

A high-angle photograph of four business women in a meeting. They are seated around a light-colored wooden table. One woman in a white blazer is pointing at a document. Another woman is using a laptop. A third woman is holding a document with a bar chart. A fourth woman is looking at the laptop. There are smartphones on the table. The scene is brightly lit, suggesting an office environment.

**TRANSFORMING
PERFORMANCE
MANAGEMENT FOR
2020 AND BEYOND**

TRANSFORMING PERFORMANCE

Organizations are redefining the way they manage employee performance and aligning their performance practices with overall company strategy. Annual reviews are being replaced with employee check-ins, goal alignment is linking previously isolated individual goals to broader company objectives, and software is helping to create a streamlined workflow where paper-based methods led to inconsistency. These changes have resulted in benefits to the employee in the form of transparency and just-in-time feedback, as well as benefits for the organization through a better understanding of organizational competencies and improved employee retention.

Implementing the latest performance management processes requires an analysis of which approaches will work with the organization's culture, and a comprehensive change management framework for HR professionals to empower their employees and make them feel at ease with using the new performance process.





PART 1

Redefining Performance Management

Today, the way in which organizations assess performance is shifting radically. Priorities and responsibilities change quickly, and the traditional way of evaluating employee performance against static goals is becoming ineffective. Organizations like [Adobe](#) and [Deloitte](#) have set the pace in the workforce by shifting from an annual review process to implementing a more agile approach for performance management. The recent overhaul of performance management processes at these large organizations has led to wider adoption of the ongoing performance review process, most notably the use of continuous feedback.

WHAT IS ONGOING PERFORMANCE MANAGEMENT?

Ongoing performance management involves real-time interaction where employees and managers meet more regularly instead of once a year for an annual review. Continuous feedback focuses on providing feedback in the context of work currently being performed, addressing obstacles, and making improvements while there is still time to effect change, as opposed to waiting and looking back at the past when little can be done to change outcomes.

Many companies have started to adopt ongoing performance management because the process allows employees to take a more active role in their performance and development in relation to the company's overall business goals. Additionally, it strengthens the relationship and collaboration between employees and managers by providing employees with the tools to grow in their career. As a result, many organizations see a boost in productivity, engagement, and retention.

COMPARISON OF PERFORMANCE APPROACHES

Traditional Annual Review Process		Ongoing Performance Management
Meeting Frequency	Once a year	Quarterly, monthly, or another interval
Pros	<ul style="list-style-type: none"> • Conversations act as valuable checkpoints against long-term goals 	<ul style="list-style-type: none"> • Can accommodate changing priorities and changing business needs
Cons	<ul style="list-style-type: none"> • Employees are unable to address and adjust to performance challenges in real time • Goals tend to be static, which does not account for changing priorities in today's environment 	<ul style="list-style-type: none"> • Culture change is not immediate; it takes time to adopt this model and change behaviors
Level of Effort	Concentrated at year end, focused on manager	Ongoing, wider range of feedback collected
Pros	<ul style="list-style-type: none"> • Reduces the time allocated to complete and hold continuous performance reviews and check-ins 	<ul style="list-style-type: none"> • Assists in facilitating a more collaborative relationship between employees and managers • Allows managers to handle performance issues in a timelier manner
Cons	<ul style="list-style-type: none"> • Requires significant time for HR to administer annual reviews and for managers and employees to prepare and deliver reviews 	<ul style="list-style-type: none"> • May be challenging in a global environment where employees and managers may not be face-to-face • Potentially time-consuming if a manager has many direct reports
Results	Annual calibration	Discussions in context
Pros	<ul style="list-style-type: none"> • Provides senior leadership with a consistent way to keep tabs on the current talent pool 	<ul style="list-style-type: none"> • Provides a platform for employees to ask for help, discuss concerns and frustrations directly and timely with their manager • Creates a reduction in turnover and increases employee satisfaction/engagement
Cons	<ul style="list-style-type: none"> • Does not support consistent employee performance; results tend to be heavily weighted toward end-of-year performance 	<ul style="list-style-type: none"> • Potential for varying ranges of participation



APPROACHES TO CONSIDER

As organizations redefine the way they handle performance management, they are employing different strategies to make the ongoing performance management process more effective and increase employee engagement.

Here are six examples of how companies are implementing a best-in-class performance management strategy for their teams.

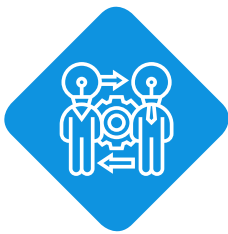
1. TRANSPARENT FEEDBACK



Historically speaking, performance reviews have tended to be one-sided. Managers give direct feedback to employees, and employees passively listen. By widening the lens, the employee receives a broader picture. Incorporating feedback from peers, clients, direct reports, and others enables the employee to better understand how they are perceived by those they work closely with. At Educe Group, employees receive regular open, transparent feedback from their peers and project teams, as well as from external clients. This allows our employees to better understand their strengths and development opportunities, and to make real-time adjustments when needed.

