Motivation and Performance-Appraisal Behavior

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Drs. Mohrman and Lawler believe that the impact of evaluation can be best understood by examining underlying motives. In their paper, they focus upon the effect of organizational context and characteristics of the formal performance-appraisal system on the motivation of the employee to engage in private performance appraisal (judgment, attention) and public appraisal (activities involving more than one person). The organizational factors that may have a moderating effect on performance appraisal are the characteristics of the job, the structure of the organization, and the organizational climate. Using the expectancy model, Mohrman and Lawler describe the manner in which the definition of the situation is converted into motivated behavior. They conclude that an exclusive focus on performance measurement will not provide an understanding of effective performance appraisal behavior. If appraisal behavior is viewed as motivated, an individual's definition of performance appraisal that is consistent with organizational goals should improve the effectiveness of performance appraisal.

In commenting on the Mohrman–Lawler paper, Bartlett objects to the suggestion to abandon measurement solutions and presents examples of some effective measurement solutions to motivation problems in performance appraisal. In addition, he urges going beyond the Mohrman and Lawler approach to identify motivational problems in performance appraisal.

In response to Dr. Bartlett's comments, Mohrman and Lawler agree that measurement design is important, but they reemphasize that motivational issues are often ignored in performance appraisal. They also agree with Bartlett on the need to identify motivational constructs involved in performance appraisal.
This paper is concerned with what motivates the behavior involved in carrying out performance appraisals (PA) in organizations. Typically, research and theory concerned with motivation has focused on how PA affects the subsequent work behavior of the appraisee; here we focus on what motivates the PA behaviors themselves. PA behaviors are simply one subset of the total set of role behaviors organizational members perform. The particular purposes of PA create contexts that give PA behaviors unique and complex meanings that are worthy of study for what they can teach us about motivation and assessment. In addition, as we come to understand more about the results of certain PA behaviors (such as allowing participation in the process by appraisees), we also become more concerned with their quality (e.g., with bias in measurement).

**THE APPROACH**

We can distinguish between two classes of PA behaviors. One is private in nature and the other is public. The former includes internal acts of cognition, judgment, attention, perception, evaluation, attribution, and so on, but it also might include the making and retention of private notes and other documents. The latter consists of all activities involving more than one person. A large portion of public behavior involves the communication of appraisals among people—for example, feedback of appraisals from appraiser to appraisee, requests from appraisees for such feedback, the recording of appraisals on forms that eventually are seen and used by others.

If we regard performance appraisal to be a particular case of human information processing, then the information being collected, evaluated, and used is subject to distortion and bias (Feldman, 1981). Distortion and bias can occur in both private and public activities. Both, for instance, are subject to unconscious bias due to preconceived stereotypes, but just as we can consciously adjust our private biases by controlling our data-collection patterns (Feldman, 1981), we can bias our public communication of appraisals by withholding (or adding) data. All these are examples of behavior (Salancik & Pfieffer, 1978) that can be seen as motivated.

We go about our day-to-day activities privately appraising the behavior of others and ourselves. The motivation behind these appraisals seems to be part of our fundamental need to understand, predict, and control our individual worlds (Kelly, 1955; Weick, 1979). Day-to-day appraisals of ourselves and others may also be a source of esteem through social comparison. They may also provide data that can be used later to obtain extrinsic rewards (arguing for a pay raise) and to fulfill mandated role behavior (e.g., doing an appraisal of a subordinate).

We also engage in public appraisal behaviors as part of our day-to-day existence. Upholding behavioral norms through social rewards and punishment are all part of the normal fabric of social life. We might engage in social appraisals to build esteem or exert control. 7. Motivate behavior to determine whether norms are being adhered to. When social activities are not or behavior is informal. Although both PA behaviors, this does not mean that an individual and social, respectively, of the individual's definition, are in the public and private. These are factors.

Informal appraisal behavior may also be functional in work settings. The forms and procedures of PA are understood as social mechanisms for decision making processes that work. One hope is that the formal feedback process is more functional than the informal feedback process. A formal system does exist.

Many, if not all, of the biases (e.g., measurement bias; see Fig. 1) that come from bias in determining the definition and also determine motivations and behaviors.

In the following section we discuss the organizational context for motivating PA behaviors for the design of PA systems.

**PERFORMANCE**

Appraisal systems usually form a performance management system in which appraisals are made using a number of objectives; (2) the appraisal procedures, and instruments are designed by determining mechanisms by which they function.

