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Article in *International Journal of Selection and Assessment* · May 2017

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An exploratory study of current performance management practices: Human resource executives' perspectives

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Abstract

A survey of performance management (PM) practices in 101 U.S. organizations explored whether their PM systems, as perceived by human resources (HR) executives, reflect the best practices advocated by researchers to provide a benchmark of current PM practices. Results suggest that many of the PM practices recommended in the research literature are employed across the organizations surveyed, but several gaps between research and practice remain. Results also indicated that the majority of PM systems are viewed by HR executives as effective and fair. Implications for the science and practice of PM are discussed.

1 | INTRODUCTION

Performance management (PM) refers to a broad range of activities or practices that an organization engages in to enhance the performance of a person or group, with the ultimate goal of improving organizational performance (DeNisi, 2000).¹² In practice, PM typically involves the continuous process of identifying, measuring, and developing the performance of individuals and groups in organizations (Aguinis, 2007), and it involves providing both formal and informal performance-related information to employees (Selden & Sowa, 2011).

PM practices have recently come under scrutiny regarding their relevance for organizational effectiveness and other outcomes. At one extreme, some organizations are jumping on the bandwagon to "eliminate" performance ratings based on perceptions that PM is not working (e.g., Deloitte, Accenture, Cigna, GE, Eli Lilly, Adobe, the Gap, Inc.). PM practices, especially associated with performance ratings, have been debated at the annual meetings of the Society for Industrial and Organizational Psychology in 2015 and 2016, along with a focal article in *Industrial and Organizational Psychology: Perspectives on Science and Practice* (Adler et al., 2016), with some experts advocating eliminating performance ratings. However, researchers and practitioners have

almost no information about the extent that recommended PM advancements are implemented in organizations. Moreover, academics and practitioners continue arrive at conclusions regarding PM based on inaccurate or outdated information (Gorman, Bergman, Cunningham, & Meriac, 2016).

A perusal of the literature reveals that recent research on the state of PM practices is sorely lacking in academic journals. Indeed, the few previous practice-oriented reports were published in the 1980s and 1990s (e.g., Bretz, Milkovich, & Read, 1992; Cleveland, Murphy, & Williams, 1989; Hall, Posner, & Harder, 1989; Locher & Teel, 1988; Smith, Hornsby, & Shirmeyer, 1996). Little is known regarding which PM practices are routinely included in PM systems today. Even though this information does not directly address whether performance ratings should be abolished, it does provide useful information for organizations with PM systems and also gives guidance to PM researchers. Furthermore, organizations leaning toward eliminating their PM systems may wish to examine to what extent their PM system contain recommended practices before eliminating their systems. The problem may be the design of the system and not the existence of the system. Accordingly, the purpose of the current article is to describe state of the art of PM practices in the United States.²

2 | THEMES AND RECOMMENDATIONS FROM THE PM RESEARCH LITERATURE

We conducted a thorough review of the PM research literature to identify topics relevant to modern research and practice to include in our survey. In the following sections, we highlight research themes that have evolved in the PM literature, particularly themes in which the predominant view has shifted thanks to recent advancement. Because an exhaustive review of the PM literature is beyond the scope of the current manuscript, we provide the following review as a snapshot of the current themes in modern PM research: PM design, purpose, and usage, PM rating format, 360-degree feedback, PM rater training, PM contextual factors, competency modeling in PM, PM fairness/employee participation, and an expanded criterion domain.

2.1 | PM design, purpose, and usage

There are a number of factors relevant to how PM systems are designed, delivered, and utilized in organizations, including who developed the system, how the system is administered, how long the system has been in place, the frequency of reviews, and the purpose and focus of the system, among others. Other than PM purpose, most of these factors have largely been ignored in the academic literature.

One consistent finding in the literature is that ratings used for administrative purposes tend to be higher than those used for developmental purposes (Jawahar & Williams, 1997). Studies have shown that the purpose of ratings affects the way raters search for, weigh, combine, and integrate performance information (Williams, DeNisi, Blencoe, & Cafferty, 1985; Zedeck & Cascio, 1982). Because the multiple purposes of PM can be (and often are) in conflict, scholars have recommended keeping them separate as much as possible (DeNisi & Pritchard, 2006; Ilgen, Barnes-Farrell, & McKellin, 1993; Kirkpatrick, 1986; Meyer, Kay, & French, 1965). Unfortunately, however, common practice has been for organizations to use PM ratings for multiple purposes once they are gathered, according to surveys conducted 15 plus years ago (Cleveland et al., 1989; DeNisi & Kluger, 2000). It is unknown whether this is still the case today.

