

**HR** INSIDER SERIES

# Taking the Performance Review Process from Painful to Productive

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Let's face it – EVERYBODY hates performance reviews. In fact, most people would rather face the dentist. Managers see them as a time suck in an already manic schedule. For HR, it's just a start to the annual paper chase. Executives don't see value in typical reviews because they don't tie back to the organization's overall success. And most employees see the whole process as busy work, without much real value.

**There is good news though.** Today's forward-thinking businesses are discovering automated performance review and goal management solutions that not only take the pain out of the process, but actually drive better employee performance.

Automating the review process gets valuable employee performance information “out of the drawer” and into circulation where it can actually be useful. Executives and HR personnel armed with ongoing, easy access to past performance data can clearly map out future milestones, expectations and compensation rewards for each employee. In doing so, they are creating a true pay-for-performance culture that can dramatically improve productivity. These comprehensive, easy-to-use solutions are now affordable to companies of all sizes, thanks to web-based, on-demand technology.

**Better still, getting everyone engaged in maximizing productivity has become simpler too:**

- ▶ HR MANAGERS ENJOY A VASTLY STREAMLINED REVIEW PROCESS, PUTTING AN END TO THE PAPER CHASE.
- ▶ MANAGERS AND EMPLOYEES SAVE TIME AND FRUSTRATION WHILE WRITING HIGH-QUALITY REVIEWS.
- ▶ EXECUTIVE MANAGEMENT GETS THE INCREDIBLE BENEFIT OF CENTRALIZED PERFORMANCE DATA, WHICH PROVIDES POWERFUL INSIGHTS AND DRIVES PRODUCTIVITY BY FOCUSING EMPLOYEES ON TOP STRATEGIC GOALS.

This guide highlights the features to look for in an automated performance review solution and the rewards for individual participants at each level of your company.

### WHY HR LIKES IT:

### NOBODY WANTS TO BE THE “REVIEW POLICE”

For HR managers, automated performance reviews eliminate the endless hassles of “baby-sitting and policing.” Imagine a world without nagging or coercion (to get employees to complete performance reviews, that is). By switching to an on-demand, online system, you dramatically streamline the entire process, while avoiding major capital expenditures and enjoying the benefits of a system based on industry best practices and processes.

#### **Some of the features HR can enjoy are:**

- ▶ **ELECTRONIC FORM ROUTING.** Automatically route forms for review or approval, saving your company hundreds of hours in administrative time and reducing your environmental footprint.
- ▶ **CENTRALIZED ONLINE ACCESS.** Provide participants with instant web-based access to all required forms—eliminating the burden of making, delivering and tracking paper copies.
- ▶ **AUTOMATED EMAIL REMINDERS.** Send reminders to participants to submit reviews or missing feedback, instead of having to physically track these down.

Making the review process easier for employees will dramatically increase participation. And because the automated reminders keep things moving along on schedule, you’ll enjoy better on-time completion without having to coerce, cajole, or play the heavy.

### ELIMINATE THE WASTE

Adopting a fully customizable solution that utilizes your existing forms allows you to continue to work with your preferred formats, while eliminating paperwork, paper waste and that cumbersome paper trail. Not only will you save countless trees, but also the costs of printing and form distribution. These are real savings that also help your company establish an eco-friendly profile — an increasingly important consumer value.

## WHY MANAGERS AND EMPLOYEES LIKE IT:

### MANAGERS AND EMPLOYEES: TRIMMING TIME AND BOOSTING PERFORMANCE

For managers and employees, performance reviews are as unavoidable and time consuming as taxes. Initially there's all the time in the world. Then, procrastination grows in direct opposite proportion to diminishing time. And finally, when pressure reaches critical mass, everyone cranks out reviews just to meet the deadline. Not an optimal scenario.

The most comprehensive solutions include tools that help both managers and employees complete the performance review process in a fraction of the time — up to 10 times faster. Saving time, reducing the enormity of the task and providing assistance — these all contribute to the creation of truly valuable, high-quality performance reviews.

Leading performance review systems also include goal-setting and feedback tools to improve worker performance. To motivate employees, managers must communicate how each individual's contributions fit into the company's goals and develop clear measures that define on-task progress.

