DOING IT FOR THEMSELVES?: PERFORMANCE APPRAISAL IN PROJECT BASED ORGANIZATIONS, THE ROLE OF EMPLOYEES, AND CHALLENGES TO THEORY

KEYWORDS

PBOS (Project Based Organizations); polyadic HRM systems; performance appraisal.

Professor Anne Keegan*
Full Professor of Human Resource Management
HRM and Employment Relations Group
College of Business
University College Dublin
Dublin, Ireland
A94 XF34
Anne.Keegan@ucd.ie
Phone no: + 353 1 7168849
*Corresponding Author

Professor Deanne Den Hartog
Full Professor of Organizational Behaviour Leadership and Management Section
Amsterdam Business School
University of Amsterdam
Amsterdam, The Netherlands
1018TV Amsterdam
D.N.denHartog@uva.nl
Phone no: + 31 20 5255287
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ABSTRACT
We explore performance appraisal in project based organizations and provide novel insights into appraisal processes in this context. These include the central role of employees in orchestrating the appraisal process, the multiple actors that have input to appraisal including project managers, the distance between employees and their official line managers, and the weak coordinating role of human resource specialists in these systems. We draw attention to the drawbacks of current theorizing on appraisal to predict and explain outcomes from appraisal systems that are not premised on stable line manager/employee dyads. Theorizing based primarily on social exchange theories needs to be reconsidered in this context and new theories developed. We also question how human resource specialists can better support employees, and managers of all kinds, in their implementation roles in polyadic human resource management systems to ensure transparency, equity and fairness of appraisal processes in a project based organizational context.

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INTRODUCTION

Project Based Organizations (hereafter PBOs) are becoming more prominent in many countries and industries (Schoper, Wald, Ingason, & Friðgeirsson, 2018; Lundin, Arvidsson, Brady, Eksted, Midler & Sydow, 2015). Throughout this paper we refer to polyadic HRM (Human Resource Management) systems to emphasize that HRM systems in PBOs involve at least four but potentially more actors in shifting configurations. These change from project to project as employees work with different and often multiple project managers, teams and clients, as well as line managers. We contribute to current theorizing on performance appraisal processes through two case studies in PBOs where we show how the particularities of this context challenge assumptions in the performance appraisal literature. Two of these assumptions are particularly important.

The first assumption is that HR specialists devolve practices to line managers to deliver them securely to employees. HRM triads (Werner, Schuler & Jackson, 2012) comprising line manager/employee dyads and HR specialists are seen as a key form of multi-actor HRM systems (Meijerink, Bondarouk and Looise, 2013). These triads enable the implementation of appraisal practices by line managers who, supported within such HRM triads, enact practices as intended allowing for strategic outcomes envisaged by top management including transparency, equity and fairness.

The second assumption is that line managers are particularly important to HRM practices like appraisal for reasons rooted in social exchange theories. The importance of line managers in current theorizing on appraisal is linked with
assumptions that “employees’ experience of these [practices] is inexorably linked with their relationship with their FLM [Front Line Manager] because the FLM is seen as the agent of the organisation, and in most cases the deliverer of the HR practices” (Purcell and Hutchinson, 2007: 16).

While these two core assumptions likely hold in most traditional hierarchical organizations, we show that neither holds up in PBOs. In that context, employees are mainly driving appraisal processes themselves, rather than line managers. While line managers are formally often still responsible for the process, they have insufficient line of sight to employee performance and must base their evaluation on information gathered and coordinated by the employee. Project managers, who are the closest observers of the employee’s performance, have few formalized or standardized roles in this setting, meaning their contribution to appraisal is inconsistent, and their input often ignored by line managers. The role of HR specialists emerges as distant, and somewhat ineffective in aligning the various actors within these polyadic HRM systems.

The particularities of performance appraisal in PBOs pose challenges to HRM and appraisal theorizing on issues including how social exchange processes work in a context with shifting constellations of employees and managers, and how HR specialists support managers of all kinds as well as employees in the implementation of HRM practices to ensure the transparency, equity and fairness of appraisal processes in PBOs. Given the evidence that PBOs are becoming more prominent, the implications of polyadic HRM systems for employees’ and manager’s roles in the implementation of HRM practices need to be better understood.
Our main aim in this paper is to explore the nature of the performance appraisal process in PBOs. We carry out exploratory case studies using an interpretivist methodology in two exemplary PBOs to examine performance appraisal in this context. We contribute to current theorizing by extending the focus of appraisal theorizing beyond the HRM triad and away from the line manager.

The paper is structured as follows. First, we describe key features of conventional models of performance appraisal and their theoretical underpinnings. Second, we introduce PBOs, discuss their features, focus on the particularities of projects as a context for appraisal, and present our research question. Third, we present our assumptions, methods, and data analysis. We then present our key findings. Three main themes emerged from our analysis of the data which are (1) Distribution of responsibilities for appraisal (2) Distance and (3) Dilemmas of appraisal. After presenting these themes, we discuss the theoretical implications of our study, and its limitations, before concluding with comments on future research.

**CONVENTIONAL MODELS OF PERFORMANCE APPRAISAL**

Performance appraisal systems fulfil practical, legal and strategic purposes (Noe, Hollenbeck, Gerhart, & Wright, 2012; Addison & Belfield, 2008) and help shape employees’ behaviors and attitudes as well as their sense of fairness (Purcell & Hutchinson, 2007). In conventional models of appraisal, a triad comprised of “line managers, employees and HR professionals” (Werner et al., 2012: 295) occupies a prominent position. Line managers are responsible for measuring subordinate’s performance, ensuring they understand the outcome of performance evaluations and
helping them to improve their performance (Werner et al., 2012). In defining line managers, we follow the CIPD (2017): “Line managers have responsibility for directly managing individual employees or teams. In turn, they report to a higher level of management on the performance and well-being of the employees or teams they manage”. It is important to note that line managers are known by different terms in PBOs including P manager where P stands for people or people care. Throughout this paper we use the term line manager for consistency while noting that the literature also comprises different terms including FLMs or Front Line Managers, direct supervisors, immediate supervisors, and direct managers. The HRM triad also includes employees and HR specialists. Within the appraisal process, employees are responsible for “seeking honest feedback and using it to improve their performance” (Werner et al., 2012: 295) while HR specialists are responsible for ensuring their organization’s performance management practices are internally aligned, meet legal standards and encompass state of the art insights and knowledge (Werner et al., 2012). HRM triads anchor a cyclical process with a central role for line managers setting and monitoring performance of their subordinates and ensuring follow up with interventions to improve performance. Table 1 below, based on extracts from prominent mainstream HRM textbooks and articles, reveals the commonly held assumptions about the central role of line managers in performance appraisal processes.

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Insert Table 1

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HR specialists mainly devolve HRM practices like appraisal to line managers (Marchington, 2015) who are seen as the main conduit to employees (Den Hartog, Paauwe & Boselie, 2004). They devolve these practices so line managers can deliver them securely to employees directly reporting to them. These specialists, in turn, maintain strategic oversight to ensure transparency, equity and fairness of the processes, and their alignment with strategic organizational goals.

