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ABSTRACT

This document contains four papers on issues in human resource development (HRD). "Employability By Sector of Industry: Taking Account of Supply and Demand Characteristics (Andries de Grip, Jasper B. van Loo, Jos M.A.F. Sanders) reports on development of an Industry Employability Index that integrates both supply and demand determinants of workers' employability as well as industry-dependent facilitating conditions such as age, gender, and educational level. "Performance Improvement for Teacher Selection: A Holistic Approach to HRD Interventions" (Kiyoe Harada, Jeffry S. Bowman) discusses what the authors consider the inadequacy of most current teacher hiring decisions, which depend on interviews only or rely on the hunches of personnel administrators. To militate against these ad hoc methods, a holistic approach was taken in order to suggest an HRD intervention model for teacher selection that encompasses these four stages: recruitment, screening, interview, and hiring decision. "Employment Retention and Advancement Among Post-Welfare Participants in Wisconsin: Insights from W-2 Agency Representatives and Employers" (Mary V. Alfred, Larry G. Martin) reports findings from surveys and interviews of Wisconsin Works agency representatives and employers who identified these barriers to employment and advancement faced by unsubsidized former welfare recipients: child care, transportation problems, and poor math and written English skills. Among the strategic initiatives to counter-balance the barriers faced by workers were the following: employment-based or other continuing education programs to increase basic skills; greater collaborative relationships between agencies and employers; worksite mentoring; and on-site child care or childcare subsidies. "Multi-Source Feedback Appraisal in Two Types of Organizational Structures: How Self, Supervisor and Other Ratings Differ" (Karen K. Yarrish, Judith A. Kolb) investigated the variability of evaluation ratings of 118 nurse aides in tightly- and loosely-coupled organizations and found greater variability when ratees work off-site. All four papers have substantial

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Employability By Sector of Industry: Taking Account of Supply and Demand Characteristics

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In this paper, we investigate the development of an Industry Employability Index taking into account supply and demand determinants of workers' employability as well as industry-dependent facilitating conditions. Although employability is a key element in recent policy debates, both a sound theoretical base and quantitative research on the concept are lacking. This paper integrates various factors in a synthesized index, enabling comparisons between workforce employability in the various industries.

Keywords: Employability, Training, Flexibility

In the last decade the employability concept has received considerable attention in the international media. Both in scientific publications and in government and business policies, the concept of employability has become increasingly important (See e.g. European Commission, 1996). Partly, this interest is aroused by new opinions concerning career development. It is argued that the 'lifetime employment' contract with one employer is no longer relevant for a large share of the working population (Bridges, 1994) and has been replaced by a more dynamic view towards careers (Hyatt, 1995). Hyatt notes that modern careers are characterized by a high degree of flexibility and employees are meant to become 'entrepreneurs of their own career'. Arthur (1994) also predicted a future in which peoples' careers are no longer bounded by a single organization. He states that individual careers in time will become increasingly 'boundaryless'. Hall (1996) empirically proves that the so-called 'protean' career has had its U.S. breakthrough in the late nineteen-eighties and early nineteen-nineties. A protean career is considered to be a pattern of varied experiences in education, training, work in several organizations and changes in occupational field. An important characteristic of a protean career is that individual workers themselves, not organizations, manage it. Hirsch (1987) shows that at least some of the more able and ambitious working people take charge of their careers rather than following an organization's definition of career development.

Problem Statement and Research Questions

In this paper we investigate whether it is possible to develop an Industry Employability Index, which indicates the employability of the workforce in the various sectors of industry taking into account both supply and demand determinants of workers' employability as well as the facilitating conditions in the various sectors of industry. Such an index is highly relevant for HRD as it (1) can be seen as a benchmark for firms with respect to the various aspects of the employability of the workers in their sector of industry and (2) informs workers on their career perspectives and risks in the various sectors of industry. There has, however, been a lot of debate about what is meant exactly by the employability concept. Adding more and more related 'ingredients' to the concept has made it somewhat fuzzy. This leads to a first research question:

1. What is a proper definition of workers' employability based on both Human Resource Development (HRD) and economic literature?

The literature on employability has usually taken individuals as main units of investigation. This paper takes a different view. Employability is approached from the perspective of sectors of industry. Building on the definition of employability developed we will conceptualise the various relevant aspects of workers' employability and integrate these factors in a synthesized model which enables us to make comparisons between the employability of the workforce in the various sectors of industry. This leads to the second research question of this paper:

2. How can we characterize the employability of the workforce in the various sectors of industry that takes account of both supply and demand factors?

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For this purpose we develop an industry employability index that relates individual employability to the need for employability and the current opportunities to effectuate employability. This industry employability index can be seen as a stylized facts approach synthesizing the relevant supply and demand side determinants of workers' employability and the facilitating conditions discussed in the literature.

Employability: Meaning of the Concept

Notwithstanding the current attention for employability, it is not a new concept. The first publications on employability date from the mid-fifties (Feintuch, 1955). Thijssen (1998) distinguishes between three types of employability definitions: A core definition, a broader definition, and an all-embracing definition. The core definition of employability encompasses all individual possibilities to be successful in a diversity of jobs in a given labor market situation. In its core definition, employability is therefore only concerned with a worker's capacities; wishes, aspirations or contextual conditions are not relevant here. The broader definition of employability incorporates the capacity as well as the willingness to be successful in a diversity of jobs. In addition, the ability to learn is included. Moreover, contextual factors and so-called 'effectuation conditions' are added. Effectuation conditions are context-bound factors that facilitate a worker's employability, such as e.g. the employer provision of training. In the all-embracing definition, employability encompasses all individual and contextual conditions that determine the future position on the labor market. We therefore define employability as follows: *Being employable involves both the capacity and the willingness to be and to remain attractive for the labor market, by reacting and anticipating on changes in tasks and work environment.* From an economic point of view it is worthwhile to note that this definition refers to both labor supply and demand characteristics and developments.

Theoretical Framework

In this paper, employability is looked at from the perspective of the various sectors of industry. This contrasts with the existing literature in which no distinction is made between the segments in which employees are employed. The latter means that differences in the need for employability between the various sectors are not taken into account. In this section we will further develop the conceptual model underlying the measurement of employability at the sector level. This will enable us to indicate the employability of the workforce of the various sectors of industry by using a single index (Industry Employability Index, or IEI). An adequate index of the employability of the workers in the various sectors of industry should take into account both supply and demand determinants of workers' employability as well as the facilitating conditions in the various sectors of industry. For this purpose the development of the IEI will be divided into four stages:

Stage 1: Current Personnel Employability

The first stage concerns the measurement of the employability of the current personnel in the various sectors of industry. Two dimensions of individual employability will be used. Firstly, willingness measures peoples' desire to engage in activities that keep them attractive on the labor market. Secondly, capacity is concerned with the power to broadly develop one's position on the labor market.

The *willingness to be mobile across jobs* concerns changing jobs as well as changing work location, both internally and externally. Various authors consider this attribute of workers a key factor in their employability since changes allow workers to gain more knowledge and experience (Hall, 1976). It also prevents a 'concentration of experience' (Thijssen, 1997). Concentration of experience refers to the process that a worker's competences become more and more job-specific due to a long tenure in the same job in the same firm. This concentration of experience can be damaging for workers, since their opportunities to switch to another job in the case of job loss will decrease. The *capacity to be mobile across jobs* is the extent to which employees are actually able to change jobs or work locations. Becoming mobile across jobs starts with willingness but when people lack the capacities to become mobile this willingness is of course less valuable. Therefore, the capacity to be mobile across jobs is the second indicator for a person's employability. This capacity is determined to a large extent by the experience of an employee in previous jobs. Job-specific skills can imply serious handicaps, since this type of experience is only valuable in a limited number of places (see e.g. Booth & Snower, 1996).

The *willingness to participate in training* is workers' willingness to invest time, money and energy in the development of their human capital. Becker (1962) pointed out that this willingness will depend on the expected return on this investment. This return consists of both a direct increase in earnings and an improved labor market position. The latter means an improvement of one's earnings potential (Rosen, 1975). This implies that workers that

are not willing to invest in their human capital run a double risk. Firstly, they do not develop themselves, which causes skills obsolescence (De Grip & Van Loo, 2002) what makes them less attractive for the labor market. Secondly, they give a negative signal to (future) employers, which may reduce their chances on the labor market when employers "screen" employees. (Thurow, 1975). Of course, the *capacity to participate in training* is at least as important. This capacity is particularly determined by workers' basic knowledge (Cf. Bolhuis, 1995).

Functional flexibility can be either quantitative or qualitative (Bolweg & Van Beckhoven, 1995). Qualitative functional flexibility involves doing tasks or duties that are outside the job description of the current job of a worker while quantitative employability refers to flexibility concerning work hours (changing shifts, working overtime). Functional flexibility is a measure for someone's flexibility in a job and is therefore a relevant indicator for individual employability. When someone is *willing to be functionally flexible* but lacks the capacity to do so, this willingness does not add much to someone's employability. *The capacity to be functionally flexible* to a large extent results from actual functional flexibility in the past, which provides employees with a wide range of valuable experience. As was the case with the capacity to be mobile across jobs experience plays a central role here. The essential difference between the concepts, however, is that the capacity to be mobile across jobs refers to changing jobs, while the capacity to be functionally flexible is about performing tasks which are outside one's job.

Stage 2: The Need for Employability: Developments in Society

In this section, the need for employability is discussed. It goes without saying that a sector of industry is, irrespectively of all other conditions, better off with optimally employable personnel. The need for employability is, however, dependent on the intensity of various developments in society. Four main developments can be distinguished (Riddell & Sweetman, 1997): Technological developments, organizational developments, economic developments (i.e. developments in competition and demographic developments).

Ongoing *technological developments* can cause job-specific skills obsolescence, which implies that skills learned in the past and gained experience are no longer sufficient for an adequate job performance (Neuman & Weiss, 1995). Due to the upgrading of the skill requirements in jobs, a gap arises between the human capital workers have and the required human capital (Borghans & De Grip, 2000). In order to bridge this gap, employability plays an important role. Technological developments can also cause jobs to disappear entirely. In the banking industry, for example, information technology has caused the disappearance of traditional teller jobs. When jobs disappear, a worker's employability becomes crucial for continuing labor market participation. However, in this case employers also benefit from an employable workforce since they do not have to bear the cost of expensive outplacement procedures for workers who have to be reallocated.

Technological developments often take place simultaneously with organizational changes (see Bresnahan, Brynjolfsson, & Hitt, 2001). These *organizational developments* demand a lot from workers, in the sense that they must be able to continuously adapt to new circumstances. Modern organizations are set up with a need for flexibility. The more bureaucratic organizations of the past make room for less rigid ones, where employees often work in project teams and have a large degree of control over their own actions. Organizational developments demand a large degree of flexibility, which can be accomplished by being employable. When workers are used to changes in the content of their job due to the fact that they are regularly involved in task-and job-rotation programs or training, both the employee and the employer are more able to adapt to changes faster.

A third important development that several sectors of industry face is the increase in *international competition*. The firms in these sectors need to be able to adapt to changes in the international context faster. This increases their need for a flexible workforce. Moreover, there has been a global shift in the sense that labor intensive production processes have moved to low wage countries around the globe (Wood, 1994) and knowledge intensive production processes like R&D and innovation seem to be concentrated in Western Europe, Japan or the United States. Therefore, most western organizations have started to focus on competing on knowledge and innovative capacity (Porter, 1990). Since well-trained workers are generally better innovators, good training programs should be a key priority for all firms whose competitive power is highly related to the quality of their products or services (Bartel & Lichtenberg, 1987). The increasing international competition therefore demands both flexibility and training efforts from employees.

Finally, *demographic developments* (a greying workforce and a decreasing labor market inflow of youngsters) are important tendencies that require an employable workforce. In many western economies, the share of employees older than 55 will increase sharply in the immediate future. Due to the greying of the workforce, established channels of labor market exit (pre-pension etc) will become less common, because the costs will increase to an unsustainable level. Moreover, in many industrialized economies, an increasing shortage in the supply of younger

workers has been predicted which implies that employers will increasingly feel the need to retain their personnel longer.

