

Running Head: ELECTRONIC MONITORING IN PERFORMANCE APPRAISAL

Ratee reactions to electronic monitoring systems use in performance appraisal

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Performance appraisals are used in organizations throughout the world today. They can be used for a variety of purposes such as determining who needs to attend upcoming training, who should be promoted into a new position, or who may need to be terminated for chronic substandard performance. Unfortunately supervisors today are becoming increasingly busy (Green & Skinner, 2005). With the changing structure of organizations leaving fewer and fewer managers, those remaining managers are tasked with completing more performance appraisals each year than ever before. A manager's time, however, is extremely limited and many managers simply cannot afford to extensively observe each ratee. Without this observation time it is difficult for managers to accurately judge and rate performance. This lack of time is causing supervisors to turn to the use of electronic monitoring systems.

The electronic monitoring systems being implemented can track employee's computer use on such facets as keystrokes, websites visited, e-mails sent, search terms entered, and documents accessed (Stanton & Weiss, 2000). As suggested above, companies are not merely collecting this data for research purposes, this information can be used in a variety of ways such as lowering an employee's annual performance appraisal ratings, justifying disciplinary action, or even providing a cause for termination of employment. This widespread effort to crack down on such activities as writing personal e-mails on company time and web surfing with electronic monitoring is leading to employee dissatisfaction in some cases. Unfortunately, there are no guidelines that instruct organizations on how to implement the use of such systems successfully within an appraisal system.

Past research has been concerned with how employees react and view the fairness of performance appraisals as a whole as well as how electronic monitoring systems are viewed. It has not, however, looked at how employees react to electronic monitoring system data being used for performance appraisals. This study therefore will be among the first of its kind to examine reactions to electronic monitoring when the information is used during a performance appraisal. Based on the performance appraisal reaction literature as well as the literature surrounding reactions to electronic monitoring systems, I posit that a variety of factors affect how employees view the use of monitoring systems within performance appraisal. Potential factors include employer candor about monitoring use, availability to provide explanations, and performance appraisal purpose (Jawahar & Williams, 1997; Leventhal, 1980; Stanton, 2000).

Based on the inherent relationship between performance appraisals and electronic monitoring system use, this literature review will first review basic information on performance appraisal followed by different purposes of the performance appraisal. Since the central theme of this research proposal is employee (ratee) reactions, the literature surrounding reactions to performance appraisal will be examined next. In the second part of the review, electronic monitoring systems will be addressed. Information will be provided on what electronic monitoring systems are as well as information on how employees view the use of such systems, and their potential role in performance appraisal. Finally, the three hypotheses being examined in this study will be presented.

*What are performance appraisals and how are they used?*

Performance appraisals are used throughout a variety of organizations and industries. Such appraisals are meant to look at an employee's performance, can be

completed for a variety of reasons, and can elicit a variety of reactions from ratees and raters alike. Performance appraisals require a rater, typically the employee's supervisor, to gather information about job performance and then turn these observations into a tangible performance rating. There are many factors that affect performance appraisals such as the amount of time the rater is able to observe the ratee, the purpose of the appraisal (developmental or administrative), and ratee reactions. The latter two factors, purpose and reactions, will be discussed in depth in the remainder of this section.

Given that performance appraisals can be used for not only developmental purposes (e.g., training) but administrative purposes (e.g., raises, promotions, firing) as well, it is important to understand the differences in these purposes and how they may overlap in real-world settings. There are two primary purposes for which performance appraisals are conducted (Murphy & Cleveland, 1995). First and foremost they are typically used to fulfill an administrative function. More specifically, appraisals are often used to document reasons for raises, promotions, and termination of employees. Another purpose of performance appraisals is to help the ratee improve his or her job performance. Developmental appraisals, such as these, aim to identify areas of weakness so that training can be undertaken.

This distinction among purposes is important because the performance appraisal purpose typically affects the ratings that are assigned. Whereas ratings for administrative purposes are generally high, ratings for developmental purposes tend to be lower in an effort to identify areas for improvement. In fact, Jawahar and Williams (1997) found that ratings assigned for administrative purposes were higher than those for research or developmental purposes only. Furthermore, Curtis, Harvey, and Ravden (2005) found

that when participants were asked to rate a confederate telemarketer's performance on a sales call, developmental ratings were less lenient than ratings being given for an administrative purpose. Yet another example of potential rating leniency or severity stemming from purpose surrounds political motives. Scores may be inflated on administrative appraisals in order to achieve salary increases for subordinates, make the rater himself look like a competent manager, or even to have an un-liked person promoted out of the department (Murphy and Cleveland, 1995). Similarly it is not far-fetched to say that a manager who does not like a subordinate may inflate their ratings to get them promoted out of the department or rate them low to get them fired. Rating leniency isn't the only difference resulting from the appraisal purpose however.

