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Research Brief

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Performance Conversations:

Not a Spectator Sport

Prepared by Frances Chumney, PhD

Introduction and Key Findings

Employee performance depends on far more than leader effort, no matter how effective the leader. Because of this, organizations often ask employees to take ownership of their performance. The logic for this is understandable: employees make dozens of decisions every day that influence results, development, and long-term success. New ADP Talent Solutions research indicates that by itself, this expectation for employees to take ownership of their performance is not enough to create or instill a sense of ownership in most individuals. If organizations want employees to take an active role in managing their performance, development, and growth, it is important to understand the conditions under which ownership emerges.

This brief explores the concept of **co-ownership of performance conversations**. Rather than viewing these conversations as something leaders deliver and employees receive, co-ownership reflects a collaborative view of performance. Employees who experience co-ownership see themselves as active participants in conversations and active contributors to outcomes.

The findings of this work suggest that employees are unlikely to feel ownership over outcomes they do not understand, processes they cannot influence, or conversations in which they have little voice. Employees who viewed themselves as co-owners reported more effective conversations, more useful feedback, stronger support for growth and development, more discussion about their career goals, and more positive performance and development experiences in general. Perhaps more importantly, the findings also suggest that ownership is not created primarily through expectation or accountability; employees were more likely to feel ownership when they understood expectations, understood how performance decisions were made, received feedback that helped them improve, and actively participated in performance conversations.

Key Finding	Practical Insight
Clarity predicts ownership	Employees own what they understand
Helpful feedback that enables improvement predicts ownership	Improvement drives ownership
Participation predicts outcomes	Conversations should be collaborative
Co-owners report stronger development	Ownership and growth move together

Taken together, the findings suggest that ownership may be less about encouraging employees to take responsibility and more about creating conditions that enable employees to influence their own success.

Methodology

This research draws upon data from independent general population studies designed to examine employees' experiences with performance conversation and performance management. Working with a sample of more than 5,000 full-time employees across all industry segmentations in the United States during spring 2026, the analyses focused on employee perceptions of conversation quality, participation, developmental feedback, growth opportunities, role clarity, performance process transparency, and ownership of performance outcomes. The research paid particular attention to employees' perceptions that they are co-owners of performance outcomes and active participants in performance conversations. A series of correlation analyses, regression analyses, group comparisons, and structural equation models were conducted to better understand:

1. what experiences contribute to feelings of co-ownership of performance;
2. what experiences contribute to active participation in performance conversations; and
3. how ownership and participation relate to employee growth and development outcomes.

The findings reported throughout this brief reflect patterns that emerged consistently across these analyses.

Ownership Begins with Clarity

The findings from this research suggest that ownership may begin with understanding. Clarity emerged repeatedly as one of the factors most strongly associated with employee ownership. Employees were more likely to view themselves as co-owners when they understood what was expected of them in their role and understood how performance decisions were made.

In multiple regression analyses, understanding role expectations was the strongest predictor of co-ownership (average β = .177), and understanding how performance decisions were made also contributed significantly to ownership (average β = .115). This pattern is noteworthy because it suggests that ownership requires more than responsibility. Employees appear more willing to take ownership when they understand the standards against which performance will be evaluated and feel confident that performance processes are both understandable and transparent.

The same variables also helped predict active participation in performance conversations. Employees who understood expectations and performance processes were more likely to describe themselves as active participants in discussions with their leaders. These findings suggest that clarity plays two complementary roles simultaneously: it helps employees understand performance, while also creating the conditions under which participation and ownership become possible.

Developmental Feedback Creates Ownership

The findings also suggest that employees distinguish between feedback that e*valuates* performance and feedback that helps *improve* performance. Among the feedback-related variables included in the analyses, feedback that helps employees improve emerged as one of the strongest predictors of co-ownership (average β = .169). Interestingly, positive feedback

