

Costing out Fred's expanded benefit plan against real economic constraints would provide information needed for the decision at hand, as would learning more directly about employees' interests. People in different circumstances put different values on various types of added compensation. A young person with healthy teeth and a large family in Mexico counting on him for income, for example, would probably rather have a share of profit than dental insurance and daycare.



Assessing Employee Performance

Agricultural business operators cannot afford to be unconcerned with people's performance, and most people want to improve their own work and their lot. Accurate appraisals can help both employers and employees to pinpoint areas for extra effort and development. Without them, both managers and employees are at a disadvantage in planning for the future. Even on farms and ranches without a "performance appraisal system," managers pay attention to performance. The organization may not have a system, but it does have a performance appraisal.

In a broad sense, performance appraisal is a continuous informational process. Its essence is the observation and evaluation of behavior. Although appraisals may not be conducted once per year by an immediate supervisor or recorded on forms, they may show in something as commonplace as a smile in the barn, the cheer of the crowd, and the half-joking "you blockhead." Informal performance appraisal takes place all the time. Comments from a boss, buddies, family, clients, and a voice inside provide the employee a sense of how he or she is seen.

Management's decision is not *whether* to have a performance appraisal, but rather *what form* the appraisal takes. Monitoring performance is an ongoing responsibility of all first-line supervisors. Many companies also provide for a regular periodic evaluation of each employee's work—a relatively formal process of evaluating performance, clarifying expectations for the future, and soliciting the employee's ideas for improving the business.

***Appraisal goes on
continuously.***