Upping the performance management ante

Effective feedback is a vital part of any performance management system. *HR Leader* examines KPMG's upward feedback system and how the firm has benefited as a result

Since Geoff Wilson took the helm of KPMG as CEO two-and-a-half years ago, there has been a cultural and strategic shift in the organisation, with a number of initiatives being implemented as the firm works to deliver its five-year plan.

One of HR's initiatives focused on helping the firm's 400 partners seek and act on feedback to drive continual improvements in performance. In order to this, partners needed feedback on both what results are achieved and how those results are achieved.

"Broadly speaking performance management is about setting a consistent set of metrics which our people are measured against," explains Nicole Makin, project leader – strategic people initiatives, in the people, performance and culture division of KPMG. "It is designed to support us in recognising and rewarding our top talent."

In order to effectively provide this information KPMG needed a simple but flexible system that could easily collect and report this to the partners via an upward feedback system. The feedback needed to be used as an input into assessment, to help formulate goals for the coming year and to aid development planning. The system also had to be very easy to use, minimise email traffic and enable real conversations, rather than allowing people to hide behind systems.

KPMG opted for an "upward feedback" system, based on the Acelero platform, which allows partners to receive direct feedback from any person in the organisation on their behavioural and leadership strengths and weaknesses. Choosing this particular system was one of the key factors to the success of the initiative.

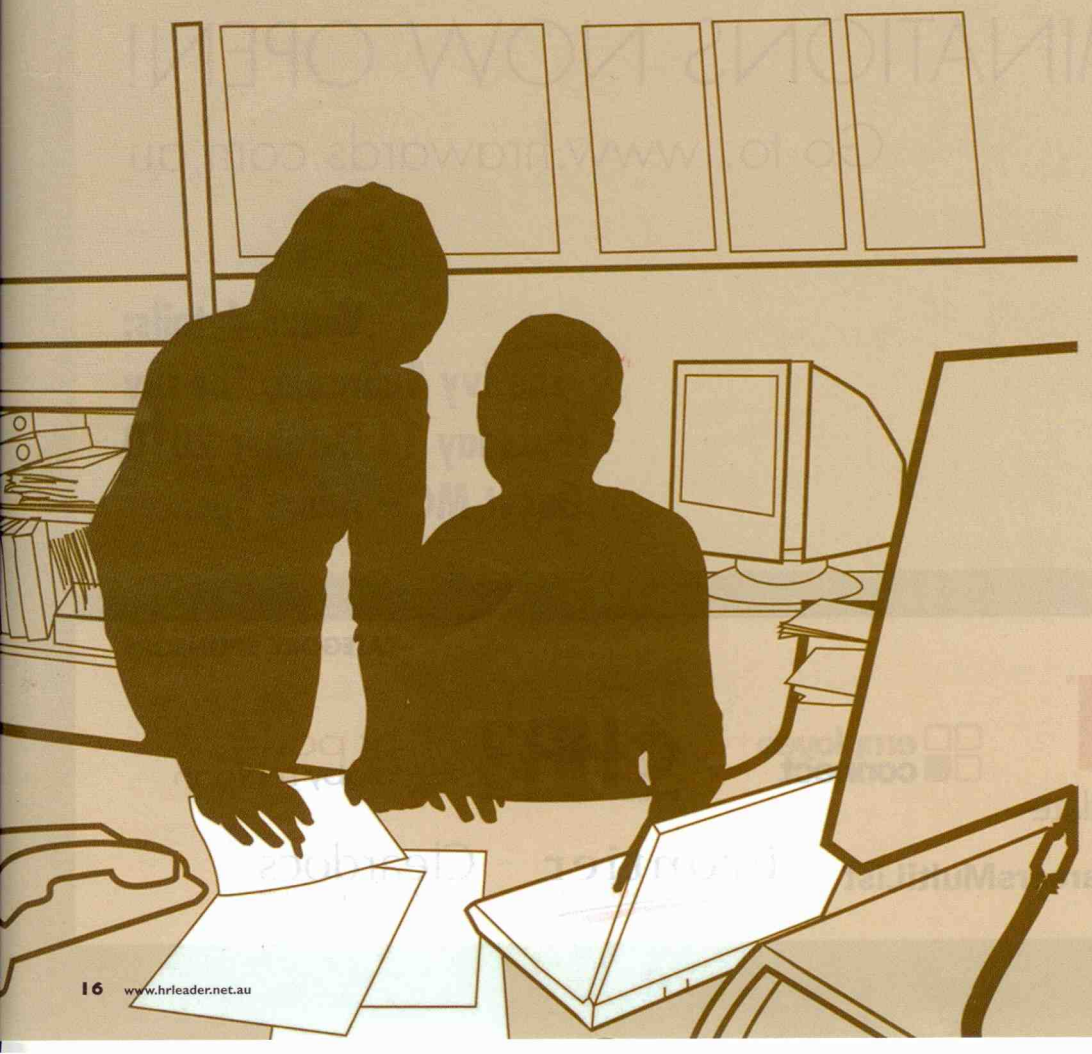
"Any person can provide upward feedback to any of our partners and executive directors at any point in time," says Makin. "We needed the partnership to support this initiative in order for it to be successful. The take up by the partnership has been very strong – they were engaged and really encouraged their staff to provide feedback, with the expectation that the feedback provided will be funneled into their performance assessment."

KPMG's audit group, for example, was particularly responsive to this process. Makin explains that they placed it as an agenda item at every meeting, developed a set of metrics and provided weekly measurement updates against those metrics.

"This year the feedback will be used to help partners and executive directors set their development plans and we have noticed an increase in the number of partners asking for help with their development plans since we launched upward feedback. On the other side of the coin, our employees feel that the feedback provided is important and valued," she affirms.

Many managing partners have been pleasantly surprised by the feedback from their teams, and found out a lot of positive attributes they didn't know about, which will ultimately assist decision making and training within the firm.

KPMG originally ran a pilot with a select partner group, and Makin says this pilot was integral to the decision to implement it throughout the firm. "In hindsight we could have done more testing to ensure the process was as smooth for the whole of the group, but we were eager to do a full rollout," she says.



ROLLING OUT A SYSTEM:
ADVICE FROM THE FRONTLINES

- Have a thorough idea of your system requirements and guiding principles, and partner with a vendor from the beginning in the design process. By partnering with Acelero early on, the advise, experience and expertise actually shaped the design of the system.
- Take the time to do a test run with a pilot. This mitigates risk, reduces debate on design and creates an opportunity to iron out any potential problems before the system is rolled out company wide. Really focus on wording of questions, keeping in mind the wide audience who will be responding and the impact of this on future leadership behaviours.
- Engage people – after the pilot, workshop with participants. An unexpected bonus of this process was that despite the fact the focus of the initiative was on partners, employees felt really valued at being asked for their feedback on leaders, and were therefore engaged.

Source: KPMG