

 bambooHR™

# Performance Management

The dreaded performance review—an annual ritual that unifies employees and managers alike in their mutual dislike for a necessary evil. And the worst part? After the time, energy, and effort spent by employees and management, very few feel the process was worth their while.

# THE WRONG WAY

How companies normally hold 360 performance reviews



## SUBJECTIVE

“You rate me on ‘Marcus makes decisions quickly’ and your rating reveals simply whether I make decisions more quickly than you do. Rate me on “Marcus is a good listener” and we learn whether I am a better listener than you. All of these questions are akin to you rating me on height. Whether you perceive me as short or tall depends on how short or tall you are.”

— Marcus Buckingham, *Harvard Business Review*

<http://bit.ly/1FrhtF7>

## INACCURATE

Under  
Qualified  
To Evaluate

Ulterior  
Motives

Don't  
Understand  
Job Duties

## CULTURAL IMPACT

Mistrust

Anger

Conflict

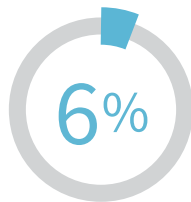
Drop in  
Morale

## A BROKEN SYSTEM

To be honest, in large part, performance reviews are a broken system, dating back to the industrial revolution, when employees were seen as replaceable parts in a machine, not knowledge workers who innovate a company.

GE, the original champion of performance reviews and forced rankings, recently announced they are abandoning the process because it hurts performance.

<http://bit.ly/1w6oAjs>



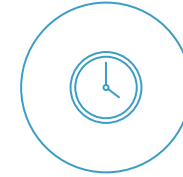
**The number of companies surveyed by Deloitte who believed performance reviews were worth the time.**

Although some call for the death of the performance review, it's been proven they can provide considerable value to a company when done well. So many crucial decisions hinge upon performance reviews— promotions, bonuses, disciplinary action, employee development, and terminations. But several factors cripple their effectiveness:



## PURPOSE

Although the purpose is built into the name (to review performance, obviously), employees and management mostly use annual reviews to focus on qualifications for promotions and raises.



## TIME

Before restructuring their process, Deloitte spent 2 million man-hours a year on filling out forms, meetings, and creating rating systems for their performance reviews. How much time are you spending?

<http://bit.ly/18AceYm>



## FREQUENCY

Holding reviews once a year doesn't allow managers to provide relevant feedback to foster employee growth. Nor does it allow managers the agility to reward employees for excellent work in real-time.

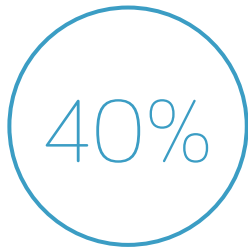


## SUBJECTIVITY

Like teachers, some managers "grade" harshly and some give "A's" to anyone who shows up. And employees, who either don't want to jeopardize career advancement or a co-worker's position, often sugar-coat their feedback about managers and peers rather than tell the truth.



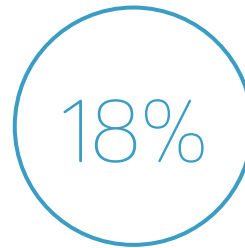
ACCORDING TO RESEARCH DONE BY MIND GYM,  
WELL DONE PERFORMANCE REVIEWS LEAD TO:



