Linking performance measurement with individual behaviour: the role of emotions

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Abbreviations

B2B	Business-to-Business
BSC	Balanced Scorecard
CAT	Cognitive Appraisal Theory
CSR	Corporate Social Responsibility
EFQM	European Foundation für Quality Management
EM	Environmental Management
ERP	Enterprise Resource Planning
HRM	Human Resource Management
IPMS	Integrated Performance Measurement System
ISCED	International Standard Classification of Education
IT	Information Technology
JIT	Just-In-Time
KM	Knowledge Management
KPI	Key Performance Indicators
MARS	Motivation, Ability, Role perceptions and Situational factors
MTM	Methods Time Measurement
PMM	Performance Measurement and Management
PMS	Performance Measurement System
PP	Performance Prism
QM	Quality Management
R&D	Research & Development
RCT	Referent Cognitions Theory
ROCE	Return On Capital Employed
ROE	Return On Equity
ROI	Return On Investment
SDT	Self-Determination Theory
SME	Small- and Medium-sized Enterprises
SQC	Statistical Quality Control
SSB	Small Scale Businesses
TQC	Total Quality Control
TQM	Total Quality Management

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Abstract

The desire to measure, evaluate and compare performance is almost as old as humanity itself. While individual performance evaluations have predominantly been documented since ancient times, more complex performance management systems (PMS) have developed in the course of industrialisation. Management scientists continued to develop these systems and at the end of the 20th century they experienced a real boom, resulting in the term "performance measurement revolution" (Eccles, 1991).

Despite the intense scientific discourse, the growing number of guidelines and consulting services, reports of failed PMS implementations became more frequent after the turn of the millennium. The actual failure rate cannot be conclusively determined; the information in the literature about PMS initiatives that did not achieve their goals varies between 20-70 per cent (cf. Bourne, Neely, Platts, & Mills, 2002; McCunn, 1998).

Looking at the reasons for failure, researchers primarily identified ‘technical’ (i.e., methodological) reasons as causes for failure of PMS implementation. Few focused their attention on the core element of any organisation: the people; and how they feel about being measured. Although there is an intensive examination of employee behaviour from a wide variety of research fields, such as human resources, work and organisational psychology or motivation research, to name but a few, research so far relied primarily on cognitive, motivational and social psychology (Birnberg, Luft, & Shields, 2006). In general, the potential role of emotions has been given insufficient attention in management sciences (Hall, 2016) and especially the relationship between performance measurement and emotions is not well understood. Thus, this study examines which aspects of performance measurement are related to positive emotions, how to avoid negative emotions and what implications for practitioners arise.

Using a phenomenological approach based on Husserl’s transcendental descriptive phenomenology I conducted interviews with 11 employees from low-level to middle management of a medium-sized organization that experienced an onerous and unsatisfactory implementation of a PMS to elicit their experiences and feelings regarding performance measurement.

The findings show that employees want a ‘fair’ process from goal setting through performance measurement to performance evaluation. In their eyes, fairness is achieved, among other things, by agreeing on ambitious but achievable goals that are also adjusted accordingly in the event of unforeseeable changes in general conditions, that performance measurement is transparent and comprehensible, and that performance evaluation is carried out in an unbiased and consistent manner. The behaviour of supervisors, their interaction with employees and their communication skills as well as organizational culture also have a decisive influence on the perception of fairness.

An important finding is that there are three different categories of relationships between characteristics of performance measurement and emotions. The first category of aspects is not able to evoke positive emotions. This is because these attributes are implicitly assumed by employees. Only their non-fulfilment leads to negative emotions. The second category of attributes scales according to their degree of fulfilment, i.e., low fulfilment tends to generate negative emotions, while higher degrees of fulfilment generate positive emotions. The third category does not lead to negative emotions in the case of non-fulfilment, but to over-proportionally positive emotions even in the case of low fulfilment.

These findings indicate that practitioners should focus on the attributes that scale proportionally to their level of fulfilment, as employees pay particular attention to these. Furthermore, it is worthwhile to invest in the aspects that have a high impact even with a low degree of fulfilment. However, the presupposed features should not be neglected, as they can undo all efforts if they are not fulfilled.

1 Introduction

"If you can't measure it, you can't improve it."

If you study economics, or work in quality management like I do, it's pretty much impossible not to encounter this phrase at some point. It suggests that key performance indicators are inevitable if you want to capture, understand and control a process. However, the last 20 years have shown that the introduction of KPIs alone does not necessarily lead to an improvement in the overall situation. This is because it is often forgotten that the organization that is to be measured, evaluated and managed with them is basically made up of people. And people possess something that many theories tend to overlook: Emotions.

In this chapter I will describe my motivation for this research, introduce the reader to the topic of this thesis including its limitations, state the scientific relevance of my work and provide a brief summary of the research design.

1.1 Background

In recent years, organisations have invested growing expenditures of money and resources into measuring their performance. Researchers reported the following information on expenditures to measure performance:

- An average company having sales of $1 billion spends more than 25,000 person-days per year for planning and measuring performance (Micheli & Manzoni, 2010).
- Following the introduction of New Public Management reforms in the 1990s, UK government departments estimated that they spent more than £150 million per year solely for tracking progress on national targets (Micheli & Manzoni, 2010). This estimate does not include the up-front costs of gathering, analysing, and reporting data.

For organisations operating in today's fast-paced environments characterised by uncertainty and complexity, these significant expenditures represent only one of the challenges associated with realising the expected benefits of performance measurement systems (PMS). Companies face challenges that include rapidly developing technologies, globalisation, and dismantling of trade barriers that necessitate changes in performance measurement and management (PMM) practices (Bititci, Garengo, Dörfler, & Nudurupati, 2012).

Even though there has been general agreement regarding the need for performance measurement systems (PMS), there is no such consensus on whether PMS initiatives produce the intended benefits. Ittner and Larcker (2003) argued that few companies realize the benefits of PMS because they fail to identify, analyse and act on the

appropriate nonfinancial measures. Their research on more than 60 manufacturing and service companies showed that failures were caused by companies that adopted standard versions of measurement frameworks such as the Balanced Scorecard (BSC) and in the following failed to link their measures to their overall strategy or to validate the links between strategy and measures (Ittner & Larcker, 2003).

Various studies have presented findings explaining why so many organisations fail to achieve desired results using PMS. Some organisations have found the costs of a system that tracks a large number of financial and non-financial measures can exceed the benefits (Ittner & Larcker, 2000). In addition, a larger number of performance measures often requires substantial investment in information systems to incorporate data from multiple and sometimes incompatible databases (Ittner & Larcker, 2000). Another factor contributing to unsuccessful PMSs is the limitation that, unlike accounting measures, non-financial data can be measured in multiple ways. These variations make evaluating performance or making trade-offs between attributes difficult when some are measured in time, others in quantities or percentages, while still others are measured in arbitrary ways (Ittner & Larcker, 2000). Gomes and Romão noted the limitation that both Total Quality Management (TQM) and BSC require the support of top management if the tools are to succeed in contributing to organisational success (Gomes & Romão, 2014). Maltz, Shenhar, and Reilly presumed that the greatest limitation of the BSC is its lack of focus on the human resources dimension of organisations (Maltz, Shenhar, & Reilly, 2003).

Still, there are more reasons why PMS may fail. Pekkola and Ukko discussed the importance of inter-organisational cooperation seeking to optimise supply chains and to succeed in globalised, complex markets (Pekkola & Ukko, 2016). They pointed to a lack of trust and commitment as a key reason contributing to design challenges of network level PMS. Chow and van der Stede (2006) noted that PMSs which traditionally focused on the use of financial measures promote dysfunctional gaming behaviours.

In addition, PMS has been criticised for contributing to organisational paralysis and inertia, which can result in significant problems for companies operating in dynamic environments (Micheli & Manzoni, 2010). Giovannoni and Maraghini (2013) also explored the challenges of integrated PMS that form a part of wider management control systems. They found that critical issues surfaced during the implementation phase related to the process of translating performance measures into a coherent set of targets (Giovannoni & Maraghini, 2013).

Even though management control practices require forward-looking measures, that highlight the long-term and are linked to cause-effect relationships, PMSs do not always achieve these outcomes (Silvi et al., 2015). Further, increased competition intensifies the need for measuring quality, service attributes, flexibility, customization, and innovation based on frameworks such as TQM, flexible manufacturing, and lean management. When these challenges go unmet, PMS initiatives can fail (Silvi et al., 2015).

The prevailing sentiment of these studies is that 'technical' deficiencies (i.e., inappropriate measures, mismatch between strategy and measures, etc.) impede the successful implementation of PMS. This point of view is in line with a functionalist approach looking for rational explanations of social (and thus organisational) behaviour (Burrell & Morgan, 1979a). Although functionalism has been the dominant framework for organisational study in the past, it has received criticism for many of its aspects (Burrell & Morgan, 1979a). Especially its deterministic view of individual behaviour seems to limit the attention given to effects of individual psychology in most of the studies on PMS failure.

At least Ittner and Larcker (2000) realised that developing a PMS is hampered by the time and expense of selling the system to sceptical employees who are accustomed to working under existing rules. Another study recognized that the implementation of a PMS redistributes access to information, which may be perceived as threatening for senior managers who find their power bases changed. When this happens, it results in creating opposition to performance measurement (Bourne et al., 2000).

But the research on the relationship between performance measurement and its psychological impacts, especially the emotional responses, remains scarce (Franco-Santos et al., 2012). Franco-Santos et al. (2012) reviewed 76 empirical studies concluding that performance measurement does affect the behaviour of people in a number of ways. But the theories used in these studies did not try to explain the mechanisms influencing people's behaviour, they only explained the overall impact on the organisations' performance. Just few recent studies found that cognitive and motivational mechanisms mediate the relation between performance measurement and managerial performance, focusing on effects of role ambiguity[1] and psychological empowerment[2] at managerial levels (Burney et al., 2009; Hall, 2008; Marginson & Ogden, 2005). Lower-level managers and employees have so far been neglected. However, it is their willingness and commitment to get involved with new organisational and managerial capabilities, such as performance measurement, that decides on the success or failure of PMS implementation. Especially in SME there are little resources for subsequent corrections.

Although psychological approaches to study management practices date at least back to Argyris (Argyris, 1953), they rely primarily on cognitive, motivational and social psychology (Birnberg et al., 2006). Hall suggests utilising psychology theory in new ways.

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[1] Role ambiguity describes a lack of clarity about obligations, responsibilities and expected behaviour from a job or position. Role ambiguity is considered to be one of the major triggers of occupational stress.

[2] Psychological empowerment is defined as *"intrinsic task motivation reflecting a sense of self-control in relation to one's work and an active involvement with one's work role"* (Seibert et al., 2011, p. 981).

He points out that the potential role of emotions has been given insufficient attention in management sciences (Hall, 2016). Regarding the aspect of emotions in management practices, research has so far focussed on budgeting, indicating that emotional states and management accounting practices interact; on the positive as well as on the negative (Argyris, 1953; Hopwood, 1973; Marginson & Ogden, 2005). So far, attention has primarily been placed on negative effects (Fredrickson, 1998), although positive emotions open up a wide area of potentially beneficial studies. Fredrickson, for example, states that positive emotions broaden people's thought–action repertoires and promote their physical, intellectual, social and psychological resources (Fredrickson, 2001). Organisations should therefore strive to generate (at least some) positive responses when implementing new organisational capabilities such as performance measurement systems (PMS).

This raises the question of how performance measurement and employee emotions influence each other, since a PMS can make individual performance transparent and open to adjudication. On the other hand, performance measurement may produce positive emotions that would foster creativity, exploration and striving (Fredrickson, 2001), which could favour the development of new organisational and managerial dimensions.

1.2 Scope

This study examines which aspects of performance measurement are related to positive emotions, how to avoid negative emotions and what implications for practitioners arise. Therefore, interviews will be conducted in a medium-sized company located in Germany operating in the industrial and mechanical engineering sector.

The company had enjoyed a successful period of growth since its founding, but in recent years economic development had turned to stagnation. The realization set in that no further growth was possible by simply adding resources such as people or machines. An organizational transformation was necessary, from the owner-managed entrepreneurship to a professionally managed company. One aspect of this was the introduction of a system of performance indicators with which the management of the company was to be realized professionally.

The company's top management focused very much on the technical and strategic aspects when introducing the KPI system. The implementation was ordered, the information in advance was rather sparse, so that rumours and hearsay determined the opinion picture. Accordingly, employees were very reluctant and biased towards the KPI system. As a result, the goals set with the introduction of the KPI system were not achieved.

In this context, I will try to identify what elements of performance measurement elicit positive or negative emotions in employees when they are confronted with the fact that

their work performance is to be measured and evaluated either directly via personal metrics or indirectly via team results.

In addition, I will examine if aspects of PMS that are usually perceived negatively can also lead to positive emotional reactions. Finally, the answers on the first two aspects are to provide guidelines to help professionals facing the introduction of PMS to minimize negative emotional reactions and maximize the beneficial effects of positive emotions.

The results of my study will be shaped by the negative experiences of my interview partners from the failed implementation of the KPI system. Even though the results will not be transferable one-to-one to other companies or situations, I expect to gain valuable insights into which aspects of the implementation of a KPI system lead to positive or negative emotional reactions.

1.3 Theoretical and practical relevance of the research

While the planning, control and evaluation aspects of performance measurement within management frameworks such as the Balanced Scorecard (BSC) and Total Quality Management (TQM) are well researched and documented, the often-stated phrase that *"it is widely accepted that performance measures influence behaviour"* (Neely, 1999, p. 211) seems to be based on the observation of change in organizational performance. Evidence of an in-depth understanding of the influence of performance measurement on individual behaviour is scarce; Franco-Santos et al. reviewed 76 empirical studies concluding that performance measurement does affect the behaviour of people in a number of ways. In fact, they identified 11 different types of consequences for people's behaviour. However, the theories used in these studies merely tried to explain the mechanisms that influence people's behaviour, but the overall impact on the organizations' performance (Franco-Santos et al., 2012).

Just a few recent studies found that cognitive and motivational mechanisms mediate the relation between performance measurement and managerial performance (Hall, 2008; Burney et al., 2009). Facilitating the change of mental models seems to be another effect of performance measurement on individual behaviour (Hall, 2011).

