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The Performance Management System Buyer's Checklist

Performance management is more than just annual reviews or goal-setting. Did you know 80% of employees who receive meaningful feedback weekly are highly engaged? Or that companies with strong talent development strategies see 30% higher revenue? The right performance management software can help you achieve these results.

This checklist is here to make finding the perfect system easier, helping you focus on what truly matters to empower your team and drive real growth. Use a separate checklist for each software vendor you're considering.

Performance Management Features That Matter

Does the performance management system you're eyeing have the basic features you need, as well as advanced functionality?

Ensure the system can cover your needs now and as your company grows. As you vet systems, check the box next to each function it offers.

Basic Functions

- ☐ Set team and individual goals
- ☐ Deploy performance reviews smoothly
- ☐ Easily collect review information
- ☐ Export performance data
- ☐ Use performance data to inform managers of top performers

Unique Functions

- ☐ Align and manage goals
- ☐ Allow goal and task feedback from managers
- ☐ Real-time progress updates
- ☐ Visual representation of goal progress
- ☐ Public recognition functions for engagement
- ☐ Social collaboration elements
- ☐ Library of performance review templates, including self-assessments and 360-degree reviews
- ☐ Automated and customized review workflows
- ☐ Custom reports and dashboards with AI-enhanced analytics
- ☐ Compensation planning tools or integrations
- ☐ Employee engagement surveys

Need more than a checklist to make your decision?

Download our in-depth Performance Management System Buyer's Guide.

Get the Guide

36 Questions To Ask Your PM Vendor

The choice to go with one software solution over another depends on a unique mix of factors for every business. It's helpful to have every detail on hand so you can accurately evaluate systems with leadership and make the most informed choice.

We created a list of questions you can keep close by during performance management software demos. Ensure the systems you consider are covered when it comes to accessibility, simple integration, flexibility, affordability, optimal training and support, and high functionality.

Vendor Comparison

1. How long has the vendor been in business, and how many clients use the software?
2. What industries and size of business does the vendor typically serve?
3. Who guides the development of the software, and are customer suggestions usually considered or implemented?
4. What types of customer reviews does the company receive, and how does it respond to negative reviews?
5. What awards has the vendor received?
6. How are technical and customer support functions rated?
7. What does the customer service program look like?
8. How often are feature updates or improvements released? How are customers informed?
9. How often does the system get new features? What are some features coming out in the next release?

Software Functionality

10. Does the system include performance review templates?
11. Can I create custom reviews?
12. Can I create my own rating scales?
13. Does the system automatically notify or remind employees to complete open performance reviews, including manager reviews and self-assessments? Can I customize these notifications?
14. What does a completed review look like?
15. Can I create custom reports and dashboards to look at specific data , including performance by department or review cycle completion rates?
16. Does the system offer integrated Learning Management System (LMS) features, such as creating, delivering, and tracking employee development programs?
17. Can the system recommend learning paths or training content based on employees' performance reviews or identified skill gaps?
18. Can the system leverage learning and development data to enhance performance insights?
19. Is the performance management system part of an integrated talent management ecosystem? Can we expand its capabilities in the future with additional modules, features, etc.?

Integration

20 Can the system integrate with our other HR systems? (List the HR systems you're using)

21 Will any third parties need to have access to our performance data?

User Experience

22 What is the user experience like for HR employees managing reviews?

23 What is it like for managers and reviewers?

24 What is it like for employees being reviewed?

25 What is the technology experience level of the average user, and how does this system accommodate those who aren't as tech-savvy?

Training & Support

26 How much time is needed to onboard and train HR, managers, and employee users to the new system?

27 If our employees have technical issues completing reviews, is there an account manager or support team they can reach out to?

28 Does the system provide ongoing training support, for instance, when new HR employees begin using the system or when new features are released?

Data Management & Security

29 What is the system hosted on, and is the data file fast, reliable, and able to grow?

30 How is data exported, and can it integrate into other systems?

31 What security measures does the system provide to protect employee data?

Implementation

32 What is the timeline for implementation?

33 How does the implementation process work?

34 What do we need from our IT department during and post-implementation?

Cost

35 What is included in the package or offer? What's the additional cost of any features or services that are not included?

36 What are the contract and payment terms?

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Need help getting executive buy-in for a Performance Management System or determining which features you can't live without?

Get the Performance Management System Buyer's Guide