

598 Management Report

The Role of Leader-Member Exchange (LMX) and Justice in the Performance Review Process at The College of Family Physicians of Canada (CFPC)

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EXECUTIVE SUMMARY

Introduction

The College of Family Physicians of Canada (CFPC) represents over 26,000 members in Canada and internationally. It is responsible for establishing standards for training, certification and lifelong education of family physicians and for advocating on behalf of the specialty of family medicine, family physicians and their patients. The CFPC accredits postgraduate family medicine training in Canada's 17 medical schools ("About CFPC," n.d.).

The objective of this paper is to analyze and recommend solutions to enhance the CFPC's employee performance review process and the underlying relationships between leaders and members. This research will explore employee reactions to the performance review process; particularly through the role of leader-member exchange and justice and the effects on organizational commitment and identification, satisfaction with the appraisal session and system, the utility of the appraisal, and the employee's motivation to improve.

This report does not aim to prescribe a performance review process for the CFPC. Rather, the underlying conditions of relationships are of concern here. To keep with the spirit of the CFPC, we can employ a medical metaphor: we are diagnosing the symptoms of what may be a dysfunctional performance review process and we engage the patient to be active in developing a plan of care. In other words, I am not proposing that the CFPC follow a specific performance review format but that it seeks employee feedback on what review template(s) meet the greatest needs.

Research Question: This report will explore how the leader-member¹ exchange and justice, vis-à-vis quality relationships between members and leaders, affect the CFPC's performance review process.

Methods

This paper takes two methodological approaches. The first, the literature review, explores the role of Leader-Member Exchange (LMX) and justice and the performance review process. This section contributes to the knowledge and understanding of how performance reviews can be influenced by social exchange relationships.

¹ The word "member" in this paper will refer to CFPC employees unless otherwise noted. In CFPC parlance, "member" typically means family physicians who pay annual dues to belong to the CFPC. It is important to make this distinction.

The second approach, a survey of CFPC staff, was conducted for two reasons: to determine if the literature is concurrent with staff experiences at the CFPC; and to give staff an opportunity to have a say in the review of the current performance appraisal process.

The survey (see Appendix C) was emailed to all CFPC staff resulting in a response rate of 42%. The survey was based on literature-tested questions and in consultation with the client.

Findings

I found that LMX and justice have a correlational impact on the workplace behaviour and the perception of performance review variables studied in this report. Trust and fairness (LMX and justice) are important to employee feelings toward the workplace and toward leaders. Therefore, the CFPC should look for ways to enhance social exchange relationships.

The findings in this paper centre on the following variables:

The independent variables are:

- Leader-Member Exchange (LMX)
- Three justice variables: procedural, interactional and distributive

The dependent variables are:

- Organizational commitment
- Organizational identification
- Satisfaction with appraisal session and appraisal system
- Utility of appraisal discussion
- Motivation to improve
- Value-expressive voice
- Instrumental voice

The other variables, ones specific to this survey and not tested in the literature are: self-rated and supervisor-rated outcomes from the CFPC performance review's (see Appendix D) themes of "achievement of objectives", "performance of tasks", "general performance and attitude" as well as the overall rating by the supervisor in the last performance review. Also included is the frequency members met with supervisors to discuss performance and the respondent's length of service at the CFPC.

- Leader-Member Exchange (LMX) and Justice (procedural, distributive and interactional): LMX and justice variables are important to understanding relationships between trust and fairness (themes of LMX and justice) and the other variables measuring the performance review. LMX is critical to CFPC leader-member relationships and the trust engendered in high-quality LMX relationships

should have a positive impact on how employees view the performance review process, how they identify with the CFPC, how motivated they are to improve performance and how fair they perceive the workplace to be.

- Performance Reviews: Employee relationships with leaders and employee perceptions of trust and fairness appear to be associated with perceptions of the performance review process. These findings indicate that through enhancing LMX and justice in the CFPC workplace, we may see increased perceived value of the performance review process.
- Voice: “Instrumental voice”, for CFPC staff is statistically significant with respect to “organizational identification”, “satisfaction with appraisal sessions” and “motivation to improve”. Thus, voice is not only an important element of social exchange and justice in the CFPC workplace; it is also necessary to two-way communication during the performance appraisal process and to encourage CFPC employees to improve their performance.

Recommendations

The purpose of this report was not to design or recommend a new performance review process, but to examine the role of leader-member exchange and justice on performance reviews and the effects on organizational commitment and identification, satisfaction with the appraisal session and system, the utility of the appraisal, and the employee’s motivation to improve.

I found that the survey conducted of CFPC staff produced findings largely concurrent with the literature. I also found that LMX and justice have an impact on the workplace behaviour and the perception of performance review variables studied in this report. Trust and fairness (LMX and justice) are important to employee feelings toward the workplace and toward leaders. Therefore, the CFPC should look for ways to enhance social exchange relationships. The performance review process can be one of the key venues in which fairness and trust are stimulated. I should stress that this is correlational research and readers must not assume causality. Care was taken in offering analyses when the evidence was strong and there appeared to be qualitative support from the responses to the open-ended questions.

For the most part, it appears relationships between members and leaders are of middling quality but there is a desire on behalf of employees to improve performance. More could be done to make the performance review process relevant and to give employees a greater say in the workplace, perhaps using the performance review as forum for employee voice. Further, the survey for this report served as an opportunity for employees to be heard and to participate in the development of the performance review process. Encouraging employee participation in re-developing the performance review templates and process may not only improve perceptions of trust and fairness, it may improve employee “voice”, satisfaction

with the performance appraisal process, and perceptions about the utility of the performance review discussion.

Recommendation 1: Consider ways to make performance reviews relevant to staff

Employees should see some utility to the performance review discussion; that the results of the review are used to offer training opportunities, and aid the employee in setting goals, particularly goals that are in line with the CFPC strategic plan

Recommendation 2: Performance reviews may be seen as an ongoing, continuous process

Encourage leaders to meet with direct reporting staff regularly (frequency could be determined between leader and employee). Over the course of the year, these meetings would give leaders and employees a more complete conception of employee performance and could foster trusting relationships.

Recommendation 3: Leaders may be trained to improve communication and relationship-building with employees

Supervisors should strive to be constructive, reduce the amount of criticism (or use criticism constructively) leveled at employees, and give employees more time to speak during the performance review (Burke et al., 1978, p. 904). Elicker et al. (2006) comment: “managers may be trained with simple instructions to engage in voice, consideration, and justification, leading to increased acceptance of decisions [by employees]” (p. 547).

Recommendation 4: Consider encouraging employee participation in redesigning the performance review process

As a principle of patient-centred care states: “nothing about me without me”, similarly, it is recommended that employees be involved in the process that affects their working lives. Also, greater employee involvement may help to legitimize and add credibility to the process.

Recommendation 5: If a new performance review system is implemented, explore possibility of implementing another staff survey

If a new performance review system is implemented, it is recommended that the same survey used for this report be implemented. This would allow us to compare results and determine if the new system has improved the role of LMX and justice in the performance review process at the CFPC.

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INTRODUCTION

Project Client and Problem

The College of Family Physicians of Canada (CFPC) represents over 26,000 members in Canada and internationally. It is responsible for establishing standards for training, certification and lifelong education of family physicians and for advocating on behalf of the specialty of family medicine, family physicians and their patients. The CFPC accredits postgraduate family medicine training in Canada's 17 medical schools ("About CFPC," n.d.).

The CFPC is a non-profit organization that has experienced steady and significant growth in personnel over recent years. While the CFPC becomes a larger and more diverse workplace, some of its human resource processes require examination.

In particular, the performance review process appears to be seen by staff as ineffectual and seldom used to improve performance or determine training needs. It has, at times, served as a record in disciplinary or termination decisions, but these reasons alone are insufficient to support performance reviews. Further, the context of the workplace should be studied; how employees view matters of trust and fairness and communication with their leaders. Communication and relationships are critical elements of the performance review process and deserve investigation.

The objective of this paper is to analyze and recommend solutions to enhance the CFPC's employee performance review process and the underlying relationships between leaders and members. This research will explore employee reactions to the performance review process; particularly through the role of leader-member exchange and justice and the effects on organizational commitment and identification, satisfaction with the appraisal session and system, the utility of the appraisal, and the employee's motivation to improve.

Project Objectives

This report does not aim to prescribe a performance review process for the CFPC. Rather, the underlying conditions of relationships are of concern here. To keep with the spirit of the CFPC, we can employ a medical metaphor: we are diagnosing the symptoms of what may be a dysfunctional performance review process and we engage the patient to be active in developing a plan of care. In other words, I am not proposing that the CFPC follow a specific performance review format but that it seeks employee feedback on what review template(s) meet the greatest needs. The key deliverables include a literature review and a survey of CFPC staff.

Research Question: This report will explore how the leader-member² exchange and justice, vis-à-vis quality relationships between members and leaders, affect the CFPC's performance review process.

Rationale – Why the Need for this Study

The CFPC uses an employee performance review process that, according to the Chief Operating Officer (the client), no longer meets the needs of a growing organization. Existing performance reviews do not appear to adequately explore employee and organizational problems, and do not emphasize employee motivation. Further, the current employee performance review process is formally conducted once a year. This annual arrangement is perceived to offer little benefit to the employee as strengths and weaknesses may be addressed throughout the year, in a timely way (e.g. after the completion of a routine project or task), and can enhance and facilitate communications and relationships between the leader and member.

Many organizations have some system or method of performance review³ that allows employers and employees to address employee performance goals, organizational and management expectations of the employee and how to enhance performance, results and growth. In short, the performance review should offer employees feedback on performance. The performance review plays a critical role in management processes and employee development but for many organizations employers and employees do not regard performance reviews as useful. According to an international survey of 50,000 respondents, only 13% of employees and managers and 6% of Chief Executive Officers thought their respective performance review systems were beneficial (Elicker, Levy & Hall, 2006, p. 532).

In some cases, performance reviews cause conflict between employers and employees (Lawler, 1994, p. 16). There can be myriad sources or reasons for conflict, but evidence gathered through meta-analyses indicate that employee work attitudes and performance are affected by the quality of the relationship with a leader (Gerstner & Day, 1997, p. 836).

Performance reviews may help employees not only improve personal job performance/improvement but also foster employee contribution to the organization's goals. Moreover, performance reviews are not merely a time to celebrate the employee's strengths but also explore further skill development, how to meet the organization's priorities, identify future career goals, and develop coaching/mentoring approaches. Reviews can be examined through the lenses of leader-member exchange and justice (distributive, procedural and interactional) because the social context of performance

² The word "member" in this paper will refer to CFPC employees unless otherwise noted. In CFPC parlance, "member" typically means family physicians who pay annual dues to belong to the CFPC. It is important to make this distinction.

³ In this paper, "performance review" and "performance appraisal" are used interchangeably.

reviews appears to have a significant influence on motivation and attitudes toward the organization.

Performance reviews are typically face-to-face meetings between an employee and her/his supervisor intended to identify employee strengths and weaknesses and find solutions and methods to improve employee development. If issues such as social exchange and relationships between the leader and member are poorly understood, then the performance review process may not be meaningful.

It is worth noting that non-profits like the CFPC do not typically produce quantifiable goods. Therefore, quantitative measures of performance are not easily developed because non-profits “frequently have goals that are amorphous and offer services that are intangible” (Kaplan, 2001, p. 354).

Organization of Report

This report explores some of the key issues and themes in LMX and justice in the CFPC workplace, particularly how both concepts relate to the performance review process. The literature review provides the reader with the context and some of the evidence on which this report is based. This section will also present the framework for this study and why certain variables were chosen.

The literature review is followed by an explication of the methodological approach to the survey that was conducted of CFPC staff. Survey findings are presented and this section is illuminated further in the discussion, where the literature review is compared and contrasted to the survey findings. The paper closes with a conclusion and recommendations; viable options that can be implemented by the client.

LITERATURE REVIEW AND FRAMEWORK FOR STUDY

The literature review provides context and information on each of the variables used in the survey of CFPC staff. This analysis straddles management processes and organizational psychology as I explore concepts of leader-member exchange (LMX) and justice and employee perceptions about organizational commitment and identification, satisfaction with the appraisal system and session and the utility of the appraisal discussion, motivation to improve and voice.

