WORK-PERFORMANCE-MANAGEMENT IN GROUPS: AN ALTERNATIVE MULTI-RATER FEEDBACK MODEL

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Feedback from superiors can help the individual with setting his or her own goals for performance improvement. Although much is written on different performance management or appraisal systems, the authors have not come across what their normative feedback model, as an alternative model to multi-rater feedback models such as the 360 degree model, attempts to achieve: peer appraisal in groups, in order to modify behaviour and work toward group objectives for business planning in alignment with organisational goals. This article presents a model for normative feedback, provides the results of a pilot study where this model is tested, and details the next steps for building a useful tool for managers.

INTRODUCTION

Anecdotal evidence suggests few employees and managers find the annual employee appraisal or performance review to be a positive or comfortable experience. The stated aim of employee appraisals, that of reporting performance levels and ways of improving performance in the future, is often not achieved (Hunter, 1992; Cronk, Kirkwood, Ryan and Stanley, 1994; Stoner, Vetton, Craig and Johnston, 1994; Dressler, Griffiths, Lloyd-Walker and Williams, 1999). These authors also suggest that the performance appraisal is often used by managers to support management control and to condition employee behaviour, which contradicts the stated intention of the appraisal.

The authors of this article present a normative feedback model as an alternative to multi-rater systems such as the 360-degree model. The model presented here combines the theory of work performance management with the practicality of self-appraisal and peer-appraisal, while also ensuring that the appraisal environment is non-threatening for the employees. The results from the pilot study suggest that the aim of the employee appraisal, that of reporting performance levels and a way of improving performance in the future, can be achieved more consistently. This article firstly discusses the literature, presents a normative model of employee feedback, and then reports the results of a pilot study of an alternative model in the Anaesthetic group of a hospital. Finally, it presents conclusions and suggestions for further study and refinement of the alternative model.

ASSESSMENT, APPRAISAL AND PERFORMANCE MANAGEMENT

There is nothing extraordinary about the notion of appraisal; we continually make informal assessments and appraisals of behaviour in our daily interaction with others. It is when we begin to make these assessments formal and allow them to direct our decision making in the workplace that appraisals take on special significance (Kinsky, 1994).
In the current environment, in Australia, the reasons for an organisation conducting performance appraisals derive from two sources. Firstly, there is structural external pressure on organisations to conduct performance appraisals, which are due to legislative initiatives such as Equal Employment Opportunity and Anti-Discrimination legislation. Employers are required to produce records of employee performance as a component of compliance with these regulations.

Secondly, organisations are motivated to conduct performance appraisals by the function of performance appraisals in the management of members of the organisation. Hunter (1992), Kinsky (1994) and Robbins and Mukerji (1994) all identify the management of people as the primary use for an individual’s work performance appraisal and include as products of this appraisal system the identification of training requirements and employee guidance for promotion. The performance appraisal however, must aim to improve work performance and should not be used as a tool for managers to exert their power (Hunter, 1992; Kinsky, 1994; Robbins and Mukerji, 1994).

In practice performance appraisals can take a number of forms, the literature categorises the style of delivery of performance appraisals into four approaches. These are: the comparative approach, which compares an individual’s performance with that of others; the attribute approach identifies those with characteristics or traits that are believed to be linked with the company’s success; the behavioural approach identifies the behaviours in an employee that are useful to the organisation; and the total quality approach provides employees with feedback in the areas in which they can improve (Noe, Hollenbeck, Gerhart and Wright, 1994).

The methodology of delivering feedback to staff is an important consideration if the appraisal system is to lead to improved individual and organisational performance. Unfortunately many appraising systems assess personality traits, such as aggressiveness and persistence, rather than job performance (Noe et al, 1994). Often, there is a conflict between the employee seeking rewards and a maintenance of self-image, and the company seeking the development of individuals through counselling, coaching and career planning (Beer, 1985). While this conflict is an important issue, this article does not deal with it in a substantively. That is because we are interested in exploring a new alternative to the process, rather than the intention of both parties (employer and employee) for entering the process.

Approaches to appraisal rating can vary and may include rating scales, peer rating, ranking or outcome approaches and goal setting (Hunter, 1992; Stoner et al, 1994; Dressler et al, 1999; Robbins and Mukerji, 1994; Robbins, Bergman and Stagg, 1997).

