



E-book

7 steps to transform your
performance management

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Introduction

The aim of performance management is to support employees to learn and perform well, and so give of their best to further the success of the organisation.

When introducing any change to your performance review cycle, it is essential to start with the employee. So, it's not about designing a new cycle for your employees, but with your employees.

The 7 steps we present in this e-book can be used to create a performance review cycle that really supports your employees in their learning and performance. Please do not hesitate to contact me if I can help further.

Wishing you every success in transforming your performance management!

Yours sincerely,



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7 steps to transform your performance management



Identify problems in the current cycle



Set out basic requirements for the new cycle



Design the new cycle together with employees



Select assistive technology



Run trials with several departments



Evaluate and learn



Get the organisation on board with the new system



1. Identifying problems in the current cycle

Transformation for transformation's sake is unlikely to get the results you are looking for. You only need to change something if the current situation is unsatisfactory. So, you should start by identifying where problems with the current cycle lie.

Methods that can be effective here are:

- employee survey
- in-depth interviews with employees
- interactive workshops

The main areas that should be covered are:

- ✓ **Goals:** Are your goals clear, challenging and achievable? Can you see your progress? Do you get enough support to help you achieve your goals?
- ✓ **Personal development:** Do you believe personal development is important? Do you have clear development goals? How does this work out in your day-to-day practice? Are you adequately supported in terms of your personal development?
- ✓ **1-to-1 meetings:** Do you talk about your goals and personal development with the relevant people? How do you find these conversations? Is there sufficient preparation ahead of these 1-to-1s?
- ✓ **Reviews:** Do you find performance reviews useful? Do you believe they are fair? Do they encourage you to learn and perform better?



The result

Your employees feel heard and the issues they experience are taken seriously.



2. Set out basic requirements for the new cycle

You most likely have a vision as an organisation of how you want to work together, and this vision should feed in to considerations about the new performance review cycle.

It is worthwhile looking at a few specific areas.

Ownership

- Are employees mostly in the lead or are managers very directive?
- Do you have or want to institute self-managing teams?
- What role do you envisage for the manager?

Transparency

- Do all employees have visibility into organisational objectives? What about progress on these goals?
- Do all employees have visibility into the goals of all other employees?
- Or, do employees decide who should see what? Or, is this by agreement within each team?

Reviews

- Do you think 'appraisals' should have a role? Or, do you want to get rid of performance reviews?
- Who should have a role in the appraisal? For instance, the employee, the manager, colleagues and/or customers.
- Who should have responsibility for the final appraisal: the employee, the manager, the team?
- How often should performance reviews take place?
- Should pay be linked to the appraisal?

Feedback

- What value do you attach to feedback as an organisation?
- Should employees be required to ask for feedback?
- Should feedback be aimed solely at personal development or should it also play a role in the appraisal?

Personal development

- Do you expect all employees to actively engage in personal development, or should it be optional?
- Do you want to use competencies to define how you expect employees to work?
- Should personal development form part of the appraisal?

1-to-1 meetings:

- How do you want to enable employees to talk about their performance and development?
- Should it be up to employees to decide whether and with whom they hold these conversations?
- Should 1-to-1s be held at set intervals throughout the year?
- Should what is discussed at these meetings be recorded?



The result

You have a vision of performance management You can use this as a basis from which to take design decisions.



3. Design the new cycle together with employees

Because the performance review cycle is intended to support employees in their learning and performance, it makes sense to involve your employees in its design.

Often this will involve forming a group of employees who are a good reflection of your organisation. Over a number of sessions, you will be able to home in on how an effective performance review cycle might look.

Start by sharing, testing out and refining the vision. You can then move on to designing the cycle together when you will decide on the specifics of ownership, transparency, appraisal, feedback, personal development and interviews. At this time, you need to consider what should be compulsory and what optional, what needs to be recorded (as a minimum) and fixed intervals for 1-to-1s.

You might consider putting together different versions, which you can then test out. It may be that there are several options that have good potential, but it's not obvious which is going to work best for the employees until you try them out. In addition, departments may differ widely in terms of the nature of their work or the maturity of the team, potentially demanding a different interpretation.



