



UPDATED WITH
2016 DATA

PERFORMANCE MANAGEMENT HR INSIGHTS REPORT

Regular coaching and feedback is an essential element of an effective performance culture



Forced rankings are becoming a thing of the past



94% of Top Employers say they consistently re-align goals during the year in response to changing business needs

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EXECUTIVE SUMMARY

Performance Management is one of the more mature HR practices, for which most participating Top Employers have implemented relatively sophisticated systems and processes in recent years. Now is the time for further development as organisations seek to improve their business performance and gain competitive advantage, through better understanding and measurement of employee performance and motivation.

The current business climate is one of complexity, uncertainty and volatility, and this is leading to change in the way organisations are structured. As we move to flatter, more agile organisations, so the need grows for individual performance to be measured in a different way. The traditional annual or half-yearly performance review, akin to a school report, is no longer fit for purpose in a commercial world where talent management, retention and engagement are paramount concerns for leadership.

Whilst the need to measure performance remains important, current processes have become too complex and over-engineered, reliant on rating scales and calibration methods that no longer seem effective. To keep pace with evolving technology, culture and competition, the Performance Management process needs to be simpler, more agile...and more fun. Employees no longer want to be ranked, but instead are looking to their leaders for coaching and development, and for the opportunity to influence their own progression. They are eschewing the formal, passive processes over which they have little control and input, in favour of a more responsive, progressive approach.

In response to this we are seeing Performance Management evolve from an event to a more collaborative and transparent process of continuous dialogue and feedback, with flexible goals, that is both more agile and more embedded in day-to-day operations. Employees are now encouraged to take more personal responsibility for their own performance and development.

This shift starts with the creation of an organisational culture that promotes transparency, along with open, honest and constructive feedback from peers and collaborators, as well as managers. Goals are clearly visible to all stakeholders, with accountability shared between the employee (to own their development), and managers, to discover and develop potential.

Employees no longer want to be ranked, but instead are looking to their leaders for coaching and development.

Performance Management evolves to a more collaborative and transparent process of continuous dialogue and feedback.



The ability to give constructive, honest feedback is a skill in itself - one that needs to be embedded in leadership culture from the outset, and not added on as a development programme module when leaders reach senior levels. A process of continuous learning and improvement requires regular feedback, and we see employees value organisations in which their managers regularly talk to them about work and progress, and where they understand how their performance is evaluated.

Previously, the focus for Performance Management had solely been the individual and their own tasks, output and quality. But, as we embrace a more connected and collaborative workforce, this is ceasing to be the case. Key capabilities are now social awareness, agility and flexibility, which have resulted in Performance Management taking on a much broader focus, assessing the effectiveness of employees in the broader work environment. There is a noticeable shift towards assessing an individual's impact on their team and internal networks, how they have contributed to the performance of others, and whether they provided feedback and support. Employees themselves are now asked to consider how they have contributed to the performance or development of the organisation, or individuals within the organisation, and also how others have contributed to their own development.

There is a noticeable shift towards assessing an individual's impact on their team and internal networks.

Against a backdrop of evolving commercial pressures (brought about by changing technology and working practices), Performance Management has a key role to play. The shifts that we have noticed - towards a more personalised and continuous process, and away from an annual assessment - should help to make it a more dynamic, responsive, and valuable part of the business performance cycle.

PREFACE

For this report, practices, policies, measurement and management of Performance Management have been reviewed thoroughly. The purpose of this report is to reflect on current trends in Performance Management and how organisations deal with these trends in their Performance Management processes.

The insights in this report are supported by the findings of the Top Employers HR Best Practices Survey. The global HR Best Practices Survey assesses an organisation's HR environment in the areas of: strategy, policy implementation, monitoring and communication of employee conditions and development.

Figure 1: AREAS OF THE TOP EMPLOYERS CERTIFICATION FOR THE PERFORMANCE MANAGEMENT TOPIC



The Top Employers certification is only awarded to organisations that achieve the highest standards of excellence in employee conditions. For this report we have used a selection of the certified Top Employers for 2016. The findings in this report are based on a sample of 600 certified organisations in 102 countries around the world. Only those organisations with more than 3,000 employees locally, or more than 5,000 employees worldwide, are included.

This report is the second in a series covering HR practices. The reports focus on the following topics: Leadership Development, Career & Succession Management, Compensation & Benefits, and On-Boarding.



