is needed. "X" strong points in the right hand column. Check other points in the middle column. In the "Remarks" section comment on his strong points and those on which improvement is needed. Use dates, examples, figures, etc. to illustrate your point. Check only points which apply to his job.

Improve now OK for now Compliment	<u>PERSONALITY</u>		
		Getting along with customers	
	Friendliness		
	Cheerfulness and optimism in outlook		
	Neatness and cleanliness in personal appearance		
	Getting along with fellow workers		
	Effectiveness as a team member		
	Winning cooperation from others		
	Taking the lead with others		
	Getting along with his supervisors		
	Seeking and accepting responsibility		
	Accepting new ideas		

	<u>INTEREST</u>		
	Interest in selling		REMARKS:
	Being punctual and on the job at all times		
	Displaying pep and energy		
	Displaying enthusiasm for his work		
	Interest in a career with Kroger		
	Interest in self-development		
	Making constructive suggestions		
	Willingness to learn		
	Following through on training		

	<u>ABILITY</u>		
	Handling work with limited supervision		REMARKS:
	Participating in sales promotions		
	Accuracy of work and attention to details		
	Eliminating waste		
	Eliminating safety hazards		
	Maintaining quality and freshness of product		
	Keeping his work area clean and neat		
	Making things convenient for Mrs. Smith		
	Being helpful to Mrs. Smith		

FIGURE VII. THE KROGER COMPANY

II. THE POINTS ON THIS PAGE APPLY TO ALL DEPARTMENT HEADS. CHECK ALL POINTS WHICH APPLY:

DEPARTMENT HEAD RESPONSIBILITIES

	IMPROVE	OK FOR NOW	COMPLIMENT
Using sales plans to best advantage	___	___	___
Planning and following through on in-store promotions	___	___	___
Ordering properly	___	___	___
Pricing merchandise correctly	___	___	___
Maintaining good selling units	___	___	___
Getting the maximum from the clerks under his supervision	___	___	___
Maintaining good relations with employees	___	___	___
Maintaining enthusiasm among employees	___	___	___
Developing personnel	___	___	___
Cooperating with other departments	___	___	___
Maintaining clean and inviting department	___	___	___
Control of gross profit	___	___	___
Control of all expenses in his department	___	___	___
Maintaining adequate records and reports	___	___	___
Care and maintenance of tools and equipment	___	___	___
Following Branch and Company policies	___	___	___

Remarks

ENTER APPROPRIATE FIGURES AND DEPARTMENT BELOW:

Percent of _____ sales to total sales
Rank in district: Upper 1/3 _____ Middle 1/3 _____ Lower 1/3 _____

Percent of _____ gross
Rank in district: Upper 1/3 _____ Middle 1/3 _____ Lower 1/3 _____

Comment on any special conditions affecting his performance:

PLAN FOR IMPROVEMENT: (Agree on one or two points on which special effort will be made. Under each point list definite steps which will be taken to accomplish improvement.)

COMMENTS BY EMPLOYEE: This guide has been fully discussed with me by M _____
_____. I would like to add the following comments:

Employee

Date

COMMENTS BY STORE MANAGER: (To be completed after the performance review)
M _____ and I have reviewed his performance on the job and we have fully discussed the above notes for development. I would like to add the following comments and recommendations: (Be specific.)

Store Manager

Date

COMMENTS AND RECOMMENDATIONS OF DISTRICT MANAGER: I have reviewed this improvement guide and would like to add the following comments:

District Manager

Date

KROGER

Page ____ of ____

**INVENTORY OF STORE PERSONNEL
STORE RATING SUMMARY SHEET**

BRANCH _____ STORE _____ DATE _____
RATERS: _____

Store Manager _____

District Manager _____

INSTRUCTIONS TO THE RATERS: On the basis of all the facts known, enter the name of each store employee opposite the description which best shows the raters' judgment of his performance. While employees of several different job levels may be listed on this sheet, rate each employee with regard to the standards for his own job level. Use as many sheets as needed.

OVER-ALL PERFORMANCE ON PRESENT JOB				ACTION RECOMMENDED		
Description	Name	Present Job	Age	No Change	Change as Indicated	When? (No.Mos.)
Above average performance. Much stronger than most.						
Good, solid performance. Able to do the job satisfactorily. Getting along all right.						
Needs improvement. Requires extra supervision.						

COMPANY X

Qualifications Inventory
Non-Administrative Employee

This company is one of the large food chains in the country. Up until the present time, its rating program for store employees has been on an optional basis, to be used at the discretion of its various operating Division Managers. In the near future, a rating program for store employees will be established and it will be mandatory to rate all employees once each year. This chain is preparing a rating manual and planning to provide educational material to each of its Divisions.

The important features of the form are:

1. Very concise, limited to one page.
2. Employee traits listed as descriptive phrases--no definitions.
3. More than average number of traits are used.
4. Final over-all rating presented in "adjective" form, with previous report available at time of rating.

**QUALIFICATIONS INVENTORY
NON-ADMINISTRATIVE EMPLOYEE**

NAME	PRESENT JOB TITLE	TIME IN PRESENT JOB	DATE EMPLOYED	<input type="checkbox"/> MALE <input type="checkbox"/> FEMALE	U. S. SOC. SEC. NO. OR CANADA UN. INS. NO.
DIVISION	ZONE OR COMPANY	DIST., PLANT OR BRANCH	RETAIL LOC. OR DEPT.		DATE THIS FORM COMPLETED

This Form Is To Be Used As An Aid In Evaluating The Present Performance Of All Full-Time, Non-Administrative Employees. Give Its Preparation As Much Care and Attention As You Would Like From This Employee If He Were Rating You.