The centrality of line managers to performance appraisal is not simply a practical matter however. Traditional theorizing on performance appraisal systems is framed by a social exchange perspective which emphasizes the role line managers play in shaping employees’ behaviors (Cropanzano, Prehar, & Chen, 2002) and highlighting the importance of LMX (leader-member exchange) (Graen & Uhl-Bien, 1995) processes. During appraisal processes, line managers’ actions in setting performance standards and evaluating outcomes are coupled with their ability to use valuable HRM resources like increased pay and training which are valued by employees. Employees are assumed to reciprocate through their attitudes and behaviors. Based on more general SET or Social Exchange Theory, LMX theory (e.g., Graen & Uhl-Bien, 1995; Masterson, Lewis, Goldman, & Taylor, 2000) more specifically holds that the quality of the leader-follower exchange relationship strongly influences employee perceptions including evaluations of HRM and decisions such as those emanating from appraisal processes (e.g., Den Hartog et al., 2004). Appraisal is thus linked with strategic organizational outcomes through a causal chain where line managers implement performance appraisal and interact with employees to shape their attitudes and behavior in organizationally important ways (Konovsky, 2000).
Research supports the importance of appraisal to employee outcomes. Kuvaas (2006) found a relationship between satisfaction with performance appraisal and outcomes such as affective commitment and employee turnover intentions. Dissatisfaction with performance appraisal is associated with negative outcomes including increased job dissatisfaction, lower organizational commitment, and higher intentions to quit (Brown, Hyatt, & Benson, 2010). With empirical evidence showing responsibility for enacting performance appraisal has largely shifted from the HRM department to line managers (Kuvaas & Dysvik, 2010), the behavior of line managers is held to mediate the effect of (most) practices on employee perception (and behavior). The role of line managers is therefore core to conventional theorizing on how employees perceive and react to processes like performance appraisal.

Most studies to date have focused on performance appraisal in traditionally structured organizations where evaluators and evaluatees have fairly stable one-to-one dyadic relationships (Rousseau, 1997), most typically formed by stable leader-member dyads operating in conventional HRM triads. While writers also acknowledge that conventional HRM processes with line manager implementation are “mostly” what occurs, and while they allow for “other” situations to occur, these “other” situations are not explored in depth (see Table 1). Our aim is to explore how performance appraisal processes unfold in PBOs which have polyadic HRM systems and count as among those other appraisal situations which commend more attention given the fast-growing number of PBOs. We wanted to examine the roles of different actors including project managers and find out what role HRM triads and line
managers play in these systems and whether this is consistent with current mainstream theorizing as described in this section.

**PROJECT BASED ORGANIZATIONS**

In PBOs, projects are the main way work is organized and resources are internally and externally allocated (Bakker, DeFillippi, Schwab, & Sydow, 2016; Miterev, Mancini, & Turner, 2017). Written about for decades in academic fields including operations management, strategic management, and more recently HRM (Keegan et al., 2012; Bredin & Söderlund, 2011), PBO’s importance increases with the projectification of organizations and societies (Schoper, et al., 2018). Organizations in both public and private sectors (Godenhjelm, Lundin, and Sjöblom, 2015) increasingly adopt project based working. However, unlike organizations who establish projects but continue to do most of their work in relatively stable functions, PBOs have an explicit strategy of working through projects (Gareis & Huemann, 2006). They usually have professional project management certification systems, clearly defined project management career tracks (Borg & Söderlund, 2013) and may also have a PMO (project management office) which engages in monitoring project quality and improvement (Huemann, 2010).

Different terms are used to describe organizations that structure themselves mainly around projects (Miterev et al., 2017) including the project based organization (Keegan & Turner, 2002), multi-project firm (Geraldi, 2008), project based firm (Lindkvist, 2004), multi-project organization (Canonico & Söderlund, 2010), the project oriented organization (Huemann, 2010), and the project oriented company
(Gareis and Huemann, 2006). For all these, projects are core business, and shape strategy, structures and work processes.

We use the term PBO to signal organizations where projects dominate the organizing logics and allocation of personnel (Keegan & Turner, 2002). The strengths and weaknesses of PBOs compared to organizations designed for functional activities are described by Galbraith (1971), and Hobday, (2000) who argues that functional organizations more effectively perform “routine tasks, achieve economies of scale, and coordinate organizational resources” (Hobday, 2000: 871), while, “[o]n the positive side, the PBO is an intrinsically innovative form as it creates and recreates new organizational structures….it is also effective at integrating different types of knowledge and skill” (Hobday, 2000: 871).

Projects

PBOs create projects as temporary organizations to perform tasks requiring the integration of input from different disciplines (Lundin & Söderholm 1995). As temporary organizations carrying out assignments or tasks (Svejvig & Andersen, 2015) projects exist within a base or parent organization (Keegan & Turner, 2002), or a consortium of collaborators (Sydow, Lindkvist, & DeFillippi, 2004). The PBO differs from what DeFillippi & Arthur (1998) refer to as the project based enterprise which exists to do only one project, is not located within a broader parent structure, and disbands on project completion. In this study, we focus explicitly on PBOs where projects are the main form of work activity, the parent organization operates multiple projects at the same time, and allocates people nominally housed within functions or
units across different projects. Projects thus integrate inputs from different functions to complete tasks for the parent organization (Sydow et al., 2004; Svejvig & Andersen 2015).

**HRM implications of PBOs**

Because projects are embedded in parent organizations, the duality for PBOS is that they do most of their work by projects *without* having completely jettisoned functions as in the case of project based enterprises (DeFillippi & Arthur, 1998). This creates people management challenges for PBOs. Firstly, PBO HRM systems are polyadic, comprising varying numbers of actors - sometimes four (Bredin & Söderlund, 2011) or more (Keegan et al., 2012) - in shifting constellations. These shifting constellations of actors change from project to project as employees work with different (multiple) project managers, teams and clients, and also line managers who are located within the discipline based units or functions (Bredin & Söderlund, 2011).

The second challenge is that projects violate “hierarchical authority and responsibility” (Butler, 1973: 90). Employees may be assigned for housekeeping purposes to functions with line managers (Mintzberg, 1979) while for the content of their work and the supervision of their task performance, they report simultaneously to one or more project managers in relatively unstable relationships: “People are temporarily grouped together around specific tasks to be solved, after which the team disbands and may or may not collaborate again in different compositions later” (Bakker, Boroş, Kenis, & Oerlemans, 2012: 1).
Thirdly, the HRM related responsibilities of different types of managers in PBOs are less clear when compared with line managers in function based organizations (Bredin & Söderlund, 2011). It is not clear, for example, how line and project managers work together for assessing the performance of members of project teams, especially when these employees shift from team to team.

Fourthly, project teams are comprised of experts from different functions or departments who might be more senior than project managers leading the team. Also, in one project, the employee may be reporting to a given project manager, while in another project, the hierarchical relationship between these same people might be reversed (Keegan et al, 2012).

Furthermore, project workers are highly autonomous in how they work. Bayo-Moriones, Galdon-Sanchez and Martinez-de-Morentin (2017: 507) hold that “[w]hen workers have the best information about the tasks they perform, the employer can benefit from giving them autonomy”. This aligns with research by Brown and Heywood (2005: 661) which indicates that “performance appraisals are more likely in those circumstances…that allow greater discretion by workers”. In project based organizing, workers are autonomous because they are often located off-site, not co-located with their line managers, and doing expert work with clients and project teams comprised of members from other organizations. Under these circumstances, performance appraisal would appear valuable from an organizational perspective. Existing research such as the research by Bayo-Moriones, Galdon-Sanchez and Martinez-de-Morentin (2017) suggests it also becomes more reliant on input from workers themselves. This commends research that examines how this can
be managed in practice and the strengths and limitations of different ways of accessing worker input in the appraisal process. This also highlights the importance of analyzing performance appraisal systems in PBOs where worker autonomy over core work processes prevails.