With relationships as a dominant theme, social exchange appears to play a significant role when measuring performance. Erdogan and Bauer (2010) found that “LMX quality was positively-related to...organizational commitment and helping behaviours” (p. 1116). An off-the-shelf checklist or procedure, it would seem, does little to appreciate the dynamics present in the supervisor-subordinate dyad. But understanding the interplay of these dynamics requires a review of the literature.

The framework for this study is based on each of the aforementioned concepts. These concepts are reviewed in this section to give the client a greater appreciation of the role of LMX and justice in the performance review process. The table below (Table 1) describes the key areas of study.

The variables that change in response to changes in other variables (dependent variables) are noted in Table 1 with “DV”. These variables examine CFPC response to the performance review process and how the independent variables affect that response. Those variables that influence other variables with changes in their own value (independent variables) are noted in Table 1 with “IV”.

Further to the framework of this study, rather than impose a new performance review process on staff, I reviewed how I should investigate underlying factors of the process itself. In medicine, we understand that relationships between provider and patient are critical to successful care and outcomes. Basing the premise of this report on the idea of relationships rather than processes and procedures, I sought to understand the role of LMX and justice in the performance review process.

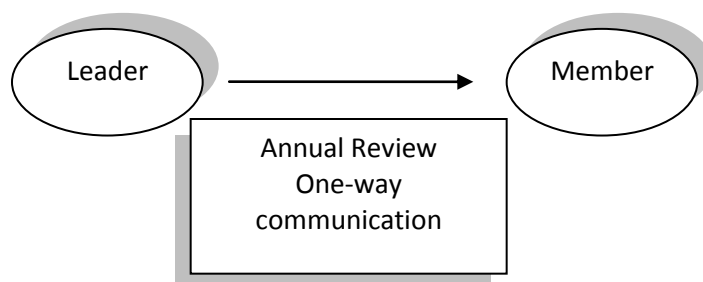
Table 1 Key variables, independent and dependent, studied in this report and their definitions

Variable	Definition
LMX measure (IV)	Leader-member exchange (LMX) focuses on the social exchange between a leader/supervisor and employees
Procedural Justice (IV)	Fairness of dispute resolution and procedures and decisions to allocate

	resources
Distributive Justice (IV)	Fairness of outcomes and distribution of resources
Interactional Justice (IV)	Fairness in how one is treated by others
Organizational Commitment (DV)	Attachment to an organization
Organizational Identification (DV)	The stronger the sense of identification to an organization leads to a greater sense of commitment or a feeling of belonging
Satisfaction with appraisal session and appraisal system (DV)	Are employees satisfied with the performance review process and system?
Utility of appraisal discussion (DV)	Do employees think the performance review is useful?
Motivation to improve (DV)	Do employees feel that the performance review process motivates them to improve?
Value-expressive voice (DV)	Valuing an employee's input even if that input does not affect a decision
Instrumental voice (DV)	Gives employees the chance to feel that they have indirectly influenced a decision

The literature review sheds light on what can be considered not only an organizational management challenge, but also the more complex and more capricious study of organizational psychology. The CFPC is a workplace undergoing significant growth in the number of new employees. It is no longer a tight-knit group of friends, but a large, professional non-profit. With 127 current staff and projected to grow over 2012-2013, it can be easier for staff to feel a sense of dislocation from each other, from their leaders and from the organization as a whole. This growth made it even more critical for the client to prefer a performance review system that is continuous and focused on relationships between leader and member.

Figure 1 Current performance review relationship



It is necessary to depart from the current annual, one-way communication process (Figure 1) where the leader tells the member if she has fallen below, met, or exceeded expectations. Figure 1 offers a rather simple and asymmetrical, “top-down” relationship. If we wish to move toward a workplace that has ongoing performance reviews, based on two-way communication, workplace concepts of justice and higher social exchange relationships (LMX) we need a more comprehensive approach. Further, the variables chosen for this report guide us not only in understanding what the underlying issues are affecting performance reviews, but also may tell us if the reviews themselves are seen to be useful by employees and useful in their results.

Leader-Member Exchange (LMX)

It is often said that the strength of an organization can be found in its people. How people work together, how they exchange ideas and accomplish tasks can benefit or hinder an organization’s success. The CFPC does not typically survey its staff to understand where or if there are deficiencies in trust and leader-member relationships⁴. This has resulted in anecdotal accounts of poor communication and an inability to fully understand how or why relationships break down. If we are to understand and appreciate how employees work together, we should investigate leader-member relationships.

Gerstner and Day (1997) found that employee work attitudes and performance levels are positively related to the quality of the relationship with a leader (p. 836), while Erdogan and Bauer (2010), citing other findings, noted that a positive LMX relationship is related to job satisfaction, commitment to the organization, and “helping behaviors” (p. 1116). When a leader trusts an employee and there is higher quality LMX, then that leader is more likely to delegate authority to that employee (Werbel & Henriques, 2009, p. 783). The leader-member exchange (LMX) focuses on the social exchange between a leader/supervisor and employees. However, the nature of LMX theory has evolved over the past three decades. Graen and Uhl-Bien (1995) identified four stages of LMX with each successive stage building on the preceding one. Stage One finds that rather than behaving consistently toward all subordinates, leaders develop differentiated relationships. Stage Two investigates these Stage One differentiated relationships and attempts to explain how LMX plays a role within the construct of these relationships. Stage Three goes one step further where the “emphasis is placed not on how managers discriminate among their people but rather on how they may work with each person on a one-on-one basis to develop a partnership with each of them” (Graen & Uhl-Bien, 1995, p. 229). The final stage looks at how “dyadic relationships are organized within and beyond the organizational system”

⁴ Prior to the survey issued for this report, the CFPC initiated its first survey of employees in years. However, the results of that survey were not incorporated into this report for the following reasons: the survey questions were not literature-tested; senior staff, who also responded to the survey, commented on earlier drafts of the survey and proposed changes to survey questions. These methodological approaches do not invalidate the survey for the CFPC’s needs, but were not compatible with the survey approach used in this report.

(Schriesheim et al, 1999, p. 65). Most LMX research focuses on Stage Two; similarly for this report and in explaining relationships at the CFPC, we are interested in Stage Two as well as Stage Three.

Here, the notion of LMX differentiation deserves a bit of illumination. Erdogan and Bauer (2010) indicate that LMX differentiation may influence work attitudes because a “leader’s attention, autonomy, help and support will be unequally distributed” (p. 1106). Further, when one worker has a high-quality LMX with her leader and her co-worker has a low-quality LMX with that same leader, a negative relationship between the two co-workers may result (Sherony & Green, 2002, p. 547). Those employees with higher-quality LMX with their leaders received more work-related benefits and better assignments, had higher motivational factors, experienced less work stress, and received career mentoring compared to those workers with low-quality LMX relationships (Scandura, 1999, p. 27; Scandura and Schriesheim, 1994, p. 1598).

LMX can best be described as a relationship based on trust, respect and obligation in the relationship; the latter meaning the “expectation that interacting obligation will grow over time as career-oriented social exchanges blossom into a partnership” (Graen & Uhl-Bien, 1995, p. 237). With respect to the other two LMX factors, trust is “a foundation for collaborative interpersonal relationships” (Werbel & Henriques, 2009, p. 780) and is based on ten conditions: “availability, competence, consistency, discreetness, fairness, integrity, loyalty, openness, promise fulfillment, and receptivity” (Butler, 1991, p. 648). As Werbel and Henriques (2009) further elucidate, trust as a single factor shares attributes with the broader concept of LMX through reciprocity and how it is regarded depending on the perspective of either the employer or the employee (p. 782). We will further explore the issue of trust as it relates to justice and voice. Respect should not be construed as friendship but as a mutual appreciation of each other’s skills and competencies.

Thus, as Cunningham (n.d.) reveals, since LMX is an ongoing, relationship-building process, once-a-year performance reviews do little to nurture or develop that relationship. Continuous feedback on performance gives employees a greater understanding of where they stand vis-à-vis the leader and the organization well before the performance review. The CFPC’s annual performance reviews are considered with this in mind, particularly how relationships function given the infrequent nature of performance reviews.

Before we move on to concepts of justice, I would be remiss if I did not note that LMX has encountered definitional complications. Schriesheim, Castro and Cogliser (1999) stated that LMX measures quite often vary and do so without explanation (p. 64). They sought “further development and validation of a suitable LMX scale” but that the description of exchange between leader and member is often unclear (p. 101). The LMX variable developed for this survey is based upon Scandura and Graen’s (1984) seven-item scale of LMX quality as presented in Graen and Uhl-Bien (1995). It was felt that this scale was reasonable given the CFPC’s workplace structure and culture, but the point is well-taken that the scale does not determine what the leader expects from members in exchange for a reward or benefit (Schriesheim, Castro and Cogliser, 1999, p. 101).

Justice

Related to LMX is the concept of justice. As we explore the elements of the leader-member exchange climate at the CFPC, understanding justice, or fairness, in the work-setting will enhance our appreciation of how employees interact with each other. Indeed, it has been found that if the justice climate in the workplace is high, then LMX differentiation (i.e. the quality of social exchange between leaders and each of their employees) seems not to matter (Erdogan and Bauer, 2010, pp. 1104-1105); conversely, when justice is low, then LMX differentiation will lead to poorer quality relationships.

For the purpose of this study, three factors of justice are explored: distributive, procedural and interactional. All three of these factors consider perceived fairness: distributive justice is fairness of outcomes and distribution of resources; procedural justice is fairness of dispute resolution and procedures and decisions to allocate resources; and interactional justice is fairness in how one is treated by others (Korsgaard & Roberson, 1995; Walumbwa et al., 2009; Werbel & Henriques, 2009).

These three dimensions of justice co-exist and are not typically mutually exclusive. Erdogan and Bauer (2010) comment that employees “do not judge outcomes, resources, and benefits they receive in isolation” and that “all three forms of justice perceptions have been related to key job attitudes and behaviors” (p. 1105). Let us briefly examine what constitutes each factor of justice. Distributive justice outcomes can be seen in pay increases, promotions and varied and challenging work assignments (Scandura, 1999, p. 28). In workplaces where distributive justice is low, we seem to see evidence of anxiety, depression and burn-out (Erodgan & Bauer, 2010, p. 1106).

Procedural justice emphasizes teamwork amongst co-workers, work attitudes, whether someone has a voice in making decisions and whether there is a set of rules used in decision-making that are applied fairly (Erdogan & Bauer, 2010, p. 1114-1116; Scandura, 1999, p. 28). Tyler and Caine (1981) found that employees, even ones with lower-quality LMX with the leader, are more likely to accept resource allocation decisions if the leader is perceived as being procedurally fair (as cited in Scandura, 1999, pp. 32-33).

Interactional justice is bound up with notions of openness and effective and honest communication as well as dignified treatment (Scandura, 1999; Werbel & Henriques, 2009). We should note that a critical dimension of interactional justice is communication. Communication is also a key part of LMX relationships (Fairhurst and Chandler, 1989).

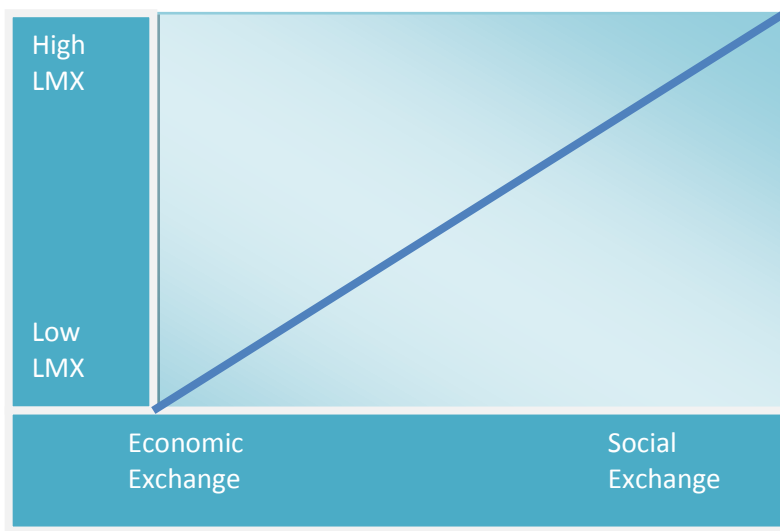
LMX and Organizational Commitment and Identification

At the start of this project, there were very little data to support and contextualize employee dedication to the CFPC. I felt it important that if we are to understand the roles of justice and LMX, I should investigate how CFPC staff are committed to and identify with the organization. As Walumbwa et al. (2009) find, social exchange relationships lead to higher levels of identification or shared identity (p. 1106). Relationships between individuals, in this case a leader and employee, can have an impact on employees' commitment to and identification with their organization.

