To the Graduate Council:

I am submitting herewith a dissertation written by Murray Strathern Weaver entitled "Interim Reviews in the Performance Evaluation Process: Testing the Utility of No Surprises." I have examined the final copy of this dissertation for form and content and recommend that it be accepted in partial fulfillment of the requirements for the degree of Doctor of Philosophy, with a major in Psychology.

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We have read this dissertation
and recommend its acceptance:

Accepted for the Council:

Vice Provost
and Dean of The Graduate School

INTERIM REVIEWS IN THE PERFORMANCE EVALUATION PROCESS: TESTING THE UTILITY OF NO SURPRISES

A Dissertation

Presented for the

Doctor of Philosophy

Degree

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Murray Strathern Weaver

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DEDICATION

This dissertation is dedicated to my family, Becky and Adam, who have given me the freedom and support that I so often needed when doing the research. The dissertation would have had far less meaning without them.

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ABSTRACT

Two major difficulties involved in traditional performance evaluation systems have been getting employees to accept honest feedback on their performance and having employees agree with the performance ratings. These difficulties have been thought to arise as a result of the performance feedback and the performance ratings coming as a surprise for the employee during the appraisal discussion. Although practitioners have frequently suggested that informal performance appraisals throughout the evaluation cycle would be beneficial for both the employee and the rater, this wisdom has never been adequately tested.

This research examined the utility of using formal informal feedback, known as interim reviews, to (a) provide feedback to employees regarding their performance, (b) assist employees in removing obstacles to improved performance, (c) allow employees to discuss performance which the rater may have missed or misinterpreted, and (d) give employees an indication of how their performance would be rated if the formal evaluation occurred on that day. It was expected that if interim reviews were effective, then that fact would be reflected in higher levels of employee agreement with the performance ratings. The study also considered the possibility that the overall performance rating would affect levels of employee agreement, as might the interaction between overall rating and interim reviews. The dependent variables for the study were agreement with the individual job responsibility ratings and agreement with the overall performance rating. The effects of the number of interim reviews, ranging from

zero to two, were examined via hierarchical multiple regression analyses.

The results indicate that with respect to agreement with individual job responsibility ratings, only the number of interim reviews led to a significant increment in $\underline{R}^2$ after the effect of several controlling variables had been removed from the dependent measures. Neither the overall rating nor the interaction contributed to a significant $\underline{R}^2$ increment. For agreement with the overall rating, both the overall rating itself and the number of interim reviews led to a significant increment in the accounted for variance. There was not a significant interaction for either analysis between overall rating and number of interim reviews.

The results clearly indicate that the number of interim reviews are strongly related to levels of employee agreement with performance ratings.

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LIST OF ABBREVIATIONS

AGREEIND	Percentage of individual job responsibility ratings with which the employee indicated agreement
AGREEOVR	Employee agreement with the overall contribution to the work unit rating
EMPINPOS	Length of time the employee had been in his or her current position
EMP2	A dichotomous variable created to represent the EMPINPOS value of being in the position from three to six months
EMP3	A dichotomous variable created to represent the EMPINPOS value of being in the position from six to twelve months
EMP4	A dichotomous variable created to represent the EMPINPOS value of being in the position from one to two years
EMP5	A dichotomous variable created to represent the EMPINPOS value of being in the position from two to five years
EMP6	A dichotomous variable created to represent the EMPINPOS value of being in the position for five or more years
EMP/SUP	Length of time that the rater had supervised the employee
INTERACT	Name applied to the variable that represented the interaction between the overall contribution to the work unit rating and the number of interim reviews
JPPE	State of Tennessee Job Performance Planning and Evaluation system
LEVEL	The employee's level within the organization as defined by his or her role within the job performance planning and evaluation system
LEV0	A dichotomous variable created to represent the LEVEL value of being a nonsupervisor
LEV1	A dichotomous variable created to represent the LEVEL value of being a rater
LEV2	A dichtomous variable created to represent the LEVEL value of being a reviewer
MEANRATE	The mean of all performance ratings received on the individual job responsibilities for an employee

MONTHSER	The total number of months of state service credited to an employee
NREVIEWS	The number of interim review discussions held during the evaluation cycle
OVERALL	The overall contribution to the work unit rating (overall performance rating)
PRERATE	The overall contribution to the work unit rating received during the previous evaluation cycle
RCOUNT	The number of individual job responsibilities on which the employee's performance was evaluated
RSE2	A dichotomous variable created to represent the EMP/SUP value of the rater having supervised the employee from three to six months
RSE3	A dichotomous variable created to represent the EMP/SUP value of the rater having supervised the employee from six to twelve months
RSE4	A dichotmous variable created to represent the EMP/SUP value of the rater having supervised the employee from one to two years
RSE5	A dichotmous variable created to represent the EMP/SUP value of the rater having supervised the employee for two or more years
STDRATE	The standard deviation of the individual job responsibility ratings
SUPINPOS	The length of time that the supervisor had been employed in his or her current position
SUP2	A dichotomous variable created to represent the SUPINPOS value of the supervisor's being in the position from three to six months
SUP3	A dichotomous variable created to represent the SUPINPOS value of the supervisor's being in the position from six to twelve months
SUP4	A dichotomous variable created to represent the SUPINPOS value of the supervisor's being in the position from one to two years
SUP5	A dichotomous variable created to represent the SUPINPOS value of the supervisor's being in the position from two to five years

SUP6	A dichtomous variable created to represent the SUPINPOS value of the supervisor's being in the position for five or more years

CHAPTER I

INTRODUCTION

1. REVIEW OF RELEVANT RESEARCH LITERATURE

Employee Perceptions of Performance Evaluation

Over the past few years, a considerable amount of research effort has been devoted to assessing employee reactions to performance evaluation systems (e.g., Burke, Weitzel, & Weir, 1978; Dipboye & de Pontbriand, 1981; Greller, 1975; Ivancevich, 1980, 1982; Landy, Barnes, & Murphy, 1978; Landy, Barnes-Farrell, & Cleveland, 1980; Mount, 1983). Lawler (1967) postulated that employee attitudes toward fairness and acceptability of the system play a major role in the validity of performance ratings, and that the ultimate success of a performance evaluation system depends on the employee's confidence in the evaluation process.

Landy, Barnes, & Murphy (1978) surveyed over 700 employees in the production division of a large manufacturing company. Using a twelve item questionnaire, they measured employee perceptions of the frequency, quality, and consequences of performance evaluation. The variable of interest for the study was the response to an item asking whether performance had been fairly and accurately evaluated. They found that the attitudes of employees being evaluated were affected by the manner in which the supervisor carried out the evaluation. They also suggested that their results provided support for the traditional views that performance evaluation should be done as frequently as possible, that goals should be set in conjunction with the employee,

and that the rater should carefully observe and evaluate the employee's performance prior to the actual appraisal discussion. In a follow-up study, Landy, Barnes-Farrell, and Cleveland (1980) repeated the survey on approximately 300 managerial and professional employees. The follow-up controlled for the possibility that the employee's performance rating may have influenced the perceptions of fairness and accuracy. Their results indicated that the variance in the measure of perceived fairness could not be explained by the performance rating level. They therefore concluded that the results reported by Landy et al. (1978) were supported.

Burke, Weitzel, and Weir (1978) used a 13 page questionnaire in a single hospital to measure employees' reactions to their most recent performance appraisal. Burke et al. found that employee satisfaction with the performance appraisal was related to (a) the degree of subordinate participation in the appraisal, (b) the degree of helpfulness of the supervisor, (c) the extent to which job problems that hampered performance were cleared up, and (d) the extent to which future performance targets were set.

Ivancevich (1980) conducted a longitudinal study of the usefulness of behavioral expectation scales with respect to both employee reactions to the performance evaluation system and performance improvement. Using a sample of 249 engineers and their 58 supervisors, a 58 item questionnaire was administered at the beginning of the study. Responses to the questionnaires were then factor analyzed. The results of that analysis indicated that the reactions of employees to the appraisal system could be explained with six

factors: equity, accuracy, comprehensiveness, meaningful feedback, clarity, and motivational impact. Ivancevich (1982) used a sample of 60 team leaders and their 225 professional subordinates in a research and development facility of a large firm. The study was designed to examine the relative effectiveness of four different appraisal interview conditions. Prior to the training of the team leaders, the subordinates completed a 23 item questionnaire that tapped their perceptions of their most recent performance appraisal interview. A factor analysis of the data indicated that employee reactions to the appraisal interview were very similar to those for the appraisal system (cf., Ivancevich, 1980) and could be explained in terms of five factors: equity, accuracy, clarity, motivational impact, and anxiety. Thus these two studies suggest that employees' reactions to both the evaluation system and the evaluation interview are closely linked to perceptions of their being fair, accurate, clear, and motivating.

Dipboye and de Pontbriand (1981) used a 13 item questionnaire to measure employees' perceptions of the performance appraisals they had received during their evaluation cycle. The sample consisted of mostly scientists, engineers, and technicians in a research and development organization. Dipboye and de Pontbriand found that (a) the opportunity to participate in the appraisal discussion, (b) the discussion of plans and objectives, and (c) evaluation on relevant job factors were correlated with positive opinions of the appraisal and the appraisal system.

Mount (1983) surveyed managers and employees in a large multi-national corporation to study their reactions to various aspects of

the performance appraisal program. The data were factor analyzed separately for the two groups, as the items for the managerial sample were slightly different than the items for the employee sample. Five factors were extracted from the employee sample, and seven were extracted from the managerial sample. Three factors were common to both groups and were composed of identical items. These three factors were (a) general satisfaction, (b) appraisal forms-physical characteristics, and (c) communication of the program. The other two factors extracted from the employee sample were each represented as two separate factors in the managerial sample. The factor named "appraisal forms-content and procedures" in the employee sample was represented as "appraisal forms-content" and "appraisal forms-ratings" in the managerial sample. Similarly, the factor termed "company policies and procedures" in the employee sample was represented as separate factors in the managerial sample: "company policy" and "company procedures." Mount concluded that employees' perceptions of certain aspects of the appraisal system were more global than the managers', and explained the difference by the fact that managers play a distinctly different role in the appraisal process than do employees. Thus they were more likely, for example, to see a distinction between company policy and appraisal procedures than were employees. An interesting result from Mount's study was the significant differences in the means of the 19 items that were common to both the employee and managerial surveys. Although not discussed in the article, 18 of the 19 pairs of means were significantly different between the employee and the managerial samples. In all

cases, managers indicated that they had more positive perceptions of the appraisal system than did employees.

Feedback in the Performance Appraisal Process

The role of feedback within organizations, particularly with reference to performance improvement, has become another area of major concern in the literature. This research was sparked in large measure by the seminal work of Ilgen, Fisher, and Taylor (1979) which reviewed the literature on feedback, summarized the current state of knowledge, and attempted to point out areas in which further work was needed.

A recent review on goal setting by Locke, Shaw, Saari, and Latham (1981) indicated that performance was most improved when goal setting was combined with appropriate feedback, and this combination was superior to either goal setting or feedback alone. These findings support the early work of Erez (1977) who was the first to suggest that performance feedback may be a necessary condition for goals to have an impact on performance. In her laboratory study, Erez used two groups of students and assigned members of both groups the task of comparing two lists of numbers for discrepancies. After ten minutes, students in the experimental group were given accurate feedback and told individually how well they had done relative to others in the group. This feedback was presented in one of five formats. The students were told that their performance was among the top 10, 25, 50, 75, or 90% in their group. The control group was also stopped after ten minutes, but received no feedback. All subjects were then given a questionnaire to assess their intended level of performance for the next number comparison task. The students indicated their

intention to be among the top 10, 25, 50, 75, or 90% in their group. All subjects then completed a second round of the number comparison task. Erez found that feedback information affected the variation in self-set goals for the experimental group and that the goals set by the students were more strongly related to subsequent performance for the experimental (feedback) group than for the control group. Erez interpreted the results as indicating that feedback was a necessary condition for the goal setting-performance relationship.

In their review, Ilgen, Fisher and Taylor (1979) suggested that behavioral specificity was essential for accurate perception of feedback. In a complex laboratory study, Ilgen, Mitchell, and Frederickson (1981) found that employees who received specific feedback reported trying harder than those receiving more general feedback, and that the positive effects of specific feedback generalized to feelings and beliefs about the supervisor. Liden and Mitchell (1985) used a sample of nearly 300 students to assess reactions to feedback as presented in 27 hypothetical situations. Liden and Mitchell varied the levels of consistency, distinctiveness, and consensus (cf., Kelley, 1967) in the feedback presented in the cases. The students were asked to imagine that they had received a failing grade in a course, and that they were talking to the teacher about the grade. The hypothetical teacher provided feedback to the student in terms of previous test grades in the course (i.e., consistency was high, low, or not reported), performance on a research paper (i.e., distinctiveness was high, low, or not reported), and information regarding the performance of other students on the

examination (i.e., consensus was high, low, or not reported). The students were then asked to respond to six questions intended to measure their reactions to the feedback. The results indicated that subjects in their sample viewed specific feedback as more helpful and of higher quality than nonspecific feedback. In addition, the students assessed feedback that contained information on consistency, distinctiveness, and consensus more favorably than feedback that did not contain this information. However, Liden and Mitchell also reported that specificity of feedback did not have an effect in terms of intended effort regarding studying for the hypothetical final examination.

In an interesting departure from the traditional view of feedback as something to be controlled and used by the organization, Ashford and Cummings (1983) posited that feedback also functions as a personal resource for employees and serves to satisfy the employee's need for information by reducing uncertainty, defining relevant goals, and providing cues regarding competency. Thus they state that "individuals will actively monitor and seek feedback information with respect to organizationally determined and individually held goals" (p. 380). The interested reader is referred to Landy and Farr (1983) for an in-depth discussion of Ashford and Cummings' theory, and a comparison with the theory proposed by Ilgen et al. (1979).

Particularly relevant with respect to performance evaluation systems was the work of Larson and Skolnick (1985) who examined the effects of informal feedback on subsequent memory-based recall for performance evaluation. They hypothesized that good performers would

be rated higher, and poor performers rated lower, when informal feedback was given than when informal feedback was not given. The underlying assumptions for this hypothesis were (a) performance-relevant memories are enhanced by giving informal feedback, and (b) that the act of giving feedback is likely to improve the ability to recall the behaviors that prompted the giving of the feedback. They found that for interpersonal performance, those subjects giving feedback rated good performers higher and poor performers lower than those subjects who did not provide informal feedback. However, these results were not found for task performance. Larson and Skolnik suggested that limitations in the research setting may have accounted for the failure of the data to support their hypothesis with respect to task performance feedback: the failure of informal feedback to have an effect may have been due to the rater's not being familiar with the experimental task. Their conclusion was that informal feedback was likely to improve the quality of at least some subsequent formal evaluations.

Purpose of Appraisal

Performance appraisal is currently a topic of much interest within many organizations, and the focus of concern varies with the purpose for which performance appraisal is used within the particular organization. Kane and Lawler (1979) and Landy and Farr (1980) have pointed out that performance appraisal is commonly used within organizations for one, or a combination, of several purposes: (a) for validation of selection methods and training programs, (b) for making promotion and placement decisions, (c) for the distribution of

organizational rewards, and (d) for facilitating employee development. A classic study by Meyer, Kay, and French (1965) indicated that using a performance appraisal system for more than one purpose (e.g., reward allocation, and employee development) was, in practice, not feasible. One reason established by Meyer et al. was that this duality of purpose forced supervisors to serve in two often conflicting roles as both a counselor interested in fostering employee development, and as a judge evaluating the employee's performance and making recommendations for salary increases and promotions.

A recommendation posited by Meyer et al. (1965) to overcome these and other difficulties was that coaching for performance improvement should be a day-to-day, rather than an annual, activity. This approach was known as the Work Planning and Review method and called for periodic meetings between the employee and supervisor in order to provide feedback, to jointly engage in problem solving, and to establish new performance goals. It is important to note that in the work planning and review meetings, no summary judgments or ratings were made by the supervisors. The purpose of these meetings was to facilitate employee development rather than to make administrative recommendations, and therefore the employee was expected to react positively to the feedback.

A second recommendation by Meyer et al. (1965) was to have separate appraisals for reward allocation and for employee development. Ilgen and Feldman (1983) have noted that the majority of organizations have adopted this "split role" evaluation system. The difficulty with the Meyer et al. recommendation for two separate

appraisal interviews is that it denies the fact that within many organizations, the two facets of performance feedback are interrelated. Ilgen and Feldman (1983) indicated that the advice of Meyer et al. appeared "faulty" because feedback necessarily has reward implications, and therefore employees often cannot avoid considering these implications even when they are not explicitly discussed.

Kane and Lawler (1979) have pointed out that many writers have suggested that using appraisal results for certain combinations of purposes, most notably reward allocation and employee development, can cause serious problems. However Kane and Lawler also indicate that it is this combination of purposes that is most commonly required of performance evaluation systems. Their recommendation was to provide raters with frequent opportunities to discuss performance before any consequences actually occur so that there will be no surprises when reward decisions are made and feedback will be separate from the actual pay discussion.

2. IMPLICATIONS OF THE RESEARCH

One possible solution to many of the problems associated with traditional performance evaluation systems may be, as suggested by Kane and Lawler (1979), periodic discussions between the supervisor and employee over the course of the evaluation cycle. Unlike what was proposed by Meyer et al. (1965), such discussions can be viewed as an integral part of a single performance evaluation system when they serve three key functions: (a) providing appropriate, timely, and specific behavioral feedback to the employee on the relevant

dimensions of performance, (b) joint problem solving between the supervisor and the employee, and (c) putting performance in organizational perspective by having the supervisor indicate the consequences of continuing performance at a particular level.

What the above cited research seems to indicate is that there is a need within performance evaluation systems for a mechanism that provides employees an opportunity to learn how their supervisors view their performance prior to the formal performance evaluation, and thus prior to the occurrence of any consequences. This is particularly true when organizational rewards and punishments may be associated with the evaluation. This interim review mechanism would also fill the need for employee development by (a) helping the employee plan for performance improvement and to remove any obstacles to improved performance through problem solving discussions with the supervisor, (b) helping the employee to more clearly understand what kinds of behaviors and work outcomes are expected by the supervisor, and (c) encouraging and motivating the employee by the supervisor's informally, but pointedly recognizing those responsibilities that have been carried out well. The interim review process would also allow the supervisor to discuss specific instances of good or poor performance, and to further explore the causes of observed behavior. In addition, the interim review should allow the supervisor to improve the recall of critical behaviors at the time of the formal performance evaluation (Larson & Skolnik, 1985).

There has been much support in both the psychological and management literature for increased feedback and problem solving

between supervisors and their employees prior to the actual performance appraisal (e.g., Henderson, 1980; Latham & Wexley, 1981; Patten 1982). Henderson (1980), for example has stated:

> No employee appreciates or wants unacceptable surprises, and most people have a distaste for carrying "bad" news. Unacceptable appraisal of performance is hardly ever enjoyable, but a steady identification of unacceptable behaviors at least removes the mystery, and sets the scene for the final showdown. Employees are not concerned about receiving an unacceptable appraisal rating when it is deserved but about receiving one that they feel is undeserved or comes with no prior warning (p. 96).

The concept of an interim performance review process is expected to be critical for the employee because it implies that when the formal performance evaluation occurs, there will be no surprises, either in terms of performance ratings or with respect to any personnel or salary action. In systems that use such a process, the employee will have had one or more opportunities to learn how performance is being evaluated, and why. In addition, because the interim review process is a two way communication process, the employee will have had an opportunity to openly discuss information or behavior that may have been overlooked or misinterpreted (Lawler, 1967). If there are obstacles to better performance, these can be discussed and possibly resolved prior to the formal evaluation. In any event, the employee will have an opportunity to improve performance prior to the occurrence of any formal consequences. If performance does not improve, the resulting performance ratings and any recommended personnel or salary action should be expected. However, there has been very little research done to test the effectiveness of an interim performance review process or to examine

whether the philosophy of "no surprises" is useful within a performance evaluation system.

3. TYPES OF PERFORMANCE EVALUATION RATINGS

There are two major areas on which performance evaluations tend to focus; individual job responsibilities or performance dimensions, and the overall contribution to the work unit or overall performance rating.

Ratings of Individual Job Responsibilities

The individual job responsibilities are particularly relevant for both the supervisor and the employee because they define the specific behaviors and work outcomes which constitute the employee's job. These are likely to be of critical importance to employees because the individual responsibilities are the aspects of evaluated performance that can most benefit from feedback. For the supervisor, the individual responsibilities define what is expected from the employee, and also represent the discrete, directly observable behaviors which form the basis for the evaluative ratings. In addition they allow the greatest opportunity to provide behaviorally specific feedback to the employee. It is also important that the individual responsibilities be evaluated accurately as it is the performance on these that form the basis for arriving at an evaluation of the employee's overall contribution to the work unit.

Ratings of the Overall Contribution to the Work Unit

Although the supervisor's evaluation of the employee's

performance on individual job responsibilities is critical, so too is the overall performance rating. It is on the overall performance rating that most organizations base their contingencies, and in many organizations it may be the only rating on file with the personnel department. Therefore the overall performance rating is likely to be of extreme importance to employees simply because of reward considerations. For many employees, however, the overall rating may be of even greater significance as it represents the supervisor's formal indication of how much the employee is contributing to the work unit. Most employees want to be well thought of by their supervisors, and also want to have their performance level accurately recognized. From the supervisor's perspective, the overall performance rating must be arrived at through a subjective combination of the individual job responsibility performance ratings. It may be that the overall performance rating is more difficult to justify on the basis of observed performance since one does not view global performance, but rather only bits and pieces of it. Therefore, there is a much greater potential for error when attempting to accurately evaluate the employee's overall contribution to the work unit.

4. THE PROPOSED RELATIONSHIPS OF INTERIM REVIEWS

Individual Job Responsibility Ratings

The purpose of this study is to explore the effects of the interim review process on employee agreement with the formal performance evaluation ratings. If planned interim reviews provide an opportunity for feedback, problem solving, planning for performance

improvement, an informal indication of what the formal performance evaluation ratings will be and the consequences of continued performance at the current level, then the ratings received at the time of the formal performance evaluation should not hold any surprises for the employee. This in turn may increase the probability of the employee's indicating agreement with the ratings received on the individual job responsibilities. Further, the number of interim reviews should be related to employee agreement as the more frequent the feedback process, the more the employee has an opportunity to assess acquired competence and/or progress toward goal attainment, and it should allow the supervisor more data from which to form accurate memory-based judgments. Thus even when performance on a particular responsibility has been poor, the interim review process should allow the supervisor to present behavioral incidents which the employee cannot deny (cf., Ilgen et al., 1979). Therefore it is hypothesized that the greater the number of interim reviews prior to the formal performance evaluation, the greater the degree of employee agreement with ratings on the individual job responsibilities. Thus two interim reviews held during the evaluation cycle should result in greater employee agreement than one interim review which, in turn, should result in a greater degree of employee agreement than no interim reviews.

