



## Long live the performance review

DDI president, Bob Rogers, has good reasons why it doesn't make sense to kill the performance review.

"It's time to put the performance review out of its misery." So begins Samuel Culbert's 2010 book, *Get Rid of the Performance Review! How Companies Can Stop Intimidating, Start Managing – and Focus on What Really Matters*. Culbert, a business professor, then goes on to describe the performance review using words such as "sham", "insidious", "damaging", "pretentious" and "bogus" – all by the end of the book's third sentence.

DDI president Bob Rogers has seen and heard negative comments like these for years. But he strongly disagrees that performance reviews and the performance-management systems they are part of are inherently bad.

Rogers, who himself authored a book on the topic, *Realizing the Promise of Performance Management*, says that banishing the performance review would be "one of the dumbest things you could possibly do" because it's a critical tool for strategy execution, productivity, communication and many other critical characteristics that define successful companies.

"The problem is that in a lot of companies performance management is broken," Rogers says, pointing out that, by his estimation, only about one in four companies gets performance management right. "That's why you see so many books and articles about getting rid of the performance review."

So, if organisations need performance management, yet so many do it poorly, what does an effective performance review process look like? Rogers identifies multiple factors that define success, led by one that might strike some as radical: The manager doesn't own the review process – the employee does.

“The act of conducting a performance review should be a joint responsibility between the employee and manager, but the employee needs to own the process,” he says. “The employee should come prepared with how they think they’re doing, and they should lead most of the discussion.”

In addition, Rogers says the performance plan, which must serve as the basis for a review, needs to reflect the organisation’s overall strategy and needs to identify specific goals that the employee and manager have mutually agreed to.

“One CEO I interviewed for my book said that once he learned how to do it right, he would never manage without a good performance review process because it helps in setting clear objectives and it engages people to see how they contribute to the organisation’s goals.”

Most important, though, he says that a review should be little more than a structured extension of the ongoing feedback that managers are giving their employees all year long. Therefore, if the leader has the skills needed to provide effective, ongoing coaching and feedback, little (if anything) discussed in the review should be a surprise to the employee.

Rogers feels that maybe the biggest challenge is the environment in which performance reviews are conducted. But when organisations get it right, great things happen.

“There has to be high trust, open communication, objectivity and frequent discussion. When it works like that, then you get all the positive benefits of a good relationship between an employee and leader. You get empowerment; you get engagement; you get trust; you get better coaching; you get better feedback; you get better development. You get all those things.” “I believe that’s why I have never encountered a company that’s done away with its performance management system. Ever.”

For more information on the skills to build a conducive environment to conduct a successful performance review, contact

Rista du Plooy, Senior Manager, [rplooy@deloitte.co.za](mailto:rplooy@deloitte.co.za), +27828216392

Daleen Oosthuizen, Senior Manager, [daoosthuizen@deloitte.co.za](mailto:daoosthuizen@deloitte.co.za), +27833757840

