

Performance appraisal and management: The developing research agenda

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Performance appraisal has widened as a concept and as a set of practices and in the form of performance management has become part of a more strategic approach to integrating HR activities and business policies. As a result of this, the research on the subject has moved beyond the limited confines of measurement issues and accuracy of performance ratings and has begun to focus more of social and motivational aspects of appraisal. This article identifies and discusses a number of themes and trends that together make up the developing research agenda for this field. It breaks these down in terms of the nature of appraisal and the context in which it operates. The former is considered in terms of contemporary thinking on the content of appraisal (contextual performance, goal orientation and self awareness) and the process of appraisal (appraiser–appraisee interaction, and multi-source feedback). The discussion of the context of appraisal concentrates on cultural differences and the impact of new technology. In reviewing these emerging areas of research, the article seeks to explore some of the implications for appraisal practice at both organizational and individual levels.

Performance appraisal (PA) was a term once associated with a rather basic process involving a line manager completing an annual report on a subordinate's performance and (usually, but not always) discussing it with him or her in an appraisal interview. Whilst this description still applies in a number of organizations, it does not in many others. PA has become a general heading for a variety of activities through which organizations seek to assess employees and develop their competence, enhance performance and distribute rewards. It sometimes becomes a part of a wider approach to integrating human resource management strategies known as performance management (PM). As Williams (1998) points out, there are at least three different models of performance management: performance management as a system for managing organizational performance; performance management as a system for managing employee performance; performance management as a system for integrating the management of organizational and employee performance. PA plays an important, if varying, role in all of them. The potentially relevant research for this expanded domain is very broad, including topics such as performance-related pay, assessment and development centres, job analysis and competencies,

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organizational communication strategies, and much more besides. Rather than try to skim over all these, this article will concentrate on reviewing a limited number of current research themes and trends, which together constitute the developing research agenda for PA and PM. In the course of this, it will examine some of the implications for practice in the field.

First, however, it is necessary to briefly sketch a picture of previous appraisal research and how it has led to the present situation. There has been no shortage of research on PA, and many reviews of that work are available (see Arvey & Murphy, 1998). Much of this has been devoted to issues around the use of ratings in appraisal, and how to make them more objective and accurate in reflecting performance—partly driven by the impact of equal opportunities legislation, especially in the USA. Some of the work done in this area has been conceptually and methodologically sophisticated, particularly that which has approached the subject from the perspective of cognitive psychology (e.g. DeNisi, 1997). That said, it would be difficult to argue that this line of attack has led to any significant improvements in actual PA practice. Most UK organizations, for example, express dissatisfaction with their appraisal schemes (Fletcher, 1997). This reflects more than just the failure of PA to deliver valid performance ratings, of course; it also signals the perceived lack of success of PA as a mechanism for developing and motivating people. The latter is not exactly a new observation, as research long since provided examples of appraisal either not motivating staff or even reducing their motivation and commitment (Meyer, Kay, & French, 1965; Pearce & Porter, 1986), and of feedback processes more generally of being inconsistent in helping to improve performance (Kluger & DeNisi, 1996). Fortunately, the last decade has seen research swing away from limited psychometric concerns with the PA process and towards a recognition of the importance of social and motivational aspects of appraisal as well as of the cognitive processes at work in it. Various writers have begun to look at the ‘politics’ of appraisal, and the non-performance factors that influence managers assessments of their staff (e.g. Longenecker & Ludwig, 1990; Tziner, Latham, Price, & Haccoun, 1996)—which makes sober reading for those who use appraisal ratings as performance criteria in test or assessment centre validation studies. Cleveland and Murphy (1992) suggest that what would traditionally be seen as rater errors are often not errors as such but consciously adopted and adaptive responses by appraisers to the wider work situation. The perspective of PA research has thus become more realistic and diverse and offers numerous worthwhile avenues for further investigation by work and organizational psychologists.