Landy, Barnes, and Murphy (1978) found that employees' attitudes toward the performance appraisal discussions were affected by the evaluation process. A follow-up study (Landy et al., 1980) repeated the survey, but took into account the possibility that the performance

rating could have affected the attitudes of the employees. The results of the follow-up study indicated that the variance in the employees' perceptions of fairness could not be explained by rating level. As the overall performance rating is frequently what is reported to the organization's personnel department, and because in many systems the overall performance rating may be used for promotional or salary decisions, it is worthwhile to determine exactly what effect the overall rating level may have on the employees' indicated level of agreement. The overall performance rating is considered rather than the ratings on the individual responsibilities as it is on the former that personnel actions are usually based. Thus a second hypothesis is that the evaluation of the employee's overall contribution to the work unit will have a significant effect on the employee's agreement with the performance ratings on individual job responsibilities, such that the more positive the overall performance rating, the greater will be the degree of indicated agreement.

It may be, however, that the number of interim reviews and the overall performance rating interact with respect to employee agreement with performance ratings on individual responsibilities. The number of interim reviews may strongly affect the level of agreement when overall performance ratings are low, but have little or no effect when the overall performance rating is high. Because organizational contingencies are usually based on the overall performance rating, this possibility appears quite likely. It is therefore hypothesized that the effect of the number of interim reviews on employee agreement with individual job responsibility performance ratings will be

significant at low-evaluated levels of overall performance, but not at high-evaluated levels of overall performance. Thus having two or one interim reviews will elicit greater employee agreement than no interim reviews only when the overall performance rating is also low.

Overall Contribution to the Work Unit Rating

Interim reviews are also expected to have a significant, positive effect on employee agreement with the overall performance rating. The number of interim reviews prior to the formal performance evaluation should reduce the likelihood of a surprise for the employee at the time of the formal performance evaluation. If the supervisor has been conducting the interim reviews well, the employee should have an indication of what level of overall rating is likely to be received and, in the cases where organizational rewards are linked to performance ratings, what organizational consequences are likely to follow. Therefore the greater the number of interim reviews prior to the formal performance evaluation, the greater the likelihood of employee agreement with the overall contribution to the work unit rating. Thus two interim reviews held during the evaluation cycle should result in a greater probability of employee agreement than one interim review which, in turn, should result in a greater probability of employee agreement than no interim reviews.

As was hypothesized for the ratings of performance on the individual job responsibilities, the level of the overall performance rating is predicted to have a significant effect on the employee's agreement with the overall rating. This would appear to be quite logical as positive evaluations by the supervisor should serve as a

reinforcer for the employee. A high overall performance rating may result in both intrinsic and extrinsic rewards as it may be (a) a formal recognition of performance, (b) acknowledgment of improved performance that may have occurred, (c) a recommendation for the granting of organizational rewards, and (d) likely to be a confirmation of the employee's own self evaluation (cf. Ilgen et al., 1979). By contrast, a low overall performance rating may (a) represent documentation of less than exemplary performance, (b) possibly be an indication that no improvement in performance was observed, (c) result in limitations on, or denials of organizational rewards, and (d) likely be inconsonant with the employee's self evaluation. It is therefore likely that employees are more prone to indicate agreement with more positive ratings than with less positive ratings of overall performance. Thus it is hypothesized that the evaluation of the employee's overall contribution to the work unit will have a significant effect on the employee's agreement with the overall performance rating such that the more positive the overall performance rating, the greater will be the probability of indicated agreement.

As was the prediction when discussing performance ratings on individual job responsibilities, the number of interim reviews and the overall performance rating are hypothesized to have an interactive effect with respect to employee agreement. The number of interim reviews may strongly affect the level of agreement when overall performance ratings are low, but have little or no effect when the overall performance rating is high. It is therefore hypothesized that

the effect of the number of interim reviews on employee agreement with the overall contribution to the work unit rating will be significant at low-evaluated levels of overall performance, but not at high-evaluated levels of overall performance. Thus having two or one interim reviews will elicit greater employee agreement than no interim reviews only when the overall performance rating is also low.

5. PURPOSE OF THE RESEARCH

The Significance of Employee Agreement with Performance Ratings

The present research is considered relevant on both practical and theoretical grounds. First, employee agreement with the performance ratings implies that the ratings are perceived as both fair and accurate. In order for supervisors to provide fair and accurate ratings, they must have trust in the evaluation system. Bernardin and Cardy (1982) designed the Trust in the Appraisal Process Survey to measure the climate for appraisal within two police departments which were adopting the same performance appraisal system. One police department intended the system to be used for feedback purposes only, while the other intended to use the new system for personnel decisions. Bernardin and Cardy predicted that the ratings given by a particular supervisor would be affected, at least in part, by the perception of how other supervisors evaluated their employees. Where trust in the appraisal system was low, marked rating inflation occurred. Thus there was a clear negative correlation between the degree of trust in the evaluation system and the performance ratings. A similar phenomenon is likely to occur when a large proportion of an

organization's employees no longer perceive their evaluations to be fair or accurate. When employees no longer trust either their own evaluation or the evaluation system, there is likely to be rating inflation. Supervisors are unlikely to take the time or make the effort to provide meaningful performance evaluations to employees when employees no longer feel secure with the system. The result is an inflation of the performance ratings that does not mirror actual employee performance, and therefore a decrease in the meaningfulness of the evaluation--for the employee, the supervisor, and the organization. The evaluation system then becomes an exercise that must be carried out simply because it is required.

Employee agreement with the performance ratings is also important because of the interest that the federal courts have expressed in performance evaluation. Performance evaluation systems that are used for making personnel decisions are under the jurisdiction of Title VII of the 1964 Civil Rights Act and the Uniform Guidelines (1978) on employee selection (Kleiman & Durham, 1981). It is difficult to conceive of a legal challenge to a performance rating-based personnel action that would be supported by the courts when the employee voluntarily indicated agreement with the ratings and the supporting documentation. Kleiman and Durham (1981) reviewed 23 Title VII cases in which performance levels, as assessed through various appraisal systems, were used as the basis for making promotional decisions. The focus of their article was to review those cases and to offer suggestions for developing a legally defensible performance evaluation system. Among other recommendations, Kleiman and Durham suggested

that if first line supervisors were used to evaluate subordinates, then

> these individuals should be carefully trained, the rating scale be based on clearly defined job behaviors (e.g., behaviorally-anchored scales), and feedback be given to the employee who is given an opportunity to sign-off on the ratings (p. 118).

Thus Kleiman and Durham suggest that employee agreement with the performance ratings will be helpful in a legal challenge to the appraisal system.

Contribution to the Literature on Performance Evaluation

This study is also relevant because it extends the base of knowledge regarding performance evaluations into real organizations. Many of the studies cited have been laboratory studies. It continues to be an open question as to how much the results of studies of this type can generalize to real world settings. Many of the experimental tasks used in the studies are artificial or extremely short lived, and there are no long term consequences associated with either good or poor performance on the tasks. Studies involving case descriptions or paper people lack the real life relationships between supervisors and subordinates and among coworkers that are an integral part of organizations. It is likely to be entirely different when one evaluates performance in a laboratory setting on an artificial task with "employees" that the "supervisor" does not know, as opposed to when a supervisor must evaluate real performance within an organization that demands bottom line results and with an employee with whom the supervisor may have developed a social or civic relationship (Landy & Farr, 1983). Furthermore, there are

difficulties in assessing the sustained effects of many reported findings. The time periods involved are simply too short to assess whether performance improvements or other observed effects will endure over time.

Similarly, survey research has been problematic. Questions regarding the lost information reflected in an average return rate of between 60 to 70%, and individual interpretations of questionnaire items continue to be problems associated with survey research. In addition, the survey itself is artificial as it is not a regular part of organizational settings. By its very nature, it calls attention to itself and thus may alter true responses. Self-report data may be biased, and this may be enhanced if the survey items require recall from memory, or involve threats to self-esteem.

This, of course, does not deny the usefulness of such research. It is stated merely to point out the complexity of conducting research on issues that are intertwined with other aspects of the real world, and which therefore could have a profound impact on eventual study outcomes and interpretations. Where the current study differs from the research cited is that its data are collected as a result of normally occurring activities within organizations. The evaluations are real and have real consequences for the employee, the supervisor, and the organization. Employees in real world organizations are evaluated on the performance of their job, and for many individuals this can be an intensely threatening situation. Work occupies the majority of these individuals waking lives, and it is likely to be a central life interest for many of them. Therefore, reactions to both

positive and negative feedback are likely to be intensified. In addition, the data were collected as the events occurred. Therefore, employee reactions to the performance ratings are not likely to be biased by the necessity of having to recall the incident from memory, or the tendency to protect one's self-esteem. Such data, then, serve to fill in part of the mosaic of research on performance evaluation, and serves neither to replace nor duplicate survey and laboratory research.

Value of the Number of Interim Reviews

It should be noted that the above discussion suggests that the number of interim reviews is expected to have an effect on employee agreement with the performance ratings of individual job responsibilities and with the rating of the employee's overall contribution to the work unit. This was chosen as one of the critical independent variables for several reasons. First, having two interim reviews rather than one or no interim reviews indicates compliance with the guidelines for the performance evaluation system studied. More importantly, under the system being studied, the evaluation program is based upon standards of exceptional performance. As the behaviors and work outcomes that are characteristic of exceptional performance are not likely to be readily understood by employees or easily achieveable, the greater the number of interim reviews, the greater the opportunity the employee has to be involved in a critical feedback loop with the supervisor and to effectively work towards exceptional level performance. In this context, the employee' performance is more likely to be shaped towards the desired level, thus benefiting

both the employee and the supervisor. Much of the literature has indicated that the greater the frequency of feedback the better (Ilgen et al., 1981b; Landy et al., 1978), although Ilgen et al. (1979) have cautioned that too frequent feedback may remove control of performance from the employee. From the supervisor's perspective, it is likely that the greater the number of interim reviews, the greater will be the accuracy of the formal evaluation (cf., Larson & Skolnik, 1985), and thus the employee will be more likely to agree with the performance ratings. In addition, as more interim reviews are held, the supervisor has a greater opportunity to both provide more immediate feedback, and to insure that the employee is understanding and appropriately utilizing the feedback from the previous session. The interim review process represents an ongoing feedback loop where feedback is received and acted upon. Additional feedback may then be needed to clarify or to sustain performance. Ashford and Cummings (1983) have postulated that feedback, as desired information for employees, will be actively and frequently sought out. Therefore, more interim reviews should be related to greater levels of employee satisfaction.

6. SUMMARY AND HYPOTHESES

The above discussion suggests that if interim reviews are effective, then employee agreement with the formal performance evaluation ratings ought to increase as the number of interim reviews held with the employee during the evaluation cycle increases. Similarly, employee agreement with the formal performance evaluation can be

expected to increase with the level of rating, so that the higher the supervisor's evaluation of the employee's overall contribution to the work unit, the greater the likelihood of employee agreement. Also hypothesized is that the number of interim reviews and the level of overall rating will have an interactive effect such that the number of interim reviews will have a significant impact on employee agreement only when the overall rating is low. The hypotheses presented in the discussion are summarized below.

Agreement with Performance Ratings of Individual Responsibilities

Hypothesis 1. Employee agreement with performance ratings of individual job responsibilities will increase as the number of interim reviews held during the evaluation cycle increases, up to the maximum of two required by the system being studied . Thus having two interim reviews will lead to greater employee agreement with the performance ratings of individual job responsibilities than will having one interim review which will, in turn, lead to higher levels of agreement than having no interim reviews.

Hypothesis 2. Employee agreement with individual job responsibility performance ratings will increase as the level of the rating of the employee's overall contribution to the work unit increases. Thus the higher the overall performance rating, the higher will be the degree of employee agreement with individual job responsibility ratings.

Hypothesis 3. There will be a significant interaction between

the performance ratings of individual job responsibilities and the number of interim reviews held during the evaluation cycle such that the number of interim reviews will strongly affect employee agreement with individual job responsibility ratings when the overall performance rating is low, but have no effect on employee agreement when the overall rating is high.

Agreement with the Overall Contribution to the Work Unit Rating

Hypothesis 4. Employee agreement with overall performance ratings will increase as the number of interim reviews held during the evaluation cycle increases, up to the maximum of two required by the evaluation system being studied. Thus having two interim reviews will lead to higher levels of employee agreement with the overall contribution to the work unit rating than will having one interim review which, in turn, will lead to higher levels of agreement than having no interim reviews.

Hypothesis 5. Employee agreement with ratings of the overall contribution to the work unit will increase as the rating of the employee's overall contribution to the work unit increases. Thus the higher the overall performance rating, the higher will be the degree of employee agreement with the overall rating.

Hypothesis 6. There will be a significant interaction between the overall contribution to the work unit ratings and the number of interim reviews held during the evaluation cycle such that the number of interim reviews will strongly affect the degree of employee

agreement with the overall rating when the overall rating is low, but have no effect on employee agreement when the overall rating is high.

CHAPTER II

THE TENNESSEE JOB PERFORMANCE PLANNING AND EVALUATION PROGRAM

The State of Tennessee's Job Performance Planning and Evaluation (JPPE) program was designed to fulfill several needs of both the agencies within state government and the employees within those agencies. The JPPE was implemented in 1981 in some state agencies, with employees in all agencies of the executive branch of state government having completed at least one evaluation cycle by early 1983.

1. JPPE PROGRAM SYSTEM TYPES

The State of Tennessee employs approximately 38,000 employees in the executive branch of government in approximately 1,500 job classes, and consequently there is a great deal of variation in the personal characteristics of the employees with respect to the knowledge, skills, and abilities that they possess, and in the job responsibilities they are expected to carry out. Because of this diversity, an attempt was made to develop several different evaluation systems in order to meet the specific needs of different segments of state employees, while at the same time complying with the requirements established by federal law. At the time the data for this study were collected, the JPPE program had three performance evaluation systems designated as system 1, system 2, and system 3. Each job class covered by the JPPE fell into one of these three system types, and therefore the forms used for evaluating employees depended on the job

class into which the employee had been appointed. The basic evaluation process, however, was essentially the same for all three. Each of the three system types was designed specifically for separate groups of state employees.

System 1

Individuals in system 1 job classes are generally skilled, semi-skilled, or unskilled blue collar workers and constitute approximately 22% of the work force. Because supervisors of incumbents in these classes may have had limited academic training and often have a large number of employees reporting to them, the formal evaluation is recorded on a single sheet with preprinted job responsibilities. The form minimizes the amount of writing necessary to complete the evaluation and thus provides simplicity for the supervisor while minimizing the time needed for completing the form. The nature of the work for system 1 employees is usually structured and repetitive, and therefore a short evaluation cycle of six months is set for all system 1 job classes. Thus, these employees are formally evaluated twice a year. Because this evaluation cycle is six months shorter than the cycle for employees in system 2 and system 3 classes, only one interim review discussion between the supervisor and employee is required per cycle. Finally, because responsibilities for these employees are general in nature (e.g., amount of work performed/use of working time; working without close supervision), and do not have characteristics of exceptional performance explicitly defined on the form, performance levels on each responsibility are evaluated on a three-point rather than a five point scale. The unique character of system 1 evaluations would

make comparisons with the majority of evaluations on file difficult, and therefore system 1 evaluations were not included in the study.

System 2

Employees in system 2 job classes constitute the majority (59%) of state employees. The responsibilities for these employees are generally nonrepetitive, and the natural cycle of their duties is often much longer than for system 1 employees (e.g., budgets are prepared only once a year; social counselors have ongoing caseloads). Thus the evaluation cycle for these employees is a full year, rather than six months. In these classes, job plans are developed individually for each employee. These written j b plans are intended to clearly specify their responsibilities and to describe, in terms of observable behaviors and work outcomes, what exceptional level performance looks like for each responsibility. Characteristics of most system 2 job classes are that they are often large job classes and incumbents usually have either no supervisory or first line supervisory responsibilities.

The duties of employees in system 2 classes are largely defined by the job class to which they have been appointed. Therefore in order to facilitate the job planning process for employees and supervisors, and to promote consistency in how and on what employees are evaluated, job performance catalogs were developed for each system 2 job class. Job performance catalogs list the major job responsibilities that an employee in a given job class or job class series may have, and lists for each the characteristics of exceptional performance (see Appendix A). They are developed by supervisors of the

class incumbents and represent a consensus on what the responsibilities should be for employees in the class. It should be noted that the catalog literally serves the same purpose as a commercial catalog: the supervisor and employee are free to select and use all, part, or none of the responsibilities listed. Modifications to responsibilities as they are written in the catalog are permitted in order to provide flexibility and to allow a job plan to be tailor-made for the employee. In addition, employees and supervisors are free to choose responsibilities from catalogs of other job classes if they are appropriate for a particular employee. The number of responsibilities on an employee's job plan is left to the discretion of the supervisor and employee, up to the maximum of 16 allowed by the form, but it is recommended that six to eight responsibilities are usually sufficient to describe an employee's major job responsibilities.

System 3

System 3 job classes are similar to system 2 job classes in that they have an annual evaluation cycle, have the same evaluation process (i.e., job performance planning, two interim reviews, and formal evaluation), and use the same evaluation forms. They differ from system 2 job classes in several key respects, however. First, system 3 job classes tend to be much smaller job classes. Secondly, the majority of these classes are managerial or executive in nature. Thus system 3 employees constitute a small percentage (18%) of the total work force. A third distinction is that for many of these classes, the responsibilities expected of incumbents are often less structured than for employees in system 2 job classes. Because of the lower task

structure inherent in the job, employees in system 3 job classes often have much greater flexibility in defining what they do by determining how an activity should be carried out. For these reasons, class-specific job performance catalogs have not been developed for these classes. Therefore, employees and supervisors of employees in system 3 job classes must develop their own set of job responsibilities and characteristics of exceptional performance. As was the case with system 2 classes, however, they have the option of using job responsibilities taken from existing catalogs.

2. FORMAL EVALUATION FORMS

The forms used to record the formal evaluation were readable by an optical scanner (see Appendix B). For each form, the rater recorded (a) information on the employee including the employee's name and social security number, position number, and length of time in current position, (b) information on the rater including the rater's name and social security number, length of time the supervisor had been in the position, and length of time that the rater had supervised the employee. Other information was also recorded that provided data about the timing and process of the performance evaluation. The supervisor noted the date of the job planning discussion, the dates of the two interim reviews (if they were held), and the date of the formal evaluation. The supervisor also indicated the type of evaluation (e.g., annual, promotion, change of supervisor) and any recommended action such as transfer or dismissal. The form had space for the supervisor to write in up to 16 major job responsibilities, their

identifying four digit job responsibility codes from the job responsibility catalogs (or a unique four digit code that indicated a noncataloged responsibility), and the rating given for each responsibility. Below each of these areas, space was provided for the supervisor to record the justification for the rating given for each responsibility. At the end of the booklet, space was provided for the supervisor to evaluate the employee's overall contribution to the work unit (i.e., the overall performance rating) and to provide justification for that rating. Additionally, beside each of the major job responsibilities and the overall performance rating was space for the employee to indicate agreement or disagreement with the supervisor's rating of performance. Finally, space was provided to allow the employee to make comments regarding the evaluation.

3. THE JOB PERFORMANCE PLANNING AND EVALUATION PROCESS

Job Performance Planning

The job performance planning discussion was designed to be an integral part of the evaluation process. A frequently voiced complaint from employees was that they were evaluated on responsibilities for which they were not aware they were being held accountable. The intention of the job performance planning discussion is for the supervisor and the employee to clearly understand exactly what is expected from the employee. The responsibilities can be arrived at by any of several means, but it is recommended that both the employee and the supervisor separately develop an appropriate set, and then discuss the two sets in order to reach agreement. In many cases, however, this

may not be an effective or even a realistic approach, particularly with new employees who cannot be expected to have a clear idea of what responsibilities they will be performing. Whatever the method, however, the intention is for the supervisor and the employee to reach agreement on what responsibilities the employee is to carry out.

The next phase in the job performance planning discussion is to explicitly detail what exceptional-level performance looks like. For each job responsibility, a set of characteristics of exceptional performance is established which describes the bottom line observable work behaviors and outcomes that constitute exceptional level performance for each responsibility. For system 2 job classes, these are generally taken directly from the associated job responsibility catalog. The emphasis in this step is not on describing a set of tasks, but rather in specifying what kinds of behaviors are necessary for the rater to determine that the employee is carrying out the responsibility in an exceptional manner. The characteristics of exceptional performance imply a contract between the employee and the supervisor in which observed performance, if consistent with the agreed-upon standards of exceptional performance, will result in a performance rating of "exceptional." It is for this reason that the job performance planning discussion is so essential to the evaluation process as it (a) establishes for the employee what the performance goals are, and (b) establishes for the rater what behaviors and work outcomes are to be monitored in order to form an accurate view of the employee's performance.

Interim Reviews

The interim review process is considered to be the heart of the evaluation process. The review process allows the opportunity for the employee to receive desired feedback (Ashford & Cummings, 1983) regarding progress towards performance goal attainment, to point out problem areas in the accomplishment of the performance goals, to plan with the supervisor for performance improvement, and to obtain from the supervisor an indication of the likely consequences of continued performance at the current level. Although it may be initially assumed that these consequences will be negative, and that employees will as a general rule wish to avoid these discussions, available data suggest that (a) the majority (i.e., greater than 90%) of state employees are currently receiving evaluations of "good" or better, and (b) that the majority of state employees feel that constructive feedback from supervisors is the single most important supervisory practice that could be used to improve work unit productivity (State of Tennessee, 1983). Thus employees are interested in improving their performance and the interim review process allows an opportunity for doing so.

It is important to note that the interim review process is different from normal day-to-day performance discussions between employees and supervisors. Although it is quite possible that frequent, constructive interaction between employees and supervisors may potentially negate the necessity for interim reviews, this generally will not be the case (cf., Larson, 1984). Performance-based day-to-day interaction is most likely to occur for two reasons; either

when employee performance is particularly good or when employee performance is particularly poor. This would suggest that the majority of employees who are performing at mid-levels do not receive feedback from their supervisors on performance or on ways to improve. Secondly, even for those employees who are receiving day-to-day feedback, the content of the feedback may be of a different nature than that of the planned interim review. It would appear unlikely that employees having only day-to-day interactions with their supervisors would be getting the same behaviorally specific feedback, constructive problem solving, or linkage to rewards that they would be receiving in interim review discussions. The reason for this is that with the interim review, the sole topic of discussion is on the employee's performance with respect to agreed-upon performance standards on all job responsibilities, and the implication of that performance on organizational outcomes. The purpose of the interim review discussions is not to replace ongoing day-to-day feedback between supervisors and employees. Rather, it is intended as a means to promote additional two-way communication between the supervisor and the employee.

Formal Performance Evaluation

The formal evaluation is the culmination of the job planning and interim review processes that have occurred throughout the course of the evaluation cycle. If the system has been effectively followed, the employee (a) clearly knows the behaviors and work outcomes on which he will be evaluated, (b) has had at least two interim review discussions in which progress toward achieving the performance objec-

tives set forth in the job plan have been discussed, problems have been brought to the attention of the supervisor, weak performance has been pointed out and strong performance has been recognized, and (c) the employee should have a good idea of what the evaluation outcome will be. The formal evaluation is the time for appraisal of performance over the course of the evaluation cycle.

The supervisor discusses each major job responsibility that has been given to the employee in terms of the employee's observed performance. The employee's performance on each responsibility is then formally evaluated on a five point scale with anchors of "not acceptable"--(1), "marginal"--(2), "good"--(3), "superior"--(4), and "exceptional"--(5). Each performance rating of an individual job responsibility must have supporting documentation recorded directly on the formal evaluation form.

