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# Continuous Performance Management

Your key to ongoing operational success

**alight**

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## Introduction to Continuous Performance Management (CPM)

The COVID-19 pandemic showed that many organizations are not set up to react quickly to events outside of their control. In the global economy, management teams need to build their futures on an agile business model, one that frees employees up to deliver results against fluid business objectives.

At the most basic level the following should be recognized:



**1 Flexibility is needed in how and where we work.**

**2 Structure, not location underlines performance.**

**3 People are key to business outcomes.**

**4 Skills and job roles must be adaptable.**

**5 Continuous performance management is key to all of the above.**

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Continuous Performance Management is a journey to increase manager and employee communication, foster a more open culture and improve the quality of performance and career discussions.

– **Michael Rogers**  
CHRO, Alight Solutions

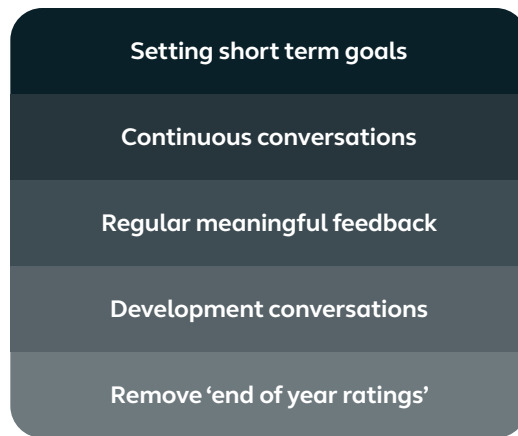
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## Managing, inspiring and promoting your C21<sup>st</sup> workforce

CPM focuses on the individual — the employee as part of a team and as a part of the business.

The process ensures all employees have regular check-ins with managers and the opportunity to review objectives, coaching and career development.

With an increasingly remote workforce, these regular check-ins will be vital and will serve more than to just manage careers. See later section on company values and culture.



## Replacing annual reviews

Success in the digital world can only come with collaboration and equality. All roles are vital and should be nurtured as such. Career progression should be an option for all, regardless of starting position.

With CPM, communication is frequent, open and honest. Rather than manager-led, which can be intimidating and restrictive, CPM is bi-directional. It is set up online to ensure that all who work together can contribute.

Rather than an annual review at the end of the year, CPM encourages regular performance conversations throughout the year. Employees use the feedback they receive to develop and grow.

As well as supporting career progression, it provides a way to build relationships especially when fewer teams are physically located together.



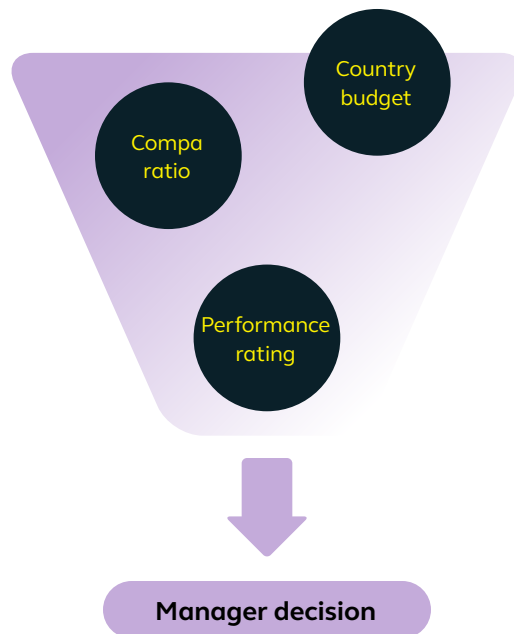
## Supporting fair pay and compensation

CPM is focused on developing individuals as part of the wider workforce. It's not used to determine salary and bonus decision.