One of the more popular tools in Australia, and elsewhere, in recent years has been ‘management by objectives’ (MBO). This was introduced in the early 80s and it represented change in the thinking towards appraisal. Prior to MBO, performance management systems and methods relied on performance being observed first before a judgment being made (Robbins and Mukerji, 1994). One of MBO’s essential features is the joint setting of goals between the manager and employee. Performance is then judged against the actual outcomes against the goals set; it is therefore focused on future rather than past performance. The objectives (or goals) that are chosen as the
basis of the system are determined to be critical in the successful completion of the job (Hunter, 1992; Stoner et al, 1994; Dressler et al, 1999; Robbins and Mukerji, 1994; Robbins et al, 1997).

The use of 360 degree feedback is becoming increasingly commonplace at companies all over the world. This system does not just rely on the performance feedback from a single, usually senior source; 360 degree feedback (or multi-source, multi-rater as it is sometimes referred to) solicits the view of several colleagues at senior, peer and junior levels in the work place. There are four defining characteristics of the 360-degree approach that differentiates it from other performance appraisals: It is voluntary, confidential, self determining and learning oriented, rather than assessment oriented (Macey, 2001). The advantages of using a 360 degree model include the increased validity of multi-rater, rather than single-rater assessments, as multi-rater systems are subject less to individual bias (positive or negative). The issue is if the questions asked measure desired competencies and do these competencies correlate with other measures of performance within the organisations. In other words, is everyday behaviour linked to strategic intent of the organisation? Another advantage may be a change in organisational culture achieved by 360 degree feedback, creating a generally more transparent organisation that is concerned with collective performance. It is asserted that 360-degree feedback could represent a major organisational transformation towards greater empowerment of staff (Alimo-Metcalfe, 1998).

The establishment of a group approach to working on problems that individuals could not solve can be likened to a systems approach to learning. Systems theory is an ‘holistic view of the organisation in which working towards harmony, stability and consensus is the prime logic of the system’ (Fulop and Linstead, 1999). The application of systems theory leads to the formation of a ‘Learning Organisation’ (LO). A LO is defined as an ‘organisation where people constantly expand their capacity to create the results they truly desire, where new and expansive patterns of thinking are nurtured and where people are continually learning how to learn together’ (Robbins, Bergman, Stagg and Coulter, 2000). If the role of groups is to resolve problems then it needs to accumulate knowledge and information from various sources. This requires regular meetings to investigate and discuss all facets of the problem. The group has the authority to make decisions on issues that affect them. Interaction between members of the group is greatest when there is a large degree of trust. The group is able to describe the problem from different angles, introduce ideas and experiment with different approaches. Organisational learning is about combining goal-based learning with knowledge collected through the questioning of processes of work (Field and Ford, 1995).

Despite much literature on performance appraisals and development of models, testing the usefulness of self appraisal combined with peer appraisal in a group does not seem to have been widely researched. The model presented in this article is an attempt to address this.
Figure 1 demonstrates the steps from peer appraisal, in groups, to formulation of business plan. (1) Individual staff and manager give feedback to each other in small groups. (2) The groups relay information to the rest of the group to develop the team development plan. (3) Work groups from different departments may give feedback to each other. (4) Patients or patient groups (or other external customers) may also provide feedback on individual performance or group performance. (5) The information received forms part of the departmental business plan that is aligned with the organisational business plan.

Self-Appraisal and Peer Appraisal in Groups

The appraisal by peers in groups is an exercise that takes place regularly, but at least annually with groups of staff and their direct line manager. It involves making time to discuss in a group ‘what is being done well’, ‘what is being done not so well’ and ‘how things can be done better’. Although this may generates much discussion, the overall goal is to produce consensual goals and behaviours to help each other achieve them by providing normative feedback (the way we should be doing things around here to achieve this…). The emphasis is not on a paper exercise, rather little is written down except the goals to which that particular group will work. These comments and goals
are fed back to the entire team to produce the team development plan (see Figure 1, Phase 2). Once measurable outcomes are produced in the team development plan, the line manager checks how this fits with other team development plans from other units (Figure 1, Phase 3). He or she then feeds information received other department users, such as patients, into the plan (Figure 1, Phase 4) and ultimately formulates the departmental strategic plan that feeds into the organisational strategic plan.

The authors consider that normative feedback and appraisal methods may be superior to other methods because of the apparent link between the individual’s motivation, and their participation in a group and linkage with organisational goals. Our model, presented here as Figure 1, is a behavioural approach to performance appraisals. The model allows the individual to receive feedback from people at all levels, above and below, internal and external. This differs from 360-degree feedback in two main ways. Firstly, it does not formalise the hierarchical structure by identifying who is superior and subordinate to your position. This is an important facet of the model to deal with the traditional uncomfortable feeling of being judged by (relatively powerful) superiors. Secondly, in addition to individual performance, it focuses on the employee’s role and performance within their work group.

