

Performance Management Report 2021



About the research

The research in this report comprises answers from 221 participants. From the 221 people we surveyed, 121 were HR Directors, and 100 were managers and employees. The people we surveyed span across a range of industries, including both public and private sector organizations, as well as multiple jurisdictions—the majority of which were in the UK, Europe, and USA. PepsiCo, Ralph Lauren, Cabinet Office (UK), BBC and American Express are some examples of the organizations that took part in this survey.

Although the quantity of questions asked is fewer in the 2021 report, compared to the 2019 report, we deliberately chose to do it this way in order to drill down into specific, more relevant questions. However, you will find in some instances, we have drawn comparisons to the previous report. The questions we asked HR directors were all done through telephone interviews. Questions for managers and employees were delivered through an online survey, anonymously. The majority of questions we asked had multiple choice answers, however to add more depth to the research, we asked some open ended questions with free text answers to get more qualitative results. Context has been important for us to understand why the changes that have taken place have happened.

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Foreword


About Kerry Wekelo

Kerry Wekelo, is the Chief Operating Officer at Actualize Consulting, a financial services firm. Her book and program, [Culture Infusion: 9 Principles for Creating and Maintaining a Thriving Organizational Culture](#) and latest book [Gratitude Infusion](#), are the impetus behind Actualize Consulting being named Top Company Culture by Entrepreneur Magazine, a Top Workplace by The Washington Post, and Great Place to Work-Certified. In her leadership, Kerry blends her experiences as a consultant, executive coach, award-winning author, mindfulness expert, and entrepreneur.



By Kerry Wekelo
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Performance management has always been an important topic of conversation for HR professionals and company leadership. Its ultimate goal is to develop performance consistently and measurably while aligning individual and strategic goals. It is the pinnacle of visibility for identifying the contributions of your team. Typically, companies will use traditional structures as a “rubric” for their performance assessments. The way they track performance varies, whether that’s automating it with technology or tracking it manually with existing tools. The question is, are these designs and tools robust enough to support the new demands of the new—post-Covid—world? With a new era of remote working, successful Performance Management is critical to stabilize productivity and engagement – with hopes of also identifying avenues of growth.

It is validating to see this research reflect a growing desire for companies to revamp Performance Management to focus less on employees as machines, and more as humans. At Actualize Consulting, we have always taken non-traditional approaches to assessing performance. In fact, I like to re-evaluate how we track each year; not only to make sure that the system we use does not get stale, but as personal goals shift and change, so should the company’s general strategy for collecting and reviewing information. The shift to the new remote work lifestyle provides the benefit of ensuring the new metrics not only monitor success in terms of efficiency, but also the holistic well-being of the individual contributors.

There is more to the employee experience than productivity and it is encouraging to see a trending desire for coaching and a personal review process. At Actualize Consulting, we have seen tremendous results from employees when leveraging coaching as part of our overall performance management strategy. We regularly check in with employees one-on-one to give and receive personalized feedback. Our practice is backed by the data outlined in this report—89% of employees agreed that they would benefit from more regular development and coaching conversations. Nothing replaces human connection; automation can be helpful to streamline and provide analytics. It is important to balance the two. Now with virtual workforces being the standard, taking time to be with each employee at a personal level does wonders for morale and fosters an environment of mutual respect.

The results of the report are clear: when we have regular discussions around creating a supportive, wellness-focused environment, we better encourage and recognize accomplishments. I hope to see even more companies discover this key to success in 2021.



Performance Management is changing

Earlier last year, we created our [5 Step High Productivity Model](#) which outlines the key areas that organizations need to focus on to optimise productivity and engagement in a post-pandemic 'new normal'. Looking at thousands of users in our Clear Review system we could see that where organizations embed these 5 practices, their employees successfully achieve 33% more of their objectives. If organizations can embed these practices which focus on developing performance and their people, they will see a positive change in performance management.

The results in this report reveal that 2020 has been a turning point for performance management. The changes brought upon by the pandemic, caused a seismic shift in the way we manage performance. It seems long-awaited changes that HR leaders have been craving, have almost happened over night—and employees and managers are grateful for it. In the 2019 Performance Management Report, we uncovered what performance management meant to organizations. Historically performance management has been driven by appraisals, ratings and reward—with succession planning playing a key role. Employee engagement, wellbeing and development were certainly less of a focus. Overall, the 2019 report revealed that there was an appetite for changes in performance management and that most HR people believed it should be a key priority for organizations in the future.

2020 has really catapulted the focus on making performance management a business priority. We are seeing that organizations are trying to hone in on agile goal setting, frequent coaching conversations, wellbeing and engagement as opposed to ratings and performance related pay. When we asked HR leaders what their “focus had been” this year, 47% of HR leaders said it was developing performance, followed by 33% who said productivity and engagement. Only 9% said pay and ratings, followed by just 8% who said ranking employees. However, what’s interesting is when asked what “should” be the focus, 0% said pay and ratings while 46% said productivity and engagement should be their focus. This is very encouraging to see because supporting employees so that they are more engaged and productive is important for boosting performance. This shows a move in the right direction for performance management.

It’s clear from the results that the way performance management is viewed is changing for the better. However, it is crucial that these positive changes remain in place post-COVID-19. The question now is, how do we maintain and build on this success and not slip back to the old ways? Although there is less focus on performance related pay, could that be because of the lack of money organizations have in the reward budget?

Organizations should ensure that all the other core aspects of performance management such as wellbeing, regular conversations, and agile goal setting, aren't lost. Organizations can no longer think that they will go back to focusing mainly on annual reward decisions once the pandemic is no longer a threat and pay pots increase

Realistically, the pandemic isn't going to be over for some time yet and the UK Government has indicated that restrictions will still be in place throughout 2021. The [Centre of Infectious Disease Research and Policy in the US](#) has also said that a second wave with more infections would mean the US and other countries need to reinstate mitigation measures such as further lockdowns. Organizations need to think about long-term changes to how they work to ensure there is support for performance management and continued hybrid working.