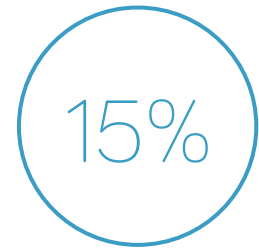
HIGHER EMPLOYEE  
ENGAGEMENT



LOWER  
TURNOVER

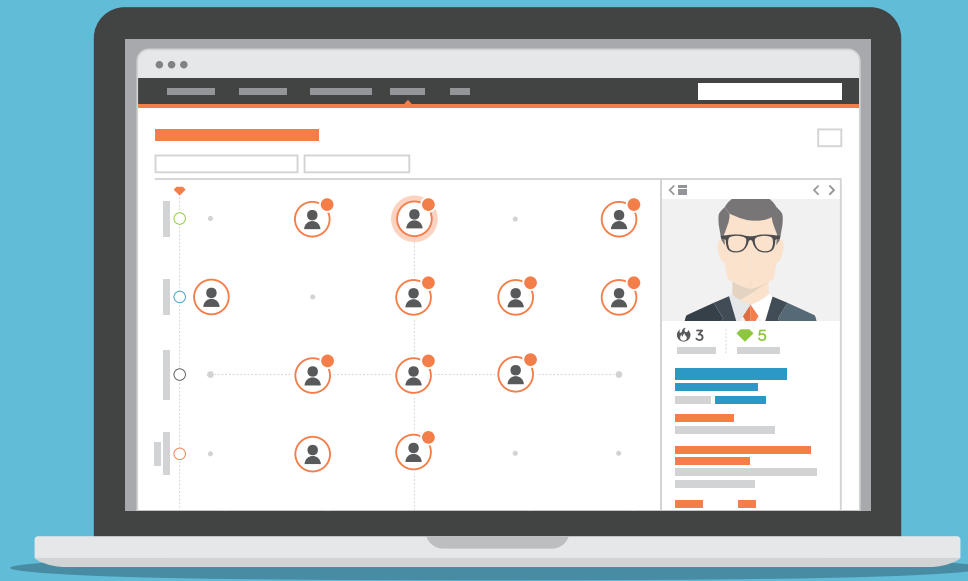


GROWTH IN  
CUSTOMER LOYALTY



BOOST TO  
PRODUCTIVITY

Our Performance Management is not only built around industry research, but also our own customer research where we uncovered best practices from scores of innovative companies. Using this research, we've removed those crippling factors found in the purpose, time, frequency, and subjectivity of performance reviews. By doing so, we've transformed them into a rewarding (dare we say, enjoyable?) experience.





# THE RIGHT WAY!

BambooHR's 360 review





## PURPOSE

Shifting the focus to evaluating engagement and productivity will give you the data to make those crucial decisions, like promotions. It will also help you determine how happy and engaged your employees are.

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**“...A highly engaged workforce not only maximizes a company’s investment in human capital and improves productivity, but it can also significantly reduce costs, such as turnover, that directly impact the bottom line.”**

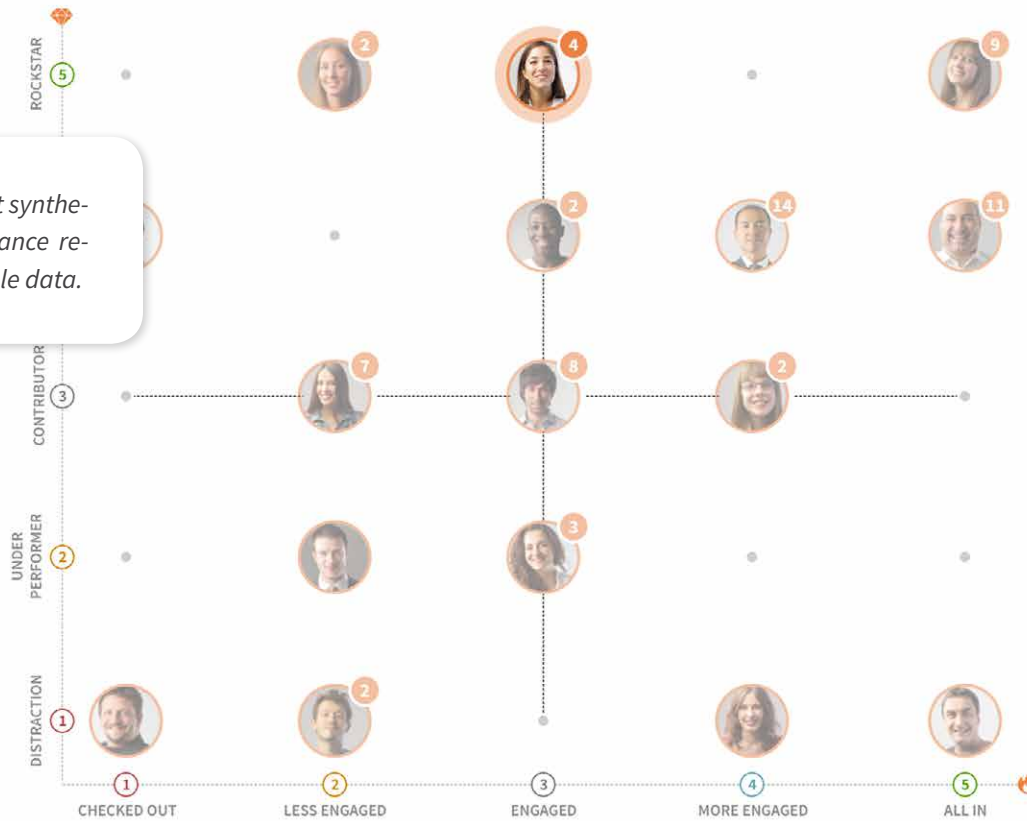
*—Harvard Business Review Analytic Services*