Finally, projects in PBOs have different timeframes (Jones & Lichtenstein, 2008) which could mean annual processes (like performance appraisal) are disrupted. The relative contributions of time and effort of project workers can differ widely within and between projects. From the perspective of project managers, the people they manage vary in terms of how long they spend on projects and how central they are to project outcomes.

How all these dynamics affect performance appraisal processes is currently not well researched. With some notable exceptions, little has been written to date on performance appraisals in PBOs. That which has been written suggests performance appraisal is devolved to line managers and that some problems are associated with the practice. For example, Keegan, Huemann and Turner (2012) carried out an empirical study on HRM practices in four PBOs and found that “[p]erformance appraisal…involves different managers from the permanent and temporary organizations but is led by line managers… [h]owever, considering that some…have a span of control of up to seventy employees, the time burden of managing this process is considerable, some say crippling” (2012: 13). Bredin and Söderlund (2006: 256) conducted a study of HRM in project intensive firms. Their study does not address performance appraisal in depth, but they do note the following: “It is not unusual for project members to have more than three bosses, including line managers
and different project managers. In addition to prioritization problems, this situation also leads to problems in determining the performance of the individual co-worker”. Questions arise as a result of the particularities of PBOs and how these influence appraisal processes. These include whether the social exchange and leader member exchange processes between line managers and those reporting to them emerge in the same way in PBOs as in traditional organizational settings. Additionally, are line managers central actors, directly observing and appraising those reporting to them? Do project workers identify with their line managers and view them as central to appraisal? Or, do project managers take the important place associated with line managers in traditional appraisal processes? These questions are explored in this study. Given the important differences between the functional line management-based context described in conventional HRM and appraisal theory, and the project-based context, as well as the lack of research on this topic, our main research question is a broad question and our focus is exploratory:

In a context like PBOs, where the relationships between line managers and employees are not the stable one on one dyadic types with which we are familiar from HRM theorizing, how does the performance appraisal process unfold?

EPISTEMOLOGY, METHODS AND DATA ANALYSIS

Consistent with the open, interpretivist, epistemological stance we take in this study (Schwandt, 1994), our aim is to explore how project managers understand
performance appraisal in PBOs and to use the data generated by the study to reflect on current theorizing on performance appraisal which is mainly framed by traditional, more stable organizational contexts. The data comprises of interviews that were carried out by master’s level students under the supervision of the first author. Interviews were carried out in Dutch, fully transcribed, and analyzed using Nvivo software for qualitative data analysis. We used semi-structured qualitative interviews to ask open questions based on initial themes derived from literature on performance appraisal. By using open questions (see Appendix 1 for interview protocol), surprising, novel and unanticipated findings could emerge from contextual understanding of the project managers. This is a strength of qualitative interviewing based on an interpretivist stance that “allows for the discovery or elaboration of information that is important to participants but may not have previously been thought of as pertinent by the research team” (Gill, Stewart, Treasure & Chadwick, 2008: 293). Given how little is known about performance appraisal in PBOs, a qualitative approach was favored over a closed question interview, survey, or other quantitative method.

The initial questions posed were derived from conventional theorizing on appraisal. However, given the lack of strong research on PBO appraisal, questions were posed openly in order to allow the interview participants to share their insider perspectives and use their own terms to explain the processes. Guided by social exchange theories, we asked open questions about who is involved in appraisal to ascertain if appraisal is based on stable line manager/employee dyads. Based on theorizing on performance appraisal, we also asked open questions to surface what role HR
specialists play in appraisal processes, and how HR specialists and line managers work together, as well as what contact HR specialists have with employees during appraisal processes. However, given lack of strong research on PBO appraisal, we did not mention line managers, project managers or HR specialists in the initial questions in order to allow the interview participants to share their insider perspectives and use their own terms to explain the processes and tell us in their own words who is involved and how they are involved.

We chose two exemplary PBOs, based on theoretical motives (Patton, 1990), in which to carry out the study. The organizations selected have extensive professional project management certification systems for personnel, and active membership of professional project management associations including playing leadership roles at national and international levels. They have clearly defined project management career tracks, a PMO (project management office), and an explicit strategy of working through projects. These companies emphasize their professional project based work orientation and have project teams traversing internal as well as external organizational boundaries carrying out their primary work processes. They are, in short, typical PBOs.

The companies are Dutch based wholly owned subsidiaries of the organization we call the CONCO Group which operates in more than 40 countries and employs almost 150,000 people worldwide. They operate wholly independently of each other and have their own HRM departments. One employs approximately 5000 employees and is active in the broad professional management consultancy and IT services sector. We refer to this company as MANCONL. The second employs almost 3000
people in the Netherlands and is part of a larger group within CONCO spanning 15 countries with approximately 20,000 employees. It is active in professional business IT services and we refer to it as ITCONL.

Interviews were first carried out in MANCONL. On the basis of convenience (snowball) sampling for professionals working in PBOs and willing to take part, an interview facilitated by a contact from MANCONL was set up. This was successfully converted into a second case through further snowball sampling. In total, 25 interviews were conducted of which 15 in MANCONL and 10 in ITCONL.

In Table 2 we document the PMs (Project Managers) and LMs (Line Managers) we interviewed as well as the HR specialists. The terms project manager and line manager refer to two different roles. The companies distinguish between those with primary responsibility to carry out and complete projects (project managers or PMs in Table 2) and those with responsibility for looking after the people and their care (line managers or LMs). To complicate things however, the term most often used to refer to a line manager is P Manager, where P stands for People or People Care. In some cases, a project manager might simultaneously be a P Manager. We have one such case in our study - a Project Director - who acts as a project manager and also as a line manager to other project managers. This is clearly indicated in Table 2 and referred to in the text.

Our main focus, as evident from Table 2, was on project managers who could tell us about performance appraisal from the perspective first, as evaluatees, and second, as (potential) evaluators of members of the projects they lead. They are in a position to observe actual appraisal processes as these typically take place and so are capable of
providing insights on actual implementation beyond intended appraisal practices (Nishii and Wright, 2008). Twenty interviews were carried out with project managers. To enhance the internal validity of our results (Miles & Huberman, 1994), at least one line manager and one HR professional in each company were also interviewed. See Table 2 for details.

Insert Table 2

The interviews were transcribed verbatim and imported into NVivo for qualitative data analysis. We drew up a summary contact sheet (Miles & Huberman, 1994), containing the details of each interviewee and key points made on appraisal processes in their companies. All utterances of relevance to appraisal were then coded per interview in step two, providing richer detail. Initial codes used to analyze the data include those drawn from existing literature on appraisal (deductive codes) such as responsibilities for appraisal, appraisal practices, and actors involved. We added new codes as these emerged inductively from analyzing the interviews (e.g. dilemmas, invisibility, distance, initiation, etc.). In step three, we moved in iterative cycles back and forth between each interview and the detail relating to appraisal practices and wrote more abstract notes about emerging themes. Themes were fleshed out, and sub-themes created, to discuss important facets of the main themes. Overarching themes and subthemes were refined through further analysis. Finally, in step four, we compared and contrasted the data from the interviews from MANCONL and ITCONL, finding the results from the cases extremely similar. The
final overarching themes are (1) Distribution of responsibilities for appraisal (2) Distance and (3) Dilemmas of appraisal.