Table 1: INDUSTRIES COVERED IN THIS REPORT, IN EACH REGION

Americas		Europe		Africa		Asia Pacific	
Transport & Logistics	33%	Engineering	11%	Consumer Goods & Services	14%	Automotive	15%
Energy	19%	Automotive	10%	Manufacturing	14%	Consumer Goods & Services	15%
Automotive	9%	Consumer Goods & Services	9%	Food & Beverages	11%	Manufacturing	15%
Construction	7%	Banking	9%	Financial Services	9%	Chemicals	11%
Consumer Goods & Services	7%	IT	7%	Insurance	9%	Pharmaceuticals	11%
Banking	6%	Retail	7%	Telecommunications	9%	Food & Beverages	9%
Electronics	4%	Financial Services	6%	Automotive	6%	Hospitality	4%
IT	4%	Food & Beverages	6%	Healthcare	6%	IT	4%
Manufacturing	4%	Professional Services	6%	IT	6%	Transport & Logistics	4%
Insurance	2%	Energy	5%	Professional Services	6%	Construction	2%
Other	5%	Other	24%	Other	10%	Other	10%



Table 2: INDUSTRIES COVERED IN THIS REPORT, ON A GLOBAL LEVEL

Automotive	11%	Chemicals	4%
Consumer Goods & Services	11%	Energy	4%
Manufacturing	8%	Telecommunications	4%
Engineering	8%	Transport & Logistics	4%
IT	7%	Insurance	3%
Food & Beverages	6%	Construction	3%
Banking	6%	Pharmaceuticals	3%
Retail	6%	Electronics	2%
Professional Services	5%	Healthcare	1%
Financial Services	5%	Hospitality	1%

PERFORMANCE MANAGEMENT

Performance Management is a process which contributes to the effective management of individuals and teams in order to achieve high levels of organisational performance.

As we know, Performance Management is one of the more mature HR practices. Nearly all participating Top Employers have implemented and optimised very sophisticated processes and systems within the last decade, but we seem to have reached a point where the question now is: “What comes next?” Is there still some room for improvement? How can we take the next step in improving performance of the organisation as a whole?

Table 3: GLOBAL AVERAGE SCORES OF PERFORMANCE MANAGEMENT
Findings of the HR Best Practices Survey 2016



There is a need to identify the key elements that drive performance and also determine how organisations can make a difference and gain competitive advantage.

KEY TRENDS

In this report we have identified 4 Key Trends that are shaping the future of Performance Management, influencing the approach of many global businesses. Each trend underlines a growing move towards performance being seen as an on-going process of learning and improvement rather than an annual assessment of an individual's contribution and progress.

Table 4: 4 KEY TRENDS THAT ARE SHAPING THE FUTURE OF PERFORMANCE MANAGEMENT

1 Performance Culture as a Foundation

2 Agile and Transparent Goal Setting

3 On-going Coaching and Feedback

4 Focus and Collaborative Evaluation

See what Top Employers say about Performance Management:



Featuring interviews on Performance Management with:

- ❑ Marilyn Rose Chaplin
Group Executive Human Resources at Dimension Data
- ❑ Marie-Liesse Allouis-Lacaze
HR Director France, Belgium & West Switzerland at Avanade
- ❑ Audrey-Ann Toogood
HR Director at HeidelbergCement Belgique/België
- ❑ Eduardo Pérez-Cejuela
Sr. Director, HR Europe at SABIC

“If people understand that what they are doing actually fits in to the bigger picture, and helps the company accelerate in the execution of their strategy, then you start to feel a certain kind of recognition and pride”

Marilyn Rose Chaplin
Group Executive Human Resources at Dimension Data

KEY TREND 1: PERFORMANCE CULTURE AS A FOUNDATION

There is an increasing awareness amongst participants that having a sophisticated Performance Management process in place is not enough on its own to help realise best-in-class results. For high performance to become sustainable, the Performance Management process needs to be embedded in a 'High-Performance Culture'. This idea is widely adopted by our participants, as currently, 97% of them (and even 100% of the Top Performers) describe their desired Performance Management culture when defining their Performance Management process.

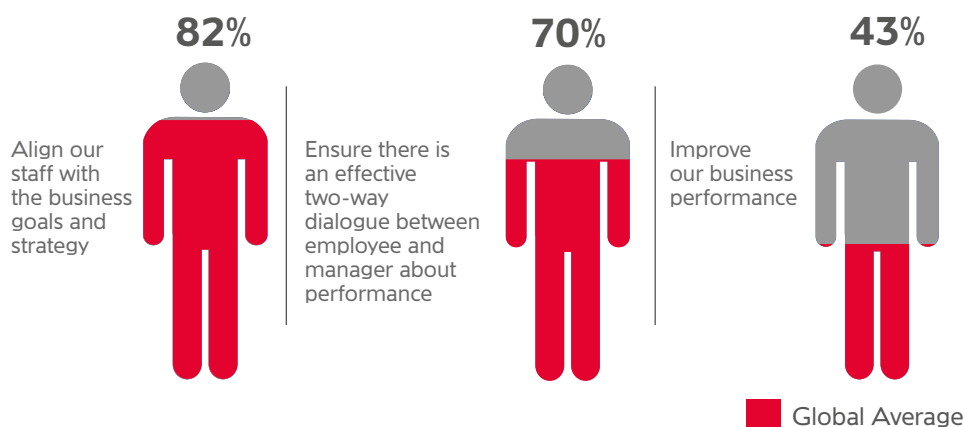
KEY POINT

97% of Top Employers describe their desired Performance Management culture when defining their Performance Management process.