The employee's overall contribution to the work unit is then evaluated based on the performance of the individual job responsibilities and the contribution to meeting the goals of the work unit. The overall contribution to the work unit rating has the same five point scale as is used for evaluating performance on the individual job responsibilities, but also has a description and a recommendation associated with each scale point (see Appendix B). The overall performance rating is arrived at subjectively, and should take into account the relative importance of each individual job responsibility. Although some responsibilities may be of lesser importance than others, all are major job responsibilities. Therefore, a low rating on any single job responsibility (e.g., "not acceptable" or

"marginal") should be reflected in the overall performance rating since the employee has not been acceptably performing a major aspect of the job. The supervisor must document the overall rating given to the employee using descriptions of behaviors or work outcomes.

After the appraisal discussion with the employee, the employee is given an opportunity to indicate agreement or disagreement with each performance rating on the individual job responsibilities and with the overall contribution to the work unit rating. In addition, the employee is given an opportunity to record any comments regarding the evaluation directly on the evaluation form. If more space is required, additional sheets can be attached to the evaluation form. The employee then signs and dates the form, as does the supervisor. It is then given to the reviewer for approval. Once the reviewer has reviewed the evaluation and signed and dated the form, the evaluation is submitted to the agency's personnel office for the signature of the appointing authority (i.e., the agency's commissioner or executive director) before being sent to the Department of Personnel for processing. After the form has been processed, it is returned to the agency's personnel office where the evaluation is retained in the employee's permanent personnel file.

4. THE ROLE OF THE JPPE REVIEWER

A key role in the performance evaluation process is played by the reviewer. Usually the supervisor of the rater who is doing the evaluation, the reviewer's function is to insure that the evaluation process has been carried out appropriately and equitably. It is

recommended that the rater discuss the job plan, the interim reviews, and the formal evaluation with the reviewer prior to talking with the employee. The reason for this recommendation is that if the reviewer feels that there are problems with the evaluation (e.g., a rating based on bias, or a rating that cannot be adequately justified), it is easier and more equitable to resolve these issues before bringing the employee into the situation.

The reviewer is also responsible for resolving any potential problems in the evaluation that may be evidenced by the employee's responses to the formal evaluation or the evaluation process. If an employee indicates disagreement with the formal evaluation and cannot resolve the difficulty through discussions with the supervisor, then the disagreement can be taken to the reviewer. Similarly, a reviewer may notice a pattern of employee disagreement on the formal evaluation form, and may decide to investigate the reasons for the disagreement.

Although reviewers cannot force supervisor to change a rating, they can suggest providing better documentation in order to support a rating, or in extreme circumstances, refuse to sign the evaluation and thus prevent its being processed. In some cases, the latter action may be required, particularly when a negative personnel action (e.g., dismissal) may be taken as a result of the evaluation. The reviewer holds the ultimate responsibility for insuring that the evaluation is carried out according to policy, and for insuring that the evaluation is valid.

CHAPTER III

METHOD

1. SUBJECTS

All full-time, permanent state employees in the executive branch of government classified as being in the state service participate in the Job Performance Planning and Evaluation program. Evaluations are submitted to the Department of Personnel where essential information is extracted and stored in a computer-accessible database. For purposes of this research, only system 2 and system 3 annual evaluations that were submitted to the Department of Personnel between January 1984 and March 1985 were considered. This allowed for one full evaluation cycle, plus an additional three months for an evaluation to be completed and submitted. As formal evaluations can be carried out and turned in to the Department of Personnel as late as 70 days after an employee's actual evaluation due date, the additional three months made allowances for evaluations that were turned in during that time. Any employee having more than one evaluation during that period had only the most recent one retained. Evaluations can be carried out for several reasons: annual/semiannual, probation, promotion, transfer, separation, change of supervisor, extended leave, suspension, or demotion. However, only probation and annual evaluations are required. For this study, only annual evaluations were kept for consideration, as it is on these that organizational outcomes are based. Although probationary evaluations are also linked to organizational contingencies, the probationary period for most job

classes is only six months. As this is significantly shorter than the one year cycle for nonprobationary employees, it was felt that probation evaluations were not sufficiently comparable to the annual evaluations to warrant inclusion in this study. Therefore, evaluations submitted on probationary employees were not considered, nor were evaluations on which there were fewer than four individual responsibilities that were rated. With this method a total of 21,379 system 2 and system 3 annual employee evaluations were available from which to draw a sample.

2. PROCEDURE

Selection of the Sample

From the total pool of 21,379 evaluations on record meeting the criteria noted above, a random sample consisting of approximately 20% of the population was formed. The large sample was needed for two reasons. First, with approximately 1500 job classes distributed across the 32 agencies in state government that use the JPPE, a large sample increased the probability of adequately representing the population. Secondly, it was desirable to obtain a sufficient number of evaluations to represent the entire range of evaluated performance, ranging from the lowest to the highest levels. For each qualifying observation on file, a random number between zero and one was generated by computer. All observations having random numbers less than or equal to 0.20 (i.e., a 20% sample) were selected for inclusion in the study. This process resulted in a random sample of 3,819 evaluations, or approximately 18% of the total. An additional 17

subjects were dropped from subsequent analyses due to incomplete or inconsistent data, resulting in a total sample size of 3,802 employees.

Representativeness of the Sample

In order to determine whether the random sample that was taken was representative of the population, several comparisons were made between population values and the values in the sample. Comparisons were made on the employee's (a) agency, (b) tenure in the current position, (c) gender, (d) racial/ethnic group, and (e) total number of months of state service. Table 1 presents the comparison based on the distribution of system 2 and system 3 annual evaluations among state agencies, along with the results of a chi-square goodness of fit test. It should be noted that the ten commissions in the executive branch which have elected to participate in the JPPE program were combined, as were the three divisions of the Department of Higher Education. This was done because all of these are very small agencies and therefore submitted relatively few evaluations for processing. Inspection of Table 1 reveals that the chi-square values for individual cells are generally quite small, except for those of the Department of Agriculture, Department of Tourist Development, and the Department of Financial Institutions. All three of these are also relatively small state agencies, and therefore it is not surprising that the cell chi-square values are large (cf., Ferguson, 1981, p. 214). Nevertheless, no cell chi-square value was greater than would be expected by chance, and the overall test for goodness of fit was not significant; $\chi^2(24)=18.107$, ns. Thus the distribution of evaluations within

TABLE 1

DISTRIBUTION OF EVALUATIONS WITHIN STATE AGENCIES FOR THE SAMPLE AND THE POPULATION

Agency	Sample		Population Percent	χ^2
	n	Percent		
Commissions	27	0.7	0.8	.103
Finance and Administration	42	1.1	1.1	.002
Personnel	10	0.3	0.2	.038
General Services	38	1.0	1.2	.966
Veteran's Affairs	2	0.1	0.1	.410
Agriculture	12	0.3	0.2	3.008
Tourist Development	9	0.2	0.1	3.493
Conservation	110	2.9	2.6	1.380
Wildlife	49	1.3	1.6	1.863
Correction	594	15.6	15.2	.488
Economic and Community Dev.	36	0.9	0.9	.125
Education	69	1.8	1.8	.024
Higher Education	2	0.1	0.1	.078
Employment Security	225	5.9	6.1	.146
Commerce and Insurance	45	1.2	1.4	.826
Financial Institutions	10	0.3	0.4	2.474
Labor	8	0.2	0.3	1.339
Mental Health/Retardation	394	10.4	10.6	.192
Military	20	0.5	0.4	.725
Health and Environment	447	11.8	12.0	.194
Human Services	954	25.1	24.8	.106
Revenue	162	4.3	4.3	.000
TN Bureau of Investigation	17	0.4	0.5	.010
Safety	185	4.9	4.8	.023
Transportation	335	8.8	8.7	.091
Total	3,802			18.107

agencies represents a good fit with the distribution within the population.

Table 2 presents the comparisons between population and sample values for employee tenure in position. The values for employee tenure in the position are those found on the evaluation form. At the time of the formal evaluation, the supervisor indicates how long the employee has been working in the current position. It will be noted that the sample had significantly more employees who had been in their current position "six to twelve months" than did the population; $\chi^2(1)=5.27$, $p>.05$. However, the overall test for goodness of fit did not indicate marked differences in the distributions for the sample and the population; $\chi^2(5)=10.63$, ns.

TABLE 2

COMPARISON BETWEEN SAMPLE AND POPULATION VALUES ON EMPLOYEE TENURE IN POSITION

Employee Tenure in Position	Sample		Population Percent	χ^2
	n	Percent		
No information	2	0.1	0.2	2.915
Three to Six Months	70	1.8	2.0	.069
Six to Twelve Months	655	17.2	15.7	5.271*
One to Two Years	493	13.0	13.0	.004
Two to Five Years	1,089	28.6	30.0	2.367
More than Five Years	1,493	39.3	39.2	.000
Total	3,802			10.626

*$p<.05$.

The comparison of the sample and population distributions on employee gender revealed that the two were nearly identical. Within

the sample, 56.0% were male while in the population, 55.9% were male. The chi-square value was not significant; $\chi^2(1)=0.003$, ns.

Table 3 presents a breakdown of employees in the sample by their racial/ethnic group membership. Despite small cell frequencies in some racial/ethnic categories, the goodness of fit test indicated that the sample distribution was a good representation of the population distribution; $\chi^2(5)=4.79$, ns. Thus the sample and the population did not differ significantly on the basis of racial/ethnic group membership.

TABLE 3

COMPARISON BETWEEN SAMPLE AND POPULATION VALUES ON RACIAL/ETHNIC GROUP MEMBERSHIP

Racial/Ethnic Group	Sample		Population Percent	χ^2
	n	Percent		
White	3,193	84.0	83.8	.020
Black	586	15.4	15.6	.068
Oriental	10	0.3	0.2	1.733
Indian	3	0.1	0.1	.118
Hispanic	0	0.0	0.1	2.611
Other	10	0.3	0.3	.237
Total	3,802			4.786

The final comparison made was between the number of months of state service for the employees. A comparison between the population and the sample indicated that the mean for the sample (123.95 months) was not significantly different from the mean for the population (123.02 months); $t(25,179)=0.58$, ns. Thus it can be concluded that

the sample accurately represented the population with respect to the demographic variables that were compared.

3. MEASURES

There were 14 variables of interest in the study. Because it can be expected that variables other than the number of interim reviews and the overall performance rating may effect employee agreement with performance ratings, nine variables were selected for inclusion in the multiple regression model. The purpose of these variables was to account for as much of the variation in the dependent variables as possible prior to the addition of the key predictor variables: the overall performance rating, the number of interim reviews, and the interaction between the overall performance rating and the number of interim reviews. Most of these variables were chosen on the basis of other studies which had used similar variables to account for variation in performance ratings (cf., Landy & Farr, 1980, 1983). The variables selected to control for extraneous variation in the dependent variables could be loosely classified into three categories: ratee characteristics, rater characteristics, and evaluation characteristics. Variables classified as ratee characteristics included (a) length of time the employee had been in the current position, (b) number of months of state service for the employee, and (c) employee's organizational status as defined by the role within the JPPE program (i.e., nonsupervisor, supervisor, or reviewer). Characteristics of the rater included (a) length of time the supervisor had been in the current position, and (b) length of time the rater had supervised the

employee. The variables classified as evaluation characteristics consisted of (a) the employee's overall contribution to the work unit rating from the previous performance evaluation, (b) the number of job responsibilities on which the employee was evaluated for the current evaluation, (c) the mean performance rating on the individual job responsibilities for the current evaluation, and (d) the standard deviation of performance ratings on the individual job responsibilities for the current evaluation.

Three variables functioned as the predictor variables of primary interest: (a) the overall contribution to the work unit rating, (b) the number of recorded interim review discussions held between the employee and the supervisor during the evaluation cycle, and (c) the interaction between the number of interim reviews and the overall rating. Two variables served as the dependent variables and consisted of (a) the percentage of indicated agreement with the performance ratings of the individual job responsibilities, and (b) employee agreement with the overall contribution to the work unit rating. Each of the predictor and dependent variables is described more fully below.

Controlling Predictor Variables

Employee tenure in position. The length of time the employee had been in the current position (EMPINPOS) was taken from a field on the formal performance evaluation form (see Appendix B). This variable had six values: "1"--zero to three months, "2"--three to six months, "3"--six to twelve months, "4"--one to two years, "5"--two to five

years, and "6"--More than five years. Evaluation forms which indicated that the employee had been in the position from zero to three months were deleted from analyses for two reasons. First, employees who have been in their current position for three months or less are normally on probation. Secondly, a requirement of the JPPE program is that employees must have been working under a job plan for at least three months before performance can be formally evaluated. Because there were questions about evaluations for employees who had been in their positions for three months or less, these evaluations were dropped from further consideration.

The values for EMPINPOS represent unequal intervals between time periods. Therefore, this variable was recoded using dichotomous coding. Five dichotomous variables were created so that the variable took the value of "1" or "0." The five dichotomous variables created were (a) EMP2--indicating whether or not the employee had been in the position from three to six months, (b) EMP3--indicating whether or not the employee had been in the position six to twelve months, (c) EMP4--indicating whether or not the employee had been in the position one to two years, (d) EMP5--indicating whether or not the employee had been in the position two to five years, and (e) EMP6--indicating whether or not the employee had been in the position more than five years.

Supervisor tenure in position. The length of time the supervisor had been in the position (SUPINPOS) also was taken directly from the formal performance evaluation form record. The values for SUPINPOS were identical to those for employee tenure in position. Any evalu-

ation forms on which it was indicated that the supervisor had been in the position for three months or less were dropped from consideration because of the JPPE requirement that the rater must have supervised the employee for at least three months. Although there are reasons why supervisors could be in their positions for such a short period of time and still legitimately carry out a formal evaluation, the decision to drop these from subsequent analyses was made.

Like EMPINPOS, the values of SUPINPOS represent unequal intervals between time periods. Therefore, this variable was also recoded using dichotomous coding. Five dichotomous variables were created: (a) SUP2--indicating whether or not the supervisor had been in the position from three to six months, (b) SUP3--indicating whether or not the supervisor had been in the position six to twelve months, (c) SUP4--indicating whether or not the supervisor had been in the position one to two years, (d) SUP5--indicating whether or not the supervisor had been in the position two to five years, and (e) SUP6--indicating whether or not the supervisor had been in the position more than five years.

Length of time rater had supervised the employee. The length of time that the rater had supervised the employee (EMP/SUP) had five values: "1"--zero to three months, "2"--three to six months, "3"--six to twelve months, "4"--one to two years, and "5"--over two years. Again, because it is a requirement of the JPPE program that raters must have supervised an employee for at least three months before conducting a formal performance evaluation, evaluation forms indicating that the rater had supervised the employee for three months or

less were dropped. This variable was recoded into four dichotomous variables. The created variables were (a) RSE2--indicating whether or not the rater had supervised the employee for three to six months, (b) RSE3--indicating whether or not the rater had supervised the employee for six to twelve months, (c) RSE4--indicating whether or not the rater had supervised the employee for one to two years, and (d) RSE5--indicating whether or not the rater had supervised the employee for over two years.

Organizational level. There are several methods of defining organizational level (LEVEL) within the state's system. Particularly appropriate for this study is through examination of the role of the employee within the context of the performance evaluation system. Each formal evaluation form requires the social security number of both the employee and the supervisor. By identifying the supervisors from all the evaluations, and then locating their performance evaluation record, it is possible to identify the supervisor's supervisor (i.e., the reviewer) by determining who served as the rater of the supervisor. Using this procedure, three levels of employees were identified and used in the study. The three levels correspond to (a) nonsupervisors, those individuals who do not carry out formal evaluations on employees, (b) raters, those individuals whose responsibilities include formally evaluating subordinates, and (c) reviewers, those individuals who are responsible for both formally evaluating the supervisors reporting to them and for reviewing the formal evaluations carried out by those supervisors. This variable was coded using dichotomous coding. The three variables created were (a) LEV0--

indicating whether or not an employee was a nonsupervisor, (b) LEV1--indicating whether or not the employee functioned as a performance evaluation rater, and (c) LEV2--indicating whether or not the employee functioned as a performance evaluation reviewer.

Number of individual job responsibilities. The number of job responsibilities (RCOUNT) on which the employee was evaluated was determined by counting the number of individual job responsibility ratings provided on each evaluation. The values of RCOUNT ranged from four job responsibilities up through the maximum of sixteen job responsibilities.

Mean rating on individual job responsibilities. The mean performance rating on the individual job responsibilities (MEANRATE) was determined by simply calculating the mean of the ratings across all job responsibilities on each formal evaluation record. The values of MEANRATE ranged from the lowest possible (1.00) through the highest possible (5.00).

Standard deviation of individual job responsibility ratings. Following the same procedure as was used for MEANRATE, the standard deviation of the individual job responsibility ratings (STDRATE) was calculated. The values of STDRATE ranged from a low of 0.00 up through a maximum of 1.67.

Previous performance evaluation overall rating. For every employee in the sample, an attempt was made to identify the overall contribution to the work unit rating from the previous formal evalu-

ation (PRERATE). Because of the low frequency of overall ratings of "not acceptable" (i.e., a rating of "1"), ratings of "not acceptable" and "marginal" were combined. This method reduced the scale range to "1" through "4." In addition, 38 (1%) of employees in the sample did not have a previous overall rating on record. For these individuals, the value of PRERATE was set to "0" to represent a lack of previous performance evaluation information.

Months of state service. At the time the performance evaluation data is written to the computer file, select information from the database on active state employees is also written to the computer record. The number of months of state service (MONTHSER) is added to the information on the performance evaluation data and represents the number of months the employee has been with the state as of the date the evaluation form was processed by the Department of Personnel.

Key Predictor Variables

Overall contribution to the work unit rating. The supervisor's evaluation of the employee's overall contribution to the work unit (OVERALL) was marked directly on the evaluation form. Because of the relatively small numbers of employees receiving overall ratings of "not acceptable" or "marginal," these values were combined in the sample. Although even with this method, these combined values represent only 1.3% of all ratings in the sample, they accurately reflect the actual frequency in the population. Using this procedure, the number of levels for this variable was reduced from five to four with

values ranging from "1"--not acceptable/marginal, through "4"--exceptional.

Number of interim reviews. The evaluation form has space to record the dates of up to two interim reviews. The number of interim reviews (NREVIEWS) was determined by first assessing whether or not a date had been recorded in either or both of the two interim review blocks on the form. If no date had been recorded in either block, the number of interim reviews was set to zero. If one or two dates appeared, the number of interim reviews was set to one or two, respectively. Because an interaction term using this variable was subsequently formed (see below), the values of NREVIEWS were recoded by adding one to each value. This procedure prevented the necessity of multiplication by zero when forming the interaction term. Thus, there were three levels of interim reviews in which a value of "1" represented having no interim reviews, a value of "2" represented having one interim review, and a value of "3" represented having two interim reviews during the evaluation cycle.

Interaction between overall rating and number of interim reviews. A variable representing the interaction (INTERACT) between the overall contribution to the work unit rating and the number of interim reviews was created by multiplying the values of the overall performance rating and the number of interim reviews together for each subject. The lower the value on INTERACT, the fewer the number of interim reviews and the lower the overall rating.

Dependent Variables

Agreement with individual job responsibility ratings. Employees may indicate their agreement or disagreement with the supervisor's rating of performance of each individual job responsibility (AGREEIND). Because the number of job responsibilities assigned can vary across employees, the percentage of agreement was calculated. First, the number of recorded ratings of the individual responsibilities was counted, and then divided into the number of ratings to which the employee indicated agreement. The values for AGREEIND ranged from 0 percent to 100 percent.

Agreement with the overall contribution to the work unit rating. Employees may also indicate agreement or disagreement with the evaluation of their overall contribution to the work unit (AGREEOVR). Agreement with the overall performance rating was taken directly from the evaluation form and scored as "1" if the employee agreed with the overall rating, and "0" otherwise.

4. ANALYSES

The data were analyzed using a hierarchical multiple regression procedure. Separate multiple regression analyses were carried out for the two dependent variables: percentage agreement with the individual job responsibility ratings (AGREEIND), and agreement with the overall contribution to the work unit rating (AGREEOVR). The dichotomous variables that had been created to represent employee tenure in position, supervisor tenure in position, length of time the rater had

supervised the employee, and organizational level were used in the multiple regression analyses as sets of variables. However, as complete information can be obtained from n-1 such dichotomous variables comprising each set, one of the dichotomous variables was dropped from each set. The variables EMP6, LEV2, SUP6, and RSE5 were therefore deleted. This procedure produced a set of n-1 variables to represent each of the four original variables, and was analogous to having dummy coded each of the variables (cf., Cohen & Cohen, 1975, p. 173). The predictor variables in both analyses consisted of (a) the four dummy coded variables representing employee tenure in position, (b) the number of months of total state service at the time of the formal evaluation, (c) the two dummy coded variables representing organizational level, (d) the four dummy coded variables representing the supervisor's tenure in the position, (e) the two dummy coded variables representing the length of time the rater had supervised the employee, (f) the overall contribution to the work unit rating from the previous evaluation cycle, (g) the number of individual job responsibilities on which the employee had been evaluated in the current cycle, (h) the mean rating across all the individual job responsibilities for the employee during the current cycle, (i) the standard deviation of the individual job responsibility ratings in the current cycle, (j) the overall contribution to the work unit rating for the current evaluation cycle, (k) the number of interim reviews in the current evaluation cycle, and (l) the interaction between the overall contribution to the work unit rating and the number of interim reviews. The predictor variables were entered one at a time in the

order noted above. In the case of dummy coded variables, the variables were entered as a set of $\underline{n}$-1 variables, rather than individually. The strength of the linear relationship of the predictor variables in the model with the dependent variables was tested at each step, as was the increment in $\underline{R}^2$. The purpose of these analyses was to first account for as much of the variance in the dependent variables as possible with the variables defined as representing employee characteristics, rater characteristics, and evaluation characteristics. Only after these variables had been entered were the overall performance rating, number of interim reviews, and the interaction term entered. Tests of the $\underline{R}^2$ increment when each of the three key predictor variables was entered served as the analyses of interest. A significant increment in $\underline{R}^2$ for one, or a combination of the three key predictor variables would indicate that they were accounting for a significant proportion of the variance in the dependent variable, even after the variance due to the other variables in the model had been partialed out. Thus the analyses for the $\underline{R}^2$ increment provided the critical tests for the hypotheses.

CHAPTER IV

RESULTS

1. DESCRIPTIVE STATISTICS

The means and standard deviations of the predictor and dependent variables are given in Table 4. The means of the variables that are noted in the table as being dichotomous, and the mean of agreement with the overall contribution to the work unit rating (AGREEOVR) represent the proportion of cases having a value of "1" on those variables. The mean values for the two dependent variables, AGREEOVR and AGREEIND, indicate that the majority of employees in the sample agree with the overall rating (96.7%) and with the ratings of individual responsibilities (91.3%). Other things being equal, then, it is clear that most state employees indicate that they agree with their supervisors' ratings of performance using the JPPE program. It is of interest to note that agreement with ratings of the individual responsibilities shows nearly one and a half times more variability than agreement with the overall rating when both are equated to the same unit of measurement (i.e., proportion or percentage). Thus it appears that employees are more variable in their agreement with ratings of individual job responsibilities than they are in their agreement with the overall rating.

Table 5 presents the means on the two dependent variables, agreement with the individual job responsibility ratings, and agreement with the overall contribution to the work unit rating, by levels of overall performance rating and number of interim reviews.