If the shift away from pay and reward is due to lack of money, then organizations need to be really mindful about how that is communicated. Many organizations have processes in place for performance based pay, and therefore there are a set of expectations from employees. If, in the face of the pandemic, organizations need to change the way (and even whether) they pay bonuses this year, they will have to explain with care and humility what has changed and why. Most employees will understand the extenuating circumstances, but they will not forgive a lack of transparency and honesty.

It's also interesting to see in more detail the types of performance management changes that are happening as a result of the pandemic. We asked HR Directors what changes they were making or had made in the past year. The majority of answers related to readjusting objectives, wellbeing, and remote working. As you read through this report, it will become clear that continuous performance management can act as a catalyst to agile objective setting, safeguarding wellbeing and making remote working sustainable.

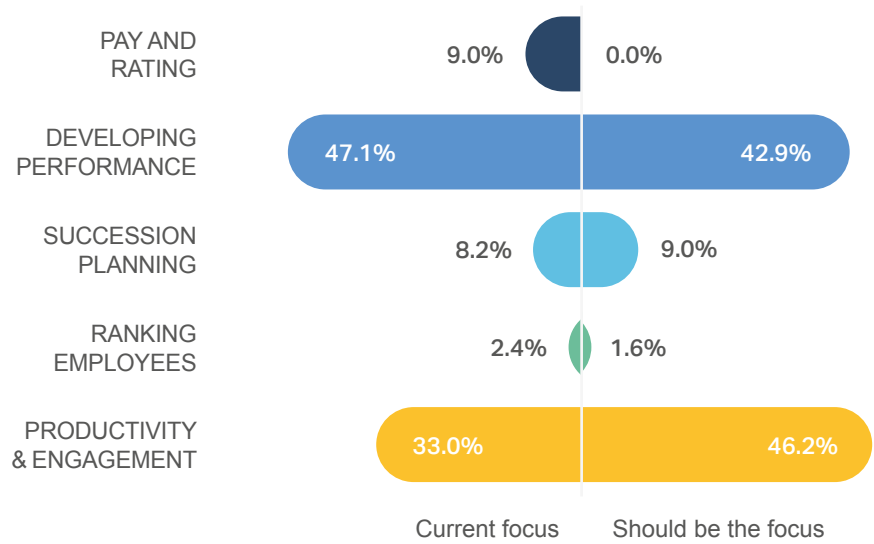
What changes are you planning to make or have you made due to COVID19? (e.g. team collaboration, stopping or starting performance related pay, readjusting objectives, getting rid of appraisals, focusing more on wellbeing)

A word cloud of terms related to performance management changes. The most prominent words are 'Readjusting objectives', 'Remote working', 'focusing wellbeing', and 'wellbeing'. Other visible words include 'management', 'working remotely', 'focus', 'team collaboration', 'changed', 'bonuses', 'employees', 'adjusted goals', 'teams', 'starting performance related', 'adjusting', 'working home office', 'performance flexible', 'staff hybrid working home', 'pay Health', 'objectives', 'however', 'Remotely', 'remote', 'Changing way', 'way working', 'company', 'welbing', 'targets', 'working', 'Readjusting', 'employees', 'adjusted goals', 'teams', 'starting performance related', 'adjusting', 'working home office', 'performance flexible'.

2020 RESULTS:

What is the focus of your organization's performance management?

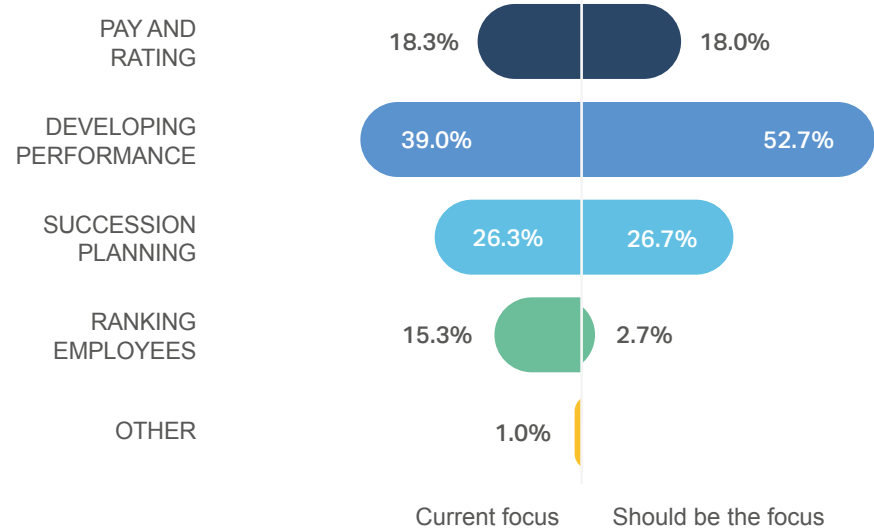
What do you feel should be the focus?



2019 RESULTS:

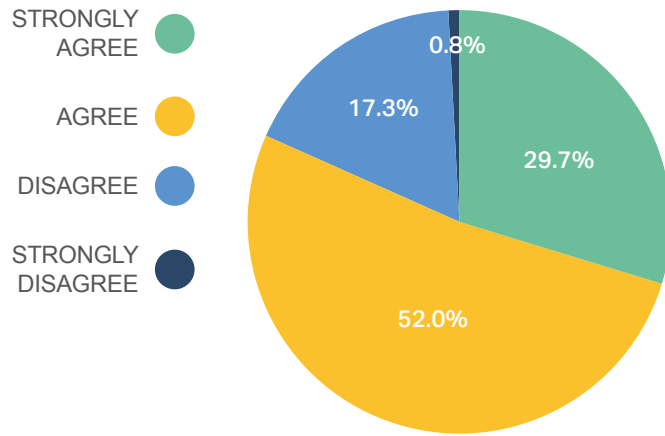
What do you feel is currently the focus of your organisation's performance management?