**Human-Resource Systems**

The potential central role of appraisals for human-resource management is examined. As corporations review their performance appraisal systems, the role of appraisals in influencing human-resource management is highlighted.
behavior involved in carrying out the PA behavior. Typically, research and theory suggests the subsequent work that motivates the PA behavior is the total set of role behaviors that are worthy of study and assessment. In addition, as we point out earlier, some PA behaviors (such as task reinforcer) may become more context.

7. MOTIVATION AND PERFORMANCE-APRAISAL BEHAVIOR

Informal appraisal behaviors can simultaneously satisfy individual needs and be functional in work effectiveness, but there is no guarantee that they will be. The forms and procedures that make up formal appraisal systems can be understood as social mechanisms that are created to control evaluation and decision-making processes that would ordinarily occur informally (Feldman, 1981). The hope is that the formal system will “clean up” the appraisals and make them more functional from the organizations’ perspective.

A formal system does not eliminate the need for focusing on individuals. Many, if not all, of the behavioral “breakdowns” we see in formal PA systems (e.g., measurement bias, failure to comply with procedures) are best understood by focusing on the motivations of the individual participants in the appraisal process. As is shown later in Fig. 7.5, organizational contexts are critical in determining the definitions individuals develop of situations, which in turn determine motivations and behavior.

In the following sections we first discuss PA as a formal system and then the organizational context. Next we deal with the impact both of these have on motivating PA behaviors. Finally, we consider the implications of our discussion for the design of PA systems.

PERFORMANCE APPRAISAL AS A FORMAL SYSTEM

Appraisal systems usually involve three aspects: (1) a human-resource management system in which appraisal is a formal subsystem designed to accomplish a number of objectives; (2) a formal system that specifies particular methods, procedures, and instruments as vehicles for appraisal; and (3) an activating system of mechanisms by which the first two aspects are put into practice.

Human-Resource System

The potential central role of performance appraisal in a larger integrated system for human-resource management is becoming more important to organizations. As corporations review their compensation systems or their human-resource
planning systems, they often come to realize the importance of having "valid" performance information. The ultimate purpose in all cases is organizational effectiveness. It is assumed that organization performance is an aggregate of individual performance. The instrumental nature of the purposes and decisions are depicted in Fig. 7.1 as eventually affecting future performance and organizational effectiveness.

According to many expectancy theories, individual behavior stems from the skills and ability, motivated effort, and role understanding of the individual. Performance-appraisal information can be used in a number of ways that can eventually affect these factors so that they are moved in a direction that will improve performance. Appraisal information can indicate whether or not previously used selection criteria were able to predict performance. Adjustment in selection criteria should affect the level of skills and abilities found. Appraisal can also identify those individuals appropriate for new job placement or promotion as well as validate previously used promotion and placement criteria. When pay is based on performance pay increases can act as incentives to increase effort and performance. Various modes of feedback and performance-oriented discussions between appraisers and appraisees are undertaken in an effort to increase effort and role understanding and to improve skills and abilities. For any of the formal system objectives to be accomplished, data need to be obtained from the formal appraisal and transmitted to others.

![Diagram](image)

**FIG. 7.1.** Organizational uses and impacts of performance appraisal.

7. MOTIVATION

Whether the same performance-appraisal system can serve more than one purpose is a question that is not always adequately answered. Although formal systems may have different purposes, we should not try to do everything. On the contrary, the system should be designed for the different purposes. Information should be disseminated to those who need such data.

Formal Performance-Appraisal Systems

Although the logic behind using measurement is clear, the methods by which the measurement is used and the consequences of the measurement are not so clear. Much of the design of PA procedures and systems in organizations. Indeed, there seems to be a lack of objective instrument. Much of the design of PA procedures and systems is based on the logic of appraisal for example, has created new problems. The issue of "validity" of appraisal forms. The issue of "validity" of appraisal forms is almost totally ignored. There is need for the design of a relationship that even better understanding of the PA linkage of Fig. 7.1. This may be helped by more complicated the design of PA procedures and systems. The issue of motivational issues involved in PA procedures and systems and not well understood.

Activating System

Even if specification of the motivational issue involved in PA procedures and systems is by no means automatic, the issue of the motivational issue involved in PA procedures and systems sometimes include motivational issues. People have different approaches to doing this included...
7. MOTIVATION AND PERFORMANCE-APPRAISAL BEHAVIOR

Whether the same performance data are appropriate for all the potential uses is a question that is not always asked in organizations. Many formal PA systems do not differentiate and implicitly or explicitly collect the same data for all uses. Although formal systems may fail to provide different measurements for different purposes, we should not assume that system users also fail to differentiate. On the contrary, the system users may well see different data as appropriate for the different purposes. Indeed, they may create informal systems that communicate such data.