The developing research agenda: (1) The nature of appraisal

In this section, contemporary research on two main aspects of the nature of appraisal will be described, namely content (what is appraised) and process (how it is appraised)—though at some points, for example in relation to self awareness, the distinction between these two is a fine one.

Content of appraisal

In terms of PA practice in organizations, it seems likely that the focus of the content of appraisal will continue in the immediate future to be centred on achievement against goals or objectives and on assessment of competencies. The literature on goal-setting continues to grow (see Mitchell, Thompson, & George-Falvy, 2000 for a review of this domain) though perhaps without any notable major theoretical developments, apart from work on the concept of goal orientation described below. Much the same might be said of competencies, though some writers have begun to express doubts about the way in which competencies are being used (Sparrow, 1996). However, there is research on other themes, which is of significance for appraisal content (including competencies) and aims.

Contextual performance. There are numerous studies offering new ways of structuring thinking about job performance (Arvey & Murphy, 1998), but the most significant of these revolves around the notion of contextual performance put forward by Borman and Motowidlo (1993). They differentiated between task performance, covering job-specific behaviours, including core responsibilities, and contextual performance, which covers non-job-specific behaviours such as cooperation, dedication, enthusiasm and persistence. There is a strong overlap here with the concept of organizational citizenship (Organ, 1997). Contextual performance deals with attributes that go beyond task competence and which foster behaviours that enhance the climate and effectiveness of the organization. There are numerous issues about the nature of contextual performance and whether it is valuable or necessary to distinguish it from task performance (Schmidt, 1993, as cited in Arvey & Murphy, 1998). But with the growing importance of team-based work and effective communication in organizations, the kinds of responses described by contextual performance seem to be increasingly relevant. Many of the studies done on this concept have been based on non-managerial populations, but Conway (1999) sought to examine the job dedication and interpersonal facilitation facets of contextual performance with a managerial group. He found, amongst other things, that peers paid more attention to interpersonal facilitation in making overall performance ratings, whereas supervisors paid more attention to task performance.

Whilst further research is needed to delineate more clearly what contextual performance is and the effects it has, consideration also needs to be given to the implications of this line of approach for the nature of appraisal schemes. Contextual performance is generally thought of as arising from personality and motivation (Conway, 1999), whereas task performance rests on cognitive ability, skill and experience. It is somewhat ironic that personality-based appraisal, so long the norm but then rejected, should enjoy a partial—albeit indirect—revival in fortunes through the medium of this concept. There appears to be some overlap with the popular notion of emotional intelligence (Goleman, 1998; Higgs & Dulewicz, 1999; Salovey & Mayer, 1990), in that many of the dimensions that underlie this would also seem to be contributors to the interpersonal facilitation element of contextual performance; Van Scotter and Motowidlo (1996) define the latter as interpersonally oriented behaviours that contribute to organizational goal

accomplishment. However, if contextual performance is of key importance, how is it to be appraised? Much of it would seem to be encompassed by existing competency-based descriptions of work performance that are included as part of many appraisal systems. If we are to go beyond this in terms of analysing and assessing the contextual performance behaviours in detail, then is it going to be left to line managers to make such judgments in the course of appraisal—or would we be better off seeking psychometric or other measures of the underlying characteristics? Given the history of PA and the unpopularity of making personality-based judgements in previous years, it seems that the likely answer will be to make more use of 360 degree feedback (see below) as a way of measuring behavioural outputs relating to contextual performance, and to combine this with personality-type questionnaires to contribute to the assessment of basic styles and tendencies that can be addressed in a more developmental context. It is also possible that where a PA system includes a separate competency-based development review, the competencies assessed will increasingly reflect contextual performance in the way they are framed and worded.