Although psychology theory used to study management practices at least back to Argyris (1953), Hall suggests to utilise psychology theory in new ways. In detail he points out that beyond cognitive, motivating and social aspects, the potential role of emotions has been given insufficient attention (Hall, 2016). Regarding the aspect of emotions in management practices, research has so far focussed on budgeting, indicating that emotional states and management accounting practices interact; on the positive as well as on the negative (Argyris, 1953; Hopwood, 1973; Marginson & Ogden, 2005). Fredrickson, for example, states that positive emotions broaden people's thought–

action repertoires and promote their physical, intellectual, social and psychological resources (Fredrickson, 2001).

This raises the question how performance measurement and employee emotions influence each other, since a performance measurement system can make individual performance transparent and open to adjudication. On the other hand, performance measurement may produce positive emotions that would foster creativity, exploration and striving (Fredrickson, 2001), which could favour the development of the organizational and managerial dimensions mentioned in the beginning.

Since I could not find a satisfactory answer to this question during my literature research (cf. chapter 3), the first research question that I want to answer with this thesis addresses these interrelationships:

> What elements (e.g., transparency, appraisal etc.) of performance measurement generate positive or negative emotional responses in employees?

Researchers in the field of organisational behaviour have found that negative emotions can have a counterproductive effect on job performance (cf. chapter 3.2). In connection with PMM, negative emotions can arise when key performance indicators are relevant to pay. The second research question therefore focuses on how negative emotions can be avoided when dealing with PMM:

> What are the necessary conditions that negatively connoted elements of PMS result in positive emotional responses?

The questions aim to understand the different emotional responses people show in the context of performance measurement and how to maximise positive responses. Finally, with the answer to the third research question, I try to give the user a guide to minimise the detrimental effects of negative emotions and maximise the beneficial effects of positive emotions:

> What would be a framework for managerial practice to maximise positive emotional responses during PMS implementation.

The results of this work will help to broaden the understanding of the influence of human emotions in the implementation of performance measurement systems. The greatest contribution will therefore be to the existing literature on performance measurement, which has been dominated by technical perspectives in the past. However, other areas of research, such as organizational behaviour and positive psychology, are also complemented by the results of empirical research.

1.4 Brief description of the research design

Using a phenomenological approach based on Husserl's transcendental descriptive phenomenology I will conduct interviews with employees of a medium-sized organization that experienced an onerous and unsatisfactory implementation of a PMS to elicit their experiences and feelings regarding performance measurement. By capturing lifeworld experiences, I seek to uncover 'common essences' or the 'essential structure' of the relationships between PMS and positive emotional responses.

The interviews will be transcribed verbatim and analysed looking for significant statements. The significant statements will be coded and condensed into overarching themes. This process is repeated until no further themes emerge, i.e., saturation is achieved. Next, textual descriptions of 'What' occurred will be created through rewriting the interviews based on the identified themes. These narratives are taken back to the interviewees for validity checking. Further reduction through imaginative variation results in structural descriptions providing vivid accounts of the underlying dynamics of the experiences of the participants. Finally, the textual and structural descriptions of the experiences are combined into a composite description of the phenomenon through 'intuitive integration' (Moustakas, 1994).

1.5 Dissertation outline

Following this introduction, I will introduce the practical environment of the study to the reader in Chapter 2. It is important for the reader to understand the context in which this study was conducted, as this is qualitative research. Qualitative research does not attempt to uncover universal truths. Qualitative research assumes that people ultimately act based on subjective meanings that things in their environment and the behaviour of those around them have for them. Therefore, in order to decide whether the results of this study can be applied to other situations, knowledge of the context is of great importance.

In chapter 3, I will examine in depth the existing literature on the topic of performance measurement on the one hand and on the research area of organizational behaviour on the other. The former shows the historical development of performance indicators from commerce and banking via the industrial revolution to the equal use of non-financial indicators, while the latter describes the evolution of various theories on the behaviour of individuals in an organizational context. An understanding of both topics is necessary to comprehend the interactions between performance metrics and the emotional responses associated with them.

Chapter 4 explains the research methodology underlying this thesis. Starting with the problem under study and the related research questions, I moved along a golden thread that helped me identify my own ontological and epistemological viewpoints and create a valid research design based on them.

In chapter 0, I present the results of my work and the interviews I conducted. The conclusion is the composite description presenting the condensed essence of the common experiences of the participants of this study as the final step in the phenomenological analysis.

The discussion of the results in chapter 6 shows that the relationships between individual aspects of a PMS and the emotional reactions it evokes can be divided into different categories using a method that is widely used in quality management.

Chapter 7 then summarizes the key findings and the insights derived from them for both practitioners and researchers.

2 Industry, practice organisation

A central feature of qualitative research is the definition of the context in which the investigated phenomenon occurs, and therefore contextualisation becomes a key standard by which qualitative studies are judged (Shenton, 2004). Context is more than the background against which phenomena emerge - it is the environment that interacts with the phenomena and influences them directly or indirectly. However, this raises the methodological question of whether the analysis of individual situations can provide insights for other situations. An issue that has its parallel in the question of the transferability of results in quantitative research.

There are discussions among researchers about who is responsible for the comparability of qualitative studies. Shenton (2004) for example argues, that it is not the responsibility of the researcher to address comparability or transferability of qualitative research findings as the researcher only sets up the 'sending context'. By considering the 'receiving context', the reader has to decide how much of the research findings can be applied to his/her studies.

In order to understand the specific settings – the context – in which this study was conducted and thus enable the reader to form his own opinion, this chapter will introduce the practical environment of the study.

2.1 The specific case: Implementation of a PMS in a SME

The starting point of this study were the efforts and activities of a medium-sized company located in Germany to improve its performance and results in order to grow and gain market share. The family-run company sees itself as a technology leader for innovative solutions in the industrial and mechanical engineering sector. Around 250 employees produce components for the film, paper, printing and packaging industries at the production site in East Westphalia, which are sold exclusively in business-to-business (B2B) markets. The company sees itself as an expert in lightweight components made of fibre composites and functional surfaces made of a wide variety of materials.

After an era of economic success and growth, triggered by new, innovative products, a phase of stagnation and decline began. On the one hand, this was certainly due to the decline of the global economy in 2009, but on the other hand, competition had gained ground and was able to offer comparable solutions at lower prices. Since there were no new, ground-breaking innovations, the technological lead over the competitors was reduced. Finally, the organisational development did not seem to have been in line with the economic growth, as the company showed signs of organisational distress, such as

- employees reported that they spend too much time 'putting out fires',
- people were not aware of what others are doing,
- meetings were regarded as a waste of time,

- plans were seldom made and hardly ever followed upon, so things were not getting done etc.

Flamholtz refers to these symptoms as "*transition pains"* (Flamholtz, 1995, p. 40) or in a later work as "*growing pains"* (Flamholtz & Hua, 2002, p. 527), which draws an analogy to human growth[3].

The analogy of human growth is a key characteristic of stage models of economic growth, which is the dominant framework in economics research for explaining SME growth (O'Farrell & Hitchens, 1988, p. 1370). The bottom line is that in the lifecycle of an organisation it passes different stages of evolution (Greiner, 1972, p. 38; McGuire, 1963, pp. 12–14). Like humans it develops from a new venture through to adolescence to adulthood. If it follows this development it grows in size, revenue, number of employees etc. And just like growing children needing to learn new skills, a growing company needs to adapt to new situations, acquire new skills and develop itself to the next level. Looking at recent statistics on entrepreneurship (OECD, 2022) it becomes clear that some organisations are good at mastering this process, some experience minor or even major problems and some fail on their way. Especially the first years are problematic: the five-year survival rate of companies was usually less than 50% in the last decade (Eurostat, 2022).

To make matters worse in the last two years, the COVID-19 pandemic with the temporary closure of some sectors of the economy and the outbreak of the Ukraine war with the resulting energy problems have significantly disrupted the business environment, making many reluctant to start new businesses while existing ones struggled to survive. In 2020, the EU's business economy consisted of more than 26 million active enterprises employing around 131 million people, representing a decrease in employment of almost 2.4 million, or 1.8% compared to 2019 (European Commission, 2022; Eurostat, 2022). Such uncertain times increase the challenges SMEs face in their pursuit of development and growth.

Apart from pursuing continuous growth the management of a company may deliberately decide to stay at a certain level (Churchill & Lewis, 1983, p. 44) although in most cases growth is a desired goal because it seems profitable (McGuire, 1963, p. 16). But when the transition from one stage of development in the life cycle to the next is not completed successfully symptoms of difficulty and even decline may occur: 'growing pains' as mentioned above (Flamholtz, 1995, p. 40).

[3] Actually, Newman and Logan coined the term 'growing pains' in 1955 (Newman and Logan, 1955, p. 124)

Although the sheer number of stage models published throughout the past five decades[4] reflects high interest in this approach to explain growth and predict obstacles on the way, there has also been substantial criticism. Comprehensive reviews of the existing literature, for instance by O'Farrell and Hitchens (O'Farrell & Hitchens, 1988) as well as Levie and Lichtenstein (Levie & Lichtenstein, 2010), list the following shortcomings:

- A generally accepted definition of the term 'stage' does not exist.
- There is no agreement on the number of stages.
- Most models base on an organismic view which implies a sequential growth imperative.
- No empirical evidence is given that organisations follow the same growth patterns.
- Stage models and life-cycle theory tend to assume their own validity, rather than to prove it through scientific rigor.

Given the criticized disadvantages and the lack of empirical support, the question is what makes stage models so attractive. One reason seems to be the intuitive appeal of the stages approach (Stubbart & Smalley, 1999, p. 273). For instance, all of 347 responding managers of a survey were able to locate their organisation in one of the given stages (Eggers, Leahy, & Churchill, 1994). Another reason may be the sense of security in an uncertain business world that is provided through the pre-determination of organismic development (Bhide, 2000). Even Levie and Lichtenstein would not discard the stages approach since they acknowledge the empirical proof that businesses tend to operate in some definable state for some period of time. And they admit even further:

"Within a specific range of conditions, including industry and market dynamics, these states and their changes may be fairly consistent, albeit not necessarily predictable across firms." (Levie & Lichtenstein, 2010, p. 333)

Regardless of the scientific discourse on the rigor and validity of the concept of stage models, the company in which this study was carried out had undergone a development that fitted the first stages of the seven-stage model of Flamholtz (Flamholtz, 1986). The seven stages are:

[4] For example, Lippitt and Schmidt (1967), Greiner (1972), Normann (1977), Adizes (1979), Galbraith (1982), Churchill and Lewis (1983), Kazanjian (1983), Quinn and Cameron (1983), Scott and Bruce (1987), Flamholtz (1990), Dodge and Robbins (1992)

I. New venture
II. Expansion
III. Professionalization
IV. Consolidation
V. Diversification
VI. Integration
VII. Decline and revitalization

The first four stages characterize the development of an entrepreneurship to a professionally managed company, while the stages V to VII deal with the company's life cycle after attaining organisational maturity (Flamholtz & Randle, 2007).

Flamholtz (1986) also identified six organisational development areas that he considers critical in determining whether an organisation will be successful at mastering any particular stage of growth. From these six organisational development areas Flamholtz (1986) formed the *"Pyramid of Organisational Development"*, pictured in Figure 1.

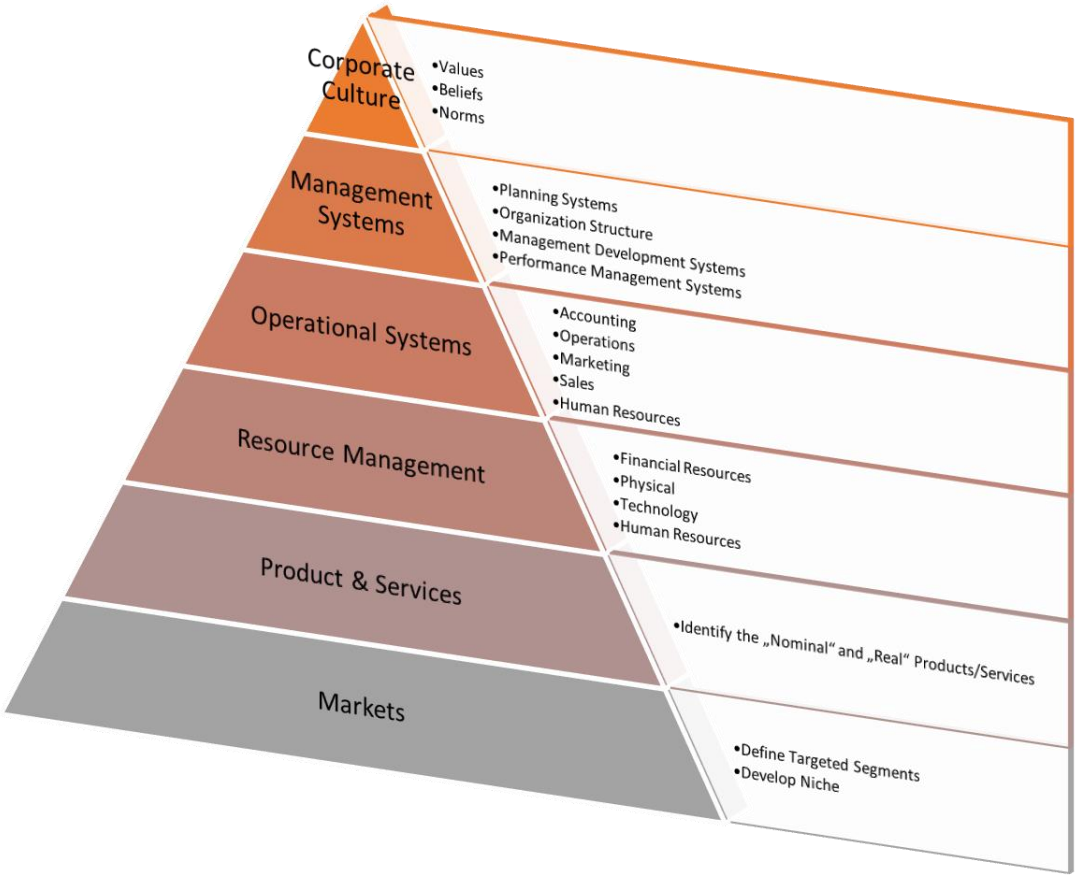

Figure 1: Pyramid of Organisational Development

Reprinted from "Strategic Organisational Development and the Bottom Line: Further Empirical Evidence" by E. G. Flamholtz, W. Hua, 2002, *European Management Journal, 20(1),* p. 75. Copyright 2002 by European Management Journal.