**Results**

Below we discuss the results of the study by presenting the main themes. Table 3 shows how we build up the main themes and sub-themes and presents illustrative quotes taken from the interviews. Table 4 presents additional supporting data on the main themes and subthemes.

Insert Tables 3 and 4

**Distribution of responsibilities for appraisal.** We analyzed the interview data to find out who is involved in the appraisal process and to ascertain their roles and responsibilities. We found constellations of different actors, in different projects, involved in, and responsible for, aspects of the appraisal process. Two main actors of significance are project managers and line managers. As already stated, the line manager is referred to by titles such as the P manager, people manager, and occasionally the unit manager. We will use the term line manager for consistency. Line managers are located in the parent/base organization, in functions or units. They are responsible for tasks such as initiating performance appraisal, registering sick leave, salary discussions, and general well-being and
development. Project managers have no formal HRM responsibilities. Their mandate is to deliver project results and use project resources (including employees) to do so. They supervise the daily work of project workers and monitor their contribution towards delivering project results. However, they have no formal roles in HR issues like appraisal, career development, and reward. We categorized the data coded to this main theme (distribution of responsibilities) into three sub-themes regarding how roles and responsibilities for appraisal are distributed. The sub-themes are “responsibility for initiation”, “responsibility for input”, and “doing it for themselves”.

**Responsibility for initiation.** There is a uniform view among the interview participants that line managers are officially responsible for initiating appraisal, although employees will also be informed the time has arrived to allow themselves to be appraised and are expected to act.

*Officially, the people manager will always initiate this and will probably ask a question like “Project manager, can you assess the people in your team?” (MANCONL11-PM)*

HRM specialists see themselves as responsible for alerting line managers as to whether or not they are on track for conducting annual appraisals of project managers/project workers for whom they are responsible as line manager.
I have to be the one to alert them and tell them: you (name of LM), your team, you’re only at 50% of the reviews done, and the year is almost over!...Well I am the one that signals, but I am not taking over that responsibility ...so I will signal them with my dashboard. (MANCONL14-HR)

At ITCONL, HR specialists alert evaluatees themselves to allow themselves to be appraised:

One and a half months before the deadline I get a mail with links in it saying “you can let yourself be reviewed now”. That’s when I start the start the process. (ITCONL4-PM)

Responsibility for input. The views on who does or should provide input to appraisal vary widely. Variations relate to preferences of clients, HR, project managers and line managers. Project Managers (as evaluators) have different responsibilities for giving input depending on their client. In the following, project managers describe different expectations for their HRM related responsibilities:

You work for a client. The client can make you responsible for HR tasks, for example for filling in the assessment form. Not at (NAME OF CLIENT) though. Actually, within (NAME OF CLIENT) you are a puppet being outsourced to clients, possibly with other (NAME OF CLIENT) colleagues. In effect, neither I am, nor is any of my
outsourced colleagues, responsible for HR tasks within (NAME OF CLIENT), except for tasks relating to your own assessment. (ITCONL6-PM)

And now and then, at certain clients and not at others, I get the request to assess internal employees. I find that peculiar, because it seems like the development of internal employees is not regarded as important. But OK... (MANCONL8-PM)

Doing it for themselves. When it comes to ensuring they are actually appraised, people working on projects, and that includes both project managers and other members of project teams (as noted, project managers are often also members of other project teams) must do it for themselves. They must request, collect, coordinate, and offer reviews of their own performance as input to the performance appraisal that is officially carried out by the line manager.

Look, what happens is that I ask my customer, and I determine who I ask, to evaluate me... And I will tell my unit manager about this evaluation and who I asked to do it and I will send him the evaluation forms. At the same time I have to evaluate myself, I have to give feedback about how I think things went this year and my unit manager has a certain image of me too. Together this will become my review. So in that sense, I have a lot of impact on the final review (ITCONL2-PM)

Evaluatees (project managers and team members) are decisive in whether appraisal actually occurs and also in terms of the quality of input upon which appraisal occurs.
Although formally responsible for initiating the process, line managers usually do not gather reviews of performance but devolve this responsibility to project managers and team members as evaluators. They, themselves, must ensure they get feedback from different sources which serves as input to the appraisal a line manager may (or may not) perform.

The employee is responsible for the p-file and sends it to the administration and then it is put in an electronic p-file. And the people manager will look at it only at the time of yearly performance reviews, in the sense that he or she checks what’s in the p-file and makes an assessment and if it is not there the employee will be asked to get some project reviews and if that’s not possible the employee will be asked why not. Well, in the end the employee should get reviews from some source, otherwise I’ll tell him or her that I have to assess them on the basis that they did nothing (MANCONL15-LM).

**Distance** The second theme captures how line managers and those being evaluated interact with each other. Two subthemes elaborate the nature of **distance** - “spatial” distance and “span of control”.

“Spatial” distance: Line managers are usually not co-located with evaluators. As such, they cannot directly observe performance of people on projects.
Yesterday I was at a client in Almere, employing 4 of my people. And yesterday I also visited another client in The Hague with 6 of my people, and tomorrow I am going to Rotterdam with another 5 people. In this way, within a short space I will have visited three customers and have done over 10 people. But I also have two in Düsseldorf and one in Leeuwarden and one in Maastricht. It is all over the country. (MANCONL13-LM)

Span of Control: Another feature of this context which underpins distance is the span of control of line managers.

At the end of the year I am supposed to do 80 performance reviews in a relatively short period. This is impossible in the period that is set for this task. Even now I have not done reviews with some people, because they didn’t provide any input. So, I will not assess them. (MANCONL13-LM)

The quote above illustrates the challenge of the large span of control line managers typically have and shows the importance of the role of evaluatees themselves in the process. If they are not “doing it for themselves”, they are not assessed. Span of control is significant in terms of how – and if – appraisal even takes place. Frequent changes of line manager also occur resulting in lack of continuity and exacerbating the issue that line managers are distant from and sometimes not very familiar with the people they formally evaluate:
The problem is that we have a different unit manager every year, because of all reorganizations and situations, so whenever you are used to someone and this person is used to you, there will be another one, which is not very helpful (ITCONL5-PM)

**Dilemmas** The combination of different actors providing input, and unclear roles for line managers and project managers in collecting and coordinating input, underpin two main dilemmas that emerge regarding appraisal. These are *Invisibility* of evaluatee performance to the line manager, and the *dubious nature of input*.

**Invisibility.** Evaluatees’ performance is not directly visible to line managers, and therefore not easily assessed by them. Exacerbated by lack of time due to broad spans of control, line managers struggle when trying to keep up with employees’ performance on different projects. Work performance occurs in the context of projects located at different sites, and often at considerable distance from line managers. Making it visible is not easy due to distance, and also because finding out from project managers (and others, like clients) how the evaluatee has performed is difficult due to the large spans of line manager control, and line manager turnover, in these contexts.