Information searching or observation on the part of the rater also differs as a function of the purpose. More specifically, Williams, DeNisi, Blencoe, and Cafferty (1985) found that when participants had to determine which of the "ratees" would receive a salary increase, undergraduate students looked at more information than when they only had to decide if the ratee was deserving of such an increase. Additionally, in deciding who should get the increase, the participants looked at how others behaved in a similar setting to help them make a determination. This study illustrates the point that the seeking and use of performance information depends heavily on the purpose of the appraisal.

As evidenced by the information presented in this section, performance appraisals can manifest themselves in many ways from methods for documenting poor or outstanding performance to suggesting areas for training. Purpose is important to acknowledge given the differences in ratings and information searching that can occur.

These differences suggest that ratees may find certain practices/ratings more acceptable depending on the outcome or purpose of the appraisal.

Appraisal purpose is not the only multi-faceted piece of performance appraisal however; employee reactions to the appraisal process and outcomes also vary. Therefore, the following section will introduce factors that affect ratee's reactions to performance appraisal, how these reactions can affect appraisal success, and how to facilitate positive reactions.

### *Performance appraisal reactions*

Ratee reactions to performance appraisals can vary and are affected by a variety of factors (Dickinson, 1993). More specifically, employees report appraisal systems as more fair when they are performed at least annually, ratees can express disagreement with ratings, and the rater has observed the ratee before providing ratings. Additionally, employees are more satisfied when the performance feedback mirrors how they recall their own performance. Dickinson also notes that ratees are most comfortable when the immediate supervisor provides the performance ratings, possibly because this ensures that the ratee's appraisal remains confidential. Based on the evidence provided by Dickinson, it is evident that there are many critical factors when determining the fairness of a performance appraisal system.

Williams and Levy (2000) also looked at what factors play a role in ratee reactions to appraisal. Using a sample of employees from a banking institution, Williams and Levy were able to examine whether or not knowledge of the appraisal system affects the reactions and attitudes of the employees. They found that, as suspected, perceived knowledge of the appraisal system was able to predict satisfaction with the appraisal.

Hedge and Teachout (2000) provide yet another look into the factors that will influence the acceptability of an appraisal system in the ratee's eyes. More specifically, the authors examined the factors that influence the acceptability of a performance appraisal rating system. Over a 3-year period, data was collected from the US Air Force on just this. Based on over a thousand incumbent responses, it was found that acceptability of the system was predicted by trust in the raters, trust in the appraisal process, situational constraints, motivation to rate, motivation to rate accurately, and trust in researchers. Very similarly, over 500 supervisors also reported that motivation to rate accurately, trust in researchers, raters, and the process, and situational constraints were important.

Each of these three reports show that reactions to appraisal systems can be influenced by any number of factors from simply making sure information is provided to the ratee about the system to making sure that the ratee trusts the system and raters involved. It isn't enough to simply understand the factors that affect reactions; we must look further and understand the role of reactions in the performance appraisal process.

Just as a variety of factors affect reaction, reactions can lead to a variety of different outcomes. If the appraisal system is not perceived as fair or results in negative reactions from the ratees then feedback will not be taken seriously. Another potential outcome of negative reactions to the system is a strained relationship between the rater and ratee or between the ratee and organization. Finally, a lack of trust in the rater's ability to complete the appraisal may lead to negative reactions which may lead to an unwillingness to change behavior on the part of the ratee (Steelman & Rutkowski, 2004).

These are just a few of the ways that reactions can affect the effectiveness of the performance appraisal system. Clearly some consequences are more of a problem than others, but ideally you would like ratees to view an appraisal system positively regardless of the severity of the potential outcomes. Therefore, ways for creating positive reactions or working towards positive reactions will be examined next. The heart of this literature really lies in the justice and fairness domain, therefore a brief overview of the justice basics will be provided before moving on to potential methods for facilitating positive ratee reactions.

