

which, among other things, employees post status updates, photos, and two or three weekly goals that can be viewed by fellow staffers. Even more immediate: new software from a Toronto startup called Rypple that lets people post Twitter-length questions about their performance in exchange for anonymous feedback. Companies ranging from sandwich chain Great Harvest Bread Company to Firefox developer Mozilla have signed on as clients.

Such initiatives upend the dreaded rite of annual reviews by making performance feedback a much more real-time and ongoing process. Stanford University management professor Robert Sutton argues that performance reviews “mostly suck” because they’re conceived from the top rather than designed with employees’ needs in mind. “If you have regular conversations with people, and they know where they stand, then the performance evaluation is maybe unnecessary,” says Sutton.

What Rypple’s and Accenture’s tools do is create a process in which evaluations become dynamic—and more democratic. Rypple, for example, gives employees the chance to post brief, 140-character questions, such as “What did you think of my presentation?” or “How can I run meetings better?” The queries are e-mailed to managers, peers, or anyone else the user selects. Short anonymous responses are then aggregated and sent back, providing a quick-and-dirty 360-degree review. The basic service is free. But corporate clients can pay for a premium version that includes tech support, extra security, and analysis of which topics figure highest in employee posts. Rypple’s co-founders have also launched software called TouchBase that’s meant to replace the standard annual review with quick monthly surveys and discussions.

Accenture’s software, which it’s using internally and hoping to sell to outside clients, is more about motivating employees than it is about measuring them. With help from management guru Marcus Buckingham, the consultancy’s product has a similar look and feel to other

corporate social networks. The major difference is that users are expected to post brief goals for the week on their profile page, as well as a couple for each quarter. If they don’t, the lack of goals is visible to their managers, who are also alerted of the omission by e-mail. By prompting people to document and adjust their goals constantly, Accenture hopes the formal discussion will improve. “You don’t have to desperately re-create examples of what you’ve done,” says Buckingham. Typically, “managers and employees are scrambling to fill [evaluation forms] out in the 24 hours before HR calls saying ‘where’s yours?’”

If having your performance goals posted for the world to see sounds a bit Orwellian, consider this: Rypple reports that some two-thirds of the questions posted on its service come from managers wanting feedback about business questions or their own performance. The biggest payoff of these social-network-style tools may prove to be better performance by the boss.

SOURCE: Jena McGregor, “Performance Review Takes a Page from Facebook,” *BusinessWeek*, March 12, 2009, www.businessweek.com.

Questions

1. Based on the information given, discuss how well Performance Multiplier and Rypple meet the criteria for effective performance management: fit with strategy, validity, reliability, acceptability, and specific feedback.
2. How suitable would these tools be for fulfilling the strategic, administrative, and developmental purposes of performance management?
3. Think of a job you currently hold, used to have, or would like to have. Imagine that this employer introduced Performance Multiplier or Rypple to your workplace. Describe one area of your performance you would like to seek feedback about, and identify which people you would ask to provide that feedback. What concerns, if any, would you have about using this system to seek feedback about your performance?

Case: When Good Reviews Go Bad

Based on her performance reviews at Merrill Lynch, Kathleen Bostjancic was amazing, at least for a few years. In one appraisal report, her boss said Bostjancic “continues to deliver top-caliber product,” and he wrote, “Her judgment is impeccable.” After three years, her pay more than doubled to reflect her apparent value to the company.

Then something changed; Bostjancic noticed the difference around the time she took a maternity leave. Her economist boss phoned and asked her to take on a newly created position, Washington policy analyst. But when

she returned to work with a plan for the position, her plan was rejected, and tension grew. A year later, Bostjancic’s boss issued a memo advising her that her work must “improve dramatically.” Seven months later, she was told that she was being laid off in a downsizing effort; the company hired a replacement two months afterward.

A former Citigroup employee also recalls that good reviews before maternity leave didn’t do much to help her situation when she returned to work. Wan Li says one performance appraisal after another reported that she was exceeding expectations. Then as she neared maternity