Formal Performance-Appraisal System

Although the logic behind Fig. 7.1 is relatively clear, the organizational means by which the measurement and the various connections are made is problematic. Much of the design of PA systems involves specification of measures and linkages. Indeed, there seems to be an eternal search for the perfect measurement instrument. Much of the work by industrial psychologists on performance appraisal, for example, has focused on developing and “validating” different appraisal forms. The issue of motivations of the appraiser and appraisee has been almost totally ignored. The link between appraisal and salary is a good example of a relationship that evokes constant refinement and search for perfection in some organizations. Solutions range from subjective “judgment calls” about appropriate pay for a given performance level to computerized algorithms that automatically convert ratings into pay levels. Pay-performance linkages need to attend to timing issues also. It is hard, for instance, to base salary on performance when salary planning precedes appraisal.

Overall, much of PA design effort in organizations is focused on the “nitty-gritty” procedures, instruments, and techniques required to actually accomplish the PA linkages of Fig. 7.1. The more linkages an organization tries to make, the more complicated the design becomes and, as we see later, the more complex the motivational issues involved.

Activating System

Even if specification of the microelements of PA design is relatively complete, it is by no means automatic that the procedures and linkages specified will in fact come to pass. First, the people expected to carry out the system obviously need to be told what they are to do. Designers must communicate the system through orientation sessions and written policy and procedures. Knowing what one is supposed to do, however, does not guarantee that one will do it. Individuals also need the ability to perform the various behaviors required of them. Thus PA systems sometimes include formal training and skill-building components for its users. Finally, people have to be motivated to carry out the activities. Approaches to doing this include evaluating appraisers based on whether they have
done appraisals and developing information systems that identify when appraisals are late.

ORGANIZATIONAL CONTEXT OF APPRAISAL

Appraisal systems do not exist in a vacuum. The organization presents a context with a number of dimensions, each of which may have a distinct moderating effect on the appraisal system. Among the key contextual dimensions are the job characteristics and functional areas of the employees being appraised, the structural nature of the organization, such as its authority relationships and its communication networks, and less easily defined aspects, such as the climate, the culture, and the nature of interpersonal relationships.

Most designers of PA systems, especially when they are members of the organization, implicitly attend to its contextual dimensions. Nevertheless when such dimensions are not explicitly and systematically taken into account, there is a real danger that they may work to destroy the potential effectiveness of a PA system. In some cases only if they are altered is it possible to do “valid” performance appraisals.

Some examples illustrate the potential nature of contextual effects. Our research, for instance, indicates that current PA practices tend to work better (in terms of affective and behavioral—outcomes—that is, people are more satisfied with events and appraisal behaviors are more positive and functional) when the job of the person being appraised has well-specified duties and priorities (Reznick & Mohrman, 1981). Nevertheless, many organizations choose to vaguely describe certain jobs in order to retain entrepreneurial behavior; thus the typical prescription of better job analysis would not be appropriate. Indeed, the whole idea may not fit the culture of the organization. Using PA in such situations can be detrimental both in the short run (when appraisal events become dissatisfying and dysfunctional) and in the long run, if pressure is exerted on the organization to move away from a functional cultural norm. In such situations one might expect very little motivation to engage in appraisal.

Other examples of poor contextual fit include individually oriented appraisal in an organization that relies on the work group as the basic unit of production, organizations with egalitarian norms that implicitly emphasize hierarchical power by having one-over-one approval of appraisals, organizations with matrix structures that undermine their own logic by using appraisals based on a single-boss hierarchy (Davis & Lawrence, 1977). The frequent assumption that an employee’s hierarchical boss is the appropriate appraiser may not be well-founded if that person has no access to, direct information about, or expertise in the job performance of the appraiser. Hierarchically based systems may also have a politicizing effect on career decisions. Finally, systems that are designed to be participative do not fit in autocratically run organizations, as is discussed next.

7. MOTIVATED SYSTEMS, CONTROL, AND DECISION MAKING

When contextual misfit occurs, it is usually because of accumulated misunderstanding breakdowns in the system. The system is then individuals’ definitions of the situation.

SYSTEMS, CONTROL, AND DECISION MAKING

No matter how complete the situation data, and the decision algorithm, it can always be improved. Being implemented in the organization.

Definition of Situation

The determinants of each situation are “the case and the situation” (see Fig. 7.2). Through an influential power context also had its parallels in the organization. One prominent example is the situation (Lawrence, 1973) in which expectations of organizational and situational definitions of situations are present. This is in essence a potential system and a source of emphasis. Depending on the system’s attributes, it may be more or less present. The trick is to guarantee that they will be there, just as their absence does not mean they are unimportant.

