

Performance Management Maturity Model

	Performance Management Impact	Business Impact
Level Leadir	4 their personal and professional aspirations; near-term and long-term goals are revised on a	Transformational and sustained business success
PM ¹ m ² ^{ct} ¹ ^{tr} ^{49%} PM ¹ m ² ^{tr} ⁶ ^{to¹⁰} Level 3 Developing	Performance Management supports achievement of our business goals, but needs enhancement to differentiate us from our competition. A system of continuous performance development is established, but is not fully aligned with organizational goals. Near-term and long-term goal setting is moving from annual to as-needed based on employee and organizational objectives, but more more employee participation is needed. PM is mostly or fully automated.	Competitive parity, and is beginning to have an impact on business growth.
Processical Level 2	PM is still largely annual, top-down, and process-oriented, but steps are underway to involve employees, and create a coaching culture focused on in-the-moment feedback and more frequent performance conversations. PM technology is present or on its way.	Business process effectiveness
Level 1	No formal performance management program, or sporadic and inconsistent assessment of individual performance in a top-down format with little employee involvement and without linkage to business strategy. PM is largely paper-based or with partial automation.	Business hindrance

Source: 2017 Brandon Hall Group Performance Management Study Percentages reflect number of organizations at each level of maturity.

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