Flamholtz then assigned the organisational development areas to certain stages; i.e., in his opinion companies should address specific organisational issues at each stage within their growth process. He also specified ranges of annual sales revenues that are typical[5] for manufacturing companies at each stage – shown in Table 1.

Stage	Description	Critical Development Areas	Approximate Annual Sales Revenue
I.	New venture	Markets and products/services	Less than $1M
II.	Expansion	Resources and operational systems	$1M to $10M
III.	Professionalization	Management systems	$10M to $100M
IV.	Consolidation	Corporate culture	$100M to $500M

Table 1: Stages of Organisational Growth

Adapted from *Growing pains: Transitioning from an entrepreneurship to a professionally managed firm (4th ed.)* (p. 27) by E. G. Flamholtz, Y. Randle, 2007, San Francisco: Jossey-Bass.

The situation of the company in which this study was conducted was indeed one that corresponded to Flamholtz's description of stage III (Professionalization). So far, the company had passed the first two stages successfully. But then it had entered a phase of stagnation and showed serious signs of 'growing pains'. Flamholtz proposes that at a certain point during expansion, senior management realizes that simply adding more resources (people, equipment etc.) is not sufficient to ensure further growth. Up to this point, the company has operated with mostly informal processes – it has been driven by entrepreneurial spirit. But now, due to the size of the organisation, it requires more formal processes – strategic planning, defined organisational roles and responsibilities as well as performance management systems (Flamholtz & Randle, 2007).

"It is at this stage that the organisation must make a transition from an entrepreneurship to a professionally managed firm. This means that the organisation, while still maintaining its entrepreneurial spirit, will also need to develop the infrastructure and professional management capabilities required to continue its growth successfully." (Flamholtz & Randle, 2007, p. 34)

[5] Flamholtz explicitly emphasizes that these are typical values which, according to his experience, apply to 90% of the companies. In individual cases, considerable upward or downward deviations may occur (Flamholtz and Randle, 2007).

Even though the top management of this particular company did not know the details of Flamholtz's statements, they were aware of the need for organisational changes. In particular, they saw the need to professionalise the way the company was managed and controlled by introducing management systems similar to those of large companies. Thus, they launched a number of strategic initiatives that included the implementation of a performance measurement system - exactly as required by Flamholtz in this stage of organisational development.

With the implementation of a PMS top management intended to continuously identify, measure and develop the performance of the employees and thus the organisation. In particular, it was intended to achieve four major objectives:

1. Setting and defining goals to fulfil organisational objectives
2. Ensure awareness of what constitutes high performance
3. Identifying and improving subpar processes and bottlenecks
4. Enhance employee motivation and commitment by feedback and recognition

For this purpose, key performance indicators were to be implemented at team level, which sought to capture the throughput time (t_{tp} on company level and t_i on team level, see Figure 2), the total number of processed orders per month as well as adherence to delivery dates (confirmed delivery date versus actual delivery date). These indicators were chosen because top management of the company was concerned about the processing time of customer queries, delivery reliability and total handling time of customer orders (i.e., time between customer query and delivery) as an indicator of overall productivity.

Since the company was using an enterprise resource planning (ERP) system to manage customer orders across the entire value chain from order entry through production to delivery, it was decided to implement and monitor milestones for each core process[6].

[6] Core processes add value to a product or service a company is producing or offering. In 1985, when Michael Porter introduced the concept of the value chain, he differentiated organisational processes into core processes, that generate products or services, and support processes, that do not add value but are necessary for the core process to function (Porter, 1985). Today, business processes are typically categorized into three types: core processes generate products or services, support processes are enabling processes designed to assist the value-delivering core processes by providing resources and infrastructure (e.g., human resources) and finally management processes are designed to plan, measure, monitor and control business activities (e.g. strategic planning) (von Rosing, et al., 2014).

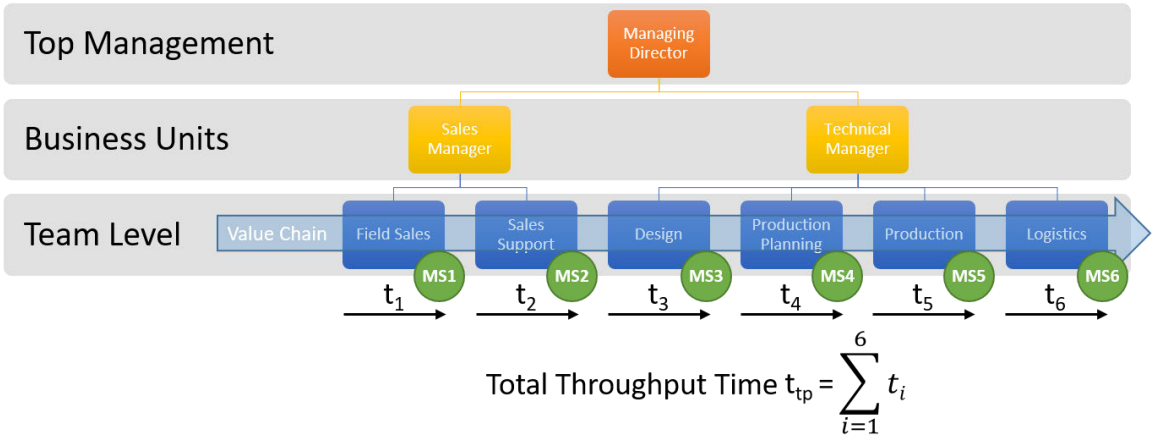

Figure 2: Organisation Chart & Value Chain

The milestones represent the point in time at which an organisational unit has completed its tasks in the course of order processing and passes the order on to the next organisational unit. For the field sales, this is achieved when all relevant information and customer requirements have been collected (MS1). Then sales service enters all necessary data into the ERP system, calculates prices and determines a delivery date based on the current workload (MS2). After that the design department creates the required drawings and parts lists (MS3). Production planning then determines the necessary production steps and triggers any necessary orders for raw materials and purchased parts (MS4). When all necessary materials are available, the production department produces the desired product according to the production control plan (MS5). Finally, the logistics department delivers the finished product to the customer. Milestone 6 is reached when the customer has received the ordered product. It must be mentioned that this is not always a strictly linear process – iterations may occur, especially throughout the first three process steps.

The performance measurement/management literature contains numerous suggestions and recommendations on how PMS should be implemented. For example, Aguinis (2013) proposes an approach that pays respect to employee concerns, supervisor training and system testing in order to improve the success of the system. The approach includes six dedicated steps to implement a Performance Management System (Aguinis, 2013):

1. Preparation
2. Communication
3. Appeals Process
4. Training Programs
5. Pilot Testing
6. Ongoing Monitoring and Evaluation

The first step, preparation, includes choosing the right performance measures that support the overall strategic goals, setting up a communication plan to attain employee acceptance as well as creating an opportunity for employees to articulate their concerns and appeals, scheduling a training program for the managers of the different hierarchical levels on how to interpret the results and what action to take and finally planning a testing phase as well as preparing to continuously monitor and evaluate the PMS. With a good communication strategy, the company management then clarifies the goals and contents of PMS, how it fits with the organisational strategy, what the tangible benefits for all parties are, how the system works and what the various steps in the process are. After the information is provided, giving employees the opportunity to ask questions and raise objections as well as offering a dispute resolution process reduces psychological barriers and increases the overall acceptance of PMS. Rater training programs instruct supervisors in the evaluation and interpretation of key performance indicators and teach them the skills to guide their personnel using these metrics. Pilot testing with a select group of people provides feedback on any possible problems and on how to improve the system. Finally, after system implementation, ongoing monitoring and evaluation on one hand demonstrates the value of the performance management system and on the other hand provides valuable information for improvements (Aguinis, 2013).

The top management of this particular company, which had no experience in introducing a PMS, chose a more direct, technocratic path. They did not plan to disseminate information on the performance management system widely within the organisation in order to create greater employee acceptance and satisfaction. Instead, top management informed the business unit managers about their plans and agreed target figures for the individual performance measures with them. The business unit managers were then instructed to pass on the information on the introduction of the PMS, including the agreed targets, along the company hierarchy to their subordinates. This led to an inconsistent level of information about the PMS, its overall strategic goal and how measures were to be taken and assessed, among the individual employees, as parts of the message were lost or changed by the recipient's own interpretation each time it was passed on. The diffuse information situation again led to speculation among employees and even before the first measures were collected, hearsay dominated over facts. Moreover, the employees were not given the opportunity to voice their objections, nor were such concerns taken into account. Only in the information meetings with their respective superiors could employees ask questions or raise objections, but these were not passed on. Finally, the supervisors did not receive any special training on how to interpret and communicate the indicators and which measures should be derived from them.

This approach, which tended to follow the military principle of command and obedience, resulted in employees being rather sceptical and reserved about the strategic initiative

to introduce a performance measurement system to manage corporate performance. Discussions began about the reliability and accuracy of the metrics collected. The entire methodology was questioned as unsuitable for the specific processes of the company. When negative deviations from the set targets were addressed, more time was spent on finding excuses and explanations or passing the blame on others than on in-depth analysis of the causes and constructive solution finding. It soon became apparent that the introduction of the PMS had not achieved the desired results. Neither the processing times for customer orders were reduced nor the delivery reliability improved. Regarding internal aspects, neither were any approaches for improving process flows identified nor the motivation and focus of the employees increased. In retrospect, this initiative joins the ranks of failed implementations of performance measurement/management systems (cf. chapter 3.1.4).

Looking back, the following mistakes can be identified that were made by the company's top management during the implementation of the PMS:

1. Insufficient information about the intentions and goals to be achieved through the implementation of a PMS and the fact that employees were left in uncertainty about what the performance measures meant for them personally led to wild speculation and a negative underlying sentiment.
2. The employees were not involved in the processes, neither in the selection of the performance measures nor during the implementation phase. As a result, they felt excluded and in connection with the insufficient information it became almost impossible to obtain employee commitment.
3. Line managers received no training in interpreting the key figures, drawing conclusions and how to give constructive feedback. As a result, the feedback within the company was inconsistent and the way it was given depended solely on the personality and the given soft skills of the respective manager.
4. The introduction of PMS happened practically overnight and throughout the company. As a result, it was hardly possible to react appropriately to the many requests from employees and to correct minor deficiencies in a timely manner.

The mistakes listed above can also be subsumed under the heading 'hurried implementation'. SMEs are known for their flat hierarchies, flexibility and decision-making ability, but a more careful, structured approach would have provided more success. In order to clarify whether this is only an individual case or a general problem of SMEs, the next section examines the differences between SME and large enterprises regarding organisational capabilities, especially when launching strategic initiatives to promote organisational development (e.g., implementing quality management or performance measurement systems).

2.2 The general case: SMEs and Organisational Capabilities in Launching Strategic Initiatives

Small- and medium-sized enterprises (SMEs) account for a majority of the world's business organisations, consisting of businesses that meet consumer needs for everything from food service to transportation. Although some SMEs grow into larger enterprises or achieve great measures of success even while remaining smaller in size, others fail to launch strategic initiatives to promote organisational development in the same way that larger enterprises do. To understand how the unique characteristics of SMEs, which have both benefits and drawbacks, often contribute to their failure, this section focuses on the differences between these smaller enterprises and larger ones in terms of strategic alignment, investment in the improvement of management skills, and organisational structure. Each of these aspects is critical to the success of the launch of strategic initiatives, yet each can commonly be found lacking in comparison to their larger business counterparts.

Some common characteristics of modern SMEs contribute to their success in comparison to larger enterprises and contribute significantly to the successful launch of strategic initiatives, although others have often been found lacking in salient areas. For instance, Hudson et. al (1999) note that *"SMEs have a good understanding of financial measurement, and are moving towards customer focused measures. However, these measures typically lack strategic alignment and many may be questioned in regard of their value for business improvement"* (Hudson et al., 1999, p. 219). Street et al. (2017) determined that while the importance of SMEs to the global economy are significant because they make up such a majority of businesses, a lack of study exists in strategic alignment research for these businesses, which have *"unique characteristics [that] affect their ability to achieve and sustain alignment between their IS/IT [information systems and technology] strategy and their overall business strategy"* (Street et al., 2017, p. 420). Those unique characteristics can be categorized into three areas: size and resources, strategic planning and planning time horizons, and leadership/owner structures (Street et al., 2017). Each of these characteristics affect an SMEs strategic alignment capability.

Information technology (IT) productivity plays a significant role in the success of an SME. Jouirou and Kalika (2004) conducted research studying the relationship between SME enterprise strategy, IT strategy, organisational structure, and co-alignment to determine through a survey of 381 SMEs that *"there is a direct positive link between the strategic alignment and the organisational performance"* of these businesses (Jouirou & Kalika, 2004, p. 6). While access to IT and its strategic use has increased considerably in recent years for these businesses, relatively less sophisticated integration strategies often affect the productivity as a result of SMEs *"fewer financial resources, lower technical expertise, and poorer management skills"*, as well as the later start for these businesses in integrating IT into their business strategies has caused them to lag behind larger

companies (Jouirou & Kalika, 2004, p. 1). To address this, Jouirou and Kalika (2004) determined that SMEs launching strategic initiatives should *"align its adopted technology to its internal organisation strategy and structure"* and *"analyse the organisational impact of the adopting of technologies"* (p. 6). Knowledge management (KM), which is achieved through the use of IT, is instrumental to improving the performance as an SME grows and experiences hardships, since *"competitive dilemmas may be solved by the implementation of KM to enhance competitiveness"* (Wang & Yang, 2016, p. 79). It is often the failure to do so that contributes to the lack of success in launching strategic initiatives for SMEs in modern times.

A second unique characteristic of SMEs that can lead to these failures is their management and leadership structures. Szczepanska-Woszczyna (2014) notes the importance for SMEs in investing in managerial training, since *"it is the management staff who are responsible for developing a corporate strategy"* (p. 1), and says that it is the lack of this training that often leads these businesses to unsuccessful strategic initiatives. Oluwu and Aliyu (2015) found in a study of SMEs in the developing country of Nigeria that while *"management skills have significant impact on"* the performance of these small-scale businesses (SSBs), *"inadequate managerial skills are factors militating against SSBs performance"* (p. 109). A lack of investment in management training and program development contributed greatly to these outcomes (Oluwu and Aliyu, 2015). Similar results were found by Gibbons and O'Connor (2005) in their study of SMEs in Ireland, where more conservative firms that implemented incremental approaches tended to have more positive results than entrepreneurial firms with more formal strategic planning approaches, which was influenced significantly by the development of management training and program development strategies over time. Aragon-Sanchez and Sanchez-Marin (2005) found similar correlations between management skills and the success of an SME in Spain, where *"management can largely determine firm performance and business efficiency"* (p. 287). An investment in management training can greatly influence the success of a strategic initiative for these businesses.