There are three main types of justice described throughout the workplace and performance appraisal literature: distributive, procedural, and interactional. Distributive justice is basically concerned with whether outcomes are fair based on a ratio of inputs to outcome. Procedural justice deals with the amount of influence a person has in each stage of a process and decision making. Finally, interactional justice focuses on the quality of interpersonal treatment. There are 2 types of interactional justice: interpersonal and informational. Despite the clear interconnection among the three types of justice, they are in fact distinct constructs. (Colquitt, Conlon, & Wesson, 2001)

As mentioned, reactions to performance appraisal processes and systems can be examined in light of the justice framework just presented. In fact, research has shown that distributive and procedural justice can lead to satisfaction with performance evaluations (Colquitt et al., 2001). More specifically, Leventhal (1980) stated that there are six standards that can heighten perceptions of justice in any situation including performance appraisal. These standards state that the procedure must be consistent across people, be free from bias, data must be accurately collected and actually used in

decision making, prevailing standards of morality and ethics must be met, and the opinions of all groups be taken into account. Additionally, there must be a process in place to fix flawed or inaccurate decisions. Although these standards can be used in a variety of situations, they hold true for performance appraisal as well. More specifically, if an organization were to follow these standards, chances are good that ratee reactions to the performance appraisal process and system would become more positive.

Holbrook (1999) provides an empirical look at how to best increase ratee reactions to a performance appraisal. More specifically undergraduate students were instructed to pretend they were in the role of a junior accountant who had just received his/her first performance review. The outcome of the review, whether or not the person had a voice, and the type of rating explanation, was manipulated. Holbrook found that when the participants had the opportunity to voice concerns about the ratings they were more satisfied with the appraisal. Furthermore, the opportunity to influence the process also heightened satisfaction, distributive, and procedural justice. Finally, explanations of the ratings, regardless of whether they were internal or externally based, led to more positive reactions but internal explanations were most helpful in creating a positive reaction. Leventhal's (1980) standards for creating a just situation were clearly upheld in this study and show the importance of providing information to the ratee as well as allowing them to voice concerns during the process.

This study and others show that creating a just and fair performance appraisal system will lead to more positive ratee reactions. In order to create a just system however, all parts of the system need to be examined, including how data is collected.

This includes the use of electronic monitoring systems. The question here is what exactly will lead ratees to react positively to an appraisal system that uses electronic monitoring.

### *Electronic Monitoring Systems*

Electronic monitoring systems are growing in use as managers become busier and more tasks are being completed with the help of a computer. Despite lawsuits brought against companies by employees who have been terminated due to misuse of e-mail systems detected by electronic monitoring, companies are still using such systems (Rosenberg, 1999). In fact, Alge, Ballinger, and Green (2004) report that 78% of companies surveyed use at least some form of electronic monitoring, 62% of companies track Internet use and 54% track e-mails.

So what exactly is electronic monitoring? The Office of Technology Assessment (1987) defines electronic or computer monitoring systems as “systems that automatically record statistics about the work of employees using computer or telecommunication equipment in their jobs. Such statistics might include number of keystrokes made, types of transactions completed, or time spent for each transaction, for example” (p. 1). When using electronic performance monitoring systems, the need to directly observe work behavior is decreased because information is being collected continuously on each ratee. Stanton (2000) notes that the continuous data collection involved in monitoring can create numerous problems. Most notably, there is quite a bit of data that results from monitoring and someone will not only have to sift through this but also make sense of it. Additionally, it requires technology, whereas with traditional observation all you truly need is a paper and pencil.

Electronic monitoring systems themselves are not difficult to understand, but their implementation is. As you can imagine, the implementation of continuous performance monitoring can be greeted with a variety of reactions as well as performance outcomes. For example, Stanton and Julian (2002) found that the information employees are given about a monitoring system can indeed affect their satisfaction with the system as well as perceptions about what job behaviors are most important. More specifically, the authors found that when a system was monitoring only quality of performance, participants perceived quality to be more important than quantity. Likewise when only quantity was to be monitored, participants noted that they perceived quantity to be more important. Interestingly, if they were told nothing about the system or the system measured quality and quantity, participants perceived quality to be almost as important as quantity. From this study, we can see that what employees are told about the system can impact where they focus their attention on the job. Additionally, it was found that satisfaction with the task being performed was higher when participants were informed the quality of work was being monitored than when they were not told quality was being monitored. Stanton and Julian make the suggestion in their discussion section that, given this finding, the capability of the system should be clearly communicated to the employees. This open communication should help counteract negative reactions to the system as a whole.