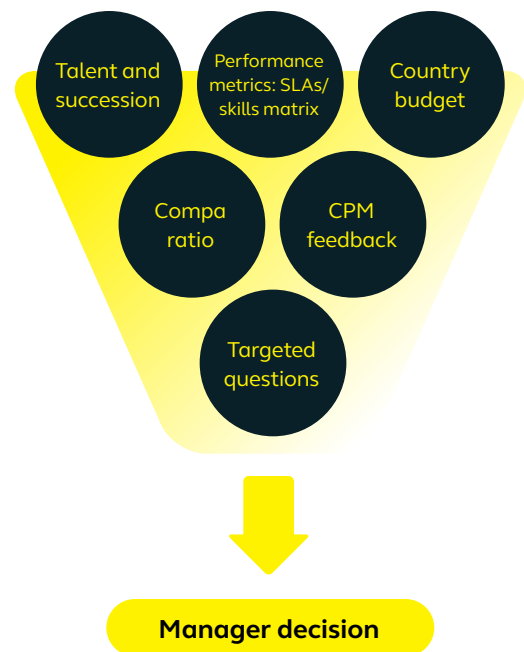
As this illustration shows, rather than using a single performance rating CPM considers a number of different criteria in the salary review process.



### Old approach



### New approach



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## CPM in practice

Performance conversations should not solely focus on performance, but also on recognizing achievements. This is in addition to having development, and coaching conversations, as well as providing quality feedback.

To be effective, the discussions should happen at frequent intervals and be noted in an online tool, such as those found in HCMs like SuccessFactors and Workday. It's recommended to discuss different topics in your check-ins including careers.

Career discussions should be linked to the ambitions of the employee, but also to the needs of the business.

With the correct foresight and skills development, top talent can be retained even if their original career choice is unavailable.



### For employees

- Adult-to-adult conversations
- Ability to track achievements
- Real-time feedback
- Structured check-ins
- More regular, meaningful performance feedback
- Transparency of reward decisions

### For managers

- Better visibility of progress against goals
- Structured check-ins
- Regular check-ins rather than an annual appraisal process
- More engaged, motivated and better-performing team
- A range of sources to support reward decisions
- Transparency of reward decisions

## Using CPM to build and maintain company values and culture

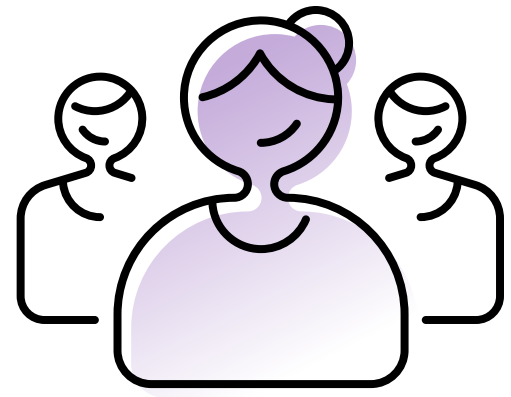
Inclusion, diversity and values are key to the success of an organization. The CPM process is an ideal way to nurture, embed and encourage these within an organization and provides a channel for open discussion.

CPM also provides an avenue for ensuring diversity. This might be by ensuring everyone within the organization is recognized for their contribution, financially and in terms of career development. Addressing gender pay gaps and demographic underrepresentation in certain roles are good examples.

Society and business leaders have a moral and legal responsibility to ensure inclusivity. This said, diversity and inclusion should not be an add-on, but built into the CPM conversation.

Why? Because you may be excluding skills, experiences, viewpoints and perspectives of entire sectors of the population in your creativity and decision-making.

Furthermore, your workforce needs to reflect your customer base or blind spots will continue to fracture opportunities.



### Setting your goals

- Recommended: 3-5
- Work with your manager to discuss your individual goals and enter them in the system
- You can add or change goals throughout the year
- We recommend that you set S.M.A.R.T. goals:
  - Specific
  - Measurable
  - Achievable
  - Relevant
  - Time-bound

### During the year

- You can add activities in the system to help track and achieve your goals
- Conversations have various forms:
  - More instant feedback. For example: after a meeting with a client.
  - Monthly touchpoints with your manager, regarding progress, development coaching.
  - Quarterly check-ins where you take a balcony view
- No rating and no calibration

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## Elevating HR to the C-suite

The future is about structure and accountability. Agility is key, and this is where the HR department need to take a stance in the boardroom.

HR data needs to be central to business planning. CPM is real-time and focused on regular, informal and constructive conversations. Not just with a line manager, but all involved in a project.