We see the philosophy of Performance Management evolving toward the creation of an organisational culture that promotes transparency and open feedback. This helps employees improve both their individual performance, and that of their teams on a continuous basis. The most effective Performance Management philosophies should help organisational culture develop around specific organisational dynamics, such as the balance between collaborative and competitive mind-sets. A traditional rankings approach could work against this, encouraging competition over collaboration, and inevitably driving behaviours that might be different to those aligned to core organisational values and purpose.

The most effective philosophies will be those that are fully aligned with organisational values and culture. For example, to help create a link between open, honest and constructive feedback, and effective continuous improvement, will require an environment that supports transparency. The second most important objective of the Performance Management process, rated by participating Top Employers, was 'effective two-way dialogue between manager and employee about performance' (behind alignment with business goals and strategy).

Table 5: TOP THREE OBJECTIVES IN PERFORMANCE MANAGEMENT



BEST PRACTICE

Manager/employee dialogue

One Top Employer, a global sports and leisurewear brand, re-designed their Performance Management process around elements from their culture, ensuring that principles were open, honest, collaborative and fact-based. They use manager/employee dialogue as the centrepiece of their new processes, with traditional competency models replaced by the encouragement of mind-sets that focus on building culture and habits. This ensures that Performance Management is, in turn, part of the wider organisational culture.

Table 6: TOP PERFORMANCE REVIEW PRACTICES



BEST PRACTICE

A global approach

Another participant, a global publishing business, has clearly shifted their philosophy and redesigned their process in line with the new Performance Management paradigm. Linking a culture of high performance and accountability to the attraction, development and retention of talented employees, they have created a global Performance Management approach. This aims to achieve superior business results and align employees' efforts with business strategy, by driving employee satisfaction and engagement through transparency and fairness, which builds trust and positive performance.

KEY TREND 2: AGILE AND TRANSPARENT GOAL SETTING

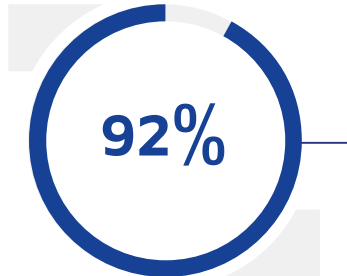
To stay competitive, organisations need to adapt and respond quickly to changing business needs, and to optimise new opportunities. This high level of volatility within the commercial marketplace has resulted in the traditional, inflexible, yearly cycle of goal setting becoming less effective.

Performance Management processes at organisations now display clear signs of an increasing agility within the goal setting process, enabling them to better incorporate changing needs. It is increasingly common for goals to be replaced or adjusted during the year if they are no longer deemed relevant to organisational objectives. 94% of participants say they consistently re-align goals during the year in response to changing business needs.

Alongside this we see increasing ownership by the employees of their objectives. No longer are they subjected to a passive and formal process that they feel unable to control or influence, but instead are being put in the 'driving seat' for goal setting, which can then be evaluated on a regular basis. Employees were found to be active at consistently providing input for their individual annual goals amongst 92% of participating companies.

KEY POINT

94% of participants say they consistently re-align goals during the year in response to changing business needs.



Our employees play an active role by providing input for their individual annual goals

To enable employees to have greater autonomy in setting their own objectives, they will need to know clearly what is expected of them. To provide this clarity leaders are now, more than ever, required to be able to articulate the wider corporate vision, showing how the work of each employee relates to the company's overall mission. Employees who understand the bigger picture, and deliver work that meets expectations, will be more engaged, and can find themselves able to operate more independently and effectively.

Employees who are in the 'driving seat' tend to be more engaged and committed, and require less guidance when defining goals with their manager, which frees managers to spend greater time growing their team and also focusing on more strategic activities. Once the benefits to managers and employees are clearly demonstrated, Performance Management ceases to be an administrative burden and becomes part of a continuous learning and improvement process.

