

Death to performance reviews, long live constant feedback

As the world of work continues to evolve, many historic business processes and practices have fallen along the wayside in favour of more effective and efficient ones. However, there is one that obstinately remains in place: the annual performance review.



Image source: Christina Morillo from Pexels

Heading into the latter part of the year, many companies will once again start preparing for performance review season. But now would be a good time to carefully review the relevance and value of this practice, and consider whether it remains a useful tool or whether it should be discarded in favour of new approaches to measuring performance, a leadership expert says.

"The annual performance review has arguably become little more than another item on the yearly to-do list of most companies, and one which most people – leaders and teams alike – dread and can do without," says Advaita Naidoo, Africa MD at executive search firm Jack Hammer.

"Every year, millions of employees and managers across the world go through this unpleasant ritual, which was intended to measure and improve employee performance, but which ends up having little positive impact and rather more negative ones, including the fact that it is time-consuming, demotivating, subjective and often based on outdated or irrelevant criteria."

Naidoo says most organisations don't do annual performance reviews well, and derive little benefit from the process. For it to be of value, a performance evaluation would need constant feedback on a weekly and monthly basis, in a cumulative and systematic way, benchmarked against very clearly outlined outcomes and behaviours in order to not be subjective, she says.

"The growing obsolescence of the annual performance review does not mean that employee assessment falls by the wayside, particularly not where performance is linked to incentives such as increases, bonuses and promotions. But there

are better, less stressful, more fair and balanced approaches to performance mana sooner rather than later."



The way we work has changed. Has your performance management system kept up?

Penny Petrou and Christine Janse van Rensburg 14 Nov 2022



Advaita Naidoo, Africa MD at Jack Hammer

Performance review culture should make way for constant feedback culture

Alternative approaches to the dreaded annual assessment include:

- · Constant feedback and evaluation based on actual behaviours and outcomes,
- Using automated tools and platforms that make the process easier and more objective,
- Providing training for managers on how to give and receive feedback effectively and in a non-confrontational and supportive way,
- Ongoing and open two-way communication and input from employees on their performance; and
- Drawing up of customised and flexible criteria and metrics that suit different roles and situations.

"If the original objective of the historic annual performance review was to assess and boost performance, and evaluate performance in determination of incentives and awards, it's a no-brainer that all of this can happen much more easily and in a more frictionless manner if done on an ongoing basis with the aim of developing and supporting in real-time instead of as a once-off judgment day somewhere towards the end of the year," says Naidoo.

"This approach much better serves the aims of building culture and performance on an ongoing basis, and eliminates the rushed flurry of unpleasant activity at an arbitrary point in the year. Organisations are therefore well-advised to consider whether they can do away with the annual performance review dinosaur and, if they can, to do it."

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