Linked to this, needs to be a complete understanding of the skills needed to fulfill future objectives. It is highly likely these don't all exist within the business, but it's not to say the capabilities don't. These can be nurtured.

The objective is to build a constructive, forward-looking mindset for individuals as well as the business. By default, CPM creates a culture of ambition. Even with a disparate team, it encourages interaction, positivity, belief in success and, vitally important, the application of emotional intelligence.

The business case for CPM is clear. It is a great way to recognize success and motivate, especially in roles more often invisible. The more open, engaged, diverse and agile a workforce is, the better the business outcomes will be.

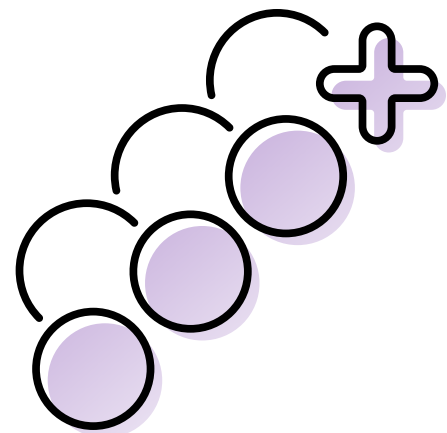
This is vital as we move into this highly competitive and uncertain future. The winners will be those organizations that focus on the growth of the workforce to enable the growth of the business. CPM can be the heartbeat of a healthy business.

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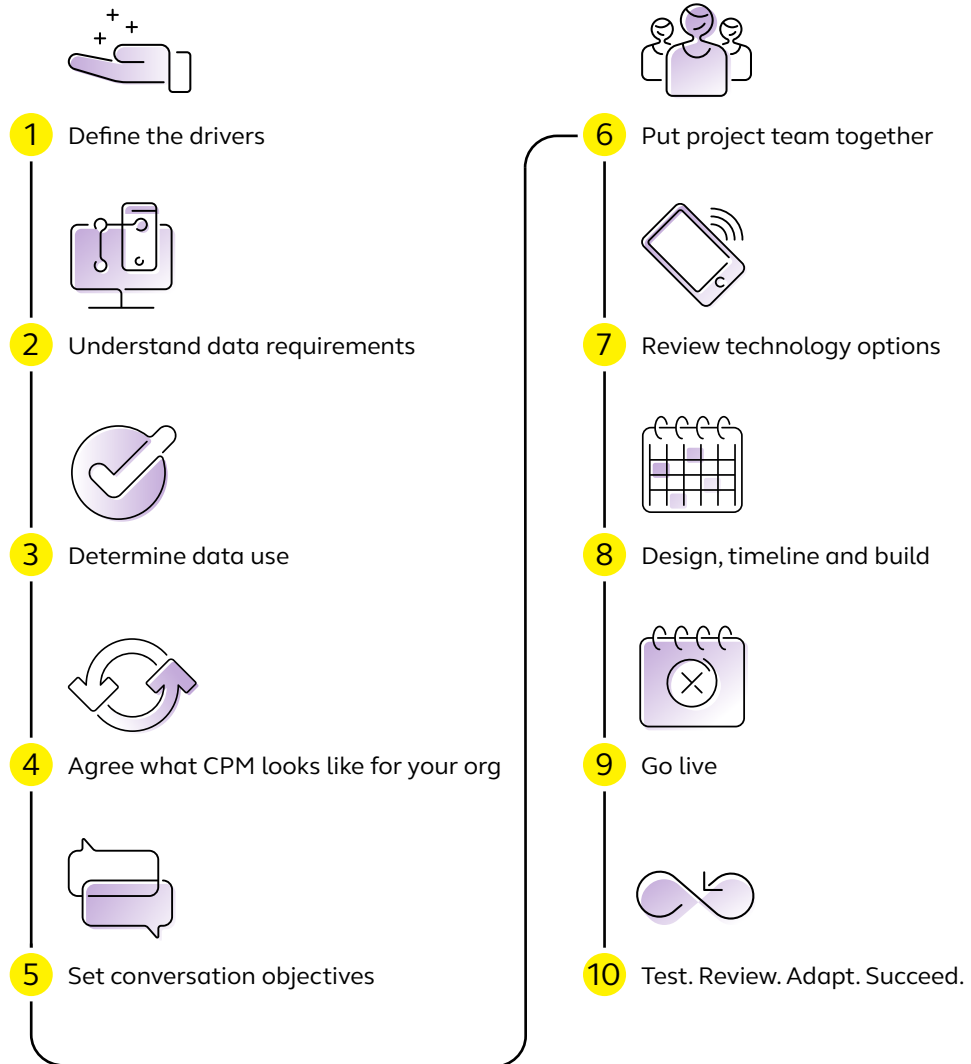
## Getting started