Despite the best-laid plans, there are unintended consequences in most organizations, for example, the role of the appraiser. Often this is simply...
7. MOTIVATION AND PERFORMANCE-APPRAISAL BEHAVIOR

When contextual misfits occur, PA systems can be expected to break down because of accumulated dysfunctional behaviors in such contexts. The key to understanding breakdowns lies in how these contextual conditions influence individuals’ definitions of the situations and the individuals’ resultant behaviors.

SYSTEMS, CONTEXT, AND RESULTANT BEHAVIOR

No matter how complete the design of the PA system, no matter how detailed the procedural and policy manuals, no matter how well-articulated the uses of forms, data, and the decision algorithms using the data, recommendations achieve nothing until implemented in individual behavior.

Definition of Situation

The determinants of each individual’s behavior is that individual’s “definition of the situation” (see Fig. 7.2). This is a popular term that has run as a thread through an influential portion of the literature in sociology (Ritzer, 1975). It has also had its parallels in the psychology and organizational-psychology literature. One prominent example is the value-expectancy model of motivation (Lawler, 1973) in which expectancies, instrumentalities, and values form individuals’ definitions of situations and motivate particular behaviors. The model in Fig. 7.1 is in essence a potential definition of the situation provided by the formal PA system and a source of expectancies and instrumentalities held by individuals. Depending on the system and the organization, the various outcomes might be more or less present. The real existence of the elements and connections does not guarantee that they will be perceived and be part of the individual’s definition, just as their absence does not guarantee that they will not be perceived.

Despite the best-laid design plans, appraisal systems have both intended and unintended consequences in the individual’s definition of the situation. In some organizations, for example, results are typically reviewed by the supervisor of the appraiser. Often this is done after measurement but before feedback or other

![Diagram](attachment:7.2.png)

FIG. 7.2. Determinants of Performance Appraisal Behavior.
subsequent uses of the results. It is intended as a quality monitoring of the measurement or appraisal. Our research has found that it often has an unintended consequence of creating the impression for the appraisee that the appraisal is "locked in." In situations in which the original measurement is perceived by the appraisee to have excluded pertinent data, such a review may in fact eventually result in increased dissatisfaction and turnover.

Role of Context

The organizational context influences the meaning given by the individual to the appraisal situation. Hierarchical structures, for example, foster interpretation of the supervisor review as a technique to foster control by the appraiser. In competitive climates it is difficult to convince employees that appraisal is done solely for developmental purposes. If it is connected to pay raises, we would expect to find, in contexts in which a particular job expertise is scarce in the labor market, that appraisal is used as a lever by which managers can get greater pay for subordinates who are being wooed by other corporations. In short, the context often determines the meaning and use of the appraisal.

One element of the context, the culture or climate of the organization, can influence the way behavior is evaluated and interpreted when public and private appraisals are made. For example, our research shows that in highly participative plants, evaluations tend to focus on the degree to which individuals support their work teams and engage in team behaviors, a factor that rarely comes up in traditional cultures. Culture may also affect the kinds of attributions appraisers make about the causes of performance and what level of performance is acceptable. For example, an ideal "Theory Y" organization would tend to attribute "good" results to people and "bad" results to situations, the reverse of tendencies in "Theory X" organizations (MacGregor, 1960). If culture can affect attributions, then individuals in people-oriented cultures may be more prone to look for ways that poor performance can be improved by training or by changing the situation. Organizations that are highly performance oriented may be more likely to experience failure on important standards and to attribute the failure to individuals. Individuals seeking to avoid such attribution can be driven to extreme behavior (e.g., Perry & Barney, 1981). The attribution literature has identified a number of conditions under which attributions can change or assume biased patterns (e.g., situations with high affective bonds, situations in which consequences are serious and not trivial). This suggests that one concrete way of understanding culture may be in terms of the extent to which these conditions affecting attributions are present or absent.

Definitional Effects

It is important to note that definitional dynamics are ultimately in the control of the individual and can only partially be influenced or overcome by traditional responses to PA problems, characteristics of the individual's self esteem may affect the definition.

Fig. 7.3 depicts a simple model of the social exchange comprising the social exchange between manager-appraiser and the subordinate, with fit between the context and the definition for each individual, the congruity or misfit may affect appraisals and behaviors of the subordinate who in turn the manager's perceptions and view the subordinate sees it as either merit or demerit, or pay raise.

We recently collected (300 differences between appraisers) definitions of the concept of "worth" and some illustrative results in a number of possible purposes. This research shows how different definitions of their accomplishments are perceived and evaluated.

The purpose perceived by the subordinate is evidently not as highly "worth" than the subordinate's performance." Not only these two purposes. Obviously, this difference both increase and decrease.