What do you feel should be the focus of your organisation's performance management?



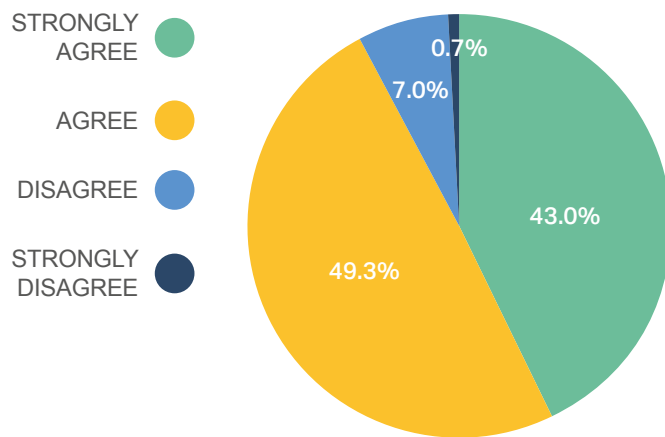
2020 RESULTS:

Performance management is a critical area I need to address in the next 12-18 months.



2019 RESULTS:

Performance management is a critical area I need to address in the next 12-18 months.





Agile Goal Setting

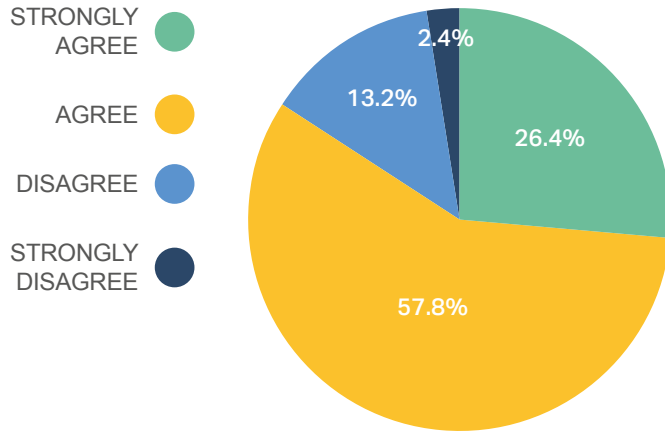
The COVID-19 pandemic has forced many companies to quickly shift their priorities and adapt to the changes. In some traditional organizations, where processes are bureaucratic and lack agility, making decisions and adapting to changes can be more challenging and time consuming. But this year, organizations have had to make decisions much quicker—almost overnight—with a knock-on impact on their organizational strategy and goals. Our research revealed that 84% of HR Directors believe that their current process enables them to adapt goals in light of changing circumstances. Similarly 96% of HR Directors agreed that setting clear, strategically aligned goals and objectives is key to achieving growth in their organization. This is incredibly positive because so much of employee engagement and motivation can be improved by having a shared purpose and a common goal—especially during times of change and turbulence.

The results from this year's report shows real progress in goal setting over the last year. In the [2019 UK PM Report](#), Barry Flack, Global HR Tech Influencer, discussed that there was a need in the HR community for “better-goal setting, better feedback between employees and frequent coaching conversations”. Better goal setting has clearly been a focus for many organizations. However, one thought that does come to mind is had there not been a pandemic, would organizations have adapted their processes to be more agile—where goals can be changed in line with shifting priorities? In a way, the pandemic has tested companies and to many, proven that being agile and aligned keeps them afloat in a crisis. And that making these changes are much more fundamental than you think.

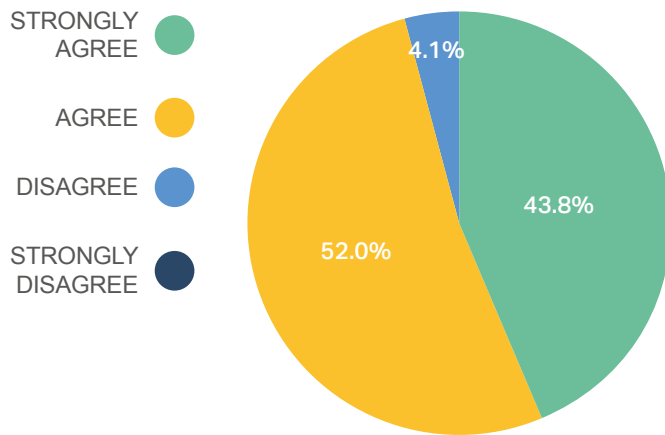
It seems that there is an appetite to move to a continuous way of managing objectives. In order to be truly agile, organizations need to work towards setting shorter term rather than longer term goals. We don't know what will happen months down the line, and so keeping goals near term can help organizations adapt much quicker, compared to long-term annual goals. In the next chapter, we see that the frequency of people having conversations has increased meaning more people are having check-ins and development conversations. Agile goals and check-ins go hand in hand because it helps you to review goals and priorities on a more regular basis as well as get feedback—all of which are important for [improving performance, productivity and employee engagement](#).

Clear, near-term goals help ensure everyone is aligned, in terms of current priorities, personal development, and the future goals of the organization. It is critical for organizations to be moving in the direction of continuous performance management, for their own security and future.

Does your current process enable you to quickly adapt goals in light of changing circumstances? Is there evidence that your organisation is adapting goals in light of changing circumstances.



Setting clear strategically aligned goals and objectives is key to achieving growth in my organisation.





Coaching and development conversations

Managers who coach and have regular conversations with employees, are key to developing your people. This year we can see that organizations are seeing the value in regular coaching and development conversations. When we asked whether the frequency of performance conversations changed since COVID-19, 39% said they are more frequent than before and 49% say they are roughly the same. We also asked managers whether their team would benefit from more regular development and coaching and 97% of managers agreed. Similarly 89% of employees agreed that they would benefit from more regular development and coaching conversations. It's critical that regular conversations are recognised as key to developing people and improving performance. Another important part of having regular conversations is that it's just as much about supporting wellbeing as it is about developing performance. We were pleased to see that almost 80% of employees say that their manager is proactively supporting their performance and wellbeing.