Consider Each Trait Separately and Independently. Rate This Employee On Each Trait In Relation To The Requirements Of His Job and What You Expect Of An Employee On His Job - Not In Relation To The Performance Of Other Employees On His Job.

The Care and Accuracy With Which You Complete This Form Will Determine Its Value To You, To The Employee, and To The Company. Remember The Accuracy Of Your Ratings Reflects The Quality Of Your Judgment.

	ALMOST NEVER	SOME-TIMES	USUALLY	ALMOST ALWAYS
PRESENTS NEAT APPEARANCE	0	0	0	0
REPORTS TO WORK ON TIME	0	0	0	0
COMPLIES WITH COMPANY POLICIES	0	0	0	0
EXHIBITS LOTS OF DRIVE	0	0	0	0
WORKS WELL WITH OTHERS	0	0	0	0
SHOWS FRIENDLY MANNER	0	0	0	0
CATCHES ON QUICKLY	0	0	0	0
MAINTAINS OPTIMISTIC ATTITUDE	0	0	0	0
DOES ACCURATE WORK	0	0	0	0
DEMONSTRATES SELF CONFIDENCE	0	0	0	0
FOLLOWS INSTRUCTIONS	0	0	0	0
TRIES TO IMPROVE SELF	0	0	0	0
GETS THINGS DONE ON TIME	0	0	0	0
WORKS FAST	0	0	0	0
REMAINS CALM UNDER PRESSURE	0	0	0	0
WORKS IN ORDERLY MANNER	0	0	0	0
RESPECTS OTHERS' VIEWPOINTS	0	0	0	0
WORKS STEADILY	0	0	0	0
USES GOOD JUDGMENT	0	0	0	0
ACCEPTS CONSTRUCTIVE CRITICISM	0	0	0	0

OVER-ALL RATING	
LAST REPORT (Date _____)	THIS REPORT
<input type="checkbox"/> OUTSTANDING	<input type="checkbox"/>
<input type="checkbox"/> GOOD	<input type="checkbox"/>
<input type="checkbox"/> FAIR	<input type="checkbox"/>
<input type="checkbox"/> POOR	<input type="checkbox"/>

RATER'S COMMENTS (include corrective measures to be taken by this employee):

Rater's Signature _____	Job Title _____

REVIEWER'S COMMENTS:

Reviewer's Signature _____	Job Title _____	Date _____

CHAPTER VI

CONCLUSION

On the surface, a merit rating plan for store employees would seem like an insignificant thing to the food chains. To some, it is a device or technique that can be utilized or left alone with no appreciable effect on operations. The really important aspects of the food business, such as new stores, merchandising techniques, operational improvements, employee relations, et cetera, seem to dwarf the value of a merit rating plan. Also, the food chains are made up of thousands of individuals who do not understand the value of a rating plan and to this date show little evidence of their willingness to accept such a plan in the near future. To them, a rating plan for store employees is a nebulous instrument which registers intangible results that cannot justify the time and money involved.

Behind this wall of opposition, an important segment of food chain management has begun to form. Personnel directors in conjunction with progressive elements of top management have realized the potential value that a rating plan can offer. As a result of this, many of the leading food chains in the country have adopted a rating plan for their store employees within the past few years. With at least some of the initial opposition cleared away, it seems that merit rating for store

employees is destined for wider use in the food chains, regardless of the existing opposition.

As pointed out in this thesis, it is not an easy job to establish an effective rating plan in a food chain operation, for there is no royal road to a simplified program. There are many pitfalls involved in a rating plan and the number that have failed or been left to die is mute evidence of this fact. A rating plan requires a lot of hard work from all concerned, if the desired results are to be attained. Some companies do not care to expend the necessary energy that is required and soon find that the plan will not run at "half throttle", only to stall and die. Once the benefits of such a plan are realized and some of its value experienced, the whole program assumes more meaning and the work involved is more readily contributed.

For a chain to have a successful rating plan it must have five important things:

1. Soundly constructed rating form;
2. Plan must be sold to all levels of operation;
3. Systematic check to iron out initial operating difficulties;
4. Effective use of results--employee interview, aid to personnel decisions, etc.;
5. Close follow-up, to insure that the rating plan does not lose its original drive.

If these five rules are followed, a company can reap all the accompanying benefits of a rating system.

As previously stated, it is the writer's opinion that the employee interview that follows the rating can be the most important advantage of a rating plan. The interview sets conditions right for the employee and the store manager to discuss ways of improving employee performance for the ultimate benefit of both. No other personnel technique makes such an ideal situation possible, with a tool such as the rating form to serve as a guide for the discussion. Employees long to know "how they stand" in their jobs. They want to be treated fairly, with no favoritism involved. They want someone to acknowledge the superior skill and effort that they employ in their daily tasks. It would be unwise to assume that these employee desires would automatically be fulfilled without furnishing the store manager some tool or reminder to act as a guide. A rating plan with a subsequent employee interview fulfills these needs perfectly. Certainly, no stone can be left unturned which will help bring chain management and its store employees closer together to aid in a better understanding of the human relations problem. What better means could management supply for a solution to this problem, than a rating plan?

Finally, it could be said that a food chain is practically obliged to have a rating plan. Store employees will be rated and judged by their store managers and supervisors, whether a formal rating plan exists or not. It is only human to compare the merits of one individual against those of another. A rating plan gives organization and guidance to this

existing tendency and leads the way to improved employee relations and increased operating efficiency.

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