Stage 3: Conditions of Effectuation

In the previous two sub-sections the various aspects relevant for the actual employability situation and the need for employability have been mentioned. When there are shortcomings in the available employability, it is profitable for both employees and firms to invest in personnel employability policies. In this third stage, we will identify the possibilities that currently exist within sectors of industry to effectuate or expand workers' employability. Following Thijssen (1998) these possibilities are labeled as 'conditions of effectuation' for workers' employability. Thijssen distinguishes between two types of conditions of effectuation. Contextual conditions of effectuation refer to e.g. the general situation on the labor market, the possibilities for career counseling and the provision of training courses. Personal conditions of effectuation refer to the willingness and the preferences of individual employees. Since this latter type of conditions of effectuation has already been dealt with in the part on individual employability, the conditions of effectuation we discuss in this paper are purely contextual in nature.

Stage 4: The Industry Employability Index

In the final stage of the model, the Industry Employability Index (IEI) is determined. It is based on all previously discussed indicators. Whenever a sector of industry has a high current employability, a moderate need for employability and favorable conditions of effectuation, the IEI-score will be relatively high. When a sector scores badly on one of these elements of the IEI, the value of the IEI will automatically be lower. The IEI may be calculated for the whole population of workers, but also for specific target groups, which are often considered to deserve special attention: Younger workers (16-29 years of age), older workers (50-64 years of age), lower educated workers and female workers.

Methodology

In this section, the proposed strategy to calculate an Industry Employability Index is applied to the Dutch economy. Not all required data are typically available in a single data source. Therefore, in the empirical part of this paper we use various Dutch data-sources: The labor supply and the labor demand surveys of the Organization for Strategic Labor Market Research (OSA) and the labor force survey of Statistics Netherlands (CBS). The various data sources more or less refer to the same point of reference at the mid nineteen nineties. The OSA supply survey data refer to 1996; The OSA demand survey data to 1997 and the CBS data to the bi-annual average 1996-1997. In order to make different quantities comparable, all data were indexed by converting them into standard normally distributed variables and re-scaling them such that the average score is 100. This implies that the resulting Employability Index is not an absolute measure, but a relative measure meant to compare the various sectors of industry according to their employability. In this section we describe and justify our choice of indicators.

Current Individual Employability

The current individual employability of the workforces of the various sectors of industry is measured by six indicators: three measure willingness and three are concerned with capacities. The six indicators are converted into an MTF-score (mobility, training and flexibility) in the way described above.

The willingness to be mobile is measured using data on workers' actual search behavior. When employees apply for new jobs on a regular basis they express their willingness to be mobile across jobs. However, not all search behavior can be considered relevant here. 'Forced' search behavior should not be seen as employability enhancing. For this reason we will focus on the job search of workers on their own initiative, as this implies a willingness to be mobile and this adds to their employability. In order to measure a worker's capacity to be mobile across jobs, we looked at the tenure of individual workers in their current job and divided this by the period individual workers participated in the labor market. This ratio is multiplied by workers' age, because older workers run a greater risk of 'concentration of experience', which decreases their capacity to be mobile.

The willingness to participate in training is measured using data on training participation. We here do not take into account whether or not an employee has successfully completed a training course, as this is not relevant for a worker's willingness to participate in training that was successfully completed. The capacity to participate in

training is measured by the total duration of initial education and previous (firm) training. This reflects Heckman's (1999) notion that "Learning begets learning. Skills acquired early on make learning easier."

Qualitative functional flexibility endows workers with a wide range of different experiences, which improves their employability. The willingness to be quantitatively flexible can, however, also indicate a weak position in the (secondary) labor market. Therefore, for the willingness to be functionally flexible we will focus exclusively on the qualitative dimension of functional flexibility. Finally, the capacity to be functionally flexible is measured by the experience from qualitative functional flexibility in the past. It is calculated by determining the frequency of performing tasks that are not part of one's job in the past.

The Need for Employability

Highly innovative sectors of industry have a high need for employable workers. Since *technological developments* in many sectors of industry are nowadays highly intertwined with improvements or changes in information and communication technology, the percentage of the workforce in a sector of industry that uses a computer regularly during work has been used as an indicator for technological developments. Two indicators combined into one, measure *organizational developments*. The first indicator is the percentage of employees that has experienced reorganizations. The second indicator is the percentage of people that works for a firm where a change in the position of the organization in the larger configuration (parent company, franchisee etc.) has taken place.

Sectors that are open to *international competition*, are expected to have a relatively high need for an employable workforce. The degree of international competition in sectors of industry is measured through the export shares of the industry's production as a proxy of the degree of 'openness' of a sector. Last but not least sectors of industry with a greying workforce highly need employable workers, as their workforce may have old vintages of human capital (Neuman & Weiss, 1995). *Demographic developments* of personnel in the different sectors of industry have been measured by dividing the percentage of older employees (55+) by the percentage of youngsters (16-29 years of age). This indicator shows the severity of greying in the various sectors of industry.

Conditions of Effectuation

The conditions of effectuation of workers' employability are determined by two indicators: (1) the intensity of training provision in the different sectors of industry and (2) the labor market situation (since a strong labor market offers workers more opportunities for further career steps and opportunities to switch to another job than a labor market with shrinking employment). The labor market situation by sector of industry is indicated by expected employment growth in the next five years (ROA, 1997).

Results

This section presents the empirical results obtained when the discussed framework is applied to the Dutch economy. In table 1, all indicators discussed above are presented. The current individual employability of the workforce by sector of industry is presented in the first seven columns. First the six separate employability indicators are presented. Then, in the seventh column all indicators are combined into a single unweighted index (MTF-score). Financial services and hotels/restaurants, repair and business services are the sectors with the most employable employees. In transport and communication, employees are on average the least employable.

In column 8 through 12 an overview is presented of the need for employability. Technological developments play an important role in the financial services industry, in the chemicals industry and in the energy and civil service, police, defense and education sectors. Organizational developments are most prominent in hotels/restaurants, repair and business services, as can be seen from the ninth column. The metal and electrical industry are also characterized by important organizational developments. Financial services and agriculture and fisheries are the organizationally most stable sectors of industry. The chemicals sector is the most open sector, as the tenth column shows. In this sector of industry, international competition plays an important role. The greying of the workforce is most prominent in the energy and civil service, police, defense and education sectors.

Table 1. Industry Employability Index by sector of industry and the various underlying indexes for The Netherlands*

Sector of industry	Individual Employability										Need for Employability							Effectuation Conditions					IEI		
	WM	CM	WT	CT	WF	CF	MTF	TD	OD	ED	DD	NEED	TI	ED	CE	All	Yng	Old	LE	Fml	IEI	IEI	IEI		
Agriculture and fisheries	85	97	91	91	111	110	97	84	33	107	105	97	87	85	86	86	84	87	83	101					
Food and beverage industry	114	100	105	95	91	104	101	95	42	109	94	99	99	95	97	100	110	91	90	102					
Chemicals	103	94	102	103	97	112	102	106	38	116	102	105	105	104	105	102	108	86	96	102					
Metal- and electrical industry	102	104	96	98	105	98	100	97	76	111	98	104	96	105	101	97	101	90	95	96					
Other industry	101	95	94	96	113	107	101	99	40	103	98	99	97	99	98	100	105	90	98	99					
Energy	93	105	105	112	103	94	102	109	94	102	124	113	115	91	103	93	105	103	89	104					
Construction and real estate	100	109	96	95	103	104	101	89	35	91	96	92	102	98	100	109	112	96	104	113					
Commerce	109	103	92	94	100	106	100	98	37	93	92	94	93	108	100	107	118	92	105	106					
Transport and communication	97	97	94	92	94	93	94	98	50	102	97	99	93	103	98	93	104	81	91	89					
Financial services	92	104	119	110	105	85	103	116	30	91	93	98	118	95	107	112	133	99	101	116					
Hotels/restaurants, repair and business services	109	112	106	101	96	96	103	102	100	92	92	101	94	118	106	109	115	93	102	106					
Non-commercial services	100	92	98	102	87	94	96	97	44	91	97	96	100	104	102	102	109	92	97	100					
Civil service, police, defence and education	95	88	102	113	97	98	99	107	61	91	112	103	100	94	97	93	105	85	94	91					

* WM=Williness to be Mobile, CM=Capacity to be Mobile, WT=Williness to be involved in Training, CT=Capacity to be involved in Training, WF=Williness to be functionally Flexible, CF=Capacity to be functionally Flexible, MTF=Mobility, Training Flexibility Indicator, TD=Technological Developments, OD=Organisational Developments, ED=Economic Developments, DD=Demographic Developments, NEED=Combined Indicator for all developments, TI=Training Intensity, ED=Expansion Demand, CE=Conditions of Effectuation, IEI All=Industry Employability Index for all workers, IEI Yng=Industry Employability Index for younger workers, IEI Old=Industry Employability Index for older workers, IEI LE=Industry Employability Index for lower educated workers, IEI Fml=Industry Employability Index for female workers.

The combination of the four developments we discussed determines the overall need for employability and is shown in column 12. The need for employability is highest in the energy sector, due to the relatively strong effect of all individual developments. In the chemicals sector, three out of four developments distinguished are relevant, which results in a second position on the NEED-index for this sector of industry. On the third place on the NEED-index, we find the metal and electrical industry and the civil service, police, defence and education sector. In these sectors of industry, the organizational and the demographic developments are of key importance.

The "conditions of effectuation" of workers' employability in the various sector of industry are presented in the columns 13-15. In the financial services and energy sector, training intensity is highest. Conversely, employees in agriculture and fisheries are least involved in training. Employment growth forecasts are favorable in the hotels/restaurants, repair and business services and commerce sectors. The employment forecasts are far less favorable in agriculture and fisheries and the energy sector.

Column 15 combines both contextual conditions of effectuation and reveals that the sectors of industry with the most favorable best conditions of effectuation are financial services, hotels/restaurants, repair and business services and chemicals. The agriculture and fisheries, food and beverage and civil service, police, defence and education sectors, however, score relatively low on the conditions of effectuation index.

In column 16, the IEI for all workers is presented. The financial services sector has the best score, which is mainly due to the favorable MTF-scores and the good conditions of effectuation. The construction and real estate sector has the second-highest IEI-score. This is due to a moderate MTF-score and to the fact that the need for employable personnel is lowest in this sector of industry. This combination implies that the available employability (MTF-score) at least partly offsets the demand for employable workers (NEED-score). Moreover, the conditions of effectuation are favorable in construction and real estate. The agriculture and fisheries sector scores worst on the IEI. The individual employability of workers in this sector of industry (MTF-score) is fairly low and although the need for employable workers is not that high, the relatively unfavorable conditions of effectuation (CE-score) give the sector the last position on the IEI -index.

The IEI for Specific Groups of Workers

In column 17-20 an overview is presented of the IEI for four specific groups of workers. For *young workers* (16-29 years old), conditions are most favorable in the financial services sector. The commerce and hotels/restaurants, repair and business services sectors take the second and third place. Current personnel employability (as expressed in the MTF-scores) of young workers in these sectors of industry lags somewhat behind. Agriculture and fisheries has the least favorable employability situation, due to the high need for employability combined with a low MTF-score and relatively unfavorable conditions of effectuation. The transport and communication and the metal- and electrical industry sectors show relatively unfavorable employability-conditions for younger workers as well. This is mainly due to the low current personnel employability (MTF) in these sectors of industry. Commerce, energy and the food and beverage industry are the sectors that have better employability conditions for young workers as compared to the scores for the whole population of workers.

Comparing the overall scores of older workers to the scores for young workers reveals that the IEI for workers aged over 50 is lower in virtually every sector of industry. For the *older workers* the conditions are most favorable in the energy sector, due to a combination of a relatively high level of current personnel employability, a moderate need for employability and relatively favorable conditions of effectuation. The financial services and the construction and real estate sectors also show a relatively good employability situation for older workers. Older workers in transport and communication, civil service, police, defense and education, and the chemicals industry face the worst prospects when it concerns employability. In the first sector, the employability-situation is worst due to the unfavorable current individual employability of the older workforce. In the other sectors mentioned, the need for employability is fairly high. Moreover, civil service, police, defense and education scores badly due to the very limited conditions of effectuation.

The Industry Employability Index for *lower educated workers* refers to workers with an educational background equal to or less than lower vocational or general education. As was the case with the total population, commerce, construction and real estate, financial services and hotels/restaurants, repair and business services sectors have the best scores for lower educated workers, while agriculture and fisheries ranks last. Commerce beats the other sectors of industry due to the high current personnel employability in this sector of industry. The construction and real estate and commerce sectors are the only sectors where the current employability is higher than the need for employability. Since both sectors are characterized by relatively good conditions of effectuation, they end up with favorable IEI scores. In the agriculture and fisheries sector, the low individual employability of the lower educated is combined with a high need for employable personnel and relatively unfavorable conditions of effectuation. This causes this sector of industry to be the least favorable for lower educated workers.

