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CLIENT:	15Five
PROJECT:	White paper
OBJECTIVE:	Transcribe a customer interview and perform additional due diligence to create a buyer's guide for continuous performance management software
SUMMARY:	Upon receiving the buyer's guide, longtime client 15Five tasked me with 1) developing a blog article to promote and drive downloads of the guide, and 2) repurposing a customer story created for the guide to use as a standalone case study

15Five

THE HR BUYER'S GUIDE

To Continuous Performance Management Software

15Five

The HR Buyer's Guide To Continuous Performance Management Software

Human Resources, or "People Ops" in modern parlance, has a tough go of things at organizations these days. HR teams are responsible for the entire employee lifecycle from initial recruitment to eventual offboarding. Their role can be thankless, especially when they have to nudge employees and managers to perform administrative tasks like performance reviews. These tasks can number in the thousands at large corporations and can lead to overwhelm.

Luckily, modern software helps facilitate crucial people management processes to keep every employee on track. But, with so many options out there to choose from, how do you decide which type of performance management software is best for your business? How do you explain to the top brass that investing in people is a worthwhile expenditure?

WORRY NOT! WE'RE HERE TO HELP.

We've condensed the best practices for choosing performance management software into 4 main steps:

1. Identify HR pain points

2. Conduct due dilligence

3. Analyze HR solution options

4. Gain executive buy-in

Below we offer sound advice sourced from Human Resources professionals, and include a case study from People Ops expert, Colleen McCreary. You're just four steps away from discovering the right software solution for your company!

Identify HR Pain Points

Qualitatively and quantitatively, the range of employee-related challenges at organizations can be broad. Here are some common scenarios that you may be experiencing:

- **Distressed managers are struggling with team performance and can't figure out how to communicate effectively.**

- **The executive team wants you to revamp a performance process—such as annual reviews—but provides little to no direction as to how or why.**

- **Or, you've simply been inspired by the performance management revolution and decided to create a high-performing culture via a proven software platform.**

No matter what the reason, guesswork won't cut it. That all important first step is figuring out exactly which needs have to be addressed, via a fundamental needs assessment.
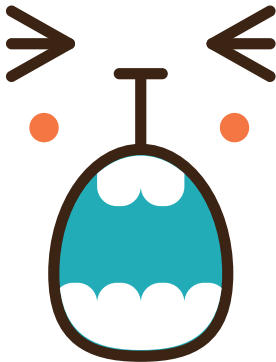
THE FUNDAMENTAL NEEDS ASSESSMENT

Here, you will conduct a survey in which all employees are comfortable providing candid feedback and feel their input is valued. The survey should be comprehensive but manageable, with key considerations across four areas. We've included some sample questions below:

COMMUNICATION

- Do you understand what's expected of you?
- Are you consistently receiving constructive feedback?
- Do you feel informed about what's going on within the company?

EMPLOYEE GROWTH AND DEVELOPMENT

- Are you becoming stronger in areas you've identified for improvement?
- Do you feel as though you're being prepared for the next level in your career?
- Where do you think we're falling short in building your skills and competencies?

PRODUCTIVITY

- Do you have the tools you need to complete your assignments well and on time?
- What's preventing you from managing your time more effectively?
- What resources could we offer to help you be more productive day to day?

COMPENSATION AND PROMOTION

- Are your successes being celebrated?
- Do you understand your pay rate and bonus structure?
- Do you feel that your work has been appraised accurately?

By doing this needs assessment, you can uncover pain points through quantifiable survey data and raw feedback. Hard evidence will also help you make a convincing argument to the executive team later on.

Conduct Due Diligence

There's a plethora of existing research and resources compiled by online review sites, analysts, online publications, and the companies offering you software (i.e. this guide). Performing your due diligence will strengthen your argument for purchasing the necessary technologies to further modernize your People Ops initiatives.

PRO-TIP:

According to #HRWins research, conducted by George LaRocque, mid-sized companies use an average of nine different HR software applications today. In this same research, the top technology pain points were "lack of integration," "gaps in automation," and "too many systems." This leads to wasted administrative time, siloed data, and a poor employee user experience.

Look for performance managemet software that integrates with HRIS to manage the entire cycle of every employee's tenure, from applicant tracking and employee onboarding, to quarterly OKR tracking, employee feedback, and weekly 1-on-1 meeting agendas.