In order to transition to a culture of transparent feedback, organizations must upskill employees on how to give and receive feedback that is constructive and highlights strengths and areas for improvement. Organizations must also encourage and train managers to be champions of the process and encourage proactive, transparent feedback.

2. DEVELOPMENT COACHING



Managers need to think beyond the frequency of performance discussions and focus more on the content of each type of meeting. While there is no one-size-fits-all approach to help employees develop in their career, there are strategies that every manager can use to drive relevant conversation and address the unique needs of their team members. Implementing an effective coaching strategy will provide employees with the tools they need to succeed in their current role and take appropriate steps to get to their next position. Below are some helpful tips to launch an effective coaching strategy:

COACHING STRATEGY TIPS

Coaching should be about active listening and appreciative inquiry. Ask questions to learn more information like:

- “What would you do in this situation?”
- “Why did you come to this conclusion?”
- “How would you approach that situation differently in the future?”

Tell stories. Sharing personal experiences and what you’ve learned from them will help give context and understanding around a situation.

Document feedback

- Keep a running list of items to share and discuss during one-on-one meetings with direct reports.
- Share the meeting feedback after the one-on-one meeting, so both the manager and employee are on the same page with the information that was discussed. If your Talent Management platform has a tool to track meeting notes, upload the content there.

Offer varied development opportunities

- The way in which employees develop, learn and retain information varies. Provide employees with a combination of different channels to learn and grow.
- Encourage micro-learning by including brief videos, webinars, podcasts and gamification techniques to provide just-in-time learning.
- Provide shadowing, rotations, and other on-the-job opportunities for employees to develop their skills and build their network.

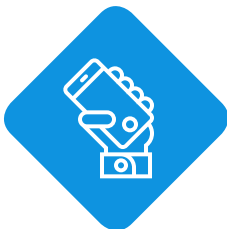
3. CHECK-INS



Having more frequent performance touchpoints means that organizations need to simplify the process to reduce the burden of a lengthy review process. Companies embracing ongoing performance management are now implementing “check-ins” to support the growth and development of employees. While they vary by organization, check-ins are typically informal performance conversations initiated by either the manager or the employee. Many Talent Management systems allow individuals to upload documentation for one-on-one meetings with managers to track progress and notes. Check-ins help employees understand how they are progressing against their goals throughout the year versus only receiving feedback during review cycles. It also allows goals to be updated as organizational priorities change. The goal of the check-ins is to empower the employee to be in control of their career.

TIP: Wondering if check-ins are taking place? Measure how frequently your managers are meeting with their direct reports by using a system to record check-ins.

4. MOBILE GOAL SETTING



With the proliferation of digital channels, many employees are turning to mobile devices to improve performance tracking and accommodate employees in real-time. If an organization has a performance management solution with a mobile app or responsive design, managers can easily record conversations on-the-go with employees and keep track of goals and progress. This approach simplifies goal management for employees that are working in the field.

TIP: Build an easy-to-find button on your performance management system homepage, so managers can quickly find where to go to track conversations with direct reports and employees can see how they are making progress against their goals.

5. EMPLOYEE REWARDS PROGRAMS



Employee rewards programs support the performance process by incentivizing employees to develop and grow in their career, and in return, help organizations retain quality talent in the workplace. Many Talent Management platforms have tools that organizations can leverage to track development and performance feedback. For example, companies can provide badges to employees for completing learning courses. They can also allow employees to use badges to recognize their colleagues for strong performance on a project or task. Those badges can be redeemed for specific prizes, and they can be inserted into the employee's performance review to show they have worked towards developing in their role/career.

TIP: Encourage healthy competition in the workplace by providing high-value items (think Fitbit, iPad, etc.) to employees who reach a certain number of badges.

6. GOAL ALIGNMENT



The purpose of goal alignment is to showcase how each employee in an organization is directly affecting the firm. This creates synergy within a company as individuals work collectively toward a common objective. It also ensures that employees create relevant goals that are meaningful to the organization. Providing visibility into what is important to the company and how the individual can contribute, assures the employee that the work they are doing is meaningful.

TIP: Use your organization's Talent Management system to manage organizational objectives and allow managers and employees to align individual goals to those objectives. As progress against individual goals is tracked, also update organizational goals so that employees can see company progress.



PART 2

Building a Successful Change Management Campaign

In today's fast-paced business environment, organizations must have a strategic change management plan before they roll out a new performance management process. The change management plan should help guide employees through the new process and give them the opportunity to ask questions and provide feedback.

Here are five steps organizations should consider as they build out a change management campaign for their performance management process:

1. SECURE BUY-IN FROM LEADERSHIP AND MIDDLE MANAGEMENT

It is imperative for organizations to get buy-in from senior leadership before they roll out a new performance management process to an entire organization. However, companies should not ignore middle management either. They will ultimately be responsible for communicating the changes to the largest number of employees. By asking middle management for their input, they will be a part of the process and act as champions of the change to help alleviate and manage employee resistance.

