CORNERSTONE POLICY SPOTLIGHT SERIES

Actionable Next Steps

Providing actionable next steps right after a performance review is one of the nine cornerstone policies that companies can implement today to help untapped talent enter, thrive, and stay in the workforce. To access the rest of the policies, read the <u>full System Upgrade report</u> today.

WHAT ARE ACTIONABLE NEXT STEPS?

When conducted effectively, internal review processes can offer clear pathways for advancement, specific feedback, and actionable guidance, empowering employees to advance their careers. However, this isn't the case for many Black, Latina, Native American (BLNA) women in the tech industry, who indicate receiving less candid and constructive feedback compared to White women. Moreover, a <u>Gallup survey</u> found that only 14% of employees strongly agreed that their performance reviews inspired them to improve. It's clear that refining pathways for advancement after reviews is critical for the entire workforce.

Having a performance review without actionable next steps is like driving a car without a destination; you might move forward, but you're navigating without a clear path or purpose. This lack of direction can leave employees feeling adrift and uncertain about their professional growth and can leave managers frustrated. Fortunately, companies can improve this process by quaranteeing actionable steps for growth immediately after evaluations.³

DID YOU KNOW?

01 Foster Skill Building

Only 30% of employees strongly agree their manager involves them in goal setting. However these employees are four times more likely to be engaged than other employees. Offering actionable next steps post-performance review can help individuals understand how their contributions impact the organization and encourage them to develop skills and behaviors that support the company's mission and vision.

02 Conduct Effective Reviews

A Gallup poll identified the **three qualities that make performance reviews effective:** achievement-oriented, fair and accurate, and developmental.⁵

03 Guide Careers

A study found that 49% of respondents believe that not having access to good career advice negatively impacted their job trajectory. By identifying areas for improvement and providing guidance on how to address them, actionable next steps can help employees enhance their work.



30% **94**% **45**%

Of companies are more likely to meet their financial targets if they conduct effective performance reviews.⁷

Of employees, according to LinkedIn, would be inclined to stay longer at a company if it prioritized investing in their career development. 8 Of BLNA women in the technical workforce believe that providing actionable next steps for development or advancement right after a performance review had a significant impact on their decision to join, remain at, or advance within their companies.⁹

POLICY IN PRACTICE



Meet Chloe, a recent graduate who just finished her first year in an entry**level engineering role.** She feels ready to advance to a junior-level position where she can take on more responsibility. While she is nervous about going through the annual performance review process for the first time, she remembers that her company has a policy requiring every performance review to be followed by actionable next steps tailored to the employee's career goals and areas for improvement. Chloe is excited to learn what steps she can take to advance.

Chloe receives clear guidance on what she needs to focus on to enhance her skills and the opportunities she can take to demonstrate her growth and capability to fill a junior-level position. Over the following months, she diligently works on her action plan, meeting regularly with her manager to ensure the planned steps are effective. As a result, Chloe gains more confidence in her abilities, strengthens her skills, and within three months, her manager officially moves Chloe into a junior-level engineering role as they had planned.

Providing actionable steps for employees like Chloe enhances their career development and contributes to the company's success by fostering a skilled and innovative workforce.

POLICY PAIRINGS

If you're looking to supercharge your actionable next steps strategy, consider also implementing the recommended cornerstones:

- Provide accessible Internal Jobs Board
- Offer professional development programs

6 DESIGN OUESTIONS

It's not just about offering actionable next steps—it's about intentional design. Organizations can ensure their policies and practices are accessible and effective—and thereby efficient—by asking six key design questions:

1	How can we use quantitative and qualitative data to identify how pain points differ for each group?	Use surveys and performance metrics to identify unique challenges employees face with performance reviews and next steps.
2	How can we offer employees multiple relevant options?	Provide personalized development plans, training resources, mentorship, and cross-functional project opportunities year-round to accommodate diverse learning styles and preferences.
3	Have we ensured that all options are accessible and easy to use?	Create a centralized platform where employees can access next steps, track progress with their reviewer, and provide reviewers with training and tools for effective reviews.
4	How are we communicating frequently and clearly about this practice?	Offer training for managers and employees on effective feedback and action plans. Send regular reminders via email, newsletters, or internal channels about the policy and contact points for questions.
5	How are we promoting a culture that encourages adoption?	Recognize individuals and teams who actively engage with actionable next steps, and managers who reinforce and follow up on them.
6	How are we continuously measuring impact and iterating as needed?	Track key metrics like employee engagement, retention rates, performance improvements, and feedback satisfaction, and request feedback from both reviewers and reviewees for process refinements.

Questions?

Get in touch at impact@rebootrepresentation.org

^{1.} System Upgrade: Rebooting Corporate Policies for Impact (2023). Pg. 41

² Give Performance Reviews That Actually Inspire Employees (2012). 3. System Upgrade: Rebooting Corporate Policies for Impact (2023). 4. Give Performance Reviews That Actually Inspire Employees (2017). 5. Give Performance Reviews That Actually Inspire Employees (2017).

^{6. 6} Reasons Why Employee Development Is Key (2024)

^{7.} How to communicate the value of performance reviews (2023)

^{8. &}lt;u>Developing Employees and Improving Performance</u>
9. <u>System Upgrade: Rebooting Corporate Policies for Impact</u> (2023). Pg. 42