Clearly related to this shift is the increasing transparency of both an employee's and their managers' goals. This occurs in 89% of participating companies, with the majority of Top Employers doing so on a consistent basis. This gives employees clearer insight into how their contributions impact the bigger picture, and how they relate to those of other employees. Transparency can also provide clarity around individual objectives and priorities.

BEST PRACTICE

High quality Performance Management

One participant, a global professional services firm, has clearly defined responsibilities for employees, supervisors and internal career counsellors to set objectives and assess employee outcomes. Their goal is to develop a culture wherein leaders create and communicate a compelling and inspiring vision to ensure high quality Performance Management, which in turn leads to engaged and motivated employees.

BEST PRACTICE

From annual event to continuous appraisal

The move from annual event to continuous appraisal, with the employee taking ownership for their development, is a trend within most Top Employers. One best practice example, from a multinational FMCG business, has a high rating for employees who say their immediate manager regularly talks to them about their progress and the quality of their work. The business takes a holistic approach to the development plan, incorporating personal profiles, career development, and skills development, as well as current year performance. This gives employees a clear understanding of how their performance is evaluated. Potential is assessed by looking at factors such as judgement, drive and influence. Overall the employees described this business as having 'an improving performance culture'.

CASE STUDY: MICROSOFT

A conversation-based approach to performance and development

One of the Key Trends that we have identified is the changing way that performance is evaluated. Traditional ratings and rankings are being replaced by a more flexible approach aimed at creating an environment of continuous learning and development.

We saw a great example of this from Microsoft, who completely overhauled their existing approach by removing all ratings in favour of a new, conversation-based approach to performance and development. We spoke to Lisa Dodge (Director, Global Performance Programs) to find out more about the thinking behind this, and how well it was working.

Microsoft's culture was evolving as the company dynamic changed from a historically software-oriented business to one offering a much more diverse set of devices and services spanning consumers and enterprises, with different and faster development cycles.

Performance was redefined as impact; the actual impact that an employee has on a team, business or customer

"It meant changes to organisational structure," Dodge explained. "Changes to what the role of a people manager was going to be, and greater cross dependencies, with a higher dependency on how teams performed and interacted. There was a need to work differently, in a more integrated way, and with more mutual accountability for results".

If people were to be motivated to continually improve products and services rapidly, then the focus needed to be on helping them to continually learn, grow and improve results. It also required them to embrace the concept of building on the ideas and work of each other for better and faster results. All of this required a move from an evaluation-focused, to a growth-focused approach. The previous approach was becoming unpopular, instilling a sense of internal competition, and feeling more like a judgment than an opportunity to learn and improve.

A new approach to performance would need to support a culture that would help facilitate a change in the way people would work together, to achieve the greatest results. Three areas were prioritised – delivering results differently through teamwork; giving feedback that would help people learn, grow and deliver results; and reinforcing this through the rewards employees receive.

Performance was redefined as impact; the actual impact that an employee has on a team, business and customers. This meant not looking at activity but instead at what it produced.

The need for speed and true collaborative working was becoming more critical, so it was important to look at three things - individual accomplishments, the contributions made to others' success, and the leveraging of each others' ideas and work to deliver better and faster results – with employees needing to demonstrate all three in their work. This has now become the core foundation to how Microsoft thinks about work and performance, the conversations about it, and how they recognise and reward people.

Central to this was the replacement of the previous approach, of periodic historic reviews, with on-going conversations between managers and their teams. “We really focus the conversations between managers and employees on learning and growth, centered around the impact you’re having and the opportunities to have even greater impact,” said Dodge. These conversations are called ‘Connects’ and are designed to encourage faster, more iterative points of reflection, learning and application of that learning to move forward.

Managers need to embrace new ways of thinking about what performance is, with guidance on how to think about impact, and the questions to ask

There is now no year-end assessment or review, and no year-end or cumulative ‘Connect’ - just the on-going conversations, for which each organisation or team determines its own cadence based on their business rhythm. “We want the discussions to be richer and not try to just boil someone’s performance down to a simple label. There is no rating on a Connect or anywhere else in the approach. This mitigates the threat, distraction and

internal competition that we feel comes with ratings,” Dodge explained. At the end of the fiscal year, each manager recommends rewards for each of their employees based on the impact each person had. As the recommendations roll up, leaders align the recommendations within an allotted rewards budget. Rather than a big year-end review, managers instead have a short rewards discussion with each employee.

The new approach began implementation in November 2013, with managers placed on the front line. To communicate messages without ratings, and allocate rewards (without traditional methods of targeted distributions, calibration, ranking or bracketing) required a mind-set shift. Managers would need to embrace new ways of thinking about what performance looked like, with guidance on how to think about impact, and the questions to ask.