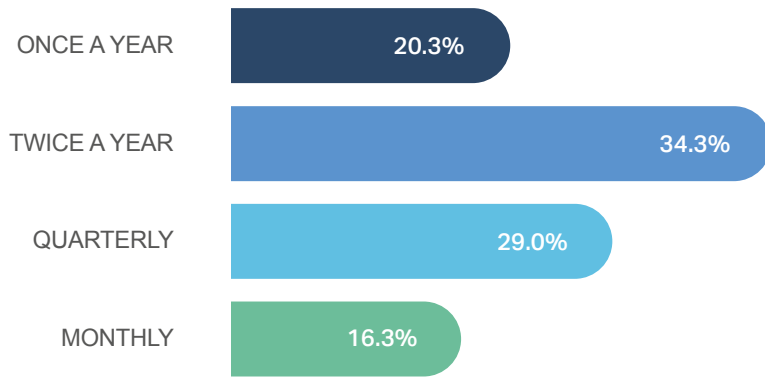
What is clear from this year's results is that this appetite for coaching conversations is really helping move the dial because according to our report in 2019, the majority of managers, and employees were only having performance conversations once or twice a year and only 16% were having them monthly!

Although our results showed a strong desire for more regular performance conversations, what is concerning is that almost 40% of HR directors felt that their managers don't have the necessary skills and training to deliver them effectively. And although managers and employees want to have more development conversations, they may not have the tools to do so. We talk about this in more detail in the next chapter where we reveal that over half of employees don't have specific performance management tools and are relying on standard Office technology. Is it enough to just have more regular conversations? We know that conversations need to be meaningful, so although more conversations are happening, managers need more support to have high quality conversations with their employees.

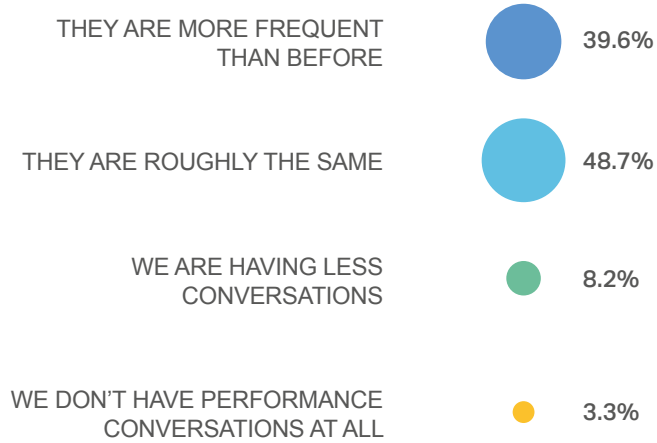
This is a challenge that could be part-solved with the right tech. In Clear Review for example, managers receive in-the-moment discussion prompts to help guide their conversations. Alongside this, HR should also focus on training managers in how to coach their employees.

2019 RESULTS:

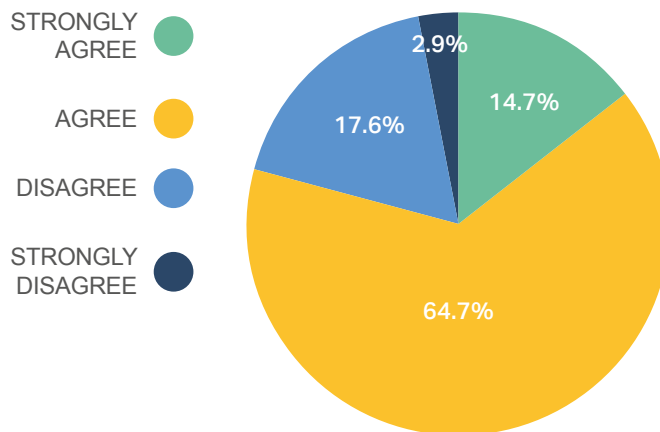
How often do managers and employees meet at your organisation to discuss performance?



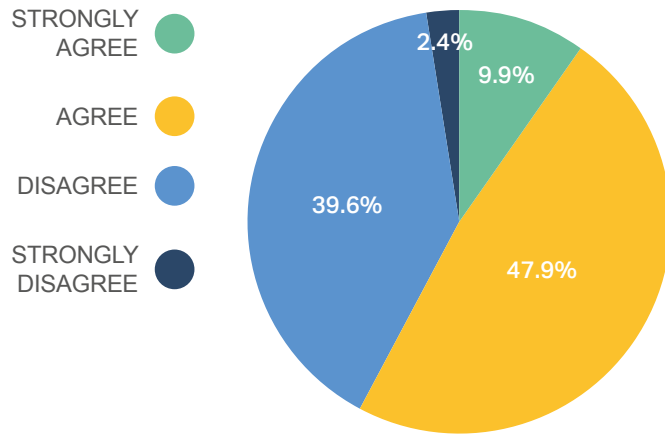
Have the frequency of performance conversations changed since Covid19?



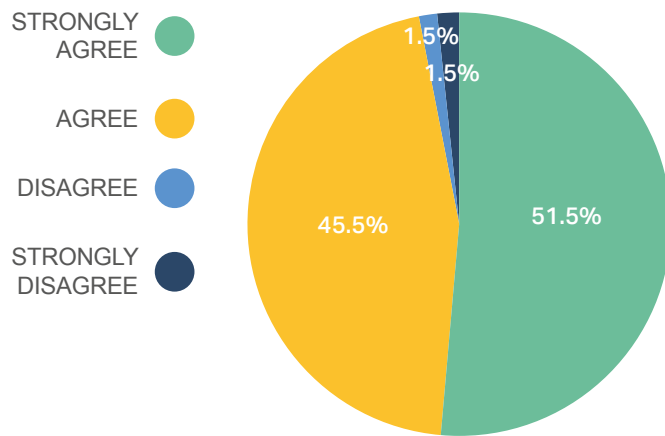
Does your manager proactively support your performance and wellbeing at work?