Goal orientation. This concept originated in the educational literature and may be defined as an orientation toward developing or demonstrating one's ability (VandeWalle & Cummings, 1997). Dweck and Leggett (1988) and other writers have described two general groups of underlying goals that individuals pursue in achievement situations; one is usually referred to as learning goal orientation (LGO) and the other as performance goal orientation (PGO). The former is an orientation towards developing competence by acquiring new skills and mastering new problems and tasks, while the latter is concerned with an orientation to demonstrate and prove the adequacy of one's competence by seeking favourable assessments and avoiding criticism. VandeWalle and Cummings (1997) found that LGO was positively related to feedback seeking, but PGO was negatively related to feedback seeking. Philips and Gully (1997) studied exam performance and goal setting, demonstrating that goal orientation is one of the individual differences that impacts on self-efficacy over and above ability levels; they found that LGO was positively related and PGO negatively related to self efficacy.

Most of the studies on goal-orientation utilized student samples and were done in an educational context, and the application to appraisal has so far only been by implication. It would thus be of interest to test out similar hypotheses within a PA framework. For example, one would expect that individuals characterized by LGO would be much more positive in attitude to genuine feedback, development suggestions and challenging goals. Individuals demonstrating PGO might show less tolerance of anything but positive feedback and might tend to focus their efforts on maintaining their performance in areas they had already proved effective. Whether goal orientation exerts a direct influence is open to question, though. Philips and Gully (1997) assert, on the basis of their findings, that goal orientation works only indirectly on goal levels, through its relationship with self-efficacy. The findings from further research in this area have implications for the content of appraisal, in terms of goal setting, and also for the process of appraisal to the extent that they may suggest different strategies for dealing with appraisees of differing orientations.

Self-awareness. One of the main aims of multi-source feedback systems (see below) is to increase target managers' levels of self-awareness; that is, to produce greater congruence between their self-assessment of their performance and the way it is viewed by bosses, peers, subordinates and customers (London & Smither, 1995). This is held to be an important attribute and one worth assessing and developing. There is some objective evidence to support this, in that a number of studies have found higher self-awareness to be associated with better performance as measured by various independently taken measures (Alimo-Metcalfe, 1998; Bass & Yammarino, 1991; Furnham & Stringfield, 1994). Moreover, self-awareness is also a key element of Emotional Intelligence (Higgs & Dulewicz, 1999; Salovey & Mayer, 1990), a concept that seems to have a popular appeal to practitioners and organizations. It thus seems likely that one of the developing research themes for the period ahead will be explicating the nature of self-awareness and its correlates (Fletcher & Baldry, 2000) and how self-awareness impacts on performance. To do this, though, it is also necessary to find the most appropriate way to measure it, and this has already been the subject of a growing body of investigations (Atwater, Ostroff, Yammarino, & Fleenor, 1998). Many of these are addressed more to the issues of measuring self-awareness for research purposes than to those of assessing it in the practical context of appraisal, however.

Appraisal process

Appraiser–appraisee interaction. As previously noted, there has been more research on the social and motivational aspects of PA. One consistent theme here has been the influence of liking. Lefkowitz (2000) concluded from his review of 24 studies that supervisors' positive regard for subordinates is often found to relate to more lenient appraisal ratings, greater halo effects, reduced accuracy, less inclination to punish poor performance and better interpersonal relationships. Varma, DeNisi, and Peters (1996) pointed out that although the effects of liking are well documented, the reasons for the influence of liking are not clear. They interpreted the findings from their own study as indicating that rather than affect being a biasing factor, it (i.e. affect) resulted from better performance in the first place. However, Lefkowitz (2000) identified a range of conceptual and methodological problems in studies on liking as an influence on PA, such as the failure to take account of the duration of the relationship, and concluded that it is not justified to assume either that liking reflects bias or that it simply stems from a reaction to good performance. The influence of liking on ratings, for whatever the underlying reasons, is less where clear standards and observable performance information are available (Varma *et al.*, 1996). Another frequent line of enquiry on appraisal process deals with the importance of appraisee participation level, both of itself and as a factor in perceptions of procedural justice. The meta-analysis reported by Cawley, Keeping, and Levy (1998) makes the useful distinction between instrumental participation—which is participation for the purpose of influencing an end result—and value-expressive participation—participation for the sake of having one's voice heard. They found that the latter had a stronger relationship with appraisal reaction criteria than did the former.