The result

You have a supported working method that you can test out.



4. Select assistive technology

A performance review cycle without technology is almost unthinkable in the world of today. After all, effective technology simplifies the process, providing transparency and support at the right times.

There are three critical aspects to watch out for when introducing assistive technology:

1. The technology should not determine what the cycle looks like, the cycle should determine what the technology looks like. So, when choosing software, always do so on the basis of requirements you have already set out beforehand.
2. The technology should be flexible and adaptable, so that changes in the cycle (that will inevitably happen!) can easily be incorporated in the software.
3. The technology should be extremely user-friendly, so that employees feel completely at home using it. Software that is not convenient or enjoyable for employees to use is almost a guarantee for failure when it comes to a new performance review cycle.

You can choose to introduce technology at a later stage only, however it is important to be aware that technology can be a dealbreaker in terms of the success of the new cycle.



The result

You have selected technology that is a great match for your cycle and makes it surprisingly simple for employees.



5. Run trials with several departments

Don't try to work out every single detail at the beginning. Chances are it won't all work perfectly first time and you will have put a lot of effort in for nothing. One of the best ways to get a quick picture of whether the new performance review cycle is working is to do trials at an early stage.

The hallmark of a successful trial is that you learn as much as possible in as short a time as possible. The best way to do this is to formulate hypotheses in relation to what you want to learn, and you can then design your experiments to validate (or disprove) these hypotheses.

A few examples of some hypotheses you could test:

- ✓ Employees reflect on their goals more often
- ✓ Employees are more aware of their personal development
- ✓ Employees are clear about how they will contribute to the organisation's or team's goals
- ✓ Employees and managers have a better understanding of progress on goals
- ✓ There is more discussion of goals and personal development in 1-to-1s between employees and managers

- ✓ Managers are better equipped to coach employees in their learning and performance
- ✓ Employees give one another feedback more frequently
- ✓ Appraisal is experienced as being easier and fairer

Above all, don't be afraid to run several trials in parallel. You can test different approaches with different teams. Or, conversely, the same approach with teams that are very different in terms of the nature of their work. Always make sure you have a good cross-section of your organisation taking part.



The result

You are clear about the success factors for the new cycle and how you are going to test this.



6. Evaluate and learn

At this stage, your aim is to validate the hypotheses through trials. Once you have decided which teams will take part in the trial, it is important to get these teams on board with the process and ensure they understand what is going happen and what you expect from them. In any event, ensure they are fully conversant with the problems of the old system, the vision of the new way of working and the role they will have in the trial (such as giving feedback on the system and providing input on how it could be improved).

It is also important to schedule a number points for evaluation, where you reflect on the hypotheses and adapt them based on what you have learned.

You can use the same tools for this step as in step 1:

- a survey
- in-depth interviews
- workshops

It's a good idea to start with a baseline measurement. That way you know where the employees participating in the trials are at before you start and you can measure the differences compared to the new system.

Our experience shows that 3 months is sufficient for the trials and learning phase. It's important that you cover all aspects of the performance review cycle in those three months. Do you have an end-of-year performance review, for example? If so, you could create a 'mini-cycle' over 3 months that ends with an appraisal.

Important points at which to do an evaluation in the trial phase are:

- ✓ After setting goals for performance and development (e.g. 2 weeks after the start)
- ✓ After the initial period in which you reflect on your goals and development in day-to-day practice (e.g. 6 weeks after the start)
- ✓ After a second period working in day-to-day practice. This is especially important if you have adapted the trial following an earlier evaluation (e.g. 10 weeks after the start)
- ✓ Following the first formal performance review (usually immediately after the 3 months are over)



The result

The new system has been tested in day-to-day practice and brought into sharp focus. You now know that your new performance management cycle is going to work!



7. Get the organisation on board with the new system

Now you have identified what is going to work well for your performance review cycle, the next stage is to roll out the new system throughout the organisation so that all your employees can benefit from it. Depending on the size and complexity of your organisation, this will vary from a large-scale internal change project to an afternoon meeting with all your employees.

