

Performance Appraisal of Administrative Staff in a Tertiary Institution: Usage and Perception

This thesis is submitted to Auckland University of Technology in partial fulfilment of the degree of the Master of Business.

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November 2005

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Attestation of Authorship

I hereby declare that this submission is my own work and that, to the best of my knowledge and belief, it contains no material previously published or written by another person nor material which to a substantial extent has been accepted for the qualifications of any other degree or diploma of a university or other institution of higher learning, except where due acknowledgements is made in the acknowledgments.



Aileen Naming

Acknowledgements

I would like to thank my primary supervisor Dr Nevan Wright for his valuable support and input throughout this research project. I also would like to thank my partner Rob for his unconditional support and belief in me (when at times I did not believe in myself), and for his time in editing my thesis.

I also would like to thank extended family, my friends – Julia and Mary, and work colleagues for their on going support and encouragement.

I am grateful and thankful that Auckland University of Technology Ethics Committee (AUTEC) has granted me ethics approval to conduct this study; reference number 04/115 granted on 9 August 2004.

Thanks to AUT for allowing me to carry out my research; and to Jean Avery, Director of Staff Services for her input, for being the signatory on the invitation letters, for printing all the 1,074 letters and access to staff names. Finally, I thank all the participants who had responded to my questionnaire and to those who participated in the interviews, without their participation my study would not have been possible.

Abstract

There is little empirical evidence relating to how university administrative employees view the performance appraisal process (Analoui & Fell, 2002). The aims of this study were: (1) to determine the purpose of the performance appraisal system used at Auckland University of Technology (AUT), and (2) to investigate administrative staff perceptions and understanding of this appraisal system. Areas investigated included (1) how allied staff viewed the process, (2) how prepared they were for the process, (3) did it impact on their motivation, and (4) did it help or hinder career development. From the research findings, the researcher prepared a set of recommendations for AUT Human Resource department. The recommendations were intended to assist in making AUT performance appraisals more meaningful and relevant to administrative staff, and foster a better awareness of the benefits of undertaking the process.

This study was a partial replication of the Analoui and Fell study undertaken in the UK. Like the study being replicated, this current study was also exploratory basic research adopting a triangulation method. This consisted of the positivistic methodology adopting the cross-sectional survey – structured closed questions questionnaire; the phenomenological methodology using an explanatory case study whereby audio-taped semi-structured interviews were conducted; and the use of researcher (myself) as research instrument. AUT documents relating to performance appraisal were also reviewed. Ethics approval was sought from AUT Ethics Committee. The Analoui and Fell questionnaire and interview guide were modified to suit the AUT context. The sample consisted of 543 staff members. The return rate of the staff survey was 20 per cent.

The study found that there was no evidence that the respondents wanted the process discontinued even though comments from those who had been through a Performance and Development Review (P&DR) and Formative Appraisal (FA) indicated a range of both positive and negative experiences. Respondents felt that they were adequately prepared and that they were involved in the pre-appraisal process. In terms of performance appraisal as a motivational tool, few respondents felt that the process motivated them. There was evidence that FA was beneficial in helping with career development. The stated main purposes of AUT performance appraisal were: to assist in administrative (pay increase and promotion), and developmental (training) decisions,

with the latter purpose being secondary. Recommendations resulting from the current research findings include: (1) that the current process should be evaluated, and (2) appraisers and appraisees should undertake training prior to an appraisal. On-going research should be undertaken to find out how administrative staff in the wider NZ university sector view the process. To follow-on from the current research, a longitudinal study should be undertaken of administrative staff reactions immediately after an appraisal. Research should also be undertaken to investigate if administrative staff will associate completion of the performance appraisal process which includes the setting of goals with an increased work overload.

Chapter One

Introduction

Performance management

The emphasis of performance management is on continuously improved organisational performance and this is achieved through improved individual employee performance (Macky & Johnson, 2000). Macky and Johnson suggest that a typical performance management system would include:

1. The organisation communicating its mission/strategies to its employees;
2. The setting of individual performance targets to meet the employees' individual team and ultimately the organisation's mission/strategies;
3. The regular appraisal of these individuals against the agreed set targets;
4. The results are used for identification of development and/or for administrative decisions; and
5. The continual review of the performance management system to ensure it continues to contribute to the organisation's performance, ideally through consultation with employees.

Rudman (2003) claims that performance management techniques can be categorised into either a people approach, whereby high performance can only be achieved through the right people, or into a process approach, whereby the best procedural system is determined and adopted; but in reality there is cross-over between the two approaches. He adds that for either approach to succeed, it must fit with the organisation's culture. A performance management system according to Rudman is increasingly seen as a means of integrating human resource management activities with the business objectives of the organisation, where management and human resource activities are working together to influence individual and collective behaviour to support the organisation's strategy.

Performance appraisal

An organisation's performance management system helps it to meet its short- and long-term goals and objectives by helping managers and employees do their jobs more efficiently and effectively, and performance appraisal is one part of this system (Bacal, 1999; Rudman, 2003). Edmonstone (1996) states that performance appraisal is often

used synonymously with that of performance management, and according to Vallance and Fellow (1999) it has also been referred as performance assessment, performance review, performance evaluation, and performance management.

Performance appraisal can be traced back to the third century in China, and it is still being used today (Wiese & Buckley, 1998). It is, according to Baker (1988) a special form of evaluation, comparing an employee's actual performance against set expected outcomes; a process to assess an employee's performance over a period of time (Cole, 2001; Johnson, 1995; Wiese & Buckley, 1998). It is also a plan for the future and to discuss ways to do the tasks efficiently and effectively but it should not be used against people as a tool for punishment (Cole, 2001). For both the appraisees and appraisers the process generally means the annual interview that takes place between the manager and the employee to discuss the individual's job performance during the previous 12 months and the compilation of action plans to encourage improved performance (Wilson & Western, 2001). Rudman (2003, p. 437) states that "it is a process of planning an employee's future work goals and objectives, reviewing job performance and work behaviours, assessing progress toward the predetermined works goals, and discussing the employee's training and development". He went on to say that it must be synchronised with the organisation's strategic plan and developed in harmony with each staff member's position description, but in reality this isn't typically so, and therefore the process is often seen as a pointless chore.

Research significance

Despite its long history, performance appraisal is the most debatable human resource management activity. Its supporters deem it necessary to a successful human resources strategy, while its critics view it as unnecessary and potentially destructive to workplace harmony (Roberts, 2003; Simmons, 2002; Vallance & Fellow, 1999). Critics such as Scholtes (1998) argue that there is no right way to conduct performance appraisal, and that the process hurts both those who were evaluated and those who conducted the evaluation. Deming (1986, p. 97), the most vocal of the critics, argued that it is unnecessary and one of the seven "deadly diseases to afflict most organisations in the western world". Others believe that it will remain as it serves a number of valuable organisational purposes (Thomas & Bretz, 1994; Wiese & Buckley, 1998) and that those who opposed it according to Simmons (2002) are less forthcoming on how key decisions on performance could be made. Furthermore, Harrington (1998) argues that

measuring and rewarding employees honestly and fairly will result in world-class performance, that performance will continue to relate to salaries and that this is a sound principle for any organisation to adopt to achieve a competitive edge. He also said that Deming was not opposed to performance evaluation of individuals, but more the way it was conducted. Wright and Race (2004) agree that a well-administered and fair performance appraisal which consists of agreed measurable objectives and development needs for employees, will assist an organisation to achieve its competitive edge, but they cautioned that any action plans discussed, must be followed through to ensure that the system does not lose credibility.

Despite its shortcomings, employees regardless of national culture have a strong desire to seek feedback regarding their performance, to know how well they are doing against set standards and whether they are meeting organisational expectations and work requirements (Lee & Shin, 1999; Tziner & Latham, 1989). Tziner and Latham go on to suggest that appraisal plays a motivational role because it allows the individual to experience positive feelings about themselves, even when there are negative comments given (as it will be seen as trying to help them to remedy their weaknesses). Employees encompass those who work in universities either as academic or administrative staff and it would be fair to state that they also have a strong desire to seek feedback regarding their performance. However, there is little empirical evidence on university administrative employees on:

1. Whether they regard appraisal the same way as those who work in a private sector;
2. Their perception of the process;
3. How they prepare for the process;
4. Whether appraisal has an impact on their motivation; and
5. Whether it helps or hinders their career development (Analoui & Fell, 2002).

An exploratory study undertaken by Analoui and Fell of the University of Bradford in the United Kingdom (UK) sought to answer these questions. Their sample consisted of administrative and secretarial staff from four departments within the university. Even though the sample was small, they believed that their study gave some insight to how administrative staff perceived the process. They suggested that administrative staff views were often neglected and not seriously considered. Analoui and Fell found that:

1. There is a lack of provision for formal performance appraisal;
2. The university's policies regarding the process were not widely disseminated;

3. Some employees have been appraised without being trained at all, contrary to the university's stated position;
4. Those who have been through a performance appraisal found it rewarding and encouraging thereby enhancing their motivation at work and assisting their career development;
5. Employees want a commitment to a truly two-way process when applying the 360-degree appraisal process; and
6. It is crucial that appraisers (including line managers) be trained.

The current research which forms the basis of this thesis is to a large extent a replication of Analoui and Fell study. Chapter three outlines the methodology applied by the Analoui and Fell and the current study. The main difference between the studies is that the Analoui and Fell study (as already mentioned) only sampled four departments whilst this current study invited all allied (administrative) staff members. Although the Analoui and Fell study forms the basis of this study, I also wanted to investigate whether my own perception of the process is experienced throughout AUT.

The establishment of performance standards, performance appraisals, career planning for the employee, and discussing their development needs are part of an organisation's Performance Management (Rudman, 2003). AUT Performance and Development Review (P&DR) process (Auckland University of Technology, 2003a), also known as performance appraisal, encompasses its performance management process. This process is necessary when allied staff members are applying for promotion, accelerated salary increment or one-off supplementary earnings. When staff members want to plan their future developments, they are to conduct a Formative Appraisal of Individual Practice – FA - (the process is similar to the one when staff is applying for promotion, accelerated salary increment or one-off supplementary earnings), seeking feedback to affirm good practice and identifying areas and actions for improvement. The Performance and Development Review (P&DR) process applies to all permanent administrative staff and it is recommended by the university that it be an annual event. The P&DR focuses on providing a forum to review past work performance based on previously agreed performance expectations. It also focuses on development activities based on current performance, future career aspirations and performance plans.

From my personal experience, performance appraisal was only ever done when I applied for a one-off salary supplement. I have undertaken this process twice. I was not directed to any policies and procedures relating to performance appraisal prior to undertaking the process. It was only through my own initiative that I discovered the various policies and procedures, and that there were two forms of performance appraisal: the formative and the summative feedback process. I have found the performance appraisal process tedious and just a task that needed to be done to meet human resources requirements, with only a small amount of monetary reward. It was also nerve wracking especially waiting to find out if the report was favourable or not.

In the faculty I worked in, the appraisal process began when the manager advised all staff members via email and at a monthly staff meeting that the promotion or one-off payment rounds were coming up. If we thought we were eligible, we were to advise the manager, who would then advise us of the process. (For my first process I could not remember if I was advised by the manager that a training workshop was available in preparation for conducting an appraisal, but I remembered attending one based on the recommendation of a colleague. The current manager has recommended that all staff members attend the workshop if they are planning to go for a promotion or one-off payment.) If we are eligible for either a promotion or a one-off supplementary payment, we are to seek feedback from at least eight to ten people who have had direct experience with our practice. We nominate our appraisers but the manager has the final say on who they are. The reasoning being to ensure we get a good cross section of people who are appropriate such as the line manager and internal clients instead of just colleagues.

In my first experience three years ago, the manager collated and summarised the feedback. For the second time round (a year later), when I applied for the second one-off payment, I nominated an independent party. However, each time, after the feedback had been summarised, face-to-face discussion was not initiated by the manager nor did it take place. I was given a copy of the summary via email, and was told if I wanted to discuss anything to get in touch with the manager. Thus, although there was the opportunity for face-to-face feedback, there was no interest by either manager to discuss the report. The only indication that my appraisal was considered satisfactory was the award of the one-off supplementary payment. Therefore, personally, I felt that the practice of performance appraisal in my faculty did not meet all the objectives of AUT

P&DR. From frank discussions with fellow colleagues they also felt that the process was tedious and that it was just one more requirement to fulfil.

Hence, my interest in partially replicating the Analoui and Fell study; to investigate other allied staff members perception of the AUT appraisal process, their understanding of it, their awareness of the various policies and procedures on the process, and to ascertain the purposes of AUT performance appraisal process.

Definition of performance appraisal for this study

The term appraisal can mean different things in different situations. Shelley (1999) suggests that appraisal can be broadly categorised as developmental appraisals focusing on both training to address short-term issues and on long-term career needs and evaluative approach focusing on managerial control and judgement. This is echoed by Groeschl (2003) suggesting that the basic concept of the appraisal process identifies the improvement and development of people; and the key purpose of the appraisal is to identify their performance.

Cole (2001, p. 798) defines performance appraisal as “a formalised, systematic assessment and discussion of an employee’s performance and his or her potential and desire for development and training”.

Rudman (2003, p. 437) refers to performance appraisal as “Performance planning and review” and he sees it as a “process of planning an employee’s future work goals and objectives, reviewing job performance and work behaviours, assessing progress towards the predetermined work goals, and discussing the employee’s training and development”. AUT performance appraisal is defined as a “process of preparing, reviewing, discussing and giving feedback on the work performance of employees and also planning and agreeing to future performance goals and development activities”. This is similar to Rudman’s description, and as such his definition is adopted for the purpose of this study.

Administrative staff

For this study, administrative staff members are those that support academic staff, deal with students on non-academic matters or who work in an administrative function such as finance, human resource, marketing (Szekeres, 2003).

Any reference to “administrative staff members” is synonymous with “allied staff members”, as this research is a study of this group of individuals at AUT.

AUT Human Resource department

Any reference to “AUT Staff Services” is synonymous with “AUT Human Resource department”.

New Zealand Tertiary sector

The New Zealand (NZ) tertiary sector consists of 8 universities and several public and private polytechnics. AUT was previously a polytechnic and became a university in the year 2000. It is the youngest university in NZ. Unlike traditional universities, it continues to offer a high proportion of pre-degree qualifications, but its main focus is under-graduate and post-graduate degree programmes and research.

The Tertiary Education Strategy 2002/07 (Ministry of Education, 2002a, 2002b)

In 2002, the New Zealand Labour Government embarked on a comprehensive programme of tertiary education reforms, and these involved the:

- Development of the Tertiary Education Strategy and an associated Tertiary Education Priorities.
- The introduction of charters and profiles for all tertiary organisations.
- The establishment of the Tertiary Education Commission (TEC) to oversee the implementation of the new Tertiary Education Strategy.
- The introduction of an assessment of strategic relevance to determine charter and profile alignment with the Strategy and thus funding approval.
- The development of an integrated funding framework.
- Better integration of the Industry Training system, Adult and Community Education and Training Opportunities and Youth Training programmes, within the wider tertiary education system.

The Tertiary Education Strategies are:

Strategy One - Strengthen system capability and quality.

Strategy Two – Raise foundation skills so that all people can participate in the NZ knowledge society.

Strategy Three – Develop the skills New Zealanders need for our knowledge society.

Strategy Four – Contribute to achieving Maori development aspirations.

Strategy Five – Educate for Pacific peoples' development and success.

Strategy Six – Strengthen research knowledge creation and uptake.

The education reforms only directly impact academic staff, mainly because of the new integrated funding framework. This funding framework has three broad elements: funding through teaching and learning, funding for research and targeted funding through a Strategic Development Component.

In terms of teaching and learning, the tertiary providers performance output measure will move to include the completion rate of students. Academic staff performance will be measured by the number of students who passed the papers they taught. Research active academic staff members performance are measured by their research output, which ultimately affects the tertiary providers funding allocation.

In the context of a university, it is easier to appraise academic staff as their output relates directly to a university's charter. In most instances allied staff are employed to support academic staff administratively. So in reality allied staff members performance do not directly affect the academic staff research outputs nor how they teach their papers, which means that the current tertiary education reforms have no direct implications for this group – university administrative staff members.

Stages of the thesis

Chapter One establishes the justification for this research including the definition of performance appraisal adopted.

Chapter Two is the review of relevant literature. It looks at three areas, namely: usage of performance appraisal; studies on the perception of performance appraisals; and

common feedback instruments. It also outlines the aims and objectives for the current research.

Chapter Three outlines the methodology applied and the scope of the study. As this research is a replication study, the methodology is closely aligned with that of the Analoui and Fell study.

The findings of this research are presented in Chapter Four. Some comments from the questionnaire and direct quotes from the interviews are included to support the analysis and interpretation. The sequence of the findings followed closely that of the Analoui and Fell study. Summary of policies that relate to AUT performance appraisal process are also part of this chapter.

Chapter Five consists of the discussions and conclusions of this research. The conclusion sets out to answer the aims of this research.

Recommendations and further research are outlined in Chapter Six. In Chapter Seven, the researcher makes some reflective statements.

Chapter Two

Literature Review

Introduction

People are an important resource argues Wright (2001), and like all resources they must be managed properly so as to assist them to perform at their peak. Human Resources Management (HRM) according to Macky and Johnson (2000, p. 3) refers to “all the processes and activities aimed at utilising all employees (also referred to as staff, personnel, human resource or human resources, human assets and human capital) to achieve organisational ends”. They suggested that HRM involves:

1. Staffing (whereby the organisation employs the right people to help it achieve its goals);
2. Performance management (that this people’s actions add value to the organisation, they are rewarded and trained appropriately);
3. Retention (through staffing and performance management);
4. Compliance (with government legislation and ensuring appropriate policies and procedures are implemented); and
5. Change management.

As organisations get bigger, a formal performance appraisal system aids administrative decisions such as pay increases and promotions, redundancy or termination, development needs, and for the employees the process may assist them in career choices and may increase their commitment and satisfaction due to improvements in organisation’s communication (Wiese & Buckley, 1998).

To get the most out of this resource of people, they must be motivated. However, Cole (2001) and Wright (2001) argue that people cannot be motivated. Cole and Wright go on to say that people motivate themselves and managers can provide the environment for them to be motivated. There are many ways to provide a motivational environment for employees, and these included developing their skills, giving them feedback and rewarding in ways that means something to them. Therefore, performance appraisal (part of Performance Management) can be used as a tool to assist managers in motivating their employees. Performance management includes any management activity aimed at improving performance through training and developing employees, establishing performance standards, appraising performance, setting performance plans and through managing career and mobility (Matheny, 2003).

According to Baker (1988) performance appraisal can be the most powerful tool that managers have for improving productivity. When designed and used properly, it can assist organisational decisions on reward and promotions, assist employees in their development and career planning and may even increase employees motivation, commitment and satisfaction (Fletcher, 1993; Wiese & Buckley, 1998; Wilson & Western, 2001), especially if the performance appraisal system is aligned with the organisation's stated objectives (Wright, 2002). However, this alignment tends not to be emphasised, and as such performance appraisal process is often seen as a chore and pointless, judging past performance against targets that are not always clear (Rudman, 2003). Furthermore, when managers felt ill-equipped to conduct effective appraisal it is a task they hate (Pettijohn, Parker, Pettijohn, & Kent, 2001; Rudman, 2003) and performance appraisal is also capable of stirring strong feelings (Fink & Longenecker, 1998). Sadly as pointed out by Simmons (2003) a positive performance appraisal experience tends to be due to the quality of the personal relationship between manager and employee, where a good relationship creates a good appraisal experience.

Usage of performance appraisal

Performance appraisal is seen as key function in most established models of human resource management, and may be directly or indirectly connected to payment systems as well as other components of performance management approaches (Shelley, 1999). The practise of formally evaluating employees has existed for centuries (Murphy & Cleveland, 1991; Wiese & Buckley, 1998) and according to Johnson (1995) and Vallance and Fellow (1999), as early as the third century A.D. in China. Vallance and Fellow (1999) stated that modern appraisal methods are generally traced to the United States of America (USA) with the introduction of a formal appraisal system for the USA army in 1813. By early 1950s, in the USA, appraisal was an accepted practice in many organisations in making administrative decisions such as promotion and salary increases; and in the 1960s and 1970s its usage increasingly included employee's development, organisational planning, documentation and systems maintenance (Johnson, 1995; Vallance & Fellow, 1999).

Bowles and Coates (1993) believed that the growth of performance appraisal was attributed to the 1980s where organisations had to be seen to have the competitive edge whereby its main objectives were to operate effectively and efficiently and to provide

quality service/products. (They believed that performance appraisal was used to control employees to achieve these objectives.) Wright and Race (2004) concur that a well-administered and fair performance appraisal which consisted of agreed measurable objectives and development needs for employees will help an organisation to achieve a competitive edge, however, they cautioned that any action plans discussed, must be followed through to ensure that the system does not lose credibility.

Bowles and Coates (1993) noted that performance appraisal is gaining in importance as a tool in the management process; its use is also being adopted by the public sector and covering different occupational groups including the blue-collar and secretarial employees. From their June 1992 postal survey of 250 West Midlands (in the United Kingdom (UK)) large companies from all industries, they found that these companies were experiencing problems with their performance appraisal, but considered the system beneficial (in order of priority):

1. In the process of communication between employer and employees;
2. In defining performance expectations; and
3. In identifying training needs.

Redman, Snape, Thompson, & Yan (2000) undertook a case study on the National Health Service Trust hospital (UK) in 1996/7 to examine the effectiveness of performance appraisal in a public sector context. They found that very few managers and professionals suggested that performance appraisal should be discarded altogether as they felt that the process did have some overall value.

The wider adoption of performance appraisal in the public sector is also happening in the UK (Harrison & Goulding, 1997; Redman et al., 2000). Harrison and Goulding commented that in the last 20 years the public sector has become more market oriented and successive governments have sought to make the public sector more accountable to the electorate and tried to raise the quality of services by developing targets and standards which public services needed to achieve and to maintain.

It seems apparent that performance appraisal is very much alive, but the main issue is who does it benefit - the organisation or the individual? McGregor (1972) concluded that performance appraisal had multiple uses and it was designed to meet three needs, one for the organisation and two for the employees:

1. The provision of a systematic judgments to back up salary increases, promotions, transfers, demotions or terminations;
2. A means of telling an employees how they were doing and whether changes in their behaviour, attitudes, skills were needed; and
3. For managers to coach and counsel employees.

Cleveland, Murphy and Williams' (1989) study confirmed McGregor's suggestion that there were multiple uses of performance appraisal in an organisation, and their study identified four categories:

1. Between-individuals (for administrative decisions such as promotion, retention and salary);
2. Within-individuals (to identify training and development needs which included performance feedback, determination of transfers and identifying strengths and weaknesses);
3. Systems maintenance (to identify organisational goals, for organisational training need analysis, personnel planning and to implement and evaluate human resource systems); and
4. Documentation (for legal requirements and to document or justify personnel decisions such as terminations).

Dean, Kathawala and Wayland (1992), on the other hand stated that performance appraisal has two broad purposes:

1. As an evaluative function in making decisions on administrative matters such as merit pay, promotions, demotions, transfers, and retention of employees; and
2. As a developmental function to identify training and development plan.

They cited a 1984 survey conducted by the American Management Association of 588 managers, whereby more than 85 per cent of the respondents reported that performance appraisal was used commonly for compensation purposes. Other uses included counselling, training and development, promotion, staff planing, retention decisions and as primary source of documentation for potential legal problems involving employees. However, the study found that the process did not always work as a motivational tool due to low level of trust, and that employees perceive that the measurement of their performance is not assessed accurately.

Bowles and Coates (1993) study on the other hand found that the main use of the performance appraisal process was to achieve work goals, as an accountable and control mechanism aimed at the individual employees and not as a training tool to benefit the employees. They also found secondary usages of the process which included relationships building, benchmarking of performance, and identifying development and training needs.

In New Zealand (NZ), Taylor and O'Driscoll (1993) conducted a study to investigate how and why NZ organisations undertook the appraisal process, and what difficulties they encountered during implementation. (They randomly selected 89 private and public organisations each with at least 300 employees.) They found that:

1. The primary function of a performance appraisal system is to provide performance feedback to employees recognising good performance and identifying strengths and weaknesses;
2. Many organisations use their performance appraisal system to serve two functions, administrative and developmental and they felt that there was no conflict in meeting both;
3. Private organisations were more likely than public ones to use performance appraisal information in decisions concerning terminations, layoffs, transfer and new assignments;
4. Public organisations are more likely to use the performance appraisal information to meet legal requirements, which is likely to reflect the impact of stronger Equal Employment Opportunity (EEO) legislation in the public sector;
5. Virtually all respondents indicated that pay was informally linked with performance appraisals;
6. Most of the organisations conducted a yearly appraisal but interestingly a large proportion conducted appraisal discussions more than once a year;
7. For most organisations the appraisee's manager is the main contributor to the performance ratings (appraisees themselves do play a significant role, however peers and customers do not play a formal role); and
8. They believed their systems were, on average, only somewhat effective and most mentioned modification that they had made recently or were considering in the near future.

Taylor and O'Driscoll (1993) concluded that performance appraisal systems in large NZ organisations appeared to be working with some success in achieving developmental and administrative purposes. In general there was no sign of a conflict between the purposes and therefore there was no cause for separate processes, but some improvements were warranted.

It would seem that the primary reason for performance appraisal is fundamental to a number of important organisational (administrative) decisions regarding pay and promotion, and the process allows an organisation to measure and evaluate an individual employee's behaviour and accomplishments over a specific period of time (Spinks, Wells, & Meche, 1999; Wiese & Buckley, 1998). Ultimately, this raises employees' performance to ensure that the organisation achieves its aims and objectives and to give it a competitive edge (Harrison & Goulding, 1997), and as a control device (McGregor, 1972).

As a control device Henderson (1980) found that performance appraisal influences practically all human resources functions such as identifying job responsibilities, and expected tasks output, determining appropriate and fair methods and instruments for appraising performance, providing feedback to employees on their performance, identifying employees skills and knowledge, assisting in establishing an appropriate training and development plan that will link individual employees requirements to organisational demands, therefore it frequently influences one-off performance bonus payments, terminations, demotions, transfers, promotion and learning opportunities. Henderson added that the manager conducting the performance appraisal is then put in the position of judging the employee and acting on their judgements. This inevitably involves the possibility of rater errors exacerbated further if there is a personality conflict between the manager and employee (Arnold & Pulich, 2003; Bryson, Burns, Hanson, Lambie, & Ryan, 1999). Rater errors include:

1. Horn effect (where one negative aspect of an employee or their performance is used to generalise into their overall poor appraisal rating);
2. Halo effect (the opposite of horn effect where one positive characteristics of an employee or their positive performance is used to generalised into an overall high rating);
3. Similar-to-me-effect (whereby an appraiser rates someone perceived accurately or inaccurately to have the same characteristics as them);

4. Tendency towards the mean or extremes (appraising employees as “average” or maybe too strict or too lenient in their assessments);
5. Status effect (where managers are rated more highly than lower graded employee); and
6. Biases such as gender, age and ethnicity (Arnold & Pulich, 2003; Bryson et al., 1999).

Somewhat more controversially, Longenecker, Sims and Gioia (1987) claim that behind the mask of objectivity and rationality, management undertaking performance appraisal deliberately distort and manipulate appraisals for political purposes. They added that performance appraisal system is indeed a political process, and that few ratings are determined without some opinionated consideration. From their study, they found that the appraisers view their actions as discretionary, to help them manage people more effectively, to avoid unnecessary conflict, therefore using the organisation's bureaucratic processes to their own advantage and minimising the extent to which administrative responsibilities create barriers between them and their subordinates. They carried out in-depth, semi-structured interviews with 60 executives from seven large organisations represented by 11 functional areas, and their goal was to “conduct a scholarly investigation of the cognitive processes executives typically use in appraising subordinates” (Longenecker et al., 1987, p. 183). Their study concludes that accuracy is not the primary concern when conducting appraisals, but how best to use the process to motivate and reward staff and Tziner and Murphy (1999) added that to achieve specific goals such as self enhancement or enhancing relationships with subordinates. Longenecker et al. cautioned that if the organisational culture supports the political behaviour, this will tend to cascade down. However, it is impossible to eliminate politics from performance appraisal and furthermore at times it is necessary, but what an astute manager needs to do is to effectively manage it.

Also, Spinks et al., (1999) commented that in recent years, performance appraisal is becoming a tool to discipline or dismiss staff and used when there is an organisation restructuring. This suggests that performance appraisal is seen as a tool to control employees, and sadly according to Edmonstone (1996) empirical evidence suggested that this is true, and that development of staff are often ignored. Wilson and Nutley (2003) agreed that appraisal can be seen as one of a number of indirect forms of control, which work by emphasising the need for staff to be committed to what the organisation

wants them to do. It is no wonder that there is uneasiness towards performance appraisal. To overcome this, McGregor (1972) suggested that the setting of performance goals and appraising should be the responsibility of the appraisees.

Besides assisting organisation in compensation decisions, performance appraisal is also used as a development tool for employees (Anderson, 2002), and according to Johnson (1995), in New Zealand (NZ) and the UK, the dominant use of performance appraisal was to assess training and development needs and promotability, and that its use for remuneration was largely an American practice. Wilson & Western (2001) also commented that performance appraisal is widely regarded as the main instrument for identifying training and development needs at the individual level. However, even though their findings from a case study taking the perspectives of the appraisees pointed that performance appraisal was used to identify training and development it concluded that:

1. There are varying degrees of involvement and commitment to the appraisal process;
 2. Majority of training and development plans were directly related to the requirements of the short-term job requirements rather than long-term development and advancement and only a small proportion were involved with general personal development;
 3. Some of the training and development plans were unachievable because they were inappropriate, too expensive, lack of time for or indifference and apathy towards the plans; and
 4. It is viewed as another task completed and can be forgotten until the following year.
- (Wilson and Western case study was a medium-sized independent hospital in the UK.)

