*CHAPTER 8*

*Encouraging Employee Development in Reviewing Performance*

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# Quiz 8.1: What is your Interpersonal Style in a Performance Review?

How do you help people develop and improve performance? Even though some performance review systems are better than others, the frame of reference or underlying assumptions of the supervisor or manager can make a bad system work well. Alternatively, a well designed performance appraisal system can have unintended negative effects because of the manager's intentions or frame of reference.[[1]](#endnote-1)

In classical experiments in the 1960's and 1970's, psychologists illustrated the effects of three different approaches – tell-and-sell, tell-and-listen, and problem-solving – in helping employees develop and in improving performance. Each approach implements a different set of assumptions (or a paradigm) for reviewing performance, with unique skill requirements and possible reactions.[[2]](#endnote-2) We added two other paradigms – Counselling and Delegative.

*Directions:*

Complete the questionnaire below and assess your style. Assume you are involved in each of the following twelve situations. Read each item carefully and think about what you would do in each circumstance. Then circle the letter of the alternative that you think would most closely describe your behaviour in the situation presented. Circle only one choice.

1. You've had several friendly conversations with the employee and you are generally concerned with their future. However, their performance is below standard. How would you proceed?

A. Spend time talking with the individual to better understand their needs.

B. Set a clear direction and objectives to follow and listen to issues the employee brings up.

C. Work with the view that the employee can solve their own problems.

D. Work with the employee in understanding their needs and in a coaching-problem solving manner that focuses on personal development and work related problems.

E. Try to be helpful, clearly defining the issue and direction and be persuasive and encouraging.

2. The observable performance of one of your employees is decreasing in your view. Even though she is aware of her roles and responsibilities, she doesn’t seem to get the results others are able to get. How would you proceed?

A. Meet with her and identify the problem and outline a program to improve.

B. Engage in friendly interaction with her, and work with her in seeing ways to address the problem constructively.

C. Do what you can to make her feel her needs are understood.

D. Outline a program for change but be willing to listen to grievances.

E. Observe her more carefully, but take no definite action.

3. Some of the staff in your department are concerned about some organizational changes that might affect their jobs. They are spending a great deal of time talking about it and seemed to be quite stressed. How would you proceed?

A. Review the program and its intent, and also make yourself available and helpful as you listen to them.

B. Be persuasive in encouraging people to recognize the long term goal of the change and remind them that, although there may be ups and downs, the overall change will be beneficial to everyone.

C. Meet with the staffers and work with them in seeing ways to address the problem constructively.

D. Leave them alone because you believe they will be able to work it out.

E. Work closely with the employees by listening, empathizing, and helping them develop their personal solutions.

4. You are considering a major restructuring of jobs in your organization where one position will be eliminated. No one will lose their jobs but there will be a major reshuffling of responsibilities and more work required. Your subordinates have a fine record of accomplishment. They don’t understand the need for this change. How would you proceed?

A. Engage in friendly interaction in meeting with the employees, and work with them in seeing ways to address the proposed change constructively.

B. Meet with the employees to identify why the restructuring is deemed necessary and outline a plan for proceeding.

C. Do what you can to make the staffers feel their needs are understood.

D. Outline a program for change but be willing to listen to grievances.

E. Observe the employees more carefully, but take no definite action.

5. The performance of a few staff members have been dropping during the last few months. You have had complaints from clients and customers. How would you proceed?

A. Do what you can to make the staff members feel that their needs are understood.

B. Outline a program for change but be willing to listen to their possible complaints.

C. Be available to talk to people, but work within the assumption that they are professional and have the capability to work this out.

D. Meet with people to clarify the problem and outline a program to improve.

E. Meet with people informally to try to understand problems.

6. You have heard complaints about your manager from other supervisors and staff members. How would you proceed?

A. Outline a program for change but be willing to listen to their possible complaints.

B. Meet with your manager informally to begin a discussion about staff related issues, but do not bring up the problem until she brings it up.

C. Meet with your manager and make sure she is aware of the situation and try to persuade her to take action.

D. Begin by trying to get this person to open up and discuss her feelings and problems.

E. Be available to talk to her, but work within the assumption that she is professional and has the capability to work this out.

7. Review one of your experiences in a social or school situation when you felt at odds with the purpose or ethics of the group. How did you attempt to resolve it?

