

Union Bank & Trust Cashes Out an Archaic Performance Review Process



CHALLENGES

- Performance reviews that did little to impact employee performance or motivation.
- Employees not actively engaged in the review process or goal setting.
- Managers pouring too much time and effort into review.

SOLUTION

- Reviewsnap's performance review software.

RESULTS

- Slashed total time per review by two-thirds.
- Achieved 100% completion rate for reviews.
- Relationships and communication between managers and employees have skyrocketed.

For nearly a century, Union Bank & Trust (UBT) has helped the residents of Nebraska and Kansas turn their dreams into reality.



Providing financing for family farms. Helping young couples buy their first homes and save for their children's education. Enabling local entrepreneurs to start new companies and create jobs. These are just a few of the ways UBT has carried out its mission.

In 2011, UBT had a dream of its own: to shed the ineffective and inefficient performance review process that had become a standard for employers worldwide.

Chad Thies, First Vice President of HR at UBT and President of UBT affiliate Zelle HR, said that he and his team had grown increasingly dissatisfied with the traditional approach to performance reviews—the once-a-year meetings in which managers “evaluate” their employees and then hand down goals for the next 12 months.

Like other progressive employers, UBT gives its managers a good deal of autonomy. But this meant that reviews weren't being conducted in a uniform way. Too often, reviews didn't take place on time. In some cases, they slipped through the cracks entirely.

“The truth was our managers were just as unhappy with the process as we were,” says Thies. “They disliked conducting performance reviews because the approach and the tools we were using did nothing to facilitate effective discussions with their people. They even struggled to get employees to take an active role in evaluating their

own performance and setting their own goals. Plus, managers were pouring an unbelievable amount of time and effort into reviews. Bottom line, we had no real evidence that reviews were positively affecting employee performance or helping to raise employee engagement or motivation levels.”

The time had come for UBT to break away from the old process.

The 4 by 4 Process: Reviews Reinvented

However, before UBT could adopt a new performance review process, Thies wanted to be sure that his organization understood all of the issues in play. So UBT conducted an internal survey to solicit thoughts, opinions and ideas from across UBT.

“What we found was that managers and employees both wanted more productive review sessions,” Thies says. Both wanted a process and tools that would help them improve their ability to communicate. Employees also wanted to be sure their accomplishments were accurately reflected during reviews and that managers understood the challenges they faced in meeting performance expectations. For their part, managers wanted employees to be more engaged in the review process, helping to set their own goals. They also wanted a process that would motivate employees to raise the bar on their performance and feel more engaged in their work and in managing their careers. Also, managers needed tools to help them reduce the sheer amount of time and effort necessary to complete reviews.

As a result of their findings, Thies and his team created a new performance review process—called the “4 by 4 Process”—that required managers to meet with direct reports four times a year at regularly scheduled intervals. However, there would be no “ratings,” no numbers or terminology that attempted to sum up an employee’s performance. Instead, managers would hold conversations with their people, asking them four key questions:

1. What have you accomplished in the last six months?
2. What will you accomplish in the next six months?
3. What challenges are you facing?
4. How can I help you be your best?

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“A great deal of critical information comes out of these four questions—information that goes right to the heart of how engaged employees are in their work and how committed they are to the organization’s mission,” Thies says. “We also found that these questions foster extremely productive discussions between managers and employees. For example, employees have a lot of great ideas for improving their work and improving the way UBT does business. And they’re willing to share these ideas—*if* they’re given the chance. The standard performance review process simply didn’t lend itself to this kind of conversation. But our 4 by 4 Process does.”

So, with the 4 by 4 Process in place, UBT began searching for a performance review solution that would support it—and that would address the needs expressed by employees and managers in their survey responses.

One of the solutions Thies came across was Reviewsnap. “We instantly liked what we saw. We had come across a lot of other solutions that were flashy and complex, and they offered a lot of bells and whistles we didn’t really need. They were also pretty expensive. Once we started looking deeper into Reviewsnap, we saw there was a lot of functionality, but the emphasis was on user-friendliness and simplicity. And the price was unbelievable, especially for the overall service and value Reviewsnap offered. So we signed them on.”