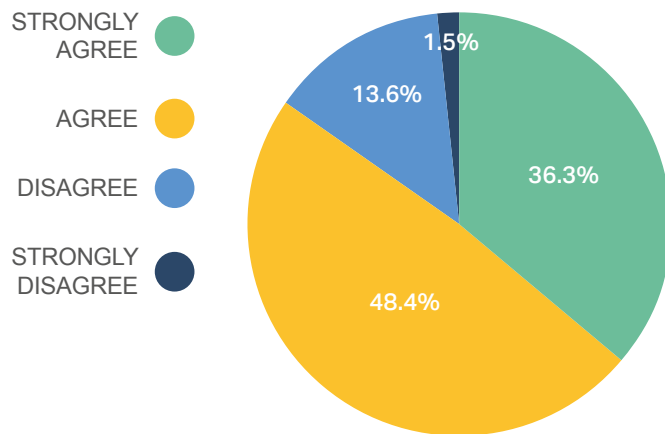
Our managers have the skills to coach and develop our people effectively.



I feel my team would benefit from more regular development and coaching conversations.

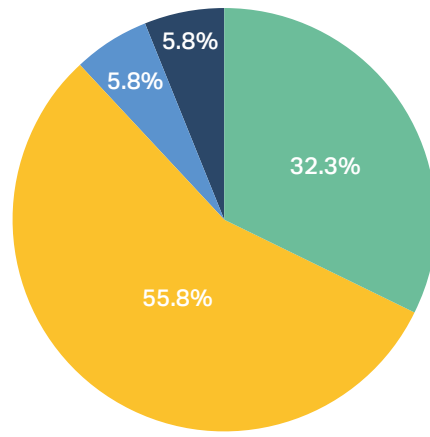


I feel I have the right tools and support from HR to maximise the performance and engagement of my team,



I feel I would benefit from more regular development and coaching conversations.

- STRONGLY AGREE ●
- AGREE ●
- DISAGREE ●
- STRONGLY DISAGREE ●





The role of data and technology

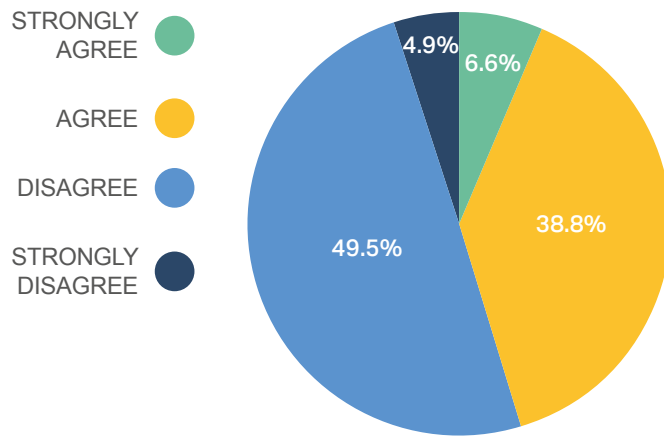
Having access to the right tools and being able to extract meaningful data is crucial in performance management to enable informed decision-making about your people. Data can help you get an accurate understanding of performance levels in the organization, and can help you form a strategy to improve them. Without that, performance and engagement initiatives can often lack credibility or validity, because of a lack of evidence or data to show whether there has been an improvement. This resonates with many HR directors; 70% agreed that having good performance management tech leads to better quality performance management.

This is a stark contrast, however, to the reality of the role tech and data currently plays in performance management. Over half of those surveyed don't actually have performance management tools in place. 56% of employees are using standard office tech like Google docs, Word, Excel, eNote, 8% use project management software such as Trello and 5% have no system at all. Only 31% are using dedicated performance management tools. Although using standard office tech may seem easier to use because of its familiarity and lack of additional cost, the reality is that extracting meaningful data from it regularly isn't very practical for managers and especially HR. The lack of meaningful data also makes it hard for HR to support managers, whereas dedicated performance management tech helps identify managers that may need extra support. Not to mention, it cuts down time and admin for HR.

Performance management tech has come a long way. Good tech captures goals, feedback and performance conversations, which in turn, gives meaningful data points to enable data-led, real-time decisions to be made. The fact that people don't have the right tools in the first place, means that they cannot get the data they need to understand whether performance is improving or not and why.

On this theme, we asked HR leaders if they have the data to show a link between performance management and productivity. More than half the respondents said that they didn't. We know that in order for HR to have a stake at the top table and win budget in tough economic times, this needs to be rectified.

We have data that enables us to show the link between performance management and productivity?

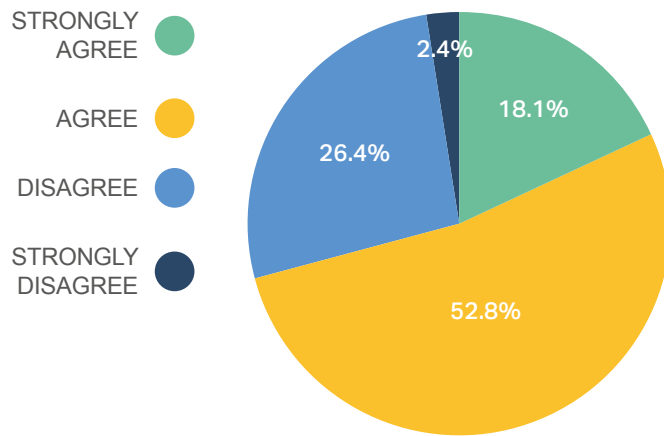


Being able to measure your people's productivity is vital for the future of the business, especially when team morale is low and employees need motivation. The right data can give HR the visible proof to link performance management with individual and organizational productivity. For example, data collected from the Clear Review system—which later went on to form the 5-step productivity model—has shown a clear correlation between continuous performance management and the successful completion rate of objectives, a useful measure of employee productivity.