Clearly, research has shown that performance appraisal has many uses as suggested by McGregor, Cleveland, et al., Dean, et al. This is also true in the hotel industry, where a study conducted by Woods, Sciarini & Breiter (1998) of the hotel industry (of 389 US hotels), concluded performance appraisal was used to serve the four categories identified by Cleveland, et al. However, Rudman (2003) remarked that because of the many and broad uses, conflict arises and the two major conflicts are: (1) the different goals that individual employees and organisations have; and (2) the conflicting roles that the manager as the appraiser is to take of a judge and helper. These conflicts may prevent the performance appraisal process attaining its full usefulness to the

organisations, and may even result in negative behaviour amongst employees ultimately affecting the organisation's performance (Boswell & Boudreau, 2000). To minimise these conflicts, Rudman (2003) suggested that an organisation's performance appraisal should attempt to only be used as either for developmental or administrative purposes. Those who continue to use performance appraisal need to be aware that the system is imperfect as it continues to rely primarily upon human information processing and judgement and even though the process is unsatisfactory it serves a number of valuable organisational purposes as our culture believes that people should be rewarded for outstanding performance (Wiese & Buckley, 1998). It can be a useful tool to manage resources, to reward employees appropriately and to ensure the performance gap (the gap between desired performance and actual performance) is as close as possible (Mani, 2002).

Studies on the perception of performance appraisals

Thus far the review of literature has only looked at the usage of performance appraisals, and that researchers, theorists and practitioners agreed that it could be a useful tool to manage resources (people) but what of the effect of the process on employees and their perception? Investigations of performance appraisals instruments have focused primarily on their psychometric properties, but little research has been undertaken on employee effect, that is on the extent to which the use of an appraisal instrument fosters improvement in work-related attitudes such as job satisfaction and the organisational commitment of the appraisee (Tziner & Latham, 1989).

In a study undertaken by Johnson (1995) in 1992, to examine the attitudes of nearly 32,000 American federal employees toward performance appraisal, he concluded that the employees were dissatisfied with the way performance appraisal was conducted and that less than one-fifth felt that the process motivated employees to perform well. He claimed however that there is no empirical evidence that performance appraisal itself is undesirable, because from his study almost half (46 per cent) liked the concept of the process as it gave them an indication where they ranked among co-workers.

In 1997 Watson Wyatt Worldwide, a consulting firm with global interests, undertook a national survey of 2,004 cross-section Canadian workers (Davies & Landa, 1999). The study looked at the internal systems within organisations acknowledged to be intrinsic to its success. The key findings were that less than two-thirds (60%) said that they

understood the measures used to evaluate their performance, even fewer (57%) thought that their performance was rated fairly, less than half (47%) said that their managers clearly expressed goals and assignments, even fewer (39%) reported that their performance review was helpful in improving their on-the-job performance, and 19% report a clear, direct and compelling linkage between performance and their pay. At its best, most employees saw the process as a highly stressful process with little or no perceived connection to their compensation, and at its worst as a symbolic whip in the hands of management. The study did not conclude that the process be removed, but that practitioners must recognise its weaknesses and also a need to foster upward communication in the organisations.

Redman et al., (2000) undertook a study in 1996/7 to examine the effectiveness of performance appraisal in a public sector context and their case study was the National Health Service Trust hospital (UK). The study consisted of 30 in-depth semi-structured interviews of 23 line managers and professionals drawn from a wide variety of backgrounds. The interview explored the participants' experience as an appraiser and an appraisee (in a sense looking at employee effect). They also administered 270 structured questionnaires with a return rate of 49%, to senior and middle managers and professionals. The questionnaire focused on the experience of being appraised and general attitudes toward appraisal.

Their study found that employees viewed the process as beneficial, and that the managers and professionals also found the process of overall value, with very few suggesting it should be discarded altogether. However, problems identified from the study included patchy application, uneven managerial commitment, lack of continuity between appraisal, the links with performance related pay and teamwork, and the appropriateness of Individual Performance Review for lower-graded staff merit further attention. The link between Individual Performance Review (IPR) and pay was a key cause for concern as there was a general negative perception of its effects. The findings found a strong theme of those who were appraised and who were positive about IPR, that this process represented quality time or meaningful one-on-one time between the manager and subordinate. Appraisees welcome constructive feedback in providing direction and helping to boost confidence, and also valued critical feedback, but rarely received this as the IPR emphasised positiveness. To ensure a positive IPR event and harmony within their work teams, around a third of the respondents said they often

tempered their feedback. A large majority of respondents felt that their managers do not reward favourites, they were confident that appraisers were objective and that having a sound personal relationships with the appraiser was not necessary in order to obtain a good appraisal. The survey found that appraisees are actively involved in the objective-setting process and in this respect the objectives they set for themselves were more challenging (and interesting) than those produced by their managers. However, there are those who have accumulated experience of objective setting and set less challenging objectives for themselves, whilst others felt the objectives were “imposed” on them but most accepted that this is part of the job.

They also found that

1. Appraisers used performance appraisal to exert managerial authority, and sometimes appraisees, according to some managers perception used the process on them to complain about managerial inadequacies;
2. About two thirds of appraisers and appraisees felt that performance appraisal process contributed positively to their personal motivation and job satisfaction, but other managers/appraisers in relation to lower lever staff, considered a waste of time and a lot of “hot air”;
3. Even though training and development is strongly emphasised in the performance appraisal process, in reality it takes second place to work objectives, and even when discussed is done mechanically using a check list, rather than identifying the need for training and development from discussion of performance;
4. Generally respondents reported overall positive experience, at least for managers and professionals; and
5. Most view the process’ relation to pay as largely negative, as they considered the process a lot of hassle for little reward, more influenced by quotas than real performance, was unfair, highly subjective and detrimental to professionalism and undermined the developmental focus of the system.

As a motivational tool, Mani (2002) found from the East Carolina University (US) study (assessing the attitudes and opinions of a limited number of lower graded employees – grounds workers, library clerk III, patient relations representative IV, and medical records assistant V), that many employees were motivated by factors that did not relate to the performance management system, that many were self motivated or motivated by the enjoyment of their work (intrinsic rewards), and pay, an extrinsic

reward, ranked third among the things that motivated these employees. However, she warned that this self motivation and enjoyment of work will cease if employees pay is not adequately increased, as increases in pay was also seen as a symbol of recognition. Ultimately, the lack of pay increase may result in these employees leaving the university.

However, while the supervisors that took part in this study ranked pay as a main motivator they also recognised that recognition and self motivation were other factors. Mani also found that the employees were dissatisfied with the performance management system because they perceived the system as unfair (because they alleged that others were getting higher ratings when they didn't deserve this) and untrustworthy (as some had not receive monetary rewards even after receiving high ratings). The level of trust and satisfaction employees felt towards their supervisors also determined if they were satisfied with the system. Mani suggested that if the appraisal system did not seem to motivate these employees, supervisors needed to evaluate their own relationships with them. If supervisors have given feedback to employees that they perceived as not credible then they (the employees) were more likely to conclude that the system was not reliable thereby not increasing their motivation to improve. Not surprisingly, Mani's study found that the supervisors were satisfied with the system.

Interestingly, a study conducted by Simmons (2002), to gain academic staff perspectives and expectations of performance appraisals, found that appraisees' views of the performance appraisal did not see the process motivated them in improving their performance after the appraisal discussion, and nor did they see that their pay should be linked directly to an assessment of their performance. However, the appraisers believed that the appraisal interviews conducted have a far greater motivational impact than do their appraisees. (The academic staff members were from the Higher Education, Further Education, Colleges and University sectors in the UK.) Yet, the appraisal interview is the "Achilles heel" of the entire process as managers were often reluctant and anxious to carry out the face-to-face mainly because they feel that they lacked the skills in performing this task (Kikoski, 1999). According to Rudman (2003), research has shown that employees were more satisfied with pay decisions that were directly linked to decisions about performance and development. He argued that the challenge was to make this a close relationship, in both time and cause – without making employees defensive about their performance or their training and development needs if

they think this will adversely affect their remuneration. The focus must be kept on performance, not pay. However, Henderson (1980) stated performance appraisal has some psychological effects on employees. He suggested that:

1. Employees perceived that an average performance result will limit their promotional opportunities, and a below-average result is a stigma that will remain with them for the rest of their career in the organisation;
2. Recommendation of training and development is perceived as being a marginal employee;
3. If used as a criteria for hiring, selection and promotion, employees perceived that their qualifications are borderline; and
4. If their performance is superior that may be ostracised by fellow employees.

It has been suggested that performance appraisal could be used to improve performance. Pettijohn, Pettijohn, & Taylor (1999) conducted a survey of retail salesperson and retail sales managers in a south-central metropolitan area (USA). Their study was to investigate if properly conducted performance appraisals would affect sales force productivity and turnover. They concluded that when an organisation focuses on performance by having more appraisals, that the process has clear criteria to measure performance, and that desired levels of performance are rewarded, an organisation can expect to receive higher levels of performance. Furthermore, if there was open discussion on the appraisal results, to use this to improve performance, salespeople were less likely to leave. This would be viewed as support given to them by their managers and thereby the sales staff would be more committed to stay.

One of the many uses of conducting a performance appraisal is the development of employees. To find out about employees perceptions, Bozionelos (2001) conducted a study to investigate the perceptions of career development in a downsizing organisation (one of the tools that tend to be used as career advancement for survivors of downsizing was Performance Management and Appraisal scheme, and the aim of this is to determine levels of financial compensation and identifying development needs). What Bozionelos found was that the majority of the respondents expressed negative views, citing that:

1. There is no coherent planning for employee career development;
2. Commitment to career development depends on willingness and ability of the manager; and

3. Organisational agents considered career development to be applicable only to core, key or high-fliers.

In an earlier study conducted by Boswell and Boudreau (2000), it was found that employees were more likely to be satisfied with the performance appraisal process if it was used for career advancement and training and development. Their study brought renewed support for the importance of individual development in the performance appraisal process. When performance appraisal is used for development it is a way to support employees' growth, but more importantly according to Boswell and Boudreau, it can directly influence employees' attitudes. These attitudes may in turn influence turnover, absenteeism and the performance of the organisation. Boswell and Boudreau surveyed 128 manufacturing employees investigating the relationship between employee perceptions of performance appraisal use, specifically evaluative (salary, promotion and identifying poor performers) and developmental (performance feedback, identifying training needs, determining of transfers and assignments) use, and employee attitudes toward both the appraisal and appraiser. Interestingly, they suggested that because employees expected that the appraisal is used for evaluation therefore the process did not influence attitudes one way or another. They concluded that when used for development, the appraisal process promoted positive attitudes, whereas when used for evaluation the process may not be well received.

Fletcher (1993) argues that the days of the traditional and very large appraisal system are numbered, and even the term appraisal has in some ways outlived its usefulness, due to flatter organisational structures, teams working across organisations and/or boundaries, and employees having professional and technical qualifications. However, in a study undertaken by Wilson & Nutley (2003), they found that people wanted to be appraised. Their study was to assess how appraisal systems may be hindering or facilitating women's progress in Scottish universities and found that (1) there was a general decline in the use of appraisal schemes in Scottish universities but women were still being subjected to a disciplinary technology such as performance appraisal, and (2) this technology tends to cast women as "other" and a disadvantage to them as a group, but more importantly these women wanted to be appraised. They wanted to be appraised because they still want the feedback and guidance that appraisal could potentially provide, and that they also needed more encouragement to put themselves forward for promotion. They interviewed 30 women consisted of administrative staff

but mainly of female academic staff, and chose only to study female staff because (1) gender has been neglected in the study of appraisal, (2) little research has been done in university settings on the subjective experience of appraisal, and (3) there were fewer women at the top of the academic career structure.

This is supported by an earlier study conducted by Wilson (2002) of the appraisal systems used in British universities on women, whereby one of her findings was that many individuals perceived a need for regular feedback, as it was seen to be helpful in induction and development in career progression indicating that people did want to be appraised. From that study she also found that (1) there were clear conflicts of interests both within and between appraiser and appraisee, and (2) judgement appeared inevitable as it was needed to help develop realistic expectations and objectives.

Ultimately, according to Henderson (1980), the most important issue for all employees in any appraisal of performance is job security, as they recognise that their survival at the organisation and the extent of promotional opportunities are dependent on the judgement, consideration and feelings of the immediate manager and others holding a position of authority. Harrison and Goulding (1997) also agreed that if the appraisal system is used for pay, it will be associated with judgement and retribution, rather than with personal development. All these will result in an ineffective performance appraisal process compounded by poor rating skills of the manager. It is surprising to find that many organisations do little to motivate or prepare managers to conduct effective appraisals. Few organisations conduct rigorous, skills-based training, instead most either hand performance rating forms and corresponding instructions to managers and tell them to evaluate their subordinates by a specific date or hold a short meeting to explain the rating purpose and procedure and to answer any questions that managers might have (Fink & Longenecker, 1998). They go on to say the reasons why organisations fail to train managers are that: they assume managers know how to conduct appraisals; they do not want to take the time; training is not an organisation priority; they are over-reliant on trial and error learning; they are not wanting to spend the money; there is no formal training plan/programme; they fear offending the managers; the lack of skilled trainers; the human resource departments are ineffective; and there is a lack of clear skill set.

Common feedback instruments

How then are these employees being measured? The instruments being adopted can be objective or subjective (Macky & Johnson, 2000). Objective involve “the direct quantitative measurement of performance outcomes or results in terms of quantity and/or quality of performance within a specified time period” (Macky & Johnson, 2000, p. 331). Examples of objective instruments include Key Performance Indicators (KPIs), pay-for-performance incentive remuneration. Subjective instruments (most commonly used) involve the appraiser exercising qualitative judgement focusing on the results on the outcomes of the employee and/or focusing on the process on how the outcomes were achieved. This means that the appraiser needs to be “knowledgeable of and/or have observed the performance they are judging” (Macky & Johnson, 2000, p. 335). Due to its subjective nature, these methods are highly susceptible to human errors such as leniency, strictness, central tendency and halo effects, as well as being amenable to appraiser manipulating both for or against the person being appraised (for example giving high ratings to maintain harmony or as a means to motivate staff) (Cole, 2001; Macky & Johnson, 2000; Murphy, Cleveland, Skattebo, & Kinney, 2004). Subjective instruments include the critical-incident method (as the term suggests the recording of important incidents, both positive and negative occurring during the appraisal period); the essay method (whereby the manager writes a few paragraphs about the employee using a set of guidelines); employee comparison methods (ranking employees from lowest to the highest or pairing employees then deciding which one of the pair perform better and rank them); competency assessment (using the job description to determine if the employee have achieved the expected outcome or target set); 360-degree feedback or multi-source feedback and the rating-scale method (Cole, 2001; Macky & Johnson, 2000). The last two of the subjective instruments will be reviewed in details as follows.

360-degree feedback

This is also known as multi-source feedback, multi-rater assessment, upward appraisal, co-worker feedback, multi-perspective ratings, and full-circle feedback (Fletcher & Bailey, 2003; Garavan, Morley, & Flynn, 1997). The process typically involves a questionnaire being sent to supervisors, peers, line managers or subordinates, and (internal and external) customers who are asked to rate the employee’s performance on a variety of performance dimensions or competencies (Fletcher & Bailey, 2003; Garavan et al., 1997; Macky & Johnson, 2000). There are varying forms of 360-degree feedback, such as 180-degree which consists only of supervisors or line managers and

peers (Macky & Johnson, 2000). The emphasis is feedback focusing on development and its subjects are usually in management positions (Rudman, 2003). It has been chiefly oriented to target manager's development and has taken place in the context of management development or leadership courses (Conger & Toegel, 2003; Fletcher & Bailey, 2003). At the core of this feedback is the cognitive process of self-reflection, which increases self-awareness (Conger & Toegel, 2003). Also, Groeschl (2003) commented that when an organisation encourage 360-degree feedback, it is in effect showing a preference to increase employee's participation on all organisational levels in organisational procedures and process and thereby empowering its employees.

360-degree feedback has spread quickly (Fletcher & Bailey, 2003), because of its perceived benefits, and these included:

1. Fairer and more accurate as it offers a more rounded assessment of the individual;
2. Seen as an empowering mechanism by subordinates and peers as they (the appraisers) are seemed to be given some influence on the way the appraisee is being a manager and a team member;
3. Enhances awareness of the organisation's competency framework;
4. If used sensitively and with the right kind of support, can have a powerful development and learning potential;
5. It brings about a culture change whereby individuals become ready to seek, give and accept feedback in a constructive manner thereby enhancing communication and openness;
6. It increases self-awareness, that self-assessment is congruent with colleagues perception;
7. It can help uncover and resolve conflict; and
8. It gives individuals the chance to praise or criticise their colleagues anonymously (Fletcher & Bailey, 2003; Garavan et al., 1997).

360-degree has its drawbacks and Garavan et al., (1997) pointed out that these limitations include: relying on individual's memory to describe past performance and this can be incomplete; the appraiser maybe unable to interpret the behaviour to be rated; appraisees may feel threatened and upset by the assessments; organisations may feel saturated with forms; appraisees may choose friendly raters if they were given a choice on who they can choose; and it is time-consuming to fill in forms and questionnaires more so when the appraisers have to undertake this for several people and as a result could be expensive. Though 360-degree gets feedback from a broader

view, the main conflict of this is when the employee feels that the people evaluating them are not qualified to give an opinion mainly because they have not been able to observe the performance (Arnold & Pulich, 2003).

According to Garavan et al., (1997) 360-degree feedback is best used in a developmental context, specifically for executive development, career development, remedial training and self-development purposes. Increasingly, it is becoming part of the formal, annual appraisal process to include administrative decisions such as promotions (Conger & Toegel, 2003; Fletcher, 2001). From his literature research of 360-degree feedback, Fletcher (2001) has found that managers valued the developmental aspect, but did not see it as appropriate for pay and promotion decisions as it was more lenient, less reliable and less valid, as different rater groups tend to make somewhat different assessments from their own subjective standpoints, and its psychometric qualities may not be any better than top-down appraisal. He goes on to say that more research would need to be conducted on what 360-degree can achieve and under what conditions.

Rudman (2003) and Conger & Toegel (2003) claim that if used for appraisal purposes, (1) the rater may adjust assessments to make it more favourable, (2) “game playing” (Rudman, 2003) or “strategic self-presentation” (Conger & Toegel, 2003) may occur, where it involves manipulating someone’s opinion to get favourable feedback, and (3) in some organisations employees boycott this process which means the participation rate is low making the feedback less useful for development and evaluation. Conger & Toegel (2003) go on to say that if used for both development and administrative purposes, it not only changes from a cognitive process of self-reflection to self-presentation strategies, but also the motivation on how the feedback is process and use. There is also the tendency to emphasis the quantitative aspects (for administrative decisions thereby becoming performance outcome oriented) and to neglect the qualitative ones (targeting development and competence oriented). Toegel and Conger (2003) believed that there should be two complementing 360-degree assessment tools and processes, one to serve development decisions thereby more qualitative and the other for administrative goals (therefore more quantitative).

Another challenge to practitioners in adopting 360-degree appraisal as pointed out by Groeschl (2003) is the impact on culture; how people interpret and understand the

appraisal process based on their national culture - described as the customs, values, traditions and social institutions often shared by individuals that distinguish a society (Fletcher, 2001; Vallance & Fellow, 1999). He suggested that in undertaking a 360-degree feedback, this is more likely to pose a problem for those who have been exposed to high respect for authority and age (such as China) thereby hindering the two-way communication. Further consideration for practitioners is that when 360-degree incorporates self-assessment, it has been found that women are less likely to overestimate their performance, whereby they are likely to rate themselves lower than their fellow male colleagues and also rated themselves lower to what their managers have rated them (Fletcher, 1999). Despite its drawbacks 360-degree appraisal continues to be used and the trend is towards using it for multiple purposes.

The Rating-scale methods

Rating scales are the most widely used (including in NZ) subjective measures of performance (Macky & Johnson, 2000). The appraisers rate “specified job-related skills and abilities of each employee on a defined scale” (Cole, 2001, p. 773). Bacal (1999) described it as a “workplace report cards”, consisting of two parts: a list of characteristics, areas, or behaviours to be assessed and some scale or other way to indicate the level of performance on each item. He went to say that advantages of these methods include bringing in some uniformity and consistency to the performance appraisal process, and that the process can be done quickly with minimum effort. As it is easy to use continued Bacal, the disadvantages are that the manager can forget why it was carried out and/or that it may not help in planning performance, preventing problems, protecting the organisations or developing employees because it is so vague. He suggested that managers supplement this method of feedback with regular discussions with each employee.

The main rating scales (Macky & Johnson, 2000; Tziner, Joanis, & Murphy, 2000) are:

1. Graphic scales (non-behaviour based), where appraisers record their judgement of ratees' performance on a specific area. The judgement is on one or more continuous scales that may be anchored at various points with adjectival labels such as “good”, “poor”, “satisfactory” and so on;
2. Behaviourally anchored rating scales (BARS) where appraisers are encouraged to regard performance as a continuum, and to focus on observable behaviour. Behavioural statements are used to illustrate rating levels. It is however, time-

- consuming to develop and research had shown that there is no evidence that it is any better or worse than other subjective format in terms of appraiser bias and error; and
3. Behavioural observation scales (BOS), similar to BARS. Rather than just providing a range of behaviour indicative of good or poor performance, BOS scales ask appraisers to focus on specific examples of behaviour and rate whether these behaviours have occurred or not, and if so, to what degree. It is also time consuming and difficult to complete for appraisers who do not have ample opportunity to observe the behaviour of the employee they are appraising. It is useful when setting goals to motivate employees and for legal reason, as it is more acceptable to appraisers and to lawyers who may have to defend it in court.

Tziner and Latham (1989) examined the effect of behaviour observation scale (BOS) and graphic rating scales (GRS) on job satisfaction and organisational commitment.

They found that:

1. The use of BOS-based appraisal increased work satisfaction significantly more than the use of GRS-based appraisal;
2. Feedback followed by goal-setting resulted in significantly higher work satisfaction and organisational commitment than feedback alone, regardless of the appraisal scale that was used; and
3. The combinations of BOS-based appraisal, feedback and goal-setting led to significantly higher work satisfaction than was the case in the other experimental conditions. It must be noted in conducting this study, the rater were well trained in how to be objective, in ways to provide feedback, and in two of these conditions also how to set goals with employees.

In a later study, Tziner et al., (2000) found that BOS and GRS when used as a tool for feedback and development were superior to BARS in terms of ratees' satisfaction with the appraisal process, goals set from the process were clearer and more specific and these goals were more directly observable. BOS were significantly superior to GRS in setting specific goals as "in theory BOS provide information about behaviours that have occurred, which makes it more likely that developmental goals will be structured around improving specific behaviours". Both GRS and BARS represent a manager's evaluation of what occurred. (Their study examined the effect of rating scales on several variables (ratees' satisfaction with appraisal and the characteristics – clarity, acceptance and commitment - of goals that are developed from the appraisal process)

when used as a developmental tool. They evaluated 96 police officers employed in a large metropolitan area of Quebec (Canada) using one of the three rating scale formats (GRS, BOS or BARS.)

Summary of literature

Performance appraisal has been around since the third century (Johnson, 1995; Vallance & Fellow, 1999; Wiese & Buckley, 1998). It is the most debatable human resource activity (Deming, 1986; Roberts, 2003; Scholtes, 1998; Simmons, 2002; Thomas & Bretz, 1994; Vallance & Fellow, 1999; Wiese & Buckley, 1998). There are those who want to do away with it, and those who view it as necessary. Regardless, its usage has grown over the years, both in the private and public sectors (Bowles & Coates, 1993; Harrison & Goulding, 1997; Redman et al., 2000). Broadly, it has two uses, for administrative and developmental purposes, but also as a system to meet legal requirements (Dean et al., 1992). Administrative applications include such activities as promotion, salary increases, demotions or terminations (Cleveland et al., 1989; Dean et al., 1992). As a developmental tool, it is used to identify training and staff development (Cleveland et al., 1989; Dean et al., 1992). Conflicts arise when a performance appraisal process is used for both purposes, and the best way to avoid this is to use the process to serve only one purpose, either for a developmental or an administrative purpose (Rudman, 2003). However, while practitioners need to be aware that performance appraisal is imperfect, it can still serve a number of valuable organisational purposes such as assisting in pay, promotion and termination decisions, and to identify training and development opportunities (Mani, 2002; Wiese & Buckley, 1998).

Amongst other uses, it has been claimed that performance appraisal can be a motivational tool (Fletcher, 1993; Tziner & Latham, 1989; Wiese & Buckley, 1998; Wilson & Western, 2001). However, on this point there are conflicting views (Mani, 2002; Simmons, 2002). It is also a means of telling people how well they are doing. It must be noted that the appraiser (in most cases the manager) is both the judge and acting on their judgement and the decision is at the manager's discretion, at times a political one (Henderson, 1980; Longenecker et al., 1987). This is where the process is used to motivate and reward staff in some cases by distorting and manipulating appraisals to reflect a positive outcome, or as a tool to control employees by getting them to do what the organisation wants them to do or simply to exert managerial authority (Bowles & Coates, 1993; Henderson, 1980; Redman et al., 2000; Spinks et al.,

1999; Wilson & Nutley, 2003). It is not surprising then that performance appraisal is viewed with fear by the appraisees and this is exacerbated by the process being carried out by untrained or inexperienced appraisers (including the line managers).

However, studies undertaken from the viewpoint of appraisees have found generally that they do not want to do away with the performance appraisal process (Analoui & Fell, 2002; Redman et al., 2000; Wilson, 2002). People generally like to know how well they are doing (Johnson, 1995; Lee & Shin, 1999; Tziner & Latham, 1989). Appraisees dissatisfaction with the process often relates to how it was conducted, whereby means of measuring performance was unclear and not agreed upon and that the system is perceived unfair, patchy application of the process, uneven commitment of managers and lack of continuity between appraisals (Redman et al., 2000). Even though organisations claimed that their performance appraisal is used for developmental purpose, in reality, this often takes second place (Redman et al., 2000). Training and development needs were generally not identified from discussion of performance.

Feedback instruments used can be broadly classified as objective and subjective (Macky & Johnson, 2000). Objective instruments include Key Performance Indicators (KPIs) and pay-for-performance incentive remuneration (Macky & Johnson, 2000). Subjective instruments include the critical-incident method; the essay method; employee comparison methods; competency assessment; 360-degree feedback or multi-source feedback and the rating-scale method (Macky & Johnson, 2000). Subjective instruments are highly susceptible to human errors such as leniency, strictness, central tendency and halo effects, as well as being amenable to appraiser manipulation both for and against the person being appraised (Cole, 2001; Macky & Johnson, 2000; Murphy et al., 2004).

From the literature review, as mentioned in Chapter One, there is little empirical evidence on how university administrative employees view the appraisal process (Analoui & Fell, 2002). Therefore, the aims, methodology and objectives of this study were as follows:

Aims of this study

The aims of this study were two-fold:

1. To determine the purpose of the performance appraisal system used at AUT, and

2. To investigate administrative staff perception and understanding of this appraisal system.

The principal areas investigated were:

- a) How allied staff viewed the process,
- b) How prepared they were for the process,
- c) Did it impact on their motivation, and
- d) Did it help or hinder career development.

Methodology

This research was a partial replication of the Analoui and Fell (2002) study. Like the study being replicated the current study was also exploratory basic research adopting a triangulation method. This consisted of:

- The positivistic methodology adopting a questionnaire,
- The phenomenological methodology whereby interviews were conducted, and
- The use of the researcher as research instrument.

A review of AUT policies, procedures and reports was also conducted.

Objective of this study

That the questionnaire and interviews would provide insight into how allied staff members view the appraisal process at AUT. From the research findings, the researcher would then be able to prepare a set of recommendations for AUT Human Resource department. The intention being that the recommendations will;

- assist in making AUT performance appraisals more meaningful and relevant to administrative staff, and
- foster a better awareness of the benefits of undertaking the process.

Chapter Three

Methodology and Scope of the study

Introduction

Business research looks at organisations and their activities from the viewpoint of all stakeholders, employees, customers, suppliers, the community, owners and managers (Hussey & Hussey, 1997). The different types of research could be classified according to:

1. Its purpose - that is why it was conducted which could be either exploratory, descriptive or explanatory;
2. A process - how it was conducted which could either be qualitative or quantitative;
3. Logic - either deductive or inductive research; and
4. Outcome - either applied or basic research (Hussey & Hussey, 1997; Neuman, 2000).

There are two research paradigms or philosophies; (1) positivistic also known as quantitative, objectivist, scientific, experimentalist or traditionalist; and (2) phenomenological, also referred as qualitative, subjectivist, humanistic or interpretivist (Hussey & Hussey, 1997).

