05.2021 | REPORT

# How am I doing? Getting the most out of performance feedback

# Introduction

As employers strive to get the most out of their workforce, the topic of feedback has become one of the hottest in business today. In the UK particularly, where the "productivity puzzle" of weak productivity growth since the 2008 recession, has vexed senior business leaders, feedback has been viewed as a potential solution. While most agree feedback is important, there are wildly differing opinions on the best way it should be given.

Theories such as Bridgewater Associates "radical transparency", also known as "radical candour", which encourages organisations to be open about everything and not shy away from difficult conversations, have encouraged organisations to embrace a more candid approach. Organisations like Amazon and Netflix attribute part of their success to a culture of blunt and direct feedback. Recently, there has been a backlash against this, led by Marcus Buckingham and Ashley Goodall who argue that feedback works best if it encourages strengths and focuses on what an individual does well, rather than homing in on their weaknesses and what they do badly.

Whatever method an organisation adopts, the important thing is to find an approach that supports a positive culture that encourages employees to improve their performance and develop their talents. At Appraisd, we work with our customers to help them achieve this, listening to the valuable feedback they give to us on what they want from the tool.

Employees must be at the heart of any effective performance development strategy and getting feedback right can be an incredibly powerful tool to help them grow and evolve. Conversely, getting feedback wrong can be extremely dangerous and destructive for individuals, creating toxic working environments.

At a time when so many employees are experiencing working remotely for the first time, relevant and timely feedback has become even more important. Having the reassurance from managers and colleagues that your efforts are appreciated and that you're doing a good job is vital to maintain focus and motivation.

To explore what performance feedback employees currently receive, how they feel about it, what they value about it and what they would like to change we commissioned a OnePoll survey with 2,000 employees working in businesses with 50 employees or more. This report examines the results and offers practical insights and ideas on how to ensure employees get feedback that is useful, relevant and positive. We hope you find these fresh insights on the topic useful and they help you to build a positive feedback culture within your own organisation.

**Roly Walter**
Founder
Appraisd

**About Roly Walter**
Roly launched online performance management system Appraisd in 2012. Since then, it has been adopted by hundreds of businesses and is used by tens of thousands of employees around the world. Roly began his career as a Business Analyst at Goldman Sachs designing global online HR tools. It was this experience that inspired him to design and launch Appraisd.

# Contents

# What do we mean by feedback?

Feedback is a broad term which can mean a range of different things to different people. This report will focus on performance feedback. A quick "thank you" or "good job" at the right time can be just as valuable, and sometimes even more so, than a more considered, in-depth analysis. What the report wants to get to the heart of is the impact and value feedback on performance has for employees and managers and what could be done more effectively to ensure it works as a positive rather than negative force.

> ## Operating without feedback is like cooking without tasting the food.
>
> Joel Peterson
> Former Chairman
> JetBlue Airways

# Why is feedback good for workplace culture?

Very few people work in isolation. Whatever their role or position in an organisation their work will impact, either directly or indirectly, other people across the business. However self-sufficient or confident they are in their own skills; they want to know what they are spending their time on is hitting the mark. Without feedback, employees work in a bubble, isolated from their colleagues, unaware if they are on track to complete their own goals or contribute effectively to the overall goals of the business. In fact, 69% of employees say they would work harder if their efforts were recognised. Increasingly employees want to work in organisations where they feel their personal growth and development is valued and encouraged. To illustrate how strong this desire is, 75% of employees say their personal development is important to them and 42% highlight learning and development opportunities as the most important benefit to consider when looking for a new job.

Companies too recognise the many benefits of embracing feedback. A survey by Globoforce found 89% of HR leaders believe on-going peer feedback and check-ins have a positive impact on an organisation. This positive impact can be seen in several different ways, for example companies that encourage regular feedback have 15% lower staff turnover rates.

Feedback is an important element required to create engagement in the workplace, alongside other key criteria such as clear objectives, trust and transparency. If employees know what they do well and what areas could be improved, they can take ownership of their personal development and feel they have some control in their career path. Engaged employees have been shown to have a positive impact on the bottom line. A study at the University of East Anglia, Norwich Business School looked at company ratings on Glassdoor. It found those companies rated more highly by their employees earned an additional 10% to 16% extra revenue over a 4-year period.

# How important is feedback to employees?

In our last survey, Checking in on check-ins, employees said the most important part of their check-ins was the opportunity to give and receive feedback. They wholeheartedly embraced the idea of having regular conversations in order to facilitate more regular feedback opportunities.