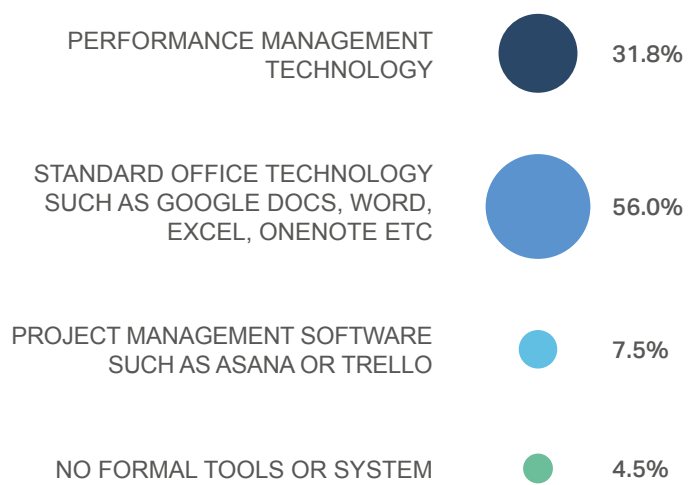
Our findings around data and technology correlate to the earlier points in Chapter 3, where we discuss how almost 40% of HRDs don't believe their managers have the necessary skills and training to have development conversations. HR leaders believe managers do not have the skills and training to have those conversations, yet managers and employees want more of them. There is only so much you can achieve with a Word doc or a Google form. Modern performance management technology actually improves the quality of performance conversations between managers and employees by providing prompts for discussion and captures data. It also enhances the employee experience by helping managers to seamlessly schedule check-ins, track goals and gather feedback. If managers have qualitative information to hand, they can have much more informed performance conversations with their employees. They can also make decisions about pay and promotion which are more evidential and less biased.

Making performance management a priority is the first step, but there also needs to be a push to use the right tools to capture the difference it's making to organization and its people.

Having good Performance Management technology leads to better quality performance management?



What tools do you have to manage your team's performance?

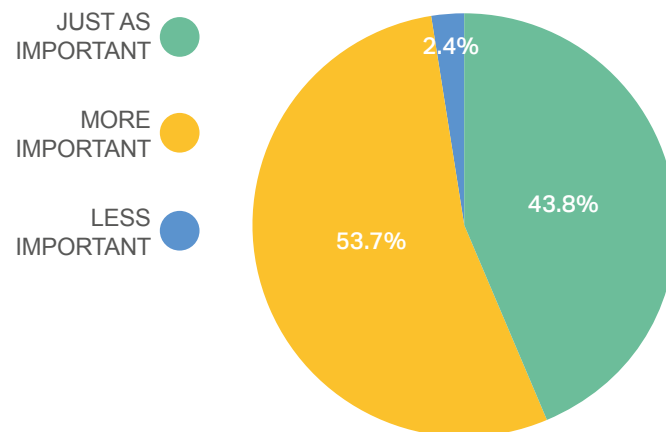




How remote working has changed performance management

We wanted to find out the importance of managing employee performance as remote working becomes more prevalent. The majority of HRD's interviewed—53%—believed that the management of employee performance is more important as remote working is becoming more prevalent. High levels of remote work and workers has introduced a new set of challenges for most companies. Recognising that performance management is more important is logical because many traditional management techniques and ways of working have had to change due to people being remote and relying on technology.

As remote work is becoming more prevalent, is management of employee performance is...



We wanted to dig deeper into why it's 'more important'.

We read through all of the data and looked at some of the most and least common themes from our qualitative text analysis. Then we went back in, line-by-line, reading the respondents' answers to dig deeper into why these themes are emerging. We grouped the answers into those that indicated positive, negative and neutral sentiments.

Will how people work stay the same?

Most HRD's support the notion that how we manage performance will have to change. Only 11.5% of HRDs responded with the sentiment that "nothing changes" regardless of whether people are at home or in the office. Of the HRDs who did say, "nothing changes" many were referring to company goals and outputs with sentiments such as: "because the goals of the team don't change... if they are not working in the office" or "even though the teams broke up, we have goals as a company to maintain the commitment to achieving."

Although we agree that companies will still need to set goals and perform, it is unrealistic to expect that people will be working in the same way to achieve those goals in a post-pandemic world. Most organizations should be taking an agile approach and continuing to access their performance management methods and tools.

Are HRDs positive about working from home?

HRDs are overwhelmingly negative about the impact on performance when working from home. Our analysis shows that only 3% of those surveyed had an explicitly positive outlook on performance whilst working from home whilst 45%, showed an explicitly negative outlook on performance whilst working from home.

Examples of the negative statements included:

"managers not being able to manage from home" and it being challenging "to keep people focused as there are more distractions working from home."

Of all the free text answers that were analysed, only 4 respondents out of 121 HRDs mentioned the fact that working from home had actually improved performance.

Examples of explicit positive statements included:

"Greater concerns for remote work initially, Covid has shown that it's not the case as people tend to work better from home" and "Work has been more productive now than 6 months prior. Remote work doesn't mean that people aren't working as hard."

It looks like for the most part, HRDs are not seeing improved performance results from remote work. This is interesting as it contradicts the view of most employees who feel they have been performing from home. For example, a study by the University of Stanford found that [working from home increased productivity by 13%](#). It is also curious that HRD's believe that there is such an obvious drop in performance whilst working from home, whilst our survey also shows that the majority of them don't even have the tools to measure productivity.