Although both managers use to "determine appraisal"
7. MOTIVATION AND PERFORMANCE-APPRAISAL BEHAVIOR

responses to PA problems, such as more valid measurement instruments. Characteristics of the individual such as past experience with appraisal and self-esteem may affect the definition of the situation.

Fig. 7.3 depicts a simple illustration of how two definitions of a situation can interact. In this particular case we pick the two individuals most commonly comprising the social membership of the performance-appraisal event—the manager-appraiser and the subordinate-appraisee. In the previous section, the degree of fit between the context and the appraisal system was described as partially dictated by the objective reality of the situation. In Fig. 7.3 we see yet other points at which incongruity or misfit may potentially occur—that is, between the different definitions and behaviors of the two actors. A common example of such incongruity is the manager’s perceiving feedback discussion as developmental whereas the subordinate sees it as evaluative—for instance, information about an upcoming pay raise.

We recently collected some questionnaire data that illustrate the potential differences between appraiser and appraisee (in this case manager and subordinate) definitions of the situation. We asked a stratified random sample of over 300 manager-subordinate pairs a number of questions pertaining to many aspects of the most recent PA events in which they had participated. Table 7.1 presents some illustrative results. Respondents were asked to indicate the extent to which a number of possible purposes should have been and actually were accomplished in their most recently completed appraisal. The patterns indicate some significant differences between managers and subordinates in desired purposes and perceptions of their accomplishment.

The purpose perceived to be accomplished to the greatest extent (although evidently not as highly as desired by subordinates is “document the subordinate’s performance.”) Managers see too much attention being devoted to this purpose. Obviously, this could create a situation with contradictory pressures to both increase and decrease “documenting” behaviors.

Although both managers and subordinates agreed that appraisal should be used to “determine appropriate pay,” they disagreed on the extent to which it
TABLE 7.1
Rated Desirability and Achievement of Appraisal Objectives:
Proportion Responding at Three Levels

<table>
<thead>
<tr>
<th>Group</th>
<th>Desired</th>
<th></th>
<th>Accomplished</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Low to</td>
<td>High to Great</td>
<td>Low</td>
<td>Moderate</td>
</tr>
<tr>
<td></td>
<td>Not at All</td>
<td>Moderate</td>
<td>Not at All</td>
<td>Moderate</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manager</td>
<td>0</td>
<td>41</td>
<td>58</td>
<td>0</td>
</tr>
<tr>
<td>Subordinate</td>
<td>1</td>
<td>13</td>
<td>86</td>
<td>4</td>
</tr>
</tbody>
</table>

Document Subordinate's Performance

<table>
<thead>
<tr>
<th>Group</th>
<th>Determine Appropriate Pay</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Low to</td>
<td>High to Great</td>
</tr>
<tr>
<td></td>
<td>Not at All</td>
<td>Moderate</td>
</tr>
<tr>
<td>Manager</td>
<td>10</td>
<td>25</td>
</tr>
<tr>
<td>Subordinate</td>
<td>5</td>
<td>24</td>
</tr>
</tbody>
</table>

Communicate and Explain Pay Decisions

<table>
<thead>
<tr>
<th>Group</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Low to</td>
<td>High to Great</td>
</tr>
<tr>
<td></td>
<td>Not at All</td>
<td>Moderate</td>
</tr>
<tr>
<td>Manager</td>
<td>20</td>
<td>32</td>
</tr>
<tr>
<td>Subordinate</td>
<td>8</td>
<td>23</td>
</tr>
</tbody>
</table>

*Cell entries are percentages.

had actually been used to do so. The PA experiences to which the data refer have apparently established a perception of pay for performance for the managers but not for workers. Managers are not convinced that appraisals should have been used to "communicate and explain pay decisions," and indeed pay was often not discussed, contrary to the desires of subordinates. Ignoring these appraisee desires can be dysfunctional. Further analyses carried out on these data indicate that when pay decisions were communicated and explained appraisal seemed to be more satisfying to both parties and more open to constructive discussion of other issues, such as needed areas of performance improvement (Prince & Lawler, 1981). Apparently in an organizational context where pay for performance is a strong cultural norm, pay is a subject that should be discussed during PA. Avoidance tends to define a situation that, ironically, increases the saliency of the pay issue, drives out open discussion of other issues, and creates dissatisfaction with PA.

Differences between manager and subordinate definitions of the situation are by no means isolated. When we performed paired T-tests between manager and subordinate responses on all the questionnaire items that could be compared we found that the two groups of responses significantly differed on 68% of the items. Differences in definitions of the situation between PA participants is neither an isolated nor insignificant occurrence.