The positivistic approach takes the view that the world is external and objective to the researcher; that researchers are seen to be independent of the research they are conducting; have an emphasis on measurement, looks for the facts or causes of social phenomena to explain behaviours, it tests hypotheses, and therefore prefers quantitative data, as the data is highly specific and precise and can give exact measures (Hussey & Hussey, 1997; Neuman, 2000; Ticehurst & Veal, 2000). Positivistic methodologies include; (1) cross-sectional studies involves obtaining information on variables in different contexts but at the same time; (2) experimental studies whereby experiments are conducted either in a laboratory or in a natural setting in a systematic way; (3) longitudinal studies, a study over time of a variable or group of subjects; and (4) surveys, whereby a sample of subjects is drawn from a population and studies to make inferences about the population (Hussey & Hussey, 1997; Neuman, 2000). Its critics argued that it is not relevant to the actual lives of real people as it reduces people to numbers and that it generalises from sample to population (Hussey & Hussey, 1997; Neuman, 2000).

The phenomenological paradigm was developed as an alternative to the positivistic approach. It takes the view that the world is socially constructed and is subjective as it is concerned with understanding human behaviour, how they manage their everyday lives or get things done, and therefore tries to get “inside the minds” of the subjects to see the world from their viewpoint (Hussey & Hussey, 1997; Neuman, 2000; Ticehurst & Veal, 2000). The data tends to be referred as being rich, as the researcher observes or studies a small group, and the data produce is qualitative emphasizing on quality and depth (Hussey & Hussey, 1997). In this phenomenological paradigm, researchers are seen part of the research process (Ticehurst & Veal, 2000). Methodologies used include:

1. Action research, a type of applied research designed to find an effective way of bringing about a conscious change in a partly controlled environment;
2. Case studies, an extensive examination of a single instance of a phenomenon of interest; Ethnography which uses socially acquired and shared knowledge to understand the observed patterns of human activity;
3. Feministic perspective where it attempts to give a voice to women and to correct the domination of male-oriented perspective;
4. Grounded theory methods, used to describe the world of the person or persons under study;
5. Hermeneutics, paying particular attention to the historical and social context surrounding an action when interpreting a text; and
6. Participative enquiry whereby participants are involved in the research in their own group or organisation (Hussey & Hussey, 1997).

It is important to note that these two paradigms are near the extremities of the continuum, that it is quite common to adopt different research approaches, methods and techniques in the same study, and this is known as triangulation (Hussey & Hussey, 1997; Neuman, 2000). There are several types of triangulation, including:

1. Data triangulation whereby different data is collected at different times or from different sources;
2. Investigator triangulation whereby different researchers collect data independently and compare results;
3. Methodological triangulation applying both qualitative and quantitative methods; and

4. Triangulation of theories taking theory of one discipline and applying to another discipline (Hussey & Hussey, 1997; Neuman, 2000).

The Analoui and Fell study

The Analoui and Fell study referred to previously was exploratory basic research, and comprised a combination of both qualitative and quantitative survey methods. It involved reviewing the University of Bradford Staff Development Policy (SDP) through two structured questionnaires and interviews.

Sample

The Analoui and Fell study sampled four university departments; two of which were identified as operating the appraisal scheme and the other two departments that did not. The total number sampled was 55 and their response rate was 62% (n=34).

Questionnaire

There were two structured questionnaires for the Analoui and Fell study. The questionnaire for the departments that operate the appraisal scheme had six sections with 31 questions. The departments that do not operate staff appraisal also consisted of six sections but had 28 questions.

Interviews

Ten semi-structured interviews were conducted in the two departments that operated staff appraisal, and six were conducted in the other two departments.

The Auckland University of Technology (AUT) Study

The Analoui and Fell (2002) study was partially replicated to investigate staff perceptions and understanding of the AUT performance appraisal process. This study invited 543 administrative staff members at AUT to complete the structured questionnaire and semi-structured interview. These staff members were full-time or proportional or employed greater than 0.3 for contracts of 12 months or more (Auckland University of Technology, 2004b). They were eligible for the AUT staff development

funds. The study also compares findings from published case studies in both the public and private sector.

Method

Like the Analoui and Fell study, the AUT study was also exploratory basic research. A triangulation of method was used. This consisted of the positivistic and the phenomenology paradigms. It was considered that the combination of the two paradigms should provide a broader insights into the issues being investigated (Ticehurst & Veal, 2000).

The positivistic methodology adopted was a cross-sectional survey, which was a questionnaire containing structured closed questions. This involved the selection of a group of people (drawn from the administrative staff population) to ascertain how factors differ, and to make inferences about the population, in this case administrative staff in a NZ university (generalises from sample to population). Reliability of the study was high as this study was a replication of a previous study of a university in the UK (Hussey & Hussey, 1997). Furthermore, the method of conducting this study can be further replicated by other researchers (Neuman, 2000).

When a positivistic methodology is adopted, the validity of the study tends to be low, as the data collected may not be a true picture of what is being studied (Hussey & Hussey, 1997). To ensure that the research finding is truthful, an explanatory case study was adopted as a phenomenological methodology. Research done overseas and in New Zealand similar to this project were investigated, AUT was the case study, and this method was adopted as there was little knowledge of perception of administrative staff on performance appraisal and this study aimed to understand their perception. Zikmund (1997) pointed out that the advantage of the case study approach was that the whole organisation, in this case AUT could be investigated in depth with attention to detail. However, in his studies, Zikmund found that the cooperation of the participating organisation staff is required and when interviews were conducted they tend to be unstructured open-ended ones which meant that the researcher had to be alert, creative, intelligent, and motivated when analysing the interview data. He warned that the results of case study must be seen as tentative as “generalising from a few cases can be dangerous because most situations are atypical in some sense” (p. 108).

The data was collected via audio-taped semi-structured interviews in an attempt to gauge what people were thinking. Semi-structured interviews were conducted to access the perspective of the person being interviewed given the limited time frame and also it was desirable to have the similar information from each person interviewed (Patton, 1990) and that major themes of the research interest would not be dealt with (Hackley, 2003). The researcher is confident that the methods adopted achieved validity, scope and an understanding of what AUT administrative staff members felt and thought about the performance appraisal process.

As a researcher and an administrative staff member, I was also able to observe myself as the appraisee, affording me the opportunity to undertake an ethnographic research, to try to understand myself as a research participants from my own perspective with reference to my own cultural values and symbolic practices (Hackley, 2003). In this sense the researcher (myself) became a research instrument. Even though I wasn't aware that I was a researcher at the time that I was going through the two performance appraisal processes, I was however accumulating research findings. I believe that I am unbiased, but what I believe to be true could be seen by others as being my perception, as they would conclude that I was too emotionally involved. As an example, a researcher Bevan (2000) doing research on managing change, and at the same time a change agent, was questioned on being too emotionally involved with her research subjects. Her response was that as a researcher she was aware of the possible problems of being closed to the research subjects and because of her awareness, she was able to maintain a professional detachment.

Bevan was aware that she was a researcher at the time of the events occurring, and for me I wasn't aware, as the events happened three years prior to the research. I was no longer emotionally involved, and the distance in time gave me the advantage of being able to stand back and to dispassionately report on events, and be a detached commentator.

Secondary research of AUT documents

The following AUT documents (consisting of policies and procedures) encompass its performance appraisal process. They were reviewed and summarised to determine the purposes of AUT performance appraisal. These documents were:

1. Allied Staff Grading and Promotion Policy

2. Allied Staff Grading and Promotion Policy Practice Notes
3. Staff Development Policy
4. The step by step guide to Allied Staff Grading and Promotion
5. Focus on Employment A Manager's Guide to conducting Performance and Development Review

Ethics application for the AUT study

This research involved human subjects and as such ethics approval was sought from Auckland University of Technology Ethics Committee (AUTEC) before I could conduct the study. (Appendix 1- AUTEC approval.) The application for ethics consisted of completing the necessary forms that included specifying who the researcher was, the full detail of the research, the aim of the research, full detail of the participants, how the data was to be collected, and how data was to be stored. As this research involved questionnaire and interviews, other documents that must be attached to the application were Participant Information Sheet, Consent Forms, Questionnaire, and advertisement on how the participants were invited. Also, as this study was a replication of the study done at the University of Bradford, the original questionnaire and interview schedule were used with some modification to suit AUT. Permission was sought and given by the University of Bradford to refer to the Analoui and Fell study. (Appendix 2 - Permission granted by Analoui and Fell to use questionnaire and interview schedule.)

Besides plagiarism and being honest, other issues that I was aware of were that:

1. I caused no harm, either physically and mentally to my subjects;
2. I did not coerce anyone to be involved in my study, and that those who participated did so based on informed consent;
3. All responses remain confidential and that no one is identifiable in my report; and
4. Respondents were given the opportunity to have access to my findings, discussion and recommendations once completed.

Sample

For the questionnaire

The questionnaire, Information Sheet, invitation letter and return envelope were distributed to AUT allied staff members who were full-time or proportional or

employed greater than 0.3 for contracts of 12 months or more (Auckland University of Technology, 2004b). (The invitation letter invited the respondents to participate in the questionnaire and the interview.) (A copy of the questionnaire, Information Sheet, first and follow-up invitation letter, Consent form, and interview schedule are attached in Appendix 3.) The reason why only this group was targeted was because AUT policy on performance appraisal of allied staff only applied to them. The other criterion was that this sample has no staff reporting to them. The Analoui and Fell study sample consisted of secretarial and administrative staff. Even though it was not clearly stated, it was decided that this group of staff was less likely to have staff reporting to them. From this it was decided that the second criterion was adopted. (A copy of the Analoui and Fell journal article is in Appendix 4.)

As at 21 April 2004, the total number of allied staff members that fell into these two categories was 543. As stated earlier Analoui and Fell study only sampled four departments. For the AUT study it was decided that there would be no reduction in sample size, as the purpose of this study was to include all who were eligible. Furthermore, all departments within AUT are expected to conduct some form of appraisal especially in the case of promotion, accelerated salary increment or one-off supplementary earning. More importantly this was to ensure sampling error was at a tolerable level and confidence level was acceptable for certainty of the generalisations from the sample (Alreck & Settle, 1995; De Vaus, 2002). According to Alreck and Settle (1995), survey researchers tend to prefer sample sizes in the range of one to two hundred to one or two thousand respondents preferring to work toward the middle to lower part of that range, and this research sample size fell in the preferred range.

For the interviews

The invitation to participate in the interview was open to the whole sample. In the invitation letter, it stated that if members wished to participate in the interviews, they were to sign and return a “consent to participate” slip at the bottom of the letter. If more than 10 people agreed, the 10 would be chosen randomly from those who agreed. They would then be sent a “Consent to Participate” form. The unsuccessful participants would be advised. Data collected from the interviews would be transcribed immediately by the researcher. For this research, exactly 10 people agreed to participate. (Transcriptions of the interviews are available on request.)

AUT policies and procedures on performance appraisal of allied staff were also reviewed and summarised. Permission was granted by AUT Staff Services Director to access the relevant policies and procedures – Appendix 5. (Summary of the relevant policies is in Chapter Four.)

The invitation letter also indicated that if allied staff members wished to be notified of the findings, they could do so by returning an “If you like to be informed about the result” slip which was attached to the invitation letter. All data collected was only accessible to the researcher and the supervisor, and to be destroyed at the end of six years.

Questionnaire development

This study was a replication of a research undertaken at the University of Bradford, UK, and as such had adopted their questionnaire and interview guide. However, the questionnaire and interview guide were modified to suit the AUT situation. Firstly, AUT’s appraisal process is the Performance and Development Review (P&DR), but in effect there are two processes, one to serve administrative decisions (pay and promotion) and the other to serve developmental purpose (training and development). In the Staff Development Policy the process for developmental purpose is referred to as Formative Appraisal (FA), and the staff members themselves are responsible for the process (Auckland University of Technology, 2004b). When staff members are applying for salary increment, promotion or re-earnable salary supplement, they must undertake a P&DR and a third independent party is responsible for the process. Secondly, some of the demographics asked in the Analoui and Fell study were not requested in this research, for example gender, as it was decided that the study was not looking whether gender had an influence on people’s perception. Thirdly, this research used the 7-point Likert scales instead of the 5-points. This was to give greater shades of distinction. The 7-point scales were used to measure satisfaction (1 being very dissatisfied and 7 being very satisfied) and agreement (1 being strongly disagree and 7 being strongly agree).

From this a modified questionnaire and semi-structured interview guide were generated. A pilot on the questionnaire and one interview were conducted within the Business Faculty and the results were used to further improve the questionnaire and interview structures and contents. It was important to conduct the pilot as it gave the opportunity

to test all aspects of the survey including the wording, and hopefully avoided potential research errors (Ticehurst & Veal, 2000). Ethics had to be sought again due to the modifications. Approval was given and the first set of questionnaires was distributed.

The questionnaire consisted of six sections with 39 questions. Some questions had sub-questions. As indicated previously, AUT has two different appraisal processes: Performance and Development Review (P&DR) for administrative decisions and Formative Appraisal of Individual Practice (FA) for developmental purpose. The sections of the questionnaire were:

- About you
- Policies and procedures
- Performance and Development Review
- Formative Appraisal of Individual Practice
- Training prior any form of appraisal
- After the appraisal. Spaces were available for respondents to make comments.

Likert rating scales were adopted as the purpose of the questionnaire was to measure respondents' attitudes and opinions (De Vaus, 2002) and each question was turned into a statement. Each statement was a separate variable and respondents indicated their level of agreement or disagreement, for example by indicating strongly agree to strongly disagree (De Vaus, 2002). The questionnaire also consisted of multiple-choice answers and classification questions, as it was beneficial to describe the sample in terms of length of employment and job location.

Data collection

In accordance to AUTECH guideline Section 11.5, the Director of Staff Services invited the participants to participate on behalf of the researcher. She therefore was the signatory on the Invitation letter. Distribution of the 543 questionnaires, Information Sheet, invite letter and return envelope was via the AUT internal mail system to save on postage costs. After the third week from when the questionnaires were first distributed, a reminder note was sent out to all allied staff reminding those who had not completed the questionnaire to do so. The second mail out was to 531 respondents. From the first mail out, 12 were identified as either had resigned or were on extended parental leave.

The semi-structured interview was chosen as the researcher felt the interviewees would be more open and truthful in a confidential one-on-one situation. Interviews according to De Vaus (2002) is rich data about real life situations and people. He believed that a researcher would therefore be able to make sense of behaviour and understands it in a wider context. However, the interviews undertaken were very time consuming, and an issue noted by the researcher was the questions raised and the matters explored change from one interview to the next as different aspects of the topic were revealed. The researcher took this into consideration, and made sure that the topics to be covered were explored.

The length of each interview was 30-45 minutes. The data were transcribed immediately after the interviews. It was decided that when analysing the interviewed data, that this was done as closely to the discussion topics in the Analoui and Fell study.

Return rate

The return rate was 20 per cent (n=107). This included respondents who had staff reporting to them, 21 (19.5 per cent). It was decided that they be included in the analysis so to gauge their perception about AUT appraisal processes.

Confidence interval and Margin of error

For this study, the population was 543 and the total response was 20% (107). The formula for determining a confidence level is:

$$E = \sqrt{\frac{4p(100 - p)}{N}}$$

$$E = \sqrt{\frac{4 \times 20(100 - 20)}{107}}$$

$$E = \sqrt{59.81}$$

$$= 7.7 \text{ per cent}$$

Thus with a sample response of 107, and at a 95 per cent confidence level then the results will be accurate within a range of ± 7.7 per cent (Remenyi, Williams, Money, & Swartz, 1998).

Tables 31 and 32

These tables showed mean satisfaction rating and the percentage satisfaction and percentage dissatisfaction for each question in the survey. The means were based on a 7-point scale with one (1) being the lowest, seven (7) being the highest with the mid-point of four (4).

The term percentage satisfaction refers to the percentage of respondents who rated the item between the five (5) and seven (7) on a 7-point rating scale. Conversely, percentage dissatisfaction refers to the percentage of respondents for each question who rated the item between one (1) and three (3) on the rating scale. A mid-point rating of four (not reported) is described as neutral indicating the respondent had no strong view of either satisfaction or dissatisfaction.

Tables 23 and 30

The tables showed that a 7-point Likert scale was also used to measure the strength of a respondent's agreement with statements contained in the questionnaire. The term percentage agreement refers to the percentage of respondents who rated the item between the five (5) and seven (7) on a 7-point rating scale. Conversely, percentage disagreement referred to the percentage of respondents for each question who rated the item between one (1) and three (3) on the rating scale. A mid-point rating of four (not reported) was described as neutral indicating the respondent had no strong view of either in agreement or disagreement.

Summary of methodology

This research was a partial replication of previous research and was undertaken to investigate allied staff members perceptions and understanding of AUT performance appraisal process. Like the study being replicated, this research was also exploratory basic research and a triangulation method was adopted. This consisted of the positivistic methodology adopting the cross-sectional survey – structured closed

questions questionnaire; the phenomenological methodology using an explanatory case study whereby audio-taped semi-structured interviews were conducted; and researcher (myself) as research instrument. AUT documents relating to performance appraisal were also reviewed.

As this study involved human subjects, ethics approval was sought from AUT Ethics Committee. The questionnaire and interview guide were modified to suit AUT. The survey sample consisted of 543 staff members. This group was full-time or proportional or employed greater than 0.3 months for contract of 12 months or more, and who have no staff reporting to them. The return rate of the survey research was 20 per cent.

Chapter Four

Findings

Introduction

As this research was a replication of the Analoui and Fell study, the findings of this study followed as closely as possible their sequence of findings, namely:

1. Have you been through a form of appraisal?
2. Preparing for an appraisal.
3. Awareness of the University policies and procedures.
4. Documentation for the appraisal process.
5. Choice of appraiser.
6. Appraisal training.
7. 360-degree feedback.
8. Formulation of future plans.
9. Impact on motivation, performance and career development.
10. Post-appraisal expectations.
11. AUT policies and procedures

Profile of the respondents at AUT

Table 1 Profile of respondents			
		n=	%
OVERALL		107	100
Staff reporting	Yes	21	21
	No	78	79
		99	100
Length of service	1 to 2 Yrs	24	28
	2.1 to 5 Yrs	40	48
	Above 5 Yrs	20	24
		84	100
Work location	Faculty	37	37
	Centre	64	63
		101	100

Table 1 is a breakdown of whether respondents had staff reporting to them, their length of service and their work location. Of the 107 respondents, the majority of staff, almost three quarters, 78 (79%), did not have staff reports. Almost two thirds, 60 (72%) respondents, indicated that they had been at AUT over 2 years. More than half of the respondents, 64 (63%), were from the centre.

The faculties at the time of the study were Faculty of Arts, Faculty of Business, Faculty of Health, Faculty of Science and Engineering & Te Ara Poutama. The centre consisted of the: Finance Directorate, Library, Information Technology Client Services, International Student Centre, Marketing and Communication, Academic Registry, Staff Services, Student Services Group, Centre of Educational and Professional Development, PrintSprint, Corporate Service Directorate, Academic Directorate, Research Directorate, Vice-chancellor Office, Service and Operations Group, Pro-vice chancellor International, Centre of Refugee and Campus Development.

It was decided that the individual work location not be separated as in most instances the number of responses were too small, and the likelihood of identifying the respondents in some cases was very likely. Hence, the decision to group the respondents into two categories - “Faculty” and “Centre” being mindful that six of the respondents did not indicate their work location and therefore were not included in either category. To assist the analysis, where appropriate a comparison was made between work location.

1. Have you been through a form of appraisal?

This section presents findings on whether respondents had gone through a Performance and Development Review (P&DR) and/or a Formative Appraisal for Individual Practice (FA).

Table 2 Been through a Performance & Development Review (P&DR)					Total
		Yes		No	
		n=	%	n=	%
OVERALL		44	43%	59	57%
Length of service	1 to 2 Yrs	11	50%	11	50%
	2.1 to 5 Yrs	19	49%	20	51%
	Above 5 Yrs	11	58%	8	42%
Work location	Faculty	18	51%	17	49%
	Centre	25	40%	37	60%

As shown in Table 2, 103 respondents answered this question, and when asked if they had been through a Performance and Development Review (P&DR) just over half, 59 (57%), indicated that they had not been through a P&DR. For those respondents who had been at AUT for one to two years and two to five years, half and half indicated that they either had been or had not been through a P&DR. However, once over five years, just slightly over half, 11 (58%), indicated they had been through a P&DR. Three

respondents who answered this question did not indicate their length of service.

Of the ten volunteers interviewed, five had been through some form of appraisal for promotion or one-off re-earnable salary supplement. From the interviews, it seemed that each work location within the university had adopted different procedures, although the underlying practice was to use the Position Description as a means to measure performance. From the interviews only two respondents out of the five indicated their appraisal process followed the AUT procedures. The different practices in conducting the processes could be as stated by the respondents, “I guess a lot of people are just too busy to have to go through process which can be quite long processes and paperwork”; “Maybe I felt that my boss wasn’t really aware of the process, and it would have been, but I can’t speak for other people I got the feeling that it is the case with a lot of senior staff who have staff reporting to them, because they are so busy they don’t get time to read through the policy and the internal procedures for appraisal.”; “I think every manager have their own way of appraising their employees depending on which area they are in.”. One of the respondents interviewed was not in favour of P&DR and said “I should think it should really only be needed. I think, if management is working properly, they should be looking for people doing a good job. And people feel that there are being overlooked, then they should go through the process. I haven’t really given it a great deep thought, but it always strike me as strange here that people have to beg for a pay rise. The more busy you are, the less time you have for begging.”

Some comments from the questionnaire to why respondents had not gone through a P&DR were listed below:

- *Never had the option opened up to me by my management. Have also heard the negative comments from other work colleagues how harrowing the experience is, to no avail. Why would I bother!! I don’t actually know why I haven’t had an appraisal done, I thought that it was that I hadn’t been here long enough, I also don’t know how often both appraisals are meant to be done.*
- *I don’t think I have been here long enough yet. Manager has not had time.*
- *There has never been any discussion about ever having one. As far as I know, performance bonuses and pay are not awarded at this level (salary increases in increments each year - the increase is the same for everyone). There is no encouragement of discussion with managers about appraisals. I guess in these positions people tend not to stay longer than 2 years (in general) as they complete further study and move on to a higher position or leave.*
- *It kept getting pushed to the back-burner.*

- *It seems long winded and unnecessary.*
- *I haven't gone for an appraisal in 2002, cos it looks like a paper war has to be dealt with to get it. I am at the top of my band so in order to climb up to the next one, I have to do acrobatics and swing through hoops to get there. This puts staff off. Makes it go into the "too hard" basket - (perhaps this is the intention - it keeps the budget down!)*
- *No idea. I have got around the system by applying for different jobs and moving departments.*
- *Was not aware allied staff needed to do them.*
- *Nobody has ever approached me. I hear talk about seeing particular people about it but why should I make the first move, it just proves to me that this organisation does not really care about my development. Yes, they offer to pay for my papers but I have more worth than that to them. Even though they pay for my papers anything extra it was questioned as to why and I should not be doing the paper, etc. Who gives them the right to decide what is right for me. They want to keep you in little controlled cupboards and frankly I will use them to my benefit not the other way around.*
- *I have only had 1 in >2.5 years. System is not very efficient, relies on manager having time and motivation to implement.*
- *No consequences if not done.*
- *Not sure if I have been in job long enough.*
- *I have not been here very long, but I have never had it mentioned to me.*
- *Was never inform and unsure of the policies and procedures.*

Table 3 Been through a Formative Appraisal for Individual Practice (FA)					Total
		Yes		No	
		n=	%	n=	%
OVERALL		22	31%	48	69%
Length of service	1 to 2 Yrs	5	29%	12	71%
	2.1 to 5 Yrs	7	29%	17	71%
	Above 5 Yrs	8	62%	5	38%
Work location	Faculty	9	35%	17	65%
	Centre	11	27%	30	73%

When asked if respondents had been through a FA there were 70 respondents, and two-thirds, 48 (69%), indicated that they have not been through one. The practice of FA was low in the faculties and centre, 17 (65%), and, 30 (73%), respectively. Like P&DR, those who had been at AUT above five years were more likely to have gone through the process. See Table 3 for details.

Only one of the 10 interviewed went through a form of FA. The feedback gathered was used for career development and also for formulating the Individual Development Plan (IDP) which was what the policy intended. However, this respondent had found the process difficult.

Some comments from the questionnaire to why respondents had not gone through a FA included:

- *I personally don't feel part of a team or department. Just an employee. So I often get overlooked regarding these issues. Unless I make an approach to them.*
- *I have a great working relationship with my manager and we communicate regularly on an informal basis regarding my work practice.*
- *Not aware of formative appraisals being carried out at AUT.*
- *No facilitation of this or requirement by management. I review my own professional conduct including feedback from clients.*
- *I don't know what this is.*
- *Never needed to.*
- *I'm only aware of this being done to support an application for promotion.*

2. Preparing for an appraisal

This section presents findings relating to how well respondents felt they were prepared for their appraisal. Respondents were asked about when they had their last appraisal; the frequency of both forms of appraisal in their work area; the appropriateness of the time interval of the appraisal; who initiated the process; if they were consulted prior a P&DR on performance expectations, method of measurement and date and time; and overall preparedness for a P&DR.

Table 4 Last P&DR					Total
		Within 12 Months		Other	
		n=	%	n=	%
OVERALL		29	67%	14	33%
Work location	Faculty	11	61%	7	39%
	Centre	17	71%	7	29%

Over half, 29 (67%), of the respondents indicated that they have had a P&DR within the last 12 months, as shown in Table 4 (43 responded to this question). This was slightly higher in the centre (71%) compared to the faculties (61%). Slightly over a quarter, 14 (33%), of the respondents indicated "Other" (more than a year ago) with one stating

their P&DR was last done in the year 1972.

Table 5 Frequency of P&DR in faculty/centre							Total n=	
	6 Monthly		12 Monthly		Other			
	n=	%	n=	%	n=	%		
OVERALL	6	14%	22	52%	14	33%	42	
Work location	Faculty	6	33%	8	44%	4	22%	18
	Centre		14	58%	10	42%	24	

Of the 42 respondents who answered this question, 22 (52%), indicated a P&DR was conducted annually in their work location. (See Table 5 for details.) Interestingly, one third (n=14, 33%), indicated other with comments such as “When time permits”, “On request”, “No idea”, “Don’t know”, “Only if you ask for an increment or promotion”, “Irregularly although it has now been written into our Business Plan” and “At the end of the contract”.

Table 6 Appropriateness of time interval of P&DR									Total	
		Yes		No		Do not Know		Other preferences		n=
		n=	%	n=	%	n=	%	n=	%	
OVERALL		25	61%	7	17%	6	15%	3	7%	41
Work location	Faculty	14	74%	2	11%	1	5%	2	11%	19
	Centre	11	52%	4	19%	5	24%	1	5%	21

As shown in Table 6, 25 (61%), of the 41 who answered this question indicated that the time interval in conducting a P&DR was appropriate.

Table 7 Frequency of P&DR * Appropriateness of time interval of P&DR Cross tabulation										Total
		Yes		No		Do not Know		Pref		n=
		n=	%	n=	%	n=	%	n=	%	
Frequency of P&DR	6 Monthly	6	100%	0		0		0		6
	12 Monthly	15	71%	3	14%	2	10%	1	5%	21
	Other	3	27%	3	27%	3	27%	2	19	11

Of those who indicated that P&DR was conducted 12-monthly in their work location, 15 (71%) considered that this time interval was appropriate. See Table 7 for details.

Table 8 Last FA						Total n=
		Within 12 Months		Other		
		n=	%	n=	%	
OVERALL		20	80%	5	20%	25
Work location	Faculty	7	70%	3	30%	10
	Centre	11	85%	2	15%	13

As shown in Table 8, 25 responded to this question, 20 (80%), indicated that they have

had gone through a FA within the last 12 months.

Table 9 Frequency of FA								Total n=
		6 Monthly		12 Monthly		Other		
		n=	%	n=	%	n=	%	
OVERALL		5	16%	15	47%	12	38%	32
Work location	Faculty	2	14%	5	36%	7	50%	14
	Centre	3	19%	8	50%	5	31%	16

Just under half of the respondents, as shown in Table 9, 15 (47%), indicated a FA was conducted annually in their work location (32 responded to this question). Again like, P&DR, one third, 12 (38%), indicated other with comments such as “When needed”, “Don’t know”, “Not until I applied for promotion” and “Two-yearly interval”.

Table 10 Appropriateness of time interval of FA									Total	
	Yes		No		Do not Know		Other preferences			
	n=	%	n=	%	n=	%	n=	%	n=	
OVERALL	22	67%	3	9%	7	21%	1	3%	33	
Work location	Faculty	10	67%	2	13%	2	13%	1	7%	15
	Centre	10	63%	1	6%	5	31%			16

Of the 33 who responded to this question, over half, 22 (67%), indicated that the time interval in conducting a FA was appropriate, whilst, 7 (21%), indicated that they did not know what was considered an appropriate time interval. See Table 10 for details.

Table 11 Frequency of FA * Appropriateness of time interval of FA Cross tabulation										Total
		Yes		No		Do not Know		Pref		n=
		n=	%	n=	%	n=	%	n=	%	
Frequency of FA	6 Monthly	5	100%	0		0		0		5
	12 Monthly	9	75%	1	8%	2	17%	0		12
	Other	5	50%	2	20%	2	20%	1	10%	10

As shown in Table 11, of those who indicated that a FA was conducted 12-monthly in their work location, 9 (75%), respondents considered this time interval to be appropriate.

