

Keeping Performance Management Compliant

Everyone knows the problems with the current state of performance management. Performance reviews are dreaded by employee and manager alike, they happen far too infrequently and any feedback is soon forgotten, until the annual performance review cycle starts up again the next year. But rather than continuing the vicious cycle, companies can disrupt performance management by adopting the solutions that enable managers to <u>deliver useful</u>, targeted feedback year round.

While such progressive solutions reinvent the way companies work to improve performance of their teams, there may be some hesitance around adopting them due to compliance concerns. After all, what the traditional annual review process lacks in relevance and timeliness, it is made up for with consistency. Simply fill out the standard employee evaluation form, run down the checklist with the employee and mark the review as completed. However, making the shift to an ongoing, real-time model for performance management does away with this regimented system.

Many companies are thus left wondering how such systems can be compliant if there's no way to document that any feedback has even been received. Therein lies one of the biggest myths about ongoing performance management systems. Rather than being a free for all, where managers give employees feedback without rhyme or reason and some employees may receive more insights than others, delivering ongoing and immediate performance feedback can actually be part of a compliant, documentable process. All that's needed is the right technology platform to support it.



The key feature of modern performance management solutions is that all interactions happen digitally, ensuring that feedback is recorded and distributed equitably across the employee base. As a result, performance feedback becomes a natural part of the workday, providing busy managers with the tools to broadcast important goal or project updates, recognize individual or team success and ensure all employees receive the regular attention and support needed to reinforce positive behaviors and provide any needed support along the way.

In many ways, taking a modern approach to performance management can even improve compliance. Typical performance management processes often rely on rating systems –giving employees either a numerical rating or classifying them as exceeding expectations, meeting expectations or not meeting expectations. These methods can raise compliance concerns, as they are often objective – do all employees rated as "meeting expectations" really perform at the same level? And when such ratings are linked to salary increases, bonuses and promotions, companies may be at risk if certain demographics do not receive the same opportunities for advancement and rewards as other groups based on such rankings.

In place of rating systems, companies can transform the performance management process with instant rewards and recognition based on their individual achievements. As a result, rewards are based on solid examples of work product, rather than objective ratings derived from performance over the course of year, leading to a more compliant approach. Such an approach will also foster consistent, ongoing communication throughout the year, ensuring managers and employees engage in regular and meaningful discussions on a daily basis.

Making the shift to a modern performance management platform will foster an environment where managers can share relevant insights immediately, without having to wait for the annual one - on - one meeting with their employees. Not



only will this help to create a more engaged, motivated and productive workforce, but it will also contribute a complaint strategy. The result is valid, more effective way to provide the necessary feedback to continually spur strong performance and exceptional results.