The literature indicates that short-term interactions or relationships based on *quid pro quo* exchanges are transitory (Walumbwa et al., 2009, p. 1106). These narrow transactions are referred to as economic exchanges. It is unlikely that those in economic exchange relationships with their leaders have strong attachments to their respective organizations. Cropanzano and Rupp noted that a stronger sense of mutual support and identification between employees and their leaders as well as their organizations results in higher organizational citizenship behaviour and better job performance (as cited in Walumbwa et al., 2009, pp.1106-1107).

The stronger the sense of identification to an organization leads to a greater sense of commitment or a feeling of belonging. Walumbwa et al (2009, p. 1107) posit that employees will strive to be experts in their jobs if there is a strong identification with the organization. We can see how these concepts lead back, as discussed above, to the importance of higher-quality LMX relationships.

Figure 2 Economic and social exchange and LMX



In Figure 2, we see how low-quality LMX is an economic exchange relationship and high-quality LMX is a social exchange relationship (Wayne, Shore & Linden, 1997). If the CFPC wishes to assure greater organizational commitment and identification from its employees, it would seem that cultivating high-LMX relationships are necessary.

Performance Reviews

Performance reviews or appraisals are a ubiquitous element of human resource management in many organizations. Although not typically utilized in this manner at the CFPC, they can aid decisions about salary increases and promotions, if an employee needs further training, and documentation necessary for disciplinary actions or terminations. Employees may fret over them and leaders may be unsure how to conduct them. As previously noted, according to an international survey of 50,000 respondents, only 13% of employees and managers and 6% of Chief Executive Officers thought their respective performance review systems were beneficial (Erlicker, Levy & Hall, 2006, 532). Erlicker, Levy and Hall (2006) also comment that many employees do not see the value in the performance review process as it exists in their organization (p. 532). Further, a poor performance review can foment conflict and permanently damage the relationship between the employee and leader, leading to lower quality LMX (Lawler, 1994, p. 16). If the foundations of what makes for a successful performance review are not understood (e.g. relationships, LMX, justice), this human resource management tool may be seen as ineffective.

Performance reviews should provide feedback to employees, nurture relationships through communication, and enable mentoring. Performance reviews are thus seen as a “justice event” based on the nature of the relationship between the employee and the leader (Erlicker, Levy & Hall, 2006, p. 532). As previously noted one should not perceive performance reviews as single, annual events; as ephemeral encounters made to be endured. They are based on the ongoing relationship between the leader and employee and require cultivation throughout the year.

However, there is more to the performance review process than amicable feelings and camaraderie between leader and employee. Employees (as well as leaders) should see performance reviews as satisfactory and demonstrate an element of utility. With respect to satisfaction with the review process, employees may look for fairness and due process in both the session itself and in the performance review system (Erlicker et al., 2006, p. 546). That is, are individual reviews fairly judged and predicated on the fairness of the system? How are employees treated in individual sessions and is justice perceived? Is the system itself and the performance measures seen as accurate? If the system and process are felt to be fair, “regardless of the perceived fairness of the [performance review] decision itself, fair procedures will result in more positive attitudes” (Korsgaard & Roberson, 1995, p. 657). As Cardy and Dobbins (1994) state, if there is a perception that the process and

individual evaluations are unfair, “any appraisal system is doomed to failure” (as cited in Keeping & Levy, 2000, p. 709).

Burke, Weitzel and Weir (1978) conducted seminal studies on the characteristics of effective employee performance reviews. They reviewed the literature from the 1950s to the 1970s and suggested that there are six major characteristics of performance reviews:

1. “High levels of subordinate participation in the appraisal and development process” (p. 904). Increased satisfaction with the appraisal process and a subsequent increased likelihood that performance goals will be met is possible if the employee has a role in the appraisal process.
2. “A helpful and constructive attitude on the part of the supervisor” (p. 904). The employee will be more satisfied with the performance review and the leader if that leader exhibits fairness and respect toward the employee.
3. “Mutual setting of specific goals to be achieved by the subordinate” (p. 904). Performance can improve if specific performance goals are set.
4. “Solving problems which may be hampering the subordinate’s current job performance” (p. 904). This requires the employee and the leader to hold an appraisal session more than once a year; that there be “. . .periodic meetings between the manager and his subordinate in which goals are established, progress is reviewed, and solutions are found for job-related problems” (p. 904).
5. “The amount of criticism given by the supervisor” (p. 904). Some studies indicate (Burke et al., 1978) that heavy criticism does not seem to enhance job performance and that this type of criticism elicits defensive responses from employees.
6. “The proportion of time spoken by the subordinate” (p. 904). This characteristic will be further explored in the following section on voice, but it would seem that if an employee feels that she has more opportunities to speak, she will be more satisfied with the performance review.

With respect to performance reviews enhancing employee motivation to improve, Burke et al. (1978, p. 917) reported that the more useful and satisfactory the performance review, the more likely employees wanted to improve job performance. Further, performance appraisal feedback seems to be correlated with improved performance (Joinson, 1996, n.p.). This section closes with an observation by Elicker et al (2006) that might be an important consideration toward improving the review process at the CFPC: “the social context in which the feedback process is embedded may influence employees’ reactions to the [performance appraisal], including their work-related motivation and attitudes” (pp. 531-532).

Voice

Connected to the concepts of justice is “voice”. Voice enables employees to participate in workplace decision-making and offer substantive direction, particularly when employees are or will be affected by a decision. As with the other measures, the CFPC has not fully

reviewed or conducted a methodologically sound assessment of employee perceptions of voice. With respect to the performance review, voice is seen as essential to employee satisfaction with the performance process (Korsgaard & Roberson, 1995, pp. 658-659). And according to Greller (1975), there are two notions of participation vis-à-vis voice: the invitation to participate and the amount of time given to an employee to speak (p. 545).

It is here that we experience some difficulty in adequately identifying the role of voice. Korsgaard and Roberson (1995) comment that “research on employee participation in general has been plagued by a lack of consensus on the meaning of participation and its underlying mechanism” (p. 658). Perhaps then, it would be useful to categorize voice under “instrumental” and “non-instrumental”. Instrumental voice gives employees the chance to feel that they have indirectly influenced a decision (Korsgaard & Roberson, 1995, p. 659). Whereas “non-instrumental” or value-expressive voice is where an employee’s input is valued even if that input does not affect a decision (Korsgaard & Roberson, 1995, p. 659). Non-instrumental voice gives employees the feeling of “status in the group or in the organization” – it is the “opportunity to be heard” (Korsgaard & Roberson, 1995, p. 659).

When it comes to recognizing voice in the appraisal process, it would seem that allowing employees to offer self-appraisal before receiving the performance review, offers a greater perception of fairness (Korsgaard & Goodwin, 1992 as cited in Korsgaard & Roberson, 1995, p. 659). Finally, as Tyler (1987) reveals, only voice that is acknowledged or has a role in the decision can be considered to be effective; that is, if employee input feedback is requested but not listened to or acted upon, there is effectively no voice (p. 339).

Conclusion

The relationship between leaders and members is an expansive field and should be appreciated beyond sporadic performance review meetings. This literature review has provided commentary and context as per the client’s direction and should not constitute an exhaustive review of the literature; what has been identified in this section corresponds with what the client thought would be relevant to the CFPC’s organizational structure and culture.

With respect to the framework for this study, the concepts presented in this section are meant to give the client a greater appreciation of the role of LMX and justice in the performance review process.

Through investigating these concepts or variables, the aim is not to impose a new performance review process on staff, but to understand the underlying factors of the process itself. Apropos of the mandate of the CFPC and the principles of family medicine, relationships between provider and patient are critical to successful care and outcomes. Thus, the premise of this report is based on the formation of relationships rather than processes and procedures; and using this lens, I sought to understand the role of LMX and justice in the performance review process.

METHODOLOGY

This paper takes two methodological approaches. The first, the literature review, explores the role of LMX and justice and the performance review process. This section contributes to the knowledge and understanding of how performance reviews can be influenced by social exchange relationships.

The second approach, a survey of CFPC staff, was conducted for two reasons: to determine if the literature is concurrent with staff experiences at the CFPC; and to give staff an opportunity to have a say in the review of the current performance appraisal process.

The survey (see Appendix C) was emailed to all CFPC staff. The survey was attached to the email as a Portable Document Format (PDF) and all staff were requested to print the survey and complete it in pen. However, not all staff were eligible to complete the survey. Only those who received a performance review in the past year (could include six-month probationary reviews) were asked to respond. Although, nothing prevented potential respondents from ignoring this directive and choosing to respond to the survey.

The survey was sent to 127 staff with 40 responding (again, only those who received a performance review in the past year were encouraged to respond). In 2010-2011, 96 staff should have received a performance review. But this is not to say that performance reviews occurred. While the Human Resources Department requests that each department submit performance reviews of staff, nothing compels managers and directors to submit reviews. We do not know how many reviews were not submitted last year. Thus, 40 responses out of an eligible survey population of 96, results in a response rate of 42%.

In order to maintain anonymity and confidentiality, completed surveys were placed in an envelope, sealed and handed to Ms. Tiffany Lubinski, a colleague of the researcher. Ms. Lubinski was not associated with the research. Her role was to collect sealed envelopes, keep them secure in a locked filing cabinet, and deliver the envelopes to the researcher at the close of the survey. The purpose of this step was to prevent the researcher from associating respondents with the completed surveys submitted.

The survey period was conducted over 17 days (August 22, 2011 to September 7, 2011) with staff receiving three reminders from the researcher. At the end of the survey period, the response rate was 28%. The researcher requested that the client, Ms. Maguire-Garber, encourage Department Directors to ask eligible staff to respond to the survey. The survey period was extended to September 19, 2011.

The survey was based on literature-tested questions and in consultation with the client. A 5-point Likert scale was used for all questions except where noted below. The scale ranged from 1 = strongly disagree to 5 = strongly agree, unless otherwise noted. The following variables were presented in the survey:

LMX measure: This uses Scandura and Graen's (1984) seven-item scale of LMX quality as presented in Graen and Uhl-Bien (1995). Questions include: "My leader recognizes my potential" and "My leader understands my job problems and needs". The LMX measure is an independent variable.

Procedural Justice: Niehoff and Moorman's (1993) six-item scale was adapted for this survey. Questions include: "I think job decisions are made by my leader in an unbiased manner" and "All job decisions are applied consistently across all affected employees." Procedural justice was treated as an independent variable.

Distributive Justice: Korsgaard's and Roberson's (1995) four-item scale was used to develop the independent distributive justice variable. Questions include: "My last performance review was fair" and "My most recent performance review fairly represented my past year's performance".

Interactional Justice: Moorman's (1991) six-item scale was used. As with the other two justice variables, this was treated as an independent variable. Questions include: "My leader takes steps to deal with me in a truthful manner" and "My leader treats me with kindness and consideration".

Organizational Commitment: This variable was adapted from Allen and Meyer's (1990) eight-item Affective Commitment Scale and is a dependent variable. Questions include: "I really feel as if the CFPC's problems are my own" and "I think that I could easily become as attached to another organization as I am to this one".

Organizational Identification: Smidt et al.'s (2001) five-item organizational identification scale was used. Organizational identification is a dependent variable. Questions include: "I feel proud to work for the CFPC" and "I am sufficiently acknowledged in the CFPC".

Satisfaction with appraisal session and appraisal system: Giles and Mossholder's (1990) adapted by Elicker et al. was refined as a two-item scale for this variable. This was treated as a dependent variable. Questions include: "I felt quite satisfied with my last job performance session" and "In general, I feel the CFPC has an excellent performance review system".

Utility of appraisal discussion: Greller's (1978) four-item scale adapted by Elicker et al. was used for this dependent variable. Questions include: "The job performance review helped me learn how I can do my job better" and "I learned a lot from the job performance review".

Motivation to improve: This dependent variable was adapted from Dorfman, Stephan and Loveland's (1986) three-item scale, which was used by Elicker et al. Questions include: "Because of the review I am motivated to do my very best" and "My recent job performance review encouraged me to improve my performance".