Even in situations in which the result may still be dysfunctional. We can illustrate this by explaining in which the manager's behavior will prompt feedback to the subordinate to see such an action as "look bad." We can utilize such a prefeedback substantiation of his hierarchy and his importance tool for him that when managers were requested to uncover during one appraisal. When this was brought to the managers, rather than give up an important subjects, they felt compelled to explain it and they said they felt system operate equitably. In reality, such an explanation could be an understanding of what the explanation means.

Expectancy Predictions

The manner in which the data that the model can be modeled by a value-expectancy model. We are interested in positing the model's mind, usefulness as we are interested in the prediction. The importance of an individual to a group expectancy model considers the individual has that those efforts and the accomplishment of the target behavior. The expected outcomes will be, therefore, will be (see Lawler, 1973; Vroom, 1964; 1976). Fig. 7.5 develops the equation of the possible connection among preparative behaviors and outcomes. From the following diagram:

![Expectancy-model diagram](image-url)

FIG. 7.4. Expectancy-model charting PA motivations.
7. MOTIVATION AND PERFORMANCE-APPRAISAL BEHAVIOR

Even in situations in which the definitions and behaviors are compatible, the result may still be dysfunctional and contrary to original PA system intentions. We can illustrate this by expanding an earlier example. In the situation described in which the manager's boss reviewed and signed off prior to the manager's feedback to the subordinate we saw the following: Not only did the subordinate see such an action as "locking in" the appraisal but the manager consciously utilized such a prefeedback review as a legitimation of his appraisal and a substantiation of his hierarchical superiority over the subordinate. It was such an important tool for him that he refused to alter this practice even though all managers were requested to do so by the plant manager. The subordinate discovered during one appraisal that completely erroneous data had been used. When this was brought to the manager's attention during feedback, the manager, rather than give up an important source of authority, acknowledged the error but felt compelled to explain it as purposeful and necessary in order to make the system operate equitably. Because the subordinate accepted the fabrication as reality, such an explanation caused considerable distortion in the subordinate's understanding of what the system was all about.

Expectancy Predictions

The manner in which the definition of the situation is converted into behavior can be modeled by a value-expectancy approach. In doing so we are not so much interested in positing the model as the way of explaining behavior or testing its usefulness as we are interested in using the model as a heuristic to understand the important forces motivating appraisal behavior. We think of motivation as the tendency of an individual to withhold or exert effort in behavioral directions. The expectancy model considers motivations to stem from the expectations the individual has that those efforts will result in the target behaviors, that the accomplishment of the target behaviors will result in a variety of outcomes, and that the expected outcomes will be, on the whole, valuable or satisfying to the individual (see Lawler, 1973; Vroom, 1964). A simple version of this model appears in Fig. 7.4.

![Fig. 7.4. Expectancy-model characterization of the actor's definition of the PA situation underlying PA motivations.](image-url)

Definitions of the situation are drawn from the self-reported reports of PA participants that could be compared we found that 68% of the between PA participants is
Outcomes perceived to result from appraisal behavior.

FIG. 7.5. Possible outcomes perceived to result from appraisal behavior.

processes that we can manage. We need to include in the appraisal process the personal bias, attitudes, and beliefs of the PA role in which others shape the outcomes likely to occur. It is our job to place this information within the PA effort into using a form that accomplishes the goals of the role and helps the appraisee understand the needs of the situation, especially in the case of reward improvement and performance appraisals.

As indicated in Fig. 7.5, the PA process involves the behavior of both appraiser and appraisee. However, the behavior of others, although important, may not openly affect the PA process. A presentation of self-generated data, in contrast, will be a more complex answer to the question of how to avoid the appearance of prejudice in the evaluation process. Appraisals of individual behaviors can be filtered in order to be interpreted as intended by design. The interaction of these behaviors will be shown.

The reasons why appraisal is a key component of performance can be partially understood by examining the processes involved first at the accuracy of prior research in identifying the reasons that an organization requires performance appraisals and then at the effectiveness of the evaluations.

The figure suggests that performance appraisal on a certain reference of the appraisal model may identify the standards and procedures necessary to motivate the appraisee to perform as expected. These standards and procedures could be written into job descriptions, and training programs developed to help employees comply with them to use good decision-making skills.
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Outcomes

Personal Reaction of Appraisee
Interaction of Others to Decision
for Appraisee
Fire Appraisee
Promote Appraisee

Performance of Appraisee
Chances for Appraisee
Performance of unit and others
for doing PA behaviors

Tools Available and Understood
Extrinsic Rewards for Tool Use
Use of Valid Data Collection and Analysis Tools
Intrinsic Rewards for Tool Use

FIG. 7.6. Conditions leading to use of PA tools.

