

TECHNOLOGY
REINVENTS
PERFORM
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MANAGEMENT

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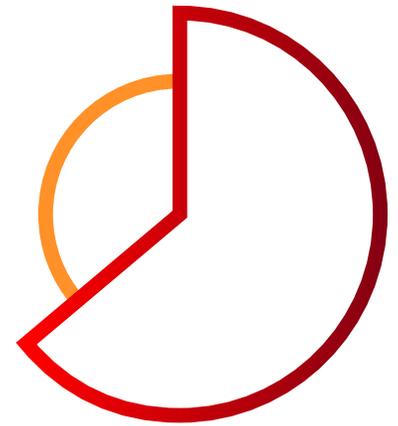
When it comes to performance management, workers are facing a disconnect between the technologies available to them in their personal lives and those at work.

DON'T JUST "MANAGE" PERFORMANCE. **IMPROVE IT.**

Just think: We live much of our lives through social media. We are able to react to things almost instantly, as they happen. But when we enter the workplace, it feels as if we are going back in time. We use performance management methods and tools that are mostly backwards-looking—written or oral reviews with occasional ad-hoc conversations. Remediation takes place months after a particular behavior occurs. Training interventions take so long to schedule they end up being irrelevant.

But good news is at hand. Performance management is coming to life through advanced digital technologies that are revolutionizing workforce management as we know it. Through analytics and machine learning, a new generation of workforce technologies is helping leaders guide workers in a timelier way—and helping people take a more active role in managing their own performance and careers. New tools and apps help people readily find learning sources and mentors, supporting just-in-time skill building, collaboration and real-time feedback.

Technology-enabled performance management is far more comprehensive and holistic. It's focused on maximizing people development, improving the performance of individuals and the entire organization. It is the future of work.



64%

of people agree that the pace of change in their job is speeding up due to technology advances

GET PERSONAL

WITH PERFORMANCE MANAGEMENT

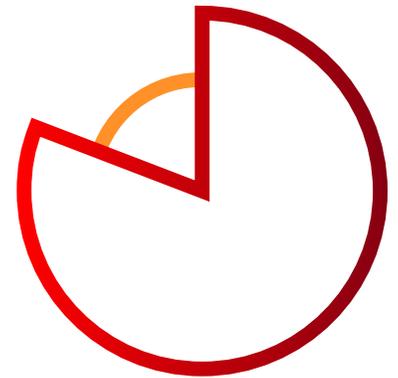
One trend driving a more personalized approach to performance management is the speed at which the business and technology environment is changing. According to an Accenture survey of more than 10,000 workers around the world, 64 percent of respondents agreed that the pace of change in their job is speeding up due to technology advances.¹

Traditional performance management approaches can't keep up because they are not sufficiently tailored to individuals' goals. They cannot briskly match the right people with the right business needs. Traditional approaches also focus primarily on business efficiency and process, instead of individual engagement and growth. They look backward to past performance rather than forward to opportunity. Actions taken are often too little, too late.

Performance management needs to help workers adopt new behaviors in the face of change. Currently, this is not happening. According to Accenture Strategy research, only 34 percent of leaders believe current performance management approaches are highly effective at helping employees rapidly adapt to change.²

People need to reinvent themselves continuously
Workers who succeed are “chameleons”—they can adapt their skillsets to stay relevant. Technologies can support this by providing more customized learning and coaching experiences.

In this dynamic environment, people's evolving capabilities are continuously matched to changing business needs. Among executives surveyed by Accenture, 81 percent agreed that people who have a variety of skills, and can step into multiple roles, will be valued most in the future workforce.³ These will be people who can quickly react and pivot their capabilities in response to disruption. They will also help create an



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organizational culture that supports and celebrates agility and adaptability in the workforce and in the organization more broadly.

Personalized performance management isn't just about technology

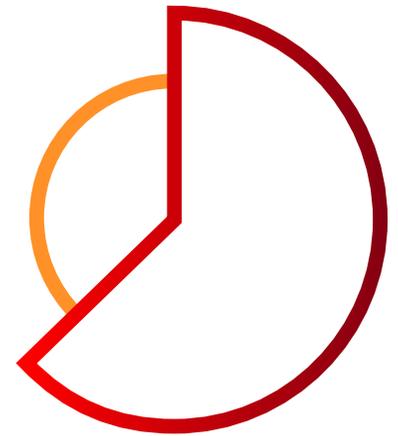
Sometimes the best coaching happens one-on-one between an employee and a supervisor on a personal, real-time level. In conversation.

For example, consider Adobe's "check-ins," frequent interactions between employee and supervisor based on the employee's real-time performance needs and goals. Check-in discussions cover three topics: expectations, feedback, and growth and development.⁴ This approach helps enable a faster-changing, agile business and supports honest conversations that focus more on future development than past performance.

GUIDE YOUR PEOPLE BASED ON DATA-DRIVEN FACTS, NOT OPINIONS

Digital tools, technologies and intelligent machines can transform people development, enabling supervisors to trace contributions from individuals and teams with more accuracy and solid data. They can also help supervisors measure outcomes with better transparency and impact because evaluations can be more closely linked in time to the particular performance being evaluated.

A more fact-based, data-driven approach to performance management helps enable at least two important developments. First, it makes the evaluation process more open, fair and transparent, based on clear and understandable data. Second, high-quality data can be used to steer people's performance in a more powerful way.