Value-expressive voice: Six items from Korsgaard's and Roberson's (1995) eight-item scale and also found in Elicker et al., were used for this dependent variable. The five-point Likert scale for these six questions ranged from 1 = not at all to 5 = to a great extent. Questions include: "During your most recent performance review, to what extent did you talk about your major job responsibilities?" and "During your most recent performance review, to what extent did you tell your leader about problems you were having on the job?"

Instrumental voice: From Korsgaard's and Roberson's (1995) five-item scale used in Elicker et al. This dependent variable allowed for answers ranging from 1 = strongly disagree to 5 = strongly agree with the exception of question 56, which asked 1 = not at all to 5 = to a great extent. Questions include: "My leader and I share responsibility for the way my most recent performance review went" and "During my most recent performance review, I felt I was unable to influence the direction of the discussion".

Respondents were asked how often they met with their leader and this six-point scale ranged from 1 = weekly to 6 = never. A series of questions were also posed that ask respondents to describe how their supervisor rated them on key performance appraisal objectives, followed by how the respondent rated themselves. These questions used three-points based on the three performance review outcome columns used by the CFPC: fell below expectations; met expectations; exceeded expectations.

Four open-ended questions were posed to respondents, asking about experiences with the performance review process and allowing for suggestions on how the performance review process could be improved, if improvements are needed. The survey concludes with a question about length of service, with answers ranging from less than one year to more than eleven years.

With respect to internal reliability of each variable (see Table 2), using Cronbach's alpha, we see that the LMX and justice variables have high internal consistency. However, "satisfaction with appraisal session and appraisal system" and "motivation to improve" have low scores (below .700). These scores may be the result of poor inter-item correlation and with respect to "satisfaction with appraisal session and appraisal system" (.553), there are two questions for this variable; items are few and this may explain the low alpha score.

Table 2 Cronbach's alpha scores for main variables

Variable	Cronbach's alpha (test for internal reliability)
LMX	.922
Procedural Justice	.929
Interactional Justice	.895
Distributive Justice	.940
Organizational commitment	.741
Organizational identification	.848
Satisfaction with appraisal session and appraisal system	.553
Utility of appraisal discussion	.902
Motivation to improve	.639
Value-expressive voice	.796
Instrumental voice	.717

Limitations

Conducting a survey of CFPC staff not only served to understand if there is a concurrence in behaviour between this organization and its performance reviews and what was found in the literature, the survey also sought to allow staff to suggest improvements to the appraisal process. However, the relatively low response rate (42%) inhibits the generalizability of results and robust statistical analyses. Those who responded to the survey may have seen this as an opportunity to air grievances or pursue change to the performance review process. Thus, it is possible this survey captures a disproportionate share of “activist” voices.

I should also stress that this is correlational research and readers must not assume causality. Care was taken in offering analyses when the evidence was strong and there appeared to be qualitative support from the responses to the open-ended questions.

There are some concerns with common method variance (CMV) and its effect on surveys such as this one that demand a significant proportion of subjective responses from the same participants at the same time; or same-source bias (Chang, van Witteloostuijn & Eden, 2010, p. 178). This survey asked for respondents' impressions of the current performance appraisal system, relationships with leaders and the organization, and did not have the benefit of allowing for two or more survey periods, which would have reduced method bias. Survey results may not be entirely reliable without a comparative or a longitudinal survey of CFPC employees. Further research might be conducted of staff following

enhancements to the performance appraisal process, assuming this is the route the CFPC wishes to pursue.

FINDINGS

The findings in this paper centre on the 20 variables used in this study to determine the role of LMX and justice on the CFPC’s performance review process. The independent variables are LMX and the three justice variables: procedural, interactional and distributive. The dependent variables are: “organizational commitment”, “organizational identification”, “satisfaction with appraisal session and appraisal system”, “utility of appraisal discussion”, “motivation to improve”, “value-expressive voice” and “instrumental voice”. The other variables, ones specific to this survey and not tested in the literature are: self-rated and supervisor-rated outcomes from the CFPC performance review’s (see Appendix D) themes of “achievement of objectives”, “performance of tasks”, “general performance and attitude” as well as the overall rating by the supervisor in the last performance review. Also included is the frequency members met with supervisors to discuss performance and the respondent’s length of service at the CFPC.

For the descriptive statistics of the survey findings, please refer to Table 3 and for the correlations of the independent and dependent variables please see Table 4. These tables will be referred to throughout this section and the “Discussion” section.

Table 3 Descriptive statistics

Variable (N=40)	Mean	SD	Min	Max
LMX	3.61	0.91	1.57	5
Procedural Justice	3.22	0.91	1.33	5
Interactional Justice	3.65	0.84	1.83	5
Distributive Justice	4.17	0.80	1.75	5
Organizational commitment	3.48	0.58	1.75	4.63
Organizational identification	3.65	0.66	2.2	4.8
Satisfaction with appraisal session and appraisal system	3.08	0.69	2	5
Utility of appraisal discussion	2.66	0.81	1	5

Motivation to improve	3.53	0.69	2	5
Value-expressive voice	3.50	0.86	1.17	4.67
Instrumental Voice	3.1	0.38	2.2	3.8

Table 4 Correlations of independent and dependent variables

	<i>Variable</i>	1	2	3	4	5	6	7	8	9	10	11
1	LMX	1										
2	Procedural Justice	.834**	1									
3	Distributive Justice	.556**	.563**	1								
4	Interactional Justice	.867**	.840**	.646**	1							
5	Organizational Commitment	.328*	.256	.470**	.311	1						
6	Organizational Identification	.496**	.430**	.437**	.333*	.807**	1					
7	Satisfaction with PR process	.640**	.609**	.510**	.622**	.101	.244	1				
8	Utility of PR	.332*	.379*	.079	.331*	-.048	.046	.458**	1			
9	Motivation to Improve	.514**	.531**	.454**	.589**	.205	.343*	.529**	.599**	1		
10	Value Expressive Voice	.252	.219	.470**	.271	.343*	.190	.247	.067	.212	1	
11	Instrumental Voice	.661**	.649**	.741**	.612**	.414**	.595**	.418**	.056	.420**	.393*	1

** . Correlation is significant at the 0.01 level (2-tailed).
* . Correlation is significant at the 0.05 level (2-tailed).

Leader-Member Exchange and Justice

One of the key goals of this report is to gain insight into the role of LMX and justice in the workplace, particularly how these variables are related to performance reviews. In short, it is argued that we need to understand if social exchange is important at the CFPC. The literature review indicated that social exchange is indeed important with respect to the performance review.

The survey findings for LMX and justice indicate a largely neutral reaction on questions for these measures. The mean LMX score is 3.61 (between “neutral” and “agree” with the questions presented in the LMX variable; SD = 0.91), “procedural justice” (mean = 3.22, SD = 0.91) and “interactional justice” (mean = 3.65, SD = 0.84) receive similarly middling scores. More positive findings are evident for “distributive justice” (mean = 4.17, SD = 0.80). Further, the LMX variable positively correlates and is statistically significant with all other variables with the exception of “value-expressive voice” ($r = .252$). “Procedural justice” and “interactional justice” also positively correlate and are statistically significant with all other variables with the exception of “organizational commitment” ($r = -.171$ and $r = -.070$ respectively) and “value-expressive voice” ($r = .219$ and $r = .271$ respectively). “Distributive justice” was positively correlated and statistically significant on every variable with the exception of “organizational commitment” ($r = -.035$) and “utility” (.079).

These findings suggest that the LMX and justice variables are important to understanding relationships between trust and fairness (themes of LMX and justice) and a majority of the other variables measuring the performance review.

Performance Reviews and Organizational Commitment

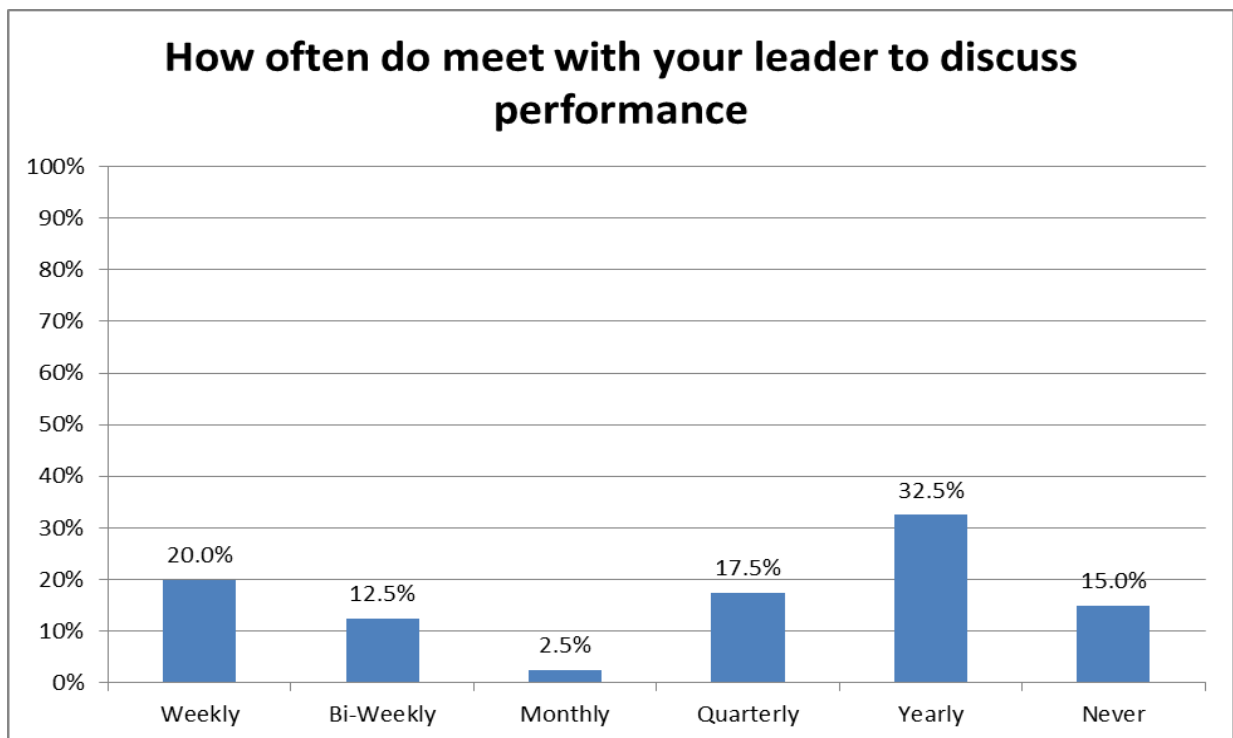
“Satisfaction with the appraisal process” was decidedly neutral (mean = 3.08, SD = 0.69). This variable was positively correlated and statistically significant on each of the LMX and justice variables (LMX: $r = .640$, $p < 0.01$; procedural justice: $r = .609$, $p < 0.01$; distributive justice: $r = .510$, $p < 0.01$; interactional justice: $r = .622$, $p < 0.01$). It should also be noted that “satisfaction with the appraisal process” is positively correlated and statistically significant with “utility of the performance review” (mean = 2.66, $r = .458$, $p < 0.01$), “motivation to improve” (mean = 3.53, $r = .529$, $p < 0.01$) and “instrumental voice” (mean = 3.1, $r = .418$, $p < 0.01$). We might infer that if respondents are content with the appraisal process, this will have an impact on motivation, feelings of being heard and determining whether the performance review is a worthwhile process.

“Organizational commitment” (mean = 3.48, SD = 0.58) correlated with five variables, and while there appears to be no correlation with two of the independent variables (“procedural justice” and “interactional justice”) it is strongly associated with LMX ($r = .328$, $p < 0.05$) and “distributive justice” ($r = .470$, $p < 0.01$). “Organizational identification” (mean = 3.65, SD = 0.66) is positively correlated and significant on all of the independent variables (LMX and justice). “Organizational identification” was also correlated with “motivation to

improve” ($r = .343, p < 0.05$) and “instrumental voice” ($r = .595, p < 0.01$). “Organizational commitment” is positively correlated and significant on three of the other dependent variables: “organizational identification” ($r = .807, p < 0.01$), “value-expressive voice” ($r = .343, p < 0.05$) and “instrumental voice” ($r = .414, p < 0.01$). Both “organizational” variables are elements of and associated with social exchange and appear to be supported in these findings.

