The Future of Performance Ratings: Collected Thoughts From Six Emerging Scholars

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During the fall 2015 semester, I (i.e., the last author of this response) taught a doctoral seminar on performance appraisal. Although this course was a general survey of research and theory regarding work performance and performance appraisal processes and methods, we also talked extensively about the value of performance ratings to organizations, raters, and ratees. It was indeed serendipitous that this focal article came out when it did. As part of the final examination requirements (and, admittedly, as a pedagogical experiment), I asked the six PhD students in this course (i.e., the first six authors of this response) to read and respond to the Adler et al. (2016) debate regarding the relative merits of performance ratings. To highlight the perspectives of this next generation of industrial and organizational psychologists, I have collected here various representative comments offered by each of these emerging scholars on this issue.

Emerging Scholar 1

Absent performance ratings, the performance appraisal process as a whole would be disserved by a lack of clarity as to how performance is to be evaluated. Although performance ratings alone may be subject to political abuses, getting rid of ratings will not in and of itself address this concern and may serve to further disguise political behaviors as justified performance decisions. Perhaps a better approach is to refocus attention to the features of performance ratings that actually aid in the performance appraisal process. The main question should thus be, if performance appraisals could be designed to facilitate better ratings, would such ratings actually benefit performance appraisals? Indeed, few would argue that the benefits of effective ratings are nonessential to a well-designed appraisal process. The focus

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therefore should be on determining the specific conditions that lead to more effective ratings and then toward gaining an understanding of how to better include such features into the performance appraisal process. Once there is a better understanding of the degree to which ratings can be usefully integrated into the larger idea of performance appraisal, then arguments for their inclusion or exclusion can be reconsidered.

Emerging Scholar 2

As described by Newman, Kinney, and Farr (2004), performance ratings were initially developed because of the need to measure performance when objective measures were unavailable. However, as noted by the frustrations voiced in the present debate, researchers and practitioners alike have attempted to use ratings for decades without getting favorable results (e.g., improved performance, increases in motivation and productivity). This disconnect suggests that we have not really progressed in terms of being better raters of performance. Thus, it is no surprise that raters and ratees alike are disappointed with performance ratings and the *outcomes* of those ratings. Instead of calling for a complete elimination of performance ratings, perhaps we need to change our expectations regarding what such ratings represent. It can no longer be expected that assigning someone a rating is going to be motivating to any extent or perceived as necessarily accurate (e.g., whether or not it objectively may be). Following from the suggestions made in the focal commentary, it is proposed that the new goal of performance ratings should be communication. To achieve this goal, several processes must be altered, including involving the ratee to a greater extent in the rating process, using rating discrepancies to drive feedback conversations, training ratees to understand the purpose of feedback, and finally rewarding time spent engaging in these activities.

Emerging Scholar 3

A common suggestion put forward by those who favor the use of performance ratings is that their efficacy may be bolstered by acknowledging and rewarding raters' participation in the performance appraisals process (e.g., recognizing those who rate accurately). What is less acknowledged is that by tying rewards to the rating process, raters are tacitly encouraged to engage in behaviors directed at procuring such rewards, potentially at the expense of capturing the nuances of actual ratee performance. Moreover, how are such rewards to be administered (i.e., who rates the rater)? Indeed, it seems counterintuitive to attempt to remediate a process that is fraught with confounds by adding an additional layer of subjectivity.

Emerging Scholar 4

We have long known that the use of ratings for administrative purposes is incompatible with other related goals (e.g., ratings to support employee development, see Jawahar & Williams, 1997). Unfortunately, in practice, ratings are commonly used to support both administrative and developmental functions, which arguably leads to ratings that have little to no use for either purpose alone. Administrative ratings used in conjunction with developmental purposes can lead managers to weigh the importance of each individual purpose against their own goals (e.g., those that will help achieve their own personal agendas; Longenecker, Sims, & Gioia, 1987). Given that political motives often underlie this process, it is little wonder that the usefulness of performance ratings is often called into question.

Emerging Scholar 5

The argument that "too hard" is unacceptable is apt but too narrowly focused in the Adler et al. focal article. Instead, the focus should be not solely on the difficulty associated with performance ratings but on the equally difficult issues surrounding performance definition and developing methodologies to more appropriately define performance. Understanding the nature and dimensionality of work performance still represents a major hurdle in the development of appropriate means to evaluate performance. Absent more practical methods to comprehensively define performance, evaluating performance via ratings, or any other vehicle, has the potential to represent an exercise in futility.

Emerging Scholar 6

If performance ratings are not collected, I challenge those arguing for their elimination to answer this question: How will administrative decisions, such as promotions and reductions in force, be made and defended? Considering performance appraisal more generally, an alternative to formal numerical ratings may be to adopt a more qualitative means of documenting performance. Although this type of information is useful for structuring feedback, as it can readily convey and communicate areas for improvement to an individual in explicit behavioral terms, its use is rather limited to support between-person comparisons. As administrative decisions inherently require between-person comparisons, it is likely that organizations would have to convert qualitative evaluations into quantitative assessments in order to make these decisions. Unfortunately, much can be lost in translation between qualitative and quantitative data. In addition, if the qualitative evaluations collected do not distinguish between employees, the data that are converted from these evaluations will be of little use for making administrative decisions. Of course, this issue could be circumvented if some form

of well-developed quantitative/numerical ratings were collected in the first place.

Summary and Conclusions

In considering the thoughts raised above, several themes emerge that beg for further consideration by both researchers and practitioners of performance appraisal. The idea that we need to refocus attention to the features of performance ratings that actually do help the performance appraisal process is important, as is the notion that we must be more flexible with our understanding of what such ratings represent as well as the goals of the appraisal process in general. Moreover, a consideration of what behaviors are actually being rewarded by various appraisal processes and purposes is also necessary, along with a recognition that performance definitions are often insufficient to support the design of appraisal systems. Finally, and perhaps most important, although ratings are imperfect, alternatives are not necessarily better. If we are to believe that we stand at somewhat of a crossroads regarding the decision of whether or not to continue advocating for the use of performance ratings in organizations, we must acknowledge that the burden for future research and practice rests to a large extent on upcoming cohorts of researchers and practitioners. Although the thoughts collected here represent but a few of the possible opinions regarding the issues raised in this debate, my hope is that these varying perspectives serve as some evidence for "what is to come" regarding how we as a field will position performance ratings in the future.

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