*So my people manager has no idea how I deal with the people upstairs, because she is never here. Last year, she visited here once, I believe, and then we sat downstairs and then we talked so she can get an idea what is going on here.* (MANCONL10-PM)
Dubious nature of input. A dilemma emerging from the combination of distance and large spans of control, is the resulting dubious nature of input on evaluees’ performance. This takes different forms. Firstly, there is the reliance of evaluees and their line managers on input from project managers, even when there are doubts regarding the quality of the input, for example because the evaluee did not work on that project for long. In the following, a project manager ponders whether he is a suitable evaluator for a project employee of a client organization to which he (the project manager) has been assigned:

(I) was there just a few months so I knew him [the evaluee] a bit, but I thought who am I to do this? I can say something about him, but for that person it is very important, and I am inclined to treat him fairly. Then I think, who am I as an external reviewer for a company where he has been working for years to just give him a review. That’s what I thought...Yes, but maybe I was the right person because he was in my team for a large part of the project (ITCONL3-PM)

The central role of evaluees in gathering the information that line manager appraisals are based on implies that they can influence whose assessments are or are not included. Lack of clarity regarding the formal responsibility on the part of the project manager for providing input to the appraisal process also means that the manner of evaluating project professionals assigned to their projects is not well-structured or systematic in terms of what line managers then do with their feedback. In terms of
project managers providing input on the appraisals of personnel on their projects, they are often simply not asked for input. Or, if they are, the input is sometimes still ignored or downgraded by the line manager.

I notice that when I do project assessments for employees and I hear what has been discussed at their performance review, then it seems like the people manager is inclined to water it down. I ask myself whether this is due to relational or performance factors. It couldn't be due to performance, so it will be a matter of protecting the relationship, to retain the employee. At the same time you will stand in the way of someone's development. (MANCONL2-PM)

Although line managers often do not know employees in their unit well enough to personally evaluate their performance, they can still choose to pay attention to, or ignore, the appraisal input the employees collect from project managers and clients. This has potentially major implications for evaluatees’ careers, compensation, and development and, presumably, also for their motivation and perceptions of fairness of the process.

I can name plenty of examples of people with an excellent assessment from a client where the people manager doesn’t agree....If you get stuck with such a people manager, one you can not get along with, it will be very difficult for your career (MANCONL9-PM)
The above quote points to the real danger that in the absence of line managers’ first-hand observations of employee performance, the potential for biases we know from theory to be prevalent in appraisal (e.g. ‘similarity attracts’ Tsui & Gutek, (1984)) could be exacerbated in this setting. Frustration with the dilemmas of the appraisal process leads to some strong negative views on the process from project managers:

*Actually, a company like (MANCO) should abolish people management...companies like (MANCO) are too big to do people management really well. Managers are overloaded and don’t know their people. (MANCONL2-PM)*

**DISCUSSION**

In the PBOs we studied, the polyadic nature of HRM systems shapes performance appraisal processes where employees are largely doing it for themselves due to the need to coordinate input across a shifting, varying and diffuse range of actors per project setting. While multi-actor HRM systems have been theorized already, most authors have identified fixed configuration HRM triads (Werner, et al., 2012) or HRM quadriads which are anchored by a line manager (Bredin & Söderlund, 2011). In our case studies, the assumption that line managers are the main anchor in the appraisal process is not held up because their ability to perform in that conventional manner is undermined by the particularities of the setting. These include, as our results show, distance, large spans of control, and lack of continuity between line managers and project workers.

The varying patterns in terms of the number of actors involved, and their manner of
interacting, not only from one organization to another, but also from one project to another, means the employee must ultimately ensure appraisal material is collected and collated or they may not be appraised. In this highly dynamic, fluid and changing work setting, comprised of ever shifting project teams, employees are the only constant. This is one of the main reasons that polyadic PBO performance appraisal systems do not fit the assumptions of conventional appraisal theorizing where the HRM triad, and the line manager/employee dyad, are central.

Implications for HRM theory

Firstly, in contrast to a central role for line managers, this study suggests that the pivotal relationships in PBO performance appraisal centre around the employee. Employees arrange performance reviews, coordinate them as input to an overall picture of their performance, and ensure their performance is visible to the organization. If employees don’t orchestrate it, appraisal either may not occur or if it does, it is done on the basis of a doubtful line of sight to the employees’ performance on projects. A potentially problematic issue related to this, is that employees can steer a lot of the information by purposefully in- or excluding certain input, which will often not be clear to the line manager who is so distal from the actual work performance.

This picture is in stark contrast to views in mainstream HRM scholarship, where performance appraisal is seen as a process anchored by line managers who agree performance targets and then observe and judge employees’ performance against these targets. Also, they may or may not use input they gather from others to
complement their own views regarding the performance of employees that report to them.

Our study did not find stable line manager-employee dyadic relations envisaged in current HRM scholarship (Purcell & Hutchinson, 2007), nor are line managers the ones best informed about employee work performance. Instead we found polyadic relationships which transcend the conventional HRM triad. The current focus on stable leader-member dyads, and the HRM triad, means we may be overlooking important factors in polyadic HRM contexts for explaining how processes, like appraisal, influence individual and organizational outcomes. While the PBO context may indeed be an arena of social exchange transactions (Cropanzano et al., 2002), we found that these exchanges are not occurring in a straightforward way between line managers (as delegated agents of the organization/HRM function) and employees (as recipients of line manager mediated organizational signals of support).

In our study, we also found that the involvement and input of project managers was highly variable and inconsistent. Sometimes they are asked for input by employees, while other times they are not. Sometimes they give input, and other times this is not possible or easily achieved, because project managers and workers may not belong to the same parent company and clients do not always ask project managers to focus on evaluating their team members. The findings also suggested line managers may ignore or overlook the input of project managers when asked by employees to evaluate them even when project managers feel they had good insight in the performance of the evaluee. This implies that the manager closest to the actual
performance of evaluatees on specific project work tasks, the project manager, is the one whose input is least systematically gathered, and least consistently included. Based on the proximity of project managers to employees as they carry out their work on projects, social exchange and leader member exchange theories would predict that project managers play a central role in administering appraisal practices and in how their direct reports experience such practices. However, it is not a solution to simply replace line managers with project managers for the purposes of appraising employees because project managers only see the employee on their project, and not on other projects. Employees spend varying levels of time, and contribution, on any given project, which means project manager’s do not have sufficient insight in their overall job performance. They may struggle to play the kinds of roles in employees’ career development and motivation ascribed by appraisal theory to line managers in more stable organizations.

The role of HR specialists in the companies we studied appears somewhat as expected from conventional theorizing. HR specialists devolve performance appraisal to the line who, as we saw, are responsible for initiating the process. HR specialists signal directly to line managers when they can begin a review process and based on their “dashboard”, remind them to complete appraisals within the allocated timeframe. The data thus suggests HR specialists works with the line in this, albeit, somewhat distant manner. However, HR specialists do not appear to work directly with project managers, or workers, in coordinating the appraisal process. There was no mention of project managers receiving training or coaching on issues regarding
appraisal or having any contact at all with HR specialists in the role of evaluator of project workers.