It was also important not to give managers pre-determined definitions or descriptions, instead providing directional guidance on how to think about and identify higher or lower impact. This allowed leaders and their management teams to consider more specifically what impact in their business looked like, and discuss individuals who exemplified these qualities. There was an investment in capability building and interactive learning opportunities around how to have conversations, and what defined impact. Thinking about how this could be communicated, and what contributing and leveraging might look like, moved discussions away from activities, and towards collaborative impact.

How does Dodge think employees and managers were received these changes? “They’ve been received very positively. We have not only significantly increased overall satisfaction and drastically reduced dissatisfaction, we have also seen a remarkable change in the impact the approach is perceived as having, on things like collaboration”.

What do people like most about the new approach? “They believe in the basis of the approach, building on the ideas and work of each other and focusing on how they help the team. They really like the Connect format and conversations throughout the year and the short reward discussions without a big, year-end assessment. They feel they have a good sense of how they are doing as a result of their Connect conversations, one-to-one’s with their manager, and their reward outcomes, without need for a rating”.

“Traditional performance management was not going to get us where we needed to go”

Lisa Dodge, Director, Global Performance Programs

It’s important to remember that a mind-set shift is a marathon: “You can get some really great results, and perceptual results, in year one, but if you’re going beyond just changing mechanics, and are really going to change the purpose of your Performance and Development approach and how people are

going to think about the way they work moving forward, then you need to recognise that this will take more time”.

Key learning points have been that employees do not miss the ratings, and that differentiating rewards doesn’t require a targeted distribution – managers and leaders are able to differentiate and deliver the greatest rewards to those with the greatest impact. Dodge is a believer in the new directions that Microsoft, and other organisations, are moving toward. “If a system is primarily focused on evaluating people, then I don’t believe it can effectively optimize for learning, growth and continual improvement of the workforce. Traditional performance management was not going to get us where we need to go”.

This interview was conducted in 2015.

Microsoft®

KEY TREND 3: ON-GOING COACHING AND FEEDBACK

Regular coaching and feedback is now an essential element of an effective performance culture; if organisations fail at creating an environment based on trust, accountability, feedback and strong personal relationships, then new Performance Management processes will not have any significant impact on the improvement of performance.

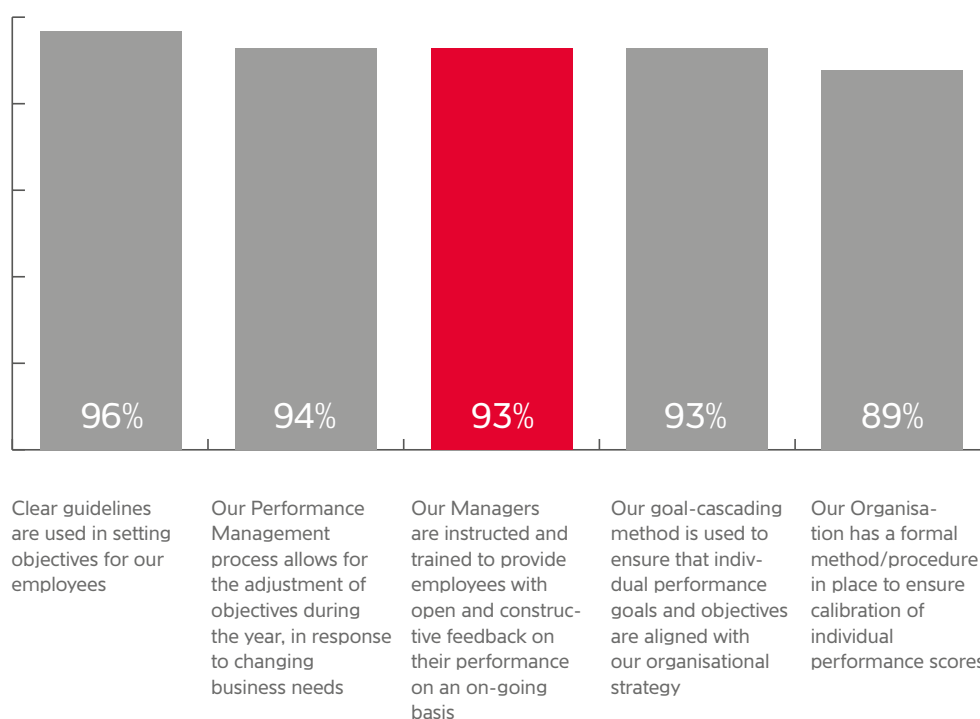
The mind-set of managers needs to be focused on creating this effective, continuous, high performance environment and be committed to a regular, quarterly (at minimum), 'check-in' with their direct reports.

