THE CONVERSATION

Academic rigour, journalistic flair

Getty Images

# Job performance reviews are outdated and often pointless. Why do we still use them?

Published: March 13, 2026 11.40am NZDT

https://theconversation.com/job-performance-reviews-are-outdated-and-often-pointless-why-do-we-still-use-them-277366

Every year organisations roll out their refreshed strategies, new KPIs and ambitious goals for the year ahead.

But despite the changing pace in work patterns, technology and workforce requirements, one thing remains stubbornly static: individual performance reviews.

Most of us will recognise how these show up in the workplace: the classic assessment form with boxes to be ticked, rating scales from one to ten, and that awkward blank space for “additional feedback”.

We know these processes are outdated. Researchers have shown for years such systems are backward-looking, can distort worker behaviour, and overlook collaboration and learning.

We know they are retrospective assessments of narrowly defined individual “quality”. And we know they often fail to reflect the real work people do (versus what they are rewarded for).

But year after year they persist. So why keep using them?

## A workplace disconnect

There is substantial research showing why conventional performance appraisal and KPI (key performance indicator) regimes disappoint. Part of the problem is the way they blur the line between pay and performance.

Management scholars have long distinguished performance measurement (for pay and promotion) from performance improvement (for learning and development).

Collapsing both aims into a single annualised process fuels an inherent tension between two quite different activities.

Even more problematic is the timing. Delayed, yearly feedback tends to be outdated and of limited use, missing crucial opportunities for improvement throughout the year.

One widely cited review concluded that formal, ratings-heavy systems are “tedious and low-value”. The work of improving performance, it proposed, happens through having ongoing expectations, giving real-time feedback and offering opportunities for development – not in annual rituals.

A 2024 survey of performance management by global consultancy Betterworks echoed this. While most workplace leaders rated their performance management processes highly, it found, employees saw a very different picture: 44% said those processes were a “significant failure”.

In fact, employees were 57% less likely than leaders to believe performance management was working well. Why such a disconnect and why does it persist?

## The illusion of objectivity

Cornell University’s Center for Advanced Human Resource Studies offers some clues. Its 2025 analysis of performance management trends showed traditional systems remain in place not because they work well, but because they are:

- institutionally embedded, usually tied to remuneration, promotions, compliance and human resource cycles
- perceived as objective even when they are not
- time-consuming to revise, making organisations reluctant to overhaul them
- misaligned with what employees want, with only one in five motivated by current systems.

Conventional employee performance metrics – output per hour, number of tasks completed, sales quotas – were built for an era when work was predictable and place-based. They fail to capture what drives organisational success today.

Social scientists have repeatedly warned that when a metric becomes a target, it stops being a good measure because people alter their behaviour to score well on the indicator itself.

In practice, “over-optimising” to a KPI nudges people to game the numbers or incentivises the wrong behaviours. Workers take shortcuts or work too much rather than improve the actual outcome of that work.

Organisations see the same pattern on a broader scale: counting outputs and chasing quotas can depress quality, long-term value and collaboration.

This is especially true when automation takes over routine tasks and human contributions shift toward creativity, problem-solving and long-term value creation – things that are hard to reduce to a single metric.

Conversely, when performance metrics lack clarity, supervisors' subjective opinions tend to substitute for actual data.

Yet many workplaces still default to old metrics simply because they are familiar, quantifiable and embedded. The irony is striking: organisations have more employee information than ever before, yet many performance systems still rely on out-of-date snapshots and reductive metrics.

As one expert notes, complex performance realities are often oversimplified into frameworks that "manufacture" quantitative data to create the illusion of objectivity.

## What if we measured what really matters?

Research on modern high-performance management approaches indicates a strong move away from inflexible annual reviews in favour of ongoing, manager-supported performance conversations.

Changes that drive more effective employee motivation and engagement include:

- continuous, real-time feedback
- short-term, adaptable objectives
- informal, ongoing conversations between managers and staff
- "360-degree input", where performance insights come from multiple colleagues, giving a more balanced view of how someone works with others
- future-focused development rather than scoring past performance.

These approaches better reflect how the best work actually happens: bit by bit, collaboratively and often unpredictably.

As organisations set their goals for the new financial year, perhaps the most meaningful metric they can adopt is one that measures the effectiveness of performance metrics themselves.

Do they inspire growth? Do they capture real value? Do they motivate? Do they reflect the actual work their employees perform?

Answering those questions offers an opportunity to identify what no longer serves us. For many workplaces, performance metrics might be the most overdue area for review.

**Danaë Anderson**

Lecturer in Occupational Health and Safety, Te Herenga Waka — Victoria University of Wellington

**Jeremy Morrow**
Senior Lecturer, Business School, Auckland University of Technology

## Languages

Français
English

## DOI

https://doi.org/10.64628/AA.3krfm6uqa