

Evaluating the workforce

Corporate Renaissance Group President Dr **Vijay Jog** looks at online employee appraisals.

CXO. Why is it important to an organization that employee goals are in line with corporate strategies?

VJ. For the last 10 years, we have seen two major shifts in improving organizational performance. The first one is the emergence of a metrics/KPI driven organization as a result of either a balanced scorecard initiative or from a realization that “what gets measured, gets managed”. The second shift is the realization that as capital has become relatively inexpensive and the world becomes increasingly global, the key differentiator is how it manages its walking assets – its employees. Some of the world’s leading organizations have also realized that the key to success is a transparent linkage between corporate goals and the goals of its individual employees.

CXO. What are the benefits of online appraisals? And how can they help to develop the overall business direction?

VJ. One of the criticisms of the traditional paper-based employee performance review that may or may not contain objectives, goals, competencies and skills is that it is ineffective, done more as a matter of course than to drive organizational performance. Since it is paper-based, it is time-consuming, does not have a sense of collaboration and is typically done once a year. Moreover, if the organization is dispersed or where employees are away from a central office, this process becomes even more difficult. The online appraisal process achieves some key enablers: it can not only deal with appraisals, but it can also become collaborative; has an ‘anytime, anywhere’ aspect to it without

losing the human interaction; and can allow for multiple versions until agreement. It also allows for increased richness in the employee-manager interaction in setting objectives, goals, core values/competencies and responsibilities. It can be used to communicate and support company-wide standards and to increase compliance to industry specific requirements. Another key benefit is that organizations can easily report on period over period progress. Online solutions such as ours have incorporated business intelligence capabilities (data warehouses) to facilitate real-time reporting and the ability to move from the top level to the details of any report.

CXO. Describe employee performance management.

VJ. From our perspective, employee performance management can be divided into four key areas: defining performance expectations that encompass specific measurable objectives and standards (code of conduct) and identifying observable behavior; identifying gaps in current performance; and rectifying them with focused learning opportunities; reviewing to measure performance, and reinforcing and rewarding superior performance. Also important is the employee performance management process – where both employee and manager follow a closed loop four step process: plan, collaborate, review, report.

CXO. What are the advantages of implementing this type of solution to the organization?

VJ. I would like to answer this question at two levels. First, our approach results in a more effective process since it is linked to specific goals and is collaborative. Second, it is a more cost-efficient and people-friendly process that is automated, can work for mobile or dispersed organizations effectively, provides electronic archiving and analytical capabilities for identifying and acting on organization-wide skills, knowledge and resources for better workforce management and can provide a continuous opportunity to review performance to ensure alignment between the employees’ and organization’s goals in a dynamic manner.

CXO. How can this type of evaluation impact on the organization?

VJ. We typically advise our clients that the change management process must begin with a clear statement from the most senior executive about the importance of adopting our process and application and its fit with the organizational strategy and performance management. We then work with the HR team to design a roll out process that includes standardization of the various dictionaries (competencies, skills and training opportunities) so that everyone appreciates the investment the organization is making to implement a transparent employee performance process and the associated platform that goes beyond an annual, paper-based appraisal. ■



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