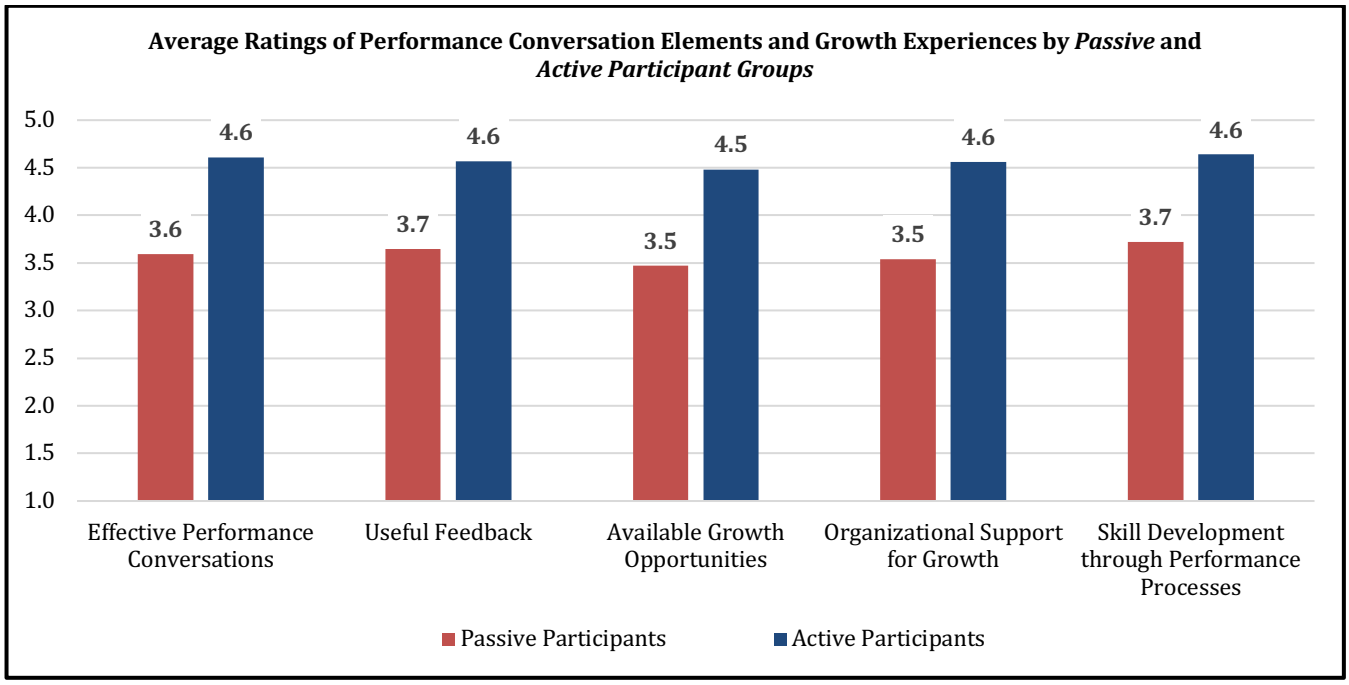
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alone did not uniquely predict ownership once other factors were considered. This distinction helps explain why some performance conversations feel developmental while others feel evaluative. Employees appear more likely to develop ownership when feedback gives them practical information they can use to improve future performance.

Employees who viewed themselves as co-owners reported substantially more positive experiences with developmental feedback. On average, co-owners reported significantly higher agreement that feedback helps them improve (average response of 4.6 compared to an average response of 3.7 from those who do not feel a sense of co-ownership). Together, these findings suggest that ownership develops when employees feel capable of influencing future outcomes. Feedback appears most valuable when it strengthens an employee's ability to take action, learn, grow, and improve.

Participation Changes the Performance Conversation

One of the strongest patterns in the data involved participation. Employees who strongly agreed that they were expected to be active participants in performance conversations reported dramatically more favorable experiences than employees who did not. These differences between those expected to receive feedback vs. those expected to actively participate in performance conversations with their leaders are depicted visually in the chart below (*passive participants* and *active participants*, respectively), are all statistically significant (all $p < .01$) and qualified by large effect sizes (Cohen's $d \geq .80$). Across all 5 of the performance conversation elements included in this graph, active participants have significantly more positive responses.