The differences between *female workers* and the total working population are small. In a number of industries, the employability situation for female workers is better than it is for the population of workers as a whole. This may be largely due to the fact that the share of women that belong to the group of older workers is relatively small due to the very low labor participation of women above 50. As was the case with the total working population, the employability of female personnel is highest in the financial services and construction and real estate. The transport and communication sector also scores worst for female employees.

Conclusions and Recommendations

In this paper, we developed a conceptual framework for an industry employability index (IEI), which gives a quantitative indication of the relative performance of the various sectors of industry concerning the employability of their workforce. The model is applied to 13 sectors of industry in the Netherlands. The financial services sector scores highest on the Industry Employability Index. Other sectors with favorable IEI-scores are construction and real estate and hotels/restaurants, repair and business services. The agriculture and fisheries sector scores worst in terms of

employability. When we look at the IEI for four specific groups of workers, it becomes clear that the employability-situation for older workers is generally a lot worse than it is for their younger colleagues. In addition, lower educated workers are less employable than intermediate or higher-educated individuals. Differences between male and female employees are, however, considered to be rather small.

To obtain a more detailed picture of workers' employability, the collection of firm-specific data would be extremely helpful. Using this data on individual organizations would enable the construction of an employability index at the firm level. Such an index would make the labor market more transparent for employees wanting to gain a better understanding of their development opportunities and their employability in the various firms they intend to apply for a job. Moreover, the comparison of organization-specific employability-scores to the IEI of the sector of industry concerned would enable organizations to gain valuable insights in their own relative employability situation. Such a 'benchmark' would also make clear that employability is not only dependent upon the worker himself, but it is also affected by the organization and the sector of industry a worker is employed in. Another research opportunity would be to use the framework developed in this paper with data from other countries. This would enable comparisons between the employability-situation of sectors of industries in different countries.

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Performance Improvement for Teacher Selection: A Holistic Approach to HRD Interventions

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Teacher selection is one of the most critical tasks for school personnel, to ensure the quality of education. This paper discussed several issues in teacher selection, based on person-job fit and person-organization fit, for a teacher selection model. A holistic approach was taken to propose a model of performance improvement interventions for personnel administrators. Practical and future research implications were also provided.

Keywords: Performance improvement, A model of teacher selection, HRD interventions model

Despite the efforts in improving education (e.g., using new teaching concepts and methods), the current state of education in the U.S. is a great concern, relative to the quality of the future workforce. For instance, American students have continued to perform at a lower level on proficiency tests, which results in increasing training costs among industries. In addition, 60% of newly graduated teachers failed a recent certification exam (Gross, 1999). In this regard, the quality of education is due, in part, to the quality of the people who teach and educate the future workforce. The selection and employment of highly qualified personnel in a school district is one of the most difficult of all administrative tasks (Harris & Monk, 1979).

Problem Statement

In teacher selection, the personnel administrators (e.g., superintendents and school principals) are most intimately involved in the process and in the decision-making. The selection literature has provided suggestions on the process, factors and criteria, errors, as well as other factors in an organizational context to make the best selection. However, hiring decisions are often made during the interview phase where the first impression is most frequently formed. More importantly, at times, personnel administrators tend to rely on their experiences and hunches, among other factors, to make the hiring decisions (Baron, 1993; Triandis & Triandis, 1967). If this is the case, hiring decisions might be interfered with by non-job related factors, misconceptions, and/or psychometric problems.

Training has been used to improve the selection and performance of personnel administrators. However, the effectiveness of such training has shown inconsistent results (Keenan, 1978). This might be because training is seen as a one-shot event without inclusion of other interventions, such as job aids and supports. However, there have not been sufficiently accumulated studies in selection practices, relative to performance improvement in school settings. Consequently, factors that might be related to and involved in the improvement of selection performance may not be well known yet.

The purpose of this paper is to provide a model of performance improvement interventions for teacher selection. Specifically, the study attempts to provide a model of teacher selection by applying the concept of "fit", and it also provides a model of human resource development interventions for the advancement of performance improvement in teacher selection. The term, personnel administrators in this study, refers to superintendents and school principals who are responsible for the selection process and hiring decisions.

Selection Framework

Selection is an information-gathering and decision-making process to identify the best-qualified personnel for the job. It contains four phases: (a) recruitment, (b) screening, (c) interview, and (d) hiring decision-making. Studies of selection in school settings have looked at various aspects, such as: (a) the selection process, (b) job-related factors and non job-related factors related to job qualifications and legal issues, (c) reliability and validity of the rating

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instruments, (d) personality factors, and (e) school culture and leadership (Hirsch, 1999; McDaniel, Whetzel, Schmidt, & Maurer, 1994; Young & Schmidt, 1988). These studies have contributed to increasing the body of knowledge and providing practical implications of teacher selection. The studies have also shown that selection in school settings suffers from the heavy reliance on the interview for decision-making, the interference of non job-related factors, and some psychometric problems (e.g., halo, leniency, and contrast effects) (Noe, Hollenbeck, Gerhart, & Wright, 1994). The following section discusses the selection process.

Recruitment deals with gathering information about job requirements. It focuses on posting and advertising a vacant position and the identification of job requirements and specifications (Noe et al, 1994). In this phase, the principal provides information about the numbers and types of vacant positions to school districts and to the public. The principals also provide information about specific teaching requirements and position specifications. An issue in this phase is that personnel administrators sometimes do not have sufficient time to fill the positions.

Screening deals with determining which applicants will be invited for interviews. Once the vacant position is announced, applicants' letters of application and recommendation, college transcripts, certifications, and portfolios will be sent to the school principals. To select applicants for interviews, the principals evaluate applicants' professional credentials against the teaching requirements and position specifications.

The interview is the most commonly used technique for gathering information. Prior to the interviews, the principals prepare questions and criteria to look for in the best applicants. Principals rate each applicant in a consistent manner, based on established criteria during the interview. However, they tend to be unconsciously influenced by psychometric effects, such as halo effect, contrast effect, and leniency effect. Another issue during the interview is that people tend to develop favoritism, based on closeness in social distance and some kinds of similarities (attraction-similarity), perceived by both the principal and the candidate (Byrne, 1961; Triandis & Triandis, 1967). In addition, the principals are forming impressions of the candidates through the screening and interview phases. These often interfere with ratings, which carry over to the final decision-making phase (Bernardin, 1978; Ivancevich, 1979; Noe et al, 1994). The critical issue is the possibility of non-job-related factors (e.g., age, race, disability, gender, and religion) entering during this stage (Baron, 1993; Young & Schmidt, 1988). Federal statutes prohibit the use of these non-job related factors in employee selection (EEOC, 1978).

Hiring decision-making focuses on the overall evaluation of applicants to make the best match with positions requirements. In an actual teacher selection process, school principals are responsible for making hiring recommendations to superintendents, who present those hiring recommendations to the district board of education for final approval. The decision making process is composed of a series of steps: (a) defining the problem (or kind of decision that has to be made), (b) the goal(s) of the decision, (c) identifying the alternatives to a given decision, (d) identifying the consequences of the decision, (e) the actual making of the decision, and (f) the implementation of the decision (Hoy & Miskel, 1996). Prior to the hiring decision being made, all the information and data from the applicants are rated categorically and listed as items for evaluation. The evaluation focuses on professional credentials used to compare the applicants against job requirements and specifications. These criteria must be measured objectively and consistently. However, impressions made of the candidates have been shown to influence the hiring decision. Furthermore, personnel administrators tend to use their experiences and sometimes hunches and intuition. Because of this, the best hiring choice may not be made. In this regard, there are opportunities for personnel administrators to improve their selection performance.

Theoretical Frameworks: A Model of Teacher Selection and Performance Improvement

Responding to needs for performance improvement in teacher selection, this section discusses a model of teacher selection applying the concept of fit and a model of performance improvement interventions for teacher selection.

To improve performance, a level of performance expectation must be defined in the work context and understood by performers. Because most performance issues lay in multiple layers within a work context, including work itself, performer, and workplace, performance problems are often multi-causal, caused by interactions of some problems and/or reasons concerning different issues, work units, performers, tools, motivations, and other factors (Rosenberg, 1996). In this regard, performance improvement in teacher selection should take a holistic approach. The focus of discussions is on performance improvement of school personnel administrators.

A Model of Teacher Selection

Selection is composed of two critical elements, information gathering and decision-making. For instance, job requirements and position specifications are determined, based on job information collected during recruitment, and a decision on who will be invited for interviews is made in the screening phase. During the interviews, while

information about applicants is gathered, decisions, including criteria to be used and candidates to be selected as finalists are made. The focus of decision-making is a balancing between selection criteria and applicants' qualifications relative to needs in a school. In this regard, the critical issue that personnel administrators are challenged with is whether they should take more consideration of job requirements or needs of the circumstances of a school.

The recent changes in the nature of work require employees to perform more knowledge work and a new type of work collaboration, such as within and outside networking and project teams. As a result, personnel administrators look for more than matching job requirements and applicants (Rynes & Gerhart, 1990). The concept of "fit" has gained increasing interest in selection research because it is concerned with balancing job requirements and organizational attributes, as they apply to individuals. Studies in fit have been shown to improve employee attitudes and job performance (Kristof-Brown, 2000). In this respect, the concept of fit can be applied to a model of teacher selection (Figure 1). There are two forms of fit; (1) Person-Job Fit (PJF), matching an applicant's Knowledge, Skills, and Abilities (KSAs) and the requirements of a specific job, and (2) Person-Organization Fit (POF), matching an applicant's personal factors and broader organizational attributes (Kristof-Brown, 2000; Rynes & Gerhart, 1990). Figure 1 describes factors used in hiring decisions and the two forms of fit in quadrants.

PJF and JRFs. Person-Job Fit (PJF) and Job-Related Factors (JRFs) focus on matching job demands and individual professional credentials. Therefore, PJF and JRFs are concerned with how well the applicants' professional credentials, such as Knowledge, Skills, Abilities, and Experiences (KSAEs) and other qualifications fit the job requirements. These factors are the most frequently used in selection and relate to job and specific task performance (Kristof-Brown, 2000). In this quadrant, potential problems relate to assessing and measuring KSAEs and frequently include the following psychometric errors: (1) halo error (a failure to distinguish among different aspects of performance, particularly exaggerating positive performance), (2) contrast error (comparing individuals to one another instead of against an objective standard), (3) leniency error (giving high ratings to all applicants), and (4) rater bias (consistency in rating among raters) (Noe et al, 1994).

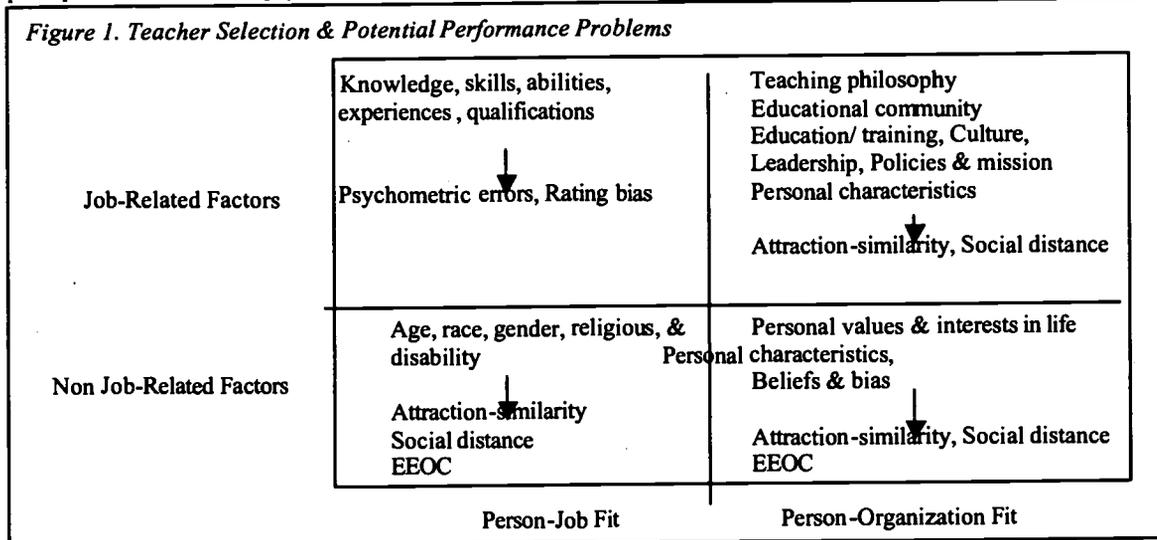
To minimize these errors, training has been provided in industries. The focus of training programs is on interview technique and how to rate performance. Results show a positive relationship between training and reduction of errors as well as participants' confidence (Snodgrass & Wheeler, 1983). However, selection practices in schools as well as a relationship between training for personnel administrators and teacher selection has not been sufficiently looked into. Therefore, a small inquiry was completed for this study to get a feeling for selection practices in school districts, after the literature was reviewed. The sample in this inquiry was randomly selected and comprised 10% of the public school districts in a midwestern state. It was found that most building principals were not provided formal selection and interview training from the districts; instead, their knowledge about selection is from college courses, informally at administrator's meetings, from experience, and by doing actual selection. Only a few districts provided training consultants for their special training needs. However, training fades within three to six months, sometimes before personnel administrators exercise it (Ivancevich, 1979). As a result, when selection time comes, they tend to go back to their experience and hands-on knowledge, and use their intuition and hunches. In this regard, other interventions should be taken into consideration, in regard to retaining gained knowledge and skills. The interventions include selection policies and procedures and job aids (e.g., selection manual, EEOC guidelines, rating handbook, evaluation matrices, etc.).

