6 Reasons

To **STOP** managing your people with spreadsheets

Everyone loves a good spreadsheet. But if you have more than a few hundred employees, tracking performance, training, and succession with them is the stuff of nightmares. Spreadsheets and paper-based processes can't give you deep, real-time insight into how your employees are performing or how to make them—and your company—more successful.

But a performance management system can.

Our clients shared their reasons for making the switch from spreadsheet to software. Which one tops your list?

Reason No. 1

We never had enough time.

If you're relying on spreadsheets to track performance and training, you're also spending a lot of time finding and filing information. Manual tracking doubles your administrative workload—which leaves less time for more strategic contributions.

Our clients find that a performance management (PM) system slashes the hours it takes to access employee data, which in turn reduces stress and saves money. Don't take our word for it: a Bersin study showed 85% of companies implementing performance management systems experience positive business impact.[1]

> **"** Implementing an automated technology solution is one of the highest-impact changes an organization can make to its employee performance management strategy.[1]

Reason No. 2

We needed to reduce data entry mistakes.

With all the manual entry involved in spreadsheets and docs, mistakes are bound to happen. Plus, it's difficult to track reviews and comp plans that require approval from multiple people, and there's always a risk of compliance snafus if you can't prove training's been completed.

When your business grows, these problems only worsen. Yet with a PM system, you can eliminate duplicate efforts and put the kibosh on human error.

Reason No. 3

We couldn't take action on our performance management results.

Performance management and training plans should work in tandem. Yet creating plans from spreadsheets and annual reviews doesn't ever really work, does it? Without a way to integrate performance with training, annual evaluations simply aren't actionable.

Put purpose and value back into the process. Use systems that link performance with leadership development and learning—from week to week, not year to year. Your success depends on it: according to Bersin, "Companies should no longer consider learning management systems and performance / succession management systems as separate applications. The two now belong together and comprise a critical infrastructure for development-driven performance management.""[2]

Reason No. 4

We couldn't access data quickly for executives.

It takes time—hours—to compile employee information. *Yet your leaders expect you to deliver that information in mere minutes.* With a PM system, you can immediately access records, reviews, and succession opportunities—the whole kitchen sink. You're always prepared for that next audit and ready to meet with your management team at the drop of a hat.

The result? Because you're up to date on compliance training, you can worry less about regulatory fines. Because you can look across and into your entire organization to determine future leaders, you're making better long-term business decisions. As the Hay Group puts it, HR is..."about making sure that the organization is fit to execute its business strategy."[3] That's the true crux of a talent system.

> " HR is about making sure that the organization is fit to execute its business strategy.

Reason No. 5

## We needed scalability to manage growth.

If you're struggling with manual tracking now, imagine the paperwork you'll have when your company grows. Unfortunately, number of spreadsheets and rate of expansion have an ugly one-to-one relationship. Many clients sought us out when they planned for growth and realized their manual processes simply wouldn't be able to keep up.

The right system will allow you to manage more employees and faster growth due to more efficiency around compliance tracking, succession planning, and recruiting. And businesses in high-growth mode get this: Ernst & Young found that high-performing companies are more likely to invest in talent management to meet their organization's financial targets over lower-performers (45% vs. 36%).[4]

" ...high-performing companies are more likely to invest in talent management to meet their organization's financial targets over lower-performers (45% vs. 36%).

Reason No. 6

We needed to retain our top talent to stay competitive.
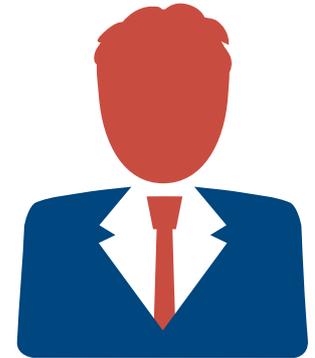
Your people are a powerful resource, and recognizing top talent is key to keeping them. Yet if you're relying on paper-based tracking, you'll never really know who your top talent is or what they're contributing.

With tools designed to identify and incentivize high performers, a PM system helps you hold onto your superstars. Bersin found businesses with tightly aligned talent processes experienced 40% less turnover of high performers and had a 156% greater ability to "develop great leaders."[5]

" ...businesses with tightly aligned talent processes experienced 40% less turnover of high performers.

5 Talent Management Systems 2013: Market Analysis, Trends and Provider Profiles, p. 21.

Cornerstone

ONDEMAND *Empowering People*

Spreadsheets can't bridge the gap between people management and your CEO's business goals. A smart performance management system helps you find and keep the best talent, plan for succession, and spend less time on data gathering—and more time on strategy. But where do you start? Check out Cornerstone. For more than a decade we've helped 1,500 clients source, develop, and retain their talent with tools that are both powerful and easy to use. Start the conversation at *csod.com*.

Cornerstone OnDemand is a leader in cloud-based applications for talent management. Our solutions help organizations recruit, train, manage and connect their employees, empowering their people and increasing workforce productivity. To learn more, visit *CornerstoneOnDemand.com*.