Regardless of whether HRDs are worried or not, the reality is that the majority of the workforce are likely to demand more flexibility to work from home on an ongoing basis. To make that work, HR Directors will need to adapt their performance management approach, in order to assist that transition.

Are there trust issues with remote working?

Another theme we saw is that trust is an issue in some organizations. Although only 10% of HRDs mentioned trust in their answers, 7% of those responses mentioned trust in a negative fashion i.e. lack of trust with employees. It could be that many HRDs aren't digging into the reasons why performance might be dropping. If we were to dig down and perform the '5 whys' exercise¹, we believe a lot of managers could end up at the point of "I don't trust my employees."

E.g. "I don't think people are productive at home"

Why 1: Because there are too many distractions

Why 2: Because they aren't in the office

Why 3: Because I can't see them work

Why 4: Because I don't know if they are working

Why 5: Because I don't trust them

There is some proof that trust is a key issue for managers as there has been a massive rise in the popularity of "surveillance" technology throughout the pandemic. We believe this shows a clear lack of trust in employees. Although our sentiment statistic is initially promising, many other studies have shown that trust is a major issue. A [2019 report by Gartner](#) found that more than half of organisations are using employee tracking techniques, and studies have shown that the demand for [employee surveillance software was up by 55% in June 2020](#) compared to the pre-pandemic average.

¹ The "5 whys" exercise, put together by Sakichi Toyoda—founder of Toyota Industries—is a problem solving tool to quickly cut through the outward symptoms of a problem and reveal its underlying cause.



Real stories

In this part of the report, we look at how organizations have adapted throughout the year and how performance management has supported them throughout 2020. Organisations share with us how continuous performance management has had a positive effect on the productivity, performance and engagement of the people in their organisation. We dig deeper into how these organizations are using data to support their people and managers.



Francis Lake
Head of Organisational
Development
Virgin Money

Our results show that some HR leaders believe that productivity has been impacted by remote working. We spoke to Francis Lake, from Virgin Money to understand how they have approached productivity and performance while working remotely.

According to Francis, failure of management is often what leads to reduced productivity. Employee engagement and having regular conversations is key for combating that.

66 In terms of performance and productivity, I don't think it's working from home that impacted it. It's how well you manage or are managed that has made the difference. If you aren't engaged with your work, you're much more likely to procrastinate, lose focus and engagement. If an employee isn't engaged or productive, it's a failure of management and not just the fact that people are working from home. Good managers will use performance management as a clear way of having regular conversations by checking in. Having quarterly goals means there's no long period where things get lost. Because everyone is in a silo, if you are only managing individual performance, it's easy for work to not be joined up and see how things are not joining up. The data we get from Clear Review allows us to see the effective and ineffective practice, and then pick up with managers who seem to be struggling.

If you trust your people, enable them to work at their best, and give them clear goals, alignment and feedback, then so much performance can be unlocked. This means that having a system and an approach that is human centric is the killer bit. Old school performance management isn't fit for an environment that is as ambiguous as the world of work is now.

Francis explains how a mixture of short term goals, as well as personal development goals has been key in supporting the development of their employees. Aligning individuals with team goals has been critical in giving employees autonomy as well as responsibility to each other.

66 Early on, we looked at the things we need to change. We are encouraging the team to review and flex goals more frequently because the environment is ambiguous. This keeps individuals focused on short term improvement and the changing context.

Colleagues have really honed in on how they can develop careers, so our six-monthly aspiration conversations are really helpful. This is one area where we've discovered the quality of the conversations is much more mixed than we realised and that's what we are working on.

The team bit in performance is really critical in this environment where people can work more in isolation and more independently. With flexible working there is autonomy, but also responsibility. We have autonomy and we must have a responsibility to our team mates. We are trying to look at all the anchor points to make sure the team can come together, know what the team goals are and contribute to them.

Francis explains how they have supported their people to give regular feedback and have more development conversations.

66 With managers, there's always some great ones and some weaker ones. We talk about narrowing the band to make sure you have less weak ones, and to raise the overall standard. What we try to do is make it really simple. For things like feedback, we try to feed the improvement philosophy of Our Performance into day-to-day conversations: e.g. what have you done well, what could you do better, into the day to day, across the board. We are also using the data more. Now my team will reach out to managers and say that we noticed you have struggled with such and such, do you need a hand?

We do focused sessions because we know that if we run open sessions on feedback we'd get people who are already interested and committed coming along. Through our purpose work, our Purpose Squad go into different areas and see how they can help that business area be more purposeful. Within this, there will typically be simple opportunities to tweak performance practice that support purpose. We also ground those purpose squad plans in team and individual goals, creating a virtuous circle.



Dave Donaldson
Performance and
Development Manager
Ishida, Europe

We spoke to Dave Donaldson, the Performance and Development Manager and Ishida Europe. Dave has been championing performance development at Ishida, by encouraging a culture of regular feedback, meaningful check-ins and prioritising wellbeing. Having access to the tech and data has helped Dave identify managers that need support, as well as give confidence to managers to develop their teams' performance when working remotely. According to Dave,

66 Because we have tech, we can guide managers who lack confidence in remote management to clearly identify goals and targets. When we send people to work, we measure their output. If they are achieving their output but managers lack confidence that they aren't as effective, we have the data. Trust issues are minimised with accurate recordings from the data we have. If they are achieving what they are set out to achieve, and managers believe that's not enough, we can explain that it is enough, because they have achieved what was agreed for them to achieve.

Dave explained that at Ishida, the support of the Clear Review and having objectives has enabled managers to set clear measures of what needs to be achieved.

66 Although some managers don't have the skills to manage as strongly as others, they've been given the support of the tech. We have stated that we don't need presenteeism, we need you to agree with colleagues what it is they need to achieve. Given their objectives, if they achieve them in less time, we have productivity to manage. We've got to make sure we balance the work. The pressure is on the manager to make sure that the objectives are set. We are no longer in the Victorian era where we need to stand behind people to make sure they work. We need to trust them. And that's why we hear of software that tracks people on their laptops, because managers don't trust their people to work—it's madness.