About 33% of respondents meet with their leader once a year to discuss work performance (see Figure 3). While approximately 52.5% meet more frequently (weekly – 20%; bi-weekly – 12.5%; monthly – 2.5%; quarterly – 17.5%), 15% never meet with their leader to discuss performance. This last figure is notable given that the CFPC requests that leaders (department heads and managers) submit an annual performance review for each of their employees; however, this requirement is not measured or discussed in supervisory performance.

Figure 3 How often respondents meet with leader to discuss performance



Voice

The “value-expressive voice” variable (mean = 3.50, SD = 0.86) is not statistically significant with respect to the other variables, save “distributive justice” ($r = .470, p < 0.01$) and “instrumental voice” ($r = .393, p < 0.05$). Distributive justice addresses perceptions of

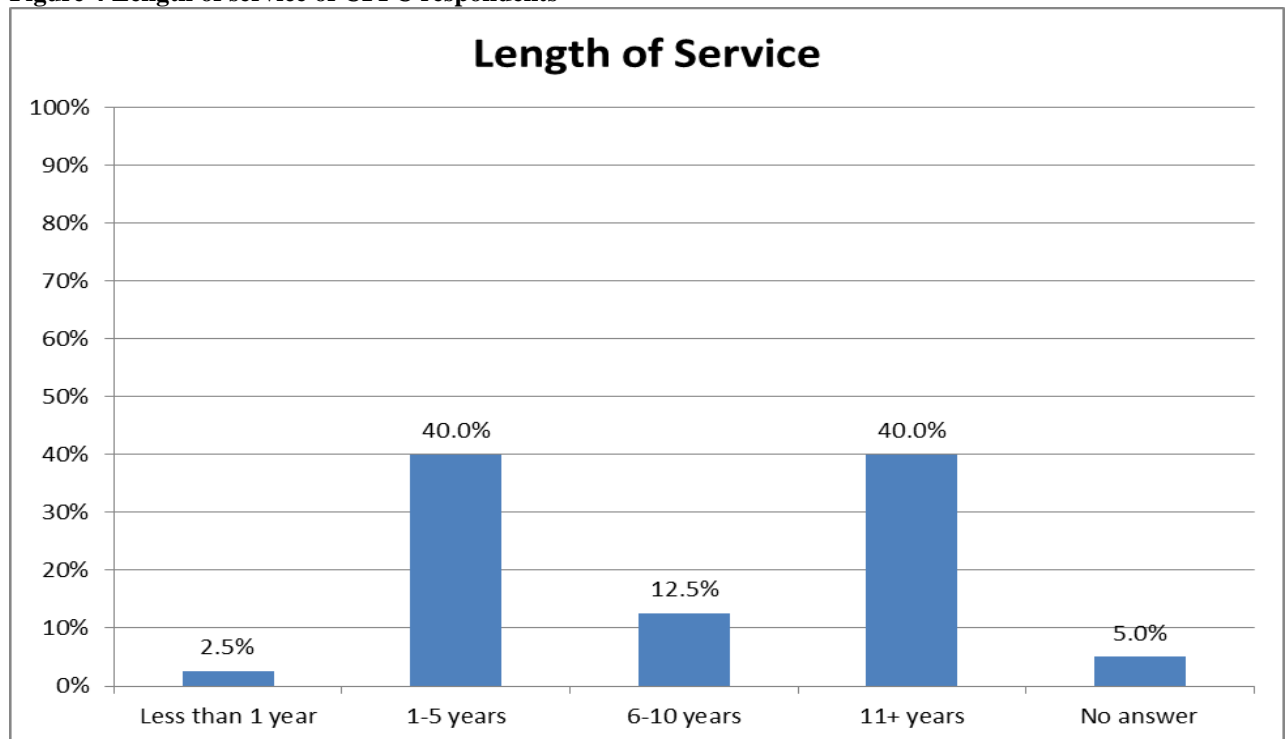
fairness of outcomes and distribution of resources and it would seem that employee input on this measure is an important finding.

“Instrumental voice” (mean = 3.1, SD = 0.38) is correlated with and statistically significant on all the independent variables (LMX and justice). Further, we see that this variable is positively correlated with “organizational identification” ($r = .595, p < 0.01$), “satisfaction with the appraisal process” ($r = .418, p < 0.01$), “motivation to improve” ($r = .420, p < 0.01$) and “value-expressive voice” ($r = .393, p < 0.05$). We see here that having an opportunity to feel like they are influencing the outcome of a decision is important on social exchange measures and most of the performance review variables.

Length of Service

With respect to length of service ($\chi^2 = 18.63, df = 3, p < 0.00$), we see that a majority of survey respondents are largely divided between two categories of length of service: those who have been employees of the CFPC for one to five years ($n=16, 40%$); and those who have served 11 years or more ($n=16, 40%$). Five respondents have been employed for six to 10 years (12.5%) and one respondent for less than one year (2.5%). Two respondents (5%) chose not to answer this question. Please see Figure 4.

Figure 4 Length of service of CFPC respondents



Responses to CFPC Performance Reviews

When asked how respondents rated themselves on the three key areas of the current CFPC performance review (achievement of objectives, performance of tasks, general performance and attitude; see Appendix D) compared to how their supervisors rated them, we see the following results (see Figure 5).

Only one respondent stated that they self-assessed “below expectations” on any of the measures, whereas on two of the measures, a supervisor rated one respondent “below expectations”. For the most part, respondents’ self-rating and the actual rating from the supervisor “met expectations”. While respondents were less likely to self-rate as “exceeded expectations”, supervisors were more likely to give this rating. It should be noted that a small number of respondents decided not to answer this question.

There could be some questions about the utility of the current performance review process where employees are not sure how they will or should be graded. There seems to be a propensity to self-rate as meeting expectations with supervisors agreeing to some extent with this self-assessment while also being more apt to give employees a higher “exceeded expectations” rating. These three measures may be insufficient to adequately and appropriately measure performance and may be open to some gamesmanship.

Figure 5 Self-rating and supervisor rating on last performance review

<i>Each cell:</i> -% -(n)	Achievement of objectives		Performance of tasks		General performance and attitude		Overall rating by Supervisor in last PR
	<i>Self-rated</i>	<i>Supervisor Rating</i>	<i>Self-rated</i>	<i>Supervisor Rating</i>	<i>Self-rated</i>	<i>Supervisor Rating</i>	
Fell below expectations	3% (1)	3% (1)	3% (1)	3% (1)	3% (1)	0% (0)	3% (1)
Met expectations	73% (29)	55% (22)	63% (25)	55% (22)	50% (20)	43% (17)	53% (21)
Exceeded expectations	23% (9)	38% (15)	35% (14)	38% (15)	47% (19)	53% (21)	38% (15)
No answer	3% (1)	5% (2)	0% (0)	5% (2)	0% (0)	5% (2)	8% (3)

Responses to Open-Ended Questions

The four open-ended comments allowed survey respondents to comment on the performance review process and to offer their opinions about positive and negative experiences as well as present suggestions to improve the review process.

The first open-ended question asked: “Could you describe an example of an experience you have had with the performance review process which has had a positive impact on you, your performance, or your view of the PR process?” Respondents commented on feeling appreciated, that the performance review gave the leader and member a chance to speak to each other to discuss objectives, and discussions should be more frequent. One respondent said that the performance review “enabled me to express (voice) myself for the first time”. Generally, comments focused on the desirability of performance reviews even though these reviews are infrequent.

The second open-ended question asked the opposite of the first question: “Could you describe an example of an experience you have had with the performance review process which has had a non-positive impact on you, your performance, or your view of the PR process?” A theme running through these responses was disappointment that the performance review is not tied to salary increases. One respondent said: “I would love to have an opportunity to defend my salary and earn my increase. There is no tie-in with the review-salary and if there is, we are kept in the dark about the final decisions.”

Others commented on the lack of performance review training, that the leader’s preference to mark members as having “met expectations” did little to motivate employees to improve, and that performance reviews are too infrequent. Some felt that they did not have a voice in the reviews: “1/2 hour review with leader doing most of the talking is not really a productive review/exchange in my opinion.” Others commented on there being a “lack of understanding of roles and responsibilities”. However, one respondent noted that her/his supervisor puts little stock in the current performance review process: “My problems have more to do with the reviewer than the review itself. Reviewer (leader) doesn't value the process, so hard to consider it important.”

Another agreed that there was little utility to the performance review: “The performance review process seems like a bandage quick solution since one may not have existed in the past. It does not allow room for reflecting and tracking growth in one's professional development. It seems like a waist [sic] if it is not used properly.”

The third open-ended question asked respondents to “describe an example of an event or experience during your performance review that you thought was unsatisfactory?” For those who chose to answer this question, the overarching concern was the absence of evaluation and measurement of goals and performance; that the review itself lacks

structure. One respondent desired a “more formal/constructive review” and another said that s/he “didn’t really discuss anything in the review”.

One respondent took this opportunity to challenge her/his colleagues who demand the performance review be tied to salary increases: “Too much emphasis on the form and everyone thinks it has everything to do with whether or not they will get more \$ next year. That is not how it works at the CFPC!”

The final open-ended question gave respondents an opportunity to provide one to three suggestions to improve the performance review process. Respondents supported greater frequency of performance review meetings, beyond the current annual review. They wanted a greater voice in the process, goals should be clear, goals should align with the CFPC’s objectives, and there should be member assessments of leaders. There was uncertainty, as expressed in the previous open-ended questions, about what the CFPC does with the reviews once completed: “Past performance reviews need to be considered, and reviewed for positive/negative change.”

Some also felt that leaders must perform reviews with some consistency, but appreciated that feedback can be continuous: “I had one [performance review] only because I asked my Director for one. Ongoing feedback informally is common but official review processes are inconsistent across departments within the CFPC.”

The respondent who objected to linking the performance review and pay raises, concluded the open-ended section with: “Drop the silly form, there are better ways; a structured conversation is much better; Overall objectives and personal objectives are ok to keep; delink PR and raises - tell staff to chill and not think they are linked. You only get raises if they find enough \$ in the budget, and if your job responsibilities change or increase. The PR is just a barometer and keeps you on as a CFPC employee.”

Another respondent did not want to see the current performance review form dispensed with but suggested: “Improve the form - too much like a report card; allow for self-reflection/assessment.”

Other suggestions included: “1. Make them [performance reviews] more often so you can see how you are improving or know areas you need to improve on right away instead of only one a year; 2. We should be allowed to rate our managers; 3. Have clear ways of judging areas in which we need improvement” and “1. Align day-to-day activities with strategic business objectives; 2. Identify obstacles to address improvement overall; 3. Improve method for performance monitoring, coaching and feedback.”

DISCUSSION

One of the principles currently driving patient-centred care is the idea of “nothing about me without me” (Berwick, 2009, p. 560). This same principle may be employed in the workplace, particularly when it comes to performance reviews. This research report not only sought to understand the relationship dynamics underlying performance reviews (such as the social exchange between leader and member in particular and the dyadic relationship between leader and member in general) and to use that understanding to improve the performance review process, it also gave CFPC staff an opportunity to comment on the existing process, through a staff-wide survey.

The survey, although yielding a small sample, found some concurrence with the literature reviewed for this report. As per the outline of the literature review, this discussion will be divided into thematic sections. Finally, as noted in the “Limitations” section of this report, correlations are presented here and readers must not assume causality. I was cautious to offer analyses when the evidence was strong and there appeared to be qualitative support from the responses to the open-ended questions.

Leader-Member Exchange (LMX)

The survey found that LMX plays an important role not only in the workplace but also in the performance review process. I found significant correlations on most measures; particularly strong were the correlates with the justice variables (see Table 4). But I did not find any correlation with “organizational commitment” or “value-expressive voice”. While these are important variables, not finding correlations between these and LMX are offset by statistically significant correlated variables: “organizational identification”, “satisfaction with the performance review process”, “utility of the performance review discussion”, “motivation to improve” and the other voice variable, “instrumental voice”. The mean LMX score is 3.61 (between “neutral” and “agree” with the questions presented in the LMX variable) and the mean scores of the aforementioned variables are also “neutral” (except “utility” – see more below). Thus, we find concurrence with Gerstner and Day’s (1997, p. 836) and Erdogan and Bauer’s (2010, p. 1116) contention that employee work attitudes and performance levels are rooted in the quality of relationship with the leader.