It cannot be determined which time-frame, (whether six-monthly or twelve-monthly), was considered by respondents as appropriate mainly due to the low response rate. The cross-tabulation tables (Tables 7 and 11) indicated that the respondents for both P&DR and FA generally felt that the time interval of 12-monthly for the two forms of appraisals at AUT was appropriate, but it must be noted that the responses were very

low and therefore this finding was not conclusive. However, two respondents interviewed felt that that FA should be implemented in their work area and it should be an on-going activity. The benefit as one remarked was that “If conducted before P&DR, and weaknesses are identified, this can be rectified, therefore can have a positive outcome for the P&DR.” and this as commented by a separate respondent interviewed, would remove the “knee-jerk reaction” that was inclined to happen currently.

Table 12 Initiation of the appraisal process								
Initiation of the P&DR process								Total
	You		Your manager		Other		n=	
	n=	%	n=	%	n=	%		
OVERALL	10	27%	23	62%	4	11%		37
Work location	Faculty	6	35%	8	47%	3	18%	17
	Centre	4	21%	14	74%	1	5%	19
Initiation of the FA process								Total
	You		Your manager		Other		n=	
	n=	%	n=	%	n=	%		
OVERALL	5	18%	21	75%	2	7%		28
Work location	Faculty	2	18%	7	64%	2	18%	11
	Centre	3	18%	14	82%			17

As shown in Table 12, for the P&DR and FA processes, the majority of the respondents indicated that their manager initiated the process, 23 (62%), out of the 37 respondents for the P&DR, and 21 (75%), of the 28 respondents for FA. Of those who were interviewed, five out of the eight who went through a form of appraisal also indicated that their manager initiated the process. This practice seemed in line with the AUT policies whereby it stated that one of the manager’s key responsibilities was to conduct a P&DR and therefore it can be concluded that managers were fulfilling their responsibilities. However, managers from the centre were more likely to fulfil this responsibility; For P&DR almost three quarters of respondents, 14 (74%), from the centre indicated their managers initiated the process and for FA well over three quarters, 14 (82%), indicated their managers initiated the process.

Table 13 Consultation prior to the P&DR					
Consulted on performance expectations-P&DR					Total
	Yes		No		n=
	n=	%	n=	%	
OVERALL	22	58%	16	42%	38
Consulted on method of measurement for P&DR					Total
	Yes		No		n=
	n=	%	n=	%	
OVERALL	20	53%	18	47%	38
Consulted on date and time for P&DR					Total
	Yes		No		n=
	n=	%	n=	%	
OVERALL	29	78%	8	22%	37

As shown in Table 13, prior to their P&DR, slightly over half of the respondents, 22 (58%), out of the 38 indicated that they were consulted on performance expectations and just over half, 20 (53%), out of the 38 were also consulted on the method of measurement for their P&DR. Of the 37 who responded to whether they were consulted on date and time for P&DR, 29 (78%), indicated that they were.

Table 14 Amount of prior notice given for P&DR									Total
	1-2 Weeks		3-4 Weeks		5-6 Weeks		6 Weeks or more		n=
	n=	%	n=	%	n=	%	n=	%	
OVERALL	10	29%	11	31%	5	14%	9	26%	35

Respondents were asked the amount of prior notice they were given for P&DR, 35 responded, and as shown in Table 14, eleven (31%) indicated that they were given three to four weeks notice. Ten respondents were given one to two weeks notice, nine respondents given six weeks or more notice and five were given five to six weeks notice.

Table 15		Opportunity to discuss the P&DR report				Total
		Yes		No		n=
		n=	%	n=	%	
OVERALL		35	92%	3	8%	38
Work location	Faculty	15	88%	2	12%	17
	Centre	19	95%	1	5%	20

When asked whether there was an opportunity to discuss the P&DR report, 35 (92%), of the 38 who responded, indicated that they had the opportunity (a practice that was in

line with AUT policy). It would seem that this opportunity happened in both work location. See Table 15 for details.

Table 16		Adequately prepared for P&DR						Total
		Yes		No		Do not Know		n=
		n=	%	n=	%	n=	%	
OVERALL		24	63%	9	24%	5	13%	38
Work location	Faculty	10	59%	4	24%	3	18%	17
	Centre	14	70%	5	25%	1	5%	20

Overall, as shown in Table 16, it would seem that generally respondents felt adequately prepared for P&DR, almost two thirds, 24 (63%), of the 38 who responded to this question. Analoui and Fell also found in the two departments that conducted an appraisal scheme that the majority of their respondents felt prepared for their appraisal.

3. Awareness of the university policies and procedures

Findings in this section outline respondents' awareness of the policies on P&DR and FA.

Table 17 Awareness appraisal policies & procedures						Total
						n=
		Yes		No		
		n=	%	n=	%	
OVERALL		74	70%	31	30%	105
Length of service	1 to 2 Yrs	14	58%	10	42%	24
	2.1 to 5 Yrs	31	79%	8	21%	39
	Above 5 Yrs	16	80%	4	20%	20
Work location	Faculty	28	78%	8	22%	36
	Centre	41	65%	22	35%	63

As shown in Table 17, 105 responded to this question. Almost three quarters of respondents, 74 (70%), indicated that they were aware of both AUT appraisal policies and procedures; 32 (30%), were not aware of the policies and procedures.

Of the 24 who had only been at AUT one to two years, just over half, 14 (58%), indicated that they were aware of the policies and procedures. It was interesting to note that the awareness was slightly over three quarters once the respondents had been at AUT over two years and one month; 31 (79%), for two to five years, and 16 (80%), for above five years.

Table 18 Awareness of P&DR and FA					
Aware of P&DR					Total
	Yes		No		n=
	n=	%	n=	%	
OVERALL	64	91%	6	9%	70
Aware of FA					Total
	Yes		No		n=
	n=	%	n=	%	
OVERALL	46	68%	22	32%	68

In Table 18, when asked if they were aware of the specific appraisal policies and procedures, the majority of respondents were aware of P&DR, 64 (91%), and well over half, 46 (68%), were aware of FA. The number of respondents to this question was 70 for P&DR, and 68 for FA.

However, from the interview group seven out of ten indicated that they were aware of the policies and procedures for P&DR, and six for FA. When probed, three gave a brief description of P&DR. One respondent described it as “one is general, the other a review of performance not involving money’. Another respondent stated that “one is for appraisal; the other for promotion.” The third respondent described P&DR as “getting feedback from colleagues who you work with and submitting that feedback to your boss and basically filling in a questionnaire type form with your manager who you report to”.

4. Documentation for the appraisal process

Findings in this section outline whether respondents were consulted on evidence to be used.

Table 19 Table Consulted on evidence to be used for P&DR					Total
	Yes		No		n=
	n=	%	n=	%	
OVERALL	23	64%	13	36%	36

When respondents were asked if they were consulted on the evidence to be used for P&DR, 36 responded and almost two thirds, 23 (64%), indicated that they were consulted. The evidence would include written feedback from direct manager, immediate colleagues and/or clients/customers, Basically, feedback from those who

directly benefited from the staff member's work (Auckland University of Technology, 2004a). One third, 13 (36%), indicated they were not consulted. (See Table 19 for details.)

However, one respondent interviewed, stated that there was not a lot of guidance in regards to the process even though she had been to a workshop. That first workshop attended was confusing and the respondent felt that "they were a bit rusty I guess in their service". However, the respondent attended a subsequent workshop at the Centre of Education and Professional Development (CEPD), and found this to be useful and informative. The respondent did indicate that it would be good to have an example of an ideal portfolio.

Of the eight interviewed, two of the respondents indicated the use of an old Position Description (PD) for their appraisal. For the one that went through the P&DR for promotion, it meant that the process was stalled as the PD had to be updated before the process could continue. (The PD was updated and the process was completed.) The other respondent was going through a FA, and as an old PD was used, her appraisal report showed that she had not achieved a lot of the tasks. However, she felt that this had not worked against her as her manager was fully aware of the situation, and also there was no monetary implication. The appraisal however did indicate to her and her manager a different career path, and like the others interviewed who had been through a form of appraisal, she was happy with the outcome.

5. Choice of appraiser

Findings in this section outline respondents' views on choosing who should appraise them.

Table 20		Choice in who should give feedback for P&DR						Total
		Yes		No		Do not Know		n=
		n=	%	n=	%	n=	%	
OVERALL		24	63%	10	26%	4	11%	38
Work location	Faculty	10	59%	6	35%	1	6%	17
	Centre	13	65%	4	20%	3	15%	20

When asked if respondents had a choice in who should be giving them feedback for their P&DR, almost two thirds, 24 (63%), indicated that they were given a choice (38

responded to this question). Four respondents indicated they did not know. It seems that this choice was given at both work location. See Table 20 for details.

Of the ten interviewed, half felt that it would be reasonable to choose their appraisers with one stating that this should be open for negotiation. These respondents commented that these were the people who knew them very well, whom they had worked closely with and therefore, were more likely to be more supportive and to give positive feedback. However, one respondent felt that it was not reasonable to choose, as “you could be picking your friends or you could be picking people that you know are going to give you a good review” and “I may be giving it to my mates to make sure I get a good appraisal if there is money involved”. To overcome this, it was suggested that the appraisee choose “a couple” and the line manager picked the rest, but if there was conflict in the workplace this may pose a problem.

6. Appraisal training

Findings in this section outline respondents’ awareness of training workshop for appraisal, whether they attended a workshop prior to their appraisal and their overall views of training.

Table 21		Awareness of a training workshop						Total
		Yes		No		Do not know		n=
		n=	%	n=	%	n=	%	
OVERALL		32	64%	14	28%	4	8%	50
Work location	Faculty	14	78%	2	11%	2	11%	18
	Centre	18	60%	10	33%	2	7%	30

When asked if they were aware of any training workshop, almost two thirds, 32 (64%), of the 50 who answered this question indicated that they had knowledge of training workshop. As shown in Table 21, respondents within the faculties were slightly more aware than those at the centre. About one third indicated that they were not aware of any training workshop.

Table 22		Attendance of a training workshop				Total
		Yes		No		n=
		n=	%	n=	%	
OVERALL		15	38%	24	62%	39
Work location	Faculty	8	53%	7	47%	15
	Centre	7	29%	17	71%	24

When asked how many attended a training workshop prior to their appraisal, only 15

(38%), indicated they have attended one (39 responded to this question). Almost two thirds, 24 (62%), indicated they did not attend a training workshop, and the majority were respondents from the centre. See Table 22 for details.

Four of the respondents interviewed, who had been through a form of appraisal, indicated that they attended a training workshop prior to their appraisal. All four felt that the training prepared them for the appraisal and one commented that a lot was learnt from the workshop. One respondent who had had an appraisal did not attend a workshop even though they were aware of the workshop, purely because of time constraints. Two who had a form of appraisal were not even aware that there were training workshops, even though this workshop was advertised and being offered quite regularly. One of them felt a distinct disadvantage that she had not attended a workshop.

Table 23	Training assist in the preparation of an appraisal				Necessity of training prior to an appraisal			
	Total n=	Agree %	Disagree%	Mean	Total n=	Agree %	Disagree%	Mean
OVERALL	16	75	13	5.25	27	78	7	5.56
Current location								
Faculty	8	75	25	4.75	13	77	8	5.62
Centre	8	75	0	5.75	14	79	7	5.50

As shown in Table 23, of the 16 who answered “training assist in the preparation of an appraisal, the majority, 75%, of respondents agreed that it assisted them in preparing for an appraisal. Of the 27 who answered “necessity of training prior to an appraisal” again the majority, 78%, agreed that this was so.

Table 24		Appraiser had attended a training workshop						Total
		Yes		No		Do not know		n=
		n=	%	n=	%	n=	%	
OVERALL		11	30%	1	3%	25	68%	37
Length of service	1 to 2 Yrs	2	25%	1	6%	6	75%	8
	2.1 to 5 Yrs	4	24%			12	71%	17
	Above 5 Yrs	5	45%			6	55%	11
Work location	Faculty	5	33%	1	5%	10	67%	15
	Centre	6	29%			14	67%	21

When asked if they knew if their appraiser had had training, two thirds of the 37 who responded indicated that they did not know as shown in Table 24. Only 11 (30%) indicated that they knew their appraiser had had training. Six of those interviewed thought it would be a good idea for the appraisers to have training, generally so they knew to be constructive and to look at performance.

7. 360-degree feedback

Findings in this section outline respondents' views on multi-raters feedback and the groups they felt should participate in the feedback process.

Table 25		Benefits in including opinions of others						Total
		Yes		No		Do not Know		n=
		n=	%	n=	%	n=	%	
OVERALL		39	72%	10	19%	5	9%	54
Work location	Faculty	15	71%	5	24%	1	5%	21
	Centre	23	74%	4	13%	4	13%	31

As shown in Table 25, when asked if respondents thought it would be of benefit to their appraisal if they included the opinions of others beside their manager, 54 responded and almost three quarters, 39 (72%), indicated “Yes”. Five (9%) indicated that they did not know if it would be of benefit.

Table 26 Group(s) to be included for Performance and Development Review

	Count	% of responses	% of cases
Colleagues to be included for P&DR	37	46	100
Students to be included for P&DR	19	24	51.4
Clients to be included for P&DR	19	24	51.4
Others to be included for P&DR	5	6	13.5
Total responses	80	100.0	216.2

When asked who should be included when undertaking their P&DR, almost half, 37 (46%), indicated colleagues and just under one quarter indicated both students, 19 (24%), and clients, 19 (24%). See Table 26 for details.

Table 27 Group(s) to be included for Formative Appraisal of Individual Practice

	Count	% of responses	% of cases
Colleagues to be included for FA	22	51	95.7
Students to be included for FA	12	28	52.2
Clients to be included for FA	9	21	39.1
Total responses	43	100.0	187.0

In terms of who should be included when undertaking their FA, just slightly over half 22 (51%) indicated colleagues. Slightly over one quarter, 12 (28%), indicated students

should be included, and nine respondents (21%) indicated clients. See table 27 for details.

The majority of those interviewed agreed that it was beneficial to include the opinion of others. However, two respondents interviewed remarked that if there was a conflict between the appraiser and appraisee, this might pose a problem, especially if they had to continue to work closely and the feedback had been negative, or that the feedback was used against the appraisee. So it was even more important for the appraisers to give constructive feedback on performance rather than be emotive, and that they had to be aware that when appraisees received negative feedback, it could be a negative experience.

Comments of the perceived benefits of including the opinions of others included the following:

- *Colleagues also work closely with you and their perception of how you perform and work together as a team is relevant. Your manager also needs to be aware of this and a client's perception/comment is very important.*
- *Counter or expand on managers' views.*
- *Often colleagues and clients would know more about the level of your work than a manager would know.*
- *I think it's rewarding for someone to give feedback about your performance whether it be negative or positive.*
- *Interactions with each group are dealt in different ways. Any of them may have supporting suggestions/ideas that could help with your portfolio.*
- *Feedback from line manager and colleagues. I benefit in knowing if I'm doing my job well or not. If people can trust and work with me. If I need to improve and in what area.*
- *I think you need feedback (from people) who either work directly with you or who have benefited from an outcome of your work.*
- *To counter the "office politics" that occurs within ones direct team.*
- *Can show different aspects of an employee's performance.*
- *You know which area of your performance need improvements. You deal with them everyday at work.*
- *Broader picture of total performance.*

- *A more balanced appraisal is gained and a wider perspective of any improvements required.*
- *They (colleagues and clients) are sometimes more aware of your daily performance.*
- *It would broaden the circle from which your duties are performed.*
- *Varied feedback from different cultures, age, gender, etc.*

8. Formulation of future plans

Findings in this section outline respondents' view on the usage of appraisal for career development.

Table 28		Feedback of FA was for IDP				Total
		Yes		No		n=
		n=	%	n=	%	
OVERALL		19	66%	10	34%	29
Work location	Faculty	4	40%	6	60%	10
	Centre	14	78%	4	22%	18

Part of the FA process was to seek feedback of past work performance with the objectives of affirming good practice and of identifying any areas and action for improvement, and that the feedback was to be used in the development of the Individual Development Plan (IDP). When respondents were asked whether the feedback from the FA process was used to prepare for their IDP, 19 (66%), indicated “Yes” out of the 29 who responded. See Table 28 for details.

Table 29		IDP was jointly agreed				Total
		Yes		No		n=
		n=	%	n=	%	
OVERALL		26	87%	4	13%	30
Work location	Faculty	7	70%	3	30%	10
	Centre	18	95%	1	5%	19
		Satisfaction of the IDP				Total
		Yes		No		n=
		n=	%	n=	%	
OVERALL		24	86%	4	14%	28
Work location	Faculty	6	67%	3	33%	9
	Centre	17	94%	1	6%	18

As shown in Table 29, majority of respondents, 26 (87%), indicated that an IDP was jointly agreed, and 24 (86%), were satisfied with their IDP.

Of the ten staff interviewed, all but one felt that the formulation of an IDP was a good idea for career development. One respondent remarked that the outcome of the process was the identification of a different career path and for her a positive result. Workshops that would assist her in developing skills for her new career path were agreed upon with her manager, and she was able to attend all these workshops. Another respondent agreed that a FA could assist in career development but she felt for her the whole process of writing out an IDP a waste of time. She remarked that nothing ever comes out of her IDP and she felt that she was unable to choose her own career path. She felt that if her manager thought that they know what was best for her, then they should complete the IDP, and she added that “I’ve flagged it, you know, so I haven’t pursued except for one thing I am pursuing”.

9. Impact of appraisal on motivation, performance and career development

Findings in this section outline respondents’ view on the impact of appraisal on their motivation to work and on their career development.

Table 30	P&DR enhanced motivation to work				FA was beneficial to career development			
	Total n=	Agree %	Disagree%	Mean	Total n=	Agree %	Disagree%	Mean
OVERALL	41	46	39	4.15	30	63	23	4.70
Current location								
Faculty	16	50	38	4.19	10	40	40	3.80
Centre	25	44	40	4.12	18	78	11	5.22

When asked if respondents felt that the P&DR processed enhanced their motivation to work, just under half (46%) of the 41 who responded indicated they agreed and 39% disagreed. (See Table 30 for details.) Of those interviewed, half indicated that the P&DR increased their motivation to perform, two adding that this was more so if there was monetary rewards and one remarking only if it was good feedback.

Almost two thirds (63%) of the 30 who responded indicated that they agreed that the FA was beneficial to their career development. As stated earlier, one respondent was very positive with the outcome of her FA, as it resulted in a new career path.

Of the ten interviewed, two indicated that conducting any form of appraisal has an impact on their performance such as putting more diligence and thought into their work and one stating that “It’s nice to get positive feedback, and it’s good to know that people respect what you are doing and notice the changes that you made. And it makes you want to keep doing it as well.” Four indicated that the appraisal had no impact on their performance as the general feeling was that they were performing their best already. Comments (below) from respondents present a mixed picture to whether the P&DR and FA did have an effect on job performance.

Some of the comments on whether respondents felt the P&DR had a negative or positive effect on their job performance:

- *Positive because manager does support staff, but they are not consistent with everyone, ie some get more opportunities than others which does affect overall perception. Job performance still at a high level, but dissatisfaction on my part with how wording has been interpreted.*
- *Negative, the process was long and tedious. My manager at the time was not informed about the process, so I sought help from HR. Did not enjoy this.*
- *Strongly negative for reasons as above (was shown all comments, positive and negative which had a damaging effect on my self confidence and had to go to counselling to regain my confidence), but in retrospect I think it had helped me to improve my performance.*
- *Positive on my own work ethic, it made me work harder. Negative - top level management tried to give me a load of extra work above and beyond my position description justifying that it should do the extra because I was promoted. My understanding is that a promo/grading are not given for future work.*
- *Some withdrawal of effort, the reconsideration of career goals which changed my focus, which should be regarded as positive.*
- *The appraisal was positive regarding my performances. But negatively effect my job performance thereafter with regard to the view of the grading committee and the faculty manager (graded as not outstanding by faculty manager).*
- *Positive effect (11 cases).*
- *Positive effect in that you get opportunities to do courses.*
- *Positive, at least you know you're not only on the same salary scales for a long time, but then the difficult part is you've to apply for promotion once you're at the last*

grade. If you're not supported fully for promotion then you're moving nowhere here, you then have the negative feelings and felt de-motivated.

- *It doesn't affect my performance as I have my own personal standard and will perform my best in whatever I do.*
- *Negative.*
- *Positive, although it can be disheartening when you keep doing really well on these and no part of it becomes automated.*
- *It was positive to a point, but lacked substance. I did not take anything the appraiser said too seriously.*
- *Positive - reaffirmed what I need to do and why.*
- *I received the pay rise I was going for but the good or bad feedback was never discussed so it felt more something done on technicality requirement than for any good use.*
- *Made no difference.*
- *The appraisal does not change my standard of work as I always strive to work at a higher level than my job description and my colleagues continually acknowledge the standard that I work at.*
- *No change.*
- *The appraisal had no effect on my job performance. I try to achieve a high standard no matter what.*
- *Positive, enhances your duties and makes you aware of all your varied tasks.*
- *Very, very negative.*
- *Not sure yet, I'm hoping it will be positive.*

Some of the comments on whether respondents felt the FA had a negative or positive effect on their job performance:

- *The appraisal had a very negative effect. I was working and performing out of fear. Don't know if I will trust another one or want to have one.*
- *Positive although I'm trained to use reflective practice anyway so I've quite hands on myself. Sometimes I'm inclined to take criticism to heart which knocks myself esteem and takes me a while to regain my confidence in my work.*
- *Positive (10 cases).*
- *Positive, had direction of what was required to up skill in my job and areas I needed to build on.*

- *In general we have good ongoing feedback about performance. Preparing an IDP certainly concentrates the mind on how one might learn new skills.*
- *Positive effect on my job performance.*
- *Negative effect as there is not enough feedback.*
- *Positive - time management impacts.*
- *Positive - as it is affirming to know you're on the right track.*
- *Positive, it is also good to know that all employees have this done so that everyone is held accountable for their position.*
- *Made me feel I have a lot more to offer.*
- *So excited at the time with the overwhelming feedback yet it seemed to be completely overlooked by the people who could have done something with it.*
- *I don't always get the chance during the year to complete what I have proposed attending ie courses, conference, because of work commitments. I do manage to keep a strict attendance at the gym and the Professional Executive Breakfast as these are both outside work hours.*
- *Negative (2 instances).*

10. Post-appraisal expectations

Findings in this section outline respondents' satisfaction with P&DR and FA.

Satisfaction with P&DR

Table 31	Opportunity to put forward concerns				Competency of the appraiser				Constructive feedback given				Quality feedback was given				Adequate time was given for P&DR			
	Total n=	Satisfied %	Dissatisfied %	Mean	Total n=	Satisfied %	Dissatisfied %	Mean	Total n=	Satisfied %	Dissatisfied %	Mean	Total n=	Satisfied %	Dissatisfied %	Mean	Total n=	Satisfied %	Dissatisfied %	Mean
OVERALL	34	71	21	5.03	34	74	18	5.18	35	63	31	4.77	35	69	17	5.09	35	60	23	4.91
Current location																				
Faculty	16	63	25	4.94	16	69	19	5.19	17	41	47	4.12	17	53	29	4.47	17	65	24	5.00
Centre	18	78	17	5.11	18	78	17	5.17	18	83	17	5.39	18	83	6	5.67	18	56	22	4.83

Of the 34 who responded to whether there was opportunity to put forward concerns, 71% were satisfied. Again, 34 responded to the question on appraiser's competency, and 74% were satisfied. 63% of the 35 respondents were satisfied that they were given constructive feedback on their past performance; 69% of the 35 respondents were satisfied with the quality of feedback received; and 60% of the 35 respondents were satisfied that adequate time was given to prepare them for their appraisal. See Table 31

for details. It was interesting to note that even though respondents were generally satisfied with their appraiser's competency, in an earlier finding over two thirds of respondents did not know if their appraisers had been for training.

Satisfaction with FA

Table 32	Constructive feedback given - FA				Quality feedback was given			
	Total n=	Satisfied %	Dissatisfied %	Mean	Total n=	Satisfied %	Dissatisfied %	Mean
OVERALL	30	57	20	4.50	29	59	21	4.48
Current location								
Faculty	11	73	18	4.91	11	82	18	5.00
Centre	18	44	22	4.22	17	41	24	4.12

Like P&DR, respondents from those who had gone through a FA were generally satisfied that they were given constructive feedback on their past performance, 57% of the 30 respondents, and with the quality of feedback received, 59% of the 29 respondents. See Table 32 for details.

Four of the ten respondents interviewed indicated they were happy with the outcome of their appraisal. One of the four remarked that it was frustrating that the process had to be carried out each year for the re-earnable salary supplement, and suggested that an easier form or process should be created for staff going through the second round of re-earnable salary supplement. Two of the four who had a positive outcome remarked that they have a good relationship with their manager and who were supportive of them going through the process (Simmons, 2003). This suggests that the relationship between the manager and employee could “make” or “break” the process. As one respondent commented that “I don’t want it to be used against people. It’s supposed to be used for both employer and employee and I’m not sure that that happens. I don’t think it is systematic enough, for a start. The promotion process is very complex, and probably puts people off. I look at it, and I’ve been putting it off too. I am a capable person. I like that it links with the incremental progressing, but then, here it’s only 3 years, then you have to do a promotion or something else.”

Some of the comments on feelings immediately after a P&DR included:

- *The feedback provided was good and what I expected but it’s so difficult to prove yourself to the manager. The feedback received during appraisal was that manager*

expected it to be good, but unfortunately IDP agreed to was not really allowed to occur.

- *I think the process is long winded and to be honest up to now there is still no outcome on mine.*
- *Disillusioned and confused.*
- *Because of the confusion and the way it was done, I was shown all comments, positive and negative. This had (specially the negative ones) a damaging effect on my self confidence. I eventually went to counselling because I could not regain my confidence.*
- *Apprehension - after working on it for 6 months the possibility of not been successful was stressful.*
- *The appraisal was dragged out to delay a pay rise. It also showed I was negatively perceived (in communication skills) by the manager, but no colleagues nor students who both gave positive feedback.*
- *Disappointed at negative comments which I did not think were warranted. The appraiser generally agreed with my sentiments but no suggestions to remedy this if true.*
- *Very positive feelings with the comments of people whom I work with but put off by the Faculty Manager's feedback which have no reflection on the positive appraisal I got from my line manager and others. I do not sit as outstanding, was her comment.*
- *My manager was very supportive and encouraging. Both my manager and I had never done this before, but we got no guidance from HR - they just emailed a template and told us to complete it.*
- *You know you're supported at work and needed. It motivates you to do your job the best you can.*
- *It's all good, but you don't really get any incentive from working hard. It's all on paper. Just completed the form and then filed?*
- *Overall, very satisfied an appraisal given by a colleague impacted on an improved communication and understanding of the area I worked in.*
- *I felt supported and confident.*
- *Positive at first - areas for extra responsibility defined. But these never materialised (despite my efforts), which was discouraging. I am left with the feeling that the exercise was pointless.*
- *We call it our PDR but it sounds like FAIP. Now I am confused!*

- *Positive and the direction forward were clear and logical.*
- *Great to see collated document and to read comments from colleagues.*
- *Generally satisfied, however whole process seemed overly structured and restrictive.*
- *It was done by a novice (first time).*
- *I felt accountable, I work away from the rest of my team so don't normally get very much feedback.*
- *Mixed reactions, 1 or 2 were honest, some were unfairly harsh and some were a little too complimentary. Supposedly anonymous but was a little obvious who said what when quotes were given.*
- *Satisfied.*
- *Enhanced motivation to work.*
- *All documentation was set out by equity coordinator and equity manager. We were given what we were to discuss. It was more a review on how well the ITMOSS strategy was doing and how I perform within that. There is no pathway for my position - no promotion - no salary increase.*
- *Good ascertain areas I need to improve in and identify training that will help this.*
- *Relief that we did not discuss anything contentious.*
- *Re the re-earnable salary supplement - I did not get feedback from the Faculty Manager only the manager from my area of work. No discussion with the Faculty Manager after the summarising of all the feedback was completed before taking the recommendation to the Committee. I chose the person I wanted to summarise the feedback. This meant all comments from colleagues were included - this hasn't been the case before when the Faculty Manager chose himself to do the summarising (a different person in the position this time round).*
- *A huge amount of work and time required, mostly seeming unnecessary. It put me off ever doing it again.*
- *Happy with results. Felt I was doing a reasonably good job.*
- *Satisfied with appraisal outcome. Humbled by the comments made in my appraisal.*
- *Sense of "why bother". You do a good job, feel loyal and hardworking and someone who doesn't know you decides you don't deserve any extra for your efforts.*
- *Relief. Affirmation (of good work).*
- *Hasn't occurred yet.*

Some of the comments on feeling immediately after a FA included:

- *The experience I had is the one I (would) rather forget.*
- *Relief that it was over. I find the whole process quite nerve wracking.*
- *It gave me new ideas to use (the allocated staff development funding) in my personal development. My manager helped me define my strengths and weaknesses and identified appropriate paths I could follow.*
- *Enhance my personal career development.*
- *Okay but not inspired.*
- *Satisfaction, receiving feedback from the team leader about the performance and planning for the next year.*
- *Positive feedbacks are always encouraging. Personally, I feel pretty good when I saw all nice comments from my managers and colleagues.*
- *Helpful to know that manager thought I was doing a good job.*
- *Can't remember it was over 2 years ago.*
- *I did not think my appraiser was qualified to do one on us.*
- *Realised I need to keep enhancing my skills.*
- *Very happy, glowing feedback, but it never seemed to do any good (ie no reward promotionally or financially).*
- *The Manager of my group changed the sequence of priority in my IDP and I wasn't too pleased about that. A conference I would have liked to attend was not on at a convenient time in Auckland and I asked to attend it in Wellington - this was changed to my last option and was consequently not offered to me.*
- *This is usually fine although they tell you to concentrate on positive comments and all you see are the negative ones. They want perfection.*
- *Relief it was over (due to a negative experience).*

11. Auckland University of Technology Policies and Procedures

The sample for this study only consisted of allied staff with administrative or secretarial jobs with no reports, however, the policies and procedures described below might also apply to other categories of jobs, such as junior to middle managers and academic staff. Where this was so, it was stated in the policies. (AUT policies are confidential and only accessible by AUT staff.)