The authors assert that the questioning of individual processes performed in a group leads to a better critical appraisal of collecting knowledge about these processes for better individual, group and organisational performance. In addition, group discussion and comparison of individual’s experiences working within prescribed processes critically appraises the necessary organisational support for these processes to be improving organisational performance. Furthermore, self assessment and group discussion with the manager (for the purpose of linking individual performance with organisational performance) and collecting knowledge about organisational issues that may or may not impede overall organisational performance, may improve group synergies and can be seen as a team building exercise. The authors believe the suggested alternative multi-rater system is less threatening and more egalitarian than if appraisals that take place in the more traditional form, on an individual basis between the powerful manager and relatively powerless employee.

METHODOLOGY

The aim of this pilot study is to evaluate phase one of the model. The model was tested in a pilot study carried out within a department of a public hospital in Sydney, Australia. The department provides anaesthetic assistance with procedures in thirteen operating theatres. The anaesthetic group comprises a mixture of enrolled nurses, registered nurses, and anaesthetic technical staff. This was a convenience sample.

For time management purposes, the groups that came together were no bigger than five members. Confidentiality and procedural rules for the meetings were agreed to and the manager facilitated the discussion according to a discussion tool (Appendix A). Only minimum documentation, recorded by each group member as a reflection upon the discussions held, was kept by the manager of the department, in personnel files. Some issues, identified during group discussions, were resolved in the weekly group
meetings. Some issues formed part of the business plan objectives for the next business period as goals to work toward as a department.

The following seven steps were undertaken to review performance by peers in groups:

**Step One: Choosing the participants.**
Staff availability on the day determined the members of each group. Each group consisted of no less than three and no more than five members, except for the night-duty group, which consisted of two staff-members. There was no distinction made between Enrolled or Registered Nurses, male or female nurses, length of experience or social groupings.

**Step Two: Choosing the time and place.**
Meetings were held in the afternoon, during shift overlap time. Meetings ranged from sixty-five to eighty-five minutes. At least fifteen minutes were required to explain the basics of work performance, to ensure commitment from all members, to ensure confidentiality and to outline the aims and objectives. The meeting place needed to be away from the work area, to minimise interruptions.

**Step Three: Running the meetings.**
The manager facilitated all group discussions. Verbal consent was obtained from all the participants after the explanation. Emphasis was placed on confidentiality of the discussion. No staff member refused to participate. In the meetings each group member was asked three questions:

1) What should you keep on doing?
2) What should you stop doing?
3) What should you start doing?

First group members were asked to answer the questions on their own performance and then the other members had the opportunity to comment on their colleague’s performance. The facilitator ensured that discussions stayed positive and that any criticism directed at a particular individual, was delivered in a constructive manner. When offering opinions, the expectation was that the staff member voicing the criticism would accept responsibility to help the staff member being criticised overcome the particular problem identified. The other group members would also be expected to help. The facilitator ensured participation in discussion from all staff members. There was some contamination of opinion between members, however, the facilitator had a big role in ensuring every member could and would express their opinions. In some cases it was necessary to counsel staff members in smaller groups.

**Step Four: Documentation**
The aim was to focus on discussion and not on documentation. A short documentation sheet was handed to each employee after the discussion, so that the perception of what happened was documented by the staff member him/herself (see Figure 1). This was also the required formal documentation that appraisal took place.
Step Five: Feedback to the organisation
The group was asked what issues they would like to discuss within the whole team. This was to ensure that staff had the opportunity to give feedback to the organisation. The facilitator collated the issues raised by all the different groups and ensured the issues were discussed at the team development plan meeting. Issues were incorporated with the Unit Business Plan. The facilitator was also responsible for keeping senior management informed.

Step Six: Ongoing management of performance.
Each group was asked when they would like to meet again to review some of the goals set by them during the discussion. Most groups wanted to meet within three months. One group wished to meet within one month.

Step Seven: Group development plan formulation
At the end of all work performance group meetings, the issues were discussed in a full team meeting. This meeting was organised after hours to enable most staff to attend. Despite the weather and call-backs to the unit, seventeen people out of twenty-two available staff members managed to attend this meeting for two hours, for which time in lieu was given. This meeting resulted in the Anaesthetic Group Development Plan. This plan in turn refers to the Departmental Business Plan.