Support from supervisors and other colleagues has been recognized as fostering training transfer (Phye, 1989; Rouiller & Goldstein, 1993; Tracey, Tannenbaum, & Kavanagh, 1995). However, the work of a school principal and superintendent is upper level management in nature. Consequently, hiring decision-making is their responsibility. In this regard, forming a selection task team is an alternative intervention although the ultimate responsibility is personnel administrators. The task team include principals, assistant principals, superintendent and assistant superintendents, which could help to retain the learning intervention. Such a team can be thought of as a community of practice where apprentices can learn from masters.

POF and JRFs. Person-Organization Fit (POF) is concerned with how well individuals can fit into the organizational context, such as culture, the existing leadership structure, community, work groups, and the missions and policies of the school. Any kind of work requires collaboration with others. The nature of a teaching job is the same: the teachers work closely with colleagues, other school district personnel, parents, and members of the community. In this regard, focusing on only job-related factors may not be sufficient to select the best teacher. Therefore, factors relative to POF should not be overlooked.

The Job-related Factors (JRFs) and POF quadrant includes factors of personal characteristics and other non-job related factors (e.g., educational philosophy, work values, area of teaching interest, etc.) The critical issue is how to

minimize favorable perceptions of teacher applicants formed during the interview and decision-making phases. The favorable perceptions are the result of similar-to-me (similarity-attraction effects and social distance) and are also influenced by first impressions. Similar-to-me refers to a perception, developed by sharing common attributes between selection personnel and job applicants (Noe et al, 1994). If people share common teaching philosophies and personal characteristics, they are more comfortable in working together. If personnel administrators, influenced by first impressions, carry such misperceptions to hiring decisions, biases tend to be formed. Consequently, these perceptions also relate to psychometric errors and rating errors. Therefore, minimizing these perceptions is critical.



To improve selection performance, proper knowledge in communication, skills in perception checks, and knowledge in selection errors is important. Therefore, providing training in interpersonal communication, listening skills, and psychometric errors will help personnel administrators improve selection outcomes. At the same time, job aids, including an interview checklist sheet, rating manual and checklist, worksheet, and questioning manual, are also helpful for personnel administrators.

NJRFs and PJF. The Non-Job-Related Factors (NJRFs) and PJF quadrant is concerned with negligence and/or bias entering into the hiring decision. The Statutes clearly forbid the use of race, age, gender, disability, and religion in selection decisions. Most personnel administrators are aware of this; however, they should know how to use the statutes in practice, such as the kinds of questions that might relate to these factors. In this regard, possible interventions include setting up clear selection policies and guidelines, a school mission and policies, and a learning program in EEOC guidelines with legal implications. In addition, skill training, focusing on interview techniques, would also help administrators gain a good understanding of practices.

NJRFs and POF. The Non-Job-Related Factors and POF quadrant focuses on congruence between work context (school environment) and individual values. Factors include personal values, beliefs, interests, personal characteristics, bias, etc. Personnel administrators use PJF factors to eliminate applicants who do not meet job requirements, prior to taking consideration of POF factors. Furthermore, POF is addressed later in the interview phase to see how well the applicant can merge into the school environment. In this regard, personnel administrators may be influenced by their personal preferences, based on similar-to-me, personal characteristics, and individual beliefs and values. These preferences relate to psychometric errors, based on the theories of attraction-similarity and social distance and could lead to legal problems. Possible performance improvement interventions include leadership training programs, and job aids (e.g., policies and procedures, standard performance guidelines). In addition, taking a personal characteristics inventory could help the personnel administrators become aware of himself/herself and help to avoid personal bias and preference in selection.

A Model of Performance Improvement Interventions

The literature indicates that neither can experience without proper knowledge and skills be enough to perform selection, nor can knowledge without experiences be sufficient to bring the best qualified teachers in to schools.

Effective teacher selection comes from KSAEs taken together with scientific and systematic analysis of performance within the work context (Spitzer, 1992).

Human Performance Technology (HPT) is a systematized process for solving performance problems and identifying performance to be improved. It begins with systematic and systemic analyses of job performance, to define gaps between "what is" and "what should be." Performance gaps at the various levels in an organization (e.g., organization, process, individual, and work group) are analyzed to determine whether the gap should be filled or not. If there is a need for a performance gap to be filled, possible interventions are proposed to eliminate the gap (Langdon, Whiteside, & McKenna, 1999; Spitzer, 1992).

Performance improvement interventions are defined as means that are used to bring about changes in the performance of an individual, a work group, a business unit, a process, and a workplace, for the purpose of establishing, improving, maintaining, and/or distinguishing performance (Langdon et al, 1999). Therefore, holistic performance improvement interventions are recommended, based on both the cause and the context of job performance problems or performance improvement opportunities. Interventions can range from a relatively small change (a tool or procedure) to an entire organizational structure and system change. As such, the interventions can take various forms, such as learning programs, job aids, coaching and mentoring, performance standards, feedback, expert system, etc. Of these, the most promising interventions, based on systemic, results-focused, cost-effective, and comprehensive analyses, are used to improve target performance (Brandenburg & Binder, 1992; Spitzer, 1992).

Applying performance improvement technology to the improvement of teacher selection performance of personnel administrators, a model of performance interventions is proposed (Table 1). It describes each phase in the selection process, addressing selection issues in each phase, and discussions are based on integrating the teacher selection model and performance improvement interventions for teacher selection improvement.

Recruitment. One of the difficulties that personnel administrators face is the time allowed them to fill a vacant position. This problem might be due to any of several reasons, such as difficulty in predicting teacher vacancies, a lack of resources and/or administrative supports, and a lack of knowledge in recruitment procedures. Depending on the focus of performance level, potential interventions are: (a) setting up short-term and long-term human resource planning, which helps identify when and what vacant positions may appear, (b) appointing administrative staff to support recruitment, (c) establishing selection policies and standard procedures as guidance, and (d) identifying job and position requirements in the school. Training intervention is effective when personnel administrators lack proper KSAEs to do teacher selection. Personnel administrators often use informal learning opportunities, such as peer discussions, learning-by-doing, and OJT to know selection practices. Therefore, a formal training program, dealing with the overall selection process, practices, and methods, would be helpful.

Screening. Professional credentials of applicants are sent to school principals. To make sure all necessary applicant documents are gathered is sometimes a very tedious job for principals. Therefore, administrative support is critical to assure all required documents are ready for evaluation. At this stage, school principals should have a good understanding of job-related criteria for the teaching positions and clear ideas about what to ask and what not to ask, as well as what to look for in the teacher applicants. These concerns relate to their awareness of the pertinent legal issues and the consequences of not following them during screening and interview. Note that school principals tend to be influenced by errors, associated with first impressions and similar to me, through documents from applicants.

In this situation, intervention is designed to minimize such errors. For instance, job aids, could include: (a) a screening manual, (b) rating and interview manual, (c) guidebook for interview questions, (d) rating matrices (e.g., candidates x credentials and interview items x responses), and (e) EEOC guidelines. A formal learning intervention, such as training, is also important when the rating issue relates to psychometric errors.

Interview. Interviews are considered the focal point in the selection process because many personnel administrators tend to make hiring decisions at this stage. In addition, due to the popularity of the interview in selection, many personnel administrators rely on their experience in interview techniques. However, the literature shows that experience does not always provide proper knowledge. There is a difference in the effectiveness of ratings between those who use experience and those who have training. More importantly, those who do not have interview experience are eager to learn interview techniques and they transfer training into practice (Ford, Quinones, Sega, & Sorra, 1992). In this respect, training, (e.g., interview techniques and rating themes) is an appropriate intervention. The interview provides face-to-face communication, which requires skills in interpersonal communication and listening. Therefore, these skill-training programs are also helpful in performance improvement. Regarding job aids, an interview manual, a booklet for interview question items, and EEOC guidelines can be

helpful, particularly in retaining learning interventions in individuals. Another intervention could be a task team for selection and/or interviews. In this regard, while a principal is giving the interview, other personnel, such as an assistant principal, can provide assistance.

Decision. Hiring decisions should not be interfered with by any non-job-related factors; therefore, job and position requirements are heavily focused on. It is equally important to rate selection criteria against professional credentials. Making judgments on those credentials inherently contains psychometric errors, as discussed in the previous section. It is almost impossible to completely remove these psychometric errors from ratings. The issue is minimizing errors. In this regard, educational programs, focusing on not only psychometric errors, but also understanding factors behind the errors, are very important in designing interventions.

Table 1. *A Mode of HRD Performance Improvement Interventions for Teacher Selection*

	What Is	What Should Be	Possible Interventions
Recruitment	Vacant position announcement Job requirements and specifications	Vacant position announcement Job requirements and specifications Promptness Policies & human resource planning	Short-term and long-term human resource plans Checklist for job requirements and specifications Appoint support persons Guide for selection policies and procedures Selection training
Screening	Receiving applicants' documents (e.g., letters of application, transcripts, recommendations) Assessing professional credentials Identifying candidates for interviews	Receiving applicants' documents (e.g., applications, transcripts, & recommendations) Analyzing professional credentials Knowing what to look for Identifying candidates for interviews Preparing interview questions & responses checklist Setting up criteria & rating theme and preparing interview rating sheets	Administrative supports & resources Screening and rating manuals Matrix (candidates x credentials) Matrix (interview items x responses) Interview manual for questions
Interview	Asking questions Job-related & non job-related items Rating professional credentials and responses Using experience & knowledge of interview techniques	Asking appropriate questions Job-related & non job-related items Rating professional credentials and responses and interview responses Recognizing verbal & non-verbal communication	Interview guide booklet and manual Interview and rating training Task team for selection Interpersonal communication skills training Interview rating matrices EEOC guidance
Hiring Decision	Evaluating candidates' credentials Decisions made, based on experience, intuition, hunches, & non-job-related items Selecting the best-qualified candidates	Analyzing & evaluating candidates' credentials and interview ratings Selecting the best qualified candidates, based on job-related and non-job-related factors Recognizing whether job fit or organization fit is emphasized	Decision-making manual Decision-making chart Hiring policies and standard procedures Performance standards for personnel administrators

In addition, skill training, such as interpersonal communication, listening, and decision making, is equally important to assure the effectiveness of selection performance. Possible job aids for personnel administrators include a decision-making manual and chart, and decision checklists. Because OJT and information learning have been commonly used among personnel administrators, coaching and mentoring from experienced and knowledgeable school principals and/or superintendents are also alternative interventions.

Feedback can be used as a performance improvement intervention. It is always helpful if personnel administrators evaluate newly hired teachers, by using 360-degree feedback. Such information should not be used for performance appraisal, but should be used to see how effective the selection criteria and the factors used for hiring decisions might be. In other words, this information should be used to improve teacher selection. In addition, personnel administrators can evaluate themselves against objective criteria of their performance in teacher selection. Objective criteria can include following up performance of newly hired teachers and getting feedback from peer teachers and parents.