Performance and Development Review (P&DR)

AUT Performance and Development Review (P&DR) “describe the whole process of preparing, reviewing, discussing and giving feedback on the work performance of employees, including the planning and agreement of the employee’s future performance goals and development activities” (Auckland University of Technology, 2003a). It provides a “forum to review past work performance bases on previously agreed performance expectations” and also to “focus on development activities based on current performance, future career aspirations and performance plans” (Auckland University of Technology, 2003a). It is not an opportunity for managers to discuss unsatisfactory performance nor for disciplinary purposes as these should be dealt with when they occurred. However, if during the P&DR an agreement cannot be reached, the manager should consult their immediate manager and/or the Human Resource Advisor. Once the P&DR is completed, the manager retains the original and a copy goes to the employee.

Conducting a P&DR is one of a manager’s key responsibilities, and also this process is to enable their employees to progress in their careers. They are responsible for planning the activities associated with it, providing feedback and finalising documentation for the process. They are to agree and clarify performance expectations with their employee, establish a fair and reasonable method of measurement, collect evidence throughout the year, facilitate a two-way discussion on the pre-agreed performance expectations, make suggestions and encourage employee to establish their IDP, fully document the process and the IDP, review the IDP regularly and discuss progress formally and informally at interim intervals.

However, the employee needs to be fully involved in the pre-P&DR activities (that is using the position description as a basis to clarify and agree on performance expectations, establishing a fair and reasonable methods to measure the performance expectation and the collection of evidence such as feedback and reports) to ensure clarity and agreement of performance expectations and understand how performance is evaluated. Also, the employee has the responsibility to keep their manager informed of their performance and aspirations.

As mentioned, the position description of the employee forms the basis for a discussion on performance, and a template of the P&DR form (available from the AUT Intranet/

staff website) is to be followed. When an employee wants to be considered for promotion including salary increment and re-earnable salary supplement, a recent P&DR is required. If an employee is to move to another role within AUT, the (current) manager is expected to have completed a P&DR within the past six months. This same employee's starting date in the new role will be the commencement of the P&DR cycle. Whilst P&DR is an annual event usually on the employee's anniversary date of starting in the role, giving and receiving feedback is an on-going activity that is critical to the success of the review.

Other policies and procedures that relate to P&DR are:

- (1) Policy on Staff Development (Auckland University of Technology, 2004b), Section 6;
- (2) Policy on Staff Development Practice Notes (Auckland University of Technology, 2003b), Sections 2, 4 & 5;
- (3) Staff Development Fast Facts (Auckland University of Technology, 2003c), Section 3;
- (4) Monitoring and Review Policy for New Employees (Auckland University of Technology, 2002b);
- (5) Allied Staff Grading and Promotion (Auckland University of Technology, 2004a), Schedule 3; and
- (6) AUT Induction Manager Checklist Practice Notes.

Allied Staff Grading and Promotion Policy

Besides equal employment opportunities, flexible employment practices and comprehensive range of services, another reason to why prospective employees are attracted to an organisation is career progression and salary. To ensure that this can happen, AUT have a system to measure and evaluate an employee's performance over a period of time and this comes under the umbrella of the Allied Staff Grading and Promotion policy.

As mentioned earlier, a recent (at least in the last six months) P&DR is required when an employee wants to be considered for promotion. This also applies when an allied staff member is applying for accelerated increment or re-earnable salary supplement. The Allied Staff Grading and Promotion policy (Auckland University of Technology,

2004a) “provides for a fair and transparent process for establishing and maintaining remuneration levels for all allied staff; and for the promotion of allied staff in recognition of their work performance and contributions to AUT”. It is the requirement that when an allied staff member is seeking either an accelerated increment or promotion or a re-earnable salary supplement, their application must be supported by sound evidence of performance; this evidence is to be obtained from a fair and thorough formal appraisal process of performance. This is the AUT formal performance appraisal process, whereby a staff member’s work performance is systematically reviewed, called Performance and Development Review (P&DR). In Schedule 3 of the Policy, the criteria for sound performance appraisal process must include the following:

- The process is documented and is applicable to the staff member’s position.
- That performance expectation is clarified and agreed with the staff member based on their current position description.
- Establishing a fair and reasonable method to measure the performance expectations.
- The staff member is required to obtain written feedback annually from direct manager, immediate colleagues and clients or customers who directly benefit from the staff member’s work. This feedback must be collected through a party independent of the staff member.
- An appraisal report interpreting the evidence and summarising the quality of the staff member’s performance must be prepared by the manager; for discussion with the staff member who “shall have the opportunity to append to the report any contrary conclusions or explanations about his/her performance”.

Feedback from colleagues or clients/customers can be obtained through questionnaires, a written testimonial and an interview using an independent facilitator. Questionnaires can either be open questions or rating scales. Examples of the different types of feedback instruments are available from the AUT Intranet. CEPD can also assist individual staff in developing their feedback instrument.

The current practice notes (Auckland University of Technology, 2002a) for the Allied Staff Grading and Promotion policy outlines the seven key steps of conducting a performance appraisal. This practice notes gives a comprehensive detail on each step for both the manager and staff member. The seven steps are:

- Step 1 Clarify and agree expectations of performance.
- Step 2 Clarify and agree how performance on each dimension will be measured.

- Step 3 Design appropriate feedback instruments/ processes.
- Step 4 Obtain the feedback.
- Step 5 Assemble other evidence of performance.
- Step 6 Interpret the evidence.
- Step 7 Conclusions

Policy on Staff Development

One of AUT Key Strategic Areas (KSA) relates to Stakeholders, whereby its staff members (both allied and academic) are seen as one of its major stakeholders. The university aims to be “employer of choice” (Hall, 2003, p. 27), by continuously improving its policies, facilities and conditions of work to attract and retain its staff. It is committed to providing equal employment opportunities to all people, extending its range of flexible employment practices and offering a comprehensive range of service. Part of this service is career support. Its policy on Staff Development (Auckland University of Technology, 2004b) signifies its commitment to the development of staff in partnership with the individual staff member. It recognises that development is integral to a person’s professional life. The policy “sets out the University’s expectations in respect of formative appraisal and the requirement for individual development planning; and makes provision for open and transparent decision-making”.

AUT substantial and continuous investment in staff development consists of the minimum entitlement for qualified allied staff members of; five staff development days and \$500 per annum or pro rata. All allied staff members are required to develop and maintain a current Individual Development Plan (IDP), and this is to be reviewed annually. The individual development planning process is a key staff development strategy, as it provides a framework of focus and direction for individual development and is part of a system to assist in setting and achieving personal goals which will contribute to the overall success of AUT. This policy applies to all permanent (tenured) academic and allied staff members (full time and proportional) and all those employed greater than 0.3 for contracts of 12 months or more.

The policy states that all staff members have a professional responsibility to seek feedback at least annually - a formative appraisal of individual practice, on their performance for the purpose of affirming good practices and of identifying any areas

and action for improvement (as AUT P&DR second focus is on development activities). The feedback is from those who have valid or direct experience of the staff member's practice, such as students, clients and colleagues. The policy recommends that the staff member reflect on the feedback received, to think about and critically analyse their actions with the goal of improving performance. The feedback received can provide a focus for planning and prioritising staff development activities that are required when developing their IDP. If data from the formative appraisal is to be used for promotion, then the promotion policy and procedures must be followed.

When conducting a formative appraisal, the staff member is responsible for establishing, managing and controlling the process, and shall own and control the use of all information gathered. If the data from the formative appraisal is to be used for promotion, then the process must be conducted in accordance to the Allied Staff Grading and Promotion, Schedule 3 (Auckland University of Technology, 2004a), and feedback must be collected through a party independent of the staff member.

Monitoring and Review Policy for New Employees

For new staff the cycle of the P&DR starts when they officially start work at AUT. On completion of three months notice, a Monitoring and Review Report is to be completed (and this applies to all employees). This report describes any (1) identified strengths, (2) development areas, (3) significant changes to position requirements or (4) factors that may have hindered performance during the initial three month period. It must also details of any training/development that has been resourced or provided during the first three months. A completed IDP is also expected. (Auckland University of Technology, 2002b)

Summary of findings

1. Have you been through a form of appraisal?

Of the 103 who responded to the survey question asking whether they have been through a P&DR, slightly under half, 44 (43%), indicated they had been through one. Of the 70 respondents that answered whether they have been through a FA, just a third, 22 (31%), indicated they had been through one. Just over half, 59 (57%), had not been through a P&DR and two thirds had not been through a FA. Out of the ten staff interviewed only six indicated they had been through a form

of appraisal. From the interviews it seemed different work locations within the university adopted different procedures as only two out of the six who had been through a form of appraisal that followed the AUT procedures.

2. Preparing for an appraisal.

Of the 38 respondents who responded to whether they felt adequately prepared for the P&DR, the majority, 24 (63%), indicated that they were. There were also 38 respondents who answered the questions relating to whether they were consulted on performance expectations for their P&DR, and method of measurement. For each of these questions, 22 (58%) and 20 (53%) respectively indicated "Yes". 37 staff responded to the question on whether they were consulted on date and time for their P&DR, and three quarters (78%) indicated "Yes". Of the 38 who responded to whether they had the opportunity to discuss the P&DR report, 35 (92%), indicated they had the opportunity. For both P&DR and FA, the managers were the ones who initiated the process.

3. Awareness of the University policies and procedures.

There were 105 respondents to the question of awareness of AUT appraisal policies and procedures, 70 respondents to the question on awareness of P&DR and 68 responded when asked about their awareness of FA. Almost three quarters, 74 (70%), indicated that they were aware of both AUT appraisal policies and policies. The majority indicated that they were aware of P&DR, 64 (91%), and 46 (68%) indicated they were aware of FA. However, when probed during the interviews only three out of the ten were able to give a brief description of each appraisal.

4. Documentation of process appraisal.

Of the 36 who responded to whether they were consulted on evidence to be used for P&DR, almost two thirds, 23 (64%) indicated that they were consulted.

5. Choice of appraiser.

Almost two thirds of the 38 staff who responded to whether they had a choice on who should give them feedback for their P&DR, indicated that they had a choice, 24 (63%). Five out of the ten staff interviewed believed that it was

reasonable to choose their appraisers.

6. Appraisal training.

Almost two thirds, 32 (64%), were aware of the training workshop prior to an appraisal, and only one third, 15 (38%), indicated that they had been to one prior to an appraisal even though the majority of respondents agreed that training was necessary. (There were 50 respondents when asked if they were aware of training workshop, and 39 respondents when asked if they had attended a training workshop prior to an appraisal.) Of the six who indicated at the interview that they had been through either a P&DR or FA, only four had attended a workshop. All four indicated the training prepared them for the appraisal, which was consistent with the responses from the questionnaire where the majority agreed that training assisted them in preparing for an appraisal.

7. 360-degree feedback.

Of the 54 who responded to whether the opinion of others would be of benefit to their appraisal, the majority, 39 (72%), including all ten interviewed, indicated that it was beneficial to include the opinion of others other than their managers for P&DR and FA; most indicating that their colleagues should be included.

8. Formulation of future plans.

When respondents were asked whether the feedback from the FA process was used to prepare for their Individual Development Plan (IDP) 29 responded, and 19 (66%), indicated that this was so. Of the 30 who responded to whether their IDP was jointly agreed to, 26, (87%) indicated that this was so. 24 (86%) out of the 28 were satisfied with their IDP.

9. Impact on motivation, performance and career development.

Of the 41 who rated whether P&DR had an impact on their motivation, just under half, 46%, of the questionnaire respondents and five out of the ten interviewed agreed that the P&DR enhanced their motivation to work. Almost two thirds of the 30 respondents (63%) agreed that the FA was beneficial to their career development. Of the ten interviewed, only two indicated that an appraisal would have had any impact on their performance.

10. Post-appraisal expectations.

Respondents were generally satisfied that they had the opportunity to put forward their concerns if any during the P&DR appraisal, 71% out of the 34 respondents. They were also satisfied (a) with their appraiser's competency, 74% (out of 34 respondents), (b) that they were given constructive feedback on their past performance, 63% (out of 35), (c) with the quality of feedback received, 69% (also out of 35) and (d) that adequate time was given to prepare them for their appraisal, 60% (again out of 35).

Those who had been through a FA were generally satisfied that they were given constructive feedback on their past performance, 57% (out of 30 respondents), and with the quality of feedback received, 59% (out of 29). Four of the ten respondents interviewed indicated they were happy with the outcome of their appraisal.

11. AUT policies and procedures.

AUT Performance and Development Review (P&DR) provides an opportunity to (1) "to review past work performance base on previously agreed performance expectations" (for administrative purpose – decisions on pay) and also (2) discuss "development activities based on current performance, future career aspirations and performance plans" (to serve developmental purpose) (Auckland University of Technology, 2003a). It is not to be an opportunity for managers to discuss unsatisfactory performance nor for disciplinary purposes.

It is the manager's responsibility to plan the activities, provide feedback and finalise documentation for the P&DR process. However, the employee needs to be fully involved in the pre-P&DR activities and they are responsible to keep their manager informed of their performance and aspirations. The feedback instruments that AUT has adopted are a combination of 360-degree feedback and the graphic rating scales.

The position description of the employee forms the basis for a discussion on performance and a P&DR form must be used. The P&DR process is usually an annual event carried out on the employee's anniversary date of starting in the role; however, giving and receiving feedback should be an on-going activity. If

an employee moved to another role within AUT, the (current) manager is expected to have completed a P&DR within the past six months.

Other policies and procedures that relate to P&DR are:

(1) Allied Staff Grading and Promotion.

When staff members want to be considered for promotion, accelerated salary increment or one-off re-earnable salary supplement, they must have a recent P&DR

(2) Policy on Staff Development.

The policy recommends that all staff members carry out a FA of individual practice when developing their IDP.

(3) Monitoring and Review Policy for New Employees.

The cycle of the P&DR started the day that a new employee officially began work at AUT, or a current staff moving to a different area within AUT. After their initial three months, their manager is to complete a monitoring and review report identifying strengths, development areas, significant changes to position requirements, factors that may have hindered performance during these times and also detailing any training/ development that had been resourced or provided during this period. An IDP must also be completed.

Chapter Five

Discussions and Conclusions

Discussion

The discussions followed the sequence of the findings and as such provided answers to the areas investigated set out in the aims of this study namely:

1. How allied staff viewed the process,
2. How prepared they were for the process,
3. Did it impact on their motivation,
4. Did it help or hinder career development, and
5. The purpose of AUT performance appraisal process.

The sequence of the discussion:

1. Have you been through a form of appraisal?
2. Preparing for an appraisal.
3. Awareness of the University policies and procedures.
4. Documentation for the appraisal process.
5. Choice of appraiser.
6. Appraisal training.
7. 360-degree feedback.
8. Formulation of future plans.
9. Impact on motivation, performance and career development.
10. Post-appraisal expectations.
11. AUT policies and procedures on appraisal.

1. Have you been through a form of appraisal?

The findings indicate that once allied staff members had been at AUT above 2 years, 30 staff of the 103 respondents had been through a P&DR (Table 2); for FA, 15 staff out of the 70 respondents (Table 3). For P&DR, the increased numbers of being reviewed among those with 2 years or more service could be attributed to the Allied Staff Salary Grading and Promotion Policy at AUT. (Staff must apply for promotion when they want to be promoted from Level 1 to 2, or Level 2 to 3; or if they were at the top of their salary band for a period of twelve months they were eligible to apply for an annual re-earnable salary supplement. Carrying out a P&DR was a major part of the process.)

One would expect therefore that the number of respondents saying “Yes” to be much higher than it was especially of those staff who had been at AUT over five years (Table 2). However, as one respondent pointed out, their way of getting promotion was to change jobs within the university and therefore they avoided having to undertake an appraisal. This gave an indication that managers were not fully adopting the P&DR procedures, further supported by comments made during the interviews such as “I think every manager have their own way of appraising their employees depending on which area they are in”. As explained earlier, guidelines for the P&DR stipulated that when an employee moved to another role within AUT, the (current) manager was expected to have completed a P&DR within the past six months. Their starting date in the new role was then the commencement of the P&DR cycle.

The limited application of the AUT procedures possibly indicated the managers lack of commitment to the process, mainly because there were no consequences to them when this was not followed (Redman et al., 2000; Wilson & Western, 2001), and especially since the process was considered long winded involving a large amount of paperwork, making it a time consuming exercise. It was most likely that in many cases the process was cut short to ensure that the HR requirements were met. On the other hand it might simply be that managers did not have the necessary skills to conduct an appraisal process especially since they were put in the position of judging and acting on their judgements. However, it would be difficult to generalise that the managers at AUT did implement the appraisal process as designed, as there was not a specific question that relates to this in the questionnaire. Limited application of the appraisal process was also evident in the Analoui and Fell (2002) study, even though they found that there was a general positive feeling to top management commitment and a recognition that procedures were in place.

Analoui and Fell found that the main reason why the appraisal scheme was not conducted in the two departments was due to time constraints. Time seemed to be the contributing factor to why some managers did not fully adhere to the AUT procedures. Evidence from the interviews indicated that some staff members were advised to undertake a FA instead of a P&DR when applying for accelerated salary increment, promotion or one-off salary supplement to save time (thereby cutting short the process as outlined earlier). This could explain the increase in undertaking FA after staff had

been at AUT over five years. There was also a sense that staff members and their managers were confused between the P&DR and FA processes.

There was some indication that the success of the appraisal was dependent on the quality of the personal relationship between employee and manager, that if there was a conflict the possibility of a negative outcome was more likely (Simmons, 2003). One respondent hoped that the appraisal process would not to be used against people. Another respondent said it could result in a power wedge if not done properly, and could be used as a power level. The last two comments gave an indication of a fear that performance appraisal was seen as a tool to control employees at the expense of developing staff, and as pointed to earlier in the literature, empirical studies have found that this fear was quite founded (Edmonstone, 1996). Furthermore other comments suggested that the performance appraisal was also used for political purposes, whereby the process was distorted and manipulated to ensure the preferred outcome was achieved for the manager and AUT (Longenecker et al., 1987). An example, the process was dragged out to delay a pay rise; and one would need to ask was this done to send a message to the appraisee that they need to perform to a higher standard or that the delay was necessary for financial reasons.

2. Preparing for an appraisal

Analoui and Fell found that of those who have been through an appraisal, the majority felt prepared for the process. At AUT this was the case for two thirds of the 38 respondents. The respondents from the Analoui and Fell study felt that a 12-month span between appraisals was appropriate. They felt that “an interim and less formal appraisal” should be conducted to identify new responsibilities, recognise achievements, and monitor job loads particularly where staff that left AUT has not been replaced. One respondent interviewed for the AUT study also suggested a similar idea of an interim and less formal appraisal citing similar benefits as the Analoui and Fell respondents.

At AUT, there was strong indication that both P&DR and FA were carried out and that respondents had indicated that they had been through a form of appraisal within 12 months. Even though both processes were considered long winded, this indicated that both processes were still being carried out throughout AUT mainly because it was a requirement when staff members were applying for accelerated salary increment, promotion or one-off supplementary earnings. As mentioned earlier, there seemed to be

some confusion between P&DR and FA, and this could be a factor to why the majority of the respondents indicated they have been through a FA. Unless staff members were familiar with the policies, both appraisal processes seemed like they have similar mechanics, but the main difference - one was to be carried out by the employee themselves (FA) and the other to be carried out by their manager (P&DR). However, it was difficult to determine accurately how many of the respondents felt the time-period indicated was considered appropriate due to the poor response rate, but it could be speculated that a 12-month period seemed to be acceptable and this practice was common in NZ according to a study conducted by Taylor and O'Driscoll (1993).

Respondents indicated that their manager had initiated the process (either P&DR or FA), and this seemed in line with AUT procedures on appraisals which stated that performance appraisal was one of a manager's key responsibilities. Furthermore when the manager initiated the process, employees were more likely to feel that their managers were committed to the process, which could in turn make the process be viewed more positively and also be seen that the managers were enabling their employees to progress in their career. However, the limited application of the process could erode this view. If an employee was promoted to a different department where the process was carried out (and previously their experiences of the process had been negative), their views of the process might be of initial suspicion and fear. In this instance, the manager must ensure the process be fair and objective.

The Analoui and Fell study found that all of its respondents (from the departments that conducted the appraisal scheme) were also consulted on date and time for appraisal, and that their respondents on average were given two weeks notice. At AUT, it would seem that respondents were typically given at least three to four weeks notice, two weeks more notice than the Analoui and Fell study. Respondents from the AUT study indicated that they felt adequately prepared for their P&DR. This was helped by the fact that they were given adequate time to prepare for the appraisal, and more importantly that they had some degree of involvement in how they were going to be measured and who will be involved in appraising them. Their involvement meant that they could claim some ownership of the process and were more likely to view the process as a career development opportunity (Bland, 2005). Furthermore, by being involved in how they were going to be evaluated staff members were more likely to view the process as fair, resulting in a positive job satisfaction and also on the process

itself (Pettijohn, Pettijohn, & Taylor, 2000). “The success or failure of any appraisal process depends on the philosophy of the institution in which evaluation is performed, and the attitude of the person being evaluated to the whole experience” (Harrison & Goulding, 1997, p. 278).

3. Awareness of the University policies and procedures

In the departments where appraisal was carried out, Analoui and Fell found that all of the respondents indicated they are aware of the policies and procedures, but when probed in some instances, their responses revealed that their knowledge was very limited. However, in the departments that did not carry out the appraisal, the majority of the respondents were not aware of the processes. They concluded that the policies and procedures were not well disseminated at the University of Bradford, even though information on the procedures was available during the appraisal training.

It would appear that AUT policies and procedures on appraisal were well disseminated as 70% out of the 105 respondents indicated that they were aware of the policies and procedures for both P&DR and FA. However, from interviews it was difficult to determine the extent of their awareness of the policies and procedures. It was interesting to note that the awareness to both P&DR and FA policies and procedures was slightly higher once the respondents have been at the university over two years. As stated earlier, a possible explanation would be due to where staff members were placed on the Allied Staff salary scale; it was likely that in most cases these staff had reached the top of their salary scale and they would then have to apply for promotion or an accelerated salary increment (this forms part of the Performance and Development Review process). Another possible reason was that as they become more familiar with AUT processes and procedures, they would eventually come across the appraisal policies through their own initiative or networking regardless if they were going for promotion or not. (All the relevant policies and procedures were available on the AUT Intranet accessible by all staff. Staff members also had access to workshop on how to apply for promotion that covers conducting an appraisal.) However, as stated in the findings, it was difficult to ascertain the depth of respondents knowledge of the policies and procedures, because when probed during the interviews, only a small handful were able to describe simply what the two appraisals were. Furthermore, there was no specific question to investigate whether employees felt the appraisal process was in line with AUT stated objectives; this alignment could assist in employees’ development and

career planning and even increase their motivation, commitment and job satisfaction (Fletcher, 1993; Wiese & Buckley, 1998; Wilson & Western, 2001; Wright, 2002). But it would be fair to say that it would seem staff members exposure to the policies and procedures were either by necessity or chance rather than on the university being pro-active in ensuring all were inducted to the appropriate documentation and process.

4. Documentation for the appraisal process

When undertaking a P&DR or FA, the basis of the process was to use a current position description (PD); it would seem from findings that this was the case in practice and that respondents were reasonably happy to use their PD to measure their performance. By using the PD, appraisees knew what they were being measured against, and thereby giving them a sense that the process was focused, especially when they were involved in the prior-appraisal process. There was indication that the PD formed part of the documentation in the Analoui and Fell study.

The Analoui and Fell study found that almost three quarters of their respondents (73%) were consulted on the documentation to be used. At AUT, two thirds of the 36 respondents indicated that they were consulted on the evidence to be used for their P&DR. The evidence included feedback from managers, colleagues and in some cases students and external clients. The policies and procedures related to the appraisal process directed all staff members to the template to be used when undergoing the process. However, comments made at the interviews and also in the questionnaire, indicated that respondents felt that there was not a lot of guidance (from managers or HR) with regard to the whole process, specifically relating to the gathering of evidence. Employees would rely on their managers to guide them but if they did not have the skills the exercise would be fruitless and frustrating for both parties. In this instance one would expect that the manager would seek assistance from the HR department and also encourage their staff members to attend an appraisal workshop prior to undertaking the process. By doing so, the manager would be seen as showing commitment to the process.

5. Choice of appraiser

The Analoui and Fell study indicated that a third of their respondents did not have the option to choose their appraisers even though this was allowed in the procedures, and

that a majority would have preferred this option. The AUT findings also indicated that almost a third of the 38 respondents did not have the option even when employees were allowed to choose their appraisers. It was maybe that (1) the employees didn't know they had the choice or (2) that their managers wanted to ensure the right people were giving the feedback as the likelihood of choosing "friends" was considered too high. The danger with the managers choosing the appraisers without employees input could be that it was seen as a political action, where staff would perceive that the manager was exerting their managerial authority and more importantly that they could distort or manipulate the process (Longenecker et al., 1987). Furthermore, if employees were not involved in this process, they were less likely to own the process and thereby risking a negative effect for the employee. Allowing staff the option to choose their appraisers establishes trust, empowers them and more importantly remove negative feelings towards the process (Analoui & Fell, 2002). On the other hand if the staff members were allowed to choose their appraisers the biggest drawback would be that they might choose those they liked to ensure a positive outcome, as suggested by respondents in both the AUT and Analoui and Fell studies. To avoid this, the manager should manage this by ensuring (in consultation with the employee) that the appropriate appraisers were chosen, mainly those who have observed the tasks being undertaken.

6. Appraisal training

Analoui and Fell found that the majority (93% from the departments that conducted the appraisal scheme, and 63% from the departments that did not conduct the scheme) of their respondents were aware of training workshops, an equal number attended the workshop prior to an appraisal and that they felt that training was necessary. Even though the training workshop was advertised, a number of the respondents were not aware and they concluded that the workshop information was not well disseminated. There was an indication that training was not recommended to some respondents prior to their appraisal. Their study also reported that a respondent commented on the lack of knowledge of the trainer, as one respondent for the AUT study discovered and commented about this also.

At AUT, even though 64% of the 50 respondents were aware of training workshops only a small handful had attended a workshop prior to their appraisal. About a third indicated they were not aware of training workshops. Those who attended the training

session prior to their appraisal indicated this prepared them, and one of them felt a distinct disadvantage because she had not attended a workshop prior to the process.

The workshop mentioned run by the Centre of Educational and Professional Development (CEPD) was advertised regularly through their booklet and the AUT Weekly Global newsletter, indicating that this workshop was well disseminated. The workshop, called “Allied Staff Preparation for Grading and Promotion”, was two hours long and covered what staff members needed to do in terms of the performance appraisal component which included guidelines on the Promotions Portfolio of Evidence, and templates of questionnaires to be modified to seek feedback. The same principle taught here could also be applied for staff members undertaking their FA. The main difference between performance appraisal for promotion and FA is that for promotion, the feedback must go back to a third party and the staff member did not see the feedback until these were collated. For the FA the staff member themselves collated the feedback. There was also a workshop on “The win-win art of feedback”, and this was an opportunity to learn some steps in giving and receiving feedback (CEPD, 2005, p. 29).

It was likely in most cases that staff members were not fully aware that the Allied Staff Preparation for Grading and Promotion workshop covered performance appraisal as there was no indication on the advertisement. Staff members who have read the Allied Staff Grading and Promotion Policy would know that a big part of the grading and promotion process was the performance appraisal. Staff members were unlikely to be aware of this unless they were familiar with the policy, or if they had fellow colleagues who had been to one such workshop and advised them of the content. Furthermore, there was no requirement on staff members to attend this workshop and when time was a constraint, a workshop that was deemed as unnecessary and not compulsory would be foregone.

Documentation and guidelines on how to conduct P&DR and workshops were also available for managers (advertised on the AUT Intranet and CEPD booklet), and at anytime they could contact a HR advisor for further clarification on any policies and were able to request one-on-one coaching. The availability of workshops for both staff members and their managers indicated that there was some degree of commitment from

AUT to ensuring the appraisal process was a positive experience, however, the attendance was optional for both parties.

7. 360-degree feedback

Surprisingly, there were respondents from the Analoui and Fell study who felt that there was no benefit including feedback from peers, students and external parties. However, respondents felt peer assessment would give “a different perception of skills, work performance and specific areas that could be improved on”.

At AUT, that majority of the 52 respondents (72%) felt it was beneficial to include the opinions of others besides their manager as it was seen as being fairer and more accurate, expanding on the manager’s views, seen as an empowering tool, increases self-awareness and could have powerful development and learning potential (Fletcher & Bailey, 2003). Interestingly, in a study conducted by Taylor and O’Driscoll of NZ organisations, they found that most had the appraisee’s manager as the main contributor and peers and customers did not have a formal role. 360-degree feedback was designed for managers to focus on their development, however, its adoption has been spreading because of its perceived benefits, the main one being that those who worked closely with the employee has the opportunity to appraise them, and that the feedback would be “balanced” as the feedback was supposedly from a cross section of people who worked closely with the appraisee and had a good knowledge of their work.