TABLE 4

MEANS AND STANDARD DEVIATIONS OF THE VARIABLES

Variable[a]	Variable Description	Mean	SD
EMPINPOS*	Employee tenure in position		
EMP2	Employee in position 3-6 months	0.0184	0.1344
EMP3	Employee in position 6-12 months	0.1723	0.3777
EMP4	Employee in position 1-2 years	0.1297	0.3360
EMP5	Employee in position 2-5 years	0.2864	0.4522
EMP6	Employee in position 5 or more years	0.3927	0.4884
MONTHSER	Number of months of state service	123.9511	90.4338
LEVEL*	Organizational level		
LEV0	Nonsupervisor	0.7622	0.4258
LEV1	Rater	0.1578	0.3646
LEV2	Reviewer	0.0800	0.2713
SUPINPOS*	Supervisor tenure in position		
SUP2	Supervisor in position 3-6 months	0.0444	0.2061
SUP3	Supervisor in position 6-12 months	0.1018	0.3024
SUP4	Supervisor in position 1-2 years	0.1312	0.3377
SUP5	Supervisor in position 2-5 years	0.3122	0.4634
SUP6	Supervisor in position 5 or more years	0.4103	0.4920
EMP/SUP*	Time rater has supervised employee		
RSE2	Rater supervised employee 3-6 months	0.0842	0.2777
RSE3	Rater supervised employee 6-12 months	0.2194	0.4139
RSE4	Rater supervised employee 1-2 years	0.1965	0.3974
RSE5	Rater supervised employee 2 or more years	0.4968	0.5000
PRERATE	Previous overall rating	2.8254	0.7122
RCOUNT	Number of individual job responsibilities	8.5613	3.0216
MEANRATE	Mean individual job responsibility rating	4.0858	0.5566
STDRATE	SD of individual job responsibility ratings	0.4526	0.2545
OVERALL	Overall rating	2.9918	0.6494
NREVIEWS	Number of interim reviews	2.5510	0.6962
INTERACT	Interaction term for OVERALL*NREVIEWS	7.6207	2.6722
AGREEOVR	Agreement with overall rating	0.9671	0.1783
AGREEIND	Agreement with individual ratings	91.3035	26.0173

[a]Variables followed by an asterisk indicate that they were represented in the means analysis by dichotomous variables. The dichotomous variables follow each such variable.

TABLE 5

MEAN VALUES ON THE DEPENDENT VARIABLES BY LEVELS OF THE KEY PREDICTOR VARIABLES

Key Predictor Variable	Mean	Standard Deviation	n
Agreement with Individual Job Responsibility Ratings			
Overall Contribution to the Work Unit Rating			
Not acceptable/Marginal	64.4375	36.7519	48
Good	88.8113	27.1355	673
Superior	92.5694	24.3425	2343
Exceptional	91.3049	27.2353	738
Number of Interim Reviews			
None	85.3149	32.5377	451
One	89.5342	28.0869	805
Two	92.9238	23.3035	2546
Agreement with Overall Contribution to the Work Unit Rating			
Overall Contribution to the Work Unit Rating			
Not acceptable/Marginal	.5208	.5048	48
Good	.9257	.2624	673
Superior	.9834	.1280	2343
Exceptional	.9324	.1316	738
Number of Interim Reviews			
None	.9246	.2643	451
One	.9727	.1631	805
Two	.9729	.1624	2546

It is clear that the majority of employees (62%) receive overall performance ratings of "superior" and that the majority (67%) have received two interim reviews during their evaluation cycle.

2. INTERCORRELATIONS AMONG THE VARIABLES

The correlations among all of the dependent and independent variables were computed. Although several interesting relationships emerge from the correlations, it must be cautioned that it is difficult to clearly interpret many of the dichotomous variables since each group collectively defines a variable with several levels. Each dichotomous variable contains information for a particular value of the original variable relative to all other values. Thus dichotomous variables that represent the lowest or highest values of an ordinal variable are relatively unambiguous since a value of "0" represents all values higher than or less than, respectively, the value coded as "1." However, dichotomous variables representing a midpoint in the original variable are more troublesome as a value of "0" may represent values that are both higher than and less than the value coded as "1." Another property of dichotomous variables is that a positive correlation indicates that the mean in the variable with which it is correlated is higher for the group coded as "1" than it is for the group coded as "0." For negative correlations, the mean in the variable with which it is correlated is higher for the group coded as "0" than it is for the group coded as "1."

The number of correlation coefficients which were calculated precludes the discussion of all the relationships. However, it is

worthwhile to discuss the correlations of all variables with two of the key predictor variables--the overall contribution to the work unit rating and the number of interim reviews--and with the two dependent variables--the percentage of agreement with the individual job responsibility ratings and agreement with the overall contribution to the work unit rating.

Correlations with the Key Predictor Variables

In order to facilitate the presentation in this section, the discussion will focus on the correlation of the variables with both key predictor variables at once. Therefore, this section is organized around the three categories of the controlling predictor variables: ratee characteristics, rater characteristics, and evaluation characteristics.

Ratee characteristics. Table 6 presents the correlations between all variables and the variables representing the characteristics of the ratee. The set of five dichotomous variables that represented the variable employee tenure in position (EMPINPOS) correlated slightly more consistently with the number of interim reviews than with the overall performance rating. The pattern of correlations appears to be that the less time spent in the position, the lower the overall performance rating and the lower the number of interim reviews. The employee's being in the position for more than five years was associated with a higher overall performance rating and a greater number of interim reviews.

There was a clear positive relationship between the number of

TABLE 6

CORRELATIONS OF ALL VARIABLES WITH CHARACTERISTICS OF THE RATEE

Variable[a]	Characteristics of the Ratee								
	A	B	C	D	E	F	G	H	I
EMPINPOS									
A: EMP2*	1.000	-.062	-.053	-.087	-.110	-.054	.021	-.016	-.012
B: EMP3*	-.062	1.000	-.176	-.289	-.367	-.259	.034	-.016	-.032
C: EMP4*	-.053	-.176	1.000	-.244	-.310	-.157	.010	-.012	.002
D: EMP5*	-.087	-.289	-.244	1.000	-.509	-.119	-.011	-.011	.032
E: EMP6*	-.110	-.367	-.310	-.509	1.000	.433	-.028	.036	-.005
F: MONTHSER	-.054	-.259	-.157	-.119	.433	1.000	-.290	.193	.195
LEVEL									
G: LEV0*	.021	.034	.010	-.011	-.028	-.290	1.000	-.775	-.528
H: LEV1*	-.016	-.016	-.012	-.011	.036	.193	-.775	1.000	-.128
I: LEV2*	-.012	-.032	.002	.032	-.005	.195	-.528	-.128	1.000
SUPINPOS									
J: SUP2*	.065	.013	.016	-.029	-.014	-.023	-.005	.012	-.007
K: SUP3*	.012	.169	.000	-.036	-.100	-.056	-.012	.016	-.003
L: SUP4*	.010	.033	.121	-.024	-.091	-.027	-.041	.026	.029
M: SUP5*	.001	-.034	.012	.129	-.101	-.022	.012	-.013	-.002
N: SUP6*	-.043	-.100	-.101	-.071	.225	.084	.026	-.021	-.013
EMP/SUP									
O: RSE2*	.290	.005	.013	-.024	-.069	-.068	.005	.009	-.020
P: RSE3*	-.054	.561	-.063	-.138	-.248	-.225	.076	-.045	-.060
Q: RSE4*	-.043	-.155	.404	-.029	-.118	-.068	-.016	-.009	.037
R: RSE5*	-.085	-.345	-.276	.151	.341	.279	-.052	.039	.029
S: PRERATE	-.057	-.075	-.044	.012	.091	.150	-.119	.072	.090
T: RCOUNT	-.035	-.047	.028	-.009	.033	.091	-.166	.102	.123
U: MEANRATE	-.048	-.073	-.043	.020	.081	.112	-.098	.056	.078
V: STDRATE	.019	.043	.031	-.006	-.054	-.042	-.017	.016	.006
W: OVERALL	-.052	-.077	-.025	.012	.080	.121	-.096	.044	.092
X: NREVIEWS	-.046	-.062	-.051	.018	.081	.085	.014	-.012	-.006
Y: INTERACT	-.068	-.097	-.055	.020	.115	.141	-.048	.016	.054
Z: AGREEOVR	-.008	.026	-.034	-.017	.024	-.015	-.013	.007	.011
a: AGREEIND	.011	.054	-.084	-.044	.056	.016	.014	-.008	-.012

Note 1. All correlation coefficients are based upon 3,802 pairs of observations. Coefficients $\geq |.031|$ are significant beyond the .05 level.

Note 2. An explanation of the variables may be found in the list of abbreviations on page ix or in the text.

[a]Variables followed by an asterisk are dichotomized variables. The variable represented by the set of dichotomous variables is listed above each of these sets.

months of state service (MONTHSER) and both the overall performance rating and the number of interim reviews. The greater the total number of months of state service, the higher the overall performance rating and the higher the number of interim reviews.

The three dichotomous variables representing the employee's position within the organization (LEVEL) were unrelated to the number of interim reviews. However, these variables were consistently related to the level of overall performance rating. Being a nonsupervisor (LEV0) was associated with having lower overall ratings than being either a rater (LEV1) or a reviewer (LEV2). Thus the level of the employee with respect to the performance evaluation system appears to be related to the performance rating received.

Rater characteristics. The correlations between the set of variables comprising the characteristics of the rater and all other variables are presented in Table 7. The five dichotomous variables representing supervisor tenure in position (SUPINPOS) were unrelated to the overall performance rating given to the employee, except if the supervisor had been in the position from three to six months (SUP2). Supervisors in their positions for this period of time tended to give lower overall performance ratings to employees than supervisors who had been in their positions for longer periods of time. These same dichotomous variables, however, were related much more consistently to the number of interim reviews. The pattern suggested by the correlation coefficients is that as the length of time the supervisor has been in the position increases, so do the number of interim reviews given to subordinates.

TABLE 7

CORRELATIONS OF ALL VARIABLES WITH CHARACTERISTICS OF THE RATER

Variable[a]	Characteristics of the Rater								
	J	K	L	M	N	O	P	Q	R
EMPINPOS									
A: EMP2*	.065	.012	.010	.001	-.043	.290	-.054	-.043	-.085
B: EMP3*	.013	.169	.033	-.034	-.100	.005	.561	-.155	-.345
C: EMP4*	.016	.000	.121	.012	-.101	.013	-.063	.404	-.276
D: EMP5*	-.029	-.036	-.024	.129	-.071	-.024	-.138	-.029	.151
E: EMP6*	-.014	-.100	-.091	-.101	.225	-.069	-.248	-.118	.341
F: MONTHSER	-.023	-.056	-.027	-.022	.084	-.068	-.225	-.068	.279
LEVEL									
G: LEV0*	-.005	-.012	-.041	.012	.026	.005	.076	-.016	-.052
H: LEV1*	.012	.016	.026	-.013	-.021	.009	-.045	-.009	.039
I: LEV2*	-.007	-.003	.029	-.002	-.013	-.020	-.060	.037	.029
SUPINPOS									
J: SUP2*	1.000	-.073	-.084	-.145	-.180	.583	-.077	-.090	-.191
K: SUP3*	-.073	1.000	-.131	-.227	-.281	-.002	.500	-.147	-.296
L: SUP4*	-.084	-.131	1.000	-.262	-.324	-.039	-.018	.470	-.340
M: SUP5*	-.145	-.227	-.262	1.000	-.562	-.088	-.091	-.026	.144
N: SUP6*	-.180	-.281	-.324	-.562	1.000	-.133	-.177	-.170	.359
SUP/EMP									
O: RSE2*	.583	-.002	-.039	-.088	-.133	1.000	-.161	-.150	-.301
P: RSE3*	-.077	.500	-.018	-.091	-.177	-.161	1.000	-.262	-.527
Q: RSE4*	-.090	-.147	.470	-.026	-.170	-.150	-.262	1.000	-.491
R: RSE5*	-.191	-.296	-.340	.144	.359	-.301	-.527	-.491	1.000
S: PRERATE	-.055	.000	.001	-.006	.028	-.067	-.104	-.009	.131
T: RCOUNT	-.016	-.020	.026	.008	-.007	-.034	-.058	.017	.054
U: MEANRATE	-.042	-.004	.038	.002	-.008	-.053	-.083	.008	.095
V: STDRATE	.031	.036	.023	-.009	-.042	-.001	.065	.017	-.066
W: OVERALL	-.037	-.008	.022	.007	-.001	-.046	-.100	.007	.105
X: NREVIEWS	-.101	-.065	-.054	.006	.113	-.152	-.059	.012	.125
Y: INTERACT	-.097	-.058	-.025	.004	.090	-.147	-.109	.016	.162
Z: AGREEOVR	-.039	-.016	-.007	.010	.022	.003	.016	-.020	.003
a: AGREEIND	-.018	-.002	-.004	.002	.009	-.010	.029	-.029	.004

Note 1. All correlation coefficients are based upon 3,802 pairs of observations. Coefficients $\geq |.031|$ are significant beyond the .05 level.

Note 2. An explanation of the variables may be found in the list of abbreviations on page ix or in the text.

[a]Variables followed by an asterisk are dichotomized variables. The variable represented by the set of dichotomous variables is listed above each of these sets.

A fairly strong, consistent relationship was found between the dichotomous variables representing the length of time the rater had supervised the employee (EMP/SUP) and the overall performance rating and the number of interim reviews. Having supervised the employee for a year or less was associated with rating the employee's performance lower and providing fewer interim reviews. Having supervised the employee for two or more years was associated with higher ratings of performance for the employee and a greater number of interim reviews.

Evaluation characteristics. The correlations for the variables included in the set of evaluation characteristics can be found in Table 8. The overall performance rating received in the previous evaluation cycle (PRERATE) was not significantly related to the number of interim reviews received by the employee. However, there was a strong positive relationship between the overall performance rating received during the previous evaluation cycle and the overall performance rating received in the current cycle.

The number of job responsibilities on which the employee was evaluated (RCOUNT) was unrelated to the number of interim reviews received. However, it demonstrates a significant, positive relationship with the overall performance rating.

The mean rating received on the individual job responsibilities (MEANRATE), was very strongly correlated with the overall performance rating. The higher the mean rating on the individual job responsibilities, the higher the overall performance rating. This suggests that supervisors may be appropriately relating performance on the individual responsibilities to overall performance ratings. The mean

TABLE 8

CORRELATIONS OF ALL VARIABLES WITH CHARACTERISTICS OF THE EVALUATION, KEY PREDICTOR VARIABLES, AND THE DEPENDENT VARIABLES

	Characteristics of the Evaluation				Key Predictor Variables			Dependent Variables	
Variable[a]	S	T	U	V	W	X	Y	Z	a
EMPINPOS									
A: EMP2*	-.057	-.035	-.048	.019	-.052	-.046	-.068	-.008	.011
B: EMP3*	-.075	-.047	-.073	.043	-.077	-.062	-.097	.026	.054
C: EMP4*	-.044	.028	-.043	.031	-.025	-.051	-.055	-.034	-.084
D: EMP5*	.012	-.009	.020	-.006	.012	.018	.020	-.017	-.044
E: EMP6*	.091	.033	.081	-.054	.080	.081	.115	.024	.056
F: MONTHSER	.150	.091	.112	-.042	.121	-.085	.141	-.015	.016
LEVEL									
G: LEV0*	-.119	-.167	-.098	-.017	-.096	.014	-.048	-.013	.014
H: LEV1*	.072	.102	.056	.016	.044	-.012	.016	.007	-.008
I: LEV2*	.090	.123	.078	.006	.092	-.006	.054	.011	-.012
SUPINPOS									
J: SUP2*	-.055	-.016	-.042	.031	-.037	-.101	-.097	-.039	-.018
K: SUP3*	.000	-.020	-.004	.036	-.008	-.065	-.058	-.016	-.002
L: SUP4*	.001	.026	.038	.023	.022	-.054	-.025	-.007	-.004
M: SUP5*	-.006	.008	.002	-.009	.007	.006	.004	.010	.002
N: SUP6*	.028	-.007	-.008	-.042	-.001	.113	.090	.022	.009
SUP/EMP									
O: RSE2*	-.067	-.034	-.053	-.001	-.046	-.152	-.147	.003	-.010
P: RSE3*	-.104	-.058	-.083	.065	-.100	-.059	-.109	.016	.029
Q: RSE4*	-.009	.017	.008	.017	.007	.012	.016	-.020	-.029
R: RSE5*	.131	.054	.095	-.066	.105	.125	.162	.003	.004
S: PRERATE	1.000	.062	.607	-.210	.619	-.023	.363	.075	.051
T: RCOUNT	.062	1.000	060	.091	.033	-.001	.015	-.016	-.037
U: MEANRATE	.607	.060	1.000	-.244	.857	-.030	.506	.165	.074
V: STDRATE	-.210	.091	-.244	1.000	-.316	-.046	-.230	-.112	-.033
W: OVERALL	.619	.033	.857	-.316	1.000	-.026	.598	.186	.066
X: NREVIEWS	-.023	-.001	-.030	-.046	-.026	1.000	.768	.072	.099
Y: INTERACT	.363	.015	.506	-.230	.598	.768	1.000	.167	.117
Z: AGREEOVR	.075	-.016	.165	-.112	.186	.072	.167	1.000	.277
a: AGREEIND	.051	-.037	.074	-.033	.066	.099	.117	.277	1.000

Note. All correlation coefficients are based upon 3,802 pairs of observations. Coefficients $\geq |.031|$ are significant beyond the .05 level.

[a]Variables followed by an asterisk are dichotomized variables. The variable represented by the set of dichotomous variables is listed above each of these sets.

individual job responsibility rating was not significantly correlated with the number of interim reviews received during the evaluation cycle.

The standard deviation of the individual job responsibility ratings (STDRATE) was negatively correlated with both the overall performance rating and the number of interim reviews. The relationship was much stronger for the overall performance rating and suggests that the greater the variability in performance on the individual job responsibilities, the lower the overall performance rating. Similarly, the correlation coefficient between the standard deviation of the individual job responsibility ratings and the number of interim reviews indicates that as the number of interim reviews increases, the variability of performance on the individual job responsibilities decreases.

Correlations with the Dependent Variables

Ratee characteristics. Examination of Table 8 reveals that only one of the five dichotomous variables representing employee tenure in position was significantly correlated with agreement with the overall performance rating (AGREEOVR). Employees who had been in their positions less than one or more than two years showed more agreement with their overall performance rating than did employees who had been in their position one to two years. For agreement with the individual job responsibility ratings (AGREEIND), all but one of the correlations with the dichotomous variables representing employee tenure in position was significant. The pattern suggests a possible curvilinear

relationship between the two variables. The employee's having been in the position six to twelve months (EMP3) or more than five years (EMP6) was associated with higher levels of agreement with the individual job responsibility ratings. However, being in the position between one and five years was associated with lower levels of agreement with the these ratings.

The number of months of state service and level within the organization were unrelated to both agreement with the individual job responsibility ratings and agreement with the overall performance rating.

Rater characteristics. Table 8 also presents the correlation coefficients between the dependent variables and the set of controlling predictor variables that define the characteristics of the rater. The length of time the supervisor had been in the position was not significantly related to agreement with the individual job responsibility ratings. However, one of the dichotomous variables was correlated with agreement with the overall performance rating. Having a supervisor who had been in the position three to six months was associated with lower levels of agreement with the overall performance rating. The length of time the rater had supervised the employee was not significantly correlated with either agreement with the individual job responsibility ratings or agreement with the overall performance rating.

Evaluation characteristics. The overall performance rating received during the previous evaluation cycle (PRERATE) correlated

significantly and positively with both agreement with the individual job responsibility ratings and with agreement with the overall performance rating. For both variables, the higher the previous overall performance rating, the higher the agreement with the current ratings.

The number of job responsibilities on which the employee was evaluated (RCOUNT), was not significantly related to agreement with the overall performance rating. However, it was negatively related to agreement with the individual job responsibility ratings. The greater the number of job responsibilities, the lower the percentage of agreement with the individual ratings.

The mean performance rating on the individual job responsibilities (MEANRATE) correlated significantly and positively with both agreement with the individual job responsibility ratings and agreement with the overall performance rating. The higher the mean rating on the individual responsibilities, the greater the agreement with the individual job responsibility ratings and with the overall performance rating. Conversely, the standard deviation of the individual job responsibility ratings (STDRATE) correlated significantly but negatively with both agreement with the individual responsibility ratings and agreement with the overall performance rating. The lower the degree of variation in the ratings of the individual job responsibilities, the greater the agreement with both the individual ratings and with the overall rating.

Overall rating. The overall performance rating (OVERALL) was significantly correlated with both agreement with the individual job responsibility ratings and agreement with the overall performance

rating. Indeed, it was the variable with the strongest relationship with agreement with the overall rating. The coefficient clearly indicates that the higher the overall performance rating, the higher the degree of agreement with that rating. Similarly, the higher the overall performance rating, the greater the agreement with the ratings of individual job responsibilities.

Number of interim reviews. The number of interim reviews also was significantly and positively correlated with both agreement with the overall performance rating and agreement with the individual job responsibility ratings. As the number of interim reviews increased, the degree of agreement with both the overall performance rating and the ratings of the individual job responsibilities also increased. This relationship is a critical finding in the study for it clearly indicates that the number of interim review discussions between a supervisor and an employee is related to employee agreement with the performance ratings received in the formal evaluation. The next issue was to determine whether these relationships would hold after removing the variation in the dependent variables that could be accounted for by other variables. It was to address this concern that a multiple regression analysis was carried out.

3. HIERARCHICAL MULTIPLE REGRESSION ANALYSES

Two variables, agreement with the individual job responsibility ratings and agreement with the overall performance rating, were used as the dependent measures in separate hierarchical multiple regression analyses. The variables entered as predictors were the same for both

equations and entered in the same order for both analyses. The predictor variables of major interest for this study were the overall contribution to the work unit rating, the number of interim reviews, and the interaction between these two variables. The other predictor variables were entered first in order to partial out variance from the dependent variables. If interim reviews are as effective as expected, then the effect of the number of interim reviews should be significant even after partialling out the effects of other variables that could be expected to have some relationship with the dependent variables. The additional predictor variables fell into the three categories noted earlier.

Order of Variable Entry

Characteristics of the ratee. Three variables described the employee being evaluated: employee tenure in position, months of state service, and organizational level. However, both employee tenure in position and organizational level were represented by n-1 dichotomous variables. The procedure of using one less than the full set of dichotomous variables is equivalent to having dummy coded the variables (cf., Cohen & Cohen, 1975, p. 173). For employee tenure in position, the dummy variables EMP2, EMP3, EMP4, and EMP5 were entered into the equation as a set. With this method, being in the position for five or more years served as the reference value for the set (i.e., had a value of "0" on all the other dummy variables). For organizational level, the dummy variables LEV0 and LEV1 were used in the equations and represented being either a nonsupervisor (LEV0) or a

rater (LEV1). Being a reviewer was coded as "0" on both LEV0 and LEV1 and thus served as the reference value.