## 50%
of employees rate feedback as the most important outcome from check-ins with their line manager.

Our new survey delved further into the topic, seeking to establish how much feedback employees currently get, how comfortable they are giving and receiving it and what improvements they would like made.

The survey revealed that feedback is something that employees do value and appreciate. 61% said they would like to work in an organisation that embraces a feedback culture, where all employees are encouraged to give each other feedback on their performance. Only 8% said they would not like to work in such an environment.

## Younger employees show the strongest preference

It is noticeable that younger employees, those aged 34 and below, are particularly keen to work in an organisation that embraces feedback. Nearly one third (32%) stated a strong preference to work in such an environment and almost three quarters (71%) said they would appreciate it.

As these employees are starting out on their careers, it's perhaps unsurprising that this age group is the most positive about feedback as they look to establish themselves and improve their skills. However, those aged between 35 and 54 were still strongly in favour of working somewhere that feedback is positively encouraged, with 60% saying they would prefer it and only 7% saying that they would not. It is only those aged 55 and over where there is significant drop off. Only 47% would prefer to work somewhere that feedback is encouraged and 14% would not.

The fact that many of those deep into their careers would like to work somewhere that embraces performance developing, shows a shift in the workplace over the last few years. Employees want to continue learning, developing and challenging themselves, no matter what their age. With careers potentially spanning 50 years or even more, people realise that there are opportunities to grow or change direction throughout their working lives. The rapid pace of technological change is also fuelling this desire for feedback, as new skills are required at an ever-increasing pace in order to stay relevant.

# Why is feedback good for workplace culture?

## How useful is it?

The employees who responded to our survey, gave the feedback they are receiving an average score of 6.32 out of 10. A third, 33%, rated the feedback

# 60%

employees aged between 35 and 54 prefer to work somewhere where feedback is positively encouraged.

they were receiving at 5 or less and 10% said they don't currently receive any feedback at all. Only 9% rated the feedback they are getting as 10 out of 10. This shows employees are only moderately happy with what they are getting at the moment and there is plenty of room for improvement.

Drilling down further into the results it was interesting to see that there was very little difference in the scores given either between genders or age groups. It is clear the picture is patchy across the board, with some finding it very useful and just as many finding it not useful at all. Even the most satisfied age group, those age 25 to 34, only rated their feedback as 6.49 out of 10.

Younger employees were more likely to be getting feedback than their older counterparts but not necessarily finding it more useful. Only 6% of those aged 18 to 24 are not receiving any, compared to 14% of those aged 55 and over.

# 6.32 out of 10

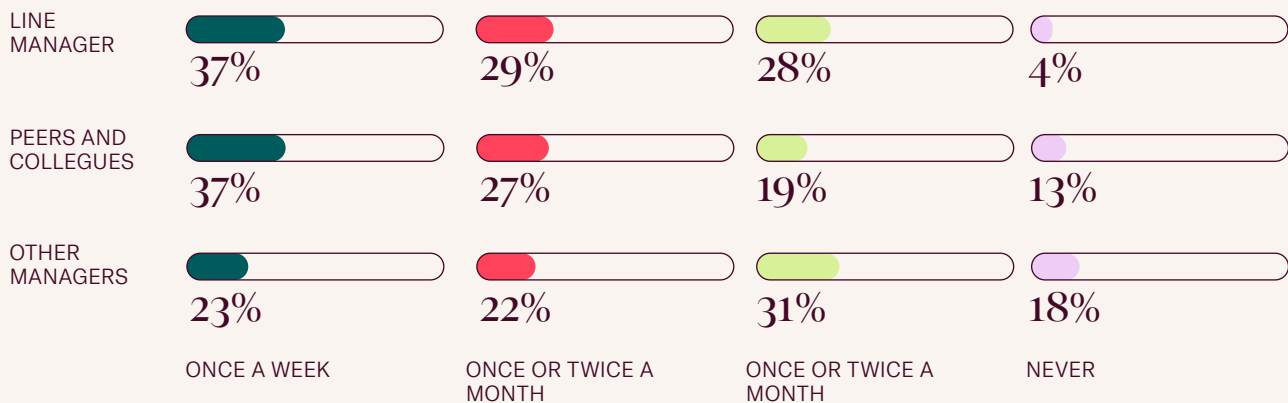The average score employees give the feedback they currently receive.

