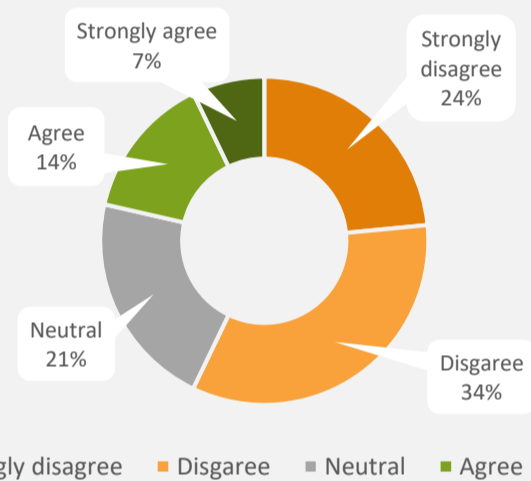


# What do you want to get out of your performance management process? And are you achieving it?

We asked 49 of the leading global organizations with headquarters in the UK, Switzerland, Austria, or Germany, these very questions. Their across-the-board response was fascinating.

Many organizations feel that their **current** performance management process generates little value, with no impact to driving performance and/or engagement as would be desired. These organizations are struggling to change and design their performance management process that will deliver the required value to the organization, its managers and employees.

Rate this statement: My organization's performance management process drives significant business value



79% reported dissatisfaction with the business value derived from their organization's current process

## Why are organizations so dissatisfied? And what lies at the core of successful performance management?

We believe that a successful performance management process is based on five basic foundations, manifesting as the key objectives of such a process. Dissatisfaction with the business value derived from these processes may be due to inadequate achievement of one or more of these objectives.

Every person is **working on the right things** and towards the **right results** at every given time (as things change rapidly)

Employees are provided with **development and growth opportunities** based on their performance gaps and personal development objectives



Each person is working in a **professional, efficient and effective manner**, and constantly improving

The company is able to **differentiate compensation and recognition** and invest in specific individuals based on performance and potential

The company is able to consistently **identify its outstanding performers, low performers and other key populations**

When examining each of these five critical objectives in leading global organizations today, this is what we found:

## Performance Management Objectives



## What this means: focus on the results

Efficient & Effective

Work = Results

Growth & Development

Differentiating performance

Compensation & recognition



82%

Do not perceive that **each person** in the organization is **working in a professional, efficient and effective manner**, nor constantly improving as a consequence of the current performance management process



69%

Do not perceive that **every person** in the organization **works on the right things and towards the right results** based on the current performance management process



60%

Report that individuals in their organization **are not provided with development and growth opportunities** based on performance gaps and personal development objectives as an outcome of the current performance management process



55%

Report that their organization is **able to consistently identify its outstanding and low performers** or other key populations via current the performance management process



56%

Report that their organization is **able to differentiate compensation and recognition based on performance**, and therefore invest in the right individuals, under the current performance management process

We believe that the five foundations of performance management still hold true, and the objectives these processes aim to achieve are still relevant. Therefore, in order to drive more business value for the organization, the practice should be aligned with these objectives when implementing performance management processes.