In a study by Chalykoff and Kochan (1989) it was found that satisfaction with the monitoring system can indirectly affect an employee's intention to remain in the job. More specifically, the more satisfied you are with the system, the more satisfied with the job you will be and turnover is less likely to occur. Finally, the authors posit that simply

making sure the employer follows good performance appraisal practices should aid in the acceptance of the electronic monitoring systems.

A more recent study by Hovorka-Mead, Ross, Whipple, and Renchin (2002) looked at employee reaction to electronic monitoring as well. Although they focused on video-cameras as the source of monitoring this study still provides valuable information. Using former employees of a water park, the authors were able to look at differences in perceptions of fairness when employees knew about the monitoring system prior to implementation and when they didn't know until after implementation. Additionally, the authors looked at intent to return to the organization the following summer when the employees perceive the system or consequences arising from the system to be unfair. As you would expect, they discovered that employees who found out about the system prior to implementation perceived it to be fairer than employees who found out while the monitoring was occurring or after it occurred. Additionally, the consequences of monitoring were perceived as fairer when employees had advance knowledge of the system implementation than those who found out about the monitoring after it had occurred. Finally, they found that when an employee found the monitoring procedure to be unfair or the consequences of the monitoring to be unfair, they were less likely to return for employment the following summer. This study shows that not only can information be a powerful tool for employee acceptance of electronic monitoring, but perceptions of fairness can play a large role in turnover.

It is evident from the research presented here that reactions to electronic monitoring are important. They may cause some dissatisfaction and may even lead to high rates of turnover among employees. Given the gravity of non-acceptance of such

widely used systems, it is important to understand how to better implement and use electronic monitoring within a performance appraisal setting to ensure the most positive outcomes possible. Therefore, this study will aim to uncover some practical guidelines on how electronic monitoring systems should be used in conjunction with a performance appraisal system.

### *Hypotheses*

Based on the research represented throughout this literature review, it is evident that there has been a great deal of research conducted on how to improve reactions to performance appraisals in general, how to create a fair and just situation, and how to improve the acceptance of electronic monitoring. These factors, however, are rarely combined explicitly. Therefore, the current study will be unique in that each of the hypotheses directly examines reactions to electronic monitoring as part of a performance appraisal system.

Stanton (2000) set forth several propositions that needed to be tested in order to determine how electronic monitoring will influence reactions to performance appraisals. The author clearly states that not nearly enough research has been conducted surrounding electronic monitoring as of yet. Therefore, in order to further the research on electronic monitoring, this study will aim to answer three questions. The three hypotheses loosely follow the process of the performance appraisal from implementation to use to follow-up with the ratee.

First, this study will look at how to heighten the fairness and positive reactions of electronic monitoring during the implementation phase. According to Leventhal's (1980) six criteria to ensure a procedurally just situation, employees should be able to provide

their opinions on the use of electronic monitoring. This will allow employers to take into account all affected group's opinions. Given the proven importance of procedural justice to the reactions of employees in performance appraisal as well as the findings of Hovorka-Mead et al. (2002) and Stanton and Julian (2002), Hypothesis 1 predicts that the use of electronic monitoring for the purpose of performance appraisal will be viewed more positively and fairly when employees receive information prior to its implementation rather than after it is already in place and being used.

The second hypothesis deals with the actual performance appraisal. Jawahar and Williams (1997) found that ratings will differ for appraisals used for different purposes (administrative vs. developmental). Curtis et al. (2005) also found that ratings can vary based on the purpose of the appraisal. It stands to reason that if performance appraisal purpose can affect the ratings assigned, what type of feedback is given, and even information searching, then it is likely that even the data being gathered may be viewed differently dependent on the purpose. For example, electronic monitoring systems that provide in-depth information may be viewed more positively when the purpose is developmental because this will allow the ratee to receive more detailed suggestions for improving their performance. On the other hand, such detailed information available for an administrative appraisal may be viewed less positively or fair because it provides more opportunity for the rater to find a flaw in performance. Therefore, Hypothesis 2 predicts that electronic monitoring used for developmental purposes will be viewed more fairly and positively than when the same electronic monitoring information is used for an administrative purpose given the inherent detail available from such monitoring.

Finally, the feedback stage of performance will be examined. More specifically, Leventhal (1980) states that procedures must include a mechanism for correcting flawed or inaccurate decisions. Therefore, it is logical to assume that the same would hold true for data gathered through an electronic monitoring system for use during a performance appraisal. Systems such as these cannot know why certain websites were surfed, personal e-mails were sent on company time, or products were sent late. The employee may have a valid reason for the personal e-mail such as they were trying to arrange travel plans to attend a family member's funeral or their son just received an acceptance letter to college. An opportunity to explain this seemingly deviant behavior recorded by the monitoring system should be viewed as favorable. Therefore, Hypothesis 3 states that the opportunity to correct and/or explain the data collected by the monitoring system during a feedback session with the rater should help the system to be viewed more positively and as more fair than when this opportunity is not available.

This study will aim to examine each of these three hypotheses in hopes that the findings will allow employers to successfully implement electronic monitoring systems in the future.

## Method

### *Participants*

Participants will consist of 200 employees at a medium-sized organization located in the Southeast. All participants use computers daily and have been appraised within the past year to ensure that this study will be relevant to them. Participants will consist primarily of administrative and managerial staff within the organization. An attempt to

recruit an equal number of males and females will be made. Additionally, an effort will be made to recruit participants from various job levels within the organization.

### *Materials*

Each of the scenarios described below will be developed for this study. All scenarios will be subjected to pilot testing prior to use. This will ensure the scenarios contain the information outlined below.

Implementation scenarios: Four scenarios describing hypothetical situations in which employees are told about the implementation of electronic monitoring for the purpose of performance appraisal will be used. Two scenarios will describe a case in which employees are told about the system prior to its implementation, are allowed to ask questions and provide feedback on what they think. The remaining two scenarios will describe a situation in which employees are not told that electronic monitoring systems are being implemented for performance appraisal purposes until after they have already been put in place and activated.

Purpose scenarios: Four scenarios describing hypothetical situations in which an electronic monitoring system is used for administrative or developmental purposes will be used. Two scenarios describe a situation in which the electronic monitoring system will be used for a developmental appraisal, and the remaining two will describe a situation in which the monitoring system will be used for an administrative purpose.

Follow-up scenarios: Four scenarios describing hypothetical situations in which a feedback/explanation session is either available or not following the appraisal process will be used. More specifically, two scenarios will describe a situation in which ratees are given the opportunity to explain behaviors captured by the electronic monitoring

system during a feedback session. The remaining two scenarios suggest a situation in which this rebuttal process is not available.

### *Measures*

**Demographics:** This measure will consist of 3 items assessing age, tenure with the organization (months and years), and amount of time in current position (months and years).

**Reactions to electronic monitoring:** This item will assess employee reactions to various hypothetical situations. Reactions will be assessed using the following item, “If you were in this situation, how would you react?” Participants will provide their reaction ratings on a 5-point Likert type scale ranging from very negatively to very positively.

**Fairness of monitoring system:** This item will allow participants to rate how fair they perceive various hypothetical situations to be. Participants will respond the following item: “How fair would you think this was if you were in this situation?” The item will be answered on a 5-point Likert type scale ranging from very unfair/unjust to very fair/just.

### *Procedure*

Participants will be provided with a web address to access the study materials and surveys to participate. Upon entering the site they will be presented with an informed consent ensuring anonymity as well as ethical treatment throughout the study. After reading the informed consent, participants will complete the demographic measure. Following this, participants will be presented with the written scenarios described in the materials. The scenarios will be provided in random order. After each scenario participants will be asked to rate how fair the situation is as well as how

positively/negatively they view the action. After participants have read each scenario and recorded their reaction and perception of fairness ratings, they will be provided with a debriefing statement clarifying the purpose of the research along with the expected results and thanked for their participation.

### *Proposed Data Analysis*

The current study examines three hypotheses. The first step in analysis will be to examine simple frequency data for each variable in order to report the range on each measure and look for general trends. Additionally, correlations will be computed to determine the relationship among reactions, fairness, and the demographic variables.

The next step in the analysis will be to test the hypotheses. Each of the three hypotheses will be tested using the same method: hierarchical regression. Two regressions will be run for each hypothesis, one with reaction rating as the DV and a second with the fairness rating as the DV. First, each of the demographic variables will be entered into a regression equation to determine if they significantly predict any of the reaction or fairness ratings. If any are found to be significant, they will be entered first as control variables where appropriate into all remaining tests. Next, the reaction rating will be entered as the DV (following any significant demographic variables) and the IV will be timing (H1), purpose (H2), or explanation availability (H3) dependent on the hypothesis being tested. In the second set of regressions, the fairness perception rating will be entered as the DV (following any significant demographic variables) and the IV will again be timing (H1), purpose, (H2), or explanation availability (H3) dependent on the hypothesis being tested. The regressions will demonstrate which of the two situations

is more positive and fair for each of the hypotheses. Since each IV has only two levels, no post hoc analyses will be needed to determine precise relationships with the DV.

### Discussion

Electronic monitoring is becoming more and more commonplace in today's corporations. Systems are being used for a variety of reasons from encouraging employees to remain on task to firing employees who are blatantly violating company policy. Although electronic monitoring is growing in popularity among executives, little research has been done to determine how to best implement it as part of a formal performance appraisal process. This study aims to fill this gap and provide practical suggestions for companies.

Justice is an important part of ensuring employee's satisfaction with their job and willingness to remain with the company over a long period of time. By ensuring procedural justice through the use of Leventhal's (1980) criteria when implementing and using electronic monitoring systems as part of a performance appraisal, this satisfaction should be much more likely to occur than if the systems are simply implemented without taking employee's concerns and needs into account.

The results of this study will provide a starting point for companies wishing to implement an electronic monitoring system. If the hypotheses tested in this study are supported, several useful and practical tips will be available. For example, we will know that it is important to hold a forum for affected employees prior to the implementation of the monitoring system to educate them on the system uses as well as provide time for them to ask questions and voice concerns over its use. Additionally, employers will know that they should try to limit use of monitoring data to developmental appraisals if

they want to obtain positive employee reactions. Finally, raters will be better equipped for structuring the feedback session often conducted after the conclusion of a performance appraisal.

The implications of this research are straightforward and have the potential to positively affect companies all over the world. Despite the potential positive effects of this research, there are several limitations to the study as well. First and foremost, data will only be gathered from the ratee perspective and not from the rater or corporate executive perspective. The ratee is potentially the most important perspective to gain first, however. The ratee is ultimately the person who most has to be satisfied a data gathering method used in performance appraisal is fair. Clearly if the monitoring system is implemented, someone in an executive or managerial position had to approve the system use; therefore this perspective should already be documented somehow.

The second major limitation is that a “paper people” scenario is used. Ideally ratees within a true performance appraisal setting where electronic monitoring is being implemented would be surveyed. It is not likely, however, that a company would be willing to manipulate ratees and potentially make them unhappy with the organization. Therefore, although an organizational setting would be ideal, this is not easily carried out. The current study does use actual organizational employees rather than undergraduate students which aids in alleviating some concerns about Generalizability of the findings.

Although this research should provide a large step forward in understanding how electronic monitoring is perceived within the performance appraisal process, the research cannot stop here. There are many more facets of electronic monitoring that have not yet been studied. As Stanton (2000) suggested, we need to look at whether aggregated data

provided to managers is perceived more favorably than when individual data points are provided. Additionally, this should be looked at with regard to appraisal purpose. Perhaps ratees prefer to have a single aggregate summary provided if the appraisal is to be administrative but would like a more detailed report to go to the manager for a developmental appraisal. It stands to reason that ratees may prefer this detail in a developmental report so that they may gain more detailed feedback on how to improve their performance over the coming months and years, but do not want each mistake highlighted when their pay raise is at stake.

Another interesting direction for this research is to determine if electronic monitoring as part of performance appraisal is viewed differently in different cultures. For example, in a collectivist culture where performance is rated based on the group rather than individual contributions, electronic monitoring may be viewed unfavorably regardless of the purpose or explanations given simply because that type of individual information is not valued in the culture. Furthermore, it would be interesting to determine if there are any common factors that can predict why one culture will use monitoring as a form of data collection in appraisals whereas another culture will not.

Electronic monitoring is still a new technology, but has been growing by leaps and bounds over the past decade. More research needs to be conducted to fully understand the impact of such systems on the performance appraisal process and ratee reactions. With more research, detailed guidelines and recommendations can be developed for companies who wish to implement monitoring systems. These recommendations may help companies to be more successful in the implementation of monitoring and in handling employee's concerns and complaints about such monitoring.

Right now, however, there is very little for companies to look to for guidance. Therefore, researchers should be urged to expand performance appraisal research to include electronic monitoring more frequently in the future.

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