How to Make the Most of Your Performance Review

When it comes to careers and money, changing jobs isn’t the only way to get ahead. It may be time to stop job jumping and start concentrating on how to make yourself more valuable once you’re firmly inside an organization. One way is the annual performance review, which can be your path to more job security, bigger bonuses, and upward mobility.

What’s in it for you
Performance reviews follow fairly predictable formulas. Every six or twelve months you meet with your boss and review your achievements according to the written goals and objectives that were established at your last appraisal. If you’ve done well, you get a raise. If not, you may get a token increase, or nothing at all. Some estimate average raises range from 3 percent to 6 percent. Premium performers received raises as high as 10 percent. And we’re not just talking cash. Compensation can come in the form of stock, telecommuting options, a four-day work week or more vacation, use of the company vacation condo, or a promotion.

Working the review process
Since good performance reviews are a key method of proving your ongoing value to an organization, don’t begin the process the night before you meet with your boss. Start from the day you’re hired by establishing goals and performance objectives with your boss. Nail
down how each achievement will be quantified and how you’ll be rewarded.

Explain your seemingly intangible contribution in dollar terms. Tell your boss how you decreased incident rates, reduced costs, or increased productivity and efficiency. When you go into the review, bring along past reviews or notes for reference, evidence of professional education you’ve received, and compliments you’ve received from customers and vendors.

**Inner secrets**

But these tips just scratch the surface. What if your company’s stock just dropped 30 percent, but you still deserve that 10 percent raise or promotion? Not all merit increases are created equal. Managers are usually given a discretionary budget to apply to their entire group. If you’re new or at the lower end of the ladder, you may get a fatter percentage increase than someone closer to the ceiling.

What if your company (or department) lacks a fast track for someone as ambitious as you are? Look for ways to boost your qualifications or climb elsewhere in the company. If your organization posts job openings and encourages you to take additional training, do it. This will establish you as someone who is serious about moving up. And when that performance review rolls around, you’ll be in a position to signal that you’re ready for your next career move, with your boss’ help and mentorship. In short, keep one eye on the now (your raise) and another on the future (your career).

**What-ifs**

Let’s assume your review comes in the middle of a global economic downturn. With many multinational companies facing slumping stock prices, sales, and profitability, will your opportunity at performance review time shrink? Not necessarily. Current problems won’t necessarily affect basic compensation packages. Companies know many