2.2 | PM rating format

Early research on PM focused heavily on improving performance ratings through the redesign of the rating formats. Although rating format has long been believed to have little effect on the quality of ratings (see Landy & Farr's, 1980, infamous moratorium on format design research), recent evidence suggests that format redesign can influence the quality of ratings (Borman et al. 2001; Goffin, Gellatly, Paunonen, Jackson, & Meyer, 1996; Hoffman, et al. 2012; Roch, Sternburgh, & Caputo, 2007). In fact, recognizing recent advances in technology, the expanding criterion domain, and the creation of new forms of work, Landy (2010) himself officially lifted the 30-year moratorium on rating format design research. However, there is not one universally recommended format; it depends on the purpose of the rating. It appears that, in general, absolute formats, which compare ratees to a standard,

are seen as more fair (Roch et al., 2007) but relative formats, in which the ratee is compared to other ratees, may have psychometric advantages (Goffin et al., 1996; Jelley & Goffin, 2001; Nathan & Alexander, 1988; Wagner & Goffin, 1997).

2.3 | 360-Degree feedback

Three hundred and sixty-degree feedback refers to an organizational process in which performance information is collected from multiple sources, including supervisors, subordinates, peers, and/or clients/customers (Atwater, Waldman, & Brett, 2002). It has been reported that 90% of Fortune 1000 firms use some form of multisource assessment (Atwater & Waldman, 1998), but this study was conducted almost 20 years ago. Although initially developed for purely developmental purposes, some organizations have used 360-degree feedback as a part of organizations' annual formal appraisal process (Fletcher, 2001). However, PM experts advocate using 360-degree feedback programs for feedback purposes only for various reasons, including lack of agreement among sources, acceptance of peer and subordinate ratings, and the smaller behavioral change associated with 360-degree systems used for administrative purposes (Morgeson, Mumford, & Campion, 2005; Murphy & Cleveland, 1995; Smither, London, & Reilley, 2005).

2.4 | Rater training

Training raters to improve the accuracy of their ratings has long been a major focus of research on performance ratings (Smith, 1986). In general, rater training has been shown to be effective at improving the accuracy of performance ratings (Roch, Woehr, Mishra, & Kieszczynska, 2012; Woehr & Huffcutt, 1994). There is some recent evidence that rater training programs may be linked to the bottom line in organizations. For example, in an exploratory survey of for-profit companies, Gorman, Meriac, Ray, and Roddy (2015) found that 61% of the 101 organizations surveyed reported that they use a behavior-based approach (such as frame-of-reference [FOR] training) to train raters, and companies that utilized behavior-focused rater training programs generated higher revenue than those who provide rater error training or no training at all. PM experts tend to advocate both rater training and also ratee training both in terms of improving rating accuracy and also in terms of improving buy-in of the PM system (e.g., Murphy & Cleveland, 1995).

2.5 | Contextual factors in PM

Contemporary research on contextual factors in PM has forced the field to move beyond the rater-ratee relationship when evaluating the effectiveness of PM (DeNisi & Pritchard, 2006). PM researchers have called for more attention to the contextual factors that may influence ratings in the PM process, such as rater motivation, rater accountability, and political factors (Levy & Williams, 2004; Murphy & Cleveland, 1995). Research has shown, for example, that raters who are held accountable for their ratings to their supervisor, especially one who values accuracy, provide higher quality ratings than those who are not, but raters held accountable to the ratee provide inflated ratings

(e.g., Klimoski & Inks, 1990; Mero & Motowidlo, 1995; Roch, Ayman, Newhouse, & Harris, 2005). Even though, Church and Bracken (1997) suggest that a lack of meaningful accountability in PM systems is a primary reason for practitioner disenchantment with PM, and research suggests that whether accountability helps or hurts rating quality is dependent on to whom the rater feels accountable (Harris, 1994). Thus, the recommendation based on the accountability research is to carefully consider to whom the raters feel accountable. Preferably, raters feel accountability to their superior and believe that the supervisor values accurate ratings.

