

# The Coaching Manager

## Peer Appraisal – A more productive method?

Appraisals, regardless of role and of industry can be very stressful processes. In this article, I would like to explore two ways forward. Firstly I will look at the traditional process for appraisal, that being the rep:manager one to one and then look at a process I believe larger pharma companies with several reps on one territory should be adopting. This is the peer appraisal process where the reps and managers appraise each other with senior managers simply reviewing and "rubber stamping" appraisal outcomes.

Firstly lets look at the standard method of appraisal for both sales representatives and sales managers in today's pharmaceutical industry. This is still the one to one manager:representative or manager: manager appraisal. If this is done correctly it can be very productive and motivational but it depends on a number of factors.

1. The manager doing the appraisal must be capable with good appraisal skills, up to date correct information and have no favourites within his or her team.
2. The appraisee must also have good influencing skills and have their appraisal information up to date as well in order to present their case.
3. Theoretically, the end of year appraisal should be a "rubber-stamping" exercise and in effect should be a "4<sup>th</sup> Quarter Review" with no surprises. As the previous three quarter reviews will have been structured in order to review business and personal development plans and to monitor and guide the progress of each the 4<sup>th</sup> quarter review should hold no surprises what so-ever.

This all sounds pretty straightforward but in my experience there are a number of challenges that both representative and managers face in getting to a situation where the year-end appraisal is as straightforward and "painless" as it should be.

1. Many managers do not hold structured quarterly reviews where time is taken to analyse fully the rep's or manager's business and development plans. In the sales reps' case, ad-hoc reviews are taken on the odd field visit and as such, by the time the year end comes there is an almighty scramble for data together with time spent on putting together a presentation in order for some last minute "influencing".
2. Many managers by the time it comes to the year end appraisal, go into them with their mind made up as to what a particular rep or manager is going to get in terms of a performance or appraisal rating. It is all decided on limited , top-line information and perhaps "gut feel".

3. On the other hand, in many cases, reps and managers go into the appraisal with a mindset that says, "I'll just have to accept what my manager gives me".

Bad and ineffective appraisals lead to individual demotivation and ineffective teamwork. So what should managers be doing to make their one to one appraisals more effective and motivational?

- a. Make sure they have good, effective appraisal skills.
- b. Go into appraisals with an open mind and be prepared to be influenced by facts and figures not by judgements.
- c. Ensure that you hold regular reviews where you are guiding and coaching reps and managers towards their "appraisal aims". The benefit of this is that the manager will know whether a rep or manager is "on track" at any given point during the year. Quarterly reviews are regular enough without being too frequent. Anything less frequent, I would suggest is unacceptable.

If a manager follows these steps then the year-end appraisal is very much a "rubber stamping" exercise and can be used to start the planning for the following year, rather than just concentrating on the year just passed.

But what about the larger companies and their teams? Many companies now, as a result of mergers, have many reps selling the same products within the same territory boundaries. As a result, teamwork is the "buzz" word and in some cases representatives and managers have a "teamwork" measure within their objectives. Within this set up, usually the size of rep and manager team is larger than in the small company with the size rising in many cases from six reps on average to perhaps ten or even, in the case of my last company, twelve. This is a large number of reps for a manager to get round in a regular basis and as such the amount of knowledge and information that a manager may have will not be as much as perhaps a manager in a smaller company visiting their reps once a month may have.

In this case, it is well worth attempting "peer appraisal" where the representatives in a particular territory appraise each other. After all, they no doubt meet up as a team once a week to discuss appointments, share meetings and information etc and as such they start to get a fairly good appreciation of each other and their skills and capabilities. The least that should be happening is that they should be having the opportunity to give and receive feedback to and from each other. Sadly this does not happen very often and as such many companies still go down the line of the manager performing a one to one appraisal.

The reasons for not moving to peer appraisal (as per manager feedback) are as follows:

- a. "Not enough time to train the reps in how to perform peer appraisal."
- b. "No internal expertise to ensure good skills uptake and to facilitate such peer meetings"
- c. "It's quicker and less stressful just to tell them what they are getting".

- d. “The manager is “scared” of giving up control, either in terms of how they might look to their senior managers or in terms of their belief in the ability of their representatives to give themselves “honest” appraisal ratings”.
- e. “It’s change – and not the way we do things round here!”

Having said that many managers I have interviewed can see the benefits:

- a. “Done well, I can see a lot honesty coming out. I know that there is discontent when some reps appear to get a better appraisal rating than perhaps they should get”
- b. “It would help the reps grow as a result of the fairness and honesty. It would also help the trust levels between reps and managers”
- c. “We would probably get a better picture of reality.”
- d. “I believe that the skills of the reps and managers would increase as a result”
- e. “Although I am wary of how best we could do this, I see that it could free up a lot my time”

There are numerous advantages to going down the route of peer appraisal but it is very tough and does not happen overnight! There are some essential skills and mindsets needed in order for it to happen productively.

1. Managers need to have the mindset that says “My team is composed of mature, capable adults who given time, support and the right skills, will make this initiative work” If you do not have this mindset as a manager do not attempt this – in fact if you do not have this mindset then, in my opinion, you should not be managing full stop!
2. Managers should be leading the way and in their own particular management team, be going through the process first.
3. Managers must have the skills to ensure the process works. The main skills are that of giving and receiving feedback and of facilitation. These are two skills which, in my experience, managers need to work a lot on. They are difficult skills to grasp but well worth the time and effort.
4. Communication must be of the highest order. People must know what is happening, why it is happening and what the various steps are that will enable it to happen. As in any selling situation, the benefits to every individual must be clearly spelt out and each manager should take time with each individual to make sure they fully understand what is happening and what the benefits are to the individual.
5. Planning skills must be good also. In the early days time must be built in so that training and trial runs take place. In today’s high-pressure industry with the need for results paramount, spending time on any form of development sometimes becomes an after-thought.

All in all my experience of supporting the implantation of such a peer appraisal scheme (and also of taking part) is that it is fraught with emotion and negativity to begin with, but with perseverance and patience, when implemented well it is definitely the way forward for the larger teams where reps have daily contact with each other. Provided the managers are supportive, capable of leading the way by

demonstrating the skills and not afraid to trust their representatives, then peer appraisal can work, and work incredibly well. But make no mistake – it is very, very tough in the short term. As a manager do you have the skills, mindset and determination to give this a try or are you too scared to upset the “apple cart”?

**Allan Mackintosh is a Management Coach dedicated to developing the coaching skills of managers and internal company coaches. He can be contacted on 00 44 1292 318152 or e-mail at [allan@performance-am.com](mailto:allan@performance-am.com)**

[www.performance-am.com](http://www.performance-am.com)

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