Will social technology ever replace traditional Performance Management processes?
Five reasons why the answer is probably "no"
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There has been a lot of discussion over the past year about whether social/facebook/twitter type technology will replace annual or otherwise more traditional performance reviews. I'm sure it will augment them, but I doubt it will ever replace them. Remember when people said "the internet will be the end of brick and mortar retail stores". Well it didn't happen, although it certainly changed how people shop. I believe the same is true for social technology and "traditional" performance reviews. I'm a huge believer in the value of social technology for coaching and ongoing communication. But when it comes to making formal evaluations of someone's value to the organization, these tools have a lot of problems including:

1. **Poor measurement**. Social technology usually emphasizes informal evaluations based on anecdotal comments. One could argue that social technology is more about impression management, popularity, and knowing who to ask for feedback than rigorous, consistent measurement. There is also a distinct absence of well-defined performance criteria in most of the social technology systems I've seen (e.g. well defined goals or competencies).

2. **Lousy analytics.** Social technology tends to rely heavily on qualitative statements as opposed to quantitative ratings. This is a strength from a coaching and feedback perspective, but is a problem from the perspective of calibration, measurement consistency and workforce analytics.

3. **May not work in competitive environments.** People competing for limited resources might distrust or actively try to "game" social technology. I also wonder how well it works in cultures with norms against giving critical feedback.

4. **High potential to create disruption in the company.** One of the things people often joke about Facebook is it is not possible to "dislike" something. Yet constructive feedback requires sharing negative comments from time to time. I cringe to think what might happen when someone posts a comment in social performance technology system saying "his work sucks" or "he is an idiot".

5. **Legal concerns.** It would be interesting to ask the corporate council of a company that had just been sued for unfair promotion or pay practices what they think about social technology systems. I suspect they might describe it as a plaintiff's gold mine of inappropriate comments.

Until I see a social technology system address these five issues, I highly doubt it is the entire future of performance management. And my guess is the more social technology systems try to address these issues, the more they will start to look like more traditional performance management processes. While social technology is a huge benefit for certain aspects of performance management, I don't buy into the "it is the future" standpoint. It is just another tool, even if it is a unique and valuable one.