However, two respondents from the AUT study who were interviewed remarked that if there was a conflict between the appraisers and appraisee, this was more likely to pose a problem, especially if they had to continue working closely and the feedback had been negative, or that this feedback was used against the appraisee, or if the employee felt that the appraisers were not qualified to render an opinion (Arnold & Pulich, 2003). Furthermore, the relationship between the employee and manager may also determine the outcome of the process whereby, a good relationship is more likely to result in a positive outcome (Simmons, 2003). One respondent interviewed saw it as a motivational tool, especially if someone higher in senior management was saying that they were performing well. So it was important for the appraisers to give constructive feedback on performance rather than be emotive, and be aware the negative effect of someone receiving negative feedback. Effort must be made by management to ensure that anyone who was planning to participate in appraising fellow colleagues should be

encouraged to go through training. The manager overseeing the appraisal process must also ensure that the appraisers have adequate sample of the employee's performance to make an informed assessment of the performance (Arnold & Pulich, 2003).

From the findings, colleagues taken as a group was the one that most of the respondents indicated that they wanted included as part of the 360-degree feedback. Feedback from clients including students were rated lower and this could mean either that the respondents did not deal with clients or that they felt that their contact with clients or students were so random that this group should not be included. Furthermore, the stake of the performance appraisal process was raised once employees were to include the diverse range of customers, creating nervousness even from employees who look forward to the process (Bland, 2005). She continued that this nervousness was compounded when the customers have been difficult, so managers need to be aware the feedback from customers could be fraught with bias and lack of objectivity.

Another issue that managers needed to be aware of in a multi-cultural organisation such as AUT the influence of culture and gender, as these factors might also have contributed to why over half of the respondents had not been through an appraisal process. The manager needs to be aware that a person's cultural background may influence their performance appraisal experience especially when 360-degree feedback was used (Fletcher, 2001; Vallance & Fellow, 1999). However for this study culture or gender was not part of the factors investigated.

8. Formulation of future plans

Analoui and Fell found it encouraging that a joint plan for future action with the aim of improving performance was agreed upon in the departments that did carry out appraisal, as part of the appraisal process was to serve this purpose. The departments that did not carry out appraisal perceived that the formulation of the plan could be of benefit to them. Their study revealed that the training and development aspects of actions were highly valued, but there was evidence that support could be patchy.

The second focus of the AUT P&DR was on (career) development and the survey revealed that 66% of 29 respondents indicated that feedback from the FA process was used to prepare for their IDP. This was encouraging, explained earlier, as the IDP provided a framework of focus and direction for individual development and a part of

the system to assist in setting and achieving personal goals which contributed to the overall success of AUT. It was important that whatever development activities were agreed upon that these be followed through, or else the process would be seen as a waste of time and the employees would become disillusioned with the whole system and justifiably so (Harrison & Goulding, 1997; Wright, 2001). Sadly, like the Analoui and Fell study, there was evidence that activities agreed upon were not carried through at AUT. This implied apathy on the part of the manager towards the IDP (Wilson & Western, 2001) which ultimately could impact on employees motivation, performance and career development. A comment such as “I felt like we were going through the paces for appearances sake. I did not feel that I was going in any particular direction.” suggested that the lack of coherent planning for employee career development and that it as another task completed (Bozionelos, 2001; Wilson & Western, 2001).

9. Impact of appraisal on motivation, performance and career development **Motivation**

Analoui and Fell found that the majority of their respondents (80%) from the departments that undertook the appraisal scheme believed that to some degree their appraisal enhanced their motivation. Those that had not had an appraisal anticipated that the process would increase their motivation.

Even though findings from AUT indicated more respondents than not agreed that the P&DR process enhanced their motivation, the percentage of those in agreement was not high at just under half (46%) out of 41 respondents. It was likely that respondents felt that they were motivated at work already, and that the appraisal process did not necessary increase their motivation and many were self-motivated (Mani, 2002). Although money was important to employees and did motivate staff, self-motivation and intrinsic rewards would have a longer term effect on motivation. However, managers need to be aware that self-motivation would decline if employees pay did not increase, as an increase in pay is a symbol of recognition (for outstanding performance) (Mani, 2002).

On the other hand, if respondents felt that they were not being assessed fairly or that there was a low level of trust between them and their manager, and of the process generally, the appraisal definitely would not motivate staff any further (Dean et al., 1992). If the appraisal was to be used as a motivational tool then the process needs to

be explicitly shown to employees how it was linked to AUT goals and objectives (Wright, 2002), and also to the individual employee's goals (Nelson, 2000). This could also improve performance, whereby employees would put in more diligence and thought into their work, because they could see how their performances have assisted AUT in achieving its goals. Also it would be "an excellent foundation for ongoing communication and employee development" (Nelson, 2000). From the present study it was not possible to determine if respondents felt the appraisal process was linked to AUT goals and objectives as this issue was not investigated.

Performance

The majority of the respondents (86%) from the Analoui and Fell study anticipated a positive effect on their performance. From the AUT study, there were mixed reactions to whether P&DR and FA had an effect (either positive or negative) on job performance. If the performance appraisal was to be used to improve performance, it must focus on performance (by having frequent appraisals), it must have clear criteria to be used to measure performance and these must be agreed upon by both parties, and desired performance must be rewarded appropriately and in a timely fashion. AUT could then expect to receive higher levels of performance (Pettijohn et al., 1999).

During the interviews when volunteers were asked about the effect of the P&DR and FA on their job performance, and as reported in the findings, only two indicated it made them put more diligence and thoughts into their work. This was congruent with a study undertaken by Watson Wyatt Worldwide in 1997 (Davies & Landa, 1999) where it was concluded that only a third of their respondents felt the appraisal assisted them in improving their performance. This was due to the link between appraisal and pay which was generally negatively viewed as people perceived the process as stressful for very little reward, especially if the pay decisions were done well after the process or that the decisions and/or process was not done based on performance. However, practitioners need to be aware that performance could also be affected by decisions made by others, resource allocations and system-level factors beyond the employee's control. These factors could include inadequate equipment, lack of time and poor task preparation (Bacal, 1999; Carson, Cardy, & Dobbins, 1991).

Career development

Performance appraisals when used for developmental purposes assist organisations in retaining staff, and may even influence employees' attitudes. Managers should use the process to assist employees to progress through their careers by setting (career) goals. The Analoui and Fell study found that most respondents who had been through an appraisal felt it had assisted their career development. At AUT two thirds of the 30 respondents (63%) indicated that a FA was beneficial to their career development. During an interview a respondent was very positive with the outcome of her FA, as it pointed her towards a new career path involving discussing training needs and career goals. However, practitioners need to be aware of a possible dilemma, where employees might interpret the discussion of training needs as identifying weaknesses and (they perceive) that these could be used against them in such ways as not getting the promotion, or that they might be perceived as weak and persistently labelled as such (Wilson, 2002). Managers need to be aware of the possible interpretation of the discussion and that they need to ensure the process be positive and supportive. On a positive note developmental feedback would signal to employees their value to AUT or their future in it, resulting in a positive affect associated with the feedback (Boswell & Boudreau, 2000).

10. Post-appraisal expectations

The Analoui and Fell study found that 80% of their respondents who had been through an appraisal were positive on their feelings immediately after the process. Respondents from departments that had not been through the appraisal were eager to undertake the process. Almost all the respondents from the Analoui and Fell study felt that their appraisers were competent.

At AUT, it was encouraging to note that 71% of the 34 respondents felt they had the opportunity to put forward concerns they had about the P&DR. However, there were mixed feelings immediately after the process, as shown by comments from both the questionnaire and interviews. There were those who were happy with the outcome of their appraisal citing support and encouragement from their managers, but a number had a negative experience. For one it eroded their self-confidence whereby they needed counselling to regain their confidence. Others felt positive initially but were discouraged when the rewards (in the form of extra responsibilities) did not materialise. A few commented that they were relieved when the process was finally over (implying

that the experience was a negative one). There were comments indicating how the process had served political motives. The process was seen as long-winded and rigid for others.

Even though at least half of the respondents felt that constructive and quality feedback were given (for both P&DR and FA), managers need to be aware that feedback can provide direction and boost confidence (Redman et al., 2000). Negative feedback needs to be handled with care.

11. AUT Policies and Procedures

In the Analoui and Fell study, staff development was one of the main focuses of the appraisal, and to achieve this the University of Bradford was committed to “creating an equitable, developmental and motivating working environment which values and empowers staff at all levels”.

It would seem that AUT has two performance appraisal processes, one to serve its administrative decisions on pay and promotion the P&DR (between-individuals) and the other to serve a developmental purpose, to identify training and development for staff, the FA (within-individuals). Some of the respondents were confused between the two processes thinking they were both serving the same purpose – to assist in making administrative decisions. This is not surprising, especially since the P&DR had two focuses; to review past performance to assist in administrative decisions, and also to plan development activities. This gave the impression that the feedback was then used to write up their development plans, the IDP. Was P&DR then in effect FA? However, as explained earlier, a third party was required to collect feedback for the P&DR process, whilst for FA the employee was responsible for this. It was not surprising that the technicality of the process could have caused the confusion among staff. There were benefits in having two processes to serve administrative and developmental decisions, such as the P&DR and FA. The main one being that if the FA was conducted regularly, strengths and weaknesses would be identified, thereby improvements could be undertaken. When the time arrived to undertake a P&DR, it would be expected that this be a positive experience.

Besides serving administrative and developmental purposes, it would be correct to suggest that the P&DR was also undertaken to meet legal requirements and to document

or justify personnel decisions (documentation). AUT is an Equal Employment Opportunity organisation (EEO), and is bound by legislation surrounding this and of course other government legislation and regulations in relation to Human Resources especially the Human Rights Act 1993.

As suggested by Cleveland, et al., (1989), McGregor (1972), Dean, et al., (1992), the AUT performance appraisal process was used to serve multiple purposes. However, it would be fair to suggest that it was predominantly being used to make decisions on administrative matters regarding pay and promotion. The performance appraisal process was linked with pay, and this might motivate staff and increase their performance. However, managers need to be aware that money in itself might not necessarily motivate everyone and if AUT wants to achieve its goal of attracting and retaining staff, it needs to ensure its appraisal process also serve and actually attain its stated staff development objectives. From the findings, it would appear that serving a developmental purpose is secondary even though AUT policy on Staff Development emphasises its commitment to employees' development to assist it in achieving its goals, similar to a case study undertaken by Wilson and Western (2001). They found that even though performance appraisal was used to identify training and development, there was apathy towards the plans. This contradicted what Johnson (1995) suggested, stating that in NZ appraisal was predominantly used to assess training and development needs. However, he did add that it was also used to assess promotability (administrative purpose).

Even though the P&DR was not to be used to discuss unsatisfactory performance nor to discipline staff, comments from respondents suggested otherwise. This might be attributed to the managers' lack of skill in undertaking a P&DR and also possibly their lack of knowledge of the policies and guidelines. On the other hand, managers might be actually purposely doing so as they saw the process as an opportunity to control their staff (Edmonstone, 1996; Spinks et al., 1999).

Training on how to conduct a P&DR for managers was not compulsory, even though workshops were readily available. It would seem training was a evident AUT priority, and as Fink and Longenecker (1998) had found this is not an unusual phenomenon. To ensure a positive appraisal experience, the process needs to be carried out by skilled managers, and a positive experience was more likely to result in a motivated staff

performing highly and have job satisfaction. Highly motivated and committed employees are those that AUT should want to retain to ensure it remain competitive in the current environment. If AUT wants to continue to retain its high performing staff, it would be prudent for it to conduct rigorous skills-based training (in conducting performance appraisal) for its managers (Fink & Longenecker, 1998).

Furthermore, as stated previously, conducting a P&DR was one of a manager's key responsibilities and to assist their subordinates to progress in their careers. This stressed further the importance of training for managers in conducting a P&DR. As the judge, they make their decisions based on their own judgement, and it would be hoped that their decisions were fair and accurate serving both the needs of the individual employees and AUT. However, there was some indication that some managers were not very committed to the process. If the process were to be used to motivate, retain and develop staff, managers would need to be more committed to the process.

It was positive to find that where FA was conducted that the feedback gathered had been used to draw up an IDP and that most of the respondents were happy with the activities agreed. This showed that for those who undertook FA, it was being used as intended. However, there needs to be better communication of the use of FA to ensure this process was conducted annually to ultimately achieve AUT Staff Development policy, to affirm good practices and identify weaknesses.

Conclusions

Even though performance appraisal is imperfect contemporary research and thought shows that it can still serve a number of valuable organisational purposes (Baker, 1988; Thomas & Bretz, 1994; Tziner & Latham, 1989; Wiese & Buckley, 1998). It is more prevalent in the private sector, but its usage in the public sector is also increasing (Bowles & Coates, 1993; Harrison & Goulding, 1997; Redman et al., 2000). Private and public organisations including AUT (a public tertiary institution) will continue to have a performance appraisal system because there is no other process available to measure and reward employees honestly and fairly (Simmons, 2002; Wilson & Western, 2001). Furthermore, it has the potential capacity to improve individual performance and drive organisation productivity (Baker, 1988). For the employees who have a strong desire to find out how well they are doing, this is the only means they can seek that feedback (Lee & Shin, 1999; Tziner & Latham, 1989). Managers in carrying

out the process need to feel they are equipped to undertake the process, and they also need to be aware that their relationship with their subordinate may have an impact on the outcome of the process, whereby a good relationship is more likely to create a good appraisal experience (Simmons, 2003). They also need to be aware that politics in performance appraisal can never be eliminated and that they need to know how to manage it effectively (Longenecker et al., 1987). For the organisation, the performance appraisal process needs to be aligned to its stated objectives so it would not be seen as pointless and a chore (Rudman, 2003).

As mentioned earlier, there has been little research focusing on employee effects relating to performance appraisal (Tziner & Latham, 1989), and this is especially true of administrative staff members in a tertiary institutions and their perceptions of the process (Analoui & Fell, 2002). As a consequence the purpose of this study was to find out what AUT administrative employees think of its performance appraisal process, and also to investigate if the actual practice matches the stated purposes of the process. Like the Analoui and Fell study, the AUT study also offers some insight into the issues surrounding appraisal as experienced by administrative staff.

The conclusions in this section address the statements set out in the aims of this study namely:

- How allied staff members viewed the process.
- How prepared they were for the process.
- Did it impact on their motivation.
- Did it help or hinder career development.
- Lastly, the purpose of AUT performance appraisal.

Recommendations (as stated in the objective) will then be prepared with the intention of assisting in making AUT performance appraisals more meaningful and relevant to allied staff members and in fostering a better awareness of the benefits of undertaking the process. Lastly, recommendations for further research will be put forward.

How allied staff members viewed the process

Worryingly, the number of people who have been through either a P&DR or FA was not high, and experiences of those who had been through a P&DR and FA were mixed.

Some had found the process positive citing that they felt they were supported by their managers, acknowledgement by management of their good work, had seen improved business relationships and communications, identified a new career path/ opportunities and enhanced their motivation to work. There were others who had a negative experience and outcome: one lost confidence and had to be counselled, others experiencing the lack of commitment from management to follow through agreed developmental activities or agreed increased responsibilities, evidence of politics whereby the process was used against them, and for some it was long and tedious process for a small amount of (monetary) reward. It seemed that the main reason why the process was not undertaken was that it was seen as long winded involving a lot of paperwork was thereby time consuming; the Analoui and Fell study also found time constraints the main factor to why the appraisal scheme was not conducted. This was one of the contributing factors to why some staff members avoided having to undertake a P&DR for promotion. Furthermore, there also seemed to be a loophole where staff members were able to gain a promotion, by changing jobs within AUT (even though they were still supposed to have undertaken a P&DR). They were quite aware that there were no consequences when the P&DR procedures were not strictly adhered to especially when managers themselves cut short the process. This indicated managers lack of commitment to the process (Redman et al., 2000; Wilson & Western, 2001) and like the Analoui and Fell study, resulting in limited application of the process.

Unlike the Analoui and Fell study, 72% out of the 54 respondents at AUT felt that 360-degree was beneficial. However, some felt that the quality of their relationship with their manager might affect the outcome of their appraisal, whereby if the relationship was positive, they were more likely to have a positive outcome (Simmons, 2003). Some appraisees were aware that the appraisal process was used to control them and for managers to exert their power and that it definitely had a political connotation. Politics in the appraisal process is unavoidable, and what needs to happen is for managers to manage or minimise the detrimental effects of politics in employee appraisal (Longenecker et al., 1987). This would mean training for managers in regards to managing the process.

The majority of the 105 respondents, 70%, (more so of those who had been at AUT over two years) indicated they were aware of the P&DR and FA policies and procedures indicating these documents were well disseminated. However, the extent of their in-

depth knowledge of the policies and procedures was difficult to determine as this was not included in the questionnaire. However, from interviews conducted it was found that the knowledge was quite superficial, indicating that even though respondents were aware the policies and procedures existed their understanding of its mechanics was questionable. This might explain why there were some confusion between the two processes, P&DR and FA. There was evidence that managers were also confused. It might be that P&DR encompassed FA, but this was not clear in the documentation of P&DR. Because of this confusion, more staff may have gone through the P&DR than what was indicated in the findings. Furthermore, this study did not investigate how respondents came to know of the policies and procedures. This would be an important investigation as AUT could then determine if the ways it was communicating the policies and procedures were working.

Overall, there was no strong evidence that the respondents wanted the process discontinued (even though there were criticisms of the various aspects of the process). This was also the conclusion made by studies undertaken by Johnson (1995), Wilson (2002), Wilson & Nutley (2003). It could be said that AUT performance appraisal was operating as intended to a certain degree, and that the negative feelings towards the process stemmed mainly from managers' apathy towards it. This manager apathy could be caused by two main issues, the lengthiness of the process and/or simply that some managers did not have the skills to undertake the process effectively.

How prepared staff were for an appraisal

Like the Analoui and Fell study, those respondents at AUT who had been through a form of appraisal indicated that they felt (two thirds of the 38 who responded) were adequately prepared for it. In most cases the process was initiated by their manager. This indicates that the managers were fulfilling one of their key responsibilities albeit they may not have been strictly adhering to the guidelines of the process. Evidence indicated that respondents were happy with the use of their PD as a basis of measuring their performance, which must be current. More importantly though respondents indicated that they were involved in the pre-appraisal process by being involved in how they were going to be measured (by using their current PD), and also that they were given the choice to choose their appraisers. The involvement of the pre-appraisal process meant that staff can claim ownership of the procedure (Bland, 2005), this will be viewed as fair (Pettijohn et al., 2000) and reflects AUT's philosophy underpinning

performance appraisal (Harrison & Goulding, 1997). (In a study undertaken by Taylor and O'Driscoll (1993) they found that the NZ organisations were more likely to involve appraisees in the appraisal process and AUT is one such organisation). AUT will be viewed as an employer who is committed to employees' development and to reward them fairly. This is an important message for current and prospective employees in order to assist AUT in achieving its goal of being an "employer of choice" (Hall, 2003, p. 27).

Workshops on the Allied Staff Grading and Promotion Policy (encompassing how to conduct a performance appraisal) were available for all staff prior to undertaking their appraisal, and even though respondents were aware of the workshop only a small handful had attended. Attendance to the workshop was voluntary and few attended, therefore an overwhelmingly number of respondents had been through a form of appraisal without training. Some respondents indicated that there was not a lot of guidance relating to the process in gathering evidence. This study did not determine if these were the same respondents who were not aware of the workshop. However, the workshop was advertised regularly, even though it did not indicate (in its advertisement) that it covered the appraisal process. Staff would need to be familiar with the Allied Staff Grading and Promotion Policy and that it stipulated the requirement of a current appraisal, and then they would know that the workshop would encompass guidance on how to gather evidence. It could be speculated that respondents did not have in-depth knowledge of the policies and procedures even though that they might be aware of them.

Did it impact on their motivation

It would seem that the process did motivate some respondents; however, not a large number indicated that it did. Research has shown that performance appraisal did not necessarily motivate employees and that the benefits of the process as a motivational tool are still uncertain. Even though the Redman et al., (2000) study claimed that its respondents felt that the process contributed to their motivation, Mani (2002) found that her respondents were motivated by other factors besides the process. Simmons (2002) also found from his study that his respondents were not motivated by the process. The Analoui and Fell study concluded that a large number of their respondents believed that the performance appraisal process contributed to their motivation, but the current study at AUT did not show that a large number were motivated by the process. However, this

study only asked respondents one question regarding if they felt the P&DR enhance their motivation to work. Further investigation would be required to determine how and why the P&DR motivated them. For those who indicated the process provided no motivation, further research would be needed to investigate why this was so. By posing these questions AUT performance appraisal could then be more meaningful and useful in achieving its goal of being the “employer of choice” (Hall, 2003, p. 27). It was assumed that AUT performance appraisal was used as a tool to motivate staff thereby increasing their productivity to enable it to achieve its goals. If this was so, AUT documentation (policies and procedures) on performance appraisal did not indicate how the process was aligned with its stated objectives. This would explain the managers apathy towards the process and why they saw it as a chore (Rudman, 2003). Furthermore, there was no evidence that AUT was committed to train its managers to conduct effective appraisals. Even though training workshops for managers were available, they were not motivated to attend any of these. It was likely that managers were directed to the corresponding instructions on the AUT Intranet and left to carry out the process by a specific date (Fink & Longenecker, 1998). If managers were trained they were more likely to use the appraisal process to achieve the intended goals and make the experience more positive for all concerned. However, further research would be needed to determine to what extent managers utilise the workshops and whether AUT has provided any incentive to motivate them to attend.

Did it help or hinder their career development.

There was evidence that FA was perceived as beneficial to respondents’ career development and that the process was used to prepare respondents’ IDP to identify development activities for individual (including career) development, indicating that the FA was used for developmental purposes as intended. For some the process had helped them achieved their career development goals, however, for others the development activities (even though already agreed by their managers) were never pursued due to lack of support. One of AUT appraisal focus is development of staff, and it would seem that commitment to career development depended on the willingness of manager; this result was also found in a study (cited earlier) undertaken by Bozionelos (2001). Again, this comes back to manager training, whereby a trained manager is more likely to use the process as intended, to ensure it is fair and honest. Like the issue of whether the process enhanced motivation, further investigation is warranted to find out to what

extent performance appraisal assists career development to ensure that AUT achieves its goals.

The purpose of AUT performance appraisal

AUT performance appraisal has multiple uses (Cleveland et al., 1989; Dean et al., 1992; McGregor, 1972) however, its two main stated purposes are for making administrative (for salary increment, promotion or one-off payment) and developmental (for training and career development) decisions. (This was what Taylor and O'Driscoll (1993) found of their study of NZ organisations, that many used the appraisal information for one purpose and also used it for the other.) A third purpose it would seem was to meet legal requirements and to document and justify personnel decisions. AUT policy on Staff Development strongly emphasised its commitment to develop individual staff which in turn would attract and retain staff to ultimately achieve one of its goal of being an "employer of choice" (Hall, 2003, p. 27). This same policy strongly recommended staff to undertake a yearly FA (a performance appraisal). However, just under half of the respondents (47%) indicated that FA was conducted yearly (Table 9). Findings from this research suggest AUT performance appraisal practice was mainly used for administrative decisions (pay increases, one-off payment or promotion), and that serving developmental purpose was secondary. Also when the process was used for developmental purposes its application was patchy and there was evidence that managers did not strictly adhere to the procedures, signifying the lack of commitment from managers (Redman et al., 2000; Wilson & Western, 2001). This apathy continued mainly because there were no consequences on either party when the process was not carried out. Of some concern, the process was also seen in some cases to serve political purposes in order to control employees and for use against staff members. The likely result of this is fear of the process, which may explain why the number of respondents who had not been through a form of appraisal was high. Managers' lack of apathy to, and "misuse" of, the process could be largely due to their lack of training on how to conduct the process. As indicated earlier, training for managers was available, but attendance was voluntary.

Chapter Six

Recommendations and Further Research

Recommendations

It would appear that to a certain degree the AUT performance appraisal system is operating as intended. While there were criticisms of the various aspects of the process, there was no evidence that respondents want the process discontinued. Currently, there is no obvious alternative to review employees' performance. Although many respondents viewed performance appraisals process negatively, there are definite benefits. Benefits for employees include the opportunity for acknowledgement of good work, the support of career development and encouraging motivation. Managers should view the process as a tool to manage, also as an aid to motivation, direct and develop employees and therefore maximise the organisation's most important resource, that is the employees (Wiese & Buckley, 1998). Furthermore, it should be viewed as a critical managerial responsibility and considerable energies should be devoted to the process to ensure that they are conducted in a professional manner so that the process is perceived as fair (Pettijohn, Pettijohn, Taylor, & Keillor, 2001). It is only when the process is perceived as fair and providing accurate assessment of the employee's performance that it is effective (Murphy & Cleveland, 1991). Achieving this effectiveness may be possible by getting employees involved in the design of the process, by organisations devoting additional resources to training and by generally creating an organisational culture supportive of performance appraisal (Cook & Crossman, 2004; Longenecker et al., 1987; Thomas & Bretz, 1994; Wilson & Western, 2001).

The Analoui and Fell study offered the following recommendations to the University of Bradford; these are compared with AUT practice.

- To investigate a more effective way to communicate policy at the level of the individual, department and organisation as a whole. AUT has effectively communicated all the relevant policies and procedures in regards to performance appraisal. All these are available on the AUT Intranet, and workshops that encompass the process are also available and regularly advertised.
- That guidelines whereby employees have to be trained prior to an appraisal be strictly adhered to, and that attendance on appraisee training be recorded on subsequent appraisal forms. Training at AUT is available but attendance is voluntary.

- That training for appraisers (including line managers) was crucial to address the disparities between departments in implementing appraisal, and also to improve the skills of existing appraisers. The training mentioned previously is for employees, appraisers and managers.
- Finally, that the University of Bradford consider introducing the 360-degree appraisal to give a more complete picture and to promote a truly two-way process. AUT is already practicing the 360-degree appraisal. This appraisal instrument applies to all levels of staff at AUT.

As stated in Chapter One, the objective of this study is to prepare a set of recommendations for AUT Human Resource department, with the intention of

- assisting in making AUT performance appraisals more meaningful and relevant to administrative staff, and
- fostering a better awareness of the benefits of undertaking the process.

To achieve this objective, the following recommendations will be prepared for AUT Human Resource department, that:

1. It should evaluate the current performance appraisal process, and
2. Training for both appraisers and appraisees prior to an appraisal is undertaken.

Of the four recommendations made by the Analoui and Fell study, only the ones regarding training were also recommended for AUT. This is because AUT is seen as already effectively communicating its policies and procedures on performance appraisal, and that it is already practising the 360-degree appraisal. The details of the recommendations to AUT Human Resource department are as follows:

1. Evaluate the current performance appraisal process

This current study has given an insight to how administrative staff viewed the AUT performance appraisal process. Generally, the process was seen as lengthy involving huge amount of paperwork. It maybe timely for AUT to evaluate its whole performance appraisal process and relaunched it if necessary (Edmonstone, 1996; Wilson & Western, 2001). The evaluation and relaunching of the process is to discourage indifference and apathy as this communicates to employees the value of performance appraisal and development (Wilson & Western, 2001). The evaluation should consist of the relevancy of 360-degree feedback for all levels of work, and the process for re-earnable salary supplement.

Even though 360-degree feedback is gaining popularity because of its perceived benefits (Fletcher & Bailey, 2003; Toegel & Conger, 2003), it tends to be for those in management positions (Rudman, 2003), and the focus is development. 360-degree feedback is feedback gathered from immediate managers, supervisors, peers, subordinates, and customers. It may be that the gathering of feedback from such a big group of people may be seen as the lengthy part of the process. For respondents to perceive that the process is fair, they need to feel confident that the people evaluating them are qualified to give an opinion, which means that these people should have been able to observe their performance. It is unfeasible to expect everyone to have observed the performance. Furthermore, this process is expensive and if the annual appraisal happens at the same time each year for every staff member, appraisers will be saturated by forms. To overcome these issues, it is recommended that 180-degree feedback be adopted for non-management positions. This means that the appraisers will consist of the immediate manager or supervisors and peers (Macky & Johnson, 2000).

As the focus of 180-degree feedback (like 360-degree) is development, and AUT Staff Development Policy signifies its commitment to the development of staff, AUT should encourage a culture of career progression whereby staff members take the initiative to “climb the corporate ladder”, rather than wait for their line managers to make the first step. The current IDP will be the ideal tool to do this. Therefore, forums within each of the faculties should be conducted to communicate to staff the purpose of the 180-degree feedback, the purpose of the IDP and how it will assist them in their career progression. Line managers will have the responsibility for ensuring their staff attend the forum. AUT needs to focus on developmental activities (as outlined in its Staff Development Policy) and to put this into practice to increase staff satisfaction of the process (Boswell & Boudreau, 2000).

If re-design and modification of the process are necessary, all staff members (including managers) should be consulted (Macky & Johnson, 2000). Their participation creates involvement and a sense of commitment to the process (Thomas & Bretz, 1994). It is believed that if they play a part they are less likely to resist its implementation (Macky & Johnson, 2000). Managers may be more motivated to improve their compliance with the performance appraisal process (Grensing-Pophal, 2001), and employee involvement cannot be overestimated (Harrison & Goulding, 1997; Roberts, 2003).