Tell Us What You Want

As the implementation of Reviewsnap unfolded, Thies and his team asked their new partner to make quite a few changes to its software. “We worked directly with their software team to customize everything to our unique specifications,” he says. “The software is capable of a lot more than we need for the 4 by 4 Process, so we were very impressed at how flexible Reviewsnap’s software is. Basically, they said, ‘Tell us what you want to accomplish with our system,’ and then they helped us get there.”

Thies says UBT was even more impressed once they began using Reviewsnap. “They gave us great tools and great service. With a lot of the other solutions we looked at, the tools were good but the service was questionable—or vice versa. This happens a lot with solutions

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vendors who don't specialize in one thing. They offer a wide range of tools and services but the level of quality, service and commitment just isn't uniform across the board. Plus, companies are spending tens of thousands of dollars more on these other solutions, but they're not getting nearly as much bang for their buck."

UBT's two-year journey—from surveying its people ... to benchmarking its findings ... to creating the 4 by 4 Process ... to bringing Reviewsnap onboard—had come to an end. It was finally time to begin reaping the rewards.

Almost immediately, says Thies, UBT slashed the time it takes managers to complete a review. "Thanks to the 4 by 4 Process and Reviewsnap, it takes them one-third the time," he states. "Some managers were spending the better part of a day prepping for, conducting and then doing the follow-up necessary for *one* employee review. For managers who have 10 or 15 direct reports, we had as much as two or three weeks of their highly valuable time tied up in the administrative aspects of performance reviews. That doesn't happen anymore."

Two factors that have helped speed up the administrative aspects of reviews, according to Thies, are the simplicity of the Reviewsnap software and its electronic signature feature, which has made a notable impact on finalizing reviews. Thies says his organization now enjoys a 100% completion rate for its performance reviews. Under its old review process, the completion rate was about 50%.

"The relationships and communication between our managers and employees have also improved significantly," Thies adds. "We've tracked these metrics with surveys since implementing our 4 by 4 Process and the Reviewsnap software, and employees' opinions of their relationships with managers have skyrocketed."

More Meaningful Outcomes

Looking back, Thies says that creating the 4 by 4 Process was a huge victory for UBT's HR function—a game changer in terms of holding reviews that actually drive employee performance and engagement levels.

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“The traditional performance review process—where a manager does most of the talking and tells employees what their ratings are—simply doesn’t work for most organizations today. It’s too arbitrary, it’s not employee-driven enough, and it does nothing to enhance employee engagement or motivate people to want to give their best,” Thies says.

With the 4 by 4 Process, employees are more involved in creating their own performance goals and charting their own careers. They also feel free to offer ideas on how to improve their work and how UBT does business. Thies says the 4 by 4 Process means employees “have stock in their own futures,” which makes the outcomes of performance reviews much more meaningful.

Thies believes that bringing Reviewsnap on board to support the 4 by 4 Process was instrumental to its success. “Having the 4 by 4 Process and the Reviewsnap system working hand-in-hand so effectively really raised our credibility—with employees, with managers, and with UBT’s senior leaders,” he states. Today, all of UBT and its affiliate organizations use Reviewsnap—and the reviews are unanimous: the software is a hit.

The relationship between UBT and Reviewsnap continues to grow. “Our affiliate, Zelle HR, believes in the Reviewsnap system so deeply that we often recommend it to clients who are looking for a performance review solution,” says Thies. “And the service Reviewsnap has given us over the years has been extraordinary. Whenever we’ve asked for anything, the Reviewsnap team has always responded immediately.”

For Thies and UBT, the archaic performance review process used by so many employers is now a distant memory. Once again, UBT has managed to turn a dream into reality.

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About Reviewsnap: Reviewsnap is a complete, fully automated performance management system that offers user-friendly, reliable and affordable on-demand SaaS (Software as a Service) solutions to help companies align goals for greater results, enhance communication and coaching, increase employee engagement, and save time and money through improved efficiency. Learn more at www.reviewsnap.com.

About Union Bank & Trust Company: Union Bank & Trust Company is a privately owned, Nebraska bank that offers complete banking, lending, investment and trust services. The bank has thirty-six full service and loan production offices in Nebraska and Kansas. In addition to Lincoln and Omaha, branches are located in nineteen Nebraska communities and the Kansas City Metro area. It is the third largest privately-owned bank in Nebraska with bank assets of \$2.6 billion and trust assets of \$11.8 billion as of June 30, 2013.