Practical and Future Research Implications

A model of teacher selection and a proposed model of HRD performance improvement interventions for teacher selection have been discussed. Because a performance problem contains multi-facted causes within a work context, a holistic approach was taken into consideration in this paper to provide practical suggestions in selection practices and comprehensive performance improvement interventions for teacher selection.

For future research implications, there have not been adequate studies in teacher selection in school settings. After a literature review was completed, in order to get some information about selection practices, an inquiry was undertaken, by randomly selecting 10% of the public school districts in a midwestern state and conversations were held with central office personnel. The findings included: (a) the principals were either the sole or the major official responsible for the teacher selection process in their own buildings, (b) the principals did their own applicant screening (87%) while in the other districts, either the superintendent or the assistant superintendent did the screening, and (c) most principals took part in the interview process. However, in some districts, other personnel, such as the assistant superintendent or the personnel director were also present at the interviews.

These findings are a part of actual selection practices. Consequently, more questions and unknown factors remain unanswered. In this regard, a descriptive investigation of teacher selection practices should be undertaken to provide additional information. Furthermore, few studies have used theories and concepts (e.g., attraction-similarity theory, the theory of social distance, the theory of ratings, and the concept of fit) in selection research relative. These theoretical frameworks help identify relationships and cause-and-effect aspects of independent variables and dependent variables. Such research study will provide a theoretical contribution to the body of knowledge.

Regarding performance improvement, the effectiveness of selection training, focusing on interview and rating skills, as well as psychometric issues and ratings, has shown inconsistent results. HPT suggests that performance problems are composed of multiple causes, which indicate that training alone may not be as effective as expected. HRD interventions are designed to improve performance in various levels within an organization. Based on this notion, performance improvement interventions are provided. However, it is important to evaluate how well these interventions can bring about improvement. In addition, identifying independent variables and dependent variables will be another potential area for future research opportunity.

How the Research Contributes to New Knowledge in HRD

This paper is the first to provide an HRD intervention model for teacher selection. The framework focuses on the latest results in personnel research, particularly the concepts of person-job fit and person-organization fit, which are relatively new to in the workplace, and transfers the concepts to the public school system. This first attempt will increase a body of HRD knowledge and providing practical implications.

This paper focuses on the current state of teacher selection practices in schools for performance improvement of personnel administrators. A school, as an educational institution, is seen separately from any other organization. Therefore, it may not be considered as a type of organization with teachers as its human resources, where performance improvement of the organization and the individual can be expected. In this regard, this paper will contribute to increasing the body of teacher selection knowledge and practical implications for selection practices.

This discussion paper provides a comprehensive framework on selection improvement, bringing both theory and concepts into practice. Particularly, the interview, the most popular and the focal point of the selection process, is often used by school personnel administrators based on their experience, instead of being provided training with proper knowledge and skills. This may not always result in effective selection. In this regard, this paper provides insight into benefits of HRD interventions.

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Employment Retention and Advancement Among Post-Welfare Participants in Wisconsin: Insights from W-2 Agency Representatives and Employers

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This study investigated the expert views of agency staff who provide case management services within the Wisconsin Works (W-2) program and of employers who hire Low Income Workers With Family Responsibilities (LIWWFRs). W2 staff assessed W2 employment retention and advancement services and employers assessed their own and W2 agency services for LIWWFRs. W2 agencies and employers provide these services as strategic initiatives to counter-balance the barriers faced by W-2 participants and LIWWFRs in their quest for employment retention and advancement.

Keywords: Welfare-to-work, Wisconsin-Works, W-2

In 1996, Congress passed the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), taking a major step to change the culture of welfare from a system of dependency to one of personal responsibility and self-sufficiency. However, even before PRWORA, many states were experimenting with creative welfare systems that would move recipients from the welfare rolls and into the workplace. Wisconsin was one of the first states to undertake the challenge, and early in 1998, it completed its transition from Aid to Families with Dependent Children (AFDC) to Wisconsin Works (W-2). With its "work first" philosophy, W-2 was aligned with the welfare reform legislation of 1996. Both programs imposed strict time limits on recipients and required all who were capable to obtain immediate employment. The mandate to caseworkers, therefore, was to move recipients to the workforce as quickly as possible, so as to decrease dependency on cash assistance.

As a result of these changes in the welfare policy and the positive labor market conditions during the welfare reform era, welfare caseloads have substantially decreased (Swartz, 2001). According to Brauner and Loprest (1999), from March 1994, which was the peak of welfare caseloads, to September 1998, the national caseload of welfare recipients decreased by 43 percent. Wisconsin's cash assistance caseload during this period, however, decreased by 89 percent, the highest in the nation. With its success in reducing the case load and assisting many recipients to obtain employment, Wisconsin is widely acknowledged as one of the first states to move recipients from a dependency on cash assistance to a perception of self-sufficiency, resulting from employment. While the data suggest an increase in workplace participation among former welfare recipients, there is emerging evidence that suggests that employment retention and advancement among post welfare participants are issues that need immediate attention in order to fully evaluate the success of welfare reform

Review of Related Literature

While retention and advancement have been identified as areas that need immediate attention, we have little empirical data on the extent of the problem in Wisconsin and the degree to which W-2 reform activities are successfully addressing the issues. Several studies have investigated the status of families who left welfare (Brauner & Loprest, 1999; Loprest, 1999); some evaluation studies have looked into education and training as vehicles for promoting economic self-sufficiency and human capital development (Bell, 2000; Cohen, 1998; Smith, 1999); and other studies have examined the low-wage job market and how welfare recipients are faring in such markets (Kelleen & Nightingale, 2000; Holzer & Stoll, 2000).

Studies that utilized data sources from Wisconsin have observed that as Wisconsin's economy has continued to expand, employers have found welfare recipients increasingly attractive as employees. Although most former recipients are concentrated in jobs in low-skilled and low-wage sectors, and nearly one-third of former recipients in Milwaukee work through temporary agencies (Corbett & Weber, 2000), employers have hired former recipients, who in years past would not have been considered for employment. A recent survey of 750 employers reported by Holzer (2000) compared Milwaukee to three other metropolitan areas: Los Angeles, Chicago, and Cleveland. The study found that the average duration of employment for newly hired recipients was 8 months, although significant percentages left after just 3-4 months. It also found that Milwaukee was at the high end of

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having jobs available and in the percent of jobs fielded by recipients. However, larger percentages reported problems with absenteeism, often related to child care and transportation problems. In addition, Holzer (2000) observed that Milwaukee experienced greater problems with turnover and job performance, which was interpreted as an indication that employers were digging deeper into the pool of welfare recipients in Milwaukee than elsewhere.

Post-welfare reform work-first policies have identified the issue of working poverty. The mean hourly wages for welfare recipients nationally range between \$6.94 and \$7.83, and the hours worked per week range from 34.0 to 35.2 (Holzer, 2000). In 1997 the average earnings was between \$10,000 to \$12,000.00; less than the poverty level for a family of three (Brauner and Loprest, 1999). The low wages, high turnover, and difficulty in finding and maintaining permanent jobs have translated into high levels of economic anxiety and worry among some former recipients (Kelleen & Nightingale, 2000). Rangarajan (1998) summarized the problems of employment retention and notes,

While many welfare recipients who find jobs are able to keep them, a significant minority have a hard time holding onto jobs and lose them fairly quickly. . . . Many welfare recipients' reasons for losing a job are complicated. Most find low paying jobs but still have to deal with the standard costs associated with work (such as affordable child care and transportation). Many must cope with a reduction in other forms of social support (such as housing subsidies, and, perhaps, food stamps, and medical benefits). Nearly one in three work nonstandard hours, making childcare and transportation arrangements more complex. Because they have little work experience, many welfare recipients have unrealistic work expectations and walk out of their jobs when these expectations are not met. Many have little in the way of personal and social support and find the transition from welfare to work overwhelming and stressful. (p. 3)

Given the time-limited assistance and strict work participation requirements under W-2, Wisconsin policy makers and program administrators are realizing that a "work first" approach is not simply concerned with placing welfare recipients in entry-level jobs. It is also concerned with developing effective programs and strategies that will assist former working recipients to keep their jobs, avoid returning to welfare, and advance in the labor market. Therefore, Wisconsin has included elements of retention and advancement in the W-2 program since its inception, in the form of case management services to low-income working families. These efforts are primarily the domain of W-2 agencies and the staff, particularly Financial and Employment Planners (FEPs). For these unsubsidized participants, W-2 agency staff represent the lifeline of opportunities to state-supported services and programs that can potentially assist them to retain or advance in employment.

Another approach to retention and advancement services was added to Wisconsin's mix of TANF-funded programs in 2000 with the implementation of the Workforce Attachment and Advancement program (WAA). In addition to targeting families who are transitioning from W-2 to employment, WAA serves the general low-income working population, and it has an innovative employer services component. WAA providers have the flexibility to meet local employers' needs for skilled employees by developing and providing a broad range of job-specific training and skills development services, e.g., job skills training, mentoring, job coaching, and support services. The WAA program was implemented in late 2000, and is administered by both W-2 agencies and Workforce Development Boards (WDBs).

This study sought the perspectives of both W-2 agency representatives and employers in identifying the problems faced by post welfare recipients in the workplace and the problems and services that are effective in addressing these problems. Integrating the perspectives of employers provided a two pronged approach to understanding the issues regarding employment retention and advancement among low income workers with family responsibilities (LIWWFRs).

Purpose of the Study and Research Questions

In order to fully evaluate the success of Wisconsin's W-2 program in placing large segments of welfare recipients into employment, state policy makers, W-2 agencies, employers, and other stakeholders are compelled to address the twin issues of employment retention and advancement faced by former recipients. Results from several research and investigative reports (Governor's Wisconsin Works (W-2) Education and Training Committee report, 1998; The Lewin Group, 1999; Mills & Kazis, 1999) have suggested that moving recipients into the workforce is just one part of the solution to self-sufficiency. The conclusion drawn from many of these reports indicate that attention must be paid to the issues and problems that participants encounter as they make the transition from welfare and that strategies, solutions, and services must be put in place to address these problems and help participants retain employment and advance in the workplace. Therefore, this research project sought to map the terrain of problems and barriers to retention and advancement experienced by both unsubsidized participants and low income workers

with family responsibilities (LIWWFRs) and chart the array and effectiveness of services and programs provided to both populations by W-2 agencies and employers.

The following research questions were used to guide our investigation:

- How do W-2 agency and employer representatives describe the barriers that inhibit employment retention and advancement among W-2 participants (or low-income workers with family responsibilities)?
- To what extent do these barriers impair participants' ability to retain employment and advance in the workplace?
- What employment retention and advancement services and programs are provided by W-2 agencies and employers?
- To what extent do W-2 agency staff and employers believe that services provided are effective in promoting job retention and advancement among unsubsidized employed participants?

Research Design

The project employed a survey design for the collection of data. Telephone surveys were administered to appropriate W-2 agency representatives and employers. A "selection with probabilities proportional to size" (Jaeger, 1984) random sampling process was used to select the 76 Wisconsin Works (W-2) agencies that had at least one unsubsidized participant the year prior to the study. The agencies were stratified into four groups: agencies with fewer than 10 cases, those with 11 to 80 cases, those with 81 to 500 cases, and those with over 500 cases. We took a 33 percent sample from each of these strata. From these agencies, the sample of 69 agency staff was identified. All of the agency staff responsible for placing or retaining unsubsidized employed participants from each selected site were targeted for interviews. In instances in which this responsibility was shared by the majority of case managers in an agency, about one-third of these individuals were asked to participate in the study. A total of 98 individuals were asked to participate in the study and 69 were interviewed, for a participation rate of seventy percent. Each interview ranged from fifteen to forty minutes.

Interviewees for the employer survey were identified via the contact persons from each W-2 agency. These individuals were asked to identify three employers with whom they had placed participants in the past year. A total of seventy-seven employers were contacted, and 41 (i.e., Human Resources Directors, Managers, or Representatives; Staff Supervisors; and Personnel Specialists) were interviewed. Therefore the participation rate for employers was 53.25 percent. Each interview averaged about twenty minutes, but ranged from fifteen to forty minutes.

The data collection instruments were developed from several sources: existing Wisconsin Department of Workforce Development (DWD) and W-2 agency services and programs; services, programs, problems/issues and barriers identified by discussions with DWD agency personnel; a multi-state group of other state and local officials via a teleconference involving members of the Welfare Peer Assistance Network (WELPAN); and existing instruments that have been used in previous W-2 studies of FEPs and employers. Both instruments were pilot tested with three agency staff and three employers before the final instruments were employed in the study. Data from all telephone interviews were entered onto blank copies of the instrument and later transferred to an SPSS-PC data file.