RESULTS

The aim of this study was to evaluate phase 1 of the entire process, and in particular to get feedback from participants on this new and different way of conducting appraisal to lift overall performance. This performance feedback system was evaluated by distributing an evaluation sheet to all staff. Apart from some demographic information, they were asked about their experiences with different appraisal systems in the past.

Table 1 indicates that all respondents reported they enjoyed participating in the normative performance feedback system. Some reported that this system was ‘far less intimidating,’ that it was ‘group building and morale boosting.’ Several respondents also commented that knowing the expectations of others enabled the person to work toward those expectations.

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In the open-ended question section, the results supported the idea that staff welcomed regular reflections upon their work practice, the delivery of one-to-one appraisal by a manager in the past was reported as a stressful and a threatening experience. Apart from the general comment of ‘threatening’, participants comments suggested that reviews in the past: ‘did not change the way they approached their job in a positive
sense’ and ‘were a waste of time.’ Others ‘felt harassed or intimidated’ or said ‘there was tension involved with being evaluated’.

Table 1: Results from the Evaluation on Alternate Multi-Rater Appraisal (n=30)

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<tr>
<td>Return rate of questionnaire</td>
<td>77%</td>
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<tr>
<td>Average length of service</td>
<td>12.6 years</td>
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<tr>
<td>Range of service</td>
<td>Less than 1 year to over 25 years of service</td>
</tr>
<tr>
<td>Average amount of formal appraisals received over the course of their careers</td>
<td>6</td>
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<tr>
<td>Performance feedback useful in the past and would like to continue receiving feedback</td>
<td>87%</td>
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<tr>
<td>Conventional delivery of feedback should be improved</td>
<td>96%</td>
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<tr>
<td>Satisfaction with normative feedback program</td>
<td>100% satisfied</td>
</tr>
<tr>
<td>Normative feedback had made a positive difference in performance</td>
<td>26%</td>
</tr>
<tr>
<td>Normative feedback had not changed performance</td>
<td>26%</td>
</tr>
<tr>
<td>If given a choice about which system you would prefer, would you choose the normative feedback system</td>
<td>Yes, 96%</td>
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Most respondents reported that if given a choice, they would prefer to have their performance managed in this manner in the future. There was a general consensus that reviewing their own performance and each other’s performance in this manner affected willingness to do things together as a group and work towards a better overall performance. Motivation to perform is increased, which has a positive affect on group performance, and arguably organisational performance, overall.

CONCLUSION

The authors undertook a pilot study a large hospital to evaluate phase one of a performance appraisal model. The authors believe that the pilot study presented the following: Firstly, it established that this feedback and appraisal system is enjoyable and non-threatening for participants. Secondly, it established that there is the possibility that this normative model can influence employee performance in a positive way. Thirdly, it established that this system can influence organisational learning by group building, empowerment and the nurturing of ideas arising from this exercise. Fourthly, it has established that those who have experienced this normative feedback system have the desire to continue using it as their preferred feedback model.

As this study was a pilot study into the normative feedback model, the authors consider that more work needs to be done before the validity of this model can be assessed elsewhere. These limitations include, but may not be limited to:
1) The size of the study. Because, as is the nature of the pilot studies, the sample size was small N = 30, care should be taken in the application of the findings.
2) The issue of professional sub-cultures within organisations. The study focused on only one professional sub-group and no attempt was made to include more than one type of professional group working within the anaesthetic unit.
3) We studied only one department within the hospital, hence care should be taken prior to extrapolating the results to other areas of the hospital, or considering the application to multi-departmental groups.
4) We only viewed one organisation. Before this system can be considered to have widespread application we need to include more than one organisation in future studies.
5) Only one industry was studied. The authors considered the public health care industry, there is no indication that results will be consistent in other industries.
6) The nature of the organisation itself. The primary motive of the organisation is the efficiency and quality of the service it provides, there is no suggestion that results will be similar in an environment where the organisation is commercial.

This article presents the results of a pilot study of a new way of organising and managing a multi-rater appraisal system, the study was carried out as an evaluation only of this system. As reported there was positive feedback of from all users of the system which has resulted in further work being recommended to develop the model into a useable system and tool for company managers.

The authors are now intending to conduct a longitudinal study in the department that the pilot has been running. This study will measure the alignment between employee behaviour and organisational goals as a result of using this system, we will also study any changes of behaviour and performance outcomes within this department. The department’s outcome will be compared to a similar department using the hospital’s traditional performance review process and any differences analysed. Once this more substantial study is completed we will incorporate the results into our model.

REFERENCES