Enhancing Consistency Through Calibration

What is calibration?

- Calibration is the sharing and adjusting of decisions across a group of managers, bringing an added layer of transparency and accountability to important decision making processes.
- Calibration can be done with a variety of decisions, such as annual performance ratings, merit-increases, or succession plans, though it’s recommended to separate these decisions. This guide will focus on performance rating calibration.

Why is calibration important?

- **Consistency:** Calibration provides an opportunity for managers to ask questions about and discuss definitions of the rating scale, which should eventually result in more consistent definitions of the scale between managers.
- **Fairness:** Calibration is an effective way to ensure that performance reviews are more accurate by providing a process in which ratings are discussed among more than one individual in order to have multiple sources of information.
- **Accountability:** Because ratings are discussed with others, calibration ensures that managers are writing thoughtful and well-informed reviews.

Who participates in calibration?

- In calibration, a group of peer managers get together to discuss individual employee performance to help ensure that one manager’s ‘successful’ is not another manager’s ‘outstanding’ rating.
- Calibration can occur at each level of the organization. It is recommended as a “bottom-up” process. For example, managers in the Controllers office will calibrate together. Afterward, the leader of the Controllers office calibrates with the rest of the leaders in Finance. Therefore, the calibration process moves from the “bottom” to the “top” of the organization.

When does calibration happen?

- In the performance appraisal process, calibration should occur after managers have drafted their appraisals and before they've finalized them. In the FY15 process, this time period would be in the first two weeks of May.
Calibration Tips:

- Start with “outliers” as they are often more clear-cut, and then move on to the other employees from there. “Outliers” are employees who land at both ends of the spectrum, with either very high performance ratings or very low performance ratings.
- If multiple types of ratings need to be discussed, it’s ideal if these conversations are held separately (e.g. have two separate calibrations for performance ratings and merit increases).
- Consider having a facilitator present during the meetings. Establish rules and norms ahead of time (e.g. only extreme ratings discussed, start with extreme ratings, display ratings visually, etc.) so the meeting is conducted in a timely manner.

Example Calibration Meeting: Step-by-Step Guide

1. Explain the purpose of calibration
   - Consistency
   - Fairness
   - Accountability

2. Review definitions of the rating scale
   - Found here: http://www.umsystem.edu/ums/hr/myPerformance-Rating_Scale

3. Start with the outliers: both low and high ratings
   - For ease of reviewing, the list of performance ratings should be sorted by score

4. Work through the middle of the list until all ratings have been discussed
   - If employees all have the same score, go back and review that employee’s accomplishments and behaviors at work. Have employees been differentiated enough?