Whilst research of this kind highlights some general factors at work in the appraisal interaction, they do not always help in actually handling it better in practice; you cannot manipulate appraisers' levels of liking for their appraisees to produce improved appraisal outcomes! Even the conclusions on the value of participation are likely to be tempered by cultural considerations (see below). In fact, research on what contributes to greater success in conducting the appraisal interview itself attracted some attention in the 1960s and 1970s, but has been somewhat neglected in recent years. Although there are numerous books giving advice on the handling of the appraisal session, little of the content could claim a strong research base. Kikoski (1999) points out that the interview is the point of delivery of PA, and in his view is 'the Achilles' heel of the entire process'. Given that this is the face-to-face interaction element in the PA process, and much is likely to depend on it, the paucity of work done—in marked contrast to the selection interview—is unfortunate. Some more recent research has been reported in this area. For example, Klein and Snell (1994) advocated a contingency approach to handling the appraisal interview and in their research sought to provide some guidelines for this. They studied 55 appraiser–appraisee dyads and found, amongst other things, that (1) criticism had a positive effect only where the person appraised had a good relationship with their line manager and (2) that goal setting had a greater impact on poor performers who reported a poor relationship with their supervisors. They concluded that there is 'no one best way' to conduct an appraisal interview—it depends on the situation, the relationship of the parties involved and their individual make-up. More PA research based on a contingency model is likely to yield results of practical value; for a fuller analysis of the individual psychological factors that influence the appraisal situation, see Fletcher (in press). As was noted above, there is a stark contrast with the vast amount of research on the selection interview (Howard & Ferris, 1996; McDaniel, Whetzel, Schmidt, & Maurer, 1994). It seems possible that this body of work could act as source of ideas for further research on the appraisal interview. For example, investigation of the impact on interviewers' judgements of the different kinds of attributions for previous poor performance that candidates make in the selection situation (Silvester, 1997) surely has some implications for the appraisal interview also.

Multi-source feedback. Changes in organizational structures, processes and cultures (see below) and the limitations of traditional top-down appraisal have combined to create the conditions where other sources of performance feedback have become not only more acceptable but more necessary. First in the USA, then in the UK and elsewhere, upward feedback (from subordinates), peer feedback and ultimately 360 degree systems have been widely adopted. Even those organizations who have not yet introduced 360 degree feedback say in many cases that they anticipate doing so in the near future (Geake, Oliver, & Farrell, 1998). Multi-source feedback lends itself to research; it has previously been quite unusual to have the opportunity to collect multiple perspectives on performance in a systematic way. Not surprisingly, literature on this topic is developing. This is just as well, because the speed with which 360 degree feedback has been taken up means that unless research on it moves forward rapidly, it will be left trailing in the wake of practice, and

condemned to a limited role of producing conclusions on feedback systems that have already been superseded as organizations continue to innovate in this area.

One major change that is already evident relates to the purpose of multi-source feedback. Initially, it tended to be used purely for development purposes, and often on a one-off basis, but increasingly, it is becoming part of the formal, annual appraisal process: Geake *et al.* (1998) in their survey found that nearly half the organizations responding used it in this context. This is likely to be an important shift and one deserving of the attention of researchers. Pollack and Pollack (1996) found that managers valued upward feedback for developmental purposes but did not see it as appropriate for pay and promotion decisions; Bettenhausen and Fedor (1997) similarly found a more positive response for the developmental use of peer and upward feedback. Pollack and Pollack (1996) also concluded from their review of previous research that peer ratings when used for appraisal rather than development were more lenient, less reliable and less valid. Others (Fletcher, 1998) have reported that organizations introducing 360 degree feedback for appraisal purposes have in many cases dropped it within 2 years. It seems likely that there are different conditions associated with the use of this kind of feedback in a developmental context compared to the more evaluative appraisal context, and if these are not addressed, the feedback system will encounter problems. The notion that, because 360 degree feedback involves more sources of evaluation than conventional appraisal, it is somehow more objective and accurate, is difficult to support. It is certainly fairer in that it represents more than one viewpoint on an individual's performance, and it does provide a more rounded picture. But the different rater groups tend to make somewhat different assessments from their own subjective standpoints, and the psychometric qualities of 360 degree ratings may be no better than those typically found in top-down appraisal (Fletcher, Baldry, & Cunningham-Snell, 1998).