In re-designing the performance appraisal process, AUT could make it more meaningful by:

- Not treating the performance appraisal process as a special event (Rudman, 2003). Therefore, AUT should create an environment that view performance appraisal as a resource for managers to develop employees, and top managers must create a climate in which accurate and timely performance appraisal is expected of all manager, the process taken seriously, and managers are rewarded for carrying out effective appraisals (Macky & Johnson, 2000; Thomas & Bretz, 1994) including the undertaking of the performance appraisal interview. However, the process should identify minimum standards to be achieved or adhered to, and then it is acceptable for diversity of approach at the different work areas at AUT (Edmonstone, 1996). The role of HR then is to ensure the minimum standards are strictly adhered to, performance appraisal interview is undertaken, monitor the system for abuses and or unacceptable variance from the standards, and mediating grievances (Macky & Johnson, 2000).
- Ensuring that the process is aligned to its strategies. All staff members including managers need to be aware of this. Individual employees should be encouraged to set goals to support their department, faculty and ultimately connected to what AUT wants to achieve (Wells, 2005). It is believed that goal setting would favourably influence work satisfaction and organisational commitment. Employees will have a broader picture of their work area and AUT objectives and thereby they are able to see how the goals set for them relate and contribute to their work area and AUT (Tziner & Latham, 1989).
- Make the performance appraisal the responsibility of the ratee (employee), a fundamental philosophical shift that takes the burden to “be nice” from managers and frees them to honestly “call it as they see it”, which means that employees must be trained to use the feedback from the appraisal process to manage their careers (Thomas & Bretz, 1994).
- The performance appraisal process must be one that everyone understands and uses, is one that facilitates open-discussion between the employee and their manager, helps the employee to improve their performance as well as meeting their personal goals, sheds light on organisational difficulties and problems and helps to fix them, and builds on understanding between the employee and their manager (Cole, 2001). It should incorporate a performance appraisal interview (Cole, 2001). The

performance appraisal interview is pivotal to the success of the process as it is a chance to share successes and concerns, review performance and to plan for further development (Cardno & Piggot-Irvine, 1997). Furthermore, an openness to discuss the appraisal results by allocating adequate time for a conversation, and an opportunity to discuss the results not only with the immediate manager but also with upper managers may result in the process as perceived as fair (Pettijohn, Pettijohn et al., 2001). Openness and trust between managers and employees and cultivating understanding will lower political activity (Longenecker et al., 1987).

2. Training prior to an appraisal for appraisees and appraisers

Training for staff members prior to undertaking a performance appraisal is available as this is incorporated in the Allied Staff Grading and Promotion workshop. Training for managers as appraisers is also available. However, currently the training for all parties is voluntary.

2.1. Training for all employees as appraisees

Training appraisees is a vital component to ensure that expectations are realistic and that feedback is accepted and acted on (Cook & Crossman, 2004). They continued that even employees who may in the future be asked to be an appraiser should be encouraged to attend training so they can provide effective feedback. This study recommends that all employees who are planning to undertake a performance appraisal should go for training prior the process, and that their attendance to a training workshop should be recorded on their appraisal forms. Training will prepare staff for a performance appraisal, and is more likely to give them the confidence of the procedures and being involved in the pre-appraisal process. Ultimately, compulsory training for all employees as appraisees would ensure that the AUT performance appraisal would be effective and that the purposes set out in its policies are more likely to be met.

Training for appraisees should include the policies that incorporate performance appraisal, the purposes of AUT performance appraisals, on how to set objectives, how to keep accurate records, how to communicate all aspects of performance (Boice & Kleiner, 1997). It should also train staff on how to provide input to another person's annual review (Cook & Crossman, 2004). Appraisees should also be trained on how to accept negative feedback (McCarthy & Garavan, 2001), and on the mechanics of 180-degree feedback in order to minimise biases and ensure accurate and relevant feedback

to ensure a more balanced and realistic set of feedback (Toegel & Conger, 2003).

Training should be an on-going process to increase the effectiveness of the performance appraisal process and ultimately lead to greater organisational effectiveness (Cook & Crossman, 2004).

2.2. Training for managers as appraisers

Employees are more likely to perceive that the performance appraisal process is fair when they are confident that their managers have the necessary skills to undertake the process. Training for managers as appraisers should be one of AUT priorities.

Therefore, it is important that managers (especially new managers) are required to have training prior to conducting a performance appraisal process for staff. Seasoned managers should be encouraged to undertake a refresher workshop every three years.

Training will mean that managers will undertake the process within the specified AUT policies and guidelines. When staff members observe that they are following the guidelines, they would perceive that the managers are committed to the process and thereby would be more likely to view the process as satisfactory. When employees know that their managers have undertaken the training they are more likely to view the process as fair, as they would perceive that they have the necessary skills to conduct a fair process. Furthermore, when training is one of AUT priorities, staff members will perceive that it is committed to ensuring the process was a positive experience. For managers this may make it clearer that performance appraisal is an integral part of their management role (Rudman, 2003).

The training programme should have two aspects – the mechanics of the process and the development of interpersonal skills (Edmonstone, 1996). The mechanics part of the training should include how to do effective appraisals and why appraisals are needed to be done, as understanding the rationale for appraisals is important in building the perceptions that the process is an effective managerial tool and not merely a bureaucratic procedure (Longenecker et al., 1987).

To develop the necessary interpersonal skills, the training should be skills-based so managers will develop communication, listening, conflict resolution, coaching, counselling and problem solving skills (Edmonstone, 1996; Fink & Longenecker, 1998; Macky & Johnson, 2000). These skills are essential to ensure the performance appraisal

interview is a pleasant experience for them and their employees (Arnold & Pulich, 2003). The performance appraisal interview (to discuss the appraisal report) is the final stage of the process and this is necessary to achieve the overall effectiveness of the performance appraisal process. Open discussion of the political aspects of the process and their legal ramification should be included in the training programme in order for the (astute) manager to effectively manage the role politics play in employee appraisal (Longenecker et al., 1987). It is also recommended that the training programme for both appraisers and appraisees be continually evaluated for its effectiveness and improved it on a continuous basis (Ford, 2004).

Thoughts by respondents

Ways on improving P&DR:

- *All staff should be made aware of the correct procedure and appraisals should take time each year as a necessity and not when manager finds the time. Managers should know how to manage their time and should ensure staff are not disadvantaged.*
- *Do it regularly.*
- *Too much work required. Should not require so much feedback from different sources.*
- *Clarity of the process and more openness about it. Even now I am not clear of the border between the 2 processes.*
- *Needs to be easier, some people only work with 2 or 3 other staff, so gathering evidence is difficult.*
- *Having given up a grade, I am relying on time for raises, and concede a job change is more rewarding than going through P&DR again.*
- *Positive suggestions for negative feedback thus the process being more transparent.*
- *The line manager should do these appraisals and recommendation to the grading committee. Faculty Managers don't know what your daily work load is like and the other jobs that are put on you by the line manager. Time frame could be longer. Too many people to appraise you and half of them you only see or deal with once or twice a year but you are required to have 10x appraisers.*
- *It seems like such a "labour of love". My appraisal was short-circuited. Only my manager had to appraise me. But now surveys go out all over the place asking to appraise staff and most of the time I don't work with them, but am still asked to*

comment on their work performance etc. But it took so long before HR actioned the pay rise and they wouldn't back date!

- *Applied equitably to all staff. I am permanent allied but do not seem to be considered by my manager as a prospect for career development so seem to be being ignored in these processes.*
- *Both managers and staff are aware and understand the process. Timeline for the review every year. Managers then need to report this to their manager. Assistant from HR or CEPD during the review for both manager and staff.*
- *An offer to apply for promotion/increment should be offered by manager if he/she thinks staff deserves them. Not all staff are brave enough to initiate request for promotion themselves.*
- *Current process good - more managers need to be practising it.*
- *Clearer guidelines. More regular checks to ensure goals identified are being followed up. Performance appraisal tied to pay rises.*
- *Once you have done 1 salary supplement, I think it is easy to do more, but it would be great if it was recognised that you have done it 3 times now and always got top results, so part of it could be sped up by checking with just some key people.*
- *A little more flexible. And involve input from greater variety of staff. Less formal.*
- *Have people doing these trained properly. Make it compulsory.*
- *Discuss at greater length rather than just use as a means to an end.*
- *Forward planning by manager to ensure opportunities occur to ensure P&DR. This has always been initiated by myself.*
- *Actually taking on some of our suggested "best practice strategies", instead of making things look pretty on paper only.*
- *Needs to be tied to completion of IDP, ie P&DR then feeds into IDP. We do IDP first which is a nonsense.*
- *Give direct (line) managers more to do with the process - they should receive the summary completed, then discuss it with the person being appraised then sent on to the Faculty Manager who discusses it with the person being appraised before the recommendation goes to the committee. If the committee response is positive/negative it should be discussed with the recipient, not by email!*
- *Reduce the amount of workload/time involved. Don't make it "too hard to bother".*
- *Should be done "in house". The head of school should decide if you get a pay rise or not.*

- *More systematic reviews of targets rather than writing for the next 12 months then suddenly remembering what you were supposed to do!*

Ways of improving a FA:

- *Needs to be done in a professional manner and give me enough notice.*
- *In a previous job I found the process of self evaluation quite difficult as we were expected to tell our boss (appraiser) about our perceived weaknesses.*
- *More regularly.*
- *Mine was rushed beyond my control. More encouragement and rewards for participation.*
- *Peer appraisal could be used more. Often times it is your peers who see how hard you're working and the results achieved.*
- *I used a questionnaire for peer review for promotion and had no help in putting the questionnaire together. CEPD just talked me through the policy and procedure. Id already read that myself.*
- *Discussing your proposal with the direct (line) manager before it is written up.*
- *Just a way of telling you what you "don't" do and throwing in the odd nice comment to make you feel better.*

Comments on issues not already covered – P&DR:

- *Perhaps look at frequency, ie take me, I've been here almost 13 years, and have only had 2 of these type of thing and in all that time I know relatively little about it.*
- *Work Value Point (WVP) should be reviewed regularly (twice a year) as a job description changes all the time.*
- *Manager power and perception out of steps with other staff.*
- *Outcome of appraisal - there should be a formal procedure to advise employee in writing of the find outcome of the appraisal. A verbal advise is not adequate.*
- *Appraisal seems to be used only for more \$ (promotion) and not used as a review of work performance in general. Staff are only motivated for a short time, ie leading up to and during the process and a bit after the \$ have kicked in. But this doesn't continue. The whole AUT appraisal process is long and slow and takes months to eventuate. The system is not responsive quickly enough to employee excellence. There must be other methods/ways of being rewarded. Also if you miss the boat, you have to wait for months before you get another shot!*
- *Why some staff can be "missed out" and others favoured.*

- *Comfort with venue, how conducted.*
- *I don't agree with the process allied staff have to go through to receive a promotion. If our manager can see that we are doing an excellent job, she should have the right to recommend that we go up a grade or receive a re-earnable salary supplement.*
- *The process appears to be standard, therefore is "fair" across the university. However, if you are not "assertive" an appraisal is not guaranteed.*
- *I think that it depends very much on how prepared and knowledgeable the person conducting the appraisal is.*

Comments on issues not already covered – FA:

- *In teaching its easy to evaluate performance because a senior teacher can observe lessons, but in an allied staff appraisal its all based on opinions.*
- *The only comment I have for both of these is there is not process to ensure that managers are following these up with their staff - some staff have never had either.*
- *I think this is going to be great if introduced for all staff as there are those people that do not go for P&DR so they are never put through any type of appraisal system and they miss out on positive feelings that this can lead to.*
- *Just a comment on my IDP. It depends largely on the negotiation and relationship I have with my line supervisor. This has presented problems as she would prefer I spent money on conferences that both of us can attend and I never end up spending IPD money as the conferences are always freebies. Also she always makes me feel that the faculty pays is part of IDP.*

Further research

As outlined in Chapter Two, there has been little research on university administrative employees' perceptions of performance appraisal. This research has only sampled the population from one university, and performance appraisal will continue to be used, therefore on-going research should be undertaken to find out how this group of employees in the NZ university sector view the process. This would then assist in determining what changes need to be made and also to identify which university has a successful process which could be used for benchmarking purposes.

To follow-on from the current research, a longitudinal study should be undertaken, to investigate allied staff members' reactions immediately after an appraisal and over time. This research should scrutinise in-depth if the process has any impact on career

development, job satisfaction and organisational commitment. It should also investigate what impact if there is any on appraisees' perceptions of the performance appraisal process if they knew that their appraisers had been through a training.

The current study recommends that as part of the re-design of the AUT performance appraisal process, that an encompassing of goal setting at individual level upon completion of an appraisal be considered. Should goal setting be implemented, future research should therefore investigate if allied staff members would associate completion of the performance appraisal which include the setting of goals, with an increased in work overload. A study undertaken by Brown and Benson (2005) concluded that particular aspects of a performance appraisal system, such as the setting of goals and existence of difficult goals were associated with increased work overload.

Chapter Seven

Reflective Statement

I thought I may find that allied staff members would want to abolish the current performance appraisal process. Instead, I found that there was no such feeling. It was very encouraging to receive the level of response rate that this research has attracted. This showed that respondents were interested in performance appraisal. It is hoped that those who read this study would reflect on their own experiences when undertaking a performance appraisal, be it as an appraisee or an appraiser. It is also my hope that this research would bring about changes in their own practice.

For myself, this research has already influenced the way I view performance appraisal, and my participation in the process as an appraisee and appraiser. I now recognise it is an important tool to measure performance, and for a performance appraisal process to be effective it requires commitment from top management to the individual employees.

Limitations of this study

Like all research, this research had its limitations. It was difficult to investigate all aspects of appraisees' perceptions of performance appraisal within the limited time frame of a masters project. This was further compounded as this was a replication study, and therefore the questions asked had to be similar to the Analoui and Fell (2002) study.

The sample only consisted of administrative staff, and as such the researcher cannot confidently generalise about the whole population at AUT. However, the results should be interesting to managers and to the Director of Staff Services (AUT Human Resources Department) to enable them to seek ways to improve the performance appraisal process at AUT.

In hindsight, strategies that would have been put in place to ensure better survey response rate would have included the following:

- A notification at the AUT Weekly Global e-noticeboard that goes all to all staff via the AUT email system, and/or
- That the sample would have been coded in such a way that the researcher could identify those who had not returned their questionnaire, therefore the follow-up

questionnaire would only target those who did not return their questionnaire. If this was adopted, the researcher would have to continue to assure the sample that anonymity was protected.

As mentioned earlier, one of AUTECH requirements was that the researcher needed the Director of Staff Services to invite the participants to participate in the research project. This was because the study was conducted at AUT and that the researcher required the names and work location of the staff members. Even though the invitation letter clearly stated that the research project was for a completion of a masters programme, the researcher felt that because the letter was signed by the Director of Staff Services (AUT Human Resource department), this could have impacted negatively on the response rate. Potential participants may have mistakenly thought that the study was undertaken by Staff Services department and therefore may not have participated due to the sensitivity of the subject area. If the invitation letter had come from the researcher and was signed by her they might have better understood individual responses would remain protected by, and confidential to, the researcher. This concern was discussed with the researcher's supervisor but as this was part of AUTECH requirements, it had to be done.

Another contributing factor that could have affected the response rate is the length of the questionnaire. As mentioned in Chapter Three the questionnaire consisted of 39 questions, with some having sub-questions. It was necessary to have this many questions to ensure AUT two forms of performance appraisal processes were covered. This resulted in a 4-page questionnaire which might have been considered as too lengthy and a put-off for potential respondents.

Even though the response rate was 20 per cent it was difficult for the researcher to perform cross tabulations depicting sub-group analysis as not everyone who returned the questionnaire responded to all the questions. For example, if a better response rate was achieved, the researcher would have been able to determine the time interval between appraisals respondents felt was more appropriate.

Age and gender of respondents were not obtained, as it was felt at the point of planning that was not necessary. In hindsight, this data would have been useful as it would offer different perception/ comments from respondents depending on their age and gender.

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Appendices

Appendix 1 – AUTECH approval



MEMORANDUM

Student Services Group – Academic Services

To: Nevan Wright
From: **Madeline Banda**
Date: 13 August 2004
Subject: 04/115 Performance appraisal of administrative staff in a tertiary institution: usage and perception

Dear Nevan

Your application for an amendment to your ethics application was considered by AUTEK at the meeting on 9 August.

Your application is approved for a period of two years until 9 August 2006.

You are required to submit the following to AUTEK:

- A brief annual progress report indicating compliance with the ethical approval given.
- A brief statement on the status of the project at the end of the period of approval or on completion of the project, whichever comes sooner.
- A request for renewal of approval if the project has not been completed by the end of the period of approval.

Please note that the Committee grants ethical approval only. If management approval from an institution/organisation is required, it is your responsibility to obtain this.

The Committee wishes you well with your research.

Please include the application number and study title in all correspondence and telephone queries.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Madeline Banda', is written over a light blue horizontal line.

Madeline Banda
Executive Secretary
AUTEK
Cc: Aileen Naming

Appendix 2 – Permission granted by Analoui and Fell to use questionnaire and interview schedule

From: "Pauline Fell" <paolinefell@surestartbht.org.uk>
To: "Aileen Naming" <aileen.naming@aut.ac.nz>
Date: 25/03/04 10:43:49 p.m.
Subject: RE: Questionnaire

Hi Aileen

I'm quite happy for you to use the questionnaire and interview schedule and/or adapt as appropriate. I am confident that Dr Analoui will have no objections.

Good luck with your research!

Best regards.

Pauline Fell
Programme Administrator
SureStart BHT
Prospect House
62 Tong Street
Bradford
BD4 9LX
Tel: 01274 322584
Fax: 01274 322641

-----Original Message-----

From: Aileen Naming [mailto:aileen.naming@aut.ac.nz]
Sent: 25 March 2004 02:52
To: paolinefell@surestartbht.org.uk
Subject: Questionnaire

Dear Pauline

Sorry to bother you again, but I need confirmation that you are happy for me to use your questionnaire and interview schedule to replicate the study you did at University of Bradford here in NZ. It is also most likely that I will modify the questions to suit the environment I'm studying. If I need to contact Dr Analoui to seek permission please also advise. I look forward to hearing from you.

Regards
Aileen Naming

CC: <F.Analoui@Bradford.ac.uk>

Appendix 3 – Questionnaire, information sheet, first and follow-up invitation letters, Consent form, and interview schedule

STAFF APPRAISAL EXPERIENCE SURVEY 2004

Definitions:

Performance and Development Review (P&DR): Also known as performance appraisal is a process normally used on an annual basis to review past work performance, evaluate current strengths and areas for development and to plan for future performance and development. A Performance and Development Review needs to have been completed within the past six months when applying for an accelerated increment, promotion between levels (from Level 1 to 2 or Level 2 to 3) or a re-earnable salary supplement.

Formative Appraisal of Individual Practice: You seek feedback on your past work performance with the objectives of affirming good practice and of identifying any areas and actions for improvement. You establish, manage and control the process and shall own and control the use of all information gathered. It is recommended that the feedback is used in the development of your Individual Development Plan.

All information gained from this questionnaire will be treated in the strictest confidence, and will only be available to the researcher and supervisor.

Please complete and return this form as soon as possible in the envelope provided. It helps if you write clearly and cross the appropriate boxes.

If something doesn't apply to you, please leave it blank and move to the next item.

About You

1. (Please indicate the category that best describes your position at AUT.)

Job category: ☐ Personal assistant/ secretary ☐ Librarian ☐ Administrator ☐ Allied technical
☐ Finance ☐ Allied research ☐ Other, please specify _____

2. Do you have any staff reporting to you? ☐ Yes ☐ No

3. Years of service at AUT: _____

4. Current faculty/directorate: _____

Policies and Procedures

5. Are you aware of any AUT policies and procedures regarding performance appraisal? ☐ Yes ☐ No (Proceed to Q.6.)

If yes, are you aware that -

5.a. A Performance and Development Review (P&DR) is a requirement for accelerated increment, promotion between levels (from Level 1 to 2 or Level 2 to 3) or re-earnable salary supplement? ☐ Yes ☐ No

5.b. Formative appraisal is recommended in the development of the Individual Development Plan? ☐ Yes ☐ No

6. Have you ever gone through a -

6.a. Performance and Development Review (P&DR)? ☐ Yes (Proceed to Q.7.a.) ☐ No (Proceed to Q.39.)

6.b. Formative appraisal? ☐ Yes (Proceed to Q.7. b.) ☐ No (Proceed to Q.39.)

7. When did you last have an appraisal?

7.a. P&DR - ☐ within the last 12 months ☐ Other (approximately when) _____

7.b. Formative appraisal - ☐ within the last 12 months ☐ Other (approximately when) _____

8. How often is appraisal conducted in your faculty/directorate?

8.a. P&DR - ☐ 6 monthly ☐ 12 monthly ☐ Other (how often) _____

8.b. Formative appraisal - ☐ 6 monthly ☐ 12 monthly ☐ Other (how often) _____

9. Do you consider the above time interval to be appropriate?

9.a. P&DR - ☐ Yes ☐ No ☐ Don't know ☐ If no, please state preference _____

9.b. Formative appraisal - ☐ Yes ☐ No ☐ Don't know ☐ If no, please state preference _____

10. Do you think it would be of benefit to your appraisal to include the opinions of others beside your manager (colleagues or students or clients)? ☐ Yes ☐ No ☐ Don't know

If yes, please state which group/s?

10.a. P&DR - ☐ Colleagues ☐ Students ☐ Clients ☐ Others, please state _____

10.b. Formative appraisal - ☐ Colleagues ☐ Students ☐ Clients ☐ Others, please state _____

Please comment on the perceived benefits of their inclusion?

If you have used a P&DR as part of an application for either accelerated increment, promotion between levels (from Level 1 to 2 or Level 2 to 3) or a re-earnable salary supplement please complete this section. If you never completed a P&DR, please proceed to Q.22.

- Very dissatisfied Very satisfied

1 2 3 4 5 6 7

- If you have sought feedback on your past work performance with the objectives of affirming good practice and of identifying any areas and actions for improvement, and the feedback is used in the development of your Individual Development Plan, please complete this section. If you have never completed a formative appraisal, proceed to Q.28.*

- Please comment.*

Very dissatisfied Very satisfied

26. The feedback given on your past performance was constructive ☐ ☐ ☐ ☐ ☐ ☐
27. The quality of the feedback you received..... ☐ ☐ ☐ ☐ ☐ ☐

Training Prior Any Form of Appraisal

If you have had any form of appraisal done, please complete this section. If you never had any form of appraisal done, proceed to Q.39.

28. Are you aware of any training workshop offered by the University in preparation for appraisal? ☐ Yes ☐ No ☐ Don't know

29. If yes, have you ever attended appraisee (you being appraised) training? ☐ Yes ☐ No

	Strongly disagree				Strongly agree		
	1	2	3	4	5	6	7
30. Appraisal training prepared me for any appraisal process	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
31. Training is necessary for allied staff in the preparation of any appraisal	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
32. Do you know if your appraiser (person conducting the appraisal) had previously attended appraiser training?							
	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Don't know				

After the Appraisal

	Strongly disagree				Strongly agree		
	1	2	3	4	5	6	7
Please rate how satisfied you were with the following aspects							
33. The <u>Performance and Development Review</u> enhanced your motivation to work	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
34. The <u>Formative Appraisal of Individual Practice</u> process was beneficial to your career development.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

35. *Please comment on your feelings immediately after your appraisal?*

35.a. Performance and Development Review

35.b. Formative Appraisal of Individual Practice

36. *Overall do you think your appraisal had a negative or positive effect on your job performance?*

36.a. Performance and Development Review

36.b. Formative Appraisal of Individual Practice

37. *In what ways could the present appraisal process be improved?*

37.a. Performance and Development Review

37.b. Formative Appraisal of Individual Practice

38. *Please comment on any issues you think are related to the appraisal process that have not been included in this questionnaire?*

38.a. Performance and Development Review

38.b. Formative Appraisal of Individual Practice

39. *Please comment why you have never had an appraisal done?*

39.a. Performance and Development Review

39.b. Formative Appraisal of Individual Practice

Thank you for your participation

Please seal and return completed questionnaire in the envelope provided.

Participant Information Sheet

Date Information Sheet was produced
Wednesday 21 April 2004

Project Title

Performance Appraisal of Administrative Staff in a Tertiary Institution: Usage and Perception

Invitation

My name is Aileen Naming, and I am the researcher for this study. I would like to invite you to participate in this important research project for the completion of AUT Master of Business programme that I am enrolled in. I am also an allied staff member for the Computing-Business Applications group in the Faculty of Business, AUT.

Your participation would involve completing a questionnaire which will take about 30 minutes and in some cases engaging in a 45-60 minutes audio-taped interview. Your participation would make a valuable contribution to my research so I thank you for considering this invitation.

What is the purpose of the study?

The purpose of the study is to investigate allied staff perception and understanding of AUT performance appraisal process known as Performance and Development Review (P&DR), and it is hoped that the result of my study is applicable to most tertiary institutions in New Zealand.

What are the benefits of the study?

You will be contributing to a project that will provide insight into how allied staff members view the Performance and Development Review (P&DR) process and to enable the researcher to determine a set of recommendations to make AUT P&DR more meaningful for allied staff which will foster a better awareness of AUT objectives.

How were you chosen to be asked to be part of the study?

All allied staff members at AUT who are either a permanent staff or on fixed term who work more than 0.3 FTE for a fixed term of 12 months or more, and who have no one reporting to them have been invited to take part in the questionnaire and the interviews. I will only be conducting 10 interviews. If more than 10 people agreed to be interviewed, the 10 will be chosen randomly from those who agreed. The unsuccessful participants will be advised.

How is your privacy protected?

As this research includes audiotapes of interviews of 10 participants, your voice (identity) could be recognised as part of the raw data. However, the audiotapes will be transcribed and coded and the completed questionnaires will be coded such that the written data will not allow identification of any participant. Moreover, all recordings and other research materials will be stored securely, only accessible by the researcher and project supervisor. The tapes will only be heard by the researcher and the research report that comes out of the secured data will not include any identifying information.

The results of this research will be submitted, in the first instance to the researcher's supervisor and an external examiner, AUT Ethics Committee (AUTEC) and will be made available on the Internet for public review and Staff Services Manager. Subsequent reporting of findings may be made through presentation at leading conferences. No individual's responses to the interview questions nor the questionnaire will be identifiable in the aggregated results of this research. If you wish to be informed of the result, please return the slip (attached to the end of the invitation letter) to me, Aileen Naming (mailing code CB) in a separate envelope.

What do I do if I have concerns about the research or the data I've provided?

Participation in this research project is entirely optional and voluntary. If you develop any concerns with this research project, you can withdraw yourself and any information that you have provided for this project at any point prior to the completion of data gathering.

Any concerns regarding the nature of this project should be notified in the first instance to, the Project Supervisor, Associate Professor Nevan Wright, nevan.wright@aut.ac.nz, 917 9999 ext 5711.

Any concerns regarding the conduct of the research should be notified to the Executive Secretary, Auckland University of Technology Ethics Committee (AUTEC), Madeline Banda, madeline.banda@aut.ac.nz, 917 9999 ext 8044.

Researcher Contact Details

Aileen Naming, GradDipBus
Faculty of Business
Auckland University of Technology
Aileen.naming@aut.ac.nz
9179999 ext 5433

Project Supervisor Contact Details

Dr Nevan Wright, PhD, MBus, BCom
Associate Professor
Faculty of Business
Auckland University of Technology
Nevan.wright@aut.ac.nz
9179999 ext 5711

Approved by the Auckland University of Technology Ethics Committee on 30 June 2004 ATEC Reference number 04/115.

28 November 2005

<FIRSTNAMES> <SURNAME>
<Mail1>

STAFF APPRAISAL EXPERIENCE SURVEY 2004

Dear <FIRSTNAMES>

Aileen Naming is undertaking a survey as part of a research project required for the completion of an AUT Master in Business Programme. The aim of this research project is to investigate allied staff members' perception and understanding of AUT's performance appraisal process known as Performance and Development Review (P&DR) which include the Formative Appraisal of Individual Practice. This is an important area as there is a lack of information available from a New Zealand tertiary sector perspective. You are invited to participate by completing the enclosed questionnaire. Also enclosed is a participant information sheet that provides information on the project.

The research project will provide insight into how allied staff members view the appraisal process, P&DR, and will enable the researcher to establish a set of recommendations aimed at making AUT P&DR process more meaningful to Allied Staff. If you agree to participate, please take the time to fill out this questionnaire, and send it back to Aileen Naming in the envelope provided.

Interviews will also be conducted as part of this project. This will entail a 45-60 minutes audio-taped interview and volunteers are sought. If you decide you would like to participate, please return the slip below to Aileen Naming (mailing code CB) in a separate envelope.

AUT Ethics Committee (AUTEC) has approved the project. All information provided by you will be kept absolutely confidential and only Aileen and the project supervisor have access to the raw data. Please note that there will be no impact on your employment at AUT whether or not you participate.

If you decide to participate, please return the survey by Monday 13 September 2004.

Yours sincerely

Jean Avery
Director, Staff Services Division
AUT

enc

- Four-page questionnaire
- Participant Information Sheet
- Return envelope marked – Aileen Naming (CB)
Questionnaire Only

 Cut here

Consent to participate in interview

Yes, I wish to participate in the audio-taped 45-60 minutes interview. (Please return this to Aileen Naming, researcher – mailing code CB, in a separate envelope.)

Participant signature:.....

Participant name:

Participant contact details:

 Cut here

If you like to be informed about the result of the research project please provide your contact details and return this to Aileen Naming, researcher- mailing code CB, in a separate envelope.