## Who are employees getting feedback from?

Line managers provide the most feedback to employees. In our survey, 37% of respondents said they get feedback from their line manager at least once a week.  At the other end of the scale, 12% said their line manager only gave them feedback once a year and 4% said their line manager never gave them feedback at all. These figures show employees are having wildly different experiences around feedback and the amount received depends on the organisation and the individuals involved.

Alongside line managers, employees are also getting feedback from a variety of other sources. The results of the survey show that employees are also getting a significant amount of feedback from their peers and colleagues. 37% say they receive it at least once a week, with only 13% stating that they never get any colleague feedback at all. Feedback is also coming from other managers, with 23% receiving it from managers who don't manage them directly at least once a week.

These figures reveal that many are working in an environment where feedback is encouraged. It also shows that this is far from the case for everyone and there are still a significant number of employees who get feedback infrequently or not at all.

## How often do you receive feedback on your performance from the following people

| | ONCE A WEEK | ONCE OR TWICE A MONTH | ONCE OR TWICE A MONTH | NEVER |
|---|---|---|---|---|
| **LINE MANAGER** | 37% | 29% | 28% | 4% |
| **PEERS AND COLLEGUES** | 37% | 27% | 19% | 13% |
| **OTHER MANAGERS** | 23% | 22% | 31% | 18% |

# The gender feedback gap. Women are missing out

Whether it is from line managers, other mangers or peers, women are receiving less feedback than men. To illustrate the difference, **43% of men get feedback at least once a week compared to just 29% of women.** At the other end of the scale, **10% of men get feedback from their line manager once a year or less, compared to 14% of women.**

The difference between the genders was a running theme throughout the survey, with women missing out in many different areas. There seems to be significant gender gap here, with women not getting the information that can help them develop and progress their careers.

This is an issue that employers must be aware of and address if they are going to create greater equality and facilitate more diversity in the workplace. They can help alleviate the issue by encouraging women to ask for feedback if they are not getting it. Proactively following this up through HR will help give women the confidence to speak up if it's not happening and take the onus off them to be the ones driving the process. Using a tool to deliver feedback will also provide valuable data to show who is giving and receiving feedback and to discover if any particular employees or teams are missing out.

# Are managers getting feedback from their direct reports?

The survey also quizzed employees who have managerial responsibilities to see what feedback they were getting from their direct reports. It discovered just over a quarter, 26%, are getting feedback once or more a week. It also found that 18% never get feedback from the people they manage and 6% get it only once or less a year. This means around a quarter of managers could be missing out on vital information on how to improve their management capabilities and may not have a clear picture of what their employees feel about their performance or how they can help their team develop more effectively.

## Do employees feel they are getting the right amount of feedback?

Around half of the employees, 53%, who took part in the survey felt they were receiving about the right amount of feedback on their performance, which means almost half of employees aren't happy with the level of feedback that they are getting. 11% feel they are being overloaded and get too much feedback, unable to process everything they are being told effectively, 36% feel they would like more feedback, 21% say a little more would be useful while 15% feel they don't get nearly enough.

# 18%

of line managers never get feedback from the people they manage.

## Women want more

While the same number of men and women were satisfied with the amount of feedback they are receiving, significantly more women feel they would like more – 38% compared to 31%. This supports other results in the survey, which reveal that women are not getting the feedback that they would like.

There could be a number of reasons for this, such as men may feel more comfortable and confident to ask for feedback or that managers feel less certain about giving feedback to women, especially if it may be perceived as critical. Research has shown that leaders often give male employees specific and direct feedback, that can help them achieve their goals. Meanwhile women are more likely to receive vague and personality-based feedback, that is not relevant to their objectives and not useful in helping them develop.

## Don't forget older employees

While it might be tempting to focus on younger employees, those who have more experience are still keen to receive feedback to know that they're making a positive contribution. Employees aged over 45 feel they are missing out, more so than their younger colleagues. 39% would like to get more feedback and 18% would like to get a lot more feedback. This compares to 33% of those aged under 45 wanting more feedback, with 13% wanting a lot more. Employers need to be mindful that performance feedback is useful to all employees, no matter their age or experience, so should look at creating a culture where everyone feels comfortable to share their opinions and are included in the process.

## Are employees working in feedback-friendly cultures?

Workplace culture has an enormous impact on how successful performance feedback will be. Organisations must clearly demonstrate that feedback is welcome and valued at all levels and that it is not just a top-down process. It must be able flow in all directions and even involve contacts outside the organisation such as agencies or customers. Managers don't have all the answers, there is plenty they can learn from more junior members of staff. Being open and receptive to feedback from wherever it may come can help all employees develop, ideas to thrive and greater levels of creativity.