Research on other aspects of systems methodology and organizational influences on feedback has covered such factors as the issue of anonymity for the feedback providers, choice of rater, how the ratings are treated and presented statistically, and the position of the feedback target in the organizational hierarchy (Fletcher & Baldry, 1999). However, more effort is now being directed towards evaluating outcomes of 360 degree feedback. Initially, the focus of this was on changes in ratings over successive feedback episodes, i.e. do managers improve where they need to as indicated by feedback, so attracting more positive ratings on subsequent occasions, and do they show greater self awareness (see above) as indicated by increased congruence between self and other ratings? Atwater, Roush, and Fischthal (1995) did find that ratings of managers improved over successive feedback episodes, and both they and others (Hazucha, Hezlett, & Schneider, 1993; London & Wohlers, 1991; Smither *et al.*, 1995) report greater correlation of self ratings with colleagues' ratings over time. Walker and Smither (1999) followed up 252 managers over a 5-year period and found that managers who discussed the feedback with those who had provided it showed significantly more improvement in ratings than those who did not. However, demonstrating that ratings become more positive over time does not prove that performance has improved; better ratings and higher levels of self-other agreement could stem from a number of

other sources, including impression management (Fletcher & Baldry, 1999; London & Smither, 1995). Moreover, the picture is further complicated by the fact that individuals who tend to over-rate or under-rate themselves compared to others tend to react differently to the feedback received (Atwater *et al.*, 1998; Johnson & Ferstl, 1999).

Given that most 360 degree feedback systems have been used with a developmental emphasis so far, one important criterion of their effectiveness is the extent to which they generate development plans and action on the part of the feedback recipients. In one of the few studies to appear on this as yet, Hazucha *et al.* (1993) found that managers who received less favourable ratings put more effort into subsequent development activity than those whose ratings and self-awareness levels were higher—presumably because there was more need for them to do so. There is also very little research published so far linking use of multi-source feedback to performance improvements. Bernardin, Hagan, and Kane (1995) report no change in volume of store sales following use of feedback with 48 managerial staff in a retail organization, and no change in ratings from customers. Baldry and Fletcher (2000) report a mixed pattern of relationships between feedback and subsequent performance appraisal assessments, with significant correlations observed between self (.25) and boss (.50) feedback process ratings and appraisal ratings.

There is clearly a great deal more that needs to be done to establish just what multi-source feedback systems can achieve and under what conditions. This research should be directed towards their capacity to generate relevant development activity and constructive behavioural change. Trying to demonstrate a direct relationship with performance measures is likely to prove as difficult here as in other domains of occupational psychology and for the same reasons (i.e. the multiple influences on performance). However, examining the impact of feedback on goal setting and achievement is one potentially fruitful line of research. Also, in a wider context, since feedback processes of this kind are often thought of as a mechanism for changing organizational culture, a further research possibility is to examine the frequency of general feedback-giving and attitudes towards it within a company in response to successive formal feedback process applications.

The developing research agenda: (2) The context of appraisal

The changes that took place in organizations and in their ways of operating at the end of the 20th century are well known (Cascio, 1995); these included the removal of management layers, reduced staffing levels, greater autonomy for business units, the increased internationalization of business, adoption of project-based and matrix management patterns of working, and various management movements such as TQM. Such changes had an impact on PA, not least because it made the use of conventional top-down appraisal systems more difficult—less emphasis on hierarchy, greater geographical spread of staff and fewer managers called for new sources of appraisal information and different ways of delivering it. The increased use of self-assessment, peer assessment and multi-source feedback in general owe something to these changes. This section will look at two particular emerging

themes in PA literature, both of which reflect the changing context in which PA and PM will have to function—namely, the influence of cultural diversity and of developments in information technology on appraisal.