### Employee Performance

Jan 1, 2015 - Jul 1, 2015

All Employees

Create a report that synthesizes your performance reviews into actionable data.





3 ENGAGED | 5 ROCKSTAR

**Jennifer Simmons**  
 Sr. Software Engineer  
 Manager: Jake Freeman

**Feels Valued?**  
 I sometimes feel valued.

**What would help me do my best work more often?**  
 The company direction or purpose was better defined.

<b>Salary</b>	<b>Title</b>
\$68,000	Sr. Software Engineer
11 months	1 year, 5 months

**Time with Rocket Media**  
 2 years, 2 months



## **TIME**

Employees and managers spend a short amount of time electronically completing reviews with questions targeted to extract the most valuable feedback. You can then generate professional reports based off these reviews to measure employee engagement, productivity, and cultural fit.




## Assessment Progress

 More ▾

Jun 1, 2014 - Jan 1, 2015

 15 days left. The next reminder will be emailed to Employees and Managers on Apr 18.



<input checked="" type="checkbox"/>	Employee	Self Assessment	Manager	Manager Assessment
	John Jimenez	Not Started	Roy Robinson	Completed 3/18/2015
	Kathy Sanchez	 No Access	Amber Alexander	Not Started
	Catherine Parker	In Progress	No Manager	--
	Anthony Snyder	Completed 3/18/2015	Harry Allen	In Progress
	Henry Ramos	In Progress	Daniel Richards	Completed 3/18/2015
	Keith Dunn	Not Started	Gerald Perkins	Not Started
<input checked="" type="checkbox"/>	Catherine Parker	Completed 3/18/2015	Amber Alexander	 No Access
<input checked="" type="checkbox"/>	Anthony Snyder	Completed 3/18/2015	Rebecca Patel	Completed 3/18/2015
<input checked="" type="checkbox"/>	Keith Dunn	Completed 3/18/2015	Harry Allen	Completed 3/18/2015
<input checked="" type="checkbox"/>	John Jimenez	Completed 3/18/2015	Roy Robinson	Completed 3/18/2015
<input checked="" type="checkbox"/>	Catherine Parker	 No Access	Amber Alexander	Completed 3/18/2015

Easily track performance review statuses throughout the company.



## FREQUENCY

Our performance reviews are designed to occur several times a year (or however often you like), allowing managers to give frequent feedback and make changes in real-time. This gives performance reviews the most impact.

In fact, GE has chosen to replace what they consider a broken performance review system with one that uses frequent feedback.

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**14.9%** less turnover at companies that give employees regular feedback versus those that give no feedback.

<http://bit.ly/1jbG1ey>

**43%:** number of highly engaged employees who receive feedback at least once a week.

<http://bit.ly/1HZQJuC>

BambooHR  
https://rocketmedia.bamboohr.com

+You Search Images Mail Drive Calendar Sites Groups Contacts More -

ROCKETMEDIA jamesp@seven.com

Mail - 4 of 213

COMPOSE

Inbox (20)  
Starred  
Important  
Sent Mail  
Drafts  
[Imap]/Drafts  
Deleted Messages  
Notes  
Sent Messages  
Trials  
More v

How are Your Goals Coming Along? Inbox x

BambooHR 10:41 AM (53 minutes ago) ☆

Jennifer Simmons  
Join Google+  
Show details

### How Are You Doing? Update Progress

Hi Jake,

Just a friendly reminder to update the progress of your goals.