The survey revealed that 61% of employees feel their employer embraces a feedback culture, with 20% saying that their organisation wholeheartedly supports this. This means almost 4 in 10 organisations have not created environments that value feedback.

Younger employees are much more likely to believe they work in an organisation that encourages feedback – 78% of 18 – 24-year olds agree compared to just 45% of over 55s. Perhaps this is because younger employees are more drawn towards organisations that embrace a culture where employees are actively encouraged to be proactive about their development and their opinions are valued.and their opinions are valued.

# Who are employees comfortable giving feedback to?

The survey found employees are generally comfortable giving feedback to their line managers and peers. Where they are less comfortable is giving feedback to other managers and direct reports.

The survey again highlights a wide difference between genders. For example, 71% of men feel comfortable giving feedback to other managers and 21% feel uncomfortable. Just 55% of women feel comfortable and 35% feel uncomfortable. Women are also far less comfortable giving feedback to direct reports – just 51% feel comfortable compared to 68% of men.

This once more emphasises the need for organisations to pay special attention to female employees in this area and ensure they have the skills and confidence to give and receive performance feedback. Research has shown that women are more likely than men to be affected by imposter syndrome – feeling like they don't have the skills or talent to be in their role. These feelings of inadequacy may explain why women feel less comfortable giving feedback. Employers who recognise this and put in place training to help boost self-confidence, could also help close the gender gap when it comes to feedback helping women to fulfill their potential.

## How encouraged do employees feel to give feedback?

Just as employees feel most comfortable giving feedback to their line manager, they also feel most encouraged to give feedback to them too. 39% say they don't feel encouraged to give other managers feedback at all. Surprisingly 20% of managers say they don't feel encouraged to give feedback to their direct reports, which is worrying. These employees are likely to be missing out hugely. Without feedback their career development could be seriously hampered. It is highly likely they will lack focus, as well as motivation, and not know they are likely to lack focus and not know if they are doing a job that is valued and appreciated.

# The benefits of feedback

To improve feedback within an organisation, it's not only important to create the right culture, it's also vital to understand what value employees get out of it. Finding out what positive aspects employees get from receiving feedback will help businesses to create more effective processes. This will ensure they focus future training and performance models on the right areas, concentrating on what employees find most useful.

The most popular five answers given in our survey on the benefits of feedback are:

## 47%
It helps me to understand how I can produce better work

## 39%
It helps me to develop my skillsets

## 38%
It helps me to improve my own self-awareness

## 37%
It allows me to be recognised for my work and behaviour

## 36%
It lets me know what areas I need to work on

## Feedback is a very personal thing

While the concept of feedback should be embraced across an entire organisation, employees are keen that any feedback given should stay personal to them or just between themselves and their line manager. 34% say feedback should just be seen by the person it is about and a further 35% say the line manager of that person should also be able to see it too. Only 8% are happy for everyone in the company to see it. Organisations need to be especially mindful of the sensitive nature of this information and ensure feedback can be given and received in the right environment, safely and securely.

This shows that employees appreciate the link between feedback and their own personal development. Any feedback system should be connected to the learning and development team, so they are able to quickly act on any areas that an employee wants to improve. It also highlights how valued recognition is to employees and how important it is for colleagues or managers to take the time and effort to offer praise for a job well done. Employers need to fully realise the power this holds by facilitating and encouraging this part of feedback as much as possible. It also reveals how useful feedback can be when working in a team environment. Employees want to know how they come across to others and ensure their actions and behaviours are appropriate and not negatively affecting those around them. Going forward, as it is highly likely more employees will be working remotely for at least some of the time, employers need to think about how they can implement an effective online feedback system, which allows employees to stay connected and feel part of a team, no matter where they are working. Only 9% of employees feel that there were no benefits to feedback, indicating just how important it is for employers to get this right.

# How could the quality of feedback be improved?

While employees have shown that they overwhelmingly appreciate the benefits feedback on their performance has to offer, they are not particularly satisfied with the quality of feedback they are getting now. The average rating of 6.32 out of 10 shows there is plenty of room for improvement. One obvious area to look at is training.

## Employees want more training

Employees have a desire for more training on how to give feedback and an even higher desire for training on how to make the best use of it. A surprisingly small number of employees say they have had training on either. More than a third of respondents say they have never had training but would be keen to get it. Women have received substantially less training than men and would very much like to have more.