The ability to give good, constructive feedback is a rare skill, and to embed this into management culture may require a significant investment in Leadership Development at all levels. The behaviours of a successful leader in a modern performance culture need to be instilled early in the development lifecycle, not added on at executive level, so the most senior leaders are demonstrating all the behaviours necessary. (For more information, see our first report about Leadership Development).

KEY POINT

Regular coaching and feedback is now an essential element of an effective performance culture.

Table 7: TOP FIVE PERFORMANCE MANAGEMENT PRACTICES



For 93% of our participants, managers are consistently instructed and trained to provide employees with open and constructive feedback on their performance, on an on-going basis (see table 7).

The expectations placed on managers are clearly set out at one Top Employer - a European pharmaceutical business - and they are to "...discover and develop the potential in people". The three steps involved are:

1. Invest time to know people and what they want to do
2. Conduct career discussions supported by regular coaching, feedback and encouragement
3. Identify opportunities for development including stretch assignments

They see Performance Management, and career development, as 'a process of continuous dialogue designed to develop people, reward performance and maximise business results'. Employees are encouraged to own their personal development and to build careers by identifying and pursuing personal goals and priorities, seeking candid feedback and implementing their own development plans. Tools are available to help them also identify their strengths, interests, values, competencies and self-awareness so that their focus can then be on the critical development actions that will help make the biggest difference to their career advancement. All of this is communicated and supported through an engaging, thorough and multi-faceted intranet, which in turn helps foster a culture of on-going dialogue and feedback.



BEST PRACTICE

Feedback

At one major professional services firm, employees are encouraged to ask for informal feedback and guidance throughout the year and to provide self input and request performance feedback. Their supervisors and managers are encouraged to review and understand the employee's self input and proactively provide specific feedback on an on-going basis.

KEY TREND 4: FOCUS AND COLLABORATIVE EVALUATION

The gradual shift towards a more connected, collaborative workforce - and with it the need for key capabilities of social awareness, agility and flexibility - has resulted in Performance Management having a much broader focus. No longer purely concerned with individual tasks, and measuring output and quality, it now involves assessing the effectiveness of employees in the broader work environment.

This is happening more as organisations become increasingly aware of the fact that business performance is not just the sum total of the performance of each individual. In today's highly-interconnected business world, the effectiveness of interactions between colleagues can no longer be seen in isolation from the performance of their overall environment and personal ecosystem - colleagues, peers, bosses, maybe even clients - and their input to it. The more individuals improve performance, the better the overall performance of the business.

This new approach incorporates an examination of an employee's impact on the organisation, and internal networks, in the widest sense, including enterprise collaboration, contribution to the performance of others through shared working and knowledge transfer, provision of feedback to peers, and the offering of skills and help to co-workers.

KEY POINT

Employees are now asked to consider how they have contributed to the performance or development of the organisation or individuals within the organisation, and also how others have contributed to their own development.

BEST PRACTICE

Focus on collaboration over individual achievements

A best practice example of this came from Microsoft (see case study) as people were encouraged to think about delivering results differently through teamwork, and seeing their own performance in terms of individual impact. This can be seen from increasing an employee's footprint by leveraging others and contributing to others' results, leading to a greater focus on collaboration over individual achievements.

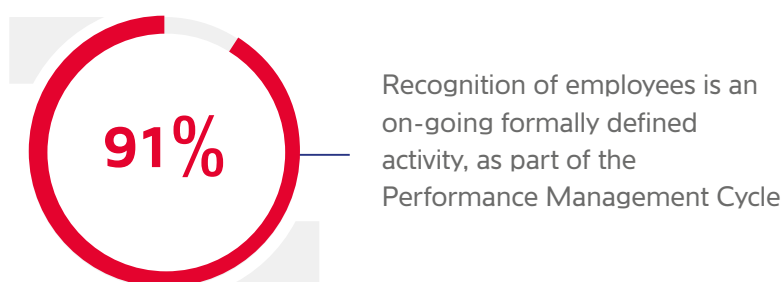
The traditional Performance Management process often ranks employees by ratings in relation to other colleagues but this can lead to unhealthy comparisons and competition, resulting in disengagement and the undermining of collaborative efforts and teamwork. It is not surprising that these forced rankings are now becoming a thing of the past.

Alongside the shift towards the individual owning their development and goal setting processes comes a change in the way outcomes are evaluated. Instead of only checking the 'rear-view mirror' to focus on past performance and previous accomplishments, it is now crucial to also have a clear perspective of the 'road ahead'. Individuals now want to know how they are performing in relation to their own potential and skills, and to their future capabilities.