2.6 | Competencies in PM

Competency modeling is a popular topic in HR management that has seen increased research attention (Campion et al., 2011; Shippmann et al., 2000), and the literature on the use of competencies in PM continues to grow (Fletcher, 2001). Competencies are knowledge, skills, abilities, and other characteristics that distinguish top performers from average performers in organizations (Campion et al., 2011; Olesen, White, & Lemmer, 2007; Parry, 1996), and competencies are typically linked to organizational values, objectives, and strategies (Campion et al., 2011; Martone, 2003; Rodríguez, Patel, Bright, Gregory, & Gowing, 2002). Competencies have been found to be positively related to company performance (Levenson, Van der Stede, & Cohen, 2006), are considered a solid basis for any effective PM system (Pickett, 1998), and appear to be fairly common in modern PM systems (Lawler & McDermott, 2003). However, in a survey of companies, Abraham, Karns, Shaw, and Mena (2001) found that many organizations that utilize competency modeling do not actually assess the competencies in their PM system, thus reducing the potential effectiveness of the system. Thus, the recommendation based on PM research is that the PM system should reflect the organization's competency model.

2.7 | PM fairness/employee participation

As with any HR practice, the impact of PM depends on employee perceptions (Guest, 1999), and, in general, PM systems are likely to be more effective if they are perceived as fair (DeNisi & Pritchard, 2006). Employees will likely ignore the feedback they receive if they perceive the system to be unfair, the feedback to be inaccurate, or the sources to lack credibility (Levy & Williams, 2004). To that end, scholars have long recommended that employees participate in the development and implementation of PM systems to increase perceptions of fairness and overall PM system effectiveness (Earley & Lind, 1987; Murphy & Cleveland, 1995). Research has found that employee participation in PM system development is associated with increased perceptions of fairness of the system (Cawley, Keeping, & Levy, 1998; Colquitt, Conlon, Wesson, Porter, & Ng, 2001; Dipboye & de Pointbriand, 1981; Greenberg, 1986). Employee participation creates a sense of ownership among employees by ensuring that performance expectations are attainable, consistent, and understood by all parties involved (Verbeeten, 2008). Thus, the recommendation based on contemporary PM research is that employees should have voice in the development

of the PM process and that steps should be taken to ensure that employees perceive the PM process as fair.

2.8 | An expanded criterion domain

As mentioned earlier, as performance appraisal has expanded into the broader process of PM, contemporary models of job performance have also expanded beyond task performance alone to include organizational citizenship behavior (OCB; Borman & Motowidlo, 1993, 1997; Organ, 1988) as well as counterproductive work behavior (CWB; Dalal, 2005; Viswesvaran & Ones, 2000). Research has largely demonstrated that task performance can be distinguished from OCB (Borman & Motowidlo, 1997; Motowidlo & van Scotter, 1994), and that OCB and task performance are differentially associated with external correlates (Hoffman, Blair, Meriac, & Woehr, 2007). Both CWB and OCB are elements of job performance in an expanded criterion domain and as such, they share many of the same antecedents (i.e., individual differences, work attitudes) but relate to them differentially (Dalal, 2005; LePine, Erez, & Johnson, 2002; Organ & Ryan, 1995). Ratings of OCB have been linked to organizational effectiveness (Podsakoff, MacKenzie, Paine, & Bachrach, 2000), and ratings of CWB have been negatively associated with job satisfaction, organizational commitment, and organizational justice (Dalal, 2005). Overall, OCB, CWB, and task performance are distinct elements of the criterion space and are related to global ratings of job performance (Rotundo & Sackett, 2002). In practice, however, it is unclear whether advancements in the modeling of job performance have influenced how PM is conducted in organizations. Thus, the recommendation based on research is not to define performance solely on the basis of task performance but to also consider both OCB and CWB.