A. I began my conversation with the group by sharing my feelings and tried to get them to open up and discuss their feelings.

B. I met with the group and began by identifying the issue and tried to persuade the team in a logical way how the problem should be resolved.

C. I met with the group and began a discussion about the issue. Even though I disagreed with their purpose or ethics, I indicated that personal relationships were always important and that we should find some way to discuss ways to work it out.

D. I outlined a suggestion of what we might do, but I was willing to listen to their possible complaints.

E. I was available to talk to the team, but I work within the assumption that they are grown-ups and have the capability to work this out.

8. Your manager has asked you to implement a downsizing program which involves layoffs. How do you implement it?

A. You plan to meet with each staff member and begin a discussion about downsizing, and then try to engage in a discussion about how you can be helpful to them.

B. You plan to meet with each staff member and clearly define the issues facing the company and indicate clearly how this will impact the staff member.

C. Begin by trying to get this person to open up and discuss his feelings and problems.

D. You plan to meet with each staff member and after clearly outlining the issue and the impact on the staff member, be available to listen to possible grievances and complaints.

E. Be available to talk to people, but work within the assumption that they are professional and have the capability to work this out.

9. Identify a conflict you recently had with one of your friends or spouse. How did you attempt to resolve it?

A. I met with my friend and began by identifying the issue and then tried to persuade her in a logical way to solve the problem.

B. I began my conversation with my friend by sharing my feelings and tried to get them to open up and discuss their feelings.

C. I outlined a suggestion of what we might do, but I was willing to listen to her possible complaints.

D. I met with my friend and began a discussion about the issue. In the beginning part of the discussion, I indicated that my friendship with them was important and wanted to discuss ways to work it out.

E. I left her alone. I work within the assumption that she is a grown-up and has the capability to work this out.

10. Review some of your recent team or small group experiences where you did not agree with the team. How did you attempt to resolve it?

A. I outlined a suggestion of what we might do, but I was willing to listen to their possible complaints.

B. I was available to talk to the team, but I worked within the assumption that they are grown-ups and have the capability to work this out.

C. I met with the group and began a discussion about the issue. In the beginning part of the discussion, I indicated that the team was most important and wanted to discuss ways to work it out.

D. I met with the group and began by identifying the issue and tried to persuade the team in a logical way to solve the problem.

E. I began my conversation with the group by sharing my feelings and tried to get them to open up and discuss their feelings.

# Quiz 8.2 – What defines effective reviews?

If effective reviews resulted in outcomes such as instilling perceptions of fairness, mutual understanding between employees and managers, job satisfaction, and the motivation to improve performance, which are the most important principles for achieving this? Researchers summarized a number of principles in achieving these outcomes. While all principles are important, which ones do you think are the most important?

Rank the following principles with 1 being most important.

\_\_\_\_\_ Principle 1 - Develop a non-threatening process.

\_\_\_\_\_ Principle 2 - Provide a balance in reviewing performance and personality.

\_\_\_\_\_ Principle 3 - Control who talks the most.

\_\_\_\_\_ Principle 4 - Link performance with planning self-development.

\_\_\_\_\_ Principle 5 - Provide opportunities to present ideas and feelings.

\_\_\_\_\_ Principle 6 - Encourage relationships that are helpful and constructive.

\_\_\_\_\_ Principle 7 - Focus on job problems rather than personal problems.

\_\_\_\_\_ Principle 8 - Set future objectives and targets.

Compare your ranking with the research findings.

# Suggested answers to quiz exercises

**Quiz 8.1 results: What is your Interpersonal Style in a Performance Review?**

Circle how you answer each of the questions above and then total the number of answers in each column below.

ALTERNATIVE ACTIONS

1 E B D A C

2 A D B C E

3 B A C E D

4 B D A C E

5 D B E A C

6 C A B D E

7 B D C A E

8 B D A C E

9 A C D B E

10 D A C E B

Total: add up your total number of responses by column

(P1)\_\_\_\_\_\_ (P2)\_\_\_\_\_\_ (P3)\_\_\_\_\_\_ (P4)\_\_\_\_\_\_ (P5)\_\_\_\_\_\_

Each of the columns represents a paradigm or an approach to carry out a performance review.