Younger employees are more likely to have had training on how to give and make the best use of feedback than older ones but despite this, they are the group that would appreciate more training the most. For example, 35% of those aged 25 to 34 have received the most training of any age group about how to give feedback. However, 40% have not had training and would appreciate it, the highest rate of any age range. This shows how attuned this age group is to the benefits of feedback and are keen to make the most of it.

## Employees that have had training on feedback and would like training on feedback

| | MEN | WOMEN | TOTAL |
|---|---|---|---|
| Have had training on how to give feedback | 36% | 24% | 30% |
| Would like training on how to give feedback | 31% | 39% | 35% |
| Have had training on how to make the best use of feedback | 31% | 24% | 26% |
| Would like training on how to make the best use of feedback | 36% | 45% | 41% |
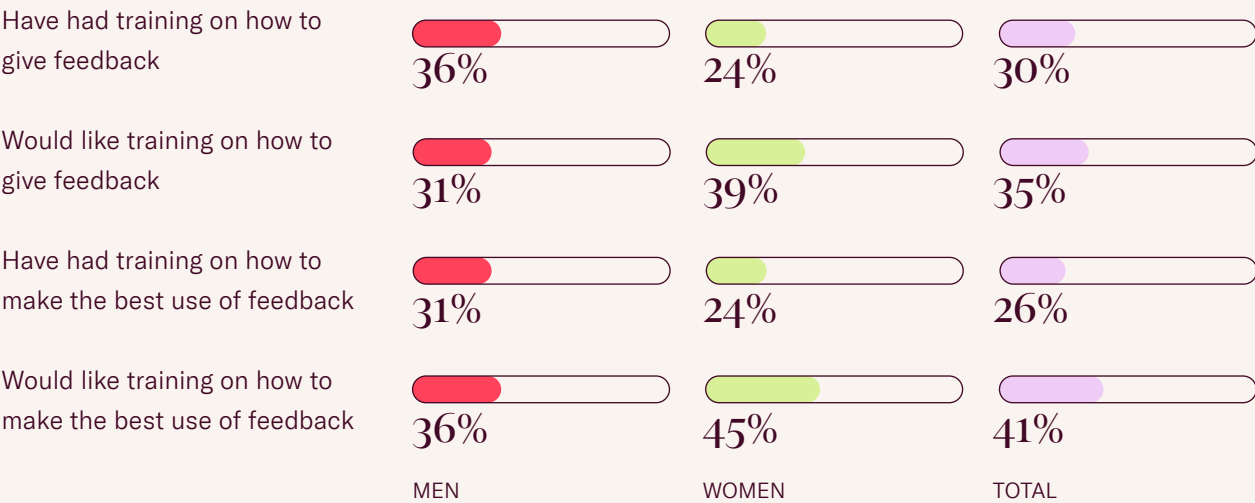
# Feedback in action

Our survey shows employees have a clear preference to work in an environment that embraces feedback, but how do you do that in practice? Aimee Swartz, Learning Lead – Design & Technology at global software organisation Exact shares their experience of introducing a feedback culture.

When we set out to re-invent our performance review process, we knew we wanted to include a focus on feedback, especially peer-to-peer feedback as this was completely missing from our old process. As part of our development process we did a lot of workshops with employees as well as surveys and a pilot of the new process.

From all of this we discovered that feedback was an area where employees lacked confidence in terms of giving (and receiving) constructive feedback. Based on this we knew that it was an area that we would have to give additional support. We drafted a process guide that provided an in-depth look into all aspects of the process as well as a quick guide devoted entirely to tips about giving and receiving feedback.

In addition to this, simultaneously to rolling out the process, we provided feedback training to all employees in the organisation. The training was not about the mechanics of giving feedback in the tool (this was simple, so little training was required) but instead focused more on the "why" and the "how" to give good, constructive feedback.

We understand that to truly develop a culture of feedback (where it previously didn't exist) it will take time and a lot of nurturing. We are planning to offer further feedback training later this year

and are also working with managers so that they can coach their team members about the quality of the feedback they are giving.

Ultimately our aim is to achieve a true feedback culture where employees feel secure in the fact that everyone is working together towards common goals. Everyone will understand that the motivation for providing feedback is to improve results and there is no need to feel defensive when receiving it.

Our employees have told us that they appreciate being able to gather feedback from the people that they choose. In a way it allows them to build a case about what they've been up to, their strengths and what other's value in their work. Managers have also commented that their reviews are richer when they include feedback from other sources as it allows them insight into their team member that they are not normally able to access.