A third and final characteristic of SMEs that deserves focus within this discussion due to their importance to these businesses' success is their unique organisational structure. Organisational structure is defined by Messeghem (2003) as *"the division of labour into tasks and the coordination between the latter"* (p. 198). Garengo and Bernardi (2007) propose that *"a lack of organisational capabilities is one of the main factors limiting development in SMEs"* as they *"dedicate most of their attention to operational and technological aspects neglecting organisational and managerial problems"* (p. 529). Farias Shiraishi and Barbosa (2015) state that *"one of the biggest challenges faced by small and medium enterprises (SMEs) concerns the capacity of the entrepreneur to formulate strategies within a formal organisational structure"* (p. 658) since too often an entrepreneur forms these strategies individually without allowing access to this knowledge by stakeholders. As a result, ideas that the entrepreneur used to launch the

business originally are lost to those who carry on the business after the founder has left or passed away (Farias Shiraishi & Barbosa, 2015). Although it is often this type of tacit knowledge that contributed to a successful business launch, the failure or inability to pass this information on to business partners, family, and other stakeholders leads to the failure of the business to grow in later years. Findings by Jones and Macpherson (2006) align with this conclusion, stating that *"owner-managers must distribute knowledge throughout the firm to achieve competitive benefits"* but often fail to do so (p. 155). Further, Jones and Macpherson note that this failure is also often seen because SMEs fail to open up to external organisations in order to access knowledge in the same way that larger enterprises do, which means *"ceding some control to enable customers, suppliers, or other knowledge providers to help institutionalize learning mechanisms within the firm"* (Jones & Macpherson, 2006, p. 155). The particular organisational structure of SMEs with a single owner/manager can also increase the negative effects of the previously mentioned characteristics. For instance, having a single or very small number of decision-makers means that an SME is less likely to invest in training new managers for the future as the business grows and opportunities within IT and KM may go unaddressed, as well.

"Primary decision maker(s) may not fully recognize or take advantage of the benefits from educating and involving others in key IT strategy decisions" although "the benefits that arise from sharing knowledge and responsibility for alignment decisions, which include creating an IT-aware culture and acknowledging informal structures, is a lesson from larger organisations that SMEs can use to their benefit" (Street et al., 2017, p. 434).

In many SMEs, one person or a very small number of business partners are solely responsible for planning, management, and the launch and implementation of strategic initiatives while failing to allow other stakeholders both within and outside the organisation to contribute to the growth of the business is a considerable drawback to what often contributes to their initial success.

Although some of the unique characteristics of SMEs contribute largely to their ultimate success, others inhibit the launch and desired success of strategic initiatives. While a lack of academic studies in strategic alignment research in relationship to SMEs exists, the unique characteristics explored in this section corroborate the hypothesis that the failure demonstrated in section 2.1 is not an isolated case.

2.3 Synopsis

From the aforementioned general characteristics of SME and the experience gained in the specific case, a set of factors can be deduced which are important in the implementation of a PMS. Some of these factors must be accepted as inevitable, as they are fundamental characteristics of SMEs, such as the size of the company and thereby its limited resources. Others may well be influenced, such as strategic planning, managerial

training and stakeholder involvement. But only by a very limited circle of people, namely the top management, which in SME often consists of only one person - the entrepreneur. Now, if top management does not pay attention to these aspects, middle management faces even greater challenges.

An understanding of which elements of performance measurement generate positive or negative emotional responses in employees and ideally a model of how to trigger positive emotions, is critical to the future success of this vitally important type of strategic initiatives.

3 Literature review

"If you can't measure it, you can't improve it."

A quote frequently attributed to well-known management scientist Peter Drucker. Actually, other sources indicate that Lord Kelvin coined the phrase much earlier. Whoever is to credit, this sentence has become one of the most utilised catchphrases in management literature.[7] Albeit there are other approaches (e.g., Johnson, 1992, Liker, 2004), many managers seem to have the idea that performance measures are the panacea for effective and efficient corporate management. This is the result of a centuries-long development of human economy, starting with agriculture, commerce and cumulating in modern industry. The historical outline and the presentation of selected concepts in chapter 3.1 illustrates this development. In particular, the more recent concepts show approaches to influencing human behaviour. On this background, lines of development can be identified. This is important for the course of this investigation in that the historical development can be used to draw conclusions about the reasons for the failure of PMS implementations.

As mentioned earlier, research on the relationship between performance measures and their psychological impacts on employees, especially emotional responses, is scarce (Franco-Santos et al., 2012). But emotions act as an interface that mediates between environmental input and behavioural output (Scherer, 1994), creating a direct link between an employee's reaction to performance measures. The coupling of emotion and behaviour is said to be stronger with negative emotions (Fossum & Barrett, 2000). Positive emotions have received less attention in research because they are less differentiated and are seldom associated with problems that need solutions (Fredrickson, 1998). Nevertheless, positive emotions are important because they broaden attention and foster the development of cognitive, physical, and social resources (Fredrickson, 2001), which in turn could favour the development of organisational and managerial capabilities. Positive emotions toward performance measures could thus prove to be beneficial during a PMS implementation. In order to

[7] In a lecture delivered at the Institution of Civil Engineers on May 3rd, 1883 William Thomson (aka Lord Kelvin) stated *"I often say that when you can measure what you are speaking about, and express it in numbers, you know something about it; but when you cannot measure it, when you cannot express it in numbers, your knowledge is of a meagre and unsatisfactory kind; it may be the beginning of knowledge, but you have scarcely, in your thoughts, advanced to the stage of science, whatever the matter may be."* (Thomson, 1889, p. 73) This turned into the aphorism *"If you can't measure it, you can't improve it."* (alternatively *"If you can't measure it, you can't manage it."*), which is often incorrectly attributed to Peter Drucker or occasionally to W. E. Deming.

present the current state of research I will review the literature on organisational behaviour with a specific focus on the role of positive behaviour in chapter 3.2.

In chapter 3.3 I will introduce organisational justice, a concept that emerged from the interviews I conducted throughout my work. During the analysis a pattern emerged that reminded me of a model that I was familiar with from my professional life – the Kano model. It is explained in chapter 3.4.

Finally in chapter 3.5, I will combine my findings from the fields of performance measurement and organisational behaviour. The synthesis will show the gaps that currently exist in our understanding of how performance measurement and employee emotions influence each other and how this interdependence could be used to unlock performance potentials.

3.1 Performance measurement

According to the Encyclopaedia Britannica, measurement is *"the process of associating numbers with physical quantities and phenomena"* (Britannica Group Inc., n.d.). It allows people to compare and classify things and is the foundation of science, commerce and engineering. Thus, measurement is probably as old as mankind itself. At least it traces back to the African Later Stone Age (LSA), where todays oldest known mathematical artefact, the Lebombo Bone dated to approximately 35.000 B.C., was used to measure intervals of time (Bogoshi et al., 1987). The oldest mathematical artefact found in Europe dates back to approximately 30.000 B.C. It is a wolf's bone with 57 notches, discovered in Czechoslovakia in 1937 (Flegg, 2002).

3.1.1 The origins of performance measurement

From an economical point of view, measuring is associated with the use of money and can be traced back to Mesopotamia, where writing was first invented around 3100 BC (Bright & Daniels, 1996), banking was developed between 3000-2000 BC (Davies, 2002), and throughout the reign of Hammurabi (1792 – 1750 BC), the first laws were issued to regulate banking operations, today known as the Code of Hammurabi (Davies, 2002).

Regarding the measurement of performance, individual performance appraisal is perhaps the level with the longest history. Since the concept of organisations was ambiguous in ancient times, performance measurement had to focus on individuals performing tasks within groups or societies. The first application of this practice has been documented for the Han Dynasty (206 BC – 220 AD) (Wright, 2002). The Chinese continued this practice, as the emperors of the Wei Dynasty (221-265 AD) were known for rating the performance of their family members that held official positions (Banner & Cooke, 1984, p. 328; Coens & Jenkins, 2002, p. 35). In this context the first criticism on performance appraisal systems emerged: Chinese philosopher Sin Yu criticised a rater employed by the Wei Dynasty *"the Imperial Rater of Nine Grades seldom rates men according to their merits, but always according to his likes and dislikes"* (Patten, 1977,

p. 352). Thus, we can assume that the discourse on performance measurement is as old as the method itself.

Looking at Europe, the documented use of performance measurement dates back to the 13th century. The Venetians evaluated the performance of their sailing expeditions by calculating the difference between the investment made by the ship owner and the money obtained by selling the goods brought back from the journey (Lebas, 1995). With the increasing complexity of business relationships, a more elaborate approach to evaluating outcomes arose. Consequently, this led to the double-entry bookkeeping system, as described by Luca Pacioli's: 'Summa de arithmetica, geometrica, proportioni et proportionalita' (Everything on arithmetic, geometry, proportions and proportionality), published in Venice in 1494[8] (Riahi-Belkaoui, 2012, p. 3).

The further development of performance measurement was driven by church, public service and military. For example, Whisler & Harper (1962) report that Ignatius Loyola established a procedure in the middle of the 16th century to formally rate members of the Jesuit Society. In 1648, the Irish newspaper Dublin Evening Post used a rating scale based upon personal qualities to rate legislators (Wiese & Buckley, 1998). And in 1813 U.S. Army General Lewis Cass submitted an evaluation of his subordinates to the US War Department (Banner & Cooke, 1984, p. 328; Wiese & Buckley, 1998). According to Furnham (2004), we can expect such procedures to be common practice throughout most Western Armies in the 19th century.

One of the first documented utilisations of performance measurement in industry is associated with Robert Owen in the early 1800s. At his cotton mills in Scotland, he hung coloured wooden cubes over each employee's workplace. Each side of the cubes displayed a different colour that related to a particular grade of performance: the darker the colour, the more badly the performance. At the end of the day, the employee's output was assessed and the corresponding side of the cube was turned towards the aisle, for everybody to see (George, 1968, p. 60). According to Heilbroner (1953), this practice had an impelling influence on subsequent behaviour.

3.1.2 The industrial age

So far, performance measurement had focussed on the individual. This changed with the dawn of the industrial age and the rise of bigger, more complex companies. Initially, measuring performance of or within organisations was closely linked to the emergence of controlling, especially the controlling of financial indicators. Again, governmental institutions were the propelling force, as in 1778 the United States Congress established

[8] Although the first known double-entry books date back to 1340 (Peragallo, 1938, p. 16), Pacioli is generally associated with the invention of double-entry bookkeeping (Riahi-Belkaoui, 2012, p. 3).

the official position of a Comptroller. One of the main duties of this position included the control of the national income and expenses (Jackson, 1948, p. 18).

The first documented position of a comptroller in a private company was created in 1880 by the Atchison, Topeka and Santa Fe Railway Company (Jackson, 1948, p. 16). Railroad companies were one of the backbones of the industrial revolution and became potent economic powers that needed elaborate management practices. By 1890, most U.S. railroad companies established some sort of financial controlling (Jackson, 1948, p. 8). Other industries followed soon after, for example General Electric Company in 1892 (Jackson, 1948, p. 17) and Carnegie Steel Company (Kaplan et al., 2012, p. 27).

3.1.3 The Evolution of Performance Management Systems

As shown above, performance measurement originated in banking, commerce and individual performance appraisal. Much later, along with the industrial revolution, financial controlling became an integral part of an organisation's management routines. During the early 1900s, as electricity facilitated new possibilities of mass production - nowadays referred to as industry 2.0 (Kagermann et al., 2012, pp. 13–14) - the purpose of performance measurement was productivity management (Bititci et al., 2012, p. 311).

A well-known exponent of this era was Frederick Winslow Taylor (1856–1915), whose theory of Scientific Management tried to improve economic efficiency by setting time standards for processes (using a stopwatch) and defining a standard set of tasks (specialization of labour)[9] (Copley, 1923/1993). Taylor's entourage included Henry Gantt, famous for the diagram named after him. The *Gantt Chart* is nowadays used as a project management tool, which graphically displays the chronological sequence of activities in the form of bars on a time axis.[10] Originally, together with Taylor's work, it was meant to be an integrated production planning and control system (Wilson, 2003, pp. 430–431). Thus, Taylor's and Gantt's Work represented an early form of performance management.

The work of Taylor and Gantt laid the foundation for further research aiming to increase the efficiency of production processes and output. Frank and Lillian Gilbreth delved

[9] Taylorism has been widely criticized for its propagated shift of analytical and planning tasks from the worker to the labour office, for dividing the work into short and monotonous-repetitive sections leading to exploitation through performance targets that only top workers can achieve and management's expropriation of the worker's knowledge to name but a few (Hoxie, 1915). As a result, the use of stopwatches and incentive payments in government factories was banned in the USA in 1916 and remained so until 1949 (Nadworny, 1955, p. 103; Aitken, 1960, p. 235).

[10] The development of the Gantt chart as it is known today remains unclear. The first appearance of the name 'Gantt chart' occurs in a 1925 publication of Henry Wallace Clark, six years after Gantt's death (Wilson, 2003).

deep into the examination of human motions in performing work by the use of motion-picture cameras from 1912 onwards. From the 1930s on, Harold B. Maynard's elaboration of MTM (methods time measurement) provided the tools for an industry-wide application for the previously rather academic methods of process optimization and increasing productivity. These developments led to the evolution of industrial engineering as an autonomous field of work (Martin-Vega, 2001).

Based on the problem of allocating resources in an organisation with a high production intensity, Donaldson Brown, at that time financial executive at E.I. Du Pont de Nemours & Co., introduced the first key performance indicator system in 1919. The DuPont system defines Return on Investment (RoI) as the top indicator. The RoI KPI system is considered to be the progenitor of financial based performance measurement (Dale et al., 1980).

A different approach was taken in France from the 1930s onwards. Due to the strong interference of the French government as a consequence of the great depression of 1929 and the almost total absence of private venture capital, French management practices focussed on long-term growth, productivity, customer satisfaction and the fulfilment of political guidelines. Thus, French managers, who were deeply rooted in engineering, were looking for ways to improve their production processes by better understanding cause-effect relationships between actions and process output. The Tableau de Bord emerged as a dashboard focussing on operational measures instead of financial indicators (Lebas, 1994).