E-mail:

Other:

28 November 2005

<FIRSTNAMES> <SURNAME>
<Mail1>

STAFF APPRAISAL EXPERIENCE SURVEY 2004

Dear <FIRSTNAMES>

In late August you were sent the following documents:

- Letter inviting you to participate in a Master research project
- Four-page questionnaire
- Participant Information Sheet

This follow-up letter is being sent as a reminder in case you decide to participate, but have not yet had the opportunity to complete and return the survey questionnaire and/or consent to be interviewed.

If you have already completed and returned your questionnaire then please accept my thanks on behalf of the researcher, Aileen Naming and disregard this letter and the additional questionnaire included. However, if you have not yet taken the opportunity, you may wish to do so. If you decide to participate please take the time to complete the enclosed questionnaire and return it in the envelope provided as soon as possible. If you also wish to participate in the interview, please complete and return the consent to participate slip in a separate envelope. Please note that there will be no impact on your employment at AUT whether or not you participate.

If you decide to participate, please return the survey by Friday 15 October 2004

Yours sincerely

Jean Avery

Director, Staff Services Division
AUT

enc

- Letter inviting you to participate in a Master research project
- Four-page questionnaire
- Participant Information Sheet
- Return envelope marked – Aileen Naming (CX)
Questionnaire Only

Consent to Participation in Research

Title of Project: **Performance Appraisal of
Administrative Staff in a Tertiary
Institution: Usage and Perception**

Project Supervisor: **Nevan Wright, PhD, MBus, BCom, Associate Professor**

Researcher: **Aileen Naming, GradDipBus (AUT)**

- I have read and understood the information provided about this research project (Information Sheet dated Wednesday 21 April 2004.)
- I have had an opportunity to ask questions and to have them answered.
- I understand that the interview will be audio-taped and transcribed.
- I understand that I may withdraw myself or any information that I have provided for this project at any time prior to completion of data collection, without being disadvantaged in any way.
- If I withdraw, I understand that all relevant tapes and transcripts, or parts thereof, will be destroyed.
- I agree to take part in this research.
- I wish to receive a copy of the report from the research.

Participant signature:

Participant name:

Participant Contact Details (if appropriate):

.....
.....
.....
.....

Date:

**Approved by the Auckland University of Technology Ethics Committee on 30 June 2004 AUTEC
Reference number 04/115**

Note: The Participant should retain a copy of this form.

Interview Schedule

Do you have any staff reporting to you? ☐ Yes ☐ No

1. In your current position would you welcome the opportunity to participate in a performance appraisal process?
2. What form of appraisal have you had, if any? What was the appraisal for?
3. Are you aware of the two forms of appraisal process and their purpose?
4. Do you think allied staff should be consulted as to the manner in which performance appraisal process should be implemented?
5. What do you think are the advantages of a Performance and Development Review process?
6. What do you think are the disadvantages of a Performance and Development Review process?
7. What do you think are the advantages of a formative appraisal of individual practice process?
8. What do you think are the disadvantages of a formative appraisal of individual practice process?
9. Why do you think it useful to have feedback on your job performance?
10. Why do you think it *reasonable* for you to choose who you should ask to provide feedback on your past performance?
11. Why do you think there is any benefit in including the opinions of those who work with you if you have an appraisal?
12. How important do you think training is for
 - appraisee? Why?
 - appraiser? Why?
13. Do you feel there are any benefits to you in having a:
 - Performance and Development Review? Why?
 - Formative Appraisal of Individual Practice? Why?
14. Do you think a Performance and Development Review would have an impact on your performance? If yes, how? If no, why not?
15. Do you think a Performance and Development Review increase your motivation to perform? If yes, how? If no, why not?
16. Do you think a formative appraisal would assist you in the formulation of your Individual Development Plan? If yes, how? If no, why not?

17. Do you think the formulation of a Individual Development Plan for career development is a good idea? If yes, how? If no, why?
18. If you have never had any form of performance appraisal, have you any opinions as to why the process has not been conducted in your department?
19. Have you ever spoken to your manager regarding performance appraisal for yourself?
20. Are there any other issues you would like to raise?

Note for self:

Definitions:

Performance and Development Review (P&DR): Also known as performance appraisal is a process to review past work performance which is required when applying for accelerated increment, promotion between levels (from Level 1 to 2 or Level 2 to 3) or re-earnable salary supplement.

Formative Appraisal of Individual Practice: You seek feedback on your past work performance with the objectives of affirming good practice and of identifying any areas and actions for improvement. You establish, manage and control the process and shall own and control the use of all information gathered. It is recommended that the feedback is used in the development of your Individual Development Plan.

Appendix 4 – Analoui and Fell journal article

Have you been appraised? A survey of the university administrative staff

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Keywords

Performance appraisal, Training, Management, Universities, Policy, Procedures

Abstract

Little has been reported in the literature on the perception and understanding of administrative staff regarding the processes involved in performance appraisal within the higher educational establishments. At the University of Bradford appraisal for this cadre of employees has hitherto taken a voluntary form. In response to this vacuum, an empirical survey has been carried out in four departments in order to explore the perception, views and preferences of the administrative staff of the entire process and its related issues. The results indicated that lack of provision for formal appraisal has often resulted in inconsistencies, little or no provision for establishing formal dialogue between management and the staff concerning their performance expectations, misplacement of personal goals, and realistic opportunities for personal and career development. Therefore concludes that there is an urgent need for the university to disseminate its policies widely and maintain uniformity of practice throughout its departments. Moreover, attention ought to be paid to the effective training and the role and responsibilities of line managers.



The International Journal of Educational Management
16/6 [2002] 279–287

© MCB UP Limited
[ISSN 0951-354X]
[DOI 10.1108/09513540210441236]

Introduction

Appraisal is something we all constantly do, either consciously or unconsciously, objectively or subjectively (Torrington and Hall, 1991). To appraise means to give worth and value, to determine quality and usefulness (Sayers, 1999; Analoui, 1999). Within modern organisations the process is formalised on the understanding that this should be of benefit to both the individual and the organisation (Analoui, 1998), needless to say that appraisal in this context is viewed as a means of measuring performance in accordance with the adage: If you can't measure it you can't manage it (Fisher, 1995, p. 19).

The traditional "evaluation" based on purely "task-related concerns" ignored the full potential of both the method and the people involved (Analoui, 1997; Stoner *et al.*, 1995). Nowadays, this approach is no longer applicable since: Employees at all levels are demanding more participation in decision making and more joint control of working conditions (Cole, 1993, p. 25).

Universities are no exceptions, employees – academic and administrative staff – expect to be appraised and not merely evaluated. Unfortunately, the empirical evidence of how employees in universities respond to this practice has remained scarce and sparse. Many questions remained to be answered: do administrative staff in universities regard appraisal the same way? How do they perceive the process and how prepared are they for it? Does appraisal have an impact on their motivation and, more interestingly, does it help or hinder their career development as a result?

At the University of Bradford, appraisal is implemented across departments and on a voluntary basis resulting in inconsistencies. As a consequence, there is little or no provision for formal dialogue between management and staff as to performance expectations, personal goals, opportunities for career development and the identification of staff training needs.

In response to the above, a study was carried out in four departments with the aim to explore how administrative/secretarial staff view the process, thus finding answers to questions posed earlier. The study focussed on the appraisal scheme for administrative and secretarial staff rather than the academic members of the university.

In this paper, first the main thrust of literature concerning appraisal in context of human resource management (HRM) will be briefly reviewed. Then, the scope and methods employed for gathering and generating data will be described. Based on the evidence available the findings of the study will be presented and discussed. Finally, relevant conclusions will be reached and related recommendations will be made.

Appraisal in the broader context of HRM: a review

According to Mondy *et al.* (1996) productivity, quality and the services of the organisation are greatly enhanced by the way people are managed at work. Thus, HRM: Is about the human struggle for improved conditions of service, management of career expectations, motivation, training and development, and relates to the management of distributive justice in an organisation (Analoui, 1998, p. 13).

Work itself can satisfy the need for responsibility and achievement (Fisher, 1995). Consequently, HRM places emphasis on "commitment" instead of compliance,

bureaucratic and traditional management thinking characterised by personnel management (Beaumont, 1993; Guest, 1987).

Moreover, it is argued that the strategic role of HRM reveals the dynamics of decision making at senior management level and it is important since it influences the organisational effectiveness (Analoui, 1999; Box, 1991). Arguably:

An assessment of human resource capabilities is relevant [if not necessary], for determining corporate strategy and fulfilment of corporate strategy is conditional on developing employees with the appropriate core competencies (Ezzamel *et al.*, 1996, p. 67).

Strategies, whether more in line with attributes (emergent) or less flexible (prescriptive) with emphasis on a rational solution, are essential for an accurate assessment of available options (Sayers, 1999; Jackson and Mathis, 1994). Thus, the case for policies that support employees' development and continuous learning (Purcell, 1993).

It is stated that individuals can be motivated by recognition. The recognition of effort and the opportunity to make the optimum use of their skills and abilities can motivate people at work (Fisher, 1995). Therefore, appraisal becomes a tool for measuring and managing human capital within the organisation (Stamps, 2000).

Performance management

Performance appraisal is viewed as part of a much broader picture and it is argued that it has its origins in "management by objectives" (Wilson and Western, 2000; Cattell, 1999). It constitutes a continual cyclical process of determining performance expectations, supporting performance, reviewing and appraising performance and, finally, managing performance standards. Performance management encapsulates performance appraisal and training and development needs at all levels. Thus, Edmonstone (1996) argues it is a holistic integrated business approach as opposed to a short-term one and Cattell (1999) identifies a trend towards:

- initial planning and agreement of performance objectives;
- interim review of achievement against these (including necessary realignment to take account of changing circumstances);
- full review and appraisal identifying successes and areas of improvement arising from retrospective discussion of performance against objectives;

- planning, discussion and agreement of new objectives; and
- identification, discussion and agreement of the support, training and development, which will assist performance improvement.

For the employee, success is determined by a display of commitment to performance improvement based on the benefits derived from the developmental outcomes of which they are a part of determining. Thereafter, the appraisal is part of consolidating and verifying agreed action. If done effectively employees are empowered to play a leading role in their appraisal (Cattell, 1999).

360-degree feedback

Wiese and Buckley (1998) identify a trend towards flexible working and self-managed teams with appraisal methods now emerging, which may include the opinions of not only the line manager, but peers, customers and other team members in formulating a more comprehensive picture of the appraisee. This is commonly known as 360-degree feedback and it is distinguished by the use of diverse sources of information (Garavan, 1997). The benefits gained include enhanced management style/behaviour improvements, improved communication, recognition of the value of good relationship skills and improved team working (Curtis, 1996). According to Antonioni (2000, p. 12) development and evaluation are the two main purposes of 360-degree feedback:

Since this can lead to the retention of the best employees.

Upward appraisal

In presenting the question: "Who owns appraisal?" Cattell (1999, p. 158) argues that appraisal has the potential to establish the understanding of shared objectives and, more importantly, will be seen as a two-way process. He also stresses the importance of establishing mutual trust, since performance appraisal relies on:

An open, constructive and trusting relationship between all parties concerned (Cattell, 1999, p. 162).

Or a "psychological contract" based on co-operation where individuals are encouraged to voice opinions in selecting goals and the methods of achieving them (Handy, 1993).

Curtis (1996) argues that as part of 360-degree feedback, upward appraisal is useful in gaining a more complete picture as in the case where a manager may be held in

high regard by top management but be seen as ineffective by his subordinates and vice versa. In other words, it raises awareness in recognising that styles of behaviour may change according to the status of those with whom the manager is interacting. Similarly, Randell *et al.* (1984) contends that acquiring current performance information can be the starting point for developing those staff that is showing the greatest potential.

However, whether appraisal is viewed in the context of HRM, performance management or 360-degree feedback, experience shows that without following plans through, the whole process can become “an empty ritual” merely instigated to satisfy the personnel and development function (Adair, 1983). Thus, employees may feel less motivated and unappreciated (Nelson, 2000). No wonder if appraisal is still seen by some as a tool to apportion blame.

Methodology and the scope of the study

Triangulation

Since the overall aim of the study was to understand individual perceptions of administrative and secretarial staff regarding the staff appraisal scheme and the process involved, a combination of qualitative and quantitative survey methods, known as “triangulation”, was employed (Shipman, 1997, p. 105). The concern was to “establish people’s views of what they think, believe, value or feel” (Jankowicz, 2000, p. 222) and to ensure validity by gaining “access to different levels of reality” (Bryman, 1989, p. 176).

Moreover, in order to gain access to people, first permission from the appropriate heads of departments (HoD) was obtained and it was deemed necessary to provide an adequate explanation of the purpose of the research (Hussey and Hussey, 1997).

First, the University’s Staff Development Policy (SDP) was reviewed. Staff development is seen as one of the main routes to achieving commitment (see the Appendix). Then, in order to generate primary data, two structured questionnaires were designed (Ackroyd and Hughes, 1981; Best, 1977). A pilot study of the questionnaire was first conducted in the departments not under investigation, which resulted in improving the questionnaires’ structure and content. The first questionnaire was designed for the two departments that operate the appraisal scheme; namely, the School of Health Studies (SoHS) and Pharmacy (Phar) containing six sections with 31 questions. The other for the

two departments that do not operate staff appraisal; namely, J.B. Priestley Library (JBPL) and Modern Languages (ML), containing six sections with 28 questions. Careful attention was given to the ordering of the questions featuring tick boxes for the most basic closed questions, multiple-choice answers and Likert rating scales as recommended by Ackroyd and Hughes (1981), to aid input into statistical package for the social sciences software and subsequent analysis.

Thereafter, the questionnaires were administered on the entire population of secretarial and administrative staff within the departments under investigation, involving 55 employees in total. Subsequently, 34 (62 per cent) completed questionnaires were received, 15 of which were from JBPL and ML and 19 from SoHS and Phar. It was felt that more than 50 per cent response rate was adequate (Gillham, 2000).

Interviews are time consuming (Hussey and Hussey, 1997); however, they provide an opportunity to ascertain a valuable understanding of the social reality as experienced by the respondents. To this end, ten semi-structured interviews were conducted in SoHS and Phar and six within JBPL and ML. It was felt that by far, a greater richness and depth of understanding was experienced during these interviews.

Findings and discussion

Issues relating to JBPL and ML

To assist the analysis, where appropriate a comparison will be made between department, which operate the scheme and those which do not. It must be noted out of 19 respondents in JBPL and ML, 17 had never been appraised. Only one had been appraised 14 years ago and the other 30 years ago, respectively. Therefore, in most cases expectations of appraisal were not based on previous experiences.

The respondents ($n = 19$) in JBPL and ML thought appraisal had not been implemented in their departments because of time constraints, but one respondent mentioned reluctance on the part of the HoD to implement a scheme when he himself had not been appraised. This is supported by Randell *et al.* (1984), who argue managers are also managed and they need top management commitment. In turn, top management influence the effectiveness of strategic HRM (Analoui, 1999).

Further interviews in JBPL and ML revealed that there was a general positive

feeling to top management commitment and a recognition that procedures were in place but comments received were:

It seems to depend on the department you're in. There's no consistency, too much control and autonomy with HoD.

Respondents ($n = 8$) felt to be at a disadvantage in working within a department that did not operate a formal appraisal scheme.

Preparation for appraisal

Formal appraisals are conducted in both the SoHS and Phar on an annual basis with the total population sampled believing this to be an appropriate time span. In addition, 11 (73 per cent) were consulted on the documentation to be used and issues to be covered, which left four (66.7 per cent) not being consulted on these aspects. All 15 respondents were consulted on the date and time of the interview, with an average of two weeks' notice being given with 14 respondents also being consulted on the venue of interview. Overall, the majority felt prepared for their appraisal with only one respondent feeling inadequately prepared. Subsequently, interviews with respondents revealed that follow-up intervals between official appraisals were informal and on a three-monthly basis. The need for frequent feedback is crucial (Nelson, 2000; Fisher, 1995) to maintain credibility of the process (Adair, 1983).

Results of the survey revealed a general acceptance of a time span, such that 13 of the 19 respondents (60 per cent) felt that a 12-month span between appraisals was appropriate. Further interviews revealed that interim less formal appraisals should be conducted at three-to-six-monthly intervals. This was the case in the SoHS and Phar.

The reasons for interim appraisals were to identify new responsibilities, recognise achievements, monitor job loads particularly where staff have not been replaced. As aptly stated by one respondent:

Help to implement action instead of the same things cropping up year after year.

However, one respondent did remark that within a flat structure:

You can't expect your line manager to follow up appraisals when he/she has so many people under him. Its very time consuming.

University policies and procedures

Responses from questionnaires indicated that all respondents from SoHS and Phar were aware of the university's policies and procedures (see the Appendix). However,

subsequent interviews revealed that such knowledge was very limited, though it did transpire that written information on procedure was given during appraisee training. This was mentioned by one respondent who, nonetheless, could not remember the content.

In JBPL and ML most respondents (11 out of 19) were not aware of the university's policies and procedures at all and of the eight remaining who did report having some knowledge only one respondent had a full understanding and mentioned individual objectives being in line with strategic aims and objectives (Fisher, 1995).

It would appear that the university's policies and procedures regarding appraisal are not well disseminated (Randell *et al.*, 1984), neither is its strategy concerning the individual, team and departments contributing to the overall aims and objectives of the corporate plan communicated effectively (Purcell, 1993).

Documentation of process appraisal

The respondents from SoHS and Phar found the forms provided satisfactory, though one respondent thought that an updated job description should always be included. A comment that was also made in JBPL. Of particular interest was one respondent from JBPL who had attended the appraisee training but reported that the trainer himself:

... could not answer some of the questions posed by trainees in regard to documenting the results of appraisal.

There seems to be confusion as to the procedure for documenting the appraisal among the seven respondents (JBPL and ML) who have attended appraisee training.

Comments from JBPL and ML indicated a wish for criteria such as "demonstrates initiative" and "anticipating academic needs" with an additional section for disagreements. During training one respondent had been led to believe that if the appraiser and appraisee could not agree on an issue the only redress on her part would be to submit a covering note but nonetheless she had to sign the form.

Choice of appraiser

Although the "Notes of Guidance" allows the choice of appraiser, one-third of respondents from the SoHS and Phar said this option was not offered. The majority of respondents from JBPL and ML (11 out of 19) showed a preference to choose their own appraiser.

It was generally felt that exercising a choice is:

- psychologically empowering
- establishes trust
- helps to put the appraisee at ease
- ensures fairness
- helps dispel negative feelings towards the process.

Indeed, organisations should foster a mutual relationship of trust and respect as a basis for effective performance reviews (Nelson, 2000).

Feelings were expressed though, that choice could lead to the "nice guy" being chosen too often and the appraisal would only be effective if information was ultimately mediated back to the line manager and action taken. Hence, one respondent commented that appraisals should always be conducted by the departmental manager.

Overall, the view was held that appraisers should have a working knowledge of the role and responsibilities of staff in order for the appraisal to be meaningful. In the case of one respondent from SoHS who worked with two people, it was commented that:

If the two of them don't get together nothing will get done.

If they are both responsible for me they should talk to one another.

The respondent felt appraisal did nothing to address issues of her concern. In short, the choice of appraiser is an emotive one and needs to be addressed skilfully to overcome potential conflict (Cattell, 1999).

Appraisal training

Training was seen in all departments as necessary in preparation for appraisal. In SoHS and Phar 14 respondents and in JBPL and ML 12 respondents were aware and participated in the training scheme and felt it was effective. Only one in the latter departments found the training less than satisfactory.

Despite regular advertisements, seven respondents from JBPL and ML were not aware of the training scheme, indicating poor dissemination. While 16 of the 19 respondents from JBPL and ML deemed training essential and were reassured their appraiser had undertaken it. Yet, one respondent commented: "A trained idiot is still an idiot".

The most significant finding was that six respondents from the SoHS were not recommended appraisee training prior to their appraisal. It could be argued, therefore, that this group were at a distinct disadvantage (Analoui, 1998). In an interview, a respondent reported that she felt unsure of how to conduct the interview and

how much information to offer. Clearly, given the right amount of training, as Cattell (1999), argues the appraisee would take a leading role in the process.

How can training be improved? All participants involved commented that the case studies used during training were more applicable to an industrial setting and should have been set in the context of a higher education institution (Wilson and Western, 2000). Although two respondents found the role-play difficult, the reported outcomes suggest that training did provide a sound foundation for appraisal.

Competency of appraiser and interviews

Almost all respondents (14) from the SoHS and ML felt that their appraisers were competent. Only one respondent described her appraiser's competence to be below satisfactory. This does not seem to be in line with Randell *et al.* (1984) who does not see two days training as sufficient to become a skilful appraiser, though he asserts that staff development skills do improve through practice.

In SoHS and Phar the respondents were given a varying degree of opportunity (from a great deal to satisfactory) to express their opinions and receive feedback but three stated no constructive feedback was forthcoming. As aptly asserted by Fisher (1995), feedback is essential to gain full benefit from appraisal. Arguably this is sadly missing in some cases. It also illustrates that management skills in conducting appraisals do vary considerably.

However, those who did find the feedback useful commented that:

It encouraged me to pursue further education outside the university. I was informed about funding for education and advised to look on the Web site about the Open University.

And:

You're not always aware of your strengths and weaknesses. Appraisal brings these to your attention.

360-degree feedback and upward appraisal

Six respondents from SoHS and Phar could see no benefit in including feedback from either peers, students or external bodies during their appraisal, three respondents did believe there was some benefit in feedback from team members. Similarly, in JBPL and ML over half (nine) perceived peer assessment as beneficial.

Subsequent interviews in all four departments revealed that peer assessment would give a different perceptive on skills, work performance and specific areas that

could be improved on. This reinforces the importance of promoting shared values, developing and utilising flexible self-managed teams to achieve higher organisational goals (Analoui, 1998; Cattell, 1999; Wiese and Buckley, 1998; Nelson, 2000). Here, respondents thought the opinions of students useful since the university is adopting a more customer-focused approach.

Interviews revealed that none of the respondents from the SoHS and Phar were familiar with the term “upward appraisal”. Though when explained, felt in retrospect it would be a good idea and their appraisers would be favourably disposed to the concept.

At SoHS and Phar it was felt that upward appraisal could provide opportunity for feedback from below. One respondent commented:

Working efficiently and effectively, as part of a team, ought to be a truly two-way process in a frank and positive manner.

Except one, comments confirmed that upward appraisal would encourage mutual trust, openness and the potential to establish the understanding of shared objectives Cattell (1999) and in addition improve managerial effectiveness insofar as leadership and people management are concerned Redman and Mathews (1995).

Within JBPL and ML, four out of six interviewed expressed a fear of adverse repercussions from upward appraisal and of detriment to working relationships. However, Redman and Mathews (1995) found that fears of revengeful subordinates and undue flattery were largely unfounded. The remaining two viewed it as constructive but stipulated the necessity for two-way trust and commented that upward appraisal “is just a matter of equal opportunities”.

Formulation of future plans

Since part of the appraisal process is to agree a joint plan for future action with the aim of improving performance (Cattell, 1999; Wilson and Western, 2000) it was encouraging to see that 14 out of the 15 respondents did agree a joint plan.

It was revealed that the training and development aspects of action plans were highly valued. However, one respondent did say that her line manager:

Made a passing comment on possible support for external courses, but didn’t inform her as to the extent of the support.

Consequently, she felt reluctant to pursue this option.

Similarly, 13 of the 19 respondents from JBPL and ML perceived the formulation of

future plans of benefit to them. Comments such as “keeps the process active” and “would motivate me” were received.

Impact of appraisal on motivation, performance and career development

Fisher (1995) asserts, people can be motivated by recognition, praise and the opportunity to enhance and make the best use of their skills and abilities. At the SoHS and Phar 12 out of the 15 respondents believed their appraisal had, to some degree, enhanced their motivation. Indeed, increased motivation is anticipated by 11 out of 15 respondents in JBPL and ML. This is in agreement with Randell *et al.* (1984) who argue that showing concern and recognition for backbone staff that perform consistently but have little chance or wish for promotion is crucial in maintaining motivation.

It is stated by Randell *et al.* (1984) that appraisal is necessary in order to identify future human resource potential and thus can be the starting point for career development. Most respondents (13) from SoHS and Phar found appraisal to some degree, beneficial to their career development.

One respondent commented that:

It gave me the opportunity to say what I would like to do and the skills I would like to develop. It gave me more confidence and made me feel more optimistic.

Another commented:

It shows someone is there to advise you, support you, nothing else could provide this opportunity.

Most respondents (14) in JBPL and ML share similar perceptions with 12 (63 per cent) respondents anticipating an overall positive effect on their job performance.

Post-appraisal expectations

Of the 12 comments received from the SoHS and Phar on feelings immediately after appraisal, only two were not altogether happy with mixed feelings. However, the remainder felt it had been a good experience, conducted honestly and openly with appraisers listening and making them feel at ease. Comments received from JBPL and ML indicates that expectations of appraisal were high with employees eager to take this initiative forward.

In conclusion, the qualitative data provided an insight into the entire process and a better understanding of how the process is perceived by the respondent participants involved.

Conclusion

It is evident that the university's policies regarding staff appraisal are not being widely disseminated. To address this problem it may be appropriate to investigate a more effective way of communicating policy at the level of the individual, department and the organisation as a whole.

Although appraisal training was thought to be generally beneficial, some appraisees commented that the case studies employed were more applicable to an industrial setting. In order to relate better to the situations portrayed it may be advantageous to employ case studies specifically tailored to higher education institutions. Despite this and contrary to the university's stated position, some employees have been appraised without being trained at all. Therefore, guidelines need to be more strictly adhered to with the further recommendation that attendance on appraisee training be recorded on subsequent appraisal forms.

In the main, those who have experienced appraisal have found it a rewarding and encouraging exercise that has enhanced their motivation at work and assisted their career development. However, within the context of team working and the perceived benefits of upward appraisal, consideration should be given to the introduction of 360-degree appraisal in giving a more complete picture and promoting a truly two-way process.

The expectations among administrative staff are generally high. Therefore, in order to address disparities between departments in implementing appraisal, training of more appraisers (including line managers) is deemed highly crucial. Moreover, in order to improve the skills of existing appraisers continually further management training and development may well be advisable.

Although a small proportion of population was sampled it is believed that this survey offers some insight into the issue surrounding appraisal as experienced by administrative staff, a large category of human resources in our educational arena who are often neglected and their views not seriously considered.

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Appendix. Current policies and procedures (a summary)

According to the university's Staff Development Policy (SDP), July 2000 the: University is committed to creating an equitable, developmental and motivating working environment, which values and empowers people at all levels. Staff

development is seen as one of the main routes to achieving this commitment.

In order to realise this it is further recommended within the draft proposal that "The role of appraisal in the planning and budgeting process" (June, 2000, subsequently agreed at the Senior Management Group on 28 June) that:

- Each planning unit must implement an acceptable appraisal scheme.
- Outcomes of appraisals that have resource implications must be recorded.
- All staff must be appraised annually.
- The scheduling of appraisal interviews must link into the planning process.
- Heads of planning units are responsible for co-ordinating the outcomes of appraisal and other review meetings into the planning process.
- Those responsible for managing staff will be accountable for the quality of the appraisals undertaken in their area.

In addition, the document states that appraisees should have some choice as to who appraises them. The content of an appraisal, the information about individual concerns, motivations and preferences and the personal details the appraiser learns about the appraisee (and vice-versa) are confidential.

It is stated within the draft proposal (June, 2000) that council agreed in December 1999, that a form should be used to record agreed actions that have resource implications to facilitate the planning of staff development activities.

It is further stipulated in the draft proposal (June, 2000) that the annual appraisal is designed to facilitate harmony between meeting organisational objectives and personal goals. The objective of the appraisal interview is to review what has gone well in the previous year, identify problem areas and what could be improved as well as gaining the appraisee's commitment to agreed future plans. The appraisal provides an opportunity to evaluate staff development that has been undertaken and is a source of feedback for both the school/department and the university's central staff development providers. According to the SDP, identified staff development needs should become part of both the department, and the individual's Personal Development Plan.

In 1987, both appraisee and appraiser were encouraged to attend training in preparation of implementation across all sections of the university. In addition, the university has produced a document entitled "Career Development and Staff Appraisal" in the form of "Notes of Guidance" aimed at clerical

and related staff. It deals with who should conduct appraisals, collection of relevant information, preparation for the interview, the interview itself, disputes, available training for appraisers and appraisees, staff development and training programmes, and overall co-ordination.

An interview with the staff development officer (March, 2001), however, revealed that appraisal has now been re-launched in part fulfilment of the criteria for the Investors in People (IiP) standard. In an earlier interview (October, 2000), it was noted that staff

appraisal had been previously implemented on a voluntary basis, resulting in disparities between departments.

Such disparities would indicate that where a department has not implemented a staff appraisal scheme there is little or no provision for formal dialogue between management and staff as to performance expectations, personal goals, opportunities for career development and the identification of training needs. To investigate the consequences of the above for administrative staff the present study was undertaken.

***Appendix 5 – Permission granted by AUT Staff Services
Director to access the relevant policies and procedures***

From: Jean Avery
To: aileen.naming@aut.ac.nz
Date: 9/05/04 2:31:56 p.m.
Subject: Research Project

Dear Aileen

I wish to confirm that, as an AUT staff member, you have permission to access AUT's HR Policies, Fast Facts and Practice Notes and that, as an AUT student, there is no objection to your using those documents in your research project.

Regards,
Jean Avery

For information about HR Policies and Procedures: www.aut.ac.nz/staff/human_resources/staffonly

Regards

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