**Aimee Swartz**
Former Principal Learning
Exact

# Tips for getting feedback right

Developing an effective feedback culture requires commitment from the top. It also requires time, resources and planning to establish what is needed in your organisation and what approach would best suit your employees. Marc Earnshaw, an experienced People & Performance Development Consultant, who spent 12 years at recruitment consultant firm Robert Walters, shares his tips on how to get feedback right:

● **Understand the wider company culture and connect "feedback" to it.** For example, if you want to have a growth mindset in your organisation, feedback and openness is critical.

● **It starts at the top, but it needs to go both ways.** Leaders who give and receive feedback frequently and openly will see that behaviour cascade through the organisation.

● **Build feedback into other company processes.** For example, during the hiring process, evaluate candidates' abilities to give and receive feedback and explore how comfortable they are doing that. This will set expectations early and means they can understand and take onboard the approach once they've started. Don't wait until their probation review after their first three months to give them feedback on how they're doing, take the opportunity to be timely and relevant.

● **Think about the principle of "little and often".** Giving and receiving feedback shouldn't be a once a year "event". If it's going to be effective it should be something that happens day in, day out - your people should know that's "how we do things round here".

● **Give people help and support to do it better.** Formal training is one option, but a simple how-to guide or short video clips can be more effective and timely (remember, people may not want to wait two months for a training course, they might want help five minutes before their check-in!).

● **Listening is vital.** If you receive feedback, act upon it. Let people know what happened as a result of the feedback they gave or what you're going to do differently as a result of it. It's important that employees can see feedback being followed up and making a difference.

● **Use it positively.** Remember, positive feedback provides recognition for a job well done - it reinforces the positive behaviours you want to see more of and can make a huge difference to an employee's motivation.

● **Give it in-the-moment.** When giving "corrective" feedback for example, doing so in-the-moment gives the person real-time information upon which to act and can prevent them going further off-course.

● **Use the tools available to you to record or share it.** Your appraisal platform is a good place to keep a note of it so that you don't forget what happened and can demonstrate your progress. An internal comms tool like Workplace can be a good place to share recognition publicly.

**Marc Earnshaw**
People & Performance Development Consultant

# Summary

## Employees want feedback

More than 9 out of 10 employees believe it has some benefits. They want to know how well they are performing, how they can improve their skills and effectiveness, how they can work better with others and to know when they have done a good job. They value this feedback most from their line manager, but they also want it from a variety of other sources, especially peers/colleagues, but also direct reports, other managers and customers.

## There is plenty of scope from improvement

Employees rated the quality of feedback they are receiving as barely more than satisfactory. Only 16% would rate what they receive as exceptional. Women in particular feel they are missing out and want to feel they have permission to ask for more and receive training to boost their skills and confidence.

## The benefits of feedback vary for different sections of the workforce

Those entering the workforce are most enthusiastic about working in an organisation that embraces feedback, but a majority of older workers favour working in that kind of culture too. Perhaps unsurprisingly, younger employees want feedback to improve their performance and skillsets. For older employees with more experience, they value the recognition feedback can provide.

## There is a gender gap when it comes to feedback

The results of the survey reveal significant difference between the experiences of men and women. Women are likely to receive less feedback, feel less comfortable giving it and had less training on the subject. These differences could have a major influence on everything from pay to career progression. It important that employers investigate how they can address this and ensure all employees are treated equally, enjoying the same opportunities regardless of gender.

## Training is vital

Giving and knowing how to use feedback effectively is a skill. It is not something that comes naturally to everyone. Organisations need to invest in providing more training to give employees the confidence and encouragement they need to make the most of feedback and feel emboldened to ask for it if the feedback they need is not forthcoming.

## Timeliness is key

Whatever approach an organisation decides to take towards feedback, the crucial thing is that it must be delivered in a timely manner. Holding on to information for weeks, months or even a whole year makes it significantly less relevant and useful. Employers need to consider how best they can facilitate the quick and easy flow of insights and ideas to create a feedback-friendly culture that benefits everyone.
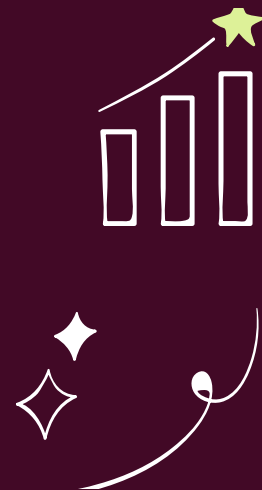
# Appraisd

Find out how feedback could enhance your approach to performance management.