Characteristics of the rater. Two variables described the characteristics of the rater: supervisor tenure in the position and the length of time the rater had supervised the employee. Both of these variables were treated as dummy coded variables following the procedure noted above. For supervisor tenure in the position, the dummy variables SUP2, SUP3, SUP4, and SUP5 were entered into the equation, while being in the position five or more years served as the reference value. Similarly, three dummy variables--RSE2, RSE3, and RSE4--were entered to represent the length of time the rater had supervised the employee. The reference value for this set of dummy coded variables was the the rater having supervised the employee for over two years.

Characteristics of the evaluation. Four variables represented characteristics of the performance evaluation process and outcomes. These were (a) the employee's most recent overall contribution to the work unit rating, (b) the number of individual job responsibilities on which the employee was evaluated, (c) the mean rating on the individual job responsibilities, and (d) the standard deviation of the individual job responsibility ratings.

Key predictor variables. The primary variables of interest were the overall contribution to the work unit rating, the number of interim reviews, and the interaction between overall rating and the number of interim reviews. The overall contribution to the work unit

rating was entered in the hierarchical multiple regression after all the variables describing the characteristics of the ratee, rater, and evaluation had been entered. In the next step, the number of interim reviews was entered. In the final step, the term representing the interaction between the overall performance rating and the number of interim reviews was entered into the model. A significant change in R^2 values after separately entering these three variables would indicate that the overall performance rating, the number of interim reviews, and their interaction had a significant effect on the dependent variables beyond that of the variables previously entered into the equation. The overall performance rating was entered prior to the number of interim reviews in order to insure that all the variation in the dependent variables due to the overall performance rating would be removed prior to testing for the effect due to the number of interim reviews.

Percentage Agreement with Individual Job Responsibility Ratings

The first hierarchical multiple regression analysis used agreement with the individual job responsibility ratings as the dependent variable. Table 9 summarizes the analysis of variance results at each step for testing the multiple correlation between the dependent variables and predictor variables in the regression analysis. The variables representing the characteristics of the ratee (EMPINPOS, MONTHSER, and LEVEL) provided a useful model for predicting agreement with the individual job responsibility ratings and the addition of the variables representing the characteristics of the rater (SUPINPOS and EMP/SUP), and the characteristics of the evaluation (PRERATE, RCOUNT,

TABLE 9

TESTS OF THE STRENGTH OF THE LINEAR RELATIONSHIP (R) BETWEEN THE PREDICTOR VARIABLES AND AGREEMENT WITH INDIVIDUAL JOB RESPONSIBILITY RATINGS

Step[a]	Variable[b]	R	Mean Square		Num df	Den df	F	p
			Model	Residual				
1	EMPINPOS*	0.1095	7702.0957	669.5010	4	3797	11.504	0.0001
2	MONTHSER	0.1095	6163.5971	669.6749	5	3796	9.204	0.0001
3	LEVEL*	0.1104	4476.5672	669.8913	7	3794	6.683	0.0001
4	SUPINPOS*	0.1127	2969.6677	670.2473	11	3790	4.431	0.0001
5	EMP/SUP*	0.1136	2366.6162	670.6552	14	3787	3.529	0.0001
6	PRERATE	0.1249	2679.3900	668.9680	15	3786	4.005	0.0001
7	RCOUNT	0.1296	2699.8495	668.3504	16	3785	4.040	0.0001
8	MEANRATE	0.1407	3002.8510	666.4522	17	3784	4.506	0.0001
9	STDRATE	0.1411	2847.3378	666.5746	18	3783	4.272	0.0001
10	OVERALL	0.1411	2699.2286	666.7420	19	3782	4.048	0.0001
11	NREVIEWS	0.1729	3852.5970	660.1036	20	3781	5.836	0.0001
12	INTERACT	0.1732	3677.6769	660.2308	21	3780	5.570	0.0001

Note 1. The regression model at any given step consisted of the variable (or dummy coded variable set) indicated plus all variables listed prior to that step.

Note 2. An explanation of the variables may be found in the list of abbreviations on page ix or in the text.

[a]Step in which the variable was entered into the hierarchical multiple regression equation.

[b]Variables followed by an asterisk were entered into the multiple regression equation as dummy coded variables.

MEANRATE and STDRATE) also were effective in predicting agreement with the individual job responsibility ratings. With the addition of the overall performance rating, the number of interim reviews, and their interaction, the full model was significant; F,(21,3780)=5.570, p=.0001. Thus the predictor variables had a significant relationship (i.e., $R \neq 0$) with agreement with the individual job responsibility ratings.

Table 10 presents the significance tests for changes in R^2 with the addition of variables in the hierarchical multiple regression. The table presents the R^2 values for sets of dummy variables rather than for each dummy variable individually. The tabled values indicate that the dummy coded variables representing employee tenure in position (EMPINPOS), as the first set of variables in the model, contributed significantly to the R^2; F(4,3797)=11.53, p=.00000. The addition of months of state service (MONTHSER), organizational level (LEVEL), supervisor tenure in position (SUPINPOS), and length of time the rater had supervised the employee (EMP/SUP) did not contribute significantly to the R^2 increment as they were added to the model. The overall performance rating from the previous evaluation cycle (PRERATE) contributed significantly to the R^2 increment [F(1,3786)=10.38, p=.00128], as did the number of job responsibilities on which the employee was evaluated (RCOUNT) [F(1,3785)=4.62, p=.03167], and mean rating on the individual job responsibilities (MEANRATE) [F(1,3784)=11.58, p=.00067]. Neither the standard deviation of the individual job responsibility rating (STDRATE) nor the overall performance rating (OVERALL) contributed significantly to the

TABLE 10

TESTS FOR SIGNIFICANT R^2 CHANGE IN THE HIERARCHICAL MULTIPLE REGRESSION ANALYSIS PREDICTING AGREEMENT WITH INDIVIDUAL JOB RESPONSIBILITY RATINGS

Step[a]	Predictor Variable[b]	R^2	R^2 Increment	F	Num. df	Den. df	p
1	EMPINPOS*	.0120	.0120	11.5294	4	3797	.00000
2	MONTHSER	.0120	.0000	.0000	1	3796	1.00000
3	LEVEL*	.0122	.0002	.3841	2	3794	.68110
4	SUPINPOS*	.0127	.0005	.4798	4	3790	.75058
5	EMP/SUP*	.0129	.0002	.2558	3	3787	.85727
6	PRERATE	.0156	.0027	10.3842	1	3786	.00128
7	RCOUNT	.0168	.0012	4.6196	1	3785	.03167
8	MEANRATE	.0198	.0030	11.5813	1	3784	.00067
9	STDRATE	.0199	.0001	.3860	1	3783	.53446
10	OVERALL	.0199	.0000	.0000	1	3782	1.00000
11	NREVIEWS	.0299	.0100	38.9754	1	3781	.00000
12	INTERACT	.0300	.0001	.3897	1	3780	.53250

Note. An explanation of the variables may be found in the list of abbreviations on page ix or in the text.

[a]Step in which the variable was entered into the hierarchical multiple regression equation. The multiple regression model at any given step included the variable indicated for that step, plus all variables preceding it in the list.

[b]Variables followed by an asterisk were entered into the multiple regression equation as dummy coded variables.

R^2 increment when they were added. As predicted, the number of interim reviews (NREVIEWS) contributed significantly to the R^2 value; $F(1,3781)=38.98$, $p=.00000$. However, the interaction between overall rating and the number of interim reviews (INTERACT) did not contribute significantly to the R^2 change; $F(1,3780)=0.3897$, ns. Thus the hypothesis that the greater the number of interim reviews the higher the levels of employee agreement with ratings of individual job responsibilities was supported. However, the hypothesis that the overall performance rating would contribute significantly to the R^2 increment was not supported, nor was the hypothesis that there would be a significant interactive effect between overall performance rating and the number of interim reviews.

Both the raw score and standardized partial regression coefficients for the full model are presented in Table 11. Examination of the raw score regression coefficients reveals that with a unit increase in the overall performance rating, employee agreement with individual job responsibility ratings increased by 1.6%. However, a unit increase in the number of interim reviews was associated with the employee's agreeing with an additional 5.3% of the individual job responsibility ratings. A unit increase in the interaction term was associated with a modest decrease in the agreement with the individual job responsibility ratings. Examination of the standardized partial regression coefficients (beta weights) reveals that the highest weight is for the number of interim reviews (Beta=0.1416), indicating that the change in the mean agreement with the individual job responsibility ratings per unit change in the predictor variables is higher

TABLE 11

PARTIAL REGRESSION COEFFICIENTS FOR THE MULTIPLE REGRESSION EQUATION PREDICTING AGREEMENT WITH INDIVIDUAL JOB RESPONSIBILITY RATINGS

Variable[a,b]	Raw Score Regression Coefficient	Standard Error	Standardized Regression Coefficient
EMPINPOS*			
EMP2	1.0762	3.3546	0.0056
EMP3	1.2343	1.5472	0.0179
EMP4	-7.1717	1.5438	-0.0926
EMP5	-3.6548	1.1011	-0.0635
MONTHSER	-0.0017	0.0055	-0.0059
LEVEL*			
LEV0	0.9623	1.6221	0.0157
LEV1	0.3788	1.8191	0.0053
SUPINPOS*			
SUP2	-1.5988	2.5914	-0.0127
SUP3	-0.8360	1.7380	-0.0097
SUP4	0.4218	1.5447	0.0055
SUP5	0.7580	1.0117	0.0135
EMP/SUP*			
RSE2	2.0688	2.0740	0.0221
RSE3	1.6913	1.5463	0.0269
RSE3	0.9288	1.4106	0.0142
PRERATE	0.5264	0.7666	0.0144
RCOUNT	-0.3020	0.1416	-0.0351
MEANRATE	3.0308	1.4888	0.0648
STDRATE	-0.3018	1.7479	-0.0030
OVERALL	1.6180	2.7155	0.0404
NREVIEWS	5.2931	2.8637	0.1416
INTERACT	-0.4845	0.9298	-0.0498

Note 1. The regression coefficients listed are for the full regression model with all other variables partialled out.

Note 2. An explanation of the variables may be found in the list of abbreviations on page ix or in the text.

[a]Variables followed by an asterisk indicate that dummy coded variables were entered into the multiple regression equation. The dummy variables follow each such variable.

[b]The intercept for the model using the raw score regression coefficients was 65.8019.

for the number of interim reviews than for all other variables with all the predictors entered into the equation.

In order to assess what effect an increase in the number of interim reviews would have on employee agreement with the individual job responsibility ratings, mean values for all variables were entered into the regression equation using the raw score weights presented in Table 11. Three separate calculations were made to represent the effects of zero, one, and two interim reviews. With all other variables held constant at their mean, employees indicated agreement with 83.1% of the individual job responsibility ratings. As the raw score partial regression coefficients for the number of interim reviews indicate, one interim review increased the percentage to 88.4%, and two interim reviews increased the percentage to 93.7%. Figure 1 graphically presents the relationship between the number of interim reviews and the actual and predicted mean agreement with the individual job responsibility ratings.

Employee Agreement with Overall Contribution to the Work Unit Rating

The second hierarchical multiple regression analysis used agreement with the overall performance rating as the dependent variable. Table 12 summarizes the analysis of variance results for testing the R between the dependent variable and the predictor variables at each step in the multiple regression analysis. The variables representing the characteristics of the ratee (EMPINPOS, MONTHSER, and LEVEL) did not provide a useful model for predicting agreement with the overall performance rating. However, the addition of the variables representing the characteristics of the rater (SUPINPOS and SUP/EMP) and

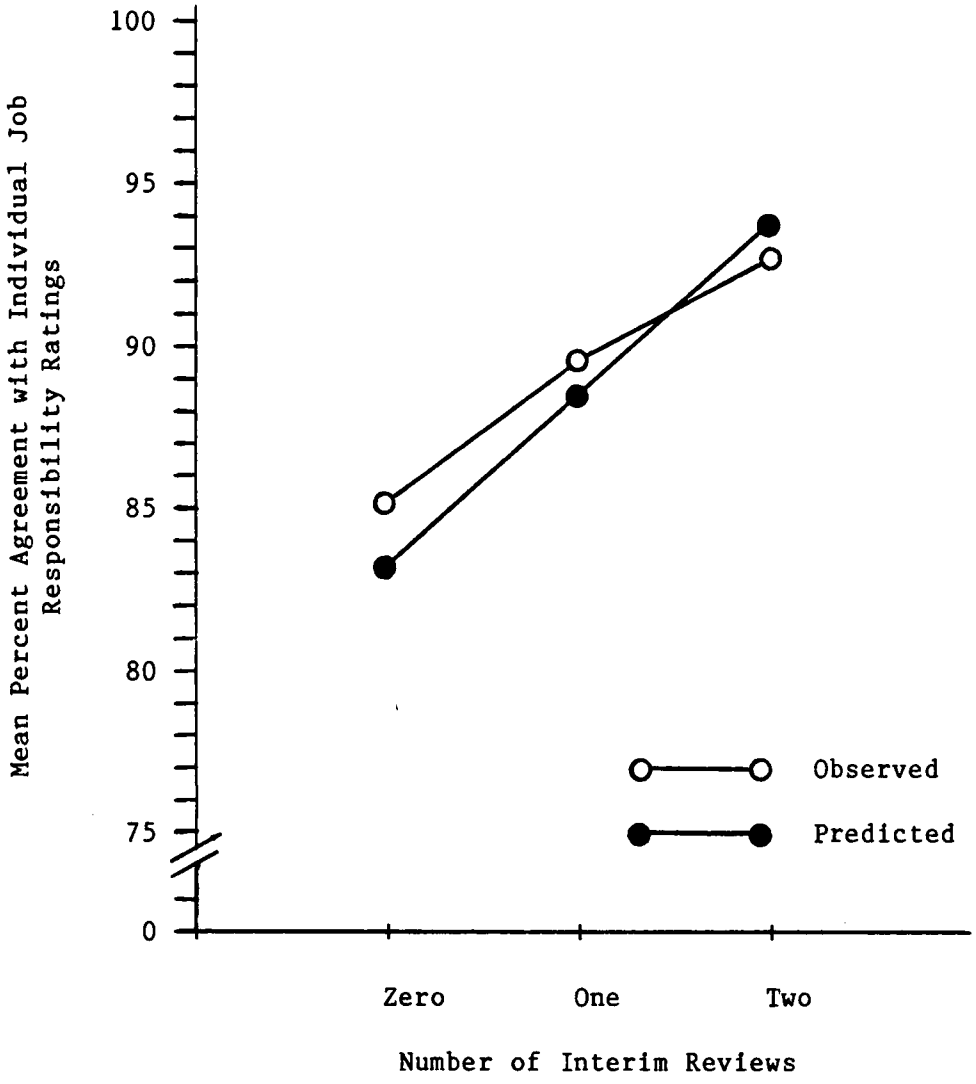


FIGURE 1

THE RELATIONSHIP BETWEEN THE NUMBER OF INTERIM REVIEWS AND EMPLOYEE AGREEMENT WITH PERFORMANCE RATINGS OF INDIVIDUAL JOB RESPONSIBILITIES

TABLE 12

TESTS OF THE STRENGTH OF THE LINEAR RELATIONSHIP (R) BETWEEN THE PREDICTOR VARIABLES AND AGREEMENT WITH THE OVERALL CONTRIBUTION TO THE WORK UNIT RATING

Step[a]	Variable[b]	R	Mean Square		Num df	Den df	F	p
			Model	Residual				
1	EMPINPOS*	0.0458	0.0636	0.0318	4	3797	2.001	0.0916
2	MONTHSER	0.0520	0.0658	0.0318	5	3796	2.070	0.0654
3	LEVEL*	0.0574	0.0561	0.0318	7	3794	1.767	0.0886
4	SUPINPOS*	0.0735	0.0593	0.0317	11	3790	1.869	0.0385
5	EMP/SUP*	0.0843	0.0614	0.0317	14	3787	1.937	0.0189
6	PRERATE	0.1144	0.1056	0.0315	15	3786	3.351	0.0001
7	RCOUNT	0.1162	0.1018	0.0315	16	3785	3.230	0.0001
8	MEANRATE	0.1916	0.2611	0.0308	17	3784	8.485	0.0001
9	STDRATE	0.2047	0.2816	0.0306	18	3783	9.197	0.0001
10	OVERALL	0.2220	0.3139	0.0304	19	3782	10.329	0.0001
11	NREVIEWS	0.2349	0.3340	0.0302	20	3781	11.056	0.0001
12	INTERACT	0.2364	0.3215	0.0302	21	3780	10.648	0.0001

Note 1. The regression model at any given step consisted of the variable (or dummy coded variable set) indicated plus all variables listed prior to that step.

Note 2. An explanation of the variables may be found in the list of abbreviations on page ix or in the text.

[a]Step in which the variable was entered into the hierarchical multiple regression equation.

[b]Variables followed by an asterisk were entered into the multiple regression equation as dummy coded variables.

the characteristics of the evaluation (PRERATE, RCOUNT, MEANRATE and STDRATE) were effective in predicting agreement with the overall rating. With all variables in the analysis, the model was still significant; F,(21,3780)=10.65, p=.0001. Thus this indicates that the variables selected had a significant (i.e., $R \neq 0$) relationship with agreement with the overall contribution to the work unit rating.

Table 13 presents the significance tests for changes in R^2 with the addition of variables in the hierarchical multiple regression. As was the case with agreement with the individual job responsibility ratings, the table presents the R^2 values for sets of dummy variables rather than for each dummy variable individually. The tabled values indicate that it was not until the addition of the overall performance rating from the previous evaluation cycle (PRERATE) to the model that the change in R^2 became significant; $F(1,3786)=23.02$, p=.00000. The addition of the number of job responsibilities on which the employee was evaluated (RCOUNT) did not contribute significantly to the R^2 increment as it was added to the model. The mean individual job responsibility rating (MEANRATE) contributed significantly to the R^2 increment [$F(1,3784)=91.13$, p=.00000], as did the standard deviation of the individual job responsibility ratings (STDRATE) [$F(1,3783)=20.53$, p=.00000], and, as predicted, the overall performance rating (OVERALL) [$F(1,3782)=29.44$, p=.00000]. Also as predicted, the number of interim reviews (NREVIEWS) contributed significantly to the R^2 value; $F(1,3781)=23.61$, p=.00000. However, the interaction between the overall performance rating and the number of interim reviews did not contribute significantly to the R^2 change; $F(1,3780)=2.80$, ns.

TABLE 13

TESTS FOR SIGNIFICANT R^2 CHANGE IN THE HIERARCHICAL MULTIPLE REGRESSION ANALYSIS PREDICTING AGREEMENT WITH OVERALL CONTRIBUTION TO THE WORK UNIT RATING

Step[a]	Predictor Variable[b]	R^2	R^2 Increment	F	Num. df	Den. df	p
1	EMPINPOS*	.0021	.0021	1.9976	4	3797	.09216
2	MONTHSER	.0027	.0006	2.2838	1	3796	.13082
3	LEVEL*	.0033	.0006	1.1420	2	3794	.31930
4	SUPINPOS*	.0054	.0021	2.0006	4	3790	.09173
5	EMP/SUP*	.0071	.0017	2.1613	3	3787	.09048
6	PRERATE	.0131	.0060	23.0175	1	3786	.00000
7	RCOUNT	.0135	.0004	1.5347	1	3785	.21548
8	MEANRATE	.0367	.0232	91.1334	1	3784	.00000
9	STDRATE	.0419	.0052	20.5319	1	3783	.00000
10	OVERALL	.0493	.0074	29.4381	1	3782	.00000
11	NREVIEWS	.0552	.0059	23.6112	1	3781	.00000
12	INTERACT	.0559	.0007	2.8027	1	3780	.09419

Note. An explanation of the variables may be found in the list of abbreviations on page ix or in the text.

[a]Step in which the variable was entered into the hierarchical multiple regression equation. The multiple regression model at any given step included the variable listed for that step, plus all variables preceding it in the list.

[b]Variables followed by an asterisk were entered into the multiple regression equation as dummy coded variables.

Thus the hypotheses that the higher the overall performance rating and the greater the number of interim reviews, the higher the levels of employee agreement with overall ratings were supported. However, the hypothesis that there would be a significant interactive effect was not supported for this dependent variable.

Both the raw score and the standardized partial regression coefficients for the full model are presented in Table 14. Examination of the raw score regression weights indicates that a unit increase in the overall performance rating was associated with a 0.07 increase in the dichotomous measure of employee agreement with the overall performance rating. A unit increase in the number of interim reviews was associated with a 0.05 increase in agreement with the overall rating, while a unit increase in the interaction term effected a 0.01 decrease in employee agreement. Examination of the beta weights reveals that the highest weight is for the overall performance rating itself (Beta=0.27), followed by the number of interim reviews (Beta=0.19), and then by the interaction term (Beta=-0.14). It is not surprising that the overall performance rating would have the single greatest impact on agreement with overall rating out of all the variables in the model. What is stunning is that even with the variance in the dependent variable due to the overall performance rating having been removed, an increase in the number of interim reviews had a dramatic, positive impact on the mean level of employee agreement with the overall contribution to the work unit rating.

To determine what effect increases in the overall performance rating and increases in the number of interim reviews would have on

TABLE 14

PARTIAL REGRESSION COEFFICIENTS FOR THE MULTIPLE REGRESSION EQUATION PREDICTING AGREEMENT WITH THE OVERALL CONTRIBUTION TO THE WORK UNIT RATING

Variable[a,b]	Raw Score Regression Coefficient	Standard Error	Standardized Regression Coefficient
EMPINPOS*			
EMP2	-0.0186	0.0227	-0.0140
EMP3	-0.0024	0.0104	-0.0050
EMP4	-0.0206	0.0104	-0.0388
EMP5	-0.0133	0.0074	-0.0338
MONTHSER	-0.0001	0.0000	-0.0465
LEVEL*			
LEV0	-0.0101	0.0110	-0.0242
LEV1	-0.0016	0.0123	-0.0034
SUPINPOS*			
SUP2	-0.0550	0.0175	-0.0636
SUP3	-0.0258	0.0118	-0.0437
SUP4	-0.0082	0.0104	-0.0156
SUP5	-0.0008	0.0068	-0.0022
EMP/SUP*			
RSE2	0.0431	0.0140	0.0671
RSE3	0.0231	0.0104	0.0535
RSE3	0.0032	0.0095	0.0070
PRERATE	-0.0164	0.0052	-0.0653
RCOUNT	-0.0007	0.0010	-0.0124
MEANRATE	0.0157	0.0101	0.0490
STDRATE	-0.0370	0.0118	-0.0528
OVERALL	0.0738	0.0184	0.2688
NREVIEWS	0.0496	0.0194	0.1936
INTERACT	-0.0098	0.0063	-0.1463

Note 1. The regression coefficients listed are for the full regression model with all other variables partialled out.

Note 2. An explanation of the variables may be found in the list of abbreviations on page ix or in the text.

[a]Variables followed by an asterisk indicate that dummy coded variables were entered into the multiple regression equation. The dummy variables follow each such variable.

[b]The intercept for the model using the raw score regression coefficients was 0.7230.

the dependent variable, two separate sets of calculations were made. For the first set, mean values were used to represent the value of all variables in the full model, except for the overall contribution to the work unit rating. By entering each value of the overall performance rating separately, it was possible to estimate the effect for each level. The results indicate that an overall performance rating of "not acceptable/marginal" was associated with a mean level of agreement with the overall rating of 0.82 on the dichotomous scale. The estimated mean value of agreement with the overall performance rating for ratings of "good," "superior," and "exceptional" were 0.89, 0.97, and 1.04 respectively. A graphic presentation of the relationship between the overall contribution to the work unit rating and the actual and predicted mean level of agreement with the overall rating is presented in Figure 2.