Dave explains how having access to the Clear Review system has encouraged people to have more conversations and manage remote and hybrid working better.

66 One of the key things has been that Clear Review has put the subliminal force on the managers to have the conversations with those who were remote working. Otherwise it would be easy to lose sight. Our company has continued to perform strongly. And I think a lot of it is down to the fact that Clear Review has overcome quite a lot of the cultural resistance to hybrid working. This is because I can demonstrate that people are doing their jobs. Having the tech has enabled us to effectively manage hybrid working more.

At Ishida, coaching conversations have been crucial in normalising wellbeing conversations. This is something that has been embraced by everyone in the organization. Dave explains,

66 HR directors have always had a focus on wellbeing , but Covid has accelerated the efforts we made into wellbeing and mental health. Coaching has helped give the managers and supervisors the confidence to address wellbeing, start conversations, and understand how their people might be suffering. I'm proud to say that we are a traditional engineering company in the West Midlands. If you want to stereotype on that, you might think 'rough and ready', 'spanners and electrical boards.' But the reality is so far from that. The whole concept of managing people's welfare from home has been so utterly embraced by all sections of our company—it's quite something to see.

We have hired an L&D specialist who—as part of their role—focuses on developing skills, coaching, and performance management skills, because you can't just stop. Our L&D Specialist has come in to do regular sessions e.g. every 3 weeks or every month, rather than one all day course. It's been embraced by managers, who want to get the best out of the business and its people. We can't assume that when we return to normal it will be exactly the same. We have to make this our normal. We have to be responsive and dynamic.



Jamie Allam
CEO
Amthal Fire and Security

The overall PM Report 2021 findings show that 50% of the organisations surveyed don't have Performance Management tech, and 50% don't have the data to make performance related decisions. However, almost 40% said that they felt that having people work from home was negatively impacting people's performance.

We posed the question to Jamie: How has having access to data helped inform your decision making this year in terms of people's performance and productivity?

66 These statistics make perfect sense as without performance management tech, how can we measure and record ongoing performance for analysis and consideration in performance related decisions?

As a business we can relate to the home working statistics however with two variations;

Firstly, within our organisation I would suggest 20% is more realistic, rather than 40% when talking about performance being negatively impacted by remote working. Secondly this percentage would relate to the team that has been negatively impacted by home working. In these situations we have increased the frequency of our check ins and specifically focused on the negative impacts of home working. With the switch to home working in many cases we have actually witnessed a shift in the areas individuals excel.

We've also seen a drop in other areas which were previously areas of high achievement. We attribute this to the changing environment. For example, e.g. Project work progresses well when working from home because there are less interruptions. Whereas reactive activities tend to drop due to a reduced level of office based face to face communication.

The report has revealed that overwhelmingly managers and employees want their organisations to have more coaching style conversations, but 39% of HRDs said they didn't think their managers had the skill or training to do so.

We asked Jamie what he has seen work well within Amthal and what advice he would give to organisations who don't feel like their managers are capable of having those styles of conversations?

66 I would agree that coaching conversations lead to greater empowerment and help develop an individual's ability to make their own decisions. However this is not an easy skill to master especially for managers who have a management style that does not naturally fit a coaching style. Often the pressures of day to day business do not fit well with this style of management however it's imperative for an individual's development that they are empowered and encouraged to make their own decisions—thus ensuring their future development and success.

Trying to encourage a coaching style of management hasn't been easy for Amthal and it's something that needs to be consistently on the agenda. We are always on the lookout for tips and advice to help us with this transition.

We are bringing in external support to work with our team in the New Year to help change our management culture. In the meantime we have found learning about how leadership affects an organization's environment very helpful in identifying individual's management styles and benefits of alternative styles.



Conclusion

Continuous performance management no longer seems as radical of a concept as it did 5 years ago. If the 2019 UK PM Report taught us anything, it's that there's an appetite for moving towards a continuous performance management approach. This year's report reveals that this appetite has turned into a real hunger. Whether it's HR leaders, managers or employees, organizations on the whole are craving continuous performance management. The events that unfolded in 2020, revealed that in order to make this shift in the way we work effective, people need regular feedback, more conversations, and clear, aligned goals. We are happy to say that wellbeing has also become a key part of the conversation and has been an undercurrent throughout the year, promoting these significant changes in performance management.

Moving forward, successful organizations will be those that actively maintain this approach to continuous performance management. There is no "going back to normal," because the way we work has fundamentally changed. Now that we have seen the benefits of regular feedback and more meaningful conversations, would we really want to go back? This should be the new normal. We hope to see these efforts continue, but as this report revealed there is still some work to do.

To ensure a culture of regular conversations, feedback and wellbeing are a priority in organizations, and managers play a key role. It's important now to focus on equipping managers with the skills and training to coach their team and have regular development and wellbeing conversations. Managers and leaders play a crucial role in promoting a culture of feedback and development, where employees can thrive.

Organizations also need to invest in the right technology so that they can see the data, and measure performance and engagement effectively. Without the data, how can you measure performance? We don't just mean individual employee performance. Data can help you support the managers that are struggling and identify key areas in the business that need more training and coaching.

Our customers which are of every size and industry, demonstrate the effectiveness of continuous performance management. Their insight and enthusiasm is a constant reminder that developing employees, supporting wellbeing and encouraging feedback is something we can all aspire to, irrelevant of sector, level or experience. Helping people to achieve their best and live their best possible working lives, is the ultimate aim. If we can create an environment where this is encouraged, it will be embraced with open arms by employees, managers, senior leaders—and even the skeptics.

Learn more about Clear Review

Discover how Clear Review can give you the data and technology to manage performance and develop your people, whether you're in the office, working remotely, or hybrid. All you need to do is book a free demo of our software.



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