P1. \_\_\_\_\_Paradigm 1 – Tell-and-Sell: This approach focuses on addressing the problem and carrying out the evaluation, and is less concerned for personal development.

P2. \_\_\_\_\_Paradigm 2– Tell-and-Listen: This approach also focuses on addressing the problem and carrying out the evaluation, but there is some concern for people and their feelings.

P3. \_\_\_\_\_Paradigm 3 – Problem-solving: The problem-solving approach seeks to establish a collaborative relationship in addressing the problem. It is equally concerned with personal development and resolving problems.

P4. \_\_\_\_\_Paradigm 4 – Developmental: A developmental approach is more concerned with personal development, counselling, and responding to individual needs.

P5. \_\_\_\_\_Paradigm 5– Delegative Supervisors are detached. A delegative approach often assumes that people have the expertise and capability to resolve the problem.



Use your results to reflect back on your experiences in relating to others. Review some recent examples. Ask yourself, what is my most likely first response? Do I want to persuade other people to change? Am I better at listening than telling? Do I consciously seek to work through problems with people?

Note your top two scores. Recognize that being a problem solver might be the most socially desirable response and you might have indicted this as your style. What is your second highest score? Is this a reflection of your style?

Review the characteristics and skill requirements of each approach.

*Paradigm 1: The tell-and- sell method*. This is perhaps the most dominant stereotypical frame of reference that managers use in a formal performance appraisal. The objective is to communicate the evaluation of the employee, get acceptance of the need for change, and develop a plan of action for improvement.

The tell-and-sell method might be appropriate if the employee who received the evaluation accepts it and has the desire to correct any problems identified, and if the employee has control over the ability to change. In many situations, employees might not agree with the evaluation or might feel that the process was not fair. In other cases, employees might agree with the need to change – such as improving a professor's ability to interest students in the subject matter or present more realistic examples – but might not be capability of making the changes which students desire. In other cases, employees might regard the suggestions made by superiors to be out of touch with the issues which they have to deal with. This method is often based on the assumption that evaluation is accurate and that the process is fair. Placing the person in a spotlight encourages him/her to hide defects, and become defensive in justifying old behaviours. If the communication is threatening, it may induce frustration, hostility, and stubbornness and a tendency to defend or justify a position rather than search for new or better ways of working.[[3]](#endnote-3)

The skill requirements of the tell-and-sell method, if implemented successfully, rely on the manager's persuasive abilities in getting the person to accept the evaluation and change. The manager has to understand the incentives that might motivate different individuals and be something of a sales person in getting people to buy into it. Two incentives are obvious. An *operative*tactic, similar to removing an undesirable cancerous cell in a surgery, is to make the old behaviour unattractive by punishment or a threat of removal. A *substitution* tactic involves making the new behaviour or alternative attractive by rewarding it when employees accomplish it.

Being defensive and resisting attack is a common reaction for anyone who receives negative evaluation or suggestions that they must change. People who are being judged will want to stand their ground and dig in. Managers may find that employees will be reluctant to make changes. And, even if resistant employees agree to make changes as a result of the interview, they might not take action. The tell-and-sell method is particularly difficult to implement. The evaluation might be "bought" or "half hearted accepted," or refused.

The tell-and-sell approach might be appropriate for employees who are new to a job or in situations when a person is unaware of the appropriate behaviours. Other conditions where it might be useful is in critical situations where change is needed to improve the actions or when employees are asking for or need guidance.

Given these conditions, the tell-and-sell approach can produce long term harm if employees feel unappreciated or if they feel the evaluation is not fair. Given that the loyalty of an employee in an organization often relies on trust and fairness, an evaluation which is seen as unfair can do long term damage to an employee's relationship to the supervisor or organization. Underlying the tell-and-sell approach is a form of top-down communication and a belief that those in higher positions have the knowledge, capability, and right to suggest that people act in certain ways.

The tell-and-sell approach is generally seen as ineffective in encouraging employee development or improving performance. Given that this is the most common approach used, we can understand why employee performance appraisals has been so ineffective generally.