With this changing focus in performance evaluation comes a similar evolution in the way companies gather input, reflecting a more hyper-connected, collaborative work environment. Employees increasingly interact with others and operate alongside (and directly visible to) their manager. Consequently, there is a growing tendency to incorporate feedback from multiple sources; perspectives from peers, other employees, executives and clients. It is already common practice for individual employees to provide input for their own performance evaluation - a practice conducted by 96% of participating Top Employers, whilst 70% of participants indicate that input from colleagues is consistently being taken in to account during the Performance Management process.



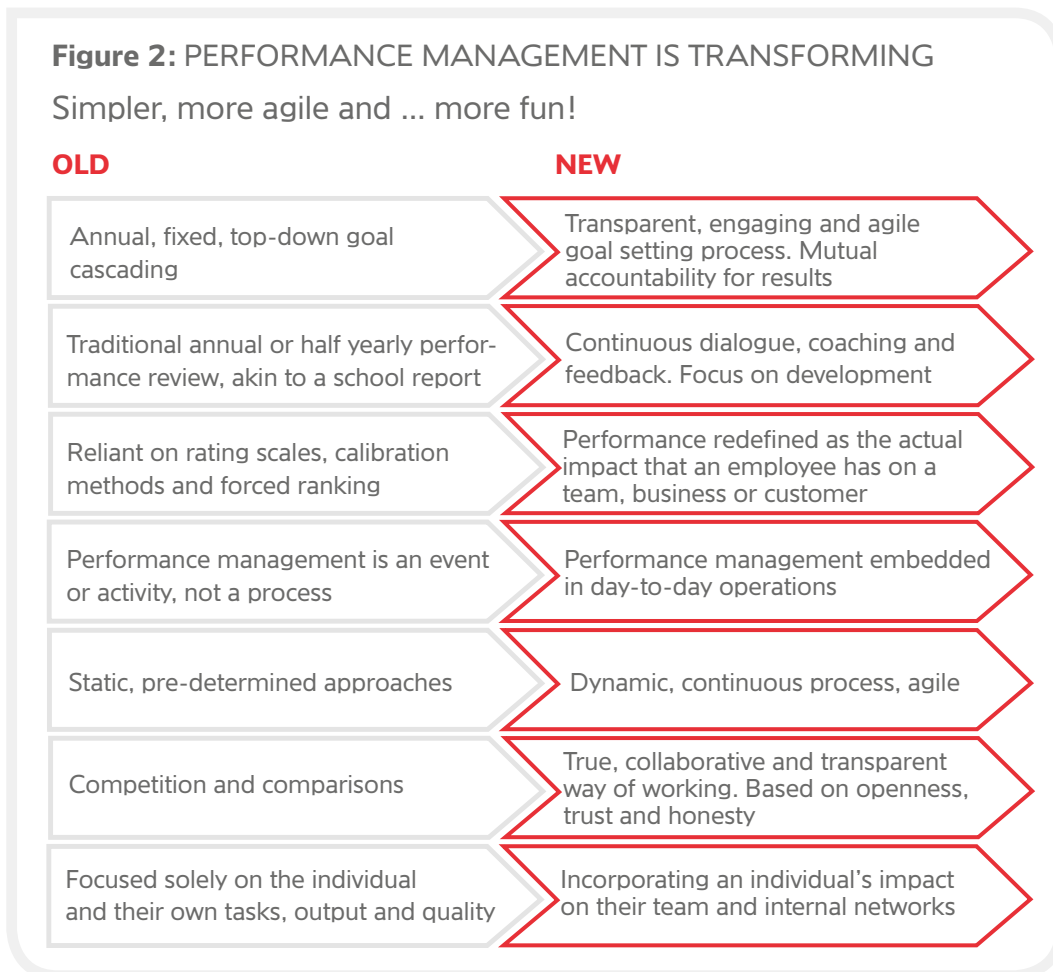
Recognition is often a good indicator of an effective culture, and 91% of participants rate the recognition of employees as a consistent, on-going activity that is an integral part of a Performance Management cycle. Peer-to-peer recognition is also key, with 70% of participants using input from colleagues as part of the Performance Management process.



Around 1 in 4 Global Top Employers also list 'improving employee engagement' as a core objective for Performance Management, and there is little doubt that a move away from a ranking system, together with increasing recognition of individuals and peers, is likely to help improve this area too.

CONCLUSION

The next step in Performance Management will be further integration with day-to-day business. We see a clear tendency towards simpler processes which includes agile and transparent goal setting, employees consistently re-aligning their goals to changing company priorities and circumstances. This requires a culture of regular, transparent and honest feedback, with senior management setting the benchmarks.