The Japanese quality approach represents a fourth school of thought, based on Japan's shattered economy after the Second World War and the poor quality of its products. Although the United States wanted to transform Japan into a Western-style democracy, it was not their intention to recreate Japan's economy to a level that would shift the balance of economic power in the world.[11] But to support the transformation process, a functioning communication infrastructure was needed. Thus, the occupation army's Civil Communications Section (CCS) taught the Japanese strategic planning, principles of organisation, management policy formulation and quality assurance. These teachings sparked an industrial revolution that propelled management technologies and philosophies such as statistical quality control (Deming), total quality control (Juran), Kaizen (Imai), Just-In-Time (Ohno) and more. Performance measurement was used to eliminate defects and reduce cycle times. The result was better quality and higher manufacturing output, which turned Japan from *"a war-torn, poverty-stricken,*

[11] Paragraph 13 of the secret directive JCS 1380/15, that ordered General MacArthur to pursue the process of post-war reconstruction in Japan, read *"You will not assume any responsibility for the economic rehabilitation of Japan or the strengthening of the Japanese economy…"* (Hopper & Hopper, 2007, p. 110).

underdeveloped land into the second largest economy in the world in the course of three decades" (Hopper & Hopper, 2007, p. 109).

In 1967 the dissertation of a scientific assistant at the University of Munich, which dealt with the then existing performance measurement systems from the USA, France, Great Britain and Germany (Staehle, 1967), provided the impetus for an intensive discussion of the topic in German-speaking countries. Lachnit (1976) praised Staehle's work as "an excellent inventory of the key performance indicator systems developed in Europe and the USA" and being "the first scientific basic analysis on KPI systems in the German speaking world" (Lachnit, 1976). Thus, over the next 10 years, two of the most important German key performance indicator systems were developed – the ZVEI-Kennzahlensystem (1969) and the R/L-Kennzahlensystem (1976). Both are basically extensions of the DuPont system. The former with a more differentiated approach, complemented by growth indicators – the latter claiming to be multidimensional and supplementing information on liquidity.

But the era of financial heavy indicator systems was drawing to a close. The aftermath of the oil crisis, a shift from supplier to demand market, the Japanese industry gaining market share over US companies and rising disapproval with the short-term thinking of US managers intensified the criticism directed at traditional accounting systems (Eccles, 1991; Johnson & Kaplan, 1987). One emerging trend was the focus on strategic control, i.e., linking long-term strategic goals with short-term performance measures (Goold & Quinn, 1990; Simons, 1995b). An insight by Peter Drucker from the 1960s gained new relevance: doing the right things is more important than doing things right[12] (Drucker, 1963). One of the best-known representatives of this new frameworks that facilitated alignment between performance measures and business strategy was the Balanced Scorecard. David Norton and Robert Kaplan introduced the Balanced Scorecard (BSC) as a compilation of the strategic and most important goals of a company and their associated key performance indicators. It shows the performance of a company or an organisational unit from four different perspectives: finance, customers, processes as well as learning and development (Kaplan & Norton, 1992). A large number of publications up to date shows the continued relevance of the BSC in management sciences.

Another alternative to traditional accounting systems emerging in the 1980s came from the quality movement (Eccles, 1991). From 1980 onwards, the Japanese quality approach became a role model for the US industry, aided by one of its original initiators,

[12] *"There is surely nothing quite so useless as doing with great efficiency what should not be done at all."* (Drucker, 1963, p. 54)

Dr. W. Edwards Deming[13]. Quality became a strategic weapon for leading manufacturers. A result of the Total Quality Movement were programs such as the Malcolm Baldrige National Quality Award and the EFQM (European Foundation for Quality Management) Excellence Model (Eccles, 1991). These frameworks are based on self-assessment in a variety of criteria that include strategy, organisational structure, information, human resources, continuous improvement and effects, which are not limited to financial indicators only. With the rising popularity of these models, it became irrefutably clear, that most of the existing performance measurement systems were inadequate to fulfil their requirements. Companies could either ignore this fact or act upon it. Looking back, we can assume that most companies have opted for the latter. Thus, the quality movement of the 1980s acted as a driver for widening the scope of performance measurement (Neely, 1999; Stone & Banks, 1996).

Both the pursuit of strategic alignment and the increasing focus on quality management aspects emerged from the discontent with traditional accounting systems and their financial indicators. In 1991 Robert Eccles stated that a 'revolution' within performance measurement was taking place (Eccles, 1991). And indeed, a lot of new concepts, models and frameworks arose around that time. For instance, Neely noted that 3.615 articles on performance measurement were published between 1994 and 1996, i.e., *"one new article ... appearing every five hours of every working day"* (Neely, 1999, p. 207). Asking the question 'why now?' Neely identified seven main reasons (Neely, 1999, p. 210):

1. the changing nature of work,
2. increasing competition,
3. specific improvement initiatives,
4. national and international awards,
5. changing organisational roles,
6. changing external demands and
7. the power of information technology.

These reasons were the signs of a new economic period. By 1973, the 'golden age' (Crafts & Toniolo, 2008) of post-war prosperity had come to an end with the collapse of the international monetary system of Bretton Woods (1971/73) and the oil crisis (1973) as significant events. The following phase of growth slowdown saw institutional reforms of market opening (increasing competition) and technological innovations

[13] See section **Error! Reference source not found. Error! Reference source not found.** for more details

(microcomputers and the Internet) that finally resulted in the 'new economy' of the mid-1990s.[14] Under these changed conditions and with the availability of new technology for information processing, the question was raised how to use performance measures to actually manage the performance of an organisation (Bititci et al., 2012; Bourne et al., 2000; Neely, 1999). Performance measurement began to evolve into performance management.

The new concept of performance management described a process in which performance measurement became the information-giving component of a control loop, i.e., 'the sensor'. Strategy provided the 'reference input' and management acted as the 'controller' to form a closed control loop (Bititci et al., 1997; Haag et al., 1999; Lebas, 1995; Nudurupati & Bititci, 2005). This view of performance management as an integrated process facilitating organisational success is still the generally accepted concept to this day.

In this context, a variety of performance management frameworks emerged from the 1990s onwards, such as the Performance Measurement Matrix (Keegan et al., 1989), the Performance Pyramid System (Lynch & Cross, 1991), the Integrated Performance Measurement System (IPMS) (Bititci et al., 1997, p. 524) or the Performance Prism (PP) (Neely et al., 2002) and many more.

Besides the development of various frameworks, the performance measurement/ management literature began to converge with the work from other fields of research. These areas included, inter alia:

- Human Resources (HR), spawning measures on managerial and team performance (Bacal, 1998; Ittner & Larcker, 1998; Scott & Tiessen, 1999)
- Quality Management (QM), contributing approaches such as Lean Enterprise and Six-Sigma (Baker et al., 2007; Hines & Rich, 1997; Lynch et al., 2003)
- Research & Development (R&D), in regard to monitor innovation activities and processes (Adams et al., 2006; Chiesa & Frattini, 2007)
- Societal requirements, such as Environmental Management (EM) and Corporate Social Responsibility (CSR) (Ditz & Ranganathan, 1997; Epstein & Roy, 1998; Sarkis, 2003)

While the development of performance measurement/management was subject to influences from a variety of research areas, also new sub-areas of research in this field began to develop. For example, the question arose whether the differences between

[14] See Crafts and Toniolo (2008) for periods of economic growth between 1950 and 2005

small and medium-sized enterprises (SMEs) and larger organisations should not lead to an adaptation of the existing PM systems, which initially originated in larger enterprises. Problems in adapting these models in SME environments were widely recognised, leading to the development of less complex frameworks (Cook & Wolverton, 1995; Fuller-Love, 2006; Garengo & Bititci, 2007; Ghobadian & Gallear, 1997; Hudson et al., 2001; Hudson Smith & Smith, 2007; Jennings & Beaver, 1997; Turner et al., 2005; Wiesner et al., 2007).

Figure 3: History of performance measurement/management

Other focal points that have developed over the past 20 years outside the mainstream performance measurement/management research include the following (non-exhaustive list):

- performance measurement and performance management within the supply chain (Beamon, 1999; Brewer & Speh, 2001; Folan & Browne, 2005; Günter & Shepherd, 2006)
- performance measurement in collaborative organisations (Alfaro-Saiz et al., 2011; Bititci et al., 2005; Busi & Bititci, 2006; Chang et al., 2010)
- performance measurement and management in the public sector (Brignall & Modell, 2000; Bruijn, 2003; Spekle & Verbeeten, 2014; van Thiel & Leeuw, 2002)
- performance measurement in non-profit organisations (Cairns et al., 2005; Moxham, 2010; Paton, 2003)

From the present retrospective it can be deduced that the field of performance measurement/management has evolved in several phases, i.e.: individual performance appraisal, financial control, profitability and budgetary control, integrated performance measurement and integrated performance management (Figure 3).[15]

From the literature examined so far, one major conclusion of this evolutionary process can be inferred:

Summary 1: Performance indicators can provide guidance for organisations to improve business performance.

It cannot go unmentioned at this point that there are certainly controversial views on this position. In 1987 Johnson and Kaplan published the book “Relevance Lost – The Rise and Fall of Management Accounting” (Johnson & Kaplan, 1987). They argued that the influence of financial methods on corporate decision making had become poisonously destructive. As much as they agreed in their dissatisfaction about the situation at that time, so much were they later disagreeing on how to solve the problem.

From the findings of their work, Kaplan developed activity-based costing and later, in cooperation with David Norton, the balanced scorecard (Kaplan & Norton, 1992). Used in conjunction, Kaplan sees them as the solution in overcoming the barriers between operations management on one side and finance and accounting on the other.

[15] Cf. Bititci, Garengo, Dörfler, and Nudurupati (2012), Bourne (2001) and Sandt (2004) for phases and evolution of performance measurement/management

Johnson on the other hand refused the notion that decision making is based purely on quantitative information, rather than on explicit knowledge on company processes. He favoured quality management approaches used for instance by Toyota, that try to make errors visible and correctable the moments they occur. Thus, the investment in the overhead of accounting and control systems is not necessary (Johnson, 1992; Johnson & Broms, 2000). At least in the short run Kaplan's methods proved to be successful. Johnson's approach sounds promising, but it takes much effort and time as well as the ability to give up the widespread belief that control and monitoring are essential for managing a company[16].

On the other hand, if the mere introduction of PMS could actually solve all the problems of an organisation in terms of corporate management and business performance in one fell swoop, the position of the critics[17] of the above stated summary could not have been maintained to this day. Therefore, a closer look at the success and failure of PMS implementations is necessary.

3.1.4 Implementing PMS – a sure fire success?

The vast majority of publications on the topic of performance measurement/ management system implementation are positive about the results achieved. For example, Franco-Santos et al. (2012) reviewed 76 empirical studies conducted between 1992 and 2011 on *'contemporary performance measurement'*[18] and its consequences regarding people's behaviour, organisational capabilities and organisational performance. They identified 47 papers making an explicit statement on the impact of *contemporary performance measurement* on organisational performance[19]. Out of the 47 articles, 21 found a positive effect, 12 noticed mixed results and the remaining four saw no – or a very weak – relationship. On the other hand, they observed a growing consensus in the literature over time that *contemporary performance measurement* systems do not automatically improve company performance (Franco-Santos et al., 2012).

[16] Cf. Porter (1995) for a critical review of the current prestige and power of quantitative methods

[17] Power criticises the "audit society" for measuring, evaluating, auditing, benchmarking and ranking everything - because this corresponds to the prevailing legitimation understanding of rational action and the ideal of reflexive learning (Power, 1997).

[18] Contemporary performance measurement is defined through the existence of both financial and non-financial performance measures that are used to operationalize strategic objectives (Franco-Santos et al., 2012).

[19] They distinguished performance into two groups: reported performance and perceived performance – with the results regarding perceived performance being significantly more positive (Franco-Santos et al., 2012).

These findings coincide with the impressions I gained during my literature research. The euphoria of the mid-1990s – the era of the performance measurement revolution – was replaced by disillusionment as the number of failed PMS introductions increased. At least from the late 1990s onwards, the number of publications addressing reasons for the failure of PMS implementations grew[20].

Few authors give specific numbers when it comes to failed PMS implementation – Bourne is still quite optimistic with his statement that (only) 2 out of 10 companies failed to achieve an agreed top level balanced scorecard for the business (Bourne et al., 2002), while McCunn claims that 70 per cent of performance measurement initiatives fail (McCunn, 1998). If we broaden the scope and look at other frameworks that promise to manage some sort of change process to improve business performance, such as business reengineering, Total Quality Management, lean management etc. (Reiß, 2012, p. 6), McCunn's statement is confirmed. Despite the large amount of literature that describes these frameworks and explains how to implement them, studies claim that more than 70% of change programs fail (Beer & Nohria, 2000; Burnes & Jackson, 2011; McKinsey & Company, 2008, 2015; Miller, 2001).

Summary 2: Performance measurement/management initiatives often fail.

Looking at the reasons for failure, the literature specific on PMS implementation mainly mentions the following points:

- Problems of data accessibility through lack of IT support (Bierbusse & Siesfeld, 1997; Bititci et al., 2000; Bourne et al., 2002; Hudson et al., 1999; Neely, 1999)
- Poor strategy definition and implementation (Kaplan & Norton, 1996; Meekings, 1995; Schneiderman, 1999)
- Too many and/or wrong measures (Bierbusse & Siesfeld, 1997; McCunn, 1998; Schneiderman, 1999)
- Time and effort required (Bierbusse & Siesfeld, 1997; McCunn, 1998)
- People's reception of/reaction on measures (Davenport, 1997; Eccles, 1991; Marchand, Kettinger, & Rollins, 2000; Meekings, 1995)

Most of the above-mentioned reasons create the impression of a technical/ methodological failure. As if construction faults had occurred during the design of a machine. And it is just these construction faults that need to be fixed, so that the system

[20] Cf. Angel and Rampersad (2005); Bititci, Turner, and Begemann (2000); Bourne, Neely, Platts, and Mills (2002); Hall (2011); Ittner and Larcker (2003); McCunn (1998); Neely (1999); Nudurupati and Bititci (2005); Waal and Counet (2009)

works perfectly. This rationalist view seems to be predominant throughout the literature.[21] Only the last point acknowledges that an organisation is not a technical system but rather a heterogeneous social construct composed of a multitude of individuals with their own values, feelings and perceptions. And since these individuals are the fundamental building block of the organisation whose performance is to be measured, the focus is always on the performance of the individual.