*Paradigm 2: The tell-and-listen approach.* The tell-and-listen approach is based on the idea that we should communicate the evaluation and then offer an opportunity for the employee’s response. The manager reviews the strengths and weaknesses of the person's job performance during the first part of the interview. In the second part of the interview, the manager spends time in listening and understanding the person's feelings, avoiding interruptions and questions. The manager has made a judgement about performance but is willing to listen to disagreement and feelings that the person might have. That is, the verbal expression or release of frustrated feelings might reduce resistance to accepting the performance evaluation and provides the employee with an opportunity to provide input into the manager’s opinion as well as to discuss their job generally.

The tell-and-listen approach looks very much like the tell-and-sell approach when the manager communicates the evaluation. But in the second part of the interview, the manager reverts to a non-directive counsellor, listening and attending to the employee's feelings. The skill requirements include **active listening** or refraining from talking but also trying to understand and empathize with the person's feelings. Other skills include those of *reflecting feelings* or responding to feelings as a way of showing understanding, and *summarizing feelings*, or pulling together and summarizing the key feelings and ideas that the subordinate might have. This helps the employee understand that the manager recognizes that the evaluation might not be totally justified, allowing an opportunity for input from the employee. In doing so, the manager hopes that the employee will be open to taking away ideas that will be helpful in performance improvement.

*Paradigm 3: The problem-solving approach.* The third paradigm is called "problem‑solving" which can also be called a “collaborative-coaching” approach. It recognizes that communication and change need to respond to the mutual needs of the parties. An entirely different objective is implied when a manager calls a group together to develop ideas or make discoveries. The manager's role is to act as coordinator, facilitator, and active listener in facilitating a problem solving discussion. The approach assumes that organizational members are better able than anyone else to define their problems and propose solutions.

The objective of problem‑solving is to stimulate employee growth and development, and create enthusiasm for research and change. Problem‑solving strategies assume that certain alternatives are not yet apparent and they can best be discovered through the combined problem solving efforts. Such strategies seek to identify alternatives by first examining the interests and concerns underlying each party's respective position.

. *Paradigm 4: The Counselling or Helping Interview Style.* Paradigm 4 is called a helping or counselling approach in that its goal is encouraging individuals to take responsibility for themselves. Although not directly a performance review approach, it is a paradigm that counsellors, managers, and fellow employees take on when they are being supportive and responsive in helping people with workplace or personal issues. It is based on the assumption that frustration, anger, and deep dissatisfaction need to be expressed before people can address their problems and change.[[4]](#endnote-4) It assumes that it is unnatural and unhealthy to submerge feelings without expressing them. Instead of creative feelings and constructiveness brought about through problem-solving, there are likely to be feelings of anger and frustration.

*Paradigm 5: The Delegative Interview Approach.* A "delegative" paradigm is one where the manager does not overly involved. In other words, the manager does not get overly involved in being directive. It is a laissez-faire approach where the manager lets things be what they are, and is based on the assumption that employees are mature and capable individuals and are responsible for their own development.

Questions:

* Is it possible that your personal style - the approach you’re most comfortable with - needs to be modified?
* How would you go about ensuring that you’re using an appropriate approach and that the employee is responding?
* How can you avoid falling back to the approach you’re most comfortable with?

## Quiz 8.2 results – What defines effective reviews?

All principles are important although principles 4 to 8 seem to be important than others. The following rankings indicate that the principle impacts more of the 8 possible outcomes variables. The number in ( ) indicates the number of outcomes influenced by the process.

\_\_6\_\_\_ Principle 1 - Develop a Non-threatening Process (4).

\_\_7\_\_\_ Principle 2 - Provide a Balance in Reviewing Performance and Personality (1).

\_\_8\_\_\_ Principle 3 - Control Who Talks the Most (0).

\_\_5\_\_\_ Principle 4 - Link Performance with Planning Self Development (6).

\_\_4\_\_\_ Principle 5 - Provide Opportunities to Present Ideas and Feelings (6).

\_\_3\_\_\_ Principle 6 - Encourage Relationships that are Helpful and Constructive (6).

\_\_2\_\_\_ Principle 7 - Focus on Job Problems Rather than Personal Problems (7).

\_\_1\_\_\_ Principle 8 - Set Future Objectives and Targets (7).