Key areas that should come up for discussion during this stage are:

- ✓ Why do we need to change what we've got now? (the problems with the current system)
- ✓ What do we want the new system to be like? (the vision of the new way of working)
- ✓ What will it mean for me? (how the new system will work in practice and possible consequences, e.g. for appraisal and pay)

There are a few things that will help make the process of change a success:

- ✓ Demonstrate commitment from 'the top', for example by having someone from the Management Board personally share the vision of learning and performance with staff.
- ✓ Address employees' anxiety that they will not be able to do what is expected of them. Support staff, managers and teams (e.g. through training) with matters such as setting clear goals, giving effective feedback, holding productive 1-to-1s, using assistive technology, etc.

- ✓ Keep the new way of working top-of-mind, for example by a poster campaign, a series of vlogs by the Management Board or regular inspiration sessions.
- ✓ Keep evaluating and adapting. Make sure you keep talking to staff and managers and find out what is working well (and share it throughout the organisation) and what is not working (and make changes accordingly).



The result

All employees in your organisation are working with the new system and feel supported in their learning and performance.

Make your performance review cycle surprisingly simple with the online platform from Dialog

Focus on goals

Set your goals and keep them top-of-mind. Reflect on progress and define what needs to happen next.

Effective feedback

Gather feedback quickly and easily. On goals, competencies or conduct. Always specific and relevant.

Real-time information

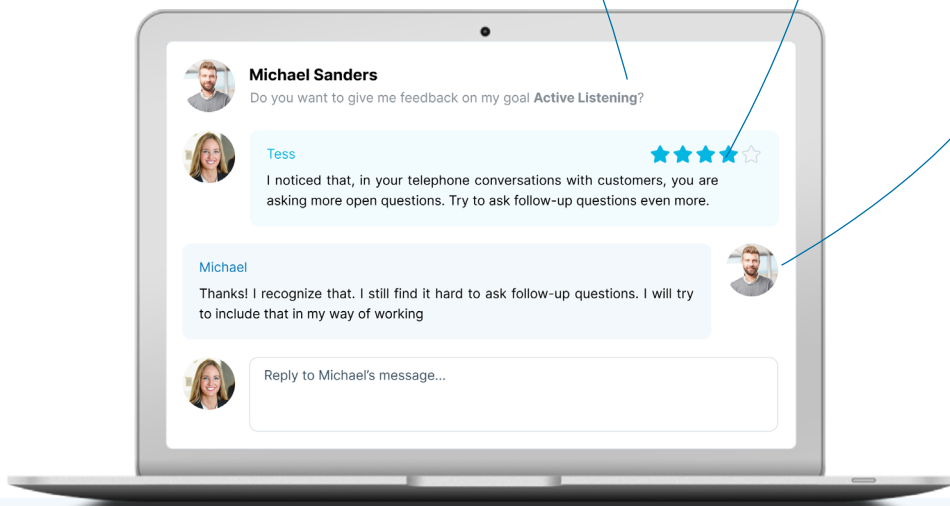
Real-time insight into your employees' progress and the status of organisational goals.

Regular 1-to-1s

Convenient chat function to talk about your goals and your feedback. Dialog supports you with the right questions.

Purposeful reviews

All results achieved, feedback and reflections are held in one place, providing a complete picture for the review.



“Dialog is super easy to use and does just what it says it will.”

– Devin van Tuijll (Techneco)

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Why customers choose us

Dialog ❤️ your organisation



A perfect match

Dialog is very flexible and perfectly supports your specific performance management model and the needs of your set-up.



Ease of use

Dialog is the only performance management software that truly has the employee at its heart. It's simplicity personified!



Easy to get started

No complicated implementation. Get up and running within a week, so you gain immediate insights and oversight.



Excellent service

Turning our customers into fans is our constant aim. A permanent contact person who takes full ownership of your success.



'Dialog means I've got a better idea of what's going on with my team, providing a basis to start conversations and to give direction to team members. Everything is much more transparent. I've also noticed that people reflect more on what they're doing and that they really do have ownership.'

- Roy Kreeftmeijer (ICM Customer Support Manager)

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