



STAFF REVIEWS— ARE YOU READY FOR A REBOOT?

A consultant outlines a more effective alternative to yearly employee evaluations

By *Melissa Furman*

What is the purpose behind performance reviews at your organization?

- To provide feedback to employees?
- To provide documentation to determine merit increases?
- To provide documentation if employee termination is needed?
- All of the above?

Performance reviews generally don't work and are a pervasive problem in most organizations. This problem is not new—though it is taking on greater importance as the younger generations question outdated protocols, challenge old systems and crave feedback. When thinking about ways to reduce the transactional costs of doing

business, consider removing, replacing, or refreshing your performance-review system.

REASONS TO REVAMP REVIEWS

BIAS

As the workplace becomes more diverse and many organizations strive to become more equitable and inclusive, the performance-review process is a great place to start. People bring their own biases, backgrounds and opinions to the review process. It's very difficult to ensure a fair, equitable process.

Additionally, many attributes or characteristics currently listed in the performance-review process contain both cultural and gender bias. For example, the concept of teamwork is generally viewed differently between men

and women. Men tend to think about sports and winning; whereas women tend to think more about collaboration and achieving goals. In addition to gender, people from varying cultural backgrounds may also view teamwork differently—a Hispanic-American employee may view teamwork differently than an Asian-American employee and differently from an African-American employee—due to their respective cultural views on teamwork. Even when employers try minimizing the bias by operationally defining each attribute, the bias is still present, and it impacts the scoring of performance reviews, which, in turn, can impact an employee's merit increase, promotion and career progression.

PURPOSE

Many organizational leaders believe that “What isn't measured can't be managed,” and the performance-review process is utilized to manage employee performance. This concept of management is dated, as many organizational leaders are using irrelevant management practices from the 1970s and 1980s, when corporate culture exploded. Today's employees want to be led—not managed—and there are other more impactful ways, such as coaching, to enhance employee performance.

When thinking about employee performance, organizational leaders, specifically human resource (HR) leaders, support the use of performance reviews as a way to document poor performance and support termination. Unfortunately, many performance reviews don't measure or honestly document the poor behavior and on average, organizations need to terminate 5%–8% of employees each year. Through proper leadership and coaching techniques, as well as documentation systems, supervisors can document poor performance more efficiently and address it, rather than requiring a cumbersome, time-intensive process for all employees.

Additionally, organizations are establishing key performance indicators

(KPIs) and strategic goals. They are using performance reviews to measure their success in achieving these goals. Unfortunately, many performance reviews are conducted annually. Therefore, organizations are only measuring yearly progress. This doesn't allow time to address challenges or pivot as quickly as needed. As the business environment continues to evolve, organizations need to more efficiently assess their staff members' progress and adjust as needed.

The performance-review process can be time-intensive, and employees want immediate, ongoing feedback. Employees want to receive compensation and promotion based on progress, efforts and accomplishments. They prefer a more timely and expedited process for getting feedback, pay increases and promotions. And as noted, as the business environment continues to shift, the leaders of linen, uniform and facility services companies need to better utilize their time to achieve their goals and manage their employees.

RECOMMENDATIONS

Only a few organizations have the infrastructure and culture to suddenly end the deeply engrained process of performance reviews in their companies. It's recommended that organizations begin by assessing their system and determining if the ROI is there. Don't allow the unknown or discomfort with trying something new to intimidate you.

Conversations, rather than performance reviews, should be held

more frequently—almost weekly. Linen, uniform and facility services companies can do this, either formally or informally, depending on the culture of the organization and the needs/preferences of its employees.

- **CONVERSATIONS SHOULD FOCUS ON THE FUTURE, RATHER THAN ON THE PAST.** The conversations should focus more on future career development, supporting employees' success, and assessing employee progression, both inside and outside the organization.
- **CONVERSATIONS SHOULD FOCUS ON ASSESSING NEEDS AND PROVIDING RESOURCES TO HELP EMPLOYEE SUCCESSFULLY ACHIEVE INDIVIDUAL AND ORGANIZATIONAL GOALS.** Team leaders should hold weekly meetings with their direct reports to discuss their needs and track progress toward their goals. Leaders can utilize these meetings to take a deeper dive into the reasons why employees aren't meeting their goals and can quickly provide resources to help them overcome their challenges.
- **CHALLENGE CURRENT PROMOTION AND COMPENSATION PRACTICES.** Shift your mindset from "This is how we have always done it," to brainstorming new ways to fairly promote and compensate employees.
- **SOLICIT STAFF INPUT:** The workforce today is more diverse than ever. It's critical that managers and owner/operators resist the temptation to make assumptions using a biased perspective. Seek input from your employees regarding the

performance-review process and create a "safe space" for them to offer recommendations for improvement.

- **LISTEN TO EMPLOYEE INPUT AND FEEDBACK.** Listen with a growth mindset rather than a biased, fixed mindset regarding the current paradigm of your organization.
- **BE INSPIRED TO BE DISRUPTIVE.** Disrupt the costly, time-intensive, dated system of employee-performance reviews in order to fuel the success of your employees and the organization as a whole.

As noted, your organization may not be ready for a massive disruption. So start with adding weekly conversations to the performance-review process. Then, slowly phase out the tedious, laborious process of requiring staff to complete complicated forms, mapping KPIs and assigning scores that will have a minimal impact. Your organization can't afford *not* to apply a more cost-effective (in terms of time and money) review process that features modern approaches to leading the younger generations of staff. **TS**



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