We have also seen a weakening of the link between Performance Management and compensation, with just 11% of participants considering it an important basis for salary increases. This is an important shift signifying how the overall objectives of Performance Management are changing. A rigid link between performance and pay enforces a strong emphasis on individual performance, but is not effective when looking at an employee's performance in terms of the broader work and team environment.

There is a growing emphasis on personal involvement in the Performance Management process, and in a trend that helps support this, four out of five Top Employers have specific technology in place to aid employee self-assessment. We definitely appear to be on the verge of a paradigm shift in the way we look at Performance Management. Whilst many participants are still working in line with more traditional approaches of ratings and rankings, there is a clear and growing shift towards a new paradigm.

ABOUT US

The Top Employers Institute globally certifies excellence in the conditions that employers create for their people. Optimal employee conditions ensure that people develop themselves personally and professionally. This in turn enables companies to grow and to develop, always.

Headquartered in the Netherlands, the company has recognised Top Employers around the world since 1991. The company is now active in more than 100 countries and in six regions: North America, Asia Pacific, Europe, Middle East, Africa and Latin America. Almost 1,100 Top Employers were successfully certified in 2016.



David Plink, CEO: “Over the years, we have assessed and certified companies around the world using our proprietary methodology. We strongly value our objectivity, independence and selectivity. As a result, current and prospective employees can trust upon the certified organisations to have excellent conditions in place for their people to develop, always”

CONTACT US

To learn more about the Top Employers Institute, certification procedures and the benefits of positioning your organisation amongst the world's leading employers, please contact:

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APPENDIX

PERFORMANCE MANAGEMENT

		Automotive	Banking	Chemicals	Construction	Consumer Goods and Service	Electronics	Energy	Engineering	Financial Services	Food and Beverages	Insurance	IT	Manufacturing	Pharmaceuticals	Professional Services	Retail	Telecom	Transport and Logistics
Key Trend 1 - Performance Culture as a fundament	The desired Performance Management culture is described as part of the Performance Management process	100%	100%	100%	96%	97%	91%	95%	95%	100%	100%	93%	94%	96%	100%	98%	100%	96%	100%
	A goal-cascading method is used to ensure that individual performance goals and objectives are aligned with our organisational strategy	94%	86%	97%	71%	94%	96%	93%	88%	97%	100%	93%	94%	86%	97%	88%	92%	91%	100%
Key Trend 2 - Agile & transparent goal setting process	Clear guidelines are used in setting objectives for our employees	98%	100%	95%	92%	98%	100%	100%	91%	100%	100%	100%	95%	95%	97%	88%	97%	98%	98%
	Our Performance Management process allows for the adjustment of objectives during the year, in response to changing business needs	93%	86%	97%	79%	97%	91%	95%	88%	97%	92%	97%	94%	94%	100%	96%	95%	96%	98%
	Our employees play an active role by providing input for their individual annual goals	96%	69%	95%	83%	94%	91%	98%	86%	91%	92%	90%	88%	94%	98%	98%	85%	87%	93%
	The performance objectives of our line managers are completely transparent to their direct reports	42%	28%	54%	29%	54%	57%	31%	45%	74%	72%	63%	58%	52%	69%	47%	54%	53%	78%
	Our managers are instructed and trained to provide employees with open and constructive feedback on their performance on an on-going basis	96%	90%	97%	79%	94%	83%	74%	84%	97%	95%	100%	90%	93%	97%	90%	97%	96%	98%
Key Trend 3 - Ongoing Coaching & Feedback	Recognition of employees is an on-going, formally defined activity, as part of the Performance Management Cycle	89%	97%	95%	79%	93%	87%	81%	80%	94%	88%	93%	97%	94%	97%	90%	79%	94%	91%
	Our employees play an active role by providing input for their performance evaluation	98%	90%	97%	88%	99%	96%	98%	91%	100%	98%	97%	97%	98%	98%	98%	97%	89%	95%
Key Trend 4 - Broader Focus and More Collaborative Evaluation	The performance of our employees is evaluated on a continuous basis (at least twice per year)	83%	76%	81%	33%	90%	87%	60%	70%	91%	92%	90%	91%	73%	97%	82%	77%	94%	91%
	Input of relevant colleagues is taken into account	76%	48%	68%	50%	82%	57%	76%	66%	71%	82%	70%	81%	67%	83%	73%	72%	60%	47%
	The quality of the Performance Management reviews by our managers is monitored	87%	72%	84%	67%	79%	83%	60%	70%	82%	83%	80%	78%	80%	78%	71%	85%	83%	88%
	Our organisation has a formal method/procedure in place to ensure calibration of individual performance scores	87%	86%	100%	63%	95%	74%	98%	80%	94%	90%	90%	89%	83%	100%	80%	82%	87%	95%