

Put a better spin on tired performance reviews



The media has widely covered the fact that leading companies like Accenture, Deloitte, The Gap and General Electric have stopped their use of traditional annual reviews to measure employee performance.

Yet a report by Accenture Strategy indicates that just one-third of companies have actually ceased to use such scoring methods to rate employees' annual performance, or determine compensation and bonuses. Despite that, the same research reveals that fewer than 40% of managers feel like the current performance rating system at their company is effective at achieving business goals.

You may not have the power to ditch your company's performance reviews entirely, but you can adapt strategies from the companies who have to improve how you provide performance-related feedback.

Here are three simple methods to try.

Encourage a culture of immediacy. The "too little, too late" nature of the annual performance review is one reason many companies have deemed them ineffective. Providing feedback about an employee's job performance several months ago is a missed opportunity: Had the performance been addressed in real time, the employee could have applied that information on future projects for greater impact, and improved outcomes.

Counteract this side effect by consistently holding weekly employee on one-on-one sessions. In them, ask how the employee feels about the work they're doing:

- What percentage of the work they do each week aligns with their interests and goals?
- How do they feel about communication and teamwork related to their projects?
- What would they change about how a project has unfolded, if they could?

These questions can all stimulate conversation about the employee's performance and satisfaction.

If issues are revealed, you can proactively address them, before the problem snowballs. Jason Averbook, CEO of TMBC, a consulting firm that has helped companies move away from traditional performance reviews, explains that consistent and honest communication is key: Nothing in a performance appraisal should come as a surprise to an employee or the manager—regardless of the annual review format.

Seek 360 feedback regularly. Averbook says that while many traditional performance reviews include 360 feedback from co-workers, superiors and subordinates, the time delay inherent to annual performance reviews

deems much of their feedback ineffective. He explains that not only do most people not remember the details of something that happened months ago as clearly as they think, but also it's common for a 360 reviewer's opinion to be disproportionately influenced by one recent interaction, not the sum total of their experience working with the person.

Solicit 360 feedback from business partners the employee works with at least once a quarter, even if it's informally gathered over a cup of coffee or exchanged via a brief email.

You will collect more relevant, accurate and actionable feedback the employee can use for immediate improvement.

Continually develop strengths. So much of the content in a traditional performance review focuses on what employees did—not what they want to do, or should be doing, based on their strengths. Yet research conducted by Gallup reveals that people who focus on their strengths every day are six times more likely to be engaged in their jobs.

You have the power to help employee, leverage their strengths, based on the coaching you provide, the projects you assign and the teams that you construct. Though your company's formal performance review process may not focus on strengths, it's an easy element to implement into employee conversations:

Ask employees what they think their strengths are; share your assessment of where you perceive their strengths, and discuss projects or tasks that could help the employee develop in those areas. When you invite 360 feedback from other co-workers, ask for their opinions on the employee's strengths, too. You may find surprising insights that empower you and your employees to explore new paths to skill and career development that you'd otherwise overlook.