Cultural differences and appraisal

The vast majority of published research on PA and PM emanates from developed countries—in fact most of it comes just from the USA, with some additional input from Western Europe. Since workers in the UK have been found to react differently to feedback to those in the USA (Early & Stubblebine, 1989), a reasonably similar culture, it seems likely that generalizing from the existing research base to other cultures, especially those in developing countries, is unsafe. The conclusions drawn from US social psychological research in general are often found not to hold up in other cultures (Smith, Dugan, & Trompenaars, 1996). Thus, the question arises as to whether established PA and PM methods, in so far as they do stem from research, are appropriate or effective in other cultural settings. Consideration of this issue is given greater urgency because of the increasingly international nature of business referred to above. However, it is not simply a question of whether imposing western PA philosophies on other countries will prove effective; it also relates to differences within countries. Kikoski (1999, p. 301), talking in an American context, observes that ‘the problems of face-to-face communication in an essentially monocultural work force may be insignificant compared to the interpersonal communication difficulties which may accompany the more culturally diverse work force that is forecast’. Whilst Kikoski is referring to the growing proportion US workers from Hispanic, Asian or African backgrounds, cultural diversity may be equally marked in the European Union, with its freedom of movement of labour.

Such analyses as have been offered of cultural variables and their influence on appraisal (Fletcher & Perry, 2001; Milliman *et al.*, 1998) have based their approach on culture difference dimensions elaborated by Hofstede (1980, 1991), principally power distance and individualism/collectivism. The first of these deals with the extent to which superiors can influence the behaviour of subordinates and vice versa. In a high power distance culture, superiors and subordinates do not consider themselves as equals, with greater dependency of the latter on the former. In low power distance cultures, there is a greater acceptance of equality and a greater degree of participation and cooperation between those in higher and lower organizational positions. Individualist cultures emphasize people acting in their own interests and on their own initiative, while in collectivist cultures, the interests of the group come first. It is not difficult to see how such differences are likely to have an impact on PA. For example, Huo and Von Glinow (1995) found that managers in China, a high power distance culture, were reluctant to engage in two-way communication in the appraisal process; Elenkov (1998) suggests that because Russia is more collectivist than the USA, direct feedback is perceived as less acceptable there. For a full review of the literature in this field, see Fletcher and Perry (2001).

Cultural differences have implications both for the design on PA and PM systems and for the conduct on individual appraisals. Multi-source feedback in particular, with its capacity to deliver critical assessments across hierarchical boundaries, may be susceptible to widely varying reactions according to the cultural background of the participants. However, although there has been quite a lot written about the possible effects of culture on PA, the amount of empirical work is still small (especially in any specific non-western country), and more is needed to test out the assertions made. Moreover, cultural and economic conditions change; the emergence of multi-source feedback in the 1990s is an example of a phenomenon that was not culturally acceptable prior to that in the UK. So, we are looking at a dynamic situation where conclusions drawn at one time point may be invalid a decade later. None the less, research on cultural differences in this field should have a high priority.

Developments in IT and their impact on PA

The developments in technology discussed in this section are not exclusively about IT, but in one way or another, all depend on IT to some extent. Computers have been playing an increasing role in PA for some time (Sulsky & Keown, 1998). There are two main aspects to this. The first is in relation to the electronic monitoring of performance, which affords the ability to record a huge amount of data on multiple dimensions of work performance (Stanton, 2000). Not only does it facilitate a more continuous and detailed collection of performance data in some jobs, e.g. call centres, but it has the capacity to do so in a non-obvious, covert manner. The second aspect is in mediating the feedback process, by recording and aggregating performance ratings and written observations and making the information available on-line; many software packages are available for this. The use of IT in these ways undoubtedly helps in making the appraisal process more manageable, especially where multiple rating sources are involved, but it also raises many questions about appraisees' reactions and possible effects on PA outcomes. Mostly, the evidence so far is positive.