The second set of calculations involved a similar procedure, except that values representing the number of interim reviews were allowed to vary. The results indicated that having no interim reviews was associated with a mean agreement level of 0.89 when all other variables were held constant. Having one interim review increased the mean agreement level to 0.94, and having two interim reviews further increased the level of employee agreement with the overall performance rating to 0.99. Figure 3 presents the relationship between the number of interim reviews and actual and estimated mean levels of agreement with the overall contribution to the work unit rating.

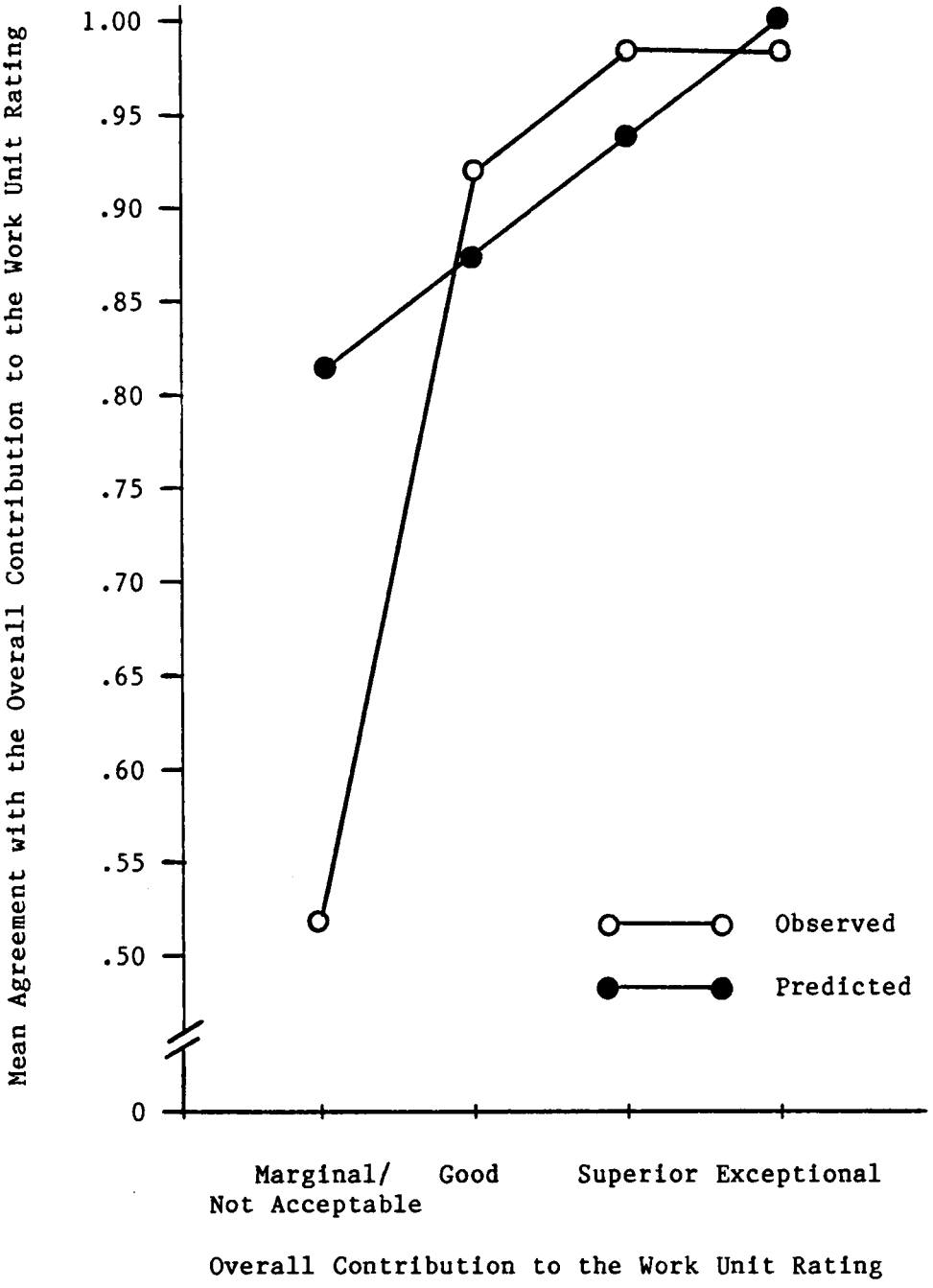


FIGURE 2

THE RELATIONSHIP BETWEEN THE OVERALL CONTRIBUTION TO THE WORK UNIT RATING AND AGREEMENT WITH THE OVERALL RATING

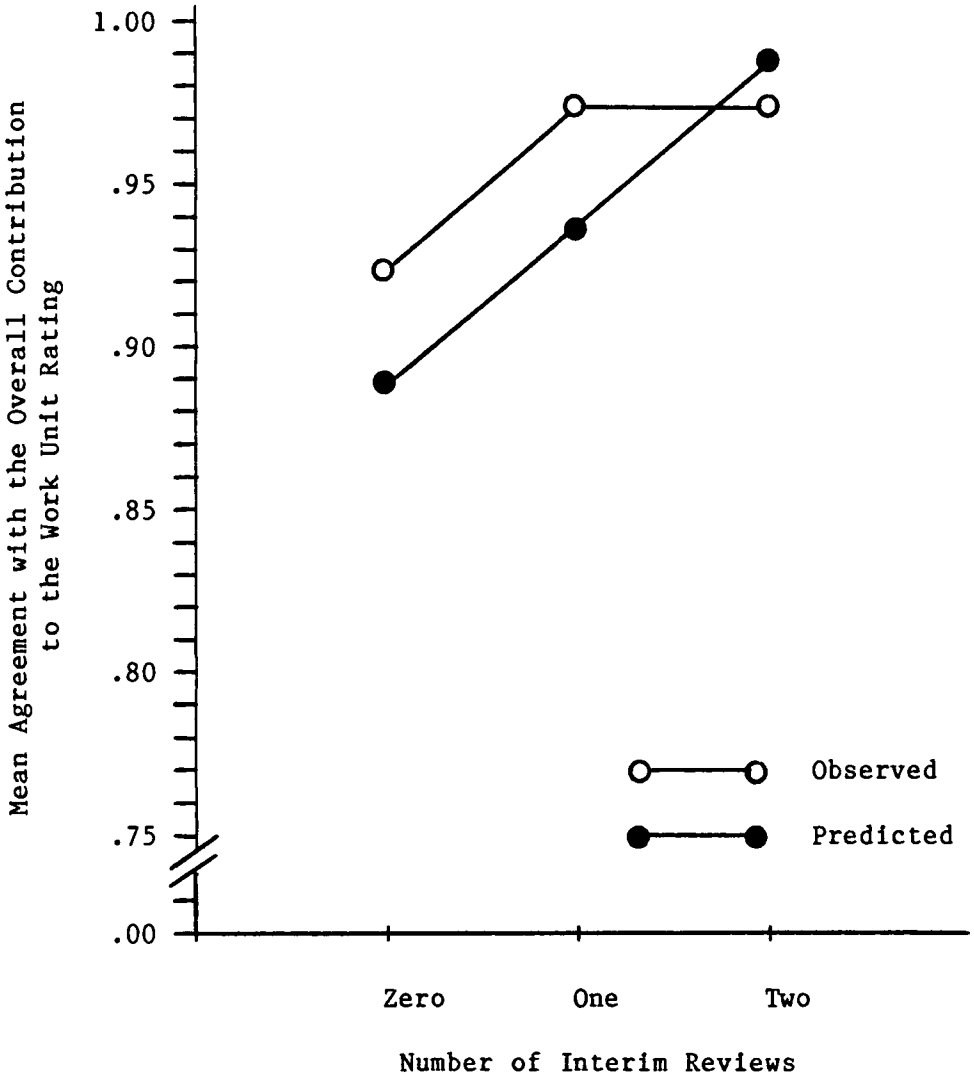


FIGURE 3

THE RELATIONSHIP BETWEEN THE NUMBER OF INTERIM REVIEWS AND EMPLOYEE AGREEMENT WITH OVERALL CONTRIBUTION TO THE WORK UNIT RATING

CHAPTER V

DISCUSSION

1. SUMMARY OF FINDINGS

Agreement with Ratings of Individual Job Responsibilities

The results from the hierarchical multiple regression analyses indicate that with respect to the dependent variable of agreement with the individual job responsibility ratings, only one of the three key predictor variables had a significant impact after the variance due to the controlling predictor variables had been removed. The $\underline{R}^2$ increment due to the addition of the overall contribution to the work unit rating was zero. Therefore the hypothesis that the overall contribution to the work unit rating would have a significant, positive relationship with agreement with the individual job responsibility ratings was not supported. Similarly, the introduction of the term representing the interaction between the overall performance rating and the number of interim reviews did not contribute to a significant change in the $\underline{R}^2$ for the model. Thus the hypothesis that there would be a significant interaction effect was not supported.

The number of interim reviews, however, did have a significant relationship with agreement with the individual job responsibility ratings. The addition of this variable in the hierarchical multiple regression equation contributed to a significant increase in the accounted for variance in the dependent variable. The number of interim reviews, even given its late order of entry into the regression equation, was more strongly associated with agreement with the

individual job responsibility performance ratings than any other single variable in the model. Even with the variance due to the mean performance rating on the individual job responsibilities partialed out of the dependent variable, the effect of the number of interim reviews was apparent. This was evidenced not only by the $\underline{R}^2$ increment due to the addition of the variable to the model, but also by the high standardized partial regression coefficient in the full model. The results clearly indicate that a change in the number of interim reviews from zero to one and from one to two increases the mean percentage agreement with the individual job responsibility ratings from 83% to 88%, and from 88% to 94%, respectively. Thus for the levels of the number of interim reviews studied here, each additional interim review was associated with approximately a 5% increase in the percent agreement with the individual job responsibility ratings. Therefore, the hypothesis that the number of interim reviews would have a significant, positive relationship with agreement with the individual job responsibility ratings was supported.

Agreement With the Overall Contribution to the Work Unit Rating

The results from the hierarchical multiple regression analysis for predicting agreement with the overall performance rating indicated that two of the three key predictor variables had a significant impact after the variance due to the controlling predictor variables had been partialed out. Not surprisingly, the overall performance rating itself was strongly and positively related to agreement with the overall performance rating. A unit change in the overall performance rating resulted in a 0.07 increase (7%) in agreement with the overall

performance rating. The overall performance rating had the highest standardized partial regression coefficient in the full regression model, and also contributed significantly to the $\underline{R}^2$ for the regression model when the variable was added. Thus the hypothesis that the overall performance rating would be significantly and positively related to agreement with the overall performance rating was supported.

The number of interim reviews, however, accounted for a significant amount of variance in the dependent variable even after the variance due to the overall performance rating had been removed. A unit change in the number of interim reviews resulted in a 0.05 increase (5%) in employee agreement with the overall performance rating. Thus having no interim reviews was associated with a mean agreement with the overall performance rating value of 0.89 when all other values were held constant at their respective variable mean. Having one interim review was associated with a mean agreement level of 0.94, and having two interim reviews was associated with a mean agreement of 0.99. The standardized partial regression coefficient was second only to that for the overall performance rating, and the $\underline{F}$ test for the increment in the $\underline{R}^2$ due to the addition of the variable in the regression model was significant. Thus the hypothesis that the number of interim reviews would have a significant, positive effect on employee agreement with the overall performance rating was supported.

The third key predictor variable did not contribute significantly to the $\underline{R}^2$. The variable representing the interaction between the overall performance rating and the number of interim reviews was not

found to be a useful predictor of employee agreement in terms of the increment in accounted for variance. Thus the hypothesis that the overall performance rating and the number of interim reviews would have an interactive effect with respect to this dependent variable was not supported.

An interesting consequence of the failure of the interaction term to reach significance in the regression model for either dependent variable is the conclusion that the effects of the number of interim reviews are not moderated to any significant degree by the level of the overall performance rating. Thus interim reviews appear to be as useful a process when performance ratings are at the upper end of the scale as well as when they are at the lower end of the rating scale. These findings are similar to those reported by Landy et al. (1980) in which they found that the performance ratings for employees were not sufficient to account for the variability in the employee's perception of fairness and accuracy of the evaluation.

2. DISCUSSION OF THE RESULTS

These findings clearly indicate that the interim review process itself is positively related to employee agreement with performance evaluation ratings. Employees are more likely to agree with the performance ratings and supporting documentation when interim reviews are held than when interim reviews are not held. Furthermore, the number of such interim reviews also has an effect on levels of employee agreement. Thus employees are more likely to agree with the performance ratings and supporting documentation when there are two interim reviews than when there is only one interim review.

Interim Reviews and Individual Job Responsibilities

Of particular interest is the finding that interim reviews are an effective mechanism not only for the overall contribution to the work unit rating, but also for the individual job responsibility ratings. As mentioned earlier in this paper, the two aspects of performance evaluation are logically interlinked. Accurate ratings of performance on the individual job responsibilities are likely to increase the accuracy of the overall performance rating. If the employee has indicated agreement with the individual job responsibility ratings, then that agreement is likely to be extended to the overall performance rating, in part because the observations on the individual responsibilities serve as the basis for making a valid decision regarding the employee's overall contribution to the work unit.

It may be that it is with the individual job responsibilities that interim reviews are likely to have their greatest impact for the employee. The behaviors and work outcomes that compose the performance of the job responsibilities are the very ones that can be most readily observed by the supervisor and most readily modified by the employee. However, it is also on the behaviors comprising performance of the individual responsibilities that many of the employee's emotions and self-perceptions may rest. Therefore, the employee may take offense to constructive criticism of performance on these dimensions. If the performance can be improved or if performance is not at an acceptable level, however, then the supervisor is obligated to point this out to the employee. What the interim review process may have the potential to do is to allow the supervisor to provide

negative feedback to employees and to have the employees accept that feedback as valid. Because the interim review process allows feedback to occur closer in time to the actual occurrence of behavior than would an annual performance appraisal discussion, the supervisor may be able to more readily cite specific examples of observed behavior, to indicate the problems associated with that behavior, and to work with the employee in planning for performance improvement. In addition, the interim review is intended to provide employees an opportunity to present their own perspectives on performance by pointing out facts of which the supervisor may have been unaware, and by clarifying observations that the supervisor may have misinterpreted (Lawler, 1967). As there are no consequences immediately associated with the supervisor's feedback, the employee is apt to accept the criticism positively. This is likely to be particularly true if the supervisor carries out the interim review process well so that employees perceive the discussion as being supportive, and focused on development rather than criticism.

Interim Reviews and Meaningful Feedback

The intended focus in the interim review discussion is different from what would be likely to occur in a traditional performance appraisal discussion. In the latter, the feedback is likely not to be sufficiently specific, either because it would be covering events that took place over the course of the entire evaluation cycle and many behaviors or details surrounding behaviors may have been forgotten, or because it is restricted to more recent events about which feedback may have been saved for the performance appraisal discussion (cf.,

Meyer et al., 1965). In the traditional performance appraisal discussion, the primacy and recency effects (cf., Murdock, 1974) may operate so that the events that are recalled and reviewed with the employee are those close to the time of the previous appraisal discussion (i.e., primacy effect) and those close to the time of the current appraisal discussion (i.e., recency effect). This would suggest that behaviors near the beginning and end of the evaluation cycle will be the ones that are most clearly recalled. The longer the evaluation cycle, the greater the time period from which behaviors cannot be readily recalled. This is likely to limit not only the feedback which the employee receives, but also restrict the range of behaviors on which the evaluative ratings are made. In addition, the performance feedback in traditional performance appraisal discussions may be too little, too late. At the time of the annual appraisal discussion, the employee does not have the opportunity to use the feedback obtained to improve performance prior to the official recording of the performance ratings. If the performance appraisal discussion is the first opportunity employees have had to learn of the supervisor's assessment of their performance and any shortcomings that may exist, then both the feedback and ratings may come as an unpleasant surprise. Because this is apt to be perceived as unfair, employees are likely to not agree with the evaluation and fail to be as motivated to subsequently improve performance.

The interim review, however, is designed to have a distinctly different quality about it. Because of the shorter time periods between performance-based discussions, there is the potential for the

feedback to be more timely and specific. Research has indicated that specificity of feedback is important for several reasons. Ilgen et al. (1979) suggested that specific feedback left less room for distortion of the meaning of the feedback, therefore making it more meaningful for the employee than general feedback. Ilgen et al. (1981a) have indicated that some of the consequences of specific feedback include the employee's trying harder and having more positive feelings and beliefs about the supervisor. Ilgen et al., (1981b) found that supervisory effectiveness was enhanced when specific and frequent feedback was given in a considerate, helpful manner. Liden and Mitchell (1985) reported that specific feedback was perceived as being more helpful and of higher quality than more general feedback. The interim review process may be effective, in part, because it enhances the opportunity for specific feedback. Although the primacy and recency effects are also likely to operate with the interim review process, the time which is covered by each feedback discussion is likely to be much shorter than with the traditional performance appraisal discussion (e.g., four rather than twelve months if two interim reviews are given and are equally timed across the evaluation cycle). This would suggest that there is a greater potential for the recall of a greater number of specific behaviors with interim reviews than with a single annual performance review discussion. Additionally, the shorter time periods between performance and formal feedback may allow employees to more effectively relate the feedback to their own behavior and to either modify subsequent behavior or to more effectively present their perceptions regarding their performance.

This line of thought is an extrapolation from laboratory research and therefore must be considered speculative. Clearly there are other factors in organizational life which affect the supervisor's recall and mental synthesis of employee performance. Nevertheless, it offers a plausible explanation for some of the findings reported in this study, and therefore may warrant further investigation in subsequent research.

A second aspect that differentiates feedback in a traditional performance appraisal discussion and feedback in the interim review discussion is that no organizational consequences are immediately associated with interim review feedback, other than an indication of how the employee's performance would be rated if the formal performance evaluation took place that day. Therefore, the employee may be more likely to view the feedback as beneficial, as an indication of the supervisor's interest in the development of the employee, and as information that increases the chances of eventual receipt of organizational rewards. The interim review discussion is designed to provide the employee an opportunity to gain valuable feedback and to improve performance prior to the occurrence any formal outcomes. Therefore, feedback in an interim review discussion may be more motivating than feedback in a traditional performance appraisal discussion where the feedback is given at the same time that organizational outcomes are recommended. This may increase the probability of the employee's accepting negative feedback. The problem of getting employees to accept constructive, negative feedback has been a major concern for supervisors, and the interim review process may provide a useful mechanism for resolving the difficulty.

Feedback frequency. The finding that the number of interim reviews has a strong relationship with agreement with performance ratings is also of theoretical interest. Several writers (e.g., Ilgen et al., 1981b; Kane & Lawler, 1979; Landy et al., 1978; Lawler, 1967; Meyer et al., 1965) have studied the issue of feedback frequency. Landy and Farr (1983, p. 185) have suggested that frequent formal informal feedback (i.e., interim reviews) lessens the delay between the occurrence of a behavior and feedback regarding that behavior. Ashford and Cummings (1983) have proposed that individuals will seek out feedback to use as a personal resource for reducing uncertainty, for determining appropriate goals, and assessing their own competence. An increase in feedback frequency, as represented by more frequent interim reviews, may allow for more appropriately timed and more specific feedback to employees than would an annual performance review discussion.

As an example, consider the case of a relatively new social counselor who, early in the evaluation cycle, encounters difficulty in working with certain groups of clients or begins to overstep the bounds of his or her assigned responsibilities in an attempt to better serve the clients. From the supervisor's perspective, observed performance may not be such that it requires an immediate discussion with the employee on the difficulties associated with this level of performance. The probability of this would be increased by the inability of the supervisor to directly observe much of the employee's counseling activities. By the time the supervisor does learn of the new employee's problems, it may be that the counselor-client relation-

ship has been irreparably damaged or the client has received ineffective counseling. An interim review discussion between the supervisor and the employee early in the evaluation cycle would allow an opportunity for the supervisor to ask for details about the counselor's activities, and to question whether the counselor was experiencing any particular difficulties or encountering any obstacles. The supervisor would then be in a better position to provide feedback, support, and suggestions for coping with the problems prior to their becoming a major issue for the counselor, the client, or the agency.

Shulman (1982) provides a quotation from a supervisor which illustrates this problem. The supervisor making the quotation was faced with the necessity of providing a negative evaluation for an employee as a result of not discussing potential problem areas prior to the formal discussion.

> It was easy to avoid each of the individual problems since they were not by themselves serious enough to force me to respond. Every time I thought about doing something, he seemed to sense it an improve. So I took the easy way out, and now when I add it all up and see what has to be said in the evaluation, I feel sick about what I didn't do (p. 293).

Realistically, there is nothing radically new about the interim review process as a component of a performance evaluation system. Supervisors and employees should meet to discuss performance levels, to plan for performance improvement, to discuss work unit or project goals, etc.. All too frequently, however, this does not occur in actual practice. By formalizing the communication process, the likelihood of the discussion's occurring is increased. If carried out in an open, honest, and considerate manner, the discussions should benefit the supervisor as well as the employee. The results presented

in this study clearly suggest that the number of interim reviews, through some mechanism, positively affected levels of employee agreement. The increased opportunity to provide feedback may help to account for this observed effectiveness.

Agreement with performance ratings. The relevance of a process that increases the probability of employee agreement with formal performance evaluation ratings is apparent on both theoretical and practical grounds. There has been a large amount of literature concerned with increasing employee acceptance of performance evaluation programs and/or the performance appraisal itself (e.g., Burke et al, 1978; Dipboye & de Pontbriand, 1981; Landy et al., 1978, 1980). The findings have suggested that employee perceptions are related to (a) the supervisor's being perceived as helpful, (b) subordinate participation, (c) the solving of problems that are hindering performance, and (d) the setting of goals for subsequent performance. The present study suggests that a process designed, at least in part, around these principles can facilitate employee agreement. The participative nature of the interim review discussions and the non-threatening approach to feedback and employee development should help to foster the employee's trust in the supervisor. Ferris, Yates, Gilmore, and Rowland (1985) have stated that more needs to be known about factors associated with employee agreement with supervisory ratings. They found supervisory ratings to be uncorrelated with subordinate self-ratings, and they cited other studies which found nonsignificant correlations between supervisor and subordinate ratings. In contrast, the present study indicates that the majority

of employees agree with their supervisor's ratings of their performance, with 97% agreeing with the overall performance rating, and 91% agreeing with the individual job responsibility ratings. The correlations between the mean individual job responsibility rating and agreement with those ratings was both positive and significant (r=0.074, p=.0001), as was the correlation between the overall performance rating and employee agreement (r=0.186, p=.0001).