3 | METHOD

3.1 | Survey description and development

To develop the survey, we conducted a comprehensive review of the published and unpublished literature on PM. We also attempted to locate previous surveys of PM practices in the academic and practitioner literature. Based on our review, we identified eight primary research themes in the academic PM literature: (a) design, purpose, and usage, (b) rating format, (c) multisource ratings, (d) rater training, (e) contextual factors, (f) use of competencies, (g) reactions/fairness, and (h) the expanded criterion domain (see the Appendix Table A1 for the survey items and results). Because our focus was on PM practices, we did not include items related to PM policies, such as pay for performance plans. Due to factors such as budgetary constraints, pay for performance decisions in many organizations are often made irrespective of the information collected during the PM process (Rynes, Gerhart, & Parks, 2005). Moreover, HR management scholars have long recognized that perceptions of HR practices are more important than the HR policies themselves to understanding the effectiveness of HR practices (Gould-Williams & Davies, 2005; Guzzo & Noonan, 1994).

We developed a draft of survey items to address each of the eight primary themes as well as items related to perceptions of PM effectiveness, and the authors evaluated each item for appropriateness of content, response categories, wording, and length. The final survey consisted of 50 items, both multiple choice and open-ended. Here, we retained core items with a focus on maximizing the response rate and minimizing respondent fatigue (Fletcher, 1994).

3.2 | Participants

Human resources executives from 112 U.S. organizations began the survey, but 11 did not finish. Thus, results are based on completed surveys from 101 U.S. organizations. Titles of the executives surveyed included VP of HR, VP of Global Talent Development, Director of HR, and HR Manager. Organizations from various industries are represented in the survey, including health care facilities, medical equipment manufacturers, construction, and general merchandise. Eighty-eight percent of the 101 companies report revenues of over 1 million dollars annually, and 88% of the companies employ at least 100 employees. Most of the responding organizations were headquartered in the Southeastern U.S. (44%), and 16% of responding companies were headquartered in the Midwestern U.S.

3.3 | Procedure

We recruited HR executives to complete the online survey by directly e-mailing HR departments in all Fortune 500 companies, advertising the survey on popular online business forums (e.g., LinkedIn), and asking HR executives to forward the survey link to other HR executives. This survey was confidential—no information that could identify a particular organization was collected; thus, it is not possible to determine the response rate from the various sources. We specifically asked HR executives to complete the survey because we surmised that employees in other capacities in organizations may not be aware of many of the details involved in the organization's PM system, and they may likely not understand the HR terminology associated with PM systems. This approach is consistent with other studies of HR practices, such as assessment centers (e.g., Boyle, Fullerton, & Wood, 1995; Sychalski, Quinones, Gaugler, & Pohley, 1997). If multiple PM systems were in place, we asked participants to consider only the most frequently used system in the organization, and, consistent with Bretz et al.'s (1992) recommendation, we asked participants to answer the items in terms of how the PM system is actually used rather than its intended use.

4 | RESULTS

A summary of the survey results is provided in the Appendix Table A1.

4.1 | PM design, purpose, and usage

Sixty percent of the organizations reported that internal HR personnel developed their organization's current performance appraisal system, and 17% reported that their system was developed by an external consultant. Eighty-five percent reported that a single PM system is utilized

company-wide. Sixty-seven percent of organizations indicated that their current PM system has been in place at least 3 or more years. Sixty-two percent of the organizations conduct their performance reviews once per year, and 25% conduct their reviews twice per year. Sixty-one percent of the organizations routinely conduct performance feedback sessions between official performance reviews. We found that only 46% of the organizations use team-based objectives for individual performance appraisals, and 77% reported individual appraisal as the primary focus of their PM system. Twenty-five percent of organizations reported that the function of their PM system is primarily administrative, 14% primarily developmental, and 61% reported that their system serves both functions.

4.2 | PM rater training

Seventy-six percent of the organizations indicated that they train management on how to conduct performance reviews. Only 31% reported that they train non-managers to conduct performance reviews. We used Woehr and Huffcutt's (1994) typology of rater training approaches (i.e., performance dimension training, FOR training, behavioral observation training, and rater error training) as the response options. Of the 77 organizations that offer rater training for managers, the most popular type of rater training conducted is FOR training (40%), followed by performance dimension training (30%). Only 17% of the organizations use rater error training as the primary rater training method. Eighty percent of the organizations that utilize rater training use internal HR personnel to conduct the rater training sessions. Fifty-nine percent of those organizations conduct rater training at least once per year, and 72% of those organizations offer refresher/recalibration training for performance reviews.