Analysts like Bersin by Deloitte have conducted in-depth research to determine the most effective performance management system. They mention product options, but are platform agnostic to give you an unbiased assessment of what is needed for complete performance management.

According to Bersin, continuous performance management must include real-time feedback with mechanisms for performance measurement, coaching, and talent development. For instance:

WEEKLY CHECK-IN: A simple and lightweight Q&A interface allows managers to regularly collect actionable insights about every employee. Consider whether you want to use transparent or anonymous feedback.

PRO-TIP:

Upper management desires visibility, so choose software that allows managers to easily pass up employee feedback.

1-ON-1 MEETING AGENDA TRACKER: Check-ins are not meant to replace regular 1-on-1 meetings, they are meant to inform them. Managers that delve deeper into the most important pieces of feedback can positively impact performance and turn employee challenges into opportunities for discussion and coaching.

GOAL SETTING/OKRS: Working on your business but not in your business? Productivity issues? Misalignments? People not sure about company/team/employee priorities each quarter? Goal setting keeps everyone focused and aligned.

ANNUAL REVIEW ALTERNATIVE: The traditional annual performance review is, at the very least, outdated. Choose software that matches your workplace philosophy and can adequately address employee concerns and executive needs around performance.

Reorienting Credit Karma's People Operations

People and Culture expert Colleen McCreary is Chief People Officer at Credit Karma, where she has revolutionized the multi-billion-dollar startup's approach to everything from employee feedback to compensation plans.

SITUATIONAL ANALYSIS

When Colleen arrived at Credit Karma, the company was exploring opportunities in fields such as mortgage lending to complement its main offer of free credit reports for consumers. It needed a new way of managing its rapidly expanding talent pool to continue providing quality service to existing customers while pursuing product-line extensions.

Colleen first uncovered major organizational pain points in various ways:

- Conducted numerous 1-on-1 meetings in her first two months as the kickoff to a basic needs assessment.

- Identified consistent trends in employee/manager communication using additional surveys. For example, one of the lowest-scoring areas was regular employee feedback, the lack of which fed into other problems like employees not feeling valued.

- Reviewed historical Credit Karma data. She immediately noticed a discrepancy around workers earning bonuses despite receiving low ratings.

- Researched industry studies and reports. Among other things, these showed that bonuses have little impact on worker behavior.

COLLEEN MCCREARY
Position: Chief People Officer, Credit Karma (previously Vevo, Climate Corporation, Zynga)

Expertise: Global HR strategy and execution, software engineering team development and management, organization development from private startups to public enterprises.

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We need to provide people at all levels with the tools to know how to engage in regular ongoing employee feedback and have constructive conversations."

CREDIT KARMA
Service:
Consumer credit-score reporting and financial assistance

Founded:
2007

Location:
San Francisco, CA

Type:
Private

Size:
800 employees

Members:
80 million users

Valuation:
$4 billion

ASSESSING ALTERNATIVES

Buoyed by survey responses supporting the need for changes in employee reviews and compensation, Colleen took next steps on evaluating new platforms that could help improve this dynamic.

Credit Karma at the time was using several different tools, including Reflektive for performance reviews, Culture Amp for monthly surveys, and Google Sheets for salary and bonus tracking.

With her sights set on integration, Colleen compiled a pros/cons analysis of eight different HR tools on the market. Of these, she was most excited about 15Five's continuous performance management software. She had successfully implemented 15Five during her time as CPO at music video and entertainment platform Vevo, which bolstered her proposal to Credit Karma's executive team.

BUILDING A FOUNDATION FOR ADOPTION

Although she had been on board for less than six months, Colleen's fresh eyes offered valuable new perspective to Credit Karma's People Ops initiatives. In proposing a more modern system, she pointed to the two years of review ratings and associated compensation changes she'd discovered. Her point: why keep doing things that weren't working?

Colleen's case resonated. Credit Karma's chief understood the possibilities presented by 15Five's HR software solution and welcomed a paid pilot. This buy-in allowed her to set the rest of the process in motion, which eventually included eliminating

credit karma™

traditional mainstays such as bonus structure, engrained compensation plans, and standard performance reviews.

However, even with CEO support, this was understandably a major departure from entrenched routines. Colleen prepared for pushback by once again turning to key insights from her research, such as:

- Employees at all levels are driven less by financial rewards than previously believed.