There is some reason to believe that feedback is more likely to be sought through electronic mail than through face-to-face meeting (Ang & Cummings, 1994; Kluger & Adler, 1993). It seems possible that there is less evaluation apprehension and less emotion in getting feedback from a computer and also that a computer-based system helps focus raters' attention on job-relevant behaviours, reducing the influence of potentially biasing interpersonal cues (Fletcher & Perry, 2001). However, not all the findings have been supporting of the role of IT in appraisal. For example, Weisband and Atwater (1999) found that self-ratings were more inflated and less accurate in electronic communication compared to face-to-face mode, though they also found that the effects of liking (see above) on ratings were less in the electronic condition. The latter finding may indicate that the more impersonal nature of entering and communicating assessments via a computer could lead to greater objectivity but to less sensitivity and tact in handling the situation—apart from anything else, there is no chance to directly observe the recipients' reactions (Sproull & Kiesler, 1991).

One of the benefits of computer monitoring of performance is that it has the potential to make more information available and faster, without the need to wait for a formal appraisal review to access it. While more timely feedback should enhance learning, Kluger and DeNisi (1996) in their meta-analysis of feedback interventions observed that feedback per se does not necessarily have positive effects. Stanton (2000) notes the debate about longer term attitudes and responses to computer monitoring-generated feedback, and possible habituation effects, and points out that more longitudinal studies (as opposed to brief laboratory investigations) are needed to tackle these questions. Thus, at the present time, precisely what impact ongoing feedback from monitoring will have on the appraisal session remains unclear. One potential consequence, though, stems from the fact that many of the jobs most susceptible to this kind of performance monitoring are often not covered by formal PA schemes at present; it may be that the availability of such quantitative performance measures begins to bring the staff in these roles within the compass of organizational PA arrangements.

Some final observations

This article has touched on a selected number of research themes that, to some extent, reflect the author's interests and preferences, though they also reflect space limitations. There are various other topics that it would have been nice to include in a longer piece, such as the links between PA and merit pay (Campbell, Campbell, & Chia, 1998) and total quality management (Lam & Schaubroeck, 1999). Another theme that might have been useful to explore is the application of PA outside white-collar administrative and managerial groups; these have been the focus for nearly all the research done, and it is likely that this acts as a limitation on its relevance to professional groups, staff in highly technical roles, or those working at lower organizational levels. In many ways, the research agenda for performance appraisal and performance management has become far more interesting and challenging, and, from the viewpoint of organizational effectiveness, probably more important. The impact of multi-source feedback systems and of cultural differences is likely to attract a great deal of the research effort and interest in the short to medium term. However, while much of the research will doubtless continue to focus on seeking general principles to guide the development and application of PA systems, it is hoped that a reasonable amount of it will also be directed towards helping guide the line manager in conducting appraisal interactions successfully. For example, while studies showing that the appraiser's mood state affects ratings (Fried, Levi, Ben-David, Tieg, & Avital, 2000) may be interesting, it is difficult to see how observations of this kind can have any real practical application; telling managers not to do appraisals when they are in a bad mood is likely to get the response that it is doing the appraisals that causes the bad mood! More research that offers practical guidance on tailoring the approach to conducting appraisals according to the individuals and the situation involved, like that of Klein and Snell (1994) mentioned above, is needed—availability of different feedback sources and of sophisticated IT may make the appraiser's task increasingly complicated and

multi-faceted. However, it is not simply a question of doing enough research: it is also the issue of its perceived value and relevance. Enhancing the influence of research on PA practice may need greater collaboration between academics and practitioners in work and organizational psychology than has hitherto marked this field. Without that collaboration, there is a danger that the research will not address the realities of organizational life and circumstances, and that practice will often develop haphazardly and without the benefit of potentially revealing research findings as to what does and what does not produce the results desired.

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