LMX is an important element to observe in the CFPC workplace and it seems to have an effect on employee morale and motivation. We also see, given the statistical significance with LMX on all but one dependent variable, the importance of social exchange relationships. Some of the open-ended question responses also noted the importance of feeling more motivated when the quality of the relationship with the leader is high. The mean response to the “utility of the performance review discussion” was low (2.66; or between “disagree” and “neutral” that there’s utility to the process). In correlating with the

LMX measure ($r = .332, p < 0.05$), we might determine that employees find little use for the current annual performance review meeting as it is currently structured but also that the relationship between leader and member matters when it comes to agreeing that one finds “utility” in the performance review discussion. If we see an improvement in LMX we might witness a rise in employee opinions of performance review utility. In other words, LMX is critical to CFPC leader-member relationships and the trust engendered in high-quality LMX relationships should have a positive impact on how employees view the performance review process, how they identify with the CFPC, how motivated they are to improve performance, and how fair they perceive the workplace to be.

Justice

All of the justice variables correlated with each other, supporting Erdogan and Bauer’s (2010) contention that three dimensions of justice co-exist (p. 1105). However, it is worth noting the role of distributive justice in the workplace. According to Walumbwa et al. (2009), “distributive justice tended to predict reactions to institutions as or more strongly than did procedural justice” (p. 1109).

Not only did the distributive justice variable result in the highest mean response (4.17; or “agree” on questions about distributive justice), out of the three justice variables, it positively correlated on both voice variables (“value-expressive voice”: $r = .470, p < 0.01$; “instrumental voice”: $r = .741, p < 0.01$). Given that distributive justice is fairness of outcomes and distribution of resources (Korsgaard & Roberson, 1995; Walumbwa et al., 2009; Werbel & Henriques, 2009), it is possible that CFPC staff believe that they have some voice with their leader when it comes to this type of fairness. This may indicate that there is a foundation for the CFPC on which to build stronger relationships based on distributive justice.

While interactional and procedural justice trend toward more neutral responses (IJ mean = 3.65; PJ mean = 3.22), some of the open-ended responses indicated concern about fair treatment and dispute resolution. With respect to a middling response to procedural justice questions, it could be that staff do not see clear rules about decision-making. The slightly better, albeit neutral response to interactional justice questions, may point to a need to improve communication between leaders and members; an issue we’ll return to in “voice”.

It should be noted that leaders and members need not be friends, but relationships should be based on respect and fairness. As commented in the literature review section of this report, if there is a strong justice climate in the workplace, then the quality of LMX seems to not be critical (Erdogan and Bauer, 2010, pp. 1104-1105). It might be worth the CFPC’s attention to focus on enhancing elements of procedural and interactional justice in the workplace, especially since the survey found that the mean LMX score was 3.61 (“neutral”, leaning toward “agree”, on questions about the quality of LMX).

LMX and the Organization

The variables emphasizing employee relationships with the organization, “organizational commitment” and “organizational identification” produced promising results.

“Organizational commitment” is positively correlated with LMX ($r = .328, p < 0.05$) and “distributive justice” ($r = .470, p < 0.01$) (but correlation not strong with procedural and interactional justices). We also see strong correlations between “organizational identification” and the LMX and justice variables (all $p < 0.01$, except “interactional justice”: $p < 0.05$). Further, the mean response to the questions that comprised both the “organizational commitment” and “organizational identification” variables are between “neutral” and “agree” with the questions asked (“organizational commitment” mean = 3.48 and “organizational identification” mean = 3.65). Cropanzano and Rupp (2008) found that higher organizational identification leads to better job performance (as cited in Walumbwa et al., 2009, pp. 1106-1107) and the stronger the sense of organizational identification, the greater the sense of organizational commitment (Walumbwa et al., 2009, p. 1107). In the survey of CFPC staff, we see that “organizational identification” is positively correlated with “motivation to improve” ($r = .343, p < 0.05$) with the mean response to the questions on motivation between “neutral” and “agree” (mean = 3.53). And we find a strong, positive correlation between both “organizational” variables ($r = .807, p < 0.01$).

This is an encouraging result for the CFPC and could indicate that efforts be expended to heighten organizational commitment to improve job performance and organizational identification. Higher quality relationships between members and leaders (LMX) also need to be nurtured as higher organizational identification encourages a stronger sense of belonging and inclusion (Walumbwa et al., 2009, p. 1007).

Performance Reviews

The performance review process at the CFPC, as stated from the outset of this report, needs attention. The variables “satisfaction with appraisal sessions” and agreement with the “utility of the appraisal discussion” yield low scores with the former eliciting “neutral” responses (mean = 3.08) and the latter with respondents disagreeing with the utility of the performance review discussion (mean = 2.66).

The CFPC is not unique with respect to the poor score on “utility”. As noted in the literature review, Erlicker, Levy and Hall (2006) commented that most employees do not see value in the performance review process as it currently exists in their respective organizations (p. 532). Perhaps this is the result of poorly-designed performance review templates, but from the survey of CFPC staff we see the variable “satisfaction with the performance review process” to be positively correlated and statistically significant ($p < 0.01$) with all of the independent variables (LMX and the three justice variables – see Table 4). We also should note that the “utility of the performance review discussion” is positively correlated and statistically significant with the independent variables LMX, “procedural justice” and “interactional justice” ($p < 0.05$) (but not statistically significant

with “distributive justice”). The justice variables, as they address concepts of fairness, are also an important consideration as employee perceptions of fairness are critical to the success of any appraisal process (Cardy & Dobbins 1994 as cited in Keeping & Levy, 2000, p. 709; Erlicker et al., 2006, p. 546; Korsgaard & Roberson, 1995, p. 657). Therefore, employee relationships with leaders and employee perceptions of trust and fairness appear to be associated with perceptions of the performance review process. These findings are encouraging as they indicate that through enhancing LMX and justice in the CFPC workplace, we may see increased perceived value of the performance review process. However, these findings do not necessarily tell us if the current performance review template used by the CFPC (see Appendix D) is an adequate measure of employee performance.

Indeed, according to the open-ended replies, the current formal performance review process was found to be a poor measure of performance and some said it was conducted too infrequently. When asked how frequently members meet with their leaders, it was encouraging to see that 52.5% meet relatively frequently (weekly – 20%; bi-weekly – 12.5%; monthly – 2.5%; quarterly – 17.5%) and 33% meet the CFPC-mandated target of an annual performance review. But 15% said they have never met with their leader to discuss performance (See Figure 3).

Perhaps there are informal, “hallway” conversations with staff, but these discussions cannot give leaders the information needed to make critical decisions about discipline or training without giving the impression those decisions were made arbitrarily. In short, there is a possibility that infrequent and non-existent performance reviews may not be deleterious to the workplace if staff see them as worthless, but if no measure is used, it raises questions about fairness. As Neely, Gregory and Platts (2005) comment, measurement can “stimulate action” and citing Mintzberg (1978), they go on to say that: “it is only through consistency of action that strategies are realized” (p. 1231).

We also see a statistically significant, positive correlation between “satisfaction with appraisal sessions” and “motivation to improve” ($r = .529, p < 0.01$), indicating that CFPC employees’ motivation is linked to a satisfactory review. This aligns with Burke et al. (1978) who found that employees would improve their job performance if the review was seen as satisfactory (p. 917).

When I asked CFPC staff about their self-rated measures on the CFPC’s current performance review template (see Appendix D) compared to what they were actually given by their leader, the results were not too surprising. No one self-rated as being “below expectations” with only one leader giving this rating. For the most part, respondents usually self-rated as having “met expectations” with some claiming their efforts over the year should have “exceeded expectations”. Leaders were more likely to mark members as “exceeded expectations”, suggesting leaders are more generous with their ratings than respondents thought deserved. It could be that members “game” the process by purposely self-rating lower and then negotiating a higher score. It could be that leaders are hesitant to give low ratings, worried about employee reaction. In either case, it would suggest that the

current three-point rating is an insufficient measure and perhaps there needs to be greater ongoing communication between leaders and members.

Voice

The point of about communication takes us to the last measure: voice. While the variable “value-expressive voice” did not correlate with any other variable other than “distributive justice” ($r = .470, p < 0.01$), “organizational commitment” ($r = .343, p < 0.05$), and “instrumental voice” ($r = .393, p < 0.05$), “instrumental voice” highly and positively correlated with most measures. With respect to the independent variables (LMX and the justice variables), “instrumental voice” was positively correlated and statistically significant ($p < 0.01$), indicating that the quality of relationships between CFPC employees and leaders is important to employees feeling that they can indirectly influence decisions. Further, “instrumental voice” was given a “neutral” rating by respondents (mean = 3.1). Therefore, “instrumental voice” could be improved.

We also see how important and statistically significant “instrumental voice” is for CFPC staff with respect to “organizational commitment”, “organizational identification”, “satisfaction with appraisal sessions” and “motivation to improve”. Thus, voice is not only an important element of social exchange and justice in the CFPC workplace; it is also necessary to two-way communication during the performance appraisal process and to encourage CFPC employees to improve performance.

With respect to the open-ended answers by respondents indicated that not only did they want more say in the performance review process, some also wanted to have the opportunity to rate their leaders.

Conclusion

The survey findings seem to suggest concurrence with many of the findings presented in the literature review. But as previously cautioned, these findings present correlations and one should not presume causation. However, we see some qualitative support from the responses to the open-ended questions. For example, many respondents are rather neutral in their feelings and thoughts about LMX, justice and performance reviews in the CFPC workplace. We see this in middling survey scores (where the mean values for many of the independent and dependent variables score “neutral”) and open-ended question responses that state, for example, one respondent remarked: “[The performance review] does not allow room for reflecting and tracking growth in one’s professional development.” Another felt that her/his voice was not being heard: “1/2 hour review with leader doing most of the talking is not really a productive review/exchange in my opinion”.

The CFPC could nurture the good (distributive justice) and set about improving the mediocre with respect to the other variables. The next section, recommendations, will offer a few options on how to achieve this.

CONCLUSION AND RECOMMENDATIONS

The purpose of this report was not to design or recommend a new performance review process, but to examine the role of leader-member exchange and justice on performance reviews and the effects on organizational commitment and identification, satisfaction with the appraisal session and system, the utility of the appraisal, and the employee's motivation to improve.

I found that the survey conducted of CFPC staff produced findings largely concurrent with the literature. I also found that LMX and justice have an impact (correlation and not causation) on the workplace behaviour and the perception of performance review variables studied in this report. Trust and fairness (LMX and justice) are important to employee feelings toward the workplace and toward leaders. Therefore, the CFPC should look for ways to enhance social exchange relationships. The performance review process can be one of the key venues in which fairness and trust are stimulated.

As discussed at the start of this report, if issues underlying performance reviews are poorly understood, then the reviews will be ineffective. Further, if key measures such as organizational commitment, organizational identification and motivation to improve are not understood within the context of leader-member relations and justice, then again, performance appraisals will not be a useful contribution to the organization or to employee development.

For the most part, relationships between members and leaders are of middling quality but there is a desire on behalf of employees to improve performance. More could be done to make the performance review process relevant and to give employees a greater say in the workplace, perhaps using the performance review as forum for employee voice. Further, the survey for this report served as an opportunity for employees to be heard and to have a say in the development of the performance review process. Encouraging employee participation in re-developing the performance review templates and process may not only improve perceptions of trust and fairness, it may improve employee voice, satisfaction with the performance appraisal process, and perceptions about the utility of the performance review discussion.

Recommendation 1: Consider ways to make performance reviews relevant to staff

Performance reviews tie into employees' goals and objectives, as well as those of the organization. Burke et al. (1978) found that performance improves if specific goals are set (p. 904). (A functioning strategic plan serves as a base for these goals and objectives). Further, employees should see some utility to the performance review discussion; that the results of the review are used to offer training opportunities, and aid the employee in setting goals, particularly goals that are in line with the CFPC strategic plan.

Recommendation 2: Performance reviews may be seen as an ongoing, continuous process

As stated in the literature review and in the findings, an annual review may not inculcate higher-quality LMX. Also, many survey respondents objected to the infrequency of performance reviews. One solution is to encourage leaders to meet with direct reporting staff regularly (frequency could be determined between leader and employee) to complete a critical incident report (see Appendix E). Collected over the course of the year, these reports would give leaders and employees a more complete conception of employee performance and could foster trusting relationships.