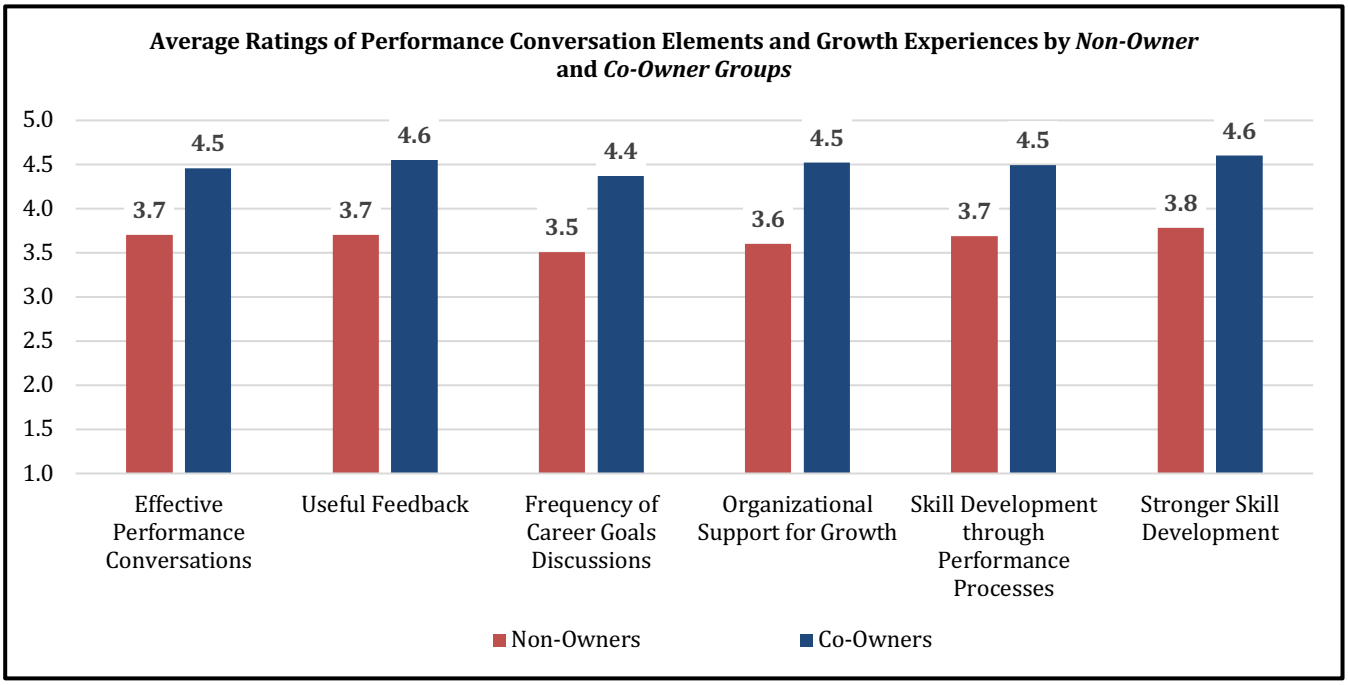
Perhaps more importantly, participation and ownership were closely connected. Participants who identify themselves as co-owners of their performance were more than 3× as likely to strongly agree that they actively participate in performance conversations (62% versus 19%). These findings suggest that participation is more than a conversational technique. It may fundamentally alter the nature of the performance conversation itself. When employees participate actively, performance

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conversations become less about exchanging information and more about jointly understanding performance, identifying opportunities, and planning for future success.

Co-Ownership Strengthens Growth and Development Outcomes

The strongest evidence for the importance of ownership came from its relationship with growth and development outcomes. Across every development-related measure examined, employees who viewed themselves as **co-owners** reported more positive experiences than employees who did not (labeled here as **non-owners**). Average differences in responses between the two groups are depicted in the chart below for 6 of the growth and development outcomes included in this research. As with the results reported above for comparing *passive* and *active participants*, all of the differences examined were statistically significant (all $p < .01$) and qualified by large effect sizes (Cohen's $d \geq .80$).



What makes these findings compelling is their consistency. Co-ownership was associated with feedback, career development, growth, and skill development. The pattern suggests that employees who feel a sense of ownership experience the performance process differently than employees who do not. Specifically, performance conversations appear to become less about evaluation and more about development.

What This Means for Organizations

When viewed together, the findings suggest a relatively simple framework. Employees appear most likely to develop ownership when three conditions are present:

Clarity — employees understand expectations, standards, and performance decision processes.

Development — employees receive feedback that helps them improve and grow.

Participation — employees play an active role in conversations about performance and future success.

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These conditions appear to reinforce one another. Clarity makes participation easier. Developmental feedback helps employees act on performance information. Participation gives employees a meaningful voice in shaping outcomes. Collectively, these experiences appear to foster a stronger sense of ownership and a more developmental performance conversation experience.

Organizations often attempt to build ownership by increasing accountability. The findings from this research suggest a different approach. Employees appear most likely to take ownership when performance conversations help them understand what success looks like, provide guidance they can use, and invite them to participate as partners in the process. The findings presented in this brief (both independent of and in consideration of broader findings from this line of study) indicate that the most effective performance conversations are not the ones managers conduct for employees. The most effective performance conversations are the ones managers and employees create together.

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