

Employers explore new performance assessments

Pay for performance is as popular as ever, according to new research by the WorldatWork association and Korn Ferry, but how employers measure performance is changing.

Almost 95% of employers responding to a recent survey said they offered performance-based pay increases in 2017, the same as in 2016. However, fewer relied on formal performance reviews (91%, compared to 94% in 2016) and formal performance ratings (80% compared to 85%). Both declines were statistically significant.

Instead, 50% of employers said their organizations performed more frequent performance check-ins, compared to 42% in 2016. And, though a minimal increase, 16% of organizations reported relying more on crowdsourced feedback (compared to 15% in 2016). Sixteen percent of employers also said they used informal performance ratings last year,

“What we’re seeing this year is that continued shift toward potentially more effective ways of driving and assessing performance,” said Alison Avalos, WorldatWork's director of research.

Read complete results of the Inventory of Total Rewards Programs & Practices survey at www.worldatwork.org/docs/research-and-surveys/Report_FINAL1.pdf.