Change will not happen overnight. Habits and 'how we've always done it' change slowly and through persistence. Initially, people might be reluctant to have candid conversations, especially when providing upward feedback.

This will take a period of reeducating employees, but as the process becomes more natural and trust is built, conversations will become more candid.



## 10 steps to CPM project success





## CPM case study



Simple, real time feedback  
for employee development

General Briefing Pack

In 2018, the part of Alight that was NGA Human Resources at the time made the decision to move to Continuous Performance Management from the standard annual review process. At the time, CPM was still a relatively new concept.

As with most fundamental changes, the “DNA” transition was met with skepticism by many across the business. Key concerns were that it would be time consuming, salary reviews would be compromised, and there would be an employee population at the mercy of managers following the process.

Of course, there were teething problems. However, these were addressed via targeted internal communications, training programs and a process of continuous improvement.

Two years in, pulse surveys show that most employees around the world have embraced the process. CPM has not just boosted confidence in their own abilities, it’s enabled career progression and mobility that would otherwise may not have happened, at least within this timeframe.

Rather than consuming time, CPM created time. The monthly check-ins can take just a few minutes or a hour depending on what was to be discussed.

During the COVID pandemic, the meetings were used more intensely to support employees through a period of rapid change and upheaval. Subsequent pulse surveys report that without this regular interaction, many would have struggled with work and with mental health.

The long-term benefits of this have been faster, more efficient and successful delivery against objectives as well as a greater feeling of empathy and belonging. CPM is proving to be a very strong cultural glue as more and more people work remotely.

In summary, CPM has replaced an analogue annual process that was no longer fit for a digital workforce.

### DNA aims to:

Create an employee-driven process

Manage time more efficiently throughout the year

Move away from the focus on compliance to quality conversations

Provide better and more tailored goals

Focus on development, rather than measurement

Motivate and develop employees

Remove the annual rating

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## Conclusion

The objective of CPM is to build a constructive, forward-looking mindset for individuals as well as the business. By default, it creates a culture of ambition.

In summary, CPM encourages:

- Growth mindset
- Culture of ambition
- Clarity on what good looks like
- Collaboration and emotional intelligence
- Self-visibility to boost career and promotion opportunities
- Recognition as an employer of choice
- Business objectives and growth targets to be met

## How can Alight help your organization improve performance?

Through Alight's CPM Booster program, we can help you quickly determine (often within four weeks) the best approach your company should take when moving to a continuous performance management methodology.

CPM Booster from Alight guides you through the decisions you need to make regarding processes and technology. It also helps you identify realistic implementation timelines and recommends change management strategies you should employ when communicating the new performance review process throughout your organization.

### Get in touch

Start your CPM journey today, contact us to learn more and see how we can support you.

[Learn more](#)

### About Alight Solutions

With an unwavering belief that a company's success starts with its people, Alight Solutions is a leading cloud-based provider of integrated digital human capital and business solutions. Leveraging proprietary AI and data analytics, Alight optimizes business process as a service (BPaaS) to deliver superior outcomes for employees and employers across a comprehensive portfolio of services. Alight allows employees to enrich their health, wealth and work while enabling global organizations to achieve a high-performance culture. Alight's 15,000 dedicated colleagues serve more than 30 million employees and family members. Learn how Alight helps organizations of all sizes, including over 70% of the Fortune 100 at [alight.com](https://alight.com).

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