

White Papers from ReviewSNAP™ and Applied Training Systems, Inc.

Why Performance Management Works Better When the Process Is Automated[©]

The process of instilling a sense of urgency about performance is sometimes a difficult task. Many organizations struggle to get managers to buy into the need to focus on accountability for results.

Look inside most organizations and you will likely find a charade of sorts taking place on a daily basis. Managers routinely talk about results and the need for accountability for those results.

But look deeper and there will undoubtedly be a lack of a defined methodology for conveying what is important and creating alignment with organizational goals and objectives. And accountability will be nothing more than a buzz word.

The Performance Framework

Research indicates that many employees are often confused and unclear about what their jobs really are. The inability or unwillingness of managers to develop a performance framework that includes well defined and clear job descriptions, specific and aggressive employee goals and objectives, open lines of communication, frequent feedback, regular assessment of employees' progress toward goals and objectives, and effective performance reviews that are completed in a timely and thorough manner contributes greatly to the confusion that many employees experience on a daily basis.

It is critical that all managers understand that they are accountable for results and the organization must provide a viable performance framework for them before they can be expected to transfer that framework to their own teams. Not having this framework in place for managers effectively encourages them to treat performance management lightly within their own work teams.

Our experience shows that a significant factor in determining whether an effective performance framework is in place is the level of automation involved with performance management. Tracking and documenting performance, measuring results against goals and objectives, and providing routine feedback to employees are all much more easily achieved when an automated employee performance management (EPM) system is in place.

When a manual or quasi-automated system is used, the organization as a whole tends to languish in moving the regular employee evaluation process forward. Because there is inefficiency inherent in manual or poorly automated systems,

the process breaks down because the people who need to keep it moving fail to follow through in a timely manner.

The Procrastination Factor

As we know, managers can often procrastinate when it comes to preparing employee performance reviews. The reasons are likely numerous. Among the possible reasons:

- They don't perceive the review process as a priority when compared with other tasks they must complete.
- They sometimes fail to connect the process of formally feeding back performance and progress information to employees with their own success or that of their team.
- They perceive the process as cumbersome or too time consuming.
- They fear the process of rating employees' performance and progress toward goals (anxiety about delivering bad news).
- The process is not well defined or well developed.
- There is no notification and "reminder" system in place to alert them when reviews are due or overdue.
- There is a lack of accountability surrounding timely completion of performance reviews.
- The system/process is not automated in such a manner as to allow for the efficient and easy completion of reviews.

Managers often justify why some tasks many would view as unimportant are placed ahead of other more important tasks. This scenario certainly plays out for some managers when it comes to completing performance reviews.

It is important to create an infrastructure and culture that foster a desire to engage in ongoing feedback as well as formalized performance reviews. The human factors, such as anxiety about delivering bad news, that sometimes get in the way of managers providing valuable performance related feedback can be offset to a large degree by removing other non-human barriers or inhibitors to the process.

Reasons to Automate the Process

There are a number of important reasons to automate your performance feedback and performance review processes. Both 360 degree feedback and performance reviews are enhanced significantly when they are automated.

Here are some of the benefits of automating your performance management process:

Reason One – Enhanced ongoing communication. Because an automated performance management system provides the requisite tools that allow managers (and others) to more efficiently and effectively document performance and conduct regular performance reviews. When managers are given tools that “encourage” them to communicate and tools that make their jobs easier, they will be more inclined to document performance as it occurs, do a better job of writing about performance, complete reviews and 360 degree surveys in a more timely manner and feel better about what they are communicating to employees. The framework that an automated system offers gives managers more confidence in their feedback and communication.

Reason Two – Automated systems follow performance management best practices. Best practices in performance feedback and performance reviews range from alignment of individual goals with organizational goals to using validated competencies. There are a number of best practices incorporated into Web-based systems such as ReviewSNAP. By subscribing to such a system your organization benefits by having the assurance that best practices are being followed.

Reason Three – Employees are encouraged to share in overall accountability for success. Having an automated system in place brings each level of the organization into alignment with one another and places emphasis on everyone moving in a common direction.

Reason Four – Automated performance management systems capture data over time and provide invaluable information about performance related to goals and competencies in a manner that is difficult and nearly impossible to achieve with manual or quasi-manual systems. Understanding trends and cumulative results is an excellent way for organizations to achieve incremental improvement.

Reason Five – Allows the organization to reduce or eliminate paperwork and go paperless. The inherent “hassle factor” associated with handling, passing and storing paper makes the entire performance management process less appealing to deal with. Automation of the process virtually eliminates the need for dealing with paper. And the level of security associated with online systems is extremely high and will likely elevate the overall security of the process.

Reason Six – Automation of performance management helps make managers more effective in managing their employees. Performance reviews need to be relevant and appropriate to the job being performed and to the goals of the employee and the organization. Because automated systems such as ReviewSNAP contain tools that help managers/reviewers comment on performance and because these systems simply make the process flow better and easier, managers do a better job of reviewing performance. Feedback is enriched and is done in a timelier manner.

Reason Seven – Save time and frustration. As expected automation of the performance management process will save significant amounts of time and will reduce frustration because access is gained easily by logging into the online system and all forms and information is centrally located within the system. Employee feedback and documentation is handled by selecting the employee to be reviewed and all functionality related to the performance management process is located in one area. Notifications of managers and reviewers (or raters) are automated and the frustration of chasing down managers and raters to complete feedback forms or reviews is virtually eliminated.

Reason Eight – 360 degree feedback is easily managed and anonymity is achieved. One of the more difficult things associated with initiating a 360 degree survey on an employee in a paper-based system is the amount of manual work involved. In an online automated system, raters are selected, notifications are delivered automatically, forms are completed and verification that surveys are completed is done automatically. Results are compiled by the system and a report is generated. There is no paper involved. Also, an automated system helps ensure that the feedback of raters is kept anonymous. There is no paper floating around to identify specific feedback of a particular rater.

Reason Nine – Performance reviews will mean more to the employee and performance is more likely to be enhanced. Employees are often confused and frustrated by the performance review process. They often are kept waiting for their reviews to be completed or the feedback is incomplete, irrelevant or inappropriate in some manner. Because the process is easier for managers to follow and because there are tools to assist in documenting ongoing performance, writing comments to support ratings and recommending wage increases, for example, the quality of the reviews increases dramatically.

Reason Ten – Ultimately a more effective performance management process will lead to better overall organizational performance and increased profits. Since automation of performance management gives the organization a much better chance of implementing a highly effective process, one would expect that automation to yield better organizational results. Research suggests that this is exactly the case.

Summary

More and more organizations are moving to Web-based performance management systems because of the reasons listed above as well as other important factors. It is estimated that as many as 65 percent of all businesses and non-profit organizations will be using a Web-based performance management system within five years and as many as 80 percent within ten years. There has been an explosion of their usage over the past few years and this trend is expected to accelerate. Visit www.reviewsnap.com for more

information on how this popular system can be implemented within your organization.