4.3 | 360-Degree feedback systems

Despite the abundance of academic research on multisource PM systems, we found that only 23% of the responding organizations use 360-degree feedback systems. Of those organizations, ratings are collected primarily from subordinates (69%), other supervisors (76%), peers (55%), and self-ratings (55%). Only 22% of the organizations that use 360-degree feedback systems differentially weight the ratings from different sources.

4.4 | PM rating formats

We found that slightly more than half (52%) of organizations reported using an absolute rating format in which employees are rated on their behavior based on a pre-determined standard and not other employees' performance. Seventeen percent reported using a relative format in which employees are rated based on a comparison made between their job performance behaviors and the job performance behaviors of other employees, and 31% reported using both types of formats. The most popular specific type of format was the graphic rating scale (23%), followed by trait ratings (20%), and behaviorally anchored rating scales (BARS; 17%).

Eighty-one percent of the organizations reported utilizing goal-setting/management by objectives (MBO) in their PM system. Sixty-eight percent reported collecting both numerical ratings and written summary statements. Of the 85 organizations that collect numerical ratings, 56% reported using both overall ratings and ratings for each dimension/competency.

4.5 | Contextual factors in PM

We found that only 44% of the organizations reported having a mechanism in place to hold raters accountable for their ratings. The most popular reported mechanism is a review of the ratings by a higher level employee in the organization (i.e., the supervisor's supervisor reviews the ratings). One hundred percent of the organizations identified contextual influences on ratings as barriers to the success of their PM system. When asked to identify the specific contextual barriers, 55% identified organizational influences (such as organizational rewards and organizational structure), 52% identified rating inflation, 51% identified rating errors, 48% identified rater or ratee expectations, and 45% identified rater motivation. Other barriers included rater goals (39%), rater affect/mood (38%), political factors (37%), purpose of appraisal (26%), and environmental influences (such as societal, legal, economic, technical, and physical conditions and events) (21%).

4.6 | Competencies in PM

We found that 81% of the organizations surveyed utilize competencies in their PM system. Of those 82, 91% employ competencies that are tied to the organization's goals/values. Internal HR personnel developed the competencies for 51% of those organizations, with 40% being developed by HR personnel and 11% by department managers. External consultants developed the competencies for 11% of the organizations, and internal consultants did so for 6%.

4.7 | The expanded criterion domain

Sixty-four percent of the organizations indicated that they collect ratings of contextual/ OCBs, but only 39% reported collecting ratings of CWBs.

4.8 | Fairness/employee participation

Approximately half (51%) of organizations indicated that they involve employees in the development process. In addition, 64 percent of organizations reported that they believe their systems were extremely or somewhat fair, yet 22% reported that their systems were somewhat or extremely unfair.

5 | DISCUSSION

The present study was designed to benchmark some of the current trends in PM practices. As a whole, our findings provide clarity on the extent that practitioners are implementing advancements from the research literature. Overall, these findings seem to indicate that the

science-practice gap may not be as wide as some researchers and practitioners have speculated. For example, the finding that 76% of organizations implemented some type of rater training was particularly reassuring, given that rater training has remained one of the more robust interventions for improving the accuracy of ratings (Roch et al., 2012).

These results also underscore some areas where the science-practice gap appears to remain. The relatively small percentage of organizations that utilize 360-degree feedback was somewhat surprising, with only 23% of organizations reportedly using this type of assessment. A key criticism of performance ratings are that they often fail to provide useful feedback that ratees can use to improve their performance (e.g., Adler et al., 2016). Yet, the core purpose of 360-degree feedback is to provide useful information for development purposes. It is possible that organizations have moved away from formal assessments to more informal feedback, yet the results of this survey do not provide information toward this point.

Although these results only report practices at one point in time, the vast majority of respondents (i.e., 84%) indicated that their organizations either provide numerical ratings or numerical ratings along with written comments. This finding underscores the notion that most organizations today still make performance ratings, despite some suggestions that organizations are moving to alternative formats (Adler et al., 2016).