Summary 3: Literature primarily identifies technical reasons as causes for failure of PMS implementation, which I regard as an incomplete view.

This approach to problem analysis is in line with the Tayloristic tradition that management processes should follow a rational approach focussing on the planning of work, the technical requirements of the organisation, the principles of management and the assumption of a rational and logical behaviour of the employees. Although there was already fierce criticism and opposition at the time when Frederick Taylor developed this management method, his ideas have been very influential and the methods are still applied by many supervisors today (Docherty & Marking, 1997). Although the rational approach to management may be appealing to most managers because it provides the comfort to avoid complexity and ambiguity in their working environment, it remains one of the greatest illusions of management theory because it fails to adequately take into account that motivations are deeply rooted in individual needs stemming from physiological, behavioural, cognitive, and social areas.[22] For this reason, the majority of the error analyses to be found in the literature are insufficient. A broader analysis including the human factor is necessary.

For example, humans become sceptical when being measured in regard to their work effectiveness and efficiency which tempts them to euphemise the perception of their performance (Argyris, 1953, 1990; Flamholtz, 1996). Unfortunately, this behaviour changes the information situation that is used by top management to make decisions. The occurrence of such 'dysfunctional behaviour' (definition is developed on the following two pages) is clearly recognized in the PM literature (Bird et al., 2005; Bititci et al., 2006; Bourne et al., 2000; Burney et al., 2009; Chow & Van Der Stede, 2006; Franco-Santos et al., 2012; Ittner, Larcker, & Meyer, 2003; Micheli & Manzoni, 2010; Seddon, 2008). Surprisingly, this is an accepted practice that is sometimes even encouraged by

[21] Interestingly, Franco-Santos et al. discovered that quantitative studies tended to be more positively correlated on the results of the implementation of PMS than qualitative (Franco-Santos et al., 2012).

[22] Cf. Mayo (1933), Maslow (1943), Argyris (1957), Herzberg, Mausner, and Snyderman (1959), Likert (1961), Schein and Bennis (1965)

top management[23] (Argyris, 1990; Flamholtz, 1996). According to Kerssens-van Drongelen & Fisscher (2003), the reasons for dysfunctional behaviour lies in the moral dilemma of employees to decide between doing what is right for themselves or for the organisation as a whole.

Argyris (1953) was the first to illustrate dysfunctional behaviour as he noticed that the budget process led to unintended outcomes as a result of the negative perceptions employees associated with budgets. Shortly after, Ridgway pointed out the 'dysfunctional consequences of performance measurements'. He proposed that dysfunctional behaviour originates from the lack of understanding of motivational and behavioural consequences of performance measurement (Ridgway, 1956). In particular, Ridgway claimed that *"indiscriminate use, undue confidence and reliance in the system"* may result in *"side effects and reactions outweighing its benefits"* (Ridgway, 1956, p. 240). Despite these early studies indicating negative consequences when neglecting the 'human factor', performance measurement continued to gain importance in modern management practices. Thereby, the majority of the studies were concerned with the 'technical aspect' of developing increasingly elaborated performance measurement/management systems. Researchers kept exploring and developing the negative effects of PMS[24], but the number of publications on this particular topic is small compared to the total amount of literature on performance measurement and management (PMM).

Those who took a closer look at dysfunctional behaviour identified a variety of manifestations. For instance, Birnberg et al. (1983) defined six categories, namely 'smoothing', 'biasing', 'focusing', 'gaming', 'filtering', and 'illegal act or falsification'. Other researchers found this classification too detailed or even redundant and therefore proposed to use only two categories: gaming and information manipulation (Jaworski & Young, 1992). Fisher and Downes (2008) created a three-step scale classifying the levels of deceit ranging from less dishonest to more dishonest. The first level is 'selective presentation', which is presenting information in a manner that the recipient is likely to form an incorrect understanding. This is achieved by either distracting the recipient's attention through providing too many detailed information or otherwise by hiding parts of the whole truth to create a false impression. While these are rather simple

[23] In their 2009 Global Economic Crime Survey, PricewaterhouseCoopers reported that among the respondents who supposed that there is a greater risk of fraud due to the economic crisis at that time, 68% believed that increased incentives or pressure, such as difficult financial targets, were most likely the reason for economic crime (Pricewaterhouse Coopers, 2009, p. 5). Beyond an economic crisis the mere opportunity is seen as the main driver of internal economic crime (roughly 70%), while the incentive/pressure percentage decreased to 14% in 2016 (Pricewaterhouse Coopers, 2016, p. 85).

[24] Cf. Birnberg, Turopolec, and Young (1983), Jaworski and Young (1992), Simons (1995a)

mechanisms that are based on manipulating the quantity of the provided information there is also a more sophisticated form of selective presentation. By anticipating how people will heuristically misinterpret selectively provided information it is possible to create an implication in the recipient that is not explicit within the presenter's statements (Fisher & Downes, 2008). The next level on Fisher and Downes' scale is 'gaming', which is defined as *"taking advantage of the loopholes in the rules and systems under which they operate"* (Fisher & Downes, 2008, p. 248). For example, neglecting non-measured but equally important targets in favour of measured – at worst less important – objectives is a form of gaming. At the highest level of deceit in data and information manipulation according to Fisher and Downes' scale, the quality of the information is altered. In their definition 'distortion' is achieved by either reclassifying data, i.e., moving data between time periods or categories, or ultimately by lying or falsifying data (Fisher & Downes, 2008).

Based on the literature reviewed, dysfunctional behaviour in the context of this dissertation is defined as *'any voluntary actions taken by employees to manipulate the elements of performance measurement and management systems in order to make outcomes look better, either for the benefit of subordinates, superiors or simply in their own interest'*.

Summary 4: Dysfunctional behaviour of employees in regard to performance metrics is an often-neglected reason for the failure of performance measurement/management initiatives.

Looking for the reasons of dysfunctional behaviour in regard to performance measurement, literature mentions the following triggers:

- Many people are dissatisfied with the measures that they are assessed against, because they consider them incomplete, inaccurate or even focusing on the wrong tasks of their work (Hirst, 1983), (Fisher & Downes, 2008), (Jaworski & Young, 1992).
- Unrealistic goal setting as well as the existence of a reward system can create pressure on some people, which they try to evade by manipulating the information collected through the PMS (Schweitzer et al., 2004), (Fisher & Downes, 2008), (Pricewaterhouse Coopers, 2009).
- In a corporate culture that tolerates metric manipulation (i.e., "everybody is doing it"), employees may be spurred to act accordingly to their peers to avoid that their performance evaluation is considered subpar (Jaworski & Young, 1992).
- Another trigger is the concern to avoid unwanted attention that may lead to inconveniences through close scrutiny or audit. Thus, employees that perform

either very bad or even very well may be encouraged to manipulate the performance measures (Fisher & Downes, 2008).

- And last but not least, some employees simply succumb to the mere opportunity to earn a certain incentive, especially if the risk of getting caught is low, and the potential reward is high (Millar & Millar, 1997), (Wells, 1997), (Pricewaterhouse Coopers, 2009).

Apart from the last point, which is merely an expression of human greed, a commonality can be observed: the metrics collected as part of a performance measurement/ management system are associated with negative emotions. And one, though not the only one, avoidance strategy is to manipulate the metrics of the PMS – i.e., dysfunctional behaviour as defined above.

Summary 5: A possible trigger for dysfunctional behaviour are negative emotions in regard to performance measurement/management systems and their metrics.

Now, if negative emotions towards performance metrics lead to dysfunctional behaviour and thus pose a hindrance to the successful implementation of PMS, could positive emotions on the other hand have a supportive effect?

The question of how positive emotions influence the behaviour of employees' falls within the field of research on organisational behaviour. Researchers clearly recognise the mutual relationship between performance measurement and organisational behaviour (Bititci et al., 2006), (Bourne et al., 2002), (Franco & Bourne, 2003), (Nudurupati & Bititci, 2005). As Bititci states, *"performance measurement and management is a social phenomenon, as its behaviour is shaped by the feelings, values and basic beliefs of the individuals, organisation, community and the society within which it operates"* (Bititci et al., 2012, pp. 310–311).

Nevertheless, the focus of the scientific discussion is mostly on technology aspects – the human factor is often neglected.[25] It is recommended that employees should be actively involved in the implementation process at an early stage. The introduction of target agreements and the linkage with an incentive system are also mentioned and the importance of employee identification with the PMS is certainly addressed. [26] However, clear success criteria and recommendations for PMS implementation to permanently secure employee motivation and system acceptance are rarely found. Empirical

[25] Cf. Murphy and Cleveland (1999, pp. 310ff.); Cawley, Keeping, and Levy (1998); Levinson (2003); Gleich (2011, pp. 10–11)

[26] Cf. Patten (1977); Bourne et al. (2002); Waal and Counet (2009); Franco and Bourne (2003); Klingebiel (1999); Eccles (1991); Horváth, Gleich, and Seiter (2015)

evidence on the overall impact of PMS on the attitude and motivation of employees and on whether PMS actually leads to a sustainable and lasting increase in performance are also scarce. As Klingebiel noted: *"Apart from very isolated references in the literature, only a rather reserved interest can be noted for the behaviour control function of performance measurement."* (Klingebiel, 1999, p. 193). And further on: *"The importance of performance measurement/management for the motivation of employees and thus for influencing and controlling their actions within the scope of the executed processes, is commonly only recognized in very general terms."* (Klingebiel, 1999, p. 194).

However, the attitude of each employee towards performance measurement and his or her successful integration into the performance measurement process are likely key factors for success or failure, acceptance or rejection of the PMS in an organisation.[27] In this sense, Meekings proposed that successful implementation of performance measurement depends less on the selection of the right measures than on the way the measures are implemented and used by the people in the organisation (Meekings, 1995). Levinson comes to a similar conclusion in his treatise on Management by Objectives: *„The underlying reason it is not working well is that it misses the whole human point."* (Levinson, 2003, p. 110).

Now, if a positive attitude towards PMS could be conveyed, this would open up great potential. As Meekings (1995) proposes, making people use measures properly does not only deliver performance improvement but also becomes a vehicle for a cultural change, which helps liberating the power of the organisation. Similarly, Servatius sees the integration of performance measurement into human resources management, along with increased communication, as a decisive factor in contributing to a positive change in employee behaviour (Servatius, 2002). In practice, however, these findings hardly seem to have been implemented so far or are at least associated with enormous difficulties during realization.

Summary 6: The effects of emotions in regard to performance measurement/ management systems, especially a potential beneficial effect of positive emotions, have not been sufficiently investigated.

For my further research it is important to have an understanding of how positive emotions influence the behaviour of employees. Thus, I will now take a closer look at the field of organisational behaviour, as it tries to explain how people behave as individuals, in groups and in whole organisations based on their perceptions, thinking and feelings.

[27] Cf. Murphy and Cleveland (1999); Cawley et al. (1998)

3.2 Organisational Behaviour

This chapter presents a review of literature about organisational behaviour, with a specific focus on the role of positive behaviour. French et al. (2011) define "organisational behaviour" as the study of groups and individuals within organisations. It is a multidisciplinary subject drawing upon anthropology, sociology, psychology, economics, political science and business studies, amongst others (French et al., 2011).

A central theme within organisational behaviour is motivation, as it provides insight into how and why people in organisations behave the way they do. Early theories of motivation began with Maslow's (1943) hierarchy of needs theory, which I will briefly present below. I will then go on to discuss Herzberg's Dual Factor Theory, Locke's Goal Setting Theory and Bandura's Self-efficacy Theory as, on the one hand, they are fundamental to the development of the Conceptual Model of Link between Performance Measures, Emotions and Behaviour in Chapter 3.6 and, on the other hand, the mechanisms of these models are reflected in the statements of my interviewees.

Of course, there are other prominent models and theories within the research field of organisational behaviour such as Alderfer's Existence-Relatedness-Growth Theory (Alderfer, 1969), Deci's Cognitive Evaluation Theory (Deci, 1975) and the Self-Determination Theory developed from it by Ryan and Deci (Deci & Ryan, 1985), Adam's Equity theory (Adams, 1965; Berkowitz, 1965), Fishbein's Expectancy Value Theory (Fishbein & Ajzen, 1975), McClelland's Acquired Needs Theory (McClelland, 1961; McClelland, 1975; McClelland & Burnham, 1976) or Margerison and McCann's Team Management Wheel (Margerison & McCann, 1984) and others. However, since they are neither relevant for the development of the theoretical concept nor for the analysis of the interviews, I will not go into them in detail.

Instead, in a second step, I will examine the role of positive emotions within research in the field of organisational behaviour.

3.2.1 Maslow's Hierarchy of Needs Theory

Maslow's Hierarchy of Needs Theory (Maslow, 1943; Maslow, 1954) has its roots in psychology, but found an application in business settings in order to provide a framework for understanding the requirements and actions of employees (Kremer & Hammond, 2013). It is based upon a simple premise: the notion that human beings have a set of needs that can be hierarchically ranked. Maslow believed that some needs are common throughout humankind, and that when they are missing, nothing else matters. Once these basic needs are satisfied, people look to fulfil higher order needs. When lower-level needs have been satisfied, they no longer serve as motivators.

The most basic needs that Maslow identified are "physiological needs", which are simple biological needs, for example the need for water and food. When the subjects of these needs are lacking, a person's efforts to gain them can overpower all other motivations.

Once these needs have been fulfilled, people generally tend to move on to being concerned with safety needs. These needs concern being free from the possibility of pain, death, or uncertain futures.

The next level of the hierarchy is “social needs”. They consist of the need to be loved, bond with others, and forge lasting relationships. The fulfilment of these needs makes satisfying “esteem needs” more important. These needs represent the second last level of the hierarchy. They are the need to gain respect from peers, be appreciated, and feel important.

The highest level of the hierarchy is “self-actualisation”. This is the desire to become all a man is capable of becoming (Maslow, 1954, p. 91). It manifests itself in the form of the desire to engage in new challenges, gain new competencies and participate in behaviour that is aimed at attaining life goals. This hierarchy can be seen in Figure 4 below.