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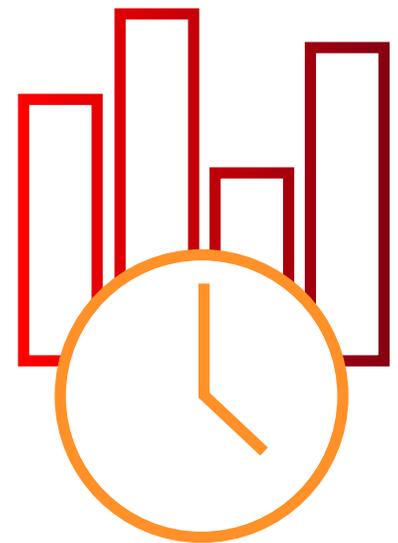
According to our survey, 63 percent of leaders and employees said that relying on just one supervisor's employee evaluation is not an accurate way to assess someone.⁵ The objectivity enabled by richer data can improve transparency and fairness in evaluations, rewards, promotions and job rotations.

Advanced technologies can also be used to design performance improvement initiatives. Consider Bank of America, which had its call center workers wear sensor-enabled ID badges to track locations, tone of voice, body language and communication patterns. Call center leaders were surprised to discover that workers who took breaks at the same time as others were happier and completed calls 23 percent faster than workers who took breaks in staggered shifts. Thus, a simple change in mandatory break times led to a 75 percent reduction in the call center's burn rate and approximately US \$15 million annual savings.⁶

MEET YOUR **NEW COACH:** AN ARTIFICIAL INTELLIGENCE APP

According to Accenture Strategy research, providing employees with real-time performance data is ranked among the top-three changes that would most improve workforce performance.⁷

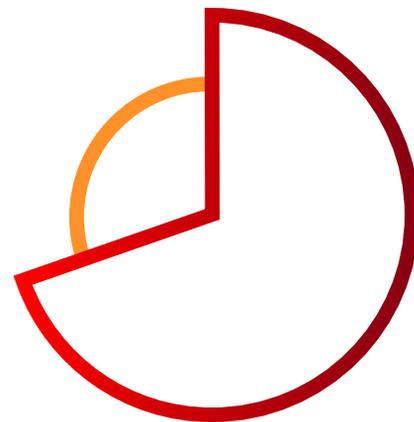
The human touch when it comes to coaching and evaluation will always be important. But in an age in which smart devices like wearable badges and remote sensors can track people's work—and when machine intelligence can even predict our future behaviors—coaching and feedback will often come real-time via artificial intelligence to improve performance and the employee experience. Your coach is no longer just another human being who offers advice, but also an artificial intelligence-enhanced app that works alongside you. It helps mentor and guide you to particular actions—maybe to connect with a new group of colleagues or new knowledge sources, or even a lifestyle change.



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Some of this real-time feedback is delivered through software that helps enable coworkers to guide you. Both Twitter and Intel, for example, now use crowdsourced goal-setting technology that lets coworkers collaborate frequently to set each other's customized objectives throughout the year and provide real-time visibility into each other's progress. It's the workplace equivalent of the Fitbit: a way to share the journey toward your goals with colleagues who can support you along the way. This can help networked teams fluidly form and work together, irrespective of where individuals are in the organizational hierarchy.⁸

Will this kind of technology-enabled approach be met with resistance? Not according to our research. Accenture Strategy found that 67 percent of employees and leaders view employee performance tracking technologies as a positive change. Only 13 percent view them negatively. And 71 percent of employees and leaders say technology that tracks performance at work would improve performance management.⁹



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TAKING ACTION

With a more data-rich environment, and with advances in machine learning, leaders can introduce improved performance management capabilities to their organization in several important ways.

1 Reorient performance management toward shared outcomes. Performance management is more than simply evaluating individual performance using a backwards-looking view. Now it's a present- and future-focused endeavor, with the business and its people working together toward mutually reinforcing, shared outcomes for both the business and its people.

2 Make performance management more transparent. We need to be clear with people and we need to be able to explain how we are assessing their performance in simple, real, human terms. Without this type of approach, developing a culture that builds long-term trust will be difficult.

3 Use technology to enhance the process of performance improvement. New workforce technologies increase the timeliness of performance insights—for the supervisor and also for the worker. This means supervisors can provide focused feedback, and people can analyze and manage their own performance.

4 Build advanced digital knowledge in your senior HR leadership. Show your people and management that technology matters—that performance management, enabled by leading technologies, is a prerequisite when it comes to maximizing people development and empowerment in the digital age.

5 Use measurement to motivate. Arm people with their own personal digital coaches and auto-analytics apps—and make it a positive, motivating experience. Use new technologies such as virtual reality for both coaching and learning.

DELIVERING BUSINESS OUTCOMES WITH TECHNOLOGY-ENABLED **PERFORMANCE** MANAGEMENT

Performance management mindsets, approaches and technologies are about two things: what's best for the development, well-being and engagement of your people, and what's best for the business. Technologies are sometimes seen as impersonal, but with performance management it's quite the opposite. The right technologies can provide broader, deeper and more personal insights and then equip leaders—and individuals—to take informed, intelligent action.

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NOTES

- ¹ Accenture: Future Workforce Survey, 2016
- ² Accenture Strategy research on performance management, 2016.
- ³ Accenture Technology Vision 2016.
- ⁴ David Burkus, "How Adobe scrapped its performance review system and why it worked". Forbes.com, June 1, 2016.
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- ⁷ Accenture Strategy research on performance management, 2016.
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