5.1 | Limitations and future research avenues

As with any survey study, there are potential limitations. First, we relied on a single HR executive at each organization to provide responses regarding their company's PM practices. Although one could argue that a single HR executive may not be aware of all aspects of an organization's PM system, there are several reasons that we feel confident in our responses. First, we provided definitions of all the terms and concepts used in our survey items. When we collected comments at the end of the survey, many commenters noted the clarity and ease of understanding of the items. Further, no comments that were provided led us to believe that any of the survey respondents did not understand or were not aware of the aspects of their organizations' PM system that we surveyed. Moreover, when we recruited survey participants, we specifically asked that they have a good working knowledge of their organizations' PM practices and policies before agreeing to complete the survey. Finally, PM is a fundamental part of any HR curriculum and certification program, and we find it unlikely that an HR executive would not know or understand the issues involved in their respective system.

Second, we were able to secure survey responses from only 101 organizations. Although some may regard this as a low sample size, the sample does consist of a wide range of industries, company sizes, and geographic locations across the United States. Thus, we believe our sample is representative of a cross-section of organizations across the country. Further, no study is the final answer to any research question, and we see our results as a preliminary first step in a long-term stream

of research dedicated to understanding the influence of PM science on PM practice.

Third, we were only able to include a limited number of PM practices on our survey. There are other PM practices beyond what we included in our survey that are used in organizations today. We focused on the most representative current and emerging practices to capture the essence of how widely they are utilized in practice. The present study was not intended to catalog every PM practice ever conceived, and indeed no study could possibly accomplish this task in any meaningful way. Future studies can take a more in-depth investigation of specific practices by incorporating both more targeted and open-ended or qualitative questions to better understand the nature of PM practices. Although these findings should inform researchers and practitioners on the state of the art in PM practice, they are by no means exhaustive.

Future research in this area should continue to collect benchmark information on PM practices in organizations. We hope that scholars will build on our survey and include additional items on other work-related attitudes and constructs that may be important to PM processes and outcomes. Moreover, research should examine PM practices using longitudinal designs and international samples to contribute to cross-cultural and context-driven knowledge of PM practices. Further research should also seek to understand how much applied PM practices are driven by research, and vice versa.

6 | CONCLUSION

We conducted this study as an initial effort to determine to what extent recommendations based on research are reflected in current PM systems and to provide a snap shot of today's practices. Our results suggest that many organizations already adopt many of the PM practices recommended in the academic literature, although several practices continue to live on in practice despite a lack of research evidence (e.g., rater error training). We believe our findings can help inform discussions regarding the value of PM in organizations, and we hope that our empirical findings can serve as a springboard for future academic and practitioner research on this topic.

ACKNOWLEDGMENTS

We thank Caitlin Nugent, Christina Thibodeaux, Sheila List, Sonia Lonkar, Stephanie Bradley, Mamie Mason, Lindsay Pittington, and Shristi Pokhrel-Willet for their assistance with data collection.

NOTES

¹ Although the terms "PM" and "performance appraisal" are used interchangeably in the literature (Pritchard & Payne, 2003), for brevity's sake, in this article we use the broader term "PM" to categorize research that would have previously fallen under the label of "performance appraisal" to reflect the current, expanded view of the topic.

² In practice, there are a large variety of PM practices (Pritchard & Payne, 2003), but we could not possibly cover every single practice in a single survey. Thus, in the present study, we focused on broad practices that have been researched and discussed extensively in the PM literature.

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How to cite this article: Gorman CA, Meriac JP, Roch SG, Ray JL, Gamble JS. An exploratory study of current performance management practices: Human resource executives' perspectives. *Int J Select Assess*. 2017;25:193–202. <https://doi.org/10.1111/ijsa.12172>

APPENDIX

TABLE A1 Performance management survey items and results

Research theme	PA system criteria	Percentage (N = 101)
Design, purpose, and usage	Developed by	
	Human resource personnel	60
	External consultant	17
	Department manager	10
	Other	8
	Internal consultant	5
	Used company-wide?	
	Yes	85
	No	15
	Different PA systems for different locations/work units?	
	No	70
	Yes	30
	Age of current system	
	4 years or more	48
	About 3 years	19
	About 2 years	16
	< 1 year	16
	Frequency of PA reviews	
	1× per year	62
	2× per year	25
	3× per year	8
	< 1× per year	3
	As needed	2
Competencies	Provide informal feedback between appraisals?	
	Yes	61
	No	39
	Purpose of PM system	
	Both administrative and developmental	61
	Primarily administrative	25
	Primarily developmental	14
	Team-based objectives in individual performance plans?	
	No	54
	Yes	46
	Focus of PM system	
	Individual appraisal	77
	Both	20
	Team appraisal	3
	Competency-based?	
	Yes	81
	No	19
	Competencies tied to organizational goals/values?	
	Yes	74
	No	7
	Competencies developed by	