Processes that we can manage the individual’s definition and subsequent behavior. We need to include in the individual’s definition of the situation such things as perceived ability to effect certain PA behaviors, an appropriate understanding of the PA role in which one finds oneself, the expected first- and second-level outcomes likely to occur due to certain behaviors, and the values the individual places on such outcomes. Appraisers, for example, are not going to put much effort into using a form they neither understand nor feel they have the ability to use (ability to discriminate among performance levels, for instance). Neither will they be motivated to feed back negative appraisals if they expect a nasty scene from the appraisee especially if they see no longer-term possibility for performance improvement and the organization does not reward them for it.

As indicated in Fig. 7.5 we need to explain not only the appraiser’s behavior but the behavior of others in the appraisal system as well. Appraisees, for instance, may not openly participate in developmental feedback or in complete presentation of self-generated data to be used for appraisal if they feel that such openness will be used against them (a climate of distrust). Personnel administrators and higher-level managers have been known to change appraisals in order to avoid the appearance of inequities across various organizational units. Such individual behaviors can in the aggregate yield a system much different than intended by design. The emerging reality is even further compounded by the interaction of these behaviors.

The reasons why appraisal systems often fail to yield valid data about performance can be partially understood by using the expectancy approach. Looking first at the accuracy of private appraisals, Fig. 7.6 shows the types of expectancies that an organization must create to positively influence the accuracy of PA evaluations.

The figure suggests that if an organization wants an appraiser to base the appraisal on a certain reference standard on a specific behavior, it must not only identify the standards and make information on them available, but it must also motivate the appraisee to use them. Rewarding appraisers who keep records or who develop agreements with subordinates about performance can motivate them to use good decision processes in forming their own judgments.
The extrinsic rewards in the situation can range from pay increases for the appraiser to a requirement that a certain form be filled out in order for the appraisee to receive a pay increase, which, in turn, would help the appraiser gain esteem, or acceptance from the appraisee. The intrinsic rewards may stem from having been involved in developing the tool and as a result feeling a commitment to using it or feeling it is a better tool.

The analysis supports one further interesting point: Better forms and better measurement systems are likely to be effective only if the organization motivates individuals to use them. Even if forms are used they must have a controlling effect on the private appraisal. Private biases are only controlled to the extent the form programs the lenses through which the appraiser perceives performance, and are uncontrolled to the extent that the form allows uncontrolled perceptions to be fitted into the categories of the appraisal. Further, they are only likely to solve the organization’s “validity problem” if appraisers are in turn motivated to report the private appraisals accurately.

An accurate private appraisal of an individual’s performance by an appraiser by no means guarantees that an accurate appraisal will enter the formal system. The appraiser must be motivated to provide an accurate report or at least must not be motivated to give an inaccurate report. Fig. 7.7 suggests some expectations on the part of the appraiser that might lead to the reporting of inaccurate data. It shows some of the kinds of negative consequences that individual appraisers might perceive would result from accurate appraisals. They include losing control over the reward system and an interpersonally uncomfortable confrontation with the appraisee. Sometimes appraisers try to have the best of all worlds by having multiple public appraisals: one for the appraisee (favorable), one for the organization’s reward system (targeted to a desired pay action), and one for determining who gets a particular job assignment (accurate if the appraiser is held responsible for the resulting performance). This behavior is often motivated by just the kinds of motivation shown in Fig. 7.7.

This analysis leads to some interesting thoughts about what conditions are most likely to lead to accurate public reporting of private appraisals. Briefly, it suggests this is likely when individuals are rewarded for doing it and of course not punished for doing it. It is hard to reward accuracy extrinsically because it is difficult to measure. About all that can be done is to look for convergent validity, to require good backup data for appraisals, or to rely on intrinsic motivations towards accuracy perhaps through establishment of value consensus. When appraisals are used by others for multiple purposes individuals are particularly likely to be motivated to distort their appraisals in order to avoid “misuse” of their appraisals.

Ultimately it seems that the best way to get accurate reporting is to do nothing with the data, because any use is likely to result in problems for the appraiser. Of course if nothing is done there is little sense in making the data public. Perhaps the most sensible conclusion is that the use of appraisals should be carefully thought out and that targets (not only for pay) so that they are controllable. Finally, organizations automatically converting the problem of managers’ behavior is not always that data will give data that support.

