

INDUSTRY SPOTLIGHT

“The world isn’t really on an annual cycle anymore for anything.”

The way millennials are used to working and getting feedback is more frequent, faster, mobile-enabled.”



Susan Peters
Head of HR, GE

General Electric’s Real-Time Performance Evolution



Like many of its peers (Ford, Microsoft, Accenture, etc) who enjoyed tremendous growth in the last century, General Electric utilized a very structured annual review system.

Promoted by former CEO Jack Welch and formally dubbed the “vitality curve” the methodology and summed employees’ performance down to a number on which they were judged and ranked against peers. A bottom percentage (10% in GE’s case) of underperformers were then let go.

Faced with a changing business landscape (GE has recently divested several lines of business) and a rising millennial workforce, Susan Peters - GE’s Head of Human Resources - has done away with the traditional review to head off three challenges:

An increasingly complex business landscape. As GE’s businesses expanded to an even more global scale and through novel digital channels, the company would have many more stimuli that it would have to manage. In order to be agile to necessary changes, performance and goals needed to adapt much more often than annually.

A tendency toward siloes. As teams spanned geographies and functions, keeping everyone aligned proved to be difficult. Teams worked and communicated in multiple technologies systems it cumbersome to collaborate and necessitated formal scheduling instead of serendipitous contributions and feedback.

Inertia against talent development. As traditional reviews looked backwards and didn’t give employees a chance to course-correct, Susan wanted a new process and methodology for managers to coach and guide their employees on things they could change immediately - moving the entire bell curve on the scale.

General Electric's Performance Playbook

GE's HR department rolled out a mobile app, built by a team from growing group of software engineers in Silicon Valley, called Performance Development at GE, "PD@GE" for short.

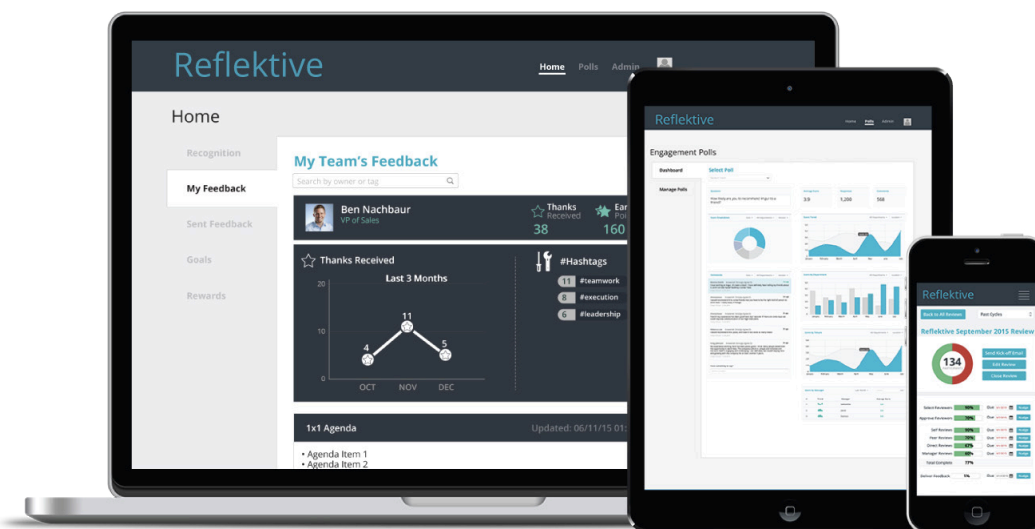
Each employee has a series of near-term goals, or "priorities." Managers would then have frequent discussions, called "touchpoints," on progress toward those goals and note what was discussed, committed, and accomplished. The app can provide summaries on command, through typed notes, photographs of a notepad, or even voice recordings.

In a divergence from tradition top-down feedback, employees can give or request feedback at any point through a feature called "insights," which isn't limited to their immediate manager, or even their division.

To encourage this continuous feedback, the app has a decidedly positive tone. Employees categorize the feedback they give in one of two forms: **To continue doing something** or to **consider changing something**.

Managers still have an annual summary conversation with employees around December where they look back at the year and set goals, but has become far less rigid and formal. The HR edict is that conversation should not be all that different from the touchpoint conversations expected to occur throughout the year, and unrelated decisions on things like pay or advancement. By the end of this year (2016), all of GE's 300,000 employees will be on this new system.

How to Give Feedback Like GE



Reflektive's Real-Time Feedback Solution offers embedded modules (e.g. within Outlook and Gmail) and standalone applications for employees to give and receive feedback in real time.

Fast-growth companies like Pinterest, Instacart and Lyft engage and develop their employees using a holistic system of feedback, recognition, and ongoing reviews