Our study therefore suggests challenges for conventional appraisal theory, rooted in social exchange and leader member exchange processes, and premised on HRM triads and stable line/employee dyads fueling reciprocity processes that drive positive organizationally oriented attitudes and behaviors like commitment and discretionary effort. In polyadic HRM systems like those we studied, where employees are playing the central role, we know little at this time about whether employees single out line managers, or particular project managers, or others, from a range of possible relationships formed throughout appraisal processes. It is even less clear how performance appraisal based social exchange processes unfold when projects span organizational boundaries. Questions arise such as with whom (what manager from where) or what (project, organization) the exchange is taking place. The case studies suggest that actors from organizations other than the employee’s own organization play a role in whether employees are appraised and by whom they are appraised. The same holds for clients who are asked to appraise project personnel.

As previously argued, performance appraisal is important from a social exchange perspective and for building positive reciprocal relationships between employees and their employers. Research supports the importance of appraisal to employee outcomes including affective commitment, employee turnover intentions, organizational commitment, and perceptions of fairness (Brown, Hyatt, & Benson, 2010; Kuvaas & Dysvik, 2010).
Our findings raise the issue of exactly how project manager’s, client’s, and line manager’s, feedback, are combined into a coherent sense of social exchange for the person being appraised. We found that employees are the one constant in the changing configurations and shifting interactions, and the only actor who is part of all these different projects. From the perspective of understanding social exchange processes inherent to appraisal in PBOs, we need to loosen the assumptions that employees are at the receiving end of intended HRM policies that are developed by specialists and delivered by one line manager.

The resulting challenge for HRM theorists is to envisage a larger and more diffuse group of actors involved in appraisal processes than line managers, employees and HR specialists alone. Minimally, one or more project managers would appear essential to appraisal. Clients are also in a position to offer feedback, and project team members of external organizations or cross functional projects would appear likely rich sources of input.

Our findings also raise interesting questions around whether line managers should be the only, or main, partner for HRM in ensuring appraisal works. For example, is the currently prominent model of HRM specialists as business partners to line managers becoming less relevant in a context where employees are doing many of the HRM tasks that matter in a context of shifting relationships? The less prominent role of line managers in PBOs, and the more, shifting and temporary relationships within which employee work performance emerges, commends a reexamination of HR’s support for line managers in the hopes this reaches employees as recipients within stable dyadic relations. The conventional approach to ensuring line managers
are trained in performance appraisal by HR specialists should perhaps be adjusted in the case of PBOs to directly support and focus interventions also towards employees themselves. In this setting of overlapping organizational contexts, the employee is the only actor in the polyad that is capable of integrating the different aspects of the performance appraisal process. Creativity is required, perhaps, to envisage an appraisal process where temporary, shifting and differentiated dyadic relationships are a basis for performance reviews that are coordinated in a more dynamic and less cyclical manner than conventional appraisals.

What then can HRM specialists do to support employees reporting to (multiple) line and project managers in order to ensure employees playing this crucial role are delivering input that is the basis of an organizationally wide fair, transparent and equitable appraisal process? One practical suggestion is that they receive training and support regarding how to manage their multiple, shifting work relationships, and have access to support and interventions from HR specialists when processes do not go well. Training to improve project personnel’s understanding of, and willingness to work with, appraisal processes, are also possibilities to ensure the appraisal system remains effective and delivers the important outcomes associated with employee and organizational interests. While current framing in HRM models assume – increasingly - little direct contact between HR specialists and employees (Pritchard & Fear, 2015), polyadic HRM systems commend a closer working relationship between HR specialists and employees, especially if they are doing it for themselves. Finally, how HR specialists support other actors like project managers also requires more attention. This is especially complicated as HR specialists and project
managers may or may not be from the same organization. However, the requirement to develop better processes for gaining a coherent overview of employee performance do suggest that project managers should be able to provide input in ways that improve the validity and fairness of these important processes.

Limitations

The study has a number of limitations. Firstly, the generalizability of our findings is limited by the number of cases, and interviews, we carried out. While generalizability is not an aim of this, or typically other explorative qualitative research (Miles & Huberman, 1994; Guest, Bunce & Johnson, 2006), it is important to note that caution must be exercised when considering how the findings from this study reflect more general trends in terms of the HRM and performance appraisal processes. The second limitation is the focus mainly on project managers in the interviews. The data must be interpreted in terms of this weighting in favor of their perspective on appraisal. We have tried to increase the internal validity of this study by interviewing people in different roles in the appraisal process in PBOs. However, the dominance of project managers in our interviews remains. Having said that, project managers provide valuable perspectives not only as evaluators but also as evaluatees. A third limitation is that we focus on PBOs that are high in project orientation as explained previously. We did not, for example, study singular project enterprises such as once-off film companies, where appraisal processes might look different again. Future research should consider other project organizing contexts to yield
insights on appraisal processes and challenges.

A final though important limitation is that we rely on retrospective accounts of interview participants discussing appraisal experiences, rather than real-time process data derived, for example, from in-depth process oriented ethnographic research or diary studies. Future research building on these preliminary findings, and adopting alternative methods, could yield valuable insights on how appraisal unfolds in different project based settings.

CONCLUSION

In concluding this paper, we look beyond the specifics of our two cases, and consider, bearing the limitations in mind, how these findings may signal some important trends. The main issue we want to highlight here is that performance appraisal processes unfold in a different way in PBOs. Although we argue that employees are doing it for themselves, we are not suggesting other actors are not playing roles in appraisal. We acknowledge the findings that line managers are typically still initiating appraisal and formally responsible for it. However, we also see that they are too distant from the sites where performance actually occurs and cannot observe it themselves. They are fully reliant on input from others and primarily from employees themselves and thus devolve many of the responsibilities in the process to them. Line managers may sometimes ignore part of the gathered information, leading to negative perceptions on part of evaluatees about the process and its fairness. Project managers, for their part, are often able to observe performance and develop a rich picture of how a project worker performs on a
project, especially if the worker has a central role in that project. Project managers, however, only see performance on their project of project team members who may work in the same organization as they do, or in other organizations and who will typically be working on multiple projects. These project team members who are evaluated may be hierarchically subordinate or superior to the project manager, and future projects may reverse this order, further complicating the role of project managers in the appraisal process. For these reasons, while project managers also clearly have a role in appraisal, this is full of tensions and challenges and these are not yet well researched or resolved. HR specialists for their part are playing the role of developing systems for appraisal, and signaling milestones and targets, but their implementation support for the range of actors involved currently appears limited. This is a source of difficulties in a context so challenging as the PBO appraisal context.

In this way, employees are therefore doing it for themselves because they are the constant in the appraisal process, the only actor in every project and the only one bringing all the input together. The shift away from functional line management-based organization structures, to organizations as networks of project teams, is also increasingly prevalent in many societies and the challenges for HRM theory and practice generally, and performance appraisal specifically, are likely to intensify in the future as societies and workplaces becoming more project based. Experiments with holacracy (Bernstein, Bunch, Canner, & Lee, 2016) pose similar challenges to the line manager centric assumptions of HRM. Our study, by raising the importance of polyadic HRM and PBOs where employees are doing appraisal for themselves,
challenge the idea of HRM devolving practices to the line to deliver this securely to employees. HRM models should reflect and embrace contextual developments such as the spread of PBOs and give more consideration to how the HRM activities of diverse actors – including employees, line and project managers, clients, recruiting consultancies, outsourcing agencies, and HR specialists – are integrated. In particular, we need more research on how these developments impact on employees who are increasingly doing it for themselves.

