

PERFORMANCE REVIEW MISPERCEPTIONS

Who Do They Really Help?

IN THE BEGINNING:

Performance reviews were designed to help managers know who was performing and who to fire.



MID-CENTURY:

Companies changed. Leaders realized company success lies in their employees. But performance reviews didn't change.



TODAY:

Outdated performance reviews make employees unhappy. Performance reviews no longer fit today's workplace.

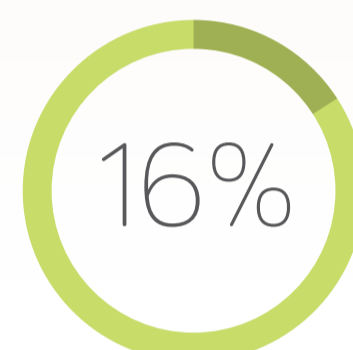


42% 89%

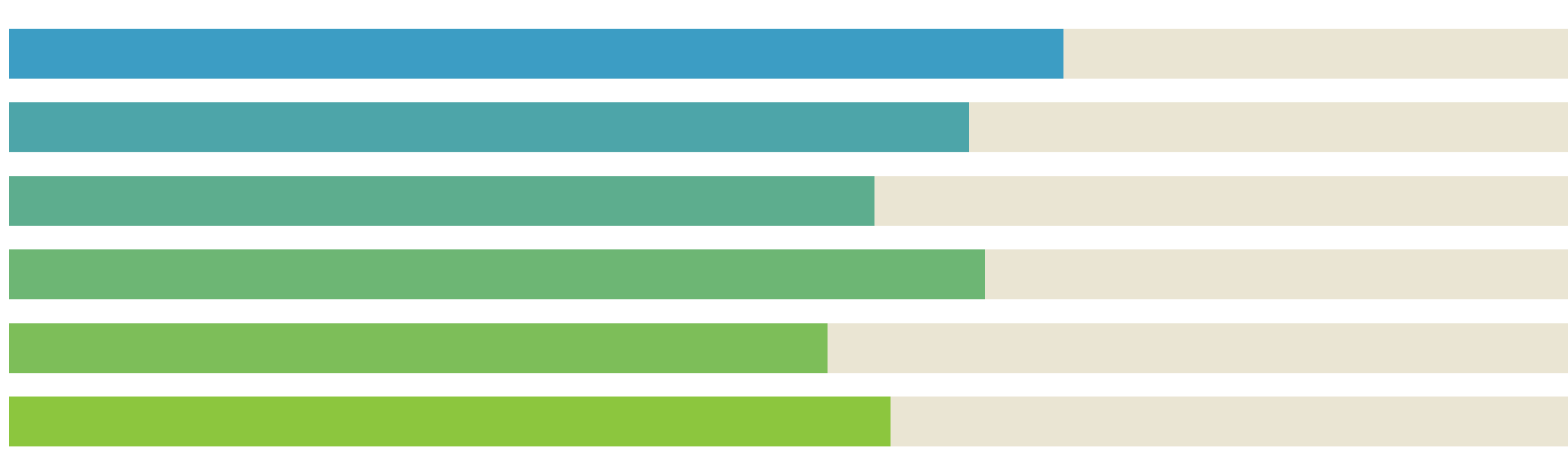


Because of this, **42 PERCENT** of respondents' companies don't do performance reviews at all. Still, **89 PERCENT** of those currently using performance reviews argue that **companies** benefit from them.

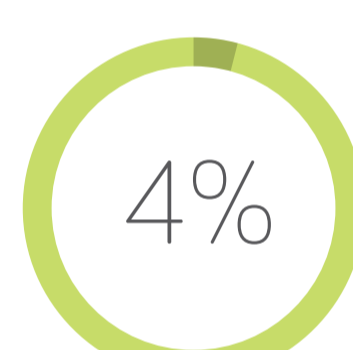
BUT DO EMPLOYEES BENEFIT FROM PERFORMANCE REVIEWS?



Only **16 PERCENT** of employees prefer to receive feedback in a formal performance review.



- **67 PERCENT** feel they are not heard during their reviews.
- **61 PERCENT** say their companies don't look for opportunities to provide career development afterward.
- **55 PERCENT** say their companies don't address concerns raised during performance reviews.
- **62 PERCENT** don't see changes occur from feedback they give.
- **52 PERCENT** say their companies don't help them make and meet goals.
- **56 PERCENT** say they don't receive raises or bonuses for great performance.



Only **4 PERCENT** feel that performance reviews are the best way to motivate and engage employees.

THE TOP 5 WAYS EMPLOYEES WANT TO BE INSPIRED AND MOTIVATED



PERFORMANCE REVIEWS HELP COMPANIES MONITOR PERFORMANCE, BUT THEY DON'T HELP EMPLOYEES IMPROVE PERFORMANCE.

And it's not just employees who feel this way.



3 OUT OF 4 HR PROFESSIONALS ARE CRITICAL OF PERFORMANCE REVIEWS

HR'S TOP 5 CRITICISMS:



- They create a culture of competition, not collaboration.
- They create unnecessary politics.
- They are an inaccurate reflection of performance.
- They hurt engagement and innovation.
- Nothing constructive comes from them.

WORK HAS CHANGED. PERFORMANCE REVIEWS HAVE NOT. LET'S BRING THEM TOGETHER.

To benefit employees and companies, performance management should be

simple

accurate

motivational

Performance management is more than just checking a box. It's about cultivating culture and inspiring employee growth. Stop doing performance reviews and start managing people.