- Rather, they're intrinsically motivated by feeling like valued members of the team.

- Newer solutions facilitate this by allowing a regular cadence of communication and check-ins that can render common practices like reviews and bonuses obsolete.

Colleen used these insights and the top-down support she'd earned to pave the way for a successful implementation of 15Five's performance management platform.

Analyze HR Solution Options

Once you make the decision to automate your performance management or adopt a process that is in line with industry experts, you still have to choose from a diverse array of software options. Comb the market landscape to…

- Match the individual features of each program to the specific benefits you're looking for.

- Uncover alternatives that you may not have been aware of or previously considered.

- Show leadership you've done your homework with everyone's best interests in mind.

Establish key criteria for your analysis in collaboration with executives ahead of time, along with any scoring, weighting, or other quantitative measuring stick as appropriate. Their skin in the game lends even more weight to the results.

The good news is that resources already exist that analyze the pros and cons across software platforms for you. A great example of this is G2 Crowd, which aggregates hundreds of thousands of independent customer reviews each month by buyers and users of business solutions. G2 Crowd's software reviews offer advantages that make the search process that much easier:

- Simplifies the overwhelming performance management software landscape (over 160 options!) through a comparison tool that allows you to quickly compare a handful of side-by-side candidates at a time.

- Offers graphic breakdowns of each solution's score, which may be used as reference data and visual aids during executive sell-in presentations.

- Outlines common features of performance management systems as well as buying considerations for HR teams in the market for new software.

Remember, bells and whistles are nice, but your final recommendation should be rooted in the challenges your individual business is solving for and the criteria you crystalized at the outset.

Finding the right performance management software and convincing other stakeholders to implement it at your organization is not as daunting as it sounds.

Begin by conducting an internal survey to identify pain points and then perform external research of the products that will be most responsive to those needs. Follow that up with data and social proof to demonstrate that this will be a worthwhile investment. That will tee you up nicely for a green light from the executive teamand a more welcome reception by managers and employees alike.

Before long your company will reap the benefits that so many other organizations have realized, and your HR team will run more smoothly and effectively than ever before.

Gain Executive Buy-In

By now you've assessed your business's specific HR needs, compiled company and market research, and analyzed a host of options that can help meet those needs. It's time to convince the rest of your organization that the solution you've chosen will, at the end of the day, make their lives easier.

Implementing changes that affect all employees will always begin at the top. Not only must you secure the all-important "Yes" to your recommended direction and budget, you also need to cement leadership's confidence in your strategy. This creates ambassadors at the highest levels who will serve as role models for the rest of the company.

So, how do you do this? Keep these points in mind when building your game plan:

1.
TESTING

Your goal should be to win a trial period or paid pilot. Executives tend to be more open to a paid pilot for new, untested solutions than a wholesale change right away. Before committing significant dollars and time, they want to make sure it will work.

2.
BENEFITS OVER FEATURES

Articulate the barriers tech can overcome so executives understand how staff will become more motivated and productive as a result. Tie the solution back to the problems collectively defined by managers and employees in the survey phase. This makes the benefits tangible and helps overcome resistance to change.

3.
RISK ANALYSIS

Presenting a "perfect solution" could invite skepticism from executives who value objective feedback and decision making. Credibly address the risks up front, which gives you the opportunity to show how you'd troubleshoot them and why this actually makes your recommendation less risky than other options.

4.
CULTURE

A company's mission and values are its north star. If current processes are preventing you from realizing your goals as an organization or your culture is suffering, then it's time to course-correct. Demonstrate how your recommendation better aligns with the company's core values and how it will impact the culture. For example, some platform options also include employee appreciation software. Do you want to build or reinvigorate a culture of gratitude?

5.
SOCIAL PROOF

Share the success stories/testimonials/case studies from businesses operating at similar sizes or in similar ways who have used the product your are pitching to the C-suite. This can create a sense of FOMO—fear of missing out—as well as reassurance that it works. In other words, "If it's good enough for that Fortune 500, it's good enough for us."

6.
ROADMAP

Leadership wants to know that you not only have a vision for a new system, but that you also have a vision for how it will be rolled out. Where will you start? How will you adjust? What metrics will guide decision making? Paint the whole picture to give them confidence that you've considered every step of the way.