What distinguishes effective reviews from ineffective ones in achieving these outcomes? Researchers[[5]](#endnote-5) suggest that good performance reviews are more likely to result when there is a process for implementation using the following principles:

**1. Developing a non-threatening process.** *The more threatening the manager makes the review, the less likely people will look forward to the review, feel it is fair, be satisfied, or want to perform effectively or improve performance.*Noticeable outcomes associated with using threats include the possibility that employees will see the process as unfair and will be less satisfied with it. People who are under attack are more likely to be defensive in an interview and less likely to be satisfied with the process and motivated to improve and in fact may be demoralized as a result.

**2. Providing a balance in reviewing performance and personality.** *The more focused the review on personality factors, the less likely people will want to improve performance.* There is a general belief and acceptance that personalities and attitudes are important. However, a very quick way to destroy any goodwill in a performance review is to focus on personality and attitude. Most of us are sensitive to comments about our personality and attitude as such statements appear judgemental and prescriptive.

**3. Controlling who talks the most.** *There does not seem to be any relationship between the proportion of time managers talked and any improvement in the outcomes of the review.*Managers who are less effective in performing performance reviews appear to work with the assumption that their role is to give something to the employee. In this sense, one of the processes that seems least effective is to spend time talking, convincing, and persuading the person to change. The proportion of time spoken by subordinates is an indicator of their influence in the review, suggesting that the more ‘air’ time subordinates have, the more satisfied they are with the process.[[6]](#endnote-6)

**4. Linking performance with planning self development.** *When employees see the relevance of the performance review for them, the effects are more positive. They are more likely to look forward to the review, gain more mutual understanding, be satisfied with it, want to improve and actually improve performance.* A manager can improve the success of performance reviews by linking them with an employee's self-development. Performance reviews for improving self-development might not be complementary with rewarding performance for employment decisions (e.g., promotion).[[7]](#endnote-7) For example, when organizations use performance reviews to reward performance or promote people, employees enter the review process with the goal of presenting their best case possible, even if it has blemishes. Being too honest, open, and accurate about performance might affect the rewards a person receives. As a result, an evaluative, summative centered performance review tied to reward and punishments is less likely to be useful for helping the employee respond to problems faced.

There are legitimate managerial goals of: (i) rewarding or (ii) assisting people with self-development to improve performance. Perhaps, different systems should be used for each goal rather than to try to use one system for both.

**5. Providing opportunities to present ideas and feelings.** *When employees can present ideas and feelings about their performance, they are more likely to look forward to the review, gain more mutual understanding, feel it is fair, be satisfied with it, want to improve and value the review process.*  In addition to spending time talking employees find it helpful when they can present ideas and feelings in their review. Performance reviews that succeed emphasize employee input where managers are like a sounding board or resource in providing ideas or information about how things might be improved.

**6. Encouraging supervisorial relationships which are helpful and constructive**.*When employees feel that their supervisors are helpful and constructive, they are more likely to look forward to the review, gain more mutual understanding, feel it is fair, be satisfied with it, want to improve and value the review process.* A powerful influence on the performance review process is the way the supervisors treat employees, and in being helpful. Positive relationships are illustrated in giving recognition for good performance and treating the employee as an equal.[[8]](#endnote-8) In a classic study in General Electric Company, researchers studied 92 manager-subordinate pairs over a 12 week period of the performance reviews. They found that managers who were critical (and possibly threatening) in pointing out improvement needs were more likely to encounter employees who were defensive. The greater the threat, the less favorable the attitude toward the review and less likelihood that there would be performance improvement.[[9]](#endnote-9)

**7. Focusing on job problems rather than personal problems.** *When employees feel that job problems are cleared up, they are more likely to look forward to the review, gain more mutual understanding, feel it is fair, be satisfied with it, want to improve and value the review process.* In this sense, reviews should be relevant. They should be connected to the job and relevant to the employee's day-to-day work in clearing up job problems. Reviews are also effective if they are linked to other workplace processes such as strategic planning, training and development, and production.[[10]](#endnote-10)

## 8. Setting future objectives and targets.

*When employees feel that the review process defines future objectives and targets, they are more likely to look forward to the review, gain more mutual understanding, feel it is fair, be satisfied with it, want to improve and actually improve and value the review process.* This suggests that performance reviews should be forward looking rather than focusing exclusively on what happened in the past. However, if we wish to improve performance, we need to review and learn from it and think about how we might change things for the future. Looking backward for identifying problems and causes can be useful in setting objective and targets for the future

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