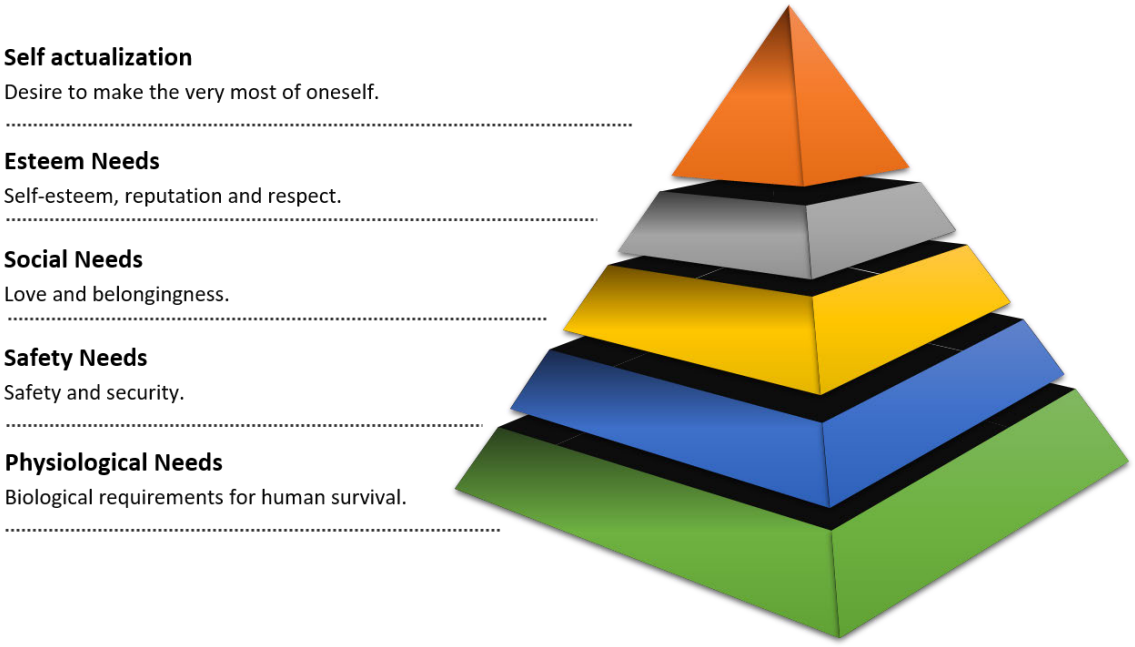

Figure 4: Maslow’s Hierarchy of Needs

Maslow’s hierarchy provides a means for identifying why different employees react in different ways based upon the needs that they are currently attempting to fulfil. A staff member who is attempting to fulfil esteem needs might feel gratified when his superior praises him for an accomplishment. However, someone who is attempting to fulfil social needs might resent receiving praise from superiors in front of his or her peers if it causes resentment from the rest of the group.

In the long-term, physiological needs can be satisfied via an individual’s paycheque, but that is not to say that this payment does not fulfil other needs as well, for example esteem and safety. Providing generous benefits including company-sponsored retirement plans and health insurance can help to satisfy safety needs, as can having a

high level of job security. Social needs can be fulfilled by establishing a friendly work environment that is conducive to communication and collaboration with others. Social get-togethers involving employees can also satisfy employees who are primarily motivated by social needs, but can lead to resentment amongst those who are not if they have to sacrifice time to participate in such events.

Esteem needs can be satisfied by providing opportunities for promotion, recognising employees' accomplishments, and giving job titles that convey status. Self-actualisation needs can be fulfilled via growth and development opportunities and the provision of challenging and interesting work. Maslow's theory holds that by making a concerted effort to fulfil the various different needs of the employees at an organisation, the management can ensure that the workplace is highly motivated (University of Minnesota, 2017).

With his work, Maslow made a valuable contribution to the further development of modern psychology by questioning the two prevailing schools of thought in psychology at the time and by providing new approaches to understanding human motivation (Kožnjak, 2017). In the course of time, however, critical voices also emerged and, from today's perspective, his model is regarded as outdated. The major points of criticism include (non exhaustive list):

- The initial sample size of only 18 persons is not sufficient to draw general conclusions - neither is his focus on the healthiest and most achieving college students (Mittelman, 1991).
- Little evidence has been found for the ranking of needs or even for the existence of a definite hierarchy at all (Wahba & Bridwell, 1976).
- Maslow's theory does not differentiate between individualistic and collectivistic societies - however, the relevance of particular needs and motivational factors are different in these societies (Hofstede, 1984).
- External circumstances (e.g., wartime vs. peacetime, recession vs. boom) influence the importance of particular needs (Tang & Safwat Ibrahim, 1998).

3.2.2 Dual Factor Theory

American psychologist Frederick Herzberg had a different approach to the issue of motivation (Herzberg et al., 1959). By asking individuals to describe what satisfied and dissatisfies them whilst on the job, he determined that the factors of the working environment that lead to satisfied employees are substantially different from those that cause dissatisfaction. Events relating to the content of the work or the activities (intrinsic factors) frequently led to satisfaction, but only rarely to dissatisfaction. Events relating to the work context (extrinsic factors), on the other hand, led more frequently to dissatisfaction and only rarely to satisfaction.

Herzberg's two-factor theory is based on the assumption that satisfaction and dissatisfaction are not endpoints of a bipolar scale. Instead, it assumes that satisfaction and dissatisfaction are two independent dimensions. Herzberg thus assumes that the opposite of satisfaction is not dissatisfaction, but "non-satisfaction" or the absence of satisfaction. Conversely, the opposite of dissatisfaction is also not satisfaction, but the absence of dissatisfaction, or "non-dissatisfaction" (Herzberg, 1968).

By analogy with medical hygiene, Herzberg (1959) called the factors leading to dissatisfaction hygiene factors. Although these are necessary for achieving satisfaction, they are not sufficient. In the best case, highly developed hygiene factors can lead to not being dissatisfied. He called factors that lead to satisfaction motivators. In contrast to hygiene factors, motivators can be an incentive to higher performance. If they are low, however, this does not immediately lead to dissatisfaction, but to a neutral state of non-satisfaction.

Unlike other theorists, Herzberg developed a technique called “job-enrichment” to guide managers in the application of his theory. This unusual approach might quite possibly have fostered the widespread popularity of the dual-structure theory among practicing managers (Griffin & Moorhead, 2014).

Criticism of the Dual Factor Theory

The two-factor theory has been subject to much methodological and substantive criticism: the division into hygiene factors and motivators is anything but unambiguous (House & Wigdor, 1967). In a re-evaluation of the original data, House and Wigdor (1967) came to the conclusion that performance and recognition (motivators) were more frequently associated with dissatisfaction than working conditions and the relationship to the supervisor (hygiene factors). The classification can therefore be accused of a certain arbitrariness.

Another point of criticism concerns the method of critical events. People tend to attribute satisfaction more to their own achievements and successes, whereas they tend to blame the environment, e.g., poor working conditions or management, for negative events (Vroom, 1964). The entire theory therefore depends heavily on the method chosen to collect and analyse the initial data.

Attempts to replicate Herzberg's findings using other methods have been largely unsuccessful (Dunnette et al., 1967). In a study by Hulin and Smith (1967), motivators and hygiene factors were found to influence both satisfaction and dissatisfaction. Also, the assumption that satisfaction and dissatisfaction are qualitatively different constructs did not find empirical support (Hulin & Smith, 1967). Many other studies have shown that the same factor can lead to satisfaction in some people but dissatisfaction in others (House & Wigdor, 1967).

3.2.3 Goal Setting Theory

Goal Setting Theory was put forward by American psychologist and job satisfaction expert Edwin Locke (Locke, 1968), and deals with the way in which the precise nature of objectives can affect performance. It holds that challenging and specific goals for which there is an inbuilt mechanism for providing feedback generally tend to lead to a high level of performance. The feedback mechanism tracks deviations from the correct path to success so that employees can be brought back on track.

Specific goals are those that inform employees of precisely what they need to do and the exact amount of effort that is required in order to fulfil them. Although they are less likely to be accepted by an employee than easy goals, challenging goals cause employees to put a greater amount of effort into achieving them[28] (Locke & Latham, 1990).

3.2.4 Bandura's Self-efficacy Theory

Canadian psychologist Albert Bandura proposed that self-efficacy is directly linked to performance within organisations (Bandura, 2000). "Self-efficacy" is a person's confidence in his or her ability to successfully control events or actions. This confidence is based upon people's feelings that they have the necessary resources, motivation and cognitive abilities to carry out tasks (Bandura, 1986; Buenaventura-Vera, 2017).

Bandura believed that self-efficacy is the main source of influence upon the choices that people make, the objectives that they set for themselves, the degree of effort that they put into a particular task, and their resilience and perseverance when engaging in an activity. It also impacts upon the degree of stress that they experience when carrying out tasks. Successful activities lead to increases in self-efficacy, whereas failures lead to decreases (Bandura, 1977a; Gist & Mitchell, 1992).

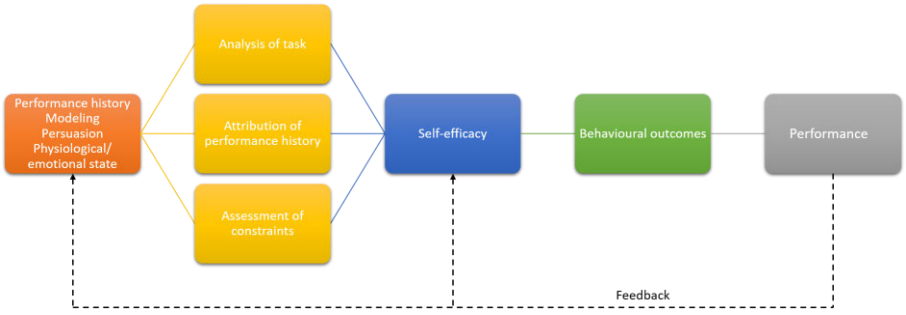

Figure 5: Self-Efficacy Theory

Adapted from "Self-Efficacy: A Theoretical Analysis of Its Determinants and Malleability" by M. E. Gist, T. R. Mitchell, 1992, *Academy of Management Review, 17(2)*, p. 189.

[28] Although the ideas behind the SMART principle generally coincide with Locke's theory (Locke, 1996), SMART action plans are neither identical with nor indispensable for goal setting theory, as is widely believed (Grant, 2012). Originally the acronym SMART was coined by Raia (Raia, 1965).

Albeit empirical studies did not reach consensus on whether self-efficacy affects performance in a positive or negative way, they showed that self-efficacy is one factor together with several other mediating variables (Iroegbu, 2015). For example, Eastman and Marzillier (1984) criticized that differentiating efficacy expectation and outcome expectation is difficult, if not impossible. They proposed that outcome expectations have a major influence on self-efficacy, because e.g., possible negative consequences of an action would result in low efficacy expectations (Eastman & Marzillier, 1984). Furthermore, Biglan (1987) criticized that the role of the environment has been neglected in the self-efficacy theory, questioning the unequivocality of self-efficacy theory's causal relationships between efficacy expectations and behaviour.

3.2.5 The Role of Positive Emotions within Organisational Behaviour

Now that an overview of prominent motivation theories within the field of organisational behaviour has been presented, I will explore literature that provides an insight into the role of positive emotions within organisational behaviour. Self-determination theory was perhaps one of the most prominent theories to extensively examine the role of emotions within organisational behaviour, centring heavily on feelings, for example the desire to be loved (Van den Broeck et al., 2010). However, it focussed heavily upon negative emotions, for example desires to satisfy gaps, as opposed to positive feelings.

However, it is notable that Deci (1972) also specifically acknowledged the role of positive emotions. He stated that an individual can be said to be intrinsically motivated "if there is no apparent reward except the activity itself or the feelings which result from the activity" (Deci, 1972, p. 217). The fact that he described this emotional response as a "reward" as opposed to the mere satisfaction of an urge indicates that it was pleasurable in nature.

Ryan and Deci (2000a) also described the fulfilment of the needs or relatedness, competence, and autonomy as something that created ongoing positive emotions. They stated that it brought about *"feelings of competence and autonomy"* (Ryan & Deci, 2000a, p. 58) and that satisfaction was gained from this. Once again, this makes it clear that they believe that positive emotion can act as a motivating force within organisations as opposed to employees merely seeking to fulfil needs.

In "Intrinsic Motivation and Self-Determination in Human Behaviour", Deci and Ryan depict sources of motivation as *"drives and emotions"* that need to be mastered (Deci & Ryan, 1985, p. 8). This indicates that Deci and Ryan (1985) not only recognised that motivation is aimed at bringing about positive emotion, but that feelings are also an antecedent of motivation itself. They are one of the underlying forces that cause an individual to be motivated to embark upon a specific course of action.

Ryan and Connell (1989) stated that motivation can be caused by both intrinsic and external factors. They indicated that an individual's sense of empathy can act as the motivation for prosocial behaviour. They linked emotional responses to internalised values. These emotions can compel a person to act in a specific manner (Ryan & Connell, 1989). This indicates that people's propensity for experiencing certain emotions in specific situations should be taken into consideration by organisations during the recruitment process, as it can facilitate ethical conduct.

Ryan and Deci (2000b) also posited that the emotion of interest creates the desire to take in new experiences and information and explore. This can expand an individual's notion of self. They characterised interest as a phenomenologically unique emotion (Ryan & Deci, 2000b). This suggests that this specific emotion plays a role in the motivation behind innovation within organisations.

Deci's theories provided the foundation for a discipline known as "positive psychology" (Deci & Vansteenkiste, 2004), which is the study of the positive traits and strengths that enable communities and individuals to thrive (Esposito, 2014). Numerous theories within this discipline contributed to the base of knowledge about the role of emotion in organisational behaviour. Isen et al. (1987) studied the impact of allowing research participants to view several minutes of a humorous movie or receive a small bag of sweets upon their performance when carrying out tasks that are generally considered to require creative ingenuity. They found that the positive emotion that these activities created boosted their performance. This suggests a link between positive emotion and creative problem solving within the workplace.

Research during the same period by positive psychologists indicates that positive emotions can boost flexibility within cognitive organisation. It can impact upon people's ability to mentally categorise concepts in relation to one another. Social interaction is a major factor in this process (Isen et al., 1987). This indicates that attention should be paid to the extent to which the social interactions that occur within organisations are capable of eliciting positive emotional responses, as this can directly affect the competence of employees.