The requirement for a more diverse and appropriate set of underlying theories beyond social exchange or LMX within stable line manager-employee relations is also needed. For example, in virtual teams where managers and employees are not co-located (Den Hartog, Keegan & Verburg, 2007), reconsidering how employees enact and shape HRM practices like appraisal is important. The growing importance of the gig economy, where employees are literally becoming self-employed, raises the issue of how relevant HRM theorizing is in an age where employee-line manager dyads are becoming relatively less important with self-employed contractors replacing employees in employment at all levels of the economy.

If employees are (at least in part) managing many HRM practices, like appraisal, directly themselves, future research should focus on the increased complexity of actors’ involvement in polyadic HRM processes. In particular, the active agentic role of employees in HRM systems needs more attention. For these reasons, we argue that appraisal in the PBO context, but perhaps also other contexts, requires a novel approach, where we look beyond the HRM triad and away from the central role of the line manager, and make way for the HRM polyad and all its implications.
REFERENCES


CIPD (2017). The role of line managers in HR and L&D. Accessed on August 9 2018 doi: https://www.cipd.ie/knowledge/hr-fundamentals/hr/line-managers-factsheet#8006.


## Appendix 1: Protocol for Semi-Structured Interviews

- What is your current position and job title?
- Brief description of current role in this organization.
- Qualifications, certification.
- Main responsibilities, reporting relationships, tasks.
- How long have you worked here?
- Who, within this organization, is responsible for performance appraisal?
- Who has input?
- Who is involved?
- Are the correct people involved?
- How does the process work?
- Does it work well?
- If not, what can be improved?
- What is your role in the process?
- What is the role of employees being evaluated?
- Comparison of formal responsibilities with what is actually done?
- What does not work well?
- Your personal experience in the process?
- What tools etc. are used in the process?
- How often are people evaluated?
- How do you evaluate the process overall?
- What, if anything, would you change?
### Table 1: Line manager centrality to traditional performance appraisal

<table>
<thead>
<tr>
<th>Line managers*</th>
<th>Responsible for measuring the performance of their subordinates, communicating performance evaluations to their subordinates, and helping subordinates to improve.</th>
<th>See Werner, Schuler and Jackson 2012: 295</th>
</tr>
</thead>
<tbody>
<tr>
<td>*Also referred to in the literature on performance appraisal as front-line managers, direct supervisors, and immediate supervisors.</td>
<td>In the best position to observe and evaluate his or her subordinate’s performance. Also responsible for that person’s performance.</td>
<td></td>
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<tr>
<td></td>
<td>Most familiar with the individual’s performance, has the best opportunity to observe actual job performance, is best able to relate the individual’s performance to what the department and organization are trying to accomplish.</td>
<td>See Dessler, 2012: 216</td>
</tr>
<tr>
<td></td>
<td>Most frequently used source of performance information, have extensive knowledge of the job requirements and opportunity to observe their employees, have the ability to rate their employees, have something to gain from the employees’ high performance and are motivated to make accurate ratings.</td>
<td>See Cascio 2013: 349</td>
</tr>
<tr>
<td></td>
<td>Will mediate the effect of practices like appraisal on employee perception and behavior.</td>
<td>See Noe, Hollenbeck, Gerhart and Wright, 2012: 377/379</td>
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<tr>
<td></td>
<td></td>
<td>See Den Hartog et al., 2004: 565</td>
</tr>
</tbody>
</table>
Table 2: Interview Participants, Title, Designation as PM/LM/HR, and Gender

<table>
<thead>
<tr>
<th>Interviewee</th>
<th>Title</th>
<th>PM, LM HR</th>
<th>Gender</th>
</tr>
</thead>
<tbody>
<tr>
<td>MANCONL1</td>
<td>Project Director</td>
<td>PM</td>
<td>F</td>
</tr>
<tr>
<td></td>
<td></td>
<td>LM to PMs</td>
<td></td>
</tr>
<tr>
<td>MANCONL2</td>
<td>Project Manager</td>
<td>PM</td>
<td>M</td>
</tr>
<tr>
<td>MANCONL3</td>
<td>Project Manager</td>
<td>PM</td>
<td>M</td>
</tr>
<tr>
<td>MANCONL4</td>
<td>Project Manager</td>
<td>PM</td>
<td>M</td>
</tr>
<tr>
<td>MANCONL5</td>
<td>Project Manager</td>
<td>PM</td>
<td>M</td>
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<tr>
<td>MANCONL6</td>
<td>Project Manager</td>
<td>PM</td>
<td>F</td>
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<tr>
<td>MANCONL7</td>
<td>Project Manager</td>
<td>PM</td>
<td>M</td>
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<tr>
<td>MANCONL8</td>
<td>Project Manager</td>
<td>PM</td>
<td>M</td>
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<tr>
<td>MANCONL9</td>
<td>Project Manager</td>
<td>PM</td>
<td>M</td>
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<tr>
<td>MANCONL10</td>
<td>Project Manager</td>
<td>PM</td>
<td>M</td>
</tr>
<tr>
<td>MANCONL11</td>
<td>Project Manager</td>
<td>PM</td>
<td>M</td>
</tr>
<tr>
<td>MANCONL12</td>
<td>Project Manager</td>
<td>PM</td>
<td>F</td>
</tr>
<tr>
<td>MANCONL13</td>
<td>P Manager</td>
<td>LM</td>
<td>M</td>
</tr>
<tr>
<td>MANCONL14</td>
<td>HR Specialist</td>
<td>HR</td>
<td>M</td>
</tr>
<tr>
<td>MANCONL15</td>
<td>P Manager</td>
<td>LM</td>
<td>M</td>
</tr>
<tr>
<td>ITCONL1</td>
<td>Project Manager</td>
<td>PM</td>
<td>M</td>
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<tr>
<td>ITCONL2</td>
<td>Project Manager</td>
<td>PM</td>
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<tr>
<td>ITCONL3</td>
<td>Project Manager</td>
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<td>ITCONL4</td>
<td>Project Manager</td>
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<tr>
<td>ITCONL5</td>
<td>Project Manager</td>
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<tr>
<td>ITCONL6</td>
<td>Project Manager</td>
<td>PM</td>
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<td>ITCONL7</td>
<td>Project Manager</td>
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<tr>
<td>ITCONL8</td>
<td>Project Manager</td>
<td>PM</td>
<td>M</td>
</tr>
<tr>
<td>ITCONL9</td>
<td>HR Specialist</td>
<td>HR</td>
<td>M</td>
</tr>
<tr>
<td>ITCONL10</td>
<td>Line Manager</td>
<td>LM</td>
<td>M</td>
</tr>
</tbody>
</table>

PM=Project Manager

LM=Line Manager
P Manager also used synonymously with People Manager and People Care Manager and refers to someone in a line manager role. A Unit Manager is a P Manager or line manager. For simplicity, we will use the term line manager throughout the paper except in direct quotes where we retain the term used by participants.