Recommendation 3: Leaders may be trained to improve communication and relationship-building with employees

One of the survey respondents remarked that some senior staff may “have the title, but are unable to manage”. We know how important LMX and justice are to the workplace and that these variables have significant influence on how employees perceive the workplace and are motivated to improve. As noted in this report, issues underlying the performance review process should be understood to make the review process meaningful. Supervisors should strive to be constructive, reduce the amount of criticism (or use criticism constructively) leveled at employees, and give employees more time to speak during the performance review (Burke et al., 1978, p. 904). Elicker et al. (2006) comment: “managers may be trained with simple instructions to engage in voice, consideration, and justification, leading to increased acceptance of decisions [by employees]” (p. 547).

Recommendation 4: Consider encouraging employee participation in redesigning the performance review process

Employees have expressed the need to be part of performance review redesign process, if redesign is the course the CFPC wishes to take. As a principle of patient-centred care states: “nothing about me without me”, similarly, it is recommended that employees be involved in the process that affects their working lives. Also, greater employee involvement may help to legitimize and add credibility to the process.

Recommendation 5: If a new performance review system is implemented, explore possibility of implementing another staff survey

If a new performance review system is implemented, it is recommended that the same survey used for this report be implemented, keeping all of the questions and the variables the same (perhaps with the exception of questions 58-64, as those questions pertain only to the current performance review template). This would allow us to compare results and determine if the new system has improved the role of LMX and justice in the performance review process at the CFPC.

Any or all of these recommendations could be implemented by the CFPC. Some require a cost, such as training leaders in communication and this recommendation may be budgeted accordingly. These recommendations require engagement with employees, and a willingness to understand the importance of social exchange relationships.

While an example performance review is included in Appendix E, this is a suggestion. A few review templates may be provided to employees with explanations on how each would function. Employees can decide what works best. This can be an organization-wide exercise or can be performed departmentally, understanding that different departments may require different approaches to the review process.

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APPENDICES

Appendix A: Survey Invitation Letter

To CFPC Staff

***Re: Participation in Eric Mang's Master's in Public Administration
Research Paper***

I am currently in the process of completing my Master's in Public Administration from the University of Victoria. In fulfillment of my degree requirements, I am enrolled in ADMN 598, which is designed to allow students to complete a report and a possible research paper in consultation with a client for which it will demonstrate value. For this final course, I have chosen to conduct a review of the CFPC's performance review/appraisal process. The CFPC, through Ms. Theresa Maguire-Garber, has agreed to serve as my client for the purpose of this research.

Please be aware that your decision to respond to my survey is voluntary. This survey will take approximately 15 minutes to complete. The purpose of this survey will be to obtain your perspectives on the performance review/appraisal process as it currently stands at the CFPC. **You should only respond to this survey if you have had a performance review/appraisal (may include end-of-probation period reviews).**

This survey must be printed and you must use a pen to answer the questions. Feel free to take your time reviewing the questions and thinking about your answers.

I know that you have been asked to complete surveys like this in the past. I want to assure you that, while some of the questions may look familiar, the focus of my research is different as it is specifically related to the process the College utilizes to carry out performance reviews/appraisals. I will not have access to or include any data collected from past staff surveys.

Please note that all data will be treated in a confidential manner and all responses are anonymous.

Once you have completed the survey, please fold it and place it in an envelope. Seal the envelope and bring it to Tiffany Lubinski on the first floor. Tiffany will not have access to your surveys; she is collecting them for me so that I cannot identify survey respondents with the envelopes handed in. Tiffany will keep all surveys in sealed envelopes in a locked filing cabinet and will give them to me at the close of the survey period.

Your participation is completely voluntary and you have the right to refuse to answer questions in the survey.

Attached to this email is an implied consent letter. Please review this before answering the survey.

I look forward to learning about your views and perspectives and I think my research will be of significant benefit to the CFPC. I thank you in advance for your consideration.

Sincerely,

Eric Mang

Appendix B: Letter of Information for Implied Consent

The Role of Leader-Member Exchange (LMX) and Justice in the Performance Review Process at The College of Family Physicians of Canada

You are invited to participate in a study entitled “The Role of Leader-Member Exchange (LMX) and Justice in the Performance Review Process at The College of Family Physicians of Canada” that is being conducted by Eric Mang.

Eric Mang is a graduate student in the department of Public Administration at the University of Victoria and you may contact him if you have further questions at emang@uvic.ca or at 905-629-0900 ext 325.

As a graduate student, I am required to conduct research as part of the requirements for a Master’s degree in Public Administration. It is being conducted under the supervision of Dr. Bart Cunningham. You may contact my supervisor at (250) 721-8059.

Purpose and Objectives

The purpose of this research project is to analyze and recommend solutions to enhance the College of Family Physicians of Canada’s (CFPC) employee performance review process and measurement.

Importance of this Research

Research of this type is important because it will assist the CFPC in enhancing its performance review process. Performance reviews should help employees not only improve personal job performance/improvement but also foster employee contribution to the organization’s goals.

Moreover, performance reviews are not merely a time to celebrate the employee’s strengths but also explore further skill development and how to meet the organization’s priorities. Reviews should be examined through the lenses of relationships because the social context of performance reviews appears to have a significant influence on motivation and attitudes toward the organization.

Participants Selection

You are being asked to participate in this study because you are a staff member of the CFPC.

What is involved

If you agree to voluntarily participate in this research, your participation will include responding to a survey. The survey is attached to the invitation email. You are requested to print out a copy of the survey and answer questions using a pen. Once you've completed your survey, please place it in an envelope, seal it and hand it to Tiffany Lubinski on the first floor. Ms. Lubinski is not associated with the research in any way – she is collecting sealed envelopes, keeping them secure, and will hand these envelopes to the researcher at the close of the survey. The purpose of this step is to prevent the researcher from associating respondents with the completed surveys submitted.

Inconvenience

Participation in this study may cause some inconvenience to you, including the time it will take to complete the survey (estimated time is 15 minutes).

Risks

There are no known or anticipated risks to you by participating in this research.

Benefits

The potential benefits of your participation in this research include assisting (through your anonymous replies to the survey) in the development of a potential framework or set of recommendations to evaluate the efficacy of the performance review process and how, if necessary, to enhance that process.

Voluntary Participation

Your participation in this research must be completely voluntary. If you do decide to participate, you may withdraw at any time without any consequences or any explanation. You need not answer every question in the survey and you can choose to not participate in the survey. You can also decide upon completing the survey to not submit.

Researcher's Relationship with Participants

The researcher may have a relationship to potential participants as a Director with the CFPC. To help prevent this relationship from influencing your decision to participate, the following steps to prevent coercion have been taken: the survey is anonymous; surveys are paper-based and cannot be tracked to respondents; the researcher cannot connect respondents to completed surveys as those completed surveys will be submitted to Ms. Lubinski; Ms. Lubinski is holding the surveys for the researcher – she is not part of the research project and she will not have access to the survey data or completed surveys.

Anonymity

In terms of protecting your anonymity your survey responses cannot be traced to you. At the conclusion of the research project, all data stored on all computers will be deleted and any paper copies will be destroyed. Please see paragraph above for details on how your anonymity will be protected.

Confidentiality

Your confidentiality and the confidentiality of the data will be protected by ensuring paper files are kept in locked cabinets and computer files are password-protected.

Dissemination of Results

It is anticipated that the results of this study will be shared with others in the following ways: report and presentation of the report to CFPC; the thesis for the University of Victoria will be placed in “D-Space” a digital archive containing dissertations; potential research paper with all references to the name of the organization removed.

Disposal of Data

At the conclusion of the research project and research paper, all data stored on all computers will be deleted and any paper copies will be destroyed.

Contacts

Please see introduction to this consent form for contacts.

In addition, you may verify the ethical approval of this study, or raise any concerns you might have, by contacting the Human Research Ethics Office at the University of Victoria (250-472-4545 or ethics@uvic.ca).

By completing and submitting the questionnaire, **YOUR FREE AND INFORMED CONSENT IS IMPLIED** and indicates that you understand the above conditions of participation in this study and that you have had the opportunity to have your questions answered by the researchers.

Please retain a copy of this letter for your reference.

Appendix C: Survey

Performance Review Survey

- Please read the invitation to participate (message in the email) and the letter of implied consent (attached to the email) before answering this survey.
- Your “leader” is defined as the person who is responsible for conducting your performance review/appraisal.
- You should only respond to this survey if you have had a performance review/appraisal (may include end-of-probationary period reviews)
- Please use pen to circle your answers
- Please fold, place in an envelope, seal the envelope and hand in to Tiffany Lubinski (first floor). Please do not put your name on the envelope or on this survey.
- Thank you!

1. I know where I stand with my leader and I usually know how satisfied my leader is with what I do.
Strongly disagree disagree neutral agree strongly agree
2. My leader understands my job problems and needs.
Strongly disagree disagree neutral agree strongly agree
3. My leader recognizes my potential.
Strongly disagree disagree neutral agree strongly agree
4. Regardless of how much formal authority my leader has in his/her position, I believe that my leader would use his/ her power to help me solve problems in my work.
Strongly disagree disagree neutral agree strongly agree
5. Regardless of the amount of formal authority my leader has, I believe that my leader would “bail me out” at his/ her expense.
Strongly disagree disagree neutral agree strongly agree

6. I have enough confidence in my leader that I would defend and justify his/ her decisions if he/she were not present to do so.
Strongly disagree disagree neutral agree strongly agree
7. How would you characterize your working relationship with your leader?
Poor Unsatisfactory Average Good Excellent
8. I think job decisions are made by my leader in an unbiased manner.
Strongly disagree disagree neutral agree strongly agree
9. My leader makes sure that all employee concerns are heard before job decisions are made.
Strongly disagree disagree neutral agree strongly agree
10. To make job decisions, my leader collects accurate and complete information.
Strongly disagree disagree neutral agree strongly agree
11. My leader clarifies decisions and provides additional information when requested by employees.
Strongly disagree disagree neutral agree strongly agree
12. All job decisions are applied consistently across all affected employees.
Strongly disagree disagree neutral agree strongly agree
13. Employees are allowed to challenge or appeal job decisions made by my leader.
Strongly disagree disagree neutral agree strongly agree
14. My last performance review was fair.
Not at all Somewhat Neutral Mostly Very Fair
15. I agreed with my final rating in my most recent performance review.
strongly disagree disagree neutral agree strongly agree
16. I agree with the way my leader rated my performance in my most recent performance review.
strongly disagree disagree neutral agree strongly agree
17. My most recent performance review fairly represented my past year's performance.
strongly disagree disagree neutral agree strongly agree
18. My leader considers my viewpoint.