#### Typical features that help Managers and Employees save time and improve performance include:

- ▶ **BUILT-IN WRITING TOOLS.** A new breed of electronic writing assistants offer invaluable help in constructing meaningful, concise reviews so that employees better understand their performance against their goals. Managers can draw from detailed lists of competencies for common job types to create customized reviews, then get suggestions on points to cover and appropriate language to use.
- ▶ **COACHING TOOLS.** Integrated tools offer professional advice on promoting employee achievement and coaching suggestions to help develop specific competencies. Improving the quality and relevance of feedback gives employees a clearer, more actionable understanding of what they need to do to be successful at their jobs.
- ▶ **360 REVIEW TOOLS.** Users can select raters for 360 Reviews and solicit feedback with just a few clicks.
- ▶ **ELECTRONIC FORMS.** Employees can electronically route their self-reviews directly to their manager, who can in turn route the completed review for final approval and electronic signatures.

The screenshot shows a software interface for performance reviews. At the top, there are two tabs: 'Writing Assistant' and 'Coaching Advisor'. Below this, a competency 'Integrity/Ethics' is defined as 'Deals with others in a straightforward and honest manner, is accountable for actions, maintains confidentiality, supports company values, conveys good news and bad.' Three performance levels are shown: 'Improve' (red sad face), 'Meets' (yellow neutral face), and 'Exceeds' (green happy face). The 'Meets' level is highlighted in blue and lists several bullet points: 'accountable for decisions', 'admits to, learns from mistakes', 'fair and ethical towards others', 'gives facts, doesn't hide info', 'meets commitments', 'open and candid, builds trust', and 'supports company values'. Below the levels, there is a 'Positivity' slider and a 'Narrative' dropdown menu set to 'Marcus'. A text box at the bottom shows the generated narrative: 'Marcus stands by his decisions and makes the best out of situations where he encounters opposition or negative results.'

*Built-in Writing Assistant and Coaching Advisor tools help managers complete high quality reviews in a fraction of the time previously spent.*

## WHY CEO'S AND CFO'S LIKE IT

### THE KEY TO MAKING A GOOD COMPANY GREAT

Automated reviews and goal alignment are the “insider’s” secret to driving productivity. With paper-based systems, employee reviews usually get filed away as soon as they’re completed. But an on-demand, always on solution collects and centralizes valuable performance data on every employee so that CEO’s and managers can make the best business decisions possible based on real-time data.

**Leading automated systems allow the executive team to:**

- ▶ TRACK THE COMPANY’S OVERALL PROGRESS AGAINST ITS GOALS.
- ▶ IDENTIFY EMPLOYEES’ KEY STRENGTHS AND WEAKNESSES, ORGANIZATIONAL SKILLS, COMPETENCY GAPS, REWARD DRIVERS, AND OTHER PERFORMANCE TRENDS.
- ▶ CLOSELY MONITOR ANY RISE (OR FALL) IN EMPLOYEE RATINGS.
- ▶ ASSESS EMPLOYEE-RATING DISTRIBUTIONS ACROSS THE COMPANY, SO THAT THE BEST PERFORMING INDIVIDUALS AND DEPARTMENTS CAN BE APPROPRIATELY REWARDED.



*Having real-time access to centralized performance data for every employee helps CEO's and managers make the best business decisions possible.*

## THE MISSING LINK — STRATEGIC EMPLOYEE GOAL ALIGNMENT

In today's streamlined business environment, a downsized workforce increases the demands on each remaining individual. This means that productivity—and ultimately, profitability—depends on making sure every person is working up to his or her full potential. Yet industry studies show that nearly 95% of workers are unaware of their employer's specific business objectives or what they can do to help achieve them<sup>1</sup>. The problem doesn't lie with the employee, but with the organization's inability to inform employees of the company goals, monitor progress on an ongoing basis, and provide each individual with a means of achieving those goals.

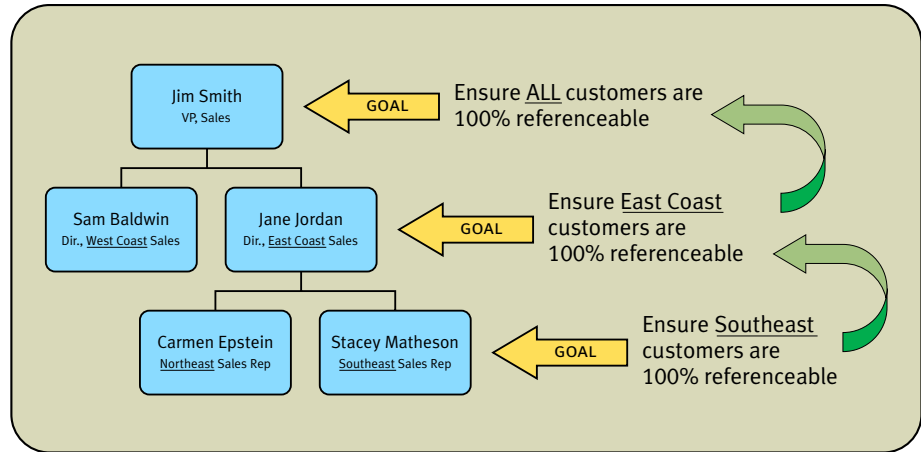
Automated performance review solutions streamline the process of creating and cascading goals from the top of the organization to each individual, aligning these goals with your business strategy, and monitoring performance metrics against them. According to a recent report, companies using automated solutions achieve 2-3% higher annual revenues on average, relative to industry norms<sup>2</sup>. By helping to create relevant and achievable goals throughout the organization, these systems ensure that:

- ▶ **EMPLOYEES AND MANAGERS UNDERSTAND HOW THEIR INDIVIDUAL GOALS MATCH UP WITH THE COMPANY'S BUSINESS OBJECTIVES.**
- ▶ **EMPLOYEES AND MANAGERS ACHIEVE MORE — IN LESS TIME — BY PROVIDING GREATER VISIBILITY INTO BOTH INDIVIDUAL AND COMPANY-WIDE GOALS.**
- ▶ **EMPLOYEES CASCADE HIS/HER GOALS TO OTHERS IN THE COMPANY, CREATING GREATER COOPERATION AND SHARED RESPONSIBILITY.**
- ▶ **MANAGERS STAY UP-TO-DATE ON EMPLOYEES' PROGRESS, ALLOWING THEM TO PROVIDE IMMEDIATE REINFORCEMENT TO KEEP PERFORMANCE ON TRACK.**

<sup>1</sup> "The Balanced Scorecard," Robert S. Kaplan & David P. Norton, 1996.

<sup>2</sup> "Strategic Talent Management Solutions and Superior Topline Growth," Saugatuck Technology, March 2008

By leveraging an automated solution to cascade your business strategy throughout the entire organization — from the CEO to business unit executives, from management teams on down to each individual — the executive team can ensure that the company goals have been clearly defined and communicated, and are being executed upon by every employee, every single day.



*By cascading goals from the top to the bottom of your organization, the executive team can ensure that the company's strategic objectives have been clearly defined and communicated, and are being executed upon by every employee.*

## MAINTAIN BUSINESS FLOW AND REMAIN AGILE – ESPECIALLY IN TOUGH TIMES

By making an assessment of performance against goals an ongoing process — not just a once-a-year event — an automated performance management solution helps ensure that your business remains agile. We all know how quickly market conditions can change in volatile times. A company that can react by adjusting its strategy and goals, and then quickly cascade those changes throughout the organization, is a company poised for success.

## SUMMING IT ALL UP

Adopting a complete, on-demand solution removes the time drain and pain from the traditionally thankless process of performance reviews. It gives every member of the company a better understanding of the overall company strategy. It also improves the quality and “actionability” of goals and performance measures, and increases each individual’s motivation and opportunity to fully contribute to their own — and therefore the company’s — success.

By making the assessment of performance against goals an ongoing process, not just a once-a-year event, an automated performance management solution helps ensure that your goals are clear, that your projects stay on track and that your business remains agile to weather these uncertain times.

## **GeoLearning and SuccessFactors Talent Management Suite: Learning and Performance Converge to Create Results**

GeoLearning and SuccessFactors help organizations align, develop, motivate and maintain your workforce. Integrated with the GeoLearning LMS and delivered on-demand as Software as a Service (SaaS), the suite includes the following modules:

- ▶ **GOAL MANAGEMENT**
- ▶ **CAREER & DEVELOPMENT PLANNING**
- ▶ **COMPETENCY MANAGEMENT**
- ▶ **PERFORMANCE MANAGEMENT**
- ▶ **360/MULTI-RATER**
- ▶ **COMPENSATION PLANNING**
- ▶ **EMPLOYEE SURVEY**
- ▶ **TALENT & SUCCESSION PLANNING**
- ▶ **BUSINESS ANALYTICS & REPORTING**

Designed to ensure that your organization achieves its goals one employee at a time, the GeoLearning and SuccessFactors Talent Management Suite helps you align goals, develop competencies, set expectations, manage talent, monitor performance and plan compensation. The Suite is composed of distinct capabilities, all of which are fully integrated. Its ease-of-use and rapid deployment features allow customers to solve immediate needs by getting to productive events in record time. The entire suite is highly scalable and modular, allowing customers to add new modules when they're ready—"on-demand."

**For more information visit us online at  
[www.geolearning.com/talent](http://www.geolearning.com/talent) or call (800) 970-9903.**



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