HR=Human Resource Specialist
### Table 3: Quotes, Subthemes and Themes

<table>
<thead>
<tr>
<th>Illustrative Quotes</th>
<th>Subtheme</th>
<th>Theme</th>
</tr>
</thead>
<tbody>
<tr>
<td>That’s the unit manager. And this unit manager will also collect information, for example by contacting the relation manager who is responsible for the client or contact the client directly for information, or if it is an internal project he will contact the project leader...So, in preparation of the performance review the unit manager can get additional information from 2 or 3 different sources. And he can get information from the employee, who has ideas himself about the performance during the period under review. (ICTONL9-HR)</td>
<td>Responsibility for Initiation</td>
<td>Distribution</td>
</tr>
<tr>
<td>Everybody who matters, but that's really ...In any case the employee of course...then, the managers in for example projects: a project manager, a contract manager or a unit manager. It depends on the level in the organization...(I)t can also be a project member you ask about the person under review and her/his performance. So, it is done on different levels, I suppose. (MANCONL7-PM)</td>
<td>Responsibility for Input</td>
<td></td>
</tr>
<tr>
<td>The employee is responsible for the p-file and sends it to the administration and then it is put in an electronic p-file. And the people manager will look at it only at the time of yearly performance reviews, in the sense that he/she checks what’s in the p-file and makes an assessment and if it is not there the employee will be asked to get some project reviews and if that’s not possible the employee will be asked why not. Well, in the end the employee should get reviews from some source, otherwise I’ll tell him/her that I have to assess them on the basis that they did nothing (MANCONL15-LM).</td>
<td>Doing it for themselves</td>
<td></td>
</tr>
</tbody>
</table>
Yesterday I was at a client in Almere, employing 4 of my people. And yesterday I also visited another client in The Hague with 6 of my people, and tomorrow I am going to Rotterdam with another 5 people. In this way, within a short space I will have visited three customers and have done over 10 people. But I also have two in Düsseldorf and one in Leeuwarden and one in Maastricht. It is all over the country. (MANCONL13-LM)

At the end of the year I am supposed to do 80 performance reviews in a relatively short period. This is impossible in the period that is set for this task. Even now I have not done reviews with some people, because they didn’t provide any input. So, I will not assess them. (MANCONL13-LM)

So my people manager has no idea how I deal with the people upstairs, because she is never here. Last year, she visited here once, I believe, and then we sat downstairs and then we talk so she can get an idea what is going on here. (MANCONL10-PM)

(I) was there just a few months so I knew him a bit, but I thought who am I to do this. I can say something about him, but for that person it is very important, and I am inclined to treat him fairly. Then I think, who am I as an external reviewer for a company where he has been working for years to just give him a review...Yes, but maybe I was the right person because he was in my team for a large part of the project (ITCONL3-PM)
Table 4: Additional Quotes

<table>
<thead>
<tr>
<th>Themes</th>
<th>Subthemes and Quotes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Distribution of</td>
<td>Responsibility for Initiation</td>
</tr>
<tr>
<td>responsibilities for</td>
<td>The person formally responsible in [ITCO] is the unit manager, at least that’s what I think. ([ITCONL-PM])</td>
</tr>
<tr>
<td>appraisal</td>
<td></td>
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<td></td>
<td>The people manager is the central point of contact. ([MANCONL-PM])</td>
</tr>
<tr>
<td></td>
<td>Responsibility for Input</td>
</tr>
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<td></td>
<td>Dependent on the customer you’re at...at (name of client) I was sometimes asked by the line managers of my project members to provide input about the performance of people working in my project...at (name of client) no such thing was asked. They have their own way of assessing performance. But in the case you’re asked to deliver input, you’ll do that. ([ITCONL-PM])</td>
</tr>
<tr>
<td></td>
<td>It is not standard to receive a project review. (...) I noticed in this organization that you are free to decide whether you want a project assessment or not. ([MANCONL-PM])</td>
</tr>
<tr>
<td></td>
<td>Doing It For Themselves</td>
</tr>
<tr>
<td></td>
<td>They hate it...that they have to do it themselves. At the same time I am convinced that they know it is important for them and they will gain by doing it, but it also costs time...I also think they perceive it as unreliable. Because, in the case I don’t have a project review for an employee...it depends on my mood, then I could decide not to evaluate this employee. No, I wouldn’t do that (laughing), I’ll call the project manager myself ([MANCONL-PM/LM To PMs])</td>
</tr>
<tr>
<td></td>
<td>Formally employees are appraised once a year. If you work in more project, than in principle at the end of a project. So if you have two or three projects in one year than you will have more. I always say, yourself should again take the lead. As employee you must ensure that you have multiple assessments. This is own initiative, do not wait! You can do it once to benefit yourself by sending eight out of ten to your line manager, you then will learn from the those hold back but when your line manager finds out. ([MANCONL-PM])</td>
</tr>
<tr>
<td></td>
<td>You need to have an evaluation at the end of the year, filled in by your line manager. There are line managers who find out everything themselves, but they are rare. ([MANCONL-PM])</td>
</tr>
</tbody>
</table>
And at the end of the project there will be an evaluation...the client will assess how it went. The employee is responsible for getting this evaluation from the client. So, he also asks his project manager to fill in his evaluation form. The evaluation will be sent here and is a source of information for the unit manager (ICTONL-PM)

The basic process is that we get an automatic email from the system that it is time for the performance appraisal. You have to collect input from your client that you should send by email to your unit manager, who gathers it and turns it into an assessment and plans an appointment with you to discuss it. (ICTONL-PM)

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<th>Distance</th>
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<td>Because it remains very difficult in the world of outsourcing to assess the performance of people, that’s a fact, because people who are responsible for the review don’t see you very often, so in any case that is very difficult (ITCONL-PM)</td>
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<td>I think that the process is quite optimal in view of the circumstances. In view of the circumstances I mean, it is a disadvantage that I have to appraise people that I do not see working. (MANCONL-LM)</td>
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| Span of Control   | The unit manager needs input....I mean this person is not working with you every day at the same desk, and he has 50 other employees too with whom he needs to have a connection. So we are talking to each other between one time in six weeks and one in three months. The aim is that you will have a talk once in two months face to face, sometimes by telephone depending on the situation I think. Sometimes you speak to each other more often than at other times. I mean, I have learned to take care of myself, I am not bothered if happens only once in every three months. (ITCONL-PM) |
|                   | You write you own yearly appraisal. Otherwise I have to write 50 appraisals. I have to read them because with some of them I agree from the beginning, others I have to work on. (MANCONL-LM) |

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<th>Dilemmas</th>
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<td>The project member who is being evaluated will ask me to fill in the review forms. Actually, the project manager should sit down with the project member every two weeks and evaluate how it is going, what is going well and what does this member...</td>
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</table>
I, as the people manager, am the person who reviews someone. I am talking about the yearly appraisal and in this appraisal two things are set, namely performance and potential. But I do not see the people working because they are at the client.

(MANCONL-LM)

Dubious nature of input
At the moment I have two requests for assessments sent out in the organization and say one respondent thinks “[name] is worthless”. I could withhold this information, just read it and not disclose it to my unit manager. That is a possibility.

(ITCONL-PM)

You have to have a system, people get labeled, so then you get a grade and become a grade. For example, you are a ‘2’ (exceeds expectations), or a ‘3’, then you are doing as expected, or you are a ‘4’, growth is under pressure, or a ‘5’ which basically means ‘maybe our ways should part at one time in the near future’. But that’s it, no matter how good the system is, the grade stands and it’s all in the hand of the manager. Whenever I think you don’t add to the performance of the company, you get a ‘4’ ...and there is nothing you can do about it. (MANCONL-PM)