- | | Strongly disagree | disagree | neutral | agree | strongly agree |
|---|-------------------|----------|---------|-------|----------------|
| 19. My leader is able to suppress personal biases. | Strongly disagree | disagree | neutral | agree | strongly agree |
| 20. My leader provides me with timely feedback about decisions and implications. | Strongly disagree | disagree | neutral | agree | strongly agree |
| 21. My leader treats me with kindness and consideration. | Strongly disagree | disagree | neutral | agree | strongly agree |
| 22. My leader shows concern for my rights as an employee. | Strongly disagree | disagree | neutral | agree | strongly agree |
| 23. My leader takes steps to deal with me in a truthful manner. | Strongly disagree | disagree | neutral | agree | strongly agree |
| 24. I would be very happy to spend the rest of my career with the CFPC. | Strongly disagree | disagree | neutral | agree | strongly agree |
| 25. I enjoy discussing the CFPC with people outside it. | Strongly disagree | disagree | neutral | agree | strongly agree |
| 26. I really feel as if the CFPC's problems are my own. | Strongly disagree | disagree | neutral | agree | strongly agree |
| 27. I think that I could easily become as attached to another organization as I am to this one. | Strongly disagree | disagree | neutral | agree | strongly agree |
| 28. I do not feel like "part of the family" at the CFPC. | Strongly disagree | disagree | neutral | agree | strongly agree |
| 29. I do not feel "emotionally attached" to the CFPC. | Strongly disagree | disagree | neutral | agree | strongly agree |
| 30. Working for the CFPC has a great deal of personal meaning for me. | Strongly disagree | disagree | neutral | agree | strongly agree |
| 31. I do not feel a strong sense of belonging to the CFPC. | Strongly disagree | disagree | neutral | agree | strongly agree |
| 32. I feel strong ties with the CFPC. | | | | | |

- | | Strongly disagree | disagree | neutral | agree | strongly agree |
|--|-------------------|----------|---------|-------|----------------|
| 33. I experience a strong sense of belonging to the CFPC. | Strongly disagree | disagree | neutral | agree | strongly agree |
| 34. I feel proud to work for the CFPC. | Strongly disagree | disagree | neutral | agree | strongly agree |
| 35. I am sufficiently acknowledged in the CFPC. | Strongly disagree | disagree | neutral | agree | strongly agree |
| 36. I am glad to be a member of the CFPC. | Strongly disagree | disagree | neutral | agree | strongly agree |
| 37. I felt quite satisfied with my last job performance session. | Strongly disagree | disagree | neutral | agree | strongly agree |
| 38. In general, I feel the CFPC has an excellent performance review system. | Strongly disagree | disagree | neutral | agree | strongly agree |
| 39. The job performance review helped me learn how I can do my job better. | Strongly disagree | disagree | neutral | agree | strongly agree |
| 40. I learned a lot from the job performance review. | Strongly disagree | disagree | neutral | agree | strongly agree |
| 41. The performance review helped me understand my mistakes. | Strongly disagree | disagree | neutral | agree | strongly agree |
| 42. I have a clearer idea of what my leader expects from me because of the performance review. | Strongly disagree | disagree | neutral | agree | strongly agree |
| 43. Because of the review, I am motivated to do my very best. | Strongly disagree | disagree | neutral | agree | strongly agree |
| 44. I am willing to put forth effort beyond what is normally expected of me. | Strongly disagree | disagree | neutral | agree | strongly agree |
| 45. My recent job performance review encouraged me to improve my performance | Strongly disagree | disagree | neutral | agree | strongly agree |

46. During your most recent performance review, to what extent did you make suggestions about how your job might be done differently?
 Not at all Somewhat Neutral To some extent To a great extent
47. During your most recent performance review, to what extent did you talk about your major job responsibilities?
 Not at all Somewhat Neutral To some extent To a great extent
48. During your most recent performance review, to what extent did you discuss what you felt your strengths and weaknesses are?
 Not at all Somewhat Neutral To some extent To a great extent
49. During your most recent performance review, to what extent did you tell your leader about problems you were having on the job?
 Not at all Somewhat Neutral To some extent To a great extent
50. During your most recent performance review, to what extent did you express your views about what things are most important in your job?
 Not at all Somewhat Neutral To some extent To a great extent
51. During your most recent performance review, to what extent did you use the session as an opportunity to share your ideas and feelings?
 Not at all Somewhat Neutral To some extent To a great extent
52. I felt I could have introduced new topics during my most recent performance review.
 strongly disagree disagree neutral agree strongly agree
53. During my most recent performance review, I felt I could have influenced the appraisal discussion.
 strongly disagree disagree neutral agree strongly agree
54. My leader and I share responsibility for the way my most recent performance review went.
 strongly disagree disagree neutral agree strongly agree
55. During my most recent performance review, I felt I was unable to influence the direction of the discussion.
 strongly disagree disagree neutral agree strongly agree
56. During your most recent performance review, to what extent did you influence how your manager evaluates your work?
 Not at all Somewhat Neutral To some extent To a great extent

57. How often does your leader meet with you to discuss your work duties, responsibilities, timelines and challenges?
Weekly Bi-Weekly Monthly Quarterly Yearly Never
58. How did your supervisor rate you on your last performance review with respect to achievement of objectives from the previous year?
- I mostly fell below expectations
 - I mostly met expectations
 - I mostly exceeded expectations
59. How did your supervisor rate you on your last performance review with respect to your performance of tasks specific to your position?
- I mostly fell below expectations
 - I mostly met expectations
 - I mostly exceeded expectations
60. How did your supervisor rate you on your last performance review with respect to your general performance and attitude?
- I mostly fell below expectations
 - I mostly met expectations
 - I mostly exceeded expectations
61. How did your supervisor rate you overall on your last performance review?
- I mostly fell below expectations
 - I mostly met expectations
 - I mostly exceeded expectations
62. I felt that on my last performance review, with respect to **achieving my objectives, my own assessment of my performance:**
- Mostly fell below my expectations
 - Mostly met my expectations
 - Mostly exceeded my expectations
63. I felt that on my last performance review, with respect to **performance of tasks, my own assessment of my performance:**
- Mostly fell below my expectations
 - Mostly met my expectations
 - Mostly exceeded my expectations
64. I felt that on my last performance review, with respect to **my general performance and attitude, my own assessment of my performance:**
- Mostly fell below my expectations

- Mostly met my expectations
- Mostly exceeded my expectations

65. Could you describe an example of an experience you have had with the performance review process which has had a positive impact on you, your performance, or your view of the PR process?

66. Could you describe an example of an experience you have had with the performance review process which has had a non-positive impact on you, your performance, or your view of the PR process?

67. Could you describe an example of an event or experience during your performance review that you thought was unsatisfactory?

68. If you believe that the performance review process could be improved, what are your top 1 to 3 suggestions for improvement?

69. Length of Service (years): >1 1-5 6-10 11+

Appendix D: Current CFPC Performance Review Report

Annual Performance Review

Employee: _____

Date of _____

Position: _____

Department: _____

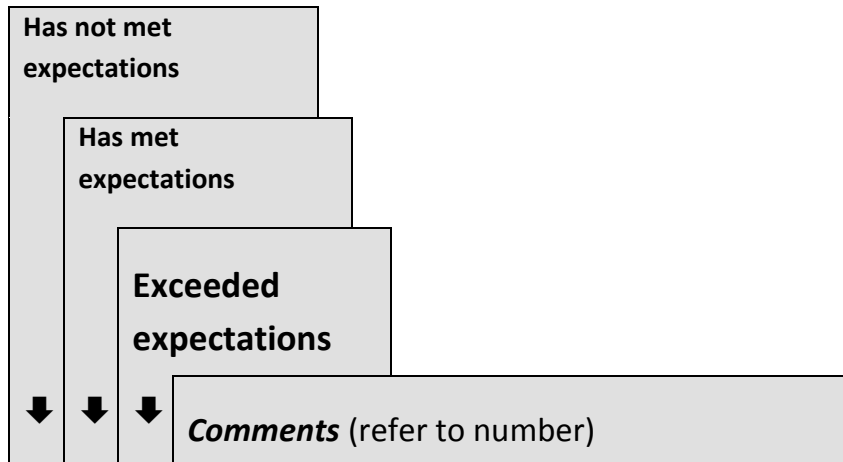
Reviewer: _____

Date of review: _____

Has not met expectations	↓
Has met expectations	↓
Exceeded expectations	↓
Comments (refer to number)	

SECTION 1: Achievement of objectives (from previous year)			

SECTION 2: Performance of tasks specific to position



SECTION 3: General performance and attitude				
1	Understanding of tasks & general competence.			
2	General attitude to work.			
3	Time management.			
4	Follow-through with instructions			
5	Appropriate attention to detail			
6	Judgment and reasoning			
7	Willingness to learn new knowledge and skills.			
8	Interaction with co-workers			
9	Interaction with supervisor			
1	Use of communication tools			
1	Effectiveness of communication			
1	Flexibility and adaptability.			
1	Dependability.			

SECTION 4: Review of position description

Are there changes needed to the position description? NO Yes If so, please comment.

SECTION 5: Review of employee qualifications and training

Are there changes in the employee's qualifications? NO Yes If so, please comment

SECTION 6: Objectives for following year

SECTION 7: Reviewer's comments

Reviewer's signature:

Date:

SECTION 8: Employee's comments

Employee's signature:	Date:

Copies have been provided to:

- Employee
- Director of employee's department
- Director of Finance & Human Resources

SECTION 1: Achievement of objectives (from previous year)

Indicate the list of objectives developed the previous year.

SECTION 2: Performance of tasks specific to position

Indicate the key roles or tasks that are specific to the employee's position. Examples might include use of certain software systems, liaison with external agencies, project management, key telephone liaison with members, and certain research skills. If the position involves supervision of other employees, this should be listed separately as "Supervision skills"

SECTION 3: General performance and attitude

Understanding of tasks and general competence. This should be a broad overview of the employee's mastery of his/her role and tasks. How well does he/she generally do his/her job?

General attitude to work. This refers to the general attitude that the person brings to work every day. In short, is the employee enthusiastic, positive, and diligent in his/her job? How well does the employee take the initiative to develop his/her position?

Time management. Includes ability to set priorities among tasks, meet deadlines, and manage multiple tasks over time.

Follow through with instructions. Commitment to completing assigned tasks.

Appropriate attention to detail. How well the employee keeps track of details and follows through with them. Equally, how well does the employee keep details under control and not get overly distracted by them?

Judgment and reasoning. This refers to being able to make appropriate decisions during the course of the employee's work. It requires a good understanding of how his/her tasks fit into the functioning of the department and within CFPC policies and guidelines.

Willingness to learn new knowledge and skills. For many positions, the tasks evolve over time. This can be due to changes in policy, information technology, office organization, and other reasons. How well does the employee maintain old and acquire new knowledge and skills to meet these changing demands?

Interaction with co-workers. Includes quality of the employee's working relationships, willingness to work enthusiastically in a team, how effectively the employee works with others, and how well he/she contributes to the overall work environment.

Interaction with supervisor. This refers to how well the employee: works with his/her supervisor; receives direction and instruction; accepts feedback and criticism; and is able to express his/her concerns to the supervisor.

Use of communication tools. This refers to the use of different communications media including written documents, telephone, computers, e-mail, list serves, audiovisual materials, and oral presentations. Consideration should be given to the specific communication needs of the position.

Effectiveness of communication. This refers to how well the employee actually communicates verbally and in writing with others in acceptable English and/or French. It includes the ability to listen actively and to respect the ideas and views of others.

Consideration should be given in particular to how well the employee communicates with College members.

Flexibility and adaptability. As referred to in the section on maintaining skills, jobs change over time. How well is the employee able to adapt to changes in his/her job, department or the office as a whole? Is he/she willing to take on new tasks even if not strictly within the confines of his/her job description? Is he/she willing to help others in their jobs if needed?

Dependability. This refers to the supervisor's and colleagues' ability to rely on and trust the employee. It includes punctuality, consistency in informing others of predetermined absences, and the willingness to arrive early or work late if needed. It also includes the ability to count on the employee to complete tasks on time.

SECTION 4: Review of position description

Have there been any significant changes in the roles or tasks? These should be approved by the department director and then forwarded to the Director of Finance and Human Resources.

SECTION 5: Review of employee qualifications and training

Has the employee undergone any further training or has any further experiences that would enhance his/her ability to perform the tasks of the position?

SECTION 6: Objectives for the following year

Employee objectives can include both growth needs of the position (such as taking on tasks to meet expected new needs of the department) and areas for potential personal and professional growth (such as improving a second language or pursuing career enhancing knowledge and skills). Areas identified during the review as needing improvement should be included. The mission and goals of the College, and the general goals and objectives of the employee's department, should be considered during the discussion of the employee's own objectives.

Appendix E: Example of a Critical Incident Report

Continuing Duties	Targets	Critical Incidents
Coordinate process for endorsement of third-party materials	Ensure all elements needed for endorsement process are present; contact reviewers and coordinate reviews; ensure timely response (6-10 weeks) sent to endorsement requesting organization	All materials gathered and coordinated; reviewers identified and contacted; correspondence sent to requesting organization was late (by 3 days)
Update information on health policy website	New health policies relevant to family medicine posted monthly to health policy website	Information posted before deadline; initiative taken to locate new information that was not originally collected by department Director

- Supervisor keeps a log of employee incidents, both positive and negative
- Review is frequent – can be monthly or bi-monthly
- Provides facts supervisor can use during appraisal discussion and helps to determine how poor performance can be addressed and how positive performance can be supported
- Should not be used to compare employees or make salary decisions
- Perhaps use this as a tool to enhance LMX relationships; collect a year's worth of critical incident reports to assist in year-end performance assessment

(Table above and points adapted from Dessler, G. & Cole, N.D. (2008). *Human resources management in Canada* (10th ed.). Toronto, ON: Pearson Prentice Hall. pp. 254-255.)