The difference between the results reported in this study and those found in Ferris et al. (1985) may possibly be accounted for by two factors. The present study dealt with an evaluation system that asked employees to simply indicate agreement or disagreement with each performance rating rather than comparing supervisor ratings and subordinate self-ratings on the same rating scale. Differences in interpretations of the scale points and different perceptions of what are salient behaviors or work outcomes may have been possible causes for the reported differences found in the Ferris et al. study. An alternative explanation, however, may be that with the JPPE system, performance ratings occur after the interim review process, and this may have accounted for the significant relationships found in the present study. Indeed, a key role of the interim review process may be to make the employee's self-perceptions regarding performance more accurate. This would be consistent with the function of feedback as proposed by Ashford and Cummings (1983). In the Ferris et al. study, supervisors and subordinates were asked to evaluate the subordinates performance on a single day. Thus employees and supervisors did not have an opportunity to (a) discuss the relevant behaviors that would

be evaluated, (b) discuss the supervisor's evaluation of the employee's performance prior to the rating occurring, or to (c) attempt to resolve differences of opinion regarding the accuracy of the rating. Under these circumstance, it is not surprising that a nonsignificant correlation was found between supervisory ratings and employee self-ratings. It could well be that interim reviews facilitate employee agreement with performance ratings because they allow for a clarification of what behaviors are relevant as well as clarifying the rater's "rules" for evaluating performance. From the employee's viewpoint, knowing these rules may be perceived as a good faith action by the supervisor, and this may also act to foster a sense of employee trust in the supervisor.

Employee Agreement and Title VII Law

The number of interim reviews has been shown to be related to levels of employee agreement with performance ratings on both the individual job responsibilities and on the overall performance ratings. Higher levels of employee agreement with these ratings have two implications for organizations with respect to Title VII law. First, higher levels of agreement suggest that employees are accepting their performance ratings as valid. The employees are not coerced into agreeing with the performance ratings, nor are they required to indicate either agreement or disagreement: they can choose to make no marks on the form. Therefore, a positive indication of employee agreement suggests employee acceptance of the performance rating as valid. This would in turn suggest that organizations which use performance ratings as a basis for personnel actions may be well

advised to consider an interim review process as part of their performance evaluation system. As levels of employee agreement increase, the probability of legal challenge should decrease. Employees who believe in the validity of their own evaluation can be reasonably expected to be less likely to institute challenges to the performance evaluation system than those who do not have faith in the validity of their own evaluation. To the extent that a high proportion of employee agreement with the performance ratings within the organization as whole can be viewed as an indication of employees' beliefs in the validity of the system, then the probability of legal challenge to the system should be minimized.

Secondly, if an organization's evaluation-related practices are challenged, a measure of employee agreement with the performance rating would be strong support for the evaluation system. To be able to document that the majority of employees within an organization have indicated agreement with the performance ratings would help to bolster the argument for the validity and utility of the system. If the employee or employees bringing the suit voluntarily and without coercion have indicated agreement with their own performance ratings, then it is difficult to see how a court could rule against the organization.

Summary

In summary then, it appears as though the demonstrated relationship between the number of interim reviews and employee agreement with performance ratings could have utility for organizations using a performance evaluation system. It is the right of an organization to try to differentiate employees on the basis of performance, as strong

performers are more likely to benefit the organization than are weaker performers. The management of most organizations believe that those who do more should be rewarded accordingly. However, it is the right of the employee to have the evaluation done fairly and accurately. In essence, both organizations and employees want the same result--accurate and fair assessments of performance levels. The interim review process may serve to facilitate that kind of performance assessment.

3. LIMITATIONS OF THE STUDY

There were several limitations to this study. First, the quality of the interim review discussions were not measured. Thus it is not possible to reach any conclusions based upon the content of the feedback, the motivational effectiveness of the discussions, or even to provide descriptive information regarding the interim reviews in terms of average duration of discussions, the amount of negative versus positive feedback given, etc.. These factors were controlled through the randomization procedures used in selecting the sample. However, this has also led to a limitation in terms of assessing what specific factors make interim reviews useful, under what conditions, and with what kinds of individuals.

Second, the exact number of interim reviews was not known. The form used restricted the number of recorded interim reviews to two, and therefore it may be that some supervisors had more than two during an employee's evaluation cycle. Since it is impossible to determine the exact number, the findings of this study must be interpreted as

being limited to cases having zero, one, or two interim reviews. To assume that these results would hold with three or more interim reviews would be to extrapolate beyond the limits of the data.

Third, it is possible that the number of interim reviews given during the evaluation cycle is confounded with the supervisor's committment to the evaluation program. Supervisor's who feel that the JPPE program is a useful system may more readily comply with the guidelines for the conduct of the evaluation process. In addition, they may put more time, effort, and thought into the evaluation process in order to make the system effective. This committment may result in the employee's viewing the evaluation as more beneficial and as less threatening than might be the case were the supervisor not as committed to the program. Thus under conditions of high supervisor committment, employee agreement with the performance ratings may be higher than with low supervisory committment, even without interim reviews. Unfortunately, it was not possible to examine this possibility with the available data.

Fourth, although an effort was made to control for other correlates of employee agreement with the performance ratings, there may be additional variables which may directly account for some of the variance in employee agreement with the performance ratings, or which correlate with the interim review process, and hence moderate the effectiveness of interim reviews. The procedure followed in this study was to account for as much of the variance in the dependent variables as possible before attempting to assess the impact of the overall performance rating, number of interim reviews, and their

interaction. Thus the interest was not in the controlling variables per se. The focus of the present study was to conduct exploratory research on the utility of formalized informal feedback, a practice advocated by many practitioners but not previously tested. Thus a broad perspective was taken when planning the study. While there were several advantages to this strategy, it limited the ability to carefully study the relationship of the number of interim reviews to other variables.

4. RECOMMENDATIONS FOR FUTURE RESEARCH

The findings reported in this study suggest that the interim review process warrants further investigation. Although the number of interim reviews was shown to be related to employee agreement, further exploration is needed to determine what effects interim reviews will have on performance over time. Clearly, the sole purpose of the interim review process is not to elicit employee agreement. It also, by its very nature, is intended to be a tool for employee development, and this should lead to performance increments or, in the case of employees who are already exceptional performers, to the maintenance of high levels of performance. The relationship of interim reviews to performance improvement could be examined through a carefully planned longitudinal study in which employees are tracked over time. In such a study, careful attention would have to be paid to objective performance criteria, to levels of employee satisfaction and motivation, and to the quality of the interim review discussions.

As noted in the previous section, the quality of interim reviews

could not be determined from the data that were available. The quality of the interim review and its effects upon levels of employee agreement with the ratings, long term performance improvement, and satisfaction with the evaluation system--both from the supervisor's and from the employee's perspective--needs to be further explored. Studies which focus on the quality of the interim review discussion might approach the subject by examining employee, supervisor, and reviewer reactions through interview, observation, or survey techniques, as well as through examination of official records. It may be that the most effective type of discussion will vary with the job class, with the extent of employee or supervisor work experience or education, or with the quality of the relationship and the degree of trust between the rater and the ratee.

It will be remembered that the multiple correlation coefficients were not very large in this study. Because of the large sample size, many of the correlations were significant. However, given the small amount of variance in the dependent variables that could be explained, the strength of the relationship between the number of interim reviews and agreement is impressive. Nevertheless, it would be worthwhile to explore the magnitude of the effect in samples composed of different groups and of different sizes in order to determine whether the effect is consistent. The present study took a broad perspective and looked at an extremely wide range of employees in over two dozen different agencies. The fact that there was a significant effect associated with the number of interim reviews speaks well of its generalizability. However, this is an area that can be further explored. Even

if the magnitude of the effect of interim reviews is not large across a wide range of employees and settings, it may be worthwhile to assess the impact of even small gains in employee agreement or in small improvements in performance, morale, motivation, etc.. Several researchers have begun to apply utility analysis (Schmidt, Hunter, McKenzie, & Muldrow, 1979) using performance enhancements as the variable of interest (Schmidt, Hunter, & Pearlman, 1982). It may be possible at some point in time to assess the utility of employee agreement given the potential benefits noted above. Some of the costs of employee disagreement can be readily foreseen. However, there may be even greater benefits arising from consistent employee agreement. This is clearly a matter that warrants further attention.

Issues such as how personality variables affect employee reactions to feedback need to be further explored. There is evidence (cf., Ilgen et al., 1979) that the employee's frame of reference affects the receipt of feedback. Under what conditions are employees likely to benefit the most from the interim review process? Perhaps some employees will benefit greatly while others will reject it without attempting to understand the purpose of the process. Some employees may feel that they simply do not need to have interim review discussions and resent going through the process. The process of discussing performance in a supportive manner with an employee may be difficult for some groups of supervisors who feel uncomfortable with this approach. Efforts need to be made to learn how personality styles affect the interim review process; further study in these areas would help to clarify our understanding of the evaluation process.

Another issue that needs to be further explored is the timing of the interim reviews. There may be optimal periods or time frames when interim reviews would be most beneficial. Do these time frames vary according to the job structure or position tenure? If these optimal time frames exist, are there different ones for good performance and for poor performance, for role clarification and for performance improvement? These are issues which still need to be addressed.

How will the importance of interim reviews be altered when formal rewards are explicitly linked to performance evaluation ratings? It would seem likely that when rewards are linked to performance ratings that the value of the interim reviews should increase. Traditionally performance-reward linkages have led to rating inflation. It may be that with an interim review process, this inflation need not occur. In fact, the interim review process may play a key role in making the employee's self-perceptions more accurate. When coupled with sound goal setting and performance improvement planning, the interim review may serve as a strong motivational force for the employee. However, only with further study will we be able to answer these questions.

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LIST OF REFERENCES

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APPENDIXES

APPENDIX A

SAMPLE SYSTEM 2 JOB PERFORMANCE CATALOG

Job Performance Planning And Evaluation Program

JOB PERFORMANCE CATALOG

For

EMPLOYMENT SECURITY INTERVIEWER SUPERVISOR

To be used for developing Job Performance Plans
effective October 1, 1985

CATALOG INTRODUCTION

PLEASE READ THE ENTIRE SET OF GENERAL INSTRUCTIONS IN THE CATALOG BEFORE PREPARING JOB PLANS FOR YOUR EMPLOYEES. MOST OF THE QUESTIONS THAT HAVE ARISEN CONCERNING JOB PERFORMANCE PLANNING HAVE BEEN ADDRESSED IN THE FOLLOWING SECTIONS.

Using the Catalog to Develop a Job Plan

A major goal of the Job Performance Planning and Evaluation Program is for employees to know the major responsibilities on which they will be evaluated and the behaviors and work outcomes that will lead to high ratings. This is accomplished by constructing a job plan that lists the important responsibilities for an employee and clarifies the level of performance expected.

Job catalogs are intended to help supervisors construct job plans. They are best thought of not as a "Master Job Plan," but rather as a shopping catalog from which items can be selectively chosen. Like a shopping catalog, you select only those items that you feel you need: it is not necessary to include every responsibility listed here on your employee's job plan. Similarly, you do not have to list the items you select in the same order as they are presented in the catalog: only you and your employee can rank the job responsibilities in order of their importance. Once the order of importance is agreed upon, you will need to enter each responsibility onto the employee's job plan in that order, listing the most important responsibilities first. The following guidelines have been developed to help you individualize job plans to describe a particular employee's responsibilties.

Modifying or Creating Job Responsibilities

For some positions, it may be appropriate either to modify the cataloged job responsibilities or to creat new ones. These actions may require a modification of the four digit job responsibility code, where the last two digits of the number are replaced with "99." Whether or not the job responsibility code should be changed will depend on the importance of the modification you make.

If the modification clarifies a statement of exceptional performance, or if the addition or deletion of a characteristic of exceptional performance makes the responsibility more appropriate within the context of the job, then it is not necessary to change the four digit job responsibility code. For example, if a supervisor wishes to explicitly state "within 60 days" rather than "within the established time frame," then it is not necessary to change the last two digits of the job responsibiltiy code to "99." Similarly, you as a supervisor may not expect an employee to exhibit a certain behavioral characteristic in order to achieve an exceptional level of performance. If the job responsibility and remaining characteristics of exceptional performance are otherwise applicable to the employee, it may not be necessary to consider the deletion as a major modification. If deleting that characteristic of exceptional performance does not, in your estimation, significantly alter the intent of the cataloged job responsibility, then it is not required that the responsibility code be changed.

If in your judgment the modification you wish to make does substantially alter the cataloged job responsibility, then it will be necessary to indicate that a change has been made by replacing the last two digits of the responsibility code with "99." Similarly, if a new job responsibility is created, the job responsibility code would consist of the first two digits from the responsibility codes used in this catalog and "99" as the last two digits.

Using other catalogs. When constructing job plans, you are not limited to this catalog. If responsibilities from other catalogs are added to the job plan with little or no modification, the responsibility code number remains unchanged: simply enter the four digit code listed in the catalog from which the responsibility is being taken. If, however, they are used with major changes, the job responsibility code is modified by replacing the last two digits with "99."

Use of Absolute Words such as "Always" or "Never"

If the words "always" and/or "never" appear in any of the characteristics of exceptional performance for a particular responsibility, they must be interpreted and clarified by the supervisor in the job planning discussion. The characteristics of exceptional performance listed for each job responsibility have been designed to describe the performance of an "exceptional" employee. The descriptions are intended to reflect ambitious but obtainable goals, and occasionally words such as "always" or "never" may be used. Such words should not be interpreted to mean perfection; this would clearly be unobtainable. Instead, they are meant to imply that the employee consistently meets the standards of exceptional performance as defined by the supervisor. For example, if a secretary, under rush conditions, types a long manuscript with several minor errors, the supervisor may well consider this to be within the standards of exceptional performance. Another secretary may type three short memos during the same period of time and make two or three errors on each. The supervisor may decide that a rating of "good" rather than "exceptional" is more appropriate in the latter case, even though both secretaries made the same number of errors.

EMPLOYMENT SECURITY INTERVIEWER SUPERVISOR

Major Job Responsibilities

GENERAL CLASS RESPONSIBILITIES

3675. Planning and Organizing Work

3676. Training and Developing Staff

3677. Employee Relations

3678. Managing Records and Reports Systems

3679. Developing and Maintaining Employer and Community Relations

0020. Conducting the Employee Job Performance Planning and Evaluation Program

PROGRAM SPECIFIC RESPONSIBILITIES

3680. Determining Eligibility for Unemployment Insurance

3681. Processing Claims

3682. Interviewing Applicants/Claimants

3683. Administering Aptitude and Proficiency Tests

3684. Taking Job Orders

3685. Selecting, Referring, and Placing Applicants

GENERAL CLASS

The following six job responsibilities listed in the General Class section should be appropriate for Employment Security Interviewer Supervisors working in either Unemployment Insurance offices or in Job Service offices. Specialized responsibilities that are unique to either Unemployment Insurance or Job Service offices are located in the Program Specific section, and may be used to supplement the responsibilities listed in this section.

3675. Planning and Organizing Work

3675A. Establishes ambitious but reachable goals and objectives, and thoroughly explains to each employee how his or her performance can contribute toward reaching that goal.

3675B. Looks for and recognizes areas where individual or work unit performance is weak, and takes effective action which improves that performance.

3675C. Always delegates work effectively and coordinates work flow to maximize efficiency. Appropriate work priorities are always established.

3675D. Always schedules employees in advance to handle all anticipated workloads and assists manager in preventing unnecessary use of hourly workers.

3675E. Always keeps staff informed of all laws, procedures, or programs pertinent to operations, and quickly institutes appropriate changes of procedure, forms, etc., mandated by higher authority.

3675F. Problem-solving and planning for future work is always efficiently and effectively carried out during regularly held staff meetings.

3675G. Continually looks for new methods and equipment which will improve performance, and introduces those which are appropriate to the particular circumstances of the work unit.

3676. Training and Developing Staff

3676A. Provides effective on-the-job orientation and training for employees, and makes appropriate recommendations for special training when required.

3676B. Clearly describes to each employee what acceptable and unacceptable work behavior is, and uniformly and fairly enforces necessary rules and regulations.

3676C. Varies work assignments in order to fully develop staff. Cross-trains employees where possible to avoid interruption of work flow during absence of key personnel.

3676D. Individual(s) are clearly designated and trained to act for supervisor during supervisor's absence.

3677. Employee Relations

3677A. Strives to maintain staff communication such that potential problems are brought forth and resolved in order to prevent cause for grievance.

3677B. Recognizes conflicts or personal problems of employees and resolves these conflicts or problems in the best possible manner acceptable to both the employee and management.

3677C. Always handles grievances fairly, promptly, and according to the proper procedures.

3677D. Always maintains proper documentation to support recommendations for personnel actions.

3677E. Always keeps employees informed regarding promotional and training opportunities and relevant departmental policies and procedures.

3677F. Encourages and assists employees in preparing for further career development.

3678. Managing Records and Reports Systems

3678A. Records of the quality and quantity of services provided by the work unit are maintained to insure compliance with established standards and to provide an accurate measure of work unit performance.

3678B. An effective records management program is established and/or maintained in accordance with prescribed policies and procedures.

3678C. Always insures that reports are accurate and submitted in a timely manner.

3679. Developing and Maintaining Employer and Community Relations

3679A. Local office work is effectively coordinated with other public agencies.

3679B. Thoroughly and accurately explains all applicable laws and regulations to employers and properly refers them to other sources as appropriate.

3679C. Effective working relationships are developed and maintained with labor, management, industry, and civic and community groups.

3679D. Always quickly and thoroughly responds to correspondence from concerned public, community groups, employers, and others.

(responsibility continued on next page)

3679E. Complaints of applicants/claimants, employers, and community organizations are always quickly reviewed and properly processed.

3679F. Contacts local businesses to promote the services provided by the agency.

0020. Conducting the Employee Job Performance Planning and Evaluation Program

0020A. Forms are completed and processed by due dates.

0020B. Characteristics of exceptional performance for each major job responsibility clearly and specifically describe exceptional performance, and are observable behaviors and outcomes which an employee can realistically perform.

0020C. Interim work reviews clearly show that the employee's present level of performance was discussed, and that constructive feedback and guidance on how to improve work performance was given.

0020D. Supervisor immediately informs Reviewer of any disagreements or performance problems that could lead to low ratings or adverse administrative decisions. Notifications always occur before supervisor recommends any administrative action.

0020E. Both the overall and individual job responsibility ratings are clearly supported by specific descriptions of work behaviors or outcomes and their affect upon the work unit.

PROGRAM SPECIFIC

NOTE: The Program Specific section describes separate responsibilities for Employment Security Interviewer Supervisors working in Unemployment Insurance offices and in Job Service offices. This section is intended to supplement the responsibilities listed in the General Class section, not to replace it.

UNEMPLOYMENT INSURANCE OFFICES

3680. Determining Eligibility for Unemployment Insurance

3680A. All eligibility determinations are always made in accordance with the law and policy of the state.

3680B. Reasons for decisions are always given and/or explained in accurate, complete, and logical detail so that all interested parties have all relevant information (e.g., on which to base an appeal).

3680C. All decisions are made and processed quickly according to office policy.

3680D. Facts and documentation on determinations are written in a clear, concise, grammatically-correct manner, and according to instructions.

3681. Processing Claims

3681A. Accurate determinations are always made regarding type of claim to be filed. Where there is a choice of state in which to file claim, the claim most advantageous to claimant is clearly explained.

3681B. Claimants are always properly classified or reclassified according to their unemployment and job readiness in accordance with their current job attachment.

3681C. Claimants are always completely informed of their responsibilities in keeping their claims active. Information regarding pay-order cards and reporting requirements is clearly communicated.

3681D. Claimants are always properly referred to Job Services offices and given all necessary referral forms and instructions according to group classification and type of claim being filed.

3681E. Federal, interstate, and partial claims are always processed according to all current policies and procedures.

3681F. Active claims are always terminated promptly when claimant fails to respond to notices according to office policy.

PROGRAM SPECIFIC

NOTE: The Program Specific section describes separate responsibilities for Employment Security Interviewer Supervisors working in Unemployment Insurance offices and in Job Service offices. This section is intended to supplement the responsibilities listed in the General Class section, not to replace it.

JOB SERVICE OFFICES

3682. Interviewing Applicants

3682A. Always greets applicants and conducts oneself courteously and professionally in order to put parties at ease during an interview.

3682B. Difficult and controversial situations are always handled in a calm, patient, and objective manner. Personal problems or biases never influence interviews.

3682C. Always communicates clearly and at the level of understanding of all parties.

3682D. Always controls interviews by maintaining the focus of the interview purpose and redirecting the interview when the applicant strays from that purpose.

3682E. All necessary forms, information, applicable rights, and instructions are always given and clearly communicated according to each particular applicant situation.

3682F. Interviews are not concluded until all available pertinent details and information are successfully obtained and properly recorded.

3683. Administering Aptitude and Proficiency Tests

3683A. All necessary materials and suitable facilities for testing are arranged prior to testing time.

3683B. Tests are always administered under proper testing conditions following test manual directions.

3683C. Tests are scored accurately and according to test manual directions.

3683D. Scores are immediately and accurately recorded on applicants' records and counselor referral sheet.

3683E. Test results are always discussed with applicants in a calm, objective, and informative manner.

(responsibility continued on next page)

3683F. Accurate and complete records of test usage are kept.

3683G. Administers only those tests which he or she is authorized to administer.

3683H. Confidentiality of scores and security of test materials is always maintained.

3684. Taking Job Orders

3684A. All the specific information necessary for placement purposes is always accurately obtained from the employer.

3684B. Job orders are always completely and accurately recorded on appropriate forms.

3684C. The procedures on how job orders will be serviced are always thoroughly and accurately described to the employer.

3684D. Job orders are always assigned an appropriate occupational title and code.

3684E. The purposes for requiring job related requirements are thoroughly explained to employers.

3684F. Status of employer is always accurately determined and recorded (mandatory lister, major or minor market employer).

3684G. Job information is quickly and accurately forwarded to data center.

3684H. The reasons for either giving or denying permission to refer job orders to other offices are always consistent with the status of the order.

3684I. Appropriate staff members are immediately familiarized with new job orders, and a file search is initiated.

3685. Selecting, Referring, and Placing Applicants

3685A. Files are immediately searched to fill new job orders, and timely calls or letters are initiated to applicants who meet the requirements to arrange referrals.

3685B. Always initiates and conducts special recruitment when files are insufficient, when requested by employers, and/or when needed for special programs.

3685C. Consistently contacts employers to develop new job orders when no suitable job orders are available for a specific applicant.

(responsibility continued on next page)

3685D. Any necessary supplemental information regarding an applicant's qualifications for a specific job is obtained before taking referral action with the applicant.

3685E. Applicants referred to interviews with employers always meet the requirements requested by employer or permission is obtained from the employer if exact qualifications are not met.

3685F. Referrals are never made because of pressure exerted by an applicant.

3685G. Applicant referred to a job is always provided with complete interview instructions and an introductory card.

3685H. Always obtains referral permission from the order-holding office before making referral.

3685I. Referrals to employers are always followed up to verify results.

3685J. Tactfully suggests to applicants appropriate appearance and conduct requirements for interviews, as well as what should or should not be said during the interview.

3685K. Effective liaison is maintained with UI unit in monitoring the employment/unemployment status or changes of status of claimants.

3685L. Always meets or exceeds goals set out in office plan of service.