(Continues)

TABLE A1 (Continued)

Research theme	PA system criteria	Percentage (N = 101)
	Human resource personnel	40
	Department manager	11
	External consultant	11
	Other	11
	Internal consultant	6
Rater training	Train managers?	
	Yes	76
	No	24
	Train non-managers?	
	No	69
	Yes	31
	Type of rater training	
	Frame-of-reference training	40
	Performance dimension training	30
	Rater error training	17
	Behavioral observation training	10
	Other	2
	Rater training conducted by	
	Human resource personnel	60
	Department manager	6
	Other	5
	Internal consultant	2
	External consultant	2
	Frequency of rater training	
	1× per year	28
	As needed	25
	2× per year	13
	< 1× per year	6
	4× per year	3
	Refresher/recalibration training?	
	Yes	50
	No	19
	Evaluated rater training effectiveness	
	No	47
	Yes	19
	Effectiveness of rater training	
	Somewhat effective	34
	Neither effective nor ineffective	15
	Extremely effective	5
	Somewhat ineffective	5
	Extremely ineffective	4
Multi-source performance ratings	Collect ratings from multiple sources?	
	No	77
	Yes	23
	Sources (check all that apply)	
	Supervisors	22
	Subordinates	20
	Peers	16
	Self	16
	Customers/clients	8
	Are sources differentially weighted?	
	No	18
	Yes	5
	How are raters selected?	
	All peers are included	4
	Self-nominated & supervisor selected	4
	Supervisor selected	4
	Self-selected	2
Rating format	Overall format	

(Continues)

TABLE A1 (Continued)

Research theme	PA system criteria	Percentage (N = 101)
	Absolute format	52
	Both	31
	Relative format	17
	Specific format	
	Graphic rating scale	23
	Trait ratings	20
	Behaviorally anchored rating scale	17
	Mixed formats	7
	Forced distribution	5
	Mixed standards scale	6
	Performance distribution assessment	6
	Relative percentile method	5
	Behavioral observation scale	3
	Behavioral expectancy scale	4
	Rankings	3
	Paired comparisons	2
	Goal-setting/MBO?	
	Yes	81
	No	19
	Type of ratings	
	Both	68
	Numerical ratings	16
	Written summaries	16
	Type of numerical rating	
	Both	48
	Ratings for each dimension/competency	25
	Single overall rating of effectiveness	12
Expanded criterion domain	Contextual performance/OCB Ratings?	
	Yes	64
	No	36
	Counterproductive work behavior ratings?	
	No	61
	Yes	39
Contextual factors	Hold raters accountable?	
	No	56
	Yes	44
	Accountability mechanism	
	Upward review	9
	Provide justification of extreme ratings	6
	Human resources review	6
	Other	3
	Contextual barriers (check all that apply)	
	Organizational influences	55
	Rating inflation	52
	Rater errors in judgment	51
	Rater and/or ratee expectations	48
	Rater motivation	45
	Rater goals	39
	Rater affect/mood	38
	Political factors	37
	Purpose of appraisal	26
	Environmental influences	21
	Other	12
Fairness/employee participation	Fairness of PM system	

(Continues)

TABLE A1 (Continued)

Research theme	PA system criteria	Percentage (N = 101)
	Extremely fair	13
	Somewhat fair	52
	Neither fair nor unfair	13
	Somewhat unfair	16
	Extremely unfair	6
	Legally defensible?	
	Yes	87
	No	13
	Were employees included in PM system development?	
	Yes	51
	No	49
	Communication of purpose of PM	

(Continues)

TABLE A1 (Continued)

Research theme	PA system criteria	Percentage (N = 101)
	Well	43
	Poorly	20
	Very well	15
	Neither well nor poorly	15
	Very poorly	8
Effectiveness	Effectiveness of PM system	
	Somewhat effective	49
	Somewhat ineffective	21
	Extremely ineffective	12
	Extremely effective	10
	Neither effective nor ineffective	9