Get senior leaders on board by creating a vision that senior leaders cannot ignore. Provide examples as to how the new process will add value to employees, managers and leaders and tie in broader organizational goals. Involve them in the process of creating that vision so they will get behind it, support it, and embody it to other employees.

2. CREATE THE CHANGE PLAN

Senior leadership and HR need to work together to select the appropriate change agents who will lead the charge to address performance process changes and identify the key stakeholders who will be affected by the change. Then, the change agents should work together closely to design and create the necessary action plan involved in actuating the vision. By establishing these key audiences, organizations can develop a framework that ensures the process is supported by the correct employees and the plan is targeting the correct audiences. Below is an example of a template that can be used to document the roles and responsibilities of each change agent.

CHANGE PLAN ROLES AND RESPONSIBILITIES		
Owner	Team	Support
Michael Smith	Human Resources	Create training materials
Jennifer Richardson	Internal Communications	Develop internal communication materials
Lauren Henderson	Senior Leader	Host in-office meetings

3. DELIVER COMMUNICATION PLAN

To help support a smooth transition, organizations must identify the appropriate channels to communicate the changes and build a timeline for when those changes will be announced. Communication should occur often and gradually. Organizations should build a coalition of supportive leaders to help deliver the key messages and garner support for the new process.

GET THE WORD OUT!

- **Create visual signage across each office.** Include details about the new performance management process and provide a timeline for when the changes will be implemented.
- **Print out postcards and deliver them to each employee's desk.** Include information about the changes and provide a link where employees can go to learn more.
- **Collaborate with senior leadership** to host in-office meetings where employees can learn about the new process, ask questions and provide feedback. If possible, the message can be delivered at a scheduled town hall or company meeting.
- **Include remote employees.** Hold webinars for all remote employees and mail any materials that are given to employees in the office.
- **Create a video tutorial** to walk employees through the new process and technology. Show employees how to submit quarterly reviews, create check-ins, etc.
- **Leverage your Talent Management tools.** Many platforms have tools to help users become acclimated with a new feature or functionality within the platform. Employees can use these tools to customize their own navigation within the interface. Consider rolling this out for users when you initially launch the new performance functionality to users and managers.

4. ANTICIPATE ROADBLOCKS

A successful change management process includes preparation for any roadblocks that might hinder or delay the performance management process. The team should be aligned with the timeline and take into consideration any conflicts with other organizational-wide programs such as product launches, company-wide events, etc. If other programs/events are scheduled around the same time, senior leaders must evaluate the user threshold for handling change during any specific time period.

TIP: If a company-wide calendar of events does not currently exist, consider working with senior leaders and across departments (Product, Marketing, Finance, HR, etc.) to build a schedule of important dates. Make the calendar accessible in your company intranet, so teams can go in and make updates when events/projects are scheduled.

5. MONITOR THE NEW PROCESS AND MEASURE THE IMPACT OF THE CHANGE

Work does not stop once the new performance management process is introduced. Change agents must proactively follow-up with end users to give them an opportunity to provide feedback on the program. Use the feedback to make any enhancements to the process or system. When communicating the new changes, be sure to let users know the new features have come from direct feedback so employees feel encouraged and a part of the process.

Change can be difficult for everyone and resistance is natural. Make sure that employees are clear on the purpose of the change and allow them to voice concerns. Often, resistance to change comes from feeling vulnerable or feeling a lack of control. Ensure employees feel heard, gather feedback often, and see how others can become involved in the process.

COLLECT FEEDBACK AND PROMOTE NEW ENHANCEMENTS

- **Hold follow-up training and working sessions:** Use this time to educate end users about any new features within your performance management process. Additionally, check in with employees to collect feedback and make sure they are using the new software correctly.
- **Create a survey:** Build a survey to collect feedback on how employees feel about the new process. Ask questions relating to the timeline of the release, the technology used, the instructions provided, etc.
- **Send out internal communications:** Send an email to your organization or include a section in your monthly newsletter to collect feedback and announce any new features.
- **Host focus groups:** Organize volunteer-based focus groups to collect feedback on the process and gauge how employees feel about new enhancements made to the process. Make sure the focus groups have a variety of users from employees to managers to executives to get a wide range of diverse feedback.
- **Make adjustments:** No change plan is entirely perfect. Use the feedback you receive and adjust where necessary. This will further garner commitment from employees and allow your change plan to mold to the needs of the organization.



For more information on how to develop a successful performance management strategy for your organization, email us at info@educegroup.com, or visit us at www.educegroup.com.



ABOUT EDUCE GROUP

Educe Group is a consulting services firm that implements and manages the technologies that enable an organization's people to learn, collaborate, achieve, and be rewarded in the workplace. From technology strategy and vendor selection, to software implementation, managed solutions, and web-based content development, Educe Group has earned a reputation for developing longstanding client relationships based on candid advice and consistent delivery.