

Peer Reviews at Work Not a Risk-Free Proposition

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Jim McDonald was quoted in *Corporate Counsel* on September 22, 2015. The article "Peer Reviews at Work Not a Risk-Free Proposition" discussed the up and down sides of performance reviews.

Jim was quoted on why a company might choose a performance rating system that includes peer reviewing, rather than just the traditional top-down, manager-based model.

"I think with respect to some jobs, a company might be able to get better information on an employees' true performance from peers than from managers," Jim said. "Some employees may be able to put on a good face for the boss, but it is not the face they normally wear."

"It wouldn't be hard to imagine how a discrimination claim could arise," said Jim, "particularly on the part of diverse employees who may be different from their peers in terms of background, language and culture, and who may feel they are not being rated objectively or fairly because they are different." It's especially tricky when peer-to-peer ratings are used as part of the justification for making significant employment-related decisions, like figuring out who to promote or let go.

Jim cautioned that peer-to-peer reviews can't be used in a vacuum—there have to be traditional managerial evaluations too. And companies need to make sure their peer review system is well designed. "It has to be accurate and tailored to the job," he said, explaining that systems where companies ask broad questions, for instance, whether someone is a team player or customer service oriented, and ask for numerical ratings could lead to trouble. It's smarter to be more specific and allow colleagues to write out answers that explain why they made the determination they did.

Many have pointed to anonymous peer reviews as a solution to problems with these systems. Jim doesn't entirely agree. While he thinks it's all right to hide the identity of a colleague from the person being reviewed, he believes that the company itself should know who is doing the critiquing. "If I were a manager I'd want to talk to the employee who gave the person a failing rating to ask: what do you see that your colleagues didn't see?" he said. "I think that could be helpful and could also help prevent malicious ratings from being given to coworkers that are the object of a grudge."

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