#### Implement SCRUM Across all Dev Teams... Jun 1, 2015

70%

Jake Freeman - Apr 28, 2015  
I've started introducing the idea of SCRUM teams to the entire department. We've had training meetings with about half of the teams and have started to select SCRUM masters for each team. We're still getting a little resistance to the idea, but I think people are coming around.... More

#### Angular Training & Build Proof of Concept Jun 1, 2015

20%

Jake Freeman - Mar 30, 2015  
We found a few good tutorials online but haven't done much beyond that. I would like to bring in a colleague of mine for a lunch and learn with the teams. I think this could really help them get to know the framework better.

#### Define & Share Development KPIs Jun 1, 2015

0%

Jennifer Simmons - Feb 20, 2015  
I have an idea of the KPIs our team should have but I haven't really developed them. I need to get the team leads together so we can define them and come up with a plan.

[Update My Progress](#)

Powered by bambooHR

*Automated emails remind employees to update their personal goal progress.*



## SUBJECTIVITY

By asking managers what actions they would take to keep an employee rather than how they feel about an employee, we cut through any subjective feedback and get to the heart of the matter.

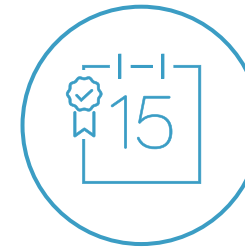
What about sugar coated feedback from employees in their manager and peer to peer evaluations? Our evaluation questions are based off research done by Deloitte showing that a company's happiest employees have these 3 traits in common:



**THEIR CO-WORKERS ARE  
COMMITTED TO GREAT WORK**



**THEY BELIEVE IN THE  
COMPANY'S MISSION**



**AND THEY HAVE AN OPPORTUNITY  
TO DO WHAT THEY DO BEST  
EVERYDAY**

<http://bit.ly/18AceYm>

By using these criteria to measure engagement, employees can be honest without feeling like they've put their career at risk.



**ROCKETMEDIA**

Dashboard Employees Job Openings Reports Files Search...

**Jennifer Simmons**  
Sr. Software Engineer

Personal Job Benefits Time off **Performance** Documents Notes Training More

**Performance** Review Period: 15 days left  
Jan 1, 2015 - Jul 1, 2015

Goals Peer Reviews **Assessment**

**Self Assessment**  
Completed: Dec 31, 2014 at 3:40 PM

**Manager Assessment**  
Jennifer WILL NOT SEE Your Answers to these 2 Questions

If Jennifer got a job offer elsewhere, I would... \*

Need to think about it. Jennifer does a decent job.

How engaged is Jennifer at work? \*

Good engagement and a mostly positive attitude.

Complete the Manager Assessment to unlock this Self Assessment.

**Manager Assessment**  
Jennifer WILL SEE Your Answers to these Questions

What are some things that Jennifer does well? \*

Jennifer has been an invaluable member of our team this quarter. Her example of adopting the SCRUM methodology has been really helpful in getting other team members on-board. She has also been great at leading sprint planning and helping keep other team members on time with their releases.

How could Jennifer improve? \*

Jennifer only has a few small things she could improve on. She seems to take quite a few personal calls during work hours. It would be nice if we could reduce those. Some of her coworkers also feel like she is a little difficult to work with at times. We're working on those interpersonal skills so she can communicate disappointments more amicably.

Jennifer is always professional and respectful to team members and customers? \*

Mostly, yes. But there have been a few situations where she has gotten angry with coworkers because she felt their work was sub-par. The way she addressed those coworkers hasn't always been respectful. We're trying to create a better process for coworkers to assess each other's work so this doesn't become an issue.

Jennifer uses time wisely and keeps commitments to team members and customers? \*

I know I can always count on Jennifer to do whatever it takes to keep the commitments she makes. I know she has stayed late a few times to make deadlines. She has also helped her scrum team plan their time more efficiently.

Submit Save & Finish Later

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**Manager Assessment**

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How engaged is Jennifer at work? \*

Good engagement and a mostly positive attitude.

*Cut through subjective feedback and get to the heart of the matter.*

Performance reviews don't have to be a necessary evil dreaded by your entire company. Instead, they can become a tool that provides feedback you can actually use to measure engagement and performance. We provide analytics on that feedback in a clear, easy to consume format that allows you to know where to take action.