APPENDIX B

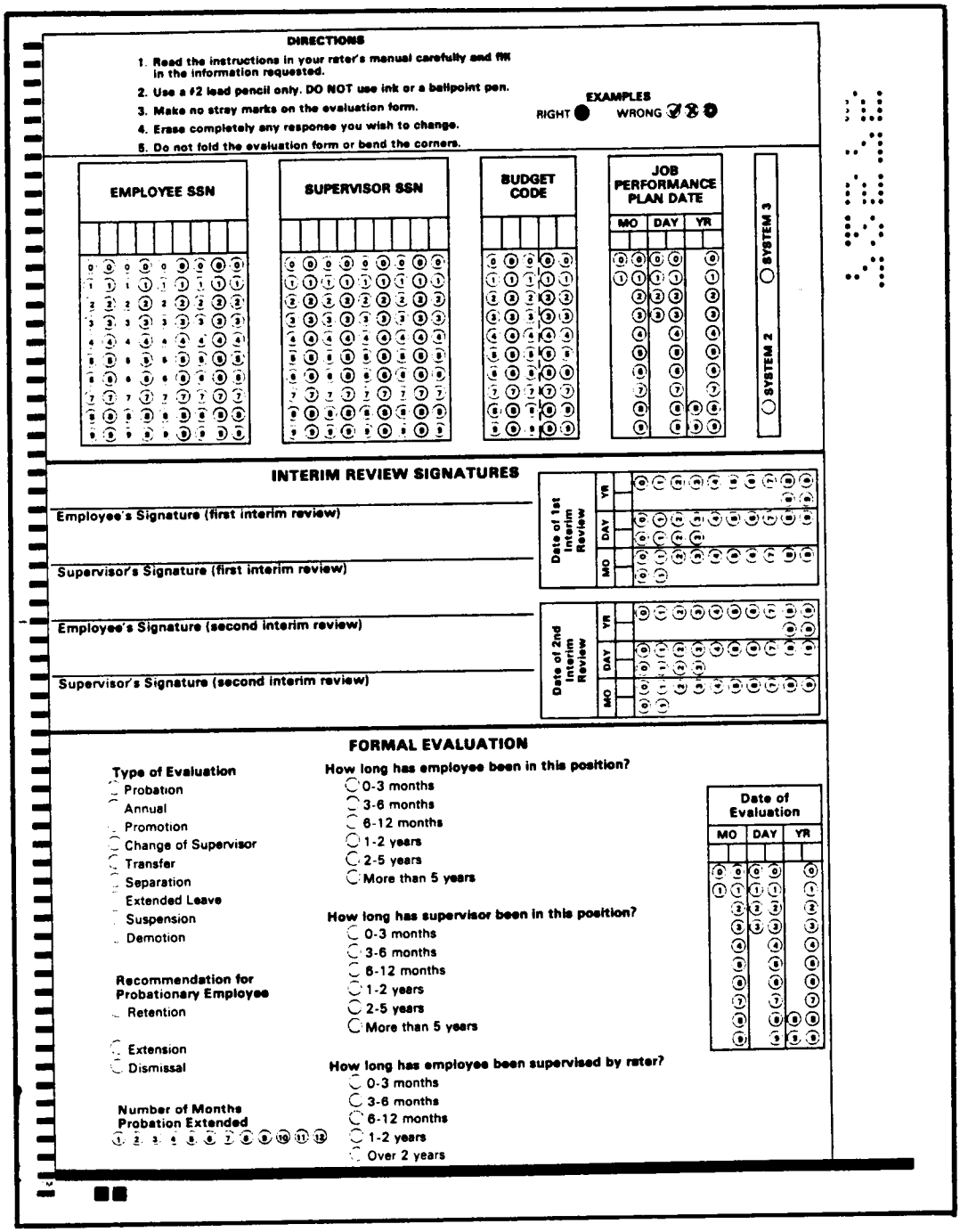
SYSTEM 2/3 FORMAL EVALUATION FORM

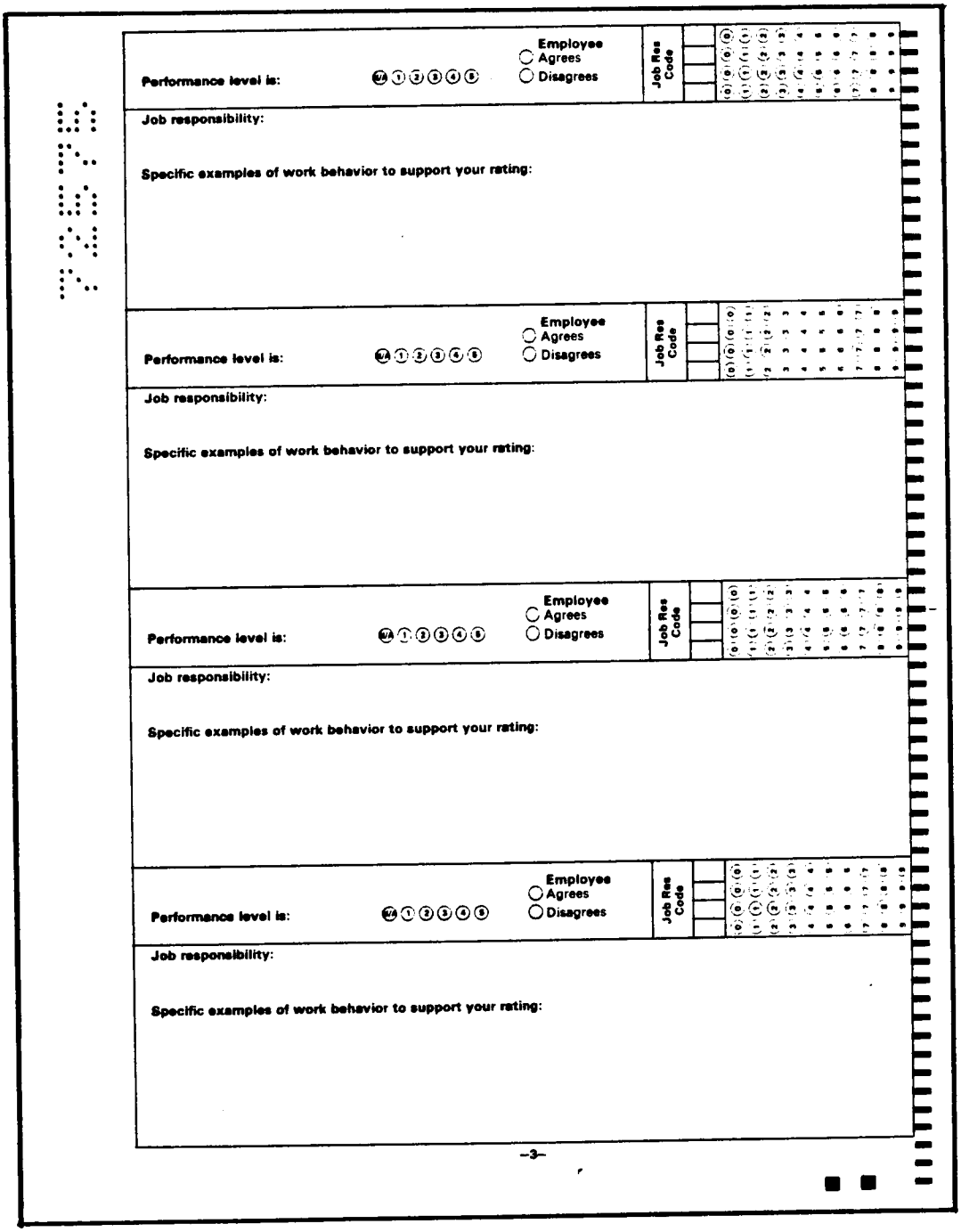
Employee Job Performance

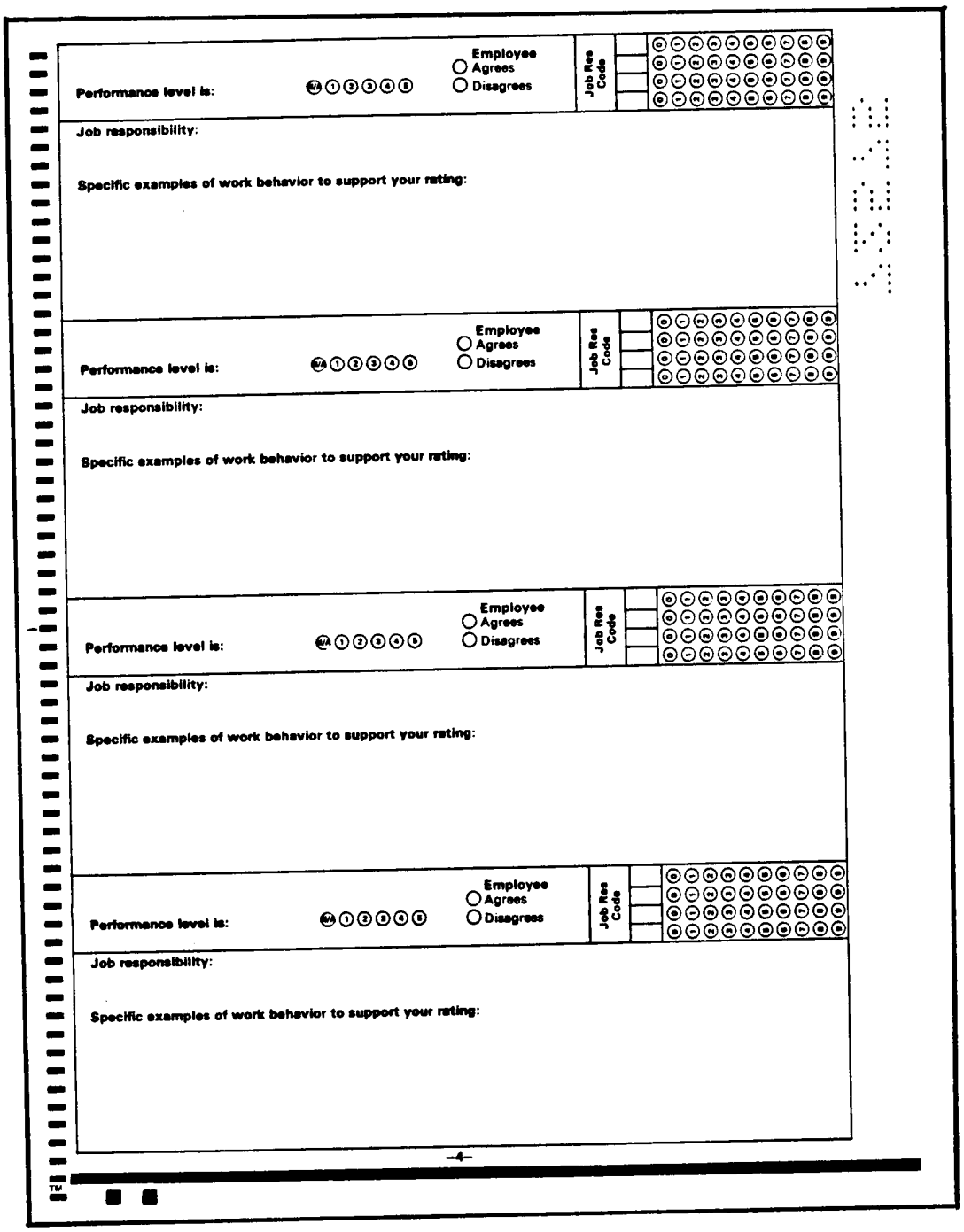
planning and evaluation

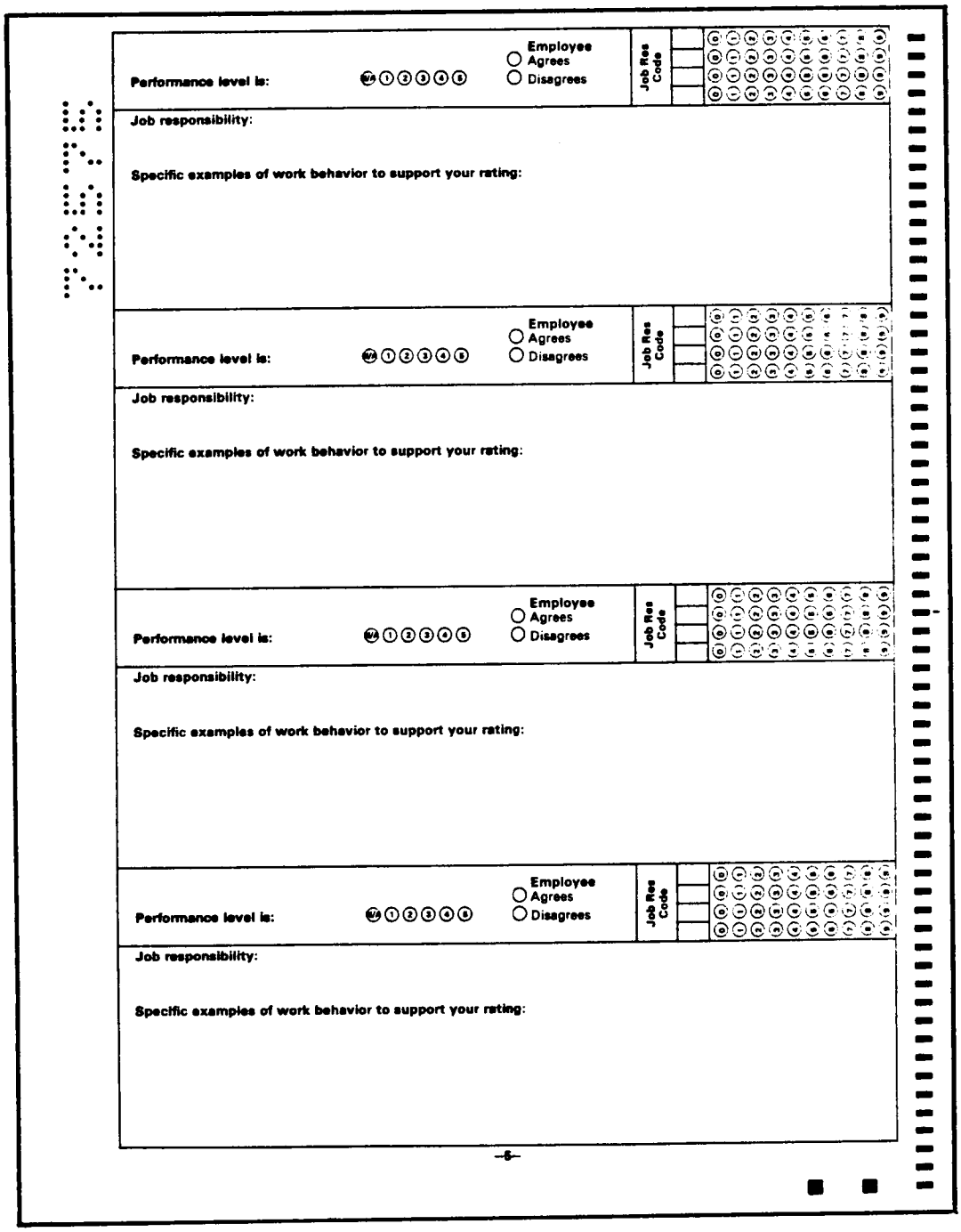
State of Tennessee

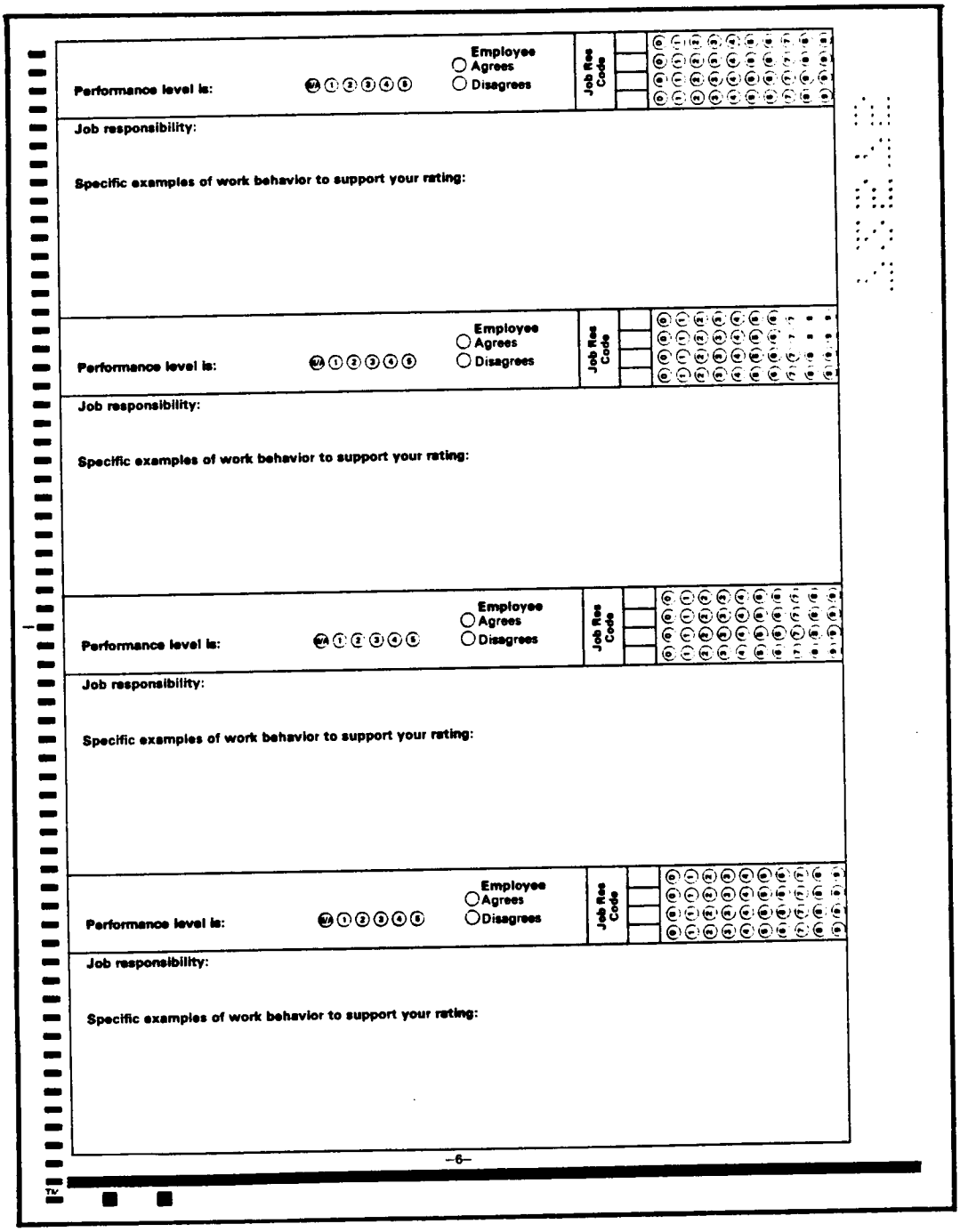
Department of Personnel


DIRECTIONS
1. Read the instructions in your rater's manual carefully and fill in the information requested.
2. Use a #2 lead pencil only. DO NOT use ink or a ballpoint pen.
3. Make no stray marks on the evaluation form.
4. Erase completely any response you wish to change.
5. Do not fold the evaluation form or bend the corners.
EXAMPLES
RIGHT
WRONG
EMPLOYEE SSN
SUPERVISOR SSN
BUDGET CODE
JOB PERFORMANCE PLAN DATE
MO
DAY
YR
SYSTEM 3
SYSTEM 2
INTERIM REVIEW SIGNATURES
Employee's Signature (first interim review)
Supervisor's Signature (first interim review)
Employee's Signature (second interim review)
Supervisor's Signature (second interim review)
Date of 1st Interim Review
Date of 2nd Interim Review
FORMAL EVALUATION
Type of Evaluation
Probation
Annual
Promotion
Change of Supervisor
Transfer
Separation
Extended Leave
Suspension
Demotion
Recommendation for Probationary Employee
Retention
Extension
Dismissal
Number of Months Probation Extended
How long has employee been in this position?
0-3 months
3-6 months
6-12 months
1-2 years
2-5 years
More than 5 years
How long has supervisor been in this position?
0-3 months
3-6 months
6-12 months
1-2 years
2-5 years
More than 5 years
How long has employee been supervised by rater?
0-3 months
3-6 months
6-12 months
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Date of Evaluation
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Performance level is:
N/A 1 2 3 4 5
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Disagrees
Job Res Code
Job responsibility:
Specific examples of work behavior to support your rating:
Performance level is:
N/A 1 2 3 4 5
Employee
Agrees
Disagrees
Job Res Code
Job responsibility:
Specific examples of work behavior to support your rating:
Performance level is:
N/A 1 2 3 4 5
Employee
Agrees
Disagrees
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Job responsibility:
Specific examples of work behavior to support your rating:
Performance level is:
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Employee
Agrees
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Job responsibility:
Specific examples of work behavior to support your rating:
-3-


Performance level is:
N/A 1 2 3 4 5
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Job responsibility:
Specific examples of work behavior to support your rating:
Performance level is:
N/A 1 2 3 4 5
Employee
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Specific examples of work behavior to support your rating:
Performance level is:
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Performance level is:
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4


Performance level is:
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Specific examples of work behavior to support your rating:
Performance level is:
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Performance level is:
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Specific examples of work behavior to support your rating:
-6-


Performance level is:
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Specific examples of work behavior to support your rating:
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Disagrees
Job Res Code
Job responsibility:
Specific examples of work behavior to support your rating:
-6-

OVERALL JOB PERFORMANCE

Employee
◯ Agrees
◯ Disagrees

① Overall job performance is <u>not acceptable</u>. Performance of one or more responsibilities is inadequate.

② Overall job performance is <u>marginal</u>. Performance of one or more responsibilities is marginal or inadequate. Improvement needed to justify consideration for available merit salary increase or promotion.

③ Overall job performance is <u>good</u>. All responsibilities are carried out <u>at least</u> marginally well; some are good or even better. Performance justifies consideration for available merit salary increase or promotion.

④ Overall job performance is <u>superior</u>. Performance justifies recommendation for available merit salary increase or promotion.

⑤ Overall job performance is <u>exceptional</u>. Performance clearly justifies strong recommendation for available merit salary increase or promotion.

Give specific reasons for your overall rating. How has the employee's overall contribution to the work unit and performance of especially critical job responsibilities affected your decision?

FORMAL PERFORMANCE EVALUATION SIGNATURES

To the Employee: Mark in the appropriate circles above whether you agree or disagree with the ratings and comment as you wish in the space provided below; then, sign your name on the line below to indicate that you have had an opportunity to review and to discuss your performance ratings with your supervisor. Your signature does not necessarily indicate that you agree with the above performance ratings.

EMPLOYEE'S COMMENTS: _____

Employee's Signature _____ Date _____

Supervisor's Signature _____ Date _____

Supervisor's Title _____

Reviewer's Signature _____ Date _____

Reviewer's Title _____

Appointing Authority's Signature _____ Date _____

SPECIAL NOTE FOR PROBATIONARY EVALUATION

If the employee in this position is on probation and must complete a DOP training program (e.g., the position is supervisory): the supervisor's and reviewer's signatures verify that the employee has completed the training <u>or</u> that the employee's probationary period has been extended for completion of the training.

VITA

Murray Strathern Weaver was born in Welland, Ontario, Canada on December 10, 1949. He attended public schools in New Jersey, and in West Virginia. He graduated from West Virginia State College in 1971 with a Bachelor of Arts degree in Psychology.

In 1976 he entered the Graduate School of the University of Tennessee, Knoxville. He worked for three years evaluating a federally funded academic enrichment program for academically talented, economically disadvantaged high school youth. He received the Doctor of Philosophy degree with a major in Psychology in December 1985.

The author has been employed with the Research Division of the Tennessee Department of Personnel as a personnel research psychologist since 1983.