Derryberry and Tucker found that positive moods can extend people's attention to conceptual and visual spaces (Derryberry & Tucker, 1994). This indicates that emotion can broaden the scope of an individual's field of attention (Fernandes et al., 2011). Fredrickson stated that positive emotions including love, interest, joy, elation and contentment broaden a person's attention to their environment and encourage the exploration of their surroundings (Fredrickson & Branigan, 2005). This could be useful within some organisational contexts. However, it could also prove to be distracting in others. It indicates that the potential of positive emotions should be taken into consideration when evaluating working environments in order to optimise employee performance. Fredrickson also believed that positive emotions are able to broaden

workers' action repertoires, which can facilitate the development of psychological, social, intellectual, and physical resources (Fredrickson, 2001).

Summary 7: Positive emotions can act as a motivating force, facilitate the development of psychological, social, intellectual, and physical resources and thus increase an individual's performance.

Social psychologists have also put forward theories that are useful for understanding the role of emotion in organisational behaviour. Izard classified interest as a human emotion, and stated that it can interact with action systems and perceptual-cognitive processes to facilitate creativity and intellectual endeavour or non-constructive behaviour dependent upon the way in which it is socialised and experienced within an individual's early years (Izard, 1977). This indicates that it is not advisable to try and stimulate interest within all employees, and that whether or not it is a positive force is dependent upon the precise characteristics of the staff member. It suggests that organisations would benefit from factoring candidates' responses to interest into their hiring and recruitment processes.

Izard (1977) also noted that the negative emotions of envy and worry tend to reduce emotions of contentedness. This indicates that a stressful working environment or one in which there is inequality can reduce employee satisfaction. She stated that platonic love between friends can result in joy, and that joy in turn can lead to excitement, interest and enhanced sympathy for others, which are characteristics that are required to effectively engage in work (Izard, 1977). This suggests that close bonds between employees could potentially increase staff performance.

Brewer spoke of the human need for both a *"sense of distinctiveness"* and *"sense of belonging"* (Brewer, 1991, p. 475). These senses appear to be positive emotions. She stated that group loyalty and social identity can induce them (Brewer, 1991). This indicates that organisations can fulfil these functions, increasing the degree to which staff members feel that they are experiencing positive feelings via their allegiance to the company.

Bandura referenced the role of emotions within Social Cognitive Theory, which deals with the part that emotional and cognitive elements play in behavioural change. It includes the notion that better emotional mechanisms for addressing stressful environments can be cultivated to facilitate effective learning (Bandura, 1986). Such coping mechanisms are considered to be a competency in their own right, requiring mastery of emotions (Portugal, 2018). Bandura's Self-Efficacy Theory is a subcomponent of Social Cognitive Theory, and holds that self-efficacy influences performance via the emotional reactions that it engenders, amongst other responses (Bandura, 1977a).

Research by Burney (2013) indicates that the degree to which a strategic performance measurement system is tightly coupled with strategy impacts upon employee performance via perceived psychological contract and perceived self-efficacy. This suggests that self-efficacy is an integral aspect of intrinsic motivation (Burney & Widener, 2013). It is possible that this is due to its impact on emotional responses, as posited by Bandura (1986).

Chenhall et al. (2017) claim that performance measurement systems have a part to play in displaying emotions in organisations. This in turn creates commitment and motivation. They also state that emotions constitute potentially productive aspects of work environments (Chenhall et al., 2017).

Summary 8: A PMS can have a positive influence on intrinsic motivation through commitment and perceived self-efficacy.

Behavioural accounting research is another discipline that has produced theories about the role of emotions within organisational behaviour. This discipline deals with the way in which accounting impacts upon and is impacted upon by people (University of Melbourne, 2017). In his 1953 book "Human Problems with Budgets", behavioural accounting researcher Chris Argyris referenced the effect that numerous different emotional states have upon their budgeting activities, including indifference, apathy, hostility, aggression, frustration, anxiety, hurt, fear, suspicion and resentment. He also stated that management accounting practices can produce emotional responses on account of the fact that they frequently have a part to play in the way in which employee performance is judged. He claimed that material artefacts such as ledgers, documents and written reports can reinforce emotional states by making failure visible on a permanent basis. It is probable that this phenomenon also applies to areas outside of accounting (Argyris, 1953).

Hopwood (1973) also highlighted the role of accounting practices in eliciting emotional responses from employees. He stated that they tend to express a variety of different feelings in response to budgets being used in performance evaluations, including anger, tension, frustration and anxiety. He spoke of a contagion effect entailing these emotions spilling over and influencing interactions involving others within the organisation (Hopwood, 1973). This theory is different from the others explored so far within this section in that it suggests that employees' emotions can be transmitted to their colleagues. This suggests that they not only affect the performance of the individuals in question, but also have more wide-reaching consequences.

Hall (2016) examined ways in which research on contingency-based management accounting can be used more fruitfully. One of his conclusions was that there should be a more substantial focus upon the role of feelings. He stated that the way in which accounting practices produce and reinforce emotions should be considered, and the

manner in which pre-existing emotions in organisations and individuals can be expressed via management accounting practices should be explored in more detail (Hall, 2016).

Behaviourists have also come up with theories that shed light upon the part that emotions play in emotional behaviour. “Behaviourism” is a discipline aimed at identifying rules that explain human behaviour (Brody & Oppenheim, 1966). Incentive Theory falls within this category. This is the theory that people are motivated to work by the desire to gain extrinsic objects that are required to pursue greater levels of satisfaction and happiness (Akdeniz, 2016).

Matsumara and Shin (2006) studied the effect of various different characteristics of incentive plans upon performance at Korean postal stores. One of their findings was that individuals exhibit strong emotional reactions when their performance is compared to that of their peers or another reference group (Matsumura & Jae Yong Shin, 2006). This suggests that comparisons with other parties can be used by organisations to induce emotional responses in order to motivate staff.

Summary 9: Personal performance appraisal, especially when coupled with incentives, creates strong (often negative) emotional responses.

Organisational Role Theory also includes discussion of emotional responses within organisational settings. It includes the notion that employees can suffer from psychological issues like frustration and stress in situations in which they are forced to take on two different mutually incompatible roles. In turn, this can lead to job dissatisfaction, poor concentration, lower self-esteem and poor job performance (Jain & Cooper, 2012).

Kahn et al. (1964) studied the impact of role ambiguity and conflict upon the psychological state of employees. They found that both ambiguity and conflict lead to significantly increased levels of stress. Furthermore, they concluded that it was the actual levels of ambiguity and conflict that produced this stress response rather than the employees’ perception that there was ambiguity or conflict (Kahn et al., 1964).

Marginson and Ogden (2005) studied the role that budgets have in comforting managers within organisations. They concluded that budgets can provide them with feelings of socio-emotional security and comfort. They stated that they can be used as a means of mitigating the detrimental impact of role ambiguity upon managers’ emotional states (Marginson & Ogden, 2005).

Marginson et al. (2014) studied the positive psychological effect of performance measures and found that diagnostic vis-à-vis interactive use of performance metrics can potentially reduce role ambiguity and increase levels of psychological empowerment with a rise in performance quality as the overall outcome. Put simply, their effect on role ambiguity might be capable of enhancing performance by enhancing feelings of

empowerment. They found that non-financial measures have a particularly pronounced effect in terms of personal empowerment (Marginson et al., 2014).

Summary 10: Performance measures can promote role clarity and psychological empowerment and thus increase performance.

Phenomenological psychology has also provided insights into the part that emotions have to play in organisational behaviour. This field of psychology entails explicitly reflecting upon the subjective human experience (Ekstrom, 2016). Heider (1958) conducted a phenomenological study of interpersonal perception and concluded that behaviour can occur as a result of either external or internal factors. He stated that it can sometimes occur due to emotions (Heider, 1958). This indicates that within an organisational setting, emotions can be instrumental in producing positive or negative working behaviours.

Theorists within the field of cross-cultural psychology also highlight the part that emotions have to play in organisational behaviour. Schein (1985) suggested that cultures can be viewed in terms of the shared learning associated with a group, including emotional elements of its total psychological functioning. He claims that assumptions associated with cultures should be taken into consideration when attempting to influence the emotional responses of group members within an organisational environment. He stated that this requires the ability to understand the cultural forces that exert an influence within occupations, organisations and groups (Schein, 1985).

Oyserman et al. (2002) carried out a study aimed at meta-analysing United States and cross-national differences in individualism and collectivism and reviewing evidence for the impact of these two characteristics upon relationality, cognition, well-being and self-concept. "Individualism" is *"a focus on rights above duties, a concern for oneself and immediate family, an emphasis on personal autonomy and self-fulfilment, and the basing of one's identity on one's personal accomplishments"* (Oyserman et al., 2002, p. 4). With regards to emotions, individualistic cultures view happiness as being central to well-being. They value the expression of positive, self-focused emotions (Oyserman et al., 2002).

Collectivistic cultures are *"communal societies characterized by diffuse and mutual obligations and expectations based on ascribed statuses"* where social units with common fate, common goals, and common values are centralized and where *"the personal is simply a component of the social"* (Oyserman et al., 2002, pp. 4–5). People within these cultures supposedly express emotions less and regard fulfilling obligations as being central to well-being (Oyserman et al., 2002).

Oyserman et al. (2002) concluded that all societies can exhibit collectivistic or individualistic tendencies at times, and that the only element that differs is the extent to

which each of these tendencies is activated. Collectivism and individualism are concepts that are commonly associated with Dutch social psychologist Geert Hofstede's Cultural Dimensions Model. This model is frequently applied to organisations that conduct cross-cultural business (Piepenburg, 2011). With this in mind, it suggests that in such organisations, the expression of emotion can vary in its expression between cultures, as can the extent to which employees derive their well-being from either happiness or fulfilling obligations.

Summary 11: The emotional reactions to external stimuli, such as performance measures, can vary in different cultures.

The notion that emotions are something that is culturally defined suggests that they are influenced by attitudinal factors as opposed to being forces that spontaneously arise. Some academics have previously sought to characterise emotion as a set of disorganised forces that can cause people to deviate from their previous behaviour and lead them to act upon their impulses (Plutchik, 1991). However, there are also other views on this subject. For instance, Leeper (1948) stated that

"The criterion of organisation... is not a matter of whether there is some interference with preceding activities. It is the question whether this interference is relatively chaotic and haphazard, or whether the suppressions and changes of subordinate activities are harmonious with some main function which is being served" (p. 12).

He conceptualised emotions as motives that direct, arouse and sustain activity. According to him, behavioural and physiological changes that occur whilst emotional responses are taking place help people to prepare for a future event or do what is necessary at the time (Leeper, 1948). This indicates that within organisational settings, certain emotions should be encouraged, as they fulfil a specific function and could potentially boost either current or future performance.

Numerous different academics have hypothesised that a specific competence known as "emotional intelligence" can be used to harness emotions to increase achievement. "Emotional intelligence" is a term that is used to describe the set of skills that is needed to accurately express, appraise and regulate emotion, and use emotions as a source of motivation (Salovey & Mayer, 1990). This suggests that Leeper's (1948) conception as emotions as motives might not be entirely accurate, as it indicates that specific skills are needed to utilise emotions to achieve aims. If they were synonymous with motives then they would automatically cause a person to attempt to realise those aims.

Huy (1999) stated that emotionally intelligent individuals are capable of recognising the emotional states of themselves and others and using them to regulate behaviour and engage in problem-solving. He posited that emotionally capable organisations recognise and utilise members' emotions in order to facilitate the conditions for positive

organisational changes. He also made a distinction between individual emotions and organisational emotions. The former are suppressed for the sake of putting across a specific image of the organisation, which means that the emotions conveyed by companies are not necessarily representative of the emotions that are experienced by the employees (Huy, 1999).

Adler and Chen (2011) examined individual motivation within large-scale collaborative creativity. They stated that motivation that occurs via both emotional responses and the desire to align behaviour with deeply held personal values can be influenced by the implementation of specific policies. They also posited that it can be impacted upon via the design of management control systems (Adler & Chen, 2011).

Summary 12: Special skills (i.e., emotional intelligence) are needed to utilise emotions to achieve specific aims.

Affective Events Theory also deals with the effect of emotions upon motivation. This theory was put forward by Weiss and Cropanzano and holds that specific events that are experienced in the workplace can cause different types of people to experience different emotions (Thompson & Phua, 2012). They claimed that there are six major varieties of emotion. Two of these emotions are positive: love and joy (University of Minnesota, 2017).

According to Weiss and Cropanzano (as cited in University of Minnesota, 2017), these emotions can motivate employees to act in different ways. Repeated exposure to emotions can also affect job satisfaction over an extended period of time. However, this effect is moderated by the individual's beliefs and personality (University of Minnesota, 2017).

Some academics believe that the positive emotions produced by events within the workplace are capable of increasing productivity. However, this is not universally agreed upon (Spicer & Cederström, 2015). Spicer and Cederstrom (2015) have noted that research carried out in British supermarkets found that there was an inverse relationship between productivity and employee happiness. The less happy the staff were, the more profitable the supermarkets appeared to be.

There is also some evidence to suggest that happiness can have a detrimental impact upon some elements of performance. Studies indicate that people who are happy are less adept at identifying acts of deception, and that individuals who are angry during negotiations tend to achieve more positive outcomes than those who are happy (Spicer & Cederström, 2015). Ekman (as cited in Spicer & Cederstrom, 2015) also found that people who expect that work will make them happy frequently become emotionally needy within the workplace. They often want their managers to deliver regular emotional reassurance and recognition, and can feel neglected and overreact when they

do not receive the desired input. These employees interpret minor setbacks as evidence of their superiors rejecting them.

Research also indicates that high levels of happiness can make people act in a more selfish manner (Spicer & Cederström, 2015). This suggests that happiness could compromise their ability to operate as part of a team within organisational settings. It also indicates that it can cause them to put their own personal needs above those of the company.

On the contrary, Lane (2017) found that happiness is negatively correlated to selfishness. However, his research indicates that this is due to the fact that engaging in selfless behaviour produces happiness, not that happiness produces selfless behaviour. It is feasible that selfless behaviour leads to happiness, but that happiness also causes selfishness.

Research by Lane (2017) also indicates that there is a relationship between happiness and trustworthiness. It suggested that trustworthy behaviour makes people happy rather than happiness leading to trustworthiness. This implies that factors within