In order to illustrate thinking about performance issues in appraisal: the failure of appraisers to rate subordinates of superiors’ conducting a job about when superiors are likely to happen only when the advantages of not doing so is not so socially or intrinsically rewarding that some organizational reward must be obtained compliance with a policy. You must measure whether an organizational rewards/punishments to the policy if it helps or if it is carried out—that is, if it supports behavior. Finally, carrying out the removal of some other activity (e.g., raise for a subordinate) is carried out without a bias dictated by the policy.
thought out and that targeted uses be made of specific appraisal judgments (e.g., only for pay) so that the tendency to misrepresent is limited and potentially controllable. Finally, organizations should be careful to avoid thinking that by automatically converting ratings to such things as pay actions they have solved the problem of managers’ making bad pay decisions. Most likely what they have done is assure that pay decisions will be based on bad data, because appraisers will give data that support the pay action they want to achieve.

In order to illustrate further the usefulness of the expectancy approach to thinking about performance-appraisal behavior, we can apply it to two traditional issues in appraisal: the failure of superiors to conduct appraisal and the tendency of appraisers to rate subordinates unrealistically high. Looking first at the issue of superiors’ conducting appraisals we can make some rather specific predictions about when superiors are likely to go “public” with their appraisals. This is likely to happen only when the perceived consequences of doing so outweigh the advantages of not doing so. For many individuals, going public with an appraisal is not so socially or intrinsically rewarding that it will be done in the absence of some organizational rewards for doing so. Thus, one prediction is that in order to get compliance with a policy requiring that people be appraised, organizations must measure whether appraisers actually carry out the behavior and then link rewards/punishments to these measures. Training may also produce compliance with the policy if it helps to reduce doubt that the appraisal can be constructively carried out—that is, if it reduces the perceived negative consequences of the behavior. Finally, if carrying out an appraisal is instrumental for the accomplishment of some other activity the individual wants to accomplish (e.g., get a pay raise for a subordinate) it is more likely to be carried out, although perhaps not without a bias dictated by the ultimate purpose.

A common complaint in organizations is that appraisers rate “all appraisees” highly. In terms of the outcomes that are typically associated with giving high
and low ratings, it is hardly surprising that managers behave this way in many organizations. Indeed, specific organization policies tend to motivate this (e.g., policies linking pay to performance results). The solution to this problem is not to be found in a better appraisal form but in a reward system that encourages appraisers to engage in appropriate rating behaviors. For example, peer-group norms can be developed that say that it is unfair for a manager to rate all his subordinates highly because it makes life difficult for other appraisers. (Of course this raises the design issue of how to create and maintain such group norms.) Alternately, appraisers who without justification rate everyone highly can, in turn, be rated as poor performers because they fail to carry out an important part of their job: appraising the performance of others. In the absence of these steps it is hardly surprising that appraisers tend to rate highly; it often brings raises for subordinates, social rewards from subordinates, and the avoidance of confronting the appraisee about his or her poor performance.

In summary, we are arguing that in order to understand the rating behavior of an appraiser we need to focus on the perceived consequences of giving particular ratings. This means looking at how rating data will be used, who will see it, what the anticipated reaction from the appraisee will be, and what connections there are between the appraisal results and such other systems as the pay system, the human-resource planning system, and so on.

**IMPLICATIONS**

The major thesis of this paper has been that performance-appraisal behavior can be and indeed should be viewed as motivated behavior. Numerous examples in this paper illustrate that when this view is taken it can be made more understandable and tractable. This is not to argue that performance-measurement methods are unimportant, but rather that an exclusive focus on them is unlikely to produce effective performance-appraisal behavior.

The view strongly suggests that the improvement is ultimately a matter of creating a shared social definition of performance appraisal that is consistent with the original intent. Doing so depends initially on convincing actors that such a definition is viable. In the long run, it also depends on the subsequent reality created by the behaviors stemming from this social definition, which must be perceived as reinforcing and not contradicting the original design. This point suggests a number of conclusions about what type of knowledge and practice is needed to improve outcomes:

1. The amount of improvement that is likely to be gained by better measurement instruments is small.
2. Many contexts may need to be changed before valid appraisal can be done in them.
managers behave this way in many organizations. These tendencies tend to motivate this (e.g., convincing actors that such a rating is consistent with the organizational design) depends on the subsequent reality of that design, which must be derived from the original design. This point underscores the need of knowledge and practice is not only to be gained by better measuring the system, but that more valid appraisal can be done.

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3. Much more knowledge about how systems are seen or defined by actors is needed if we are to design effective systems.

4. Organizations need to look at the uses they will make of PA results and determine if they encourage the production of valid data that is likely to be valued for that purpose.

These conclusions in turn suggest a final point: Organizations are made up of connected subsystems; therefore research and practice that consider subsystems by themselves are likely to be misleading and simplistic at best. Perhaps the future will see performance-appraisal research and practice that consider the connection among context, social definition, motivation, and appraisal behavior.

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