Findings

Profile of W-2 Agency Staff, Employing Organizations, and Working W-2 Participants

The demographic profile of the sample suggests that the typical W-2 agency personnel responsible for sustaining participants in the workforce is an experienced, White female, with less than a BS degree. The sample was comprised of a broad range of small and large employers who have hired former welfare recipients and established a cooperative relationship with W-2 agencies. The typical employer in this sample employed between 100 and 249 workers (26 to 50 of these would be LIWWFRs); is located about a tenth of a mile from a transit stop; operates from multiple sites; recruits employees via news paper ads and state W-2 agencies; screens applicants via personal interviews and takes these seriously in the hiring process; does not require applicants to take tests; and hired between 11 and 100 employees during the past twelve months. These employers did not consider a high school diploma or previous experience a necessary condition of employment, and only mildly preferred skills training or certification. They do require employees who have the ability to exercise personal initiative, use sound judgment, and demonstrate critical listening skills. They paid LIWWFRs a starting salary that ranged between \$7.40 and \$8.80 per hour. The majority of LIWWFRs hired by these employers were White women who work for forty or more hours per week and had some previous job experience. The majority of these employees work "fixed schedules," in non-seasonal jobs, and do not receive tips, commissions, or participate in profit sharing to supplement

their salaries. However, they do have access to company-sponsored health insurance. Qualitative data reveal that employees do not often participate in employer-sponsored health care programs because the high cost of these programs make them unaffordable to these low-income workers. The study also found that few of the low-income workers were promoted during the last two years, but most received raises in the past year.

The majority of W-2 agency staff indicated that either half or more than half of their unsubsidized participants had been separated from employment in the last year. Also, nearly two-thirds of them indicated that either half or more than half of their unsubsidized cases had been terminated from employment for "cause." The employers similarly experienced some turnover among LIWWFRs, with fewer than forty percent of employers retaining all or more than half of their LIWWFRs after two years. Employers indicated that about fifteen percent of those leaving their firms were terminated for cause. The high level of turnover among this group of workers suggests that there are serious barriers to their retention in the work place.

Employment Retention and Advancement Barriers

Unsubsidized participants face several significant barriers to their efforts to retain employment and advance in the workforce. The importance of barriers can be measured in the power of their inhibitory effect and in the number of participants affected. Each respondent rated (on a 5.0 point scale) the extent to which these barriers were problematic in participants' employment retention or advancement efforts and they rated (on a 5.0 point scale) the proportion of participants affected. These barriers were categorized as the following: Situational Barriers, Education and Learning Experience Barriers, Personal Issues, and Disabilities.

Situational Barriers. Of all four categories, situational barriers produced the highest collective mean score (4.00 on a 5.0 scale; indicating "quite problematic") in the order of their inhibitory effect. Situational barriers represented those survey items that addressed the extent to which participants experienced several possible situational problems that might inhibit their ability to maintain employment. These barriers include problems with child care, problems with transportation, housing instability, care for a child or adult with disabilities, and being victimized by crimes. In terms of the proportion of participants affected by these barriers, the items produced a collective mean score of 2.58 (on a 5.0 scale) which indicates that W-2 agency staff believed nearly one-half of the unsubsidized employed participants in their caseloads were affected by them..

Education and Learning Experience Barriers. Education and learning experience barriers represent the extent to which W-2 agency staff believed participants experienced employment barriers due to the absence of skills, attitudes and experiences assumed to be required in the workplace. This category received the second highest collective mean score of 3.69, on a 5.0 scale (indicating "quite problematic") in terms of inhibitory effect, and the highest mean score of 2.63 on a 5.0 scale, indicating about one-half of the participants are affected by these barriers. Verbal English language, written English language, math, and human interpersonal relationships skills, a lack of motivation to work, and being a non-English speaking immigrant were *Education and Learning Experience Barriers* that were found to inhibit retention and advancement in the workplace.

Personal Issues. The survey items categorized as personal issues represent those items which addressed participants' negative interpersonal interactions, behaviors, and actions that might pose impediments to their employment retention and advancement efforts. These items explored the issues of substance abuse, domestic abuse, and being charged with criminal behavior. Collectively, "personal issues" produced the third highest mean score of 3.63 on a 5.0 scale, indicating they were "quite problematic" in terms of inhibitory effect, and 2.45 on a 5.0 scale, indicating less than half of the participants are affected by these barriers. Of the personal barriers identified, *Substance Abuse* was rated the highest (4.26 on a five point scale) indicating it was thought to be "quite problematic" and was perceived to affect about one-half of the participants served (2.68 on a 5 point scale). *Domestic Abuse (violence)* was also found to be quite problematic (a rating of 3.88) and affected close to one-half of the participants (a rating of 2.49). Being charged with a crime was found to be somewhat problematic (a rating of 3.37) and affected less than half of the people served (a rating of 2.25). About one-fourth of respondents indicated problems with personal issues affected either "about half or more than half" of their unsubsidized employed cases.

Disabilities. Three items explored the extent to which participants experienced the following types of disabilities: mental, learning, and physical. Problems with disabilities were found to affect less than one-half of unsubsidized employed participants (2.43 on a 5 point scale) and were found to produce the lowest collective mean score in terms of inhibitory effect (i.e., 3.55 on a 5.0 scale) indicating them to be somewhat to quite problematic. Agency staff perceived *Mental Disabilities* to be quite problematic (a rating of 3.86 on a five point scale) and were thought to affect about half of the participants served. Learning disabilities were also found to be quite problematic (a mean rating of 3.61) and affected over one-half of the caseload. *Physical Disabilities* were also found to be somewhat problematic (a rating of 3.25) and affected less than half of the employed participants.

W-2 Agency Employment and Advancement Services, their Effectiveness, and Proportion Discussed

Agency representatives were queried on the types of services they provide to participants and the effectiveness of these services in addressing the problems that impede employment retention and advancement among post-welfare recipients. They were asked to respond to three sets of questions regarding their agencies delivery of these services. First, did the agency provide these services? Second, those with affirmative responses to individual items were asked to rate on a five-point Likert scale (1 = none to 5 = all) with what proportion of participants they spent time discussing each of the services. Third, they were asked to rate on a five-point Likert scale (1 = not at all to 5 = very much) the extent to which they thought each service was effective. Four categories of services and programs were identified: Support Services, Educational and Learning Programs, Employer Intervention Services, and Counseling Services.

Support Services. Support services comprised of eight services that form the core of the safety net provided directly by W-2 agencies and include child care assistance, job loans, placement services, food stamps, transportation assistance, medicaid, emergency assistance, and job retention bonuses. All W-2 agencies are legally required to provide *Child Care Assistance*. Therefore, all (100%) of the staff interviewed indicated this service is available through their W-2 agencies. Similarly, nearly all of the respondents (i.e., 99%) indicated their agencies provided both *Job Access Loans* and *Placement Services*. An equal number of respondents (i.e., 96%) indicated their agencies provided *Food Stamps*, some form of *Transportation Assistance*, and health care assistance via *Medicaid* and/or *BadgerCare*. About ninety-three percent of respondents indicated that *Emergency Assistance* was provided, and fewer than half (46%) indicated that *Job Retention Bonuses* (or rewards) were provided to participants.

Collectively, these support services received the highest effectiveness ratings (i.e., 3.81 on a 5 point scale), indicating that they were quite effective in assisting unsubsidized employed participants to retain employment and advance in their jobs. They were also the highest rated (3.92 on a 5 point scale) in term of the proportion of participants with whom staff members discussed the availability of these services. Child care assistance was rated the most effective (4.52 on a 5 point scale) indicating it was perceived as a valuable resource in employment retention and advancement among post-welfare employed recipients. Transportation assistance (with a rating of 4.14), medicaid (with a rating of 4.12), placement services (with a rating of 3.64), and food stamps (with a rating of 3.55) were all perceived to be "quite effective. The remaining support services, i.e., job loans (3.44), emergency assistance (3.32), and job retention rewards or bonuses (3.23), were perceived to be somewhat effective.

Educational and Learning Programs. This category was comprised of five types of educational programs that are provided directly by W-2 agencies or provided by contract agencies. These included Soft Skills Training, Employment Skills Training, Educational Programs (e.g., GED, basic skills, ESL, etc.), Financial Assistance for Postsecondary Education, and Mentoring Programs for participants. *Soft Skills Training* was rated as the most frequently offered (i.e., 94.2%) educational program provided by W-2 agencies. However, both *Employment Skills Training* and *Educational Programs* were rated as a tie for second by 81 percent of respondents. *Financial Assistance for Postsecondary Education* (FAPSE) was rated by 68 percent of respondents as being offered by their agencies, and fifty-five percent of the respondents indicated their W-2 agencies offer *Mentoring Programs*. *Training Completion Bonuses* were provided by the smallest number of providers, i.e., 8 (or 12%).

Collectively, these educational and learning programs and services received the second highest effectiveness ratings (i.e., 3.57 on a 5 point scale) indicating that they were quite effective in keeping post-welfare recipients in the workplace. They were also found to be discussed with at least one-half of the participants served. Employment skills training (with a mean rating of 3.91), educational programs (with a mean rating of 3.76), soft skills training (with a mean rating of 3.60), and financial assistance for postsecondary education (with a mean rating of 3.55) were all perceived to be "quite effective" in assisting employed unsubsidized participants to retain employment and advance in their jobs. In contrast, mentoring programs (with a mean rating of 3.19) and training bounces to participants (with a mean rating of 3.00) were perceived to be somewhat effective.

Employer Intervention Services. This research queried eight types of employer intervention services and activities that are provided under the Workforce Attachment and Advancement (WAA) program and provided directly by W-2 agencies. These activities are directed at the employer, to provide on-site interventions with the employer on behalf of low-income workers and to facilitate the resolution of job retention and advancement barriers. Employers indicated the following intervention services and activities are provided by W-2 agencies: assistance with placement, assistance with work-site mentoring, training assistance, assistance with needs, outreach and marketing assistance, upward mobility programs, and payment for workshop attendance.

A total of 78 percent of the W-2 staff indicated *Employer Assistance With Placement* was provided by their W-2 agencies, and 71 percent indicated *Employer Assistance With Work Site Mentoring and Coaching* was provided.

About two-thirds of respondents indicated both *Training Programs for Employers* and *Employer Assistance With Assessing Training Needs* were provided by their W-2 agencies, whereas, about 61 percent of staff indicated *Outreach and Marketing Programs for Employers* were provided. Similar proportions (i.e., 55% and 54%) of staff indicated their W-2 agencies provided respectively *Employer Assistance With Developing Training Programs* and *Employer Assistance With Upward Mobility Programs*. *Employer Subsidized Workshops* were only indicated by 5.8 percent of the respondents to be provided by their W-2 agencies.

Collectively, these services received the third highest effectiveness ratings (i.e., 3.50 on a 5 point scale) which suggest that they are quite effective in employment retention. These services included outreach and marketing (with a rating of 3.86), employer subsidized workshops (with a rating of 3.67), assistance with needs assessment (with a rating of 3.63), placement assistance (with a rating of 3.55), assistance with mentoring programs (with a rating of 3.55), and providing training assistance to employers (with a rating of 3.55) were all rated in the "quite effective range. The remaining services, upward mobility programs (3.44) and training programs targeting employers (3.26) were rated in the "somewhat effective" range.

Counseling Services. This category was comprised of seven types of counseling and assistive services that are provided directly by W-2 agencies or provided by contract agencies that allow for a seamless service experience for participants. Between ninety-four and thirty-seven percent of respondents indicated the following counseling services are provided by W-2 agencies: job counseling during employment, job counseling before employment, financial counseling, mental health counseling, substance abuse services, family planning, and crisis hotline. *Employment Counseling During Employment* was the most frequently offered counseling service being provided by W-2 agencies. Ninety-four percent of respondents indicated this service was offered by their agency. *Employment Counseling Before Employment* and *Financial Counseling* were perceived by 86 and 83 percent of respondents respectively to be offered in their agencies. *Mental Health Counseling* was indicated to be offered sixty-six percent of respondents' agencies, and *Substance Abuse Counseling* was thought to be offered less frequently than the above counseling services (i.e., only 59% of respondents indicated it was offered in their agencies). *Family Planning* was perceived by 47 percent of respondents as being offered in their agencies, and *Crisis Hotlines* were perceived by only 37 percent of respondents as being offered.

Collectively, counseling services received the fourth highest effectiveness ratings (i.e., 3.30 on a 5 point scale) indicating that they were somewhat effective in promoting employment retention and advancement among post-welfare recipients. This category of services also received a rating of 3.33 (on a 5-point scale) in terms of the proportion of participants with whom they were discussed. Job counseling both before (with a rating of 3.63) and during (with a rating of 3.60) employment were thought to be "quite effective". The remaining services were rated in the "somewhat effective" range. These included substance abuse assistance (3.38), financial counseling (3.33), mental health counseling (3.11), crisis hotline (2.9), and family planning (2.52). Similarly, job counseling both before (with a rating of 3.95) and during (with a rating of 3.72) employment were discussed with more than one-half of participants. The other counseling services (substance abuse, 3.03; financial counseling, 3.49; mental health counseling, 2.98; crisis hotline, 3.13; and family planning, 3.6) were discussed with about one-half of unsubsidized employment participants.

Employer Perceived Problems and Barriers of LIWWFRs

Employers were asked to compare Low-Income Workers With Family Responsibilities (LIWWFRs) to all other employees and rate (on a four point scale, with 1=not likely at all and 4=very much likely) the extent to which they are less likely or more likely to experience four categories of problems identified by the agency representatives: situational problems, educational and learning problems, personal issues, and disabilities.

Education and Learning Experience Problems. This category identified the extent to which employers believed LIWWFRs experienced employment-based problems (as compared to other workers) due to the absence of skills, attitudes, and experiences assumed to be required in the workplace. The most serious educational problems tended to be those associated with basic skills, i.e., weak written and verbal English skills, reading and math skills were all rated in the range of 2.54 to 3.08 indicating LIWWFRs were "a little more likely" to experience these problems than other workers. Poor interpersonal skills and work attitudes, and problems either not attending training or failure to apply training knowledge were rated in the range of 1.65 to 2.36 indicating LIWWFRs were "a little likely" to experience such problems.

Personal Issues. This category is comprised of statements that deal with the perceived personal conduct of employees. Six items gauged the extent LIWWFRs experienced problems with personal issues: absenteeism or tardiness, illness, domestic abuse, charged with criminal behavior, and substance abuse. Collectively, this category received the second highest mean rating from employers, i.e., 2.34 on a four point scale, indicating these problems

were "a little likely" to be experienced by LIWWFRs as compared to other workers. Absenteeism, tardiness and problems with illness were considered to be the most serious personal issues that this group of workers experience.

Situational Problems. This category identified the extent to which employers believed LIWWFRs experienced employment-based problems due to their contextual circumstances. Several items were addressed: problems with child care, problems with transportation, housing instability, and caring for one or more persons with disabilities. Collectively, this category of items received the third highest rating from employers, i.e., a mean of 2.30 on a 4 point scale, indicating LIWWFRs were "a little likely" to experience these problems when compared to other workers. The problems with both child care and transportation were rated by employers to be the most serious of the situational problems faced by these workers.

Disabilities Among LIWWFRs. Three items gauged the extent to which LIWWFRs were perceived to experience problems with disabilities: learning, mental, and physical. Collectively, this category received the lowest mean rating from employers, i.e., 1.73 on a four point scale, indicating these problems were "a little likely" to be experienced by LIWWFRs as compared to other workers. Both learning and mental disabilities received mean ratings of 2.06 and 1.63 respectively (on a 4 point scale), indicating they were "a little likely" to be experienced. Physical disabilities received the lowest rating, i.e., 1.44, indicating they were not likely to be experienced.

Employer Retention and Advancement Services and their Effectiveness

Employers were asked to address several items that queried the types of educational programs and support services that they either provide or to which they provide access for LIWWFRs. From these individual items, several categories of programs and services were organized. These include employment-based educational programs, counseling and support services, and W-2 agency assistance to employers. The two most frequently identified *employment based educational programs* were employment skills, which were offered by 90.2% and assistance with post secondary education, which was offered by 75.6% of respondents. Other programs identified included mentoring (39%), basic skills (34%), math (22%), basic English classes (22%), and basic writing (15%). Collectively, these programs were found to be the most effective of the employer sponsored programs (3.45 on a 5-point scale) in helping LIWWFRs to retain employment and to advance in their jobs. They were also the highest rated (3.40 on a 5-point scale) in terms of the proportion of LIWWFRs who participated in them.

Employers identified several types of *counseling and support services* that their organizations provide. The most readily accessible service is substance abuse assistance which is offered by 60 percent of the employers surveyed. Nearly one-fourth of the employers offer transportation assistance and fewer than 10 offer on-site child care or child care subsidy. From their perspective, these services were rated second in terms of their effectiveness in promoting employee retention and advancement. Of these services, on-site child care was the highest rated service in terms of effectiveness. However, that service was found to be the least offered among the employers.

The employers were asked to comment on the extent to which they utilize the *employer assistance services provided by the W-2 agencies*. The most popular service utilized is placement assistance, which is used by 48 percent of the employers surveyed. Between 20 and 25 percent utilize employer training, work site mentoring and needs assessment assistance. Only about ten percent use assistance with developing educational programs, while fewer than five percent were assisted with upward mobility programs. The effectiveness of employer-based services provided by W-2 agencies received a mean rating of 3.04 (on a five-point scale where 1 = not at all to 5 = very effective) indicating that these services were somewhat effective. Employers rated these services third in terms of their effectiveness in promoting employment retention and advancement. Interestingly, however, although not utilized by many employers, worksite mentoring and job coaching programs were thought to be the most effective of services provided by W-2 agencies. They received a rating of 3.56, indicating they were quite effective.

Conclusions and Recommendations

This study investigated the extent to which unsubsidized former welfare recipients who were still under case management with W-2 agencies experienced barriers in their efforts to retain employment and advance in the workforce. Additionally, we explored the types of services and programs W-2 agencies made available as strategic initiatives to counter-balance the barriers faced by participants. A third element of the study was to investigate the perspectives of employers regarding the workplace barriers and retention and advancement strategies they employed to promote the retention and advancement of Low Income Workers With Family Responsibilities (LIWWFRs). Several patterns emerged from the two data sources.

W-2 employed participants, a subset of LIWWFRs, face several significant barriers to their efforts to retain employment and advance in the workforce. W-2 staff and employers both felt that the barriers of child care and transportation problems and poor math and written English skills inhibit the ability of unsubsidized participants and

LIWWFRs to retain employment and advancement in the workforce. Because of the low academic skills requirement of employers for many of the jobs performed by this group of workers, it was found that many participants could qualify for low income, entry-level jobs. However, the skills requirement necessary for advancing in the workplace suggests that many of them could benefit from a variety of training and educational opportunities. The fixed schedules of many of the LIWWFRs would allow these individuals to schedule either employment-based or other continuing education programs that could improve their academic qualifications. W-2 agencies should try to develop more collaborative relationships with employers and other program providers in addressing these barriers. For example, a variety of context-based workplace literacy programs could be arranged via cooperative arrangements with individual employers, literacy program providers, and W-2 agencies.

Employers and W-2 agency staff have a high level of confidence in mentoring programs, especially worksite mentoring. Seventy-one percent of agency staff provide the service to employers and rated it as quite effective. Similarly, employers also rated that service to be quite effective. However, only 22 percent of employers participated in these programs. Given the level of confidence expressed by both employers and W-2 agency staff in the effectiveness of worksite mentoring and coaching, these programs should be expanded to a much broader range of employers. The prospect of making WAA programs more available to employers and assisting them with basic skills training should be pursued by W-2 agencies. Also, because of the confidence in the effectiveness of on-site child care and childcare subsidy in employment retention, we recommend that there should be an investigation to determine how these programs could be effectively expanded to increase numbers of employers.

This research is significant to the field of HRD as it provides employers and HRD professionals with insights into the barriers that inhibit employment retention and advancement of low-income workers with family responsibilities in the workplace and the services that are perceived to be effective in combating these problems. With this knowledge, organizational leaders and those responsible for training and development can plan and implement programs and services to increase the retention and advancement rate among this group of workers.

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Multi-Source Feedback Appraisal In Two Types Of Organizational Structures: How Self, Supervisor and Other Ratings Differ

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The purpose of this study was to investigate the differences in a multi-source feedback appraisal between employee evaluation ratings of self, supervisor, and other in two different types of organizational structures. One hundred and eighteen nurse aides participated in the study. The findings indicate greater variability in the ratings of the group in which ratees work off-site.

Keywords: Performance Appraisal, Performance Feedback, Self-Evaluation

It has been clear for many years that performance appraisals don't live up to expectations. They are not supported by top management, supervisors don't like doing them, and employees don't like having them done. Research suggests that supervisors don't like doing performance evaluations because they find it distasteful to criticize subordinates, they aren't trained to conduct performance evaluations, and they don't trust the validity of the evaluation instrument (Beer & Ruh, 1990; McGregor 1990). Supervisors, in general, prefer to deliver positive performance ratings. (Herold & Parsons, 1985; Judge & Ferris, 1993).

Another factor in the continuing dissatisfaction with performance appraisal is the changing nature of jobs and organizations. In the past 10 years, there has been a decided shift in the structure of organizations (Waldman & Atwater, 1998). Greater emphasis is being placed on decentralization, downsizing, teams, and telecommuting. The current workforce is organized differently and is not always even located geographically together (Buhler, 1997). This change impacts the degree of close supervision and the development of the relationship between the ratee and the rater in the performance appraisal process. These differences in the U.S. workforce have created enormous challenges to management and to HR/HRD professionals who are responsible for developing, implementing, and assessing systems to measure performance and provide feedback to employees at all levels and locations.

These new types of working environments are referred to as "loosely coupled" (Weick, 1976). Such systems contain parts that are related to each other but still retain their individual identity and logical or physical separateness. A tightly coupled system is the traditional work situation in which a supervisor works closely with subordinates and supervises their work on a regular basis.

The traditional hierarchical performance appraisal system is not viewed as effective and does not favor the current work environment (Waldman & Atwater, 1998). Because of the continued level of dissatisfaction with performance appraisal and the fact that jobs have greater responsibility, more flexibility, and less direct supervision, organizations have moved toward using alternatives to the traditional, hierarchic, supervisor-controlled performance evaluation process. One such alternative is a multiple source or 360-degree performance appraisal process (Milliman, Zawacki, Norman, Powell, & Kirksey, 1994; Tornow, 1993). Whereas traditional performance evaluation systems provide feedback only from the employee's supervisor, 360-degree systems also include feedback from peers, subordinates, and customers. Each of these sources provides relevant, and slightly different, information that is valuable to the employee (Borman, 1991; Hazucha, Hezlett, & Schneider, 1993).

Several researchers (Church & Bracken, 1997; Funderburg & Levy, 1997; Lawler, 1967; London & Smither 1995; London, Smither & Adsit, 1997; Salam, Cox, & Sims, 1997; Tornow, 1993; Waldman, 1997; Westerman & Rosse, 1997) have examined variables related to multi-source/360-degree feedback including such issues as accountability, perceptions, and rater attitudes. Additional studies have been conducted to examine ratee acceptance of various forms of performance appraisals (Albright & Levy, 1995; Bernardin & Buckley, 1979; Bernardin, Dahmus & Redmon 1993; Cosselin, Werner & Halle 1997; Robinson, Fink, & Allen, 1996). This focus on ratee acceptance has its genesis in the work of early motivational researchers such as Herzberg (1959) and Lickert (1967), who found that employee recognition, achievement, and employee satisfaction in decision making all led to increased levels of motivation and satisfaction in employees.

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As organizations increasingly turn to multi-source or 360-degree performance evaluation processes as a means of improving the process, interest becomes focused on how the ratings among self, supervisor, and other may differ. With the exception of studies examining manager/subordinate agreement in leadership competency ratings (Atwater, Roush, & Fischthal, 1995; Smither, London, et al., 1995; Waldman & Atwater, 2001), little research has been conducted in this area.

Self-Appraisal

A number of studies have examined the self-appraisal piece of the multi-source or 360-degree performance appraisal process. These studies have concluded that self raters with higher self-esteem rated themselves with greater leniency than did those raters with low self-esteem (Farh & Dobbins, 1989), self rater appraisals are significantly related to appraisals from co-workers and are less influenced by the halo effect than appraisals from outside raters, (Fox & Dinur, 1988), self rater appraisals produce significantly lesser leniency error and more congruent ratings with supervisors when instructions referencing supervisory feedback are used (Steel & Ovalle, 1984), self raters differ significantly from others in their evaluation of communication behavior (Sypher & Sypher, 1984), and self raters in comparison to the other raters show greater leniency bias and less variability while exhibiting less of the halo effect (Thornton, 1980). There is a greater difference between ratings of supervisors and self than between ratings of co-workers and supervisors (Harris & Schaubroeck, 1988), and research continues to be conducted in the areas of biases and validity of self-appraisal of job performance and biases of self evaluation (Thornton, 1980).

Self-ratings of performance often differ from performance ratings by external evaluators (Fox & Dunur, 1988; Thornton, 1980). Self-appraisals of performance tend to be more lenient, more biased, and less variable than superior, peer, or subordinate appraisals (Thornton, 1980). Harris and Schaubroeck (1988) reported only moderate correlations between self-ratings by employees and ratings by others.

Self-assessments serve a variety of purposes. Participating in the appraisal process may make one more self-aware, more accepting of feedback, and more committed to goals and performance improvement. Also, an individual may be the only one who fully understands the forces operating to influence his or her behavior (Kolb, 1995, p.234).

However, little research has examined correlation between self and others in different types of organizational structures. Given the popularity of multi-source appraisal systems and the variety of ways in which today's organizations are organized, it seems important to collect data in different types of organizational structures. The study described here investigates the differences that exist between employee evaluation ratings of self, supervisor, and other in both tightly coupled and loosely coupled environments.

Research Question

What differences exist between employee evaluation ratings of self, supervisor, and other in tightly coupled environments and employee evaluation ratings of same in loosely coupled environments?

Methodology

Sample

Sixty-one home health care aides and 57 nurse aides from a 2200-person allied health facility located in northeastern Pennsylvania participated in this survey. The home health care aides, who are not closely supervised, represented the loosely coupled structure; the nurse aides, who receive direct supervision, represented the tightly coupled structure. The majority of the participants were in the 33 to 62 years of age category and had a high school/GED level of education. The participants had a mean of 7.46 years at their current position and a mean of 6.6 years employed by the allied health facility. There were no significant differences in demographic characteristics between the two groups.

Procedures

Raters' responses were compared to the evaluation of the rater. Data were collected using a performance appraisal form that was developed by a focus group made up of the Vice President of Human Resources, the supervisors of both the tightly coupled and loosely coupled groups, a representative employee from each of the

groups, and the researcher. The two groups, loosely coupled and tightly coupled, participated in a multi-source performance appraisal process evaluating themselves and others in their department. The newly developed performance appraisal form used was developed by using a set of behavioral criteria developed specifically to meet the objectives and goals of the allied health facility. These behavioral criteria were directly linked to the individual's job description. Each employee participating in the research was trained on the procedures to use in providing and receiving feedback. Each ratee was evaluated by self, supervisor, and one other person familiar with his or her work. After participating, each ratee received feedback for each performance criteria evaluated. Ratees could not conduct reciprocal appraisals. This rule was established to rule out the bargaining of exchanging good evaluations between the two individuals.

Data were collected from the performance rating forms used by the participants in the study. The ratings from each of the various categories, self, supervisor, and other were sorted and analyzed.

Surveys

Data were collected using a Like rt-style performance appraisal form. The behavioral criteria were directly linked to the individual's job description. Examples of sample criteria include: Demonstrates good judgment in all phases of work, Shows initiative by helping others when slow, Attends in-service education and reads reports, and Reports to work on time. Each employee participating in the research was trained on the procedures to use in providing and receiving feedback.

Focus groups

Information regarding the development of the performance appraisal instrument was collected in small focus groups. These focus groups were made up of the supervisors of both sets of employees being surveyed, the VP of Human Resources, one employee from each group, and the researcher. The purpose of the group was to develop an effective performance evaluation tool. Involving participants in the creation of a performance management system increases the likelihood of acceptance of the system (Mohrman, Resnick-West, & Lawler, 1990).

Limitations

The sample used in this study was representative of only one type of loosely coupled and one type of tightly coupled system in an allied health organization. Caution needs to be exercised in generalizing the results of this study to other organizations. Also, subjects in this study were in non-exempt or non-managerial positions. Data collected on managerial-level employees may yield different results.

Because the participants in this study worked in two different structures, their job titles and job duties were slightly different. This resulted in the use of different performance evaluation forms; however, both groups' forms were developed by the same focus group with input from supervisors and representatives from both the loosely coupled and the tightly coupled groups.

Results and Findings

Paired t-test results for each of the headings-self/supervisor, self/other, supervisor/other-for the tightly coupled group are presented in Table 1.

Table 1. Differences in Ratings Between Self/Supervisor, Self/Other, Supervisor/Other in Tightly Coupled Group

Self/Supervisor	M	SD	M	SD	M	SD	n	t Value
Question 1	3.66	0.48	3.68	0.47			53	-0.24
Question 2	3.40	0.66	3.43	0.64			53	-0.47
Question 3	3.57	0.50	3.59	0.54			51	-0.22
Question 4	3.61	0.49	3.61	0.49			51	0
Question 5	3.70	0.46	3.56	0.50			54	2.06
Question 6	3.52	0.58	3.31	0.54			52	1.97
Question 7	3.68	0.47	3.45	0.50			53	2.58
Question 8	3.45	0.71	3.52	0.55			42	-0.62
Question 9	3.73	0.45	3.63	0.49			52	1.3
Question 10	3.72	0.45	3.36	0.48			53	4.41***
Question 11	3.51	0.50	3.43	0.50			51	1.07
Question 12	3.65	0.48	3.63	0.49			54	0.23
Question 13	3.73	0.45	3.71	0.50			52	0.24
Question 14	3.65	0.48	3.63	0.49			48	0.23
Question 15	3.69	0.47	3.63	0.49			54	0.68
Question 16	3.63	0.49	3.72	0.45			54	-1.15
Self/Other								
Question 1	3.65	0.48			3.73	0.53	51	-0.85
Question 2	3.41	0.67			3.67	0.52	49	-2.45
Question 3	3.57	0.50			3.61	0.49	51	-0.4
Question 4	3.61	0.49			3.71	0.54	51	-1
Question 5	3.70	0.46			3.68	0.51	53	0.26
Question 6	3.54	0.58			3.48	0.54	50	0.72
Question 7	3.67	0.40			3.58	0.50	52	1.15
Question 8	3.45	0.71			3.52	0.55	46	-1.53
Question 9	3.74	0.45			3.75	0.43	53	-0.26
Question 10	3.73	0.45			3.54	0.54	52	2.21
Question 11	3.51	0.50			3.57	0.50	51	-0.72
Question 12	3.66	0.48			3.72	0.50	53	-0.65
Question 13	3.73	0.45			3.61	0.49	51	1.43
Question 14	3.66	0.48			3.79	0.41	47	-1.43
Question 15	3.69	0.47			3.69	0.51	54	0
Question 16	3.63	0.49			3.70	0.50	54	-0.85

Table 1 (Continued)

Question 1	3.69	0.47	3.73	0.53	51	-0.5
Question 2	3.47	0.62	3.67	0.52	49	-2.22
Question 3	3.57	0.54	3.61	0.49	51	-0.5
Question 4	3.63	0.49	3.69	0.55	51	-0.72
Question 5	3.57	0.50	3.68	0.51	53	-1.35
Question 6	3.33	0.55	3.46	0.54	52	-1.22
Question 7	3.43	0.50	3.58	0.50	53	-1.74
Question 8	3.52	0.55	3.60	0.54	42	-0.68
Question 9	3.63	0.49	3.75	0.44	42	-1.35
Question 10	3.36	0.49	3.55	0.54	42	-2.02
Question 11	3.41	0.53	3.56	0.50	42	-1.83
Question 12	3.64	0.48	3.72	0.50	42	-0.94
Question 13	3.72	0.50	3.60	0.49	42	1.63
Question 14	3.64	0.49	3.79	0.41	42	-1.63
Question 15	3.63	0.49	3.69	0.51	54	-0.65
Question 16	3.72	0.45	3.70	0.50	54	0.23

***p< .001.

Only question 10, self/supervisor had a significant difference.

Paired ttest results for self/supervisor, self/other, and supervisor/other for the loosely coupled group are presented in Table 2.

Table 2. Differences In Ratings Between Self/Supervisor, Self/Other, and Supervisor/Other in Loosely Coupled

Question 2	3.64	0.49	3.24	0.48		42	4.18**	
Question 3	3.32	0.62	2.95	0.52		38	3.37**	
Question 4	2.95	0.87	2.95	0.65		43	0	
Question 5	3.64	0.49	3.12	0.63		42	5.36***	
Question 6	3.49	0.55	3.26	0.73		43	1.81	
Question 7	3.65	0.53	3.37	0.69		43	2.39	
Question 8	3.71	0.46	3.40	0.59		42	2.80**	
Self/Other								
Question 1	3.72	0.45		3.93	0.26	29	-2.27	
Question 2	3.77	0.43		3.83	0.38	30	-0.70	
Question 3	3.38	0.65		3.63	0.58	24	-1.81	
Question 4	3.20	0.77		3.67	0.48	15	-2.17	
Question 5	3.68	0.48		3.87	0.34	31	-2.26	
Question 6	3.56	0.50		3.91	0.29	34	-3.78**	
Question 7	3.81	0.40		3.94	0.25	31	-1.44	
Question 8	3.79	0.41		3.94	0.24	34	-1.97	
Supervisor/Other								
Question 1			3.46	0.51	3.91	0.28	35	-4.43***
Question 2			3.27	0.51	3.81	0.40	37	-4.76***
Question 3			3.03	0.59	3.64	0.55	33	-4.42**
Question 4			3.00	0.75	3.68	0.48	19	-3.37**
Question 5			3.13	0.66	3.85	0.37	39	-5.91**
Question 6			3.29	0.64	3.88	0.33	41	-4.84***
Question 7			3.42	0.60	3.92	0.28	36	-4.58***
Question 8			3.41	0.59	3.59	0.30	41	-4.62***

p<.01, * p<.001

There were significant differences in a total of thirteen questions for the loosely coupled group: four in self/supervisor, one in self/other, and eight in supervisor/other.

Conclusions and Recommendations

There were no significant differences in the tightly coupled group in the categories of self/other and supervisor/other, indicating agreement between the ratings of the ratee and others and the supervisor and others. There was only one significant difference in the category of self/supervisor, indicating that overall the ratee agreed with the rating of his/her supervisor. This is somewhat surprising considering that self-ratings, in general, tend to be higher than ratings by others. This shared perception of employee performance in the tightly coupled group is encouraging and deserves further study.

There were thirteen significant differences in the loosely coupled group: four in self/supervisor, one in self/other, and eight in supervisor/other. These results suggest that, in loosely coupled groups, the physical distance between an employee and his/her supervisor might result in less supervisor awareness of employee performance. Multi-rater feedback might be particularly useful in situations in which employees work offsite.

Implications for HRD

Organizations are continually searching for improved methods of providing performance feedback. In addition, today's rapidly changing organizational environment requires HRD professionals to develop systems that address the increased distance between supervisors and their direct reports. Because organizational structures have been changing so quickly, organizations have had a difficult time trying to provide accurate feedback to employees in a format that is accurate and helpful to the ratee. An important finding in this study was that individuals in a loosely coupled system did not always agree with the ratings of their supervisors and that supervisors ratings were not consistent with the other raters evaluating the performance of the ratee. This finding supports the use of multi-source or 360-degree performance evaluation systems in this type of organizational structure.

Another important finding in this study was that the tightly coupled group's results indicate a fairly consistent level of agreement with the ratings of the supervisor. Supervisors contemplating the use of multi-source feedback systems have expressed concerns about inconsistency of ratings. (Yarrish & Kolb, 2001). As this study reports, greater inconsistency was found among ratings in the loosely coupled group. Further studies are needed to determine whether this finding is replicated in other samples and, if so, implications for the use of multi-rater systems.

As more organizations continue to move away from the traditional hierarchical structure, more information is needed on finding cost-effective methods of providing valuable performance feedback to employees. Studies conducted in organizations regarding the effectiveness of various feedback processes would be useful for HRD professionals facing decisions on the choice and implementation of such systems. Continued empirical studies should provide information helpful to organizations facing important and expensive performance feedback systems decisions.

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