Managing employee performance at ION Trading

Rapid growth can easily outpace a company's ability to effectively manage the performance of its employees. The urgent need to react to sales deadlines or other growth pressures may outweigh the need to meaningfully link company objectives to individual work plans throughout the year.

High tech company ION Trading found itself in this situation, doubling in size every year, while expanding internationally. With 80 staff, the organisation was at the point where it was time to develop more effective, and more formal, human resource practices.

Specifically, the company needed to assess and manage the culture of the business, and develop a formal system of linking performance and reward.

"As a software company, 70 per cent of our costs are in people. We can't overlook that," said Angela Gamba, CRO and acting head of HR at ION.

As a first stage in this process, ION approached Getfeedback, an innovator in human capital management and organisational development.

Slowing down with a staged approach

Rather than move immediately to establish this link between performance and reward, Getfeedback recommended a staged approach to help change the culture and gather feedback. Since ION had staff in five different countries, it was determined that an online solution was the most practical.

What resulted was an online 360-degree appraisal system that would determine the cultural practices of the company and find out the extent to which ION walked the talk. For example, was teamwork a reality across the business, as well as an ideal? The appraisal system also assessed individual competencies. Did ION have the right people in the right places in the company?

Communication, management buy-in and follow-up are key

Getfeedback identified three key factors that would help make the project a success, the first being the importance of establishing ongoing two-way communication between management and employees throughout the whole project

"In an effective performance management system, employees should feel that the process is interactive, not something that is being done to them," said Allison Gill, CEO of Getfeedback.

As with any large-scale change initiative, buy-in from the senior management team was also important. Employees needed to understand that management was serious about the initiative.

Finally, Getfeedback encourage ION to follow through. Once the 360 survey was completed, the next step would be to act on the feedback and set new objectives. Individuals would receive ongoing performance and development feedback resulting from the 360 appraisal as part of individual work plans throughout the year.

The 360 appraisal proved to be an excellent first step in the process to link performance and rewards. The new technology was well adapted by staff, and trust in the process was indicated by the honesty of their replies.

ION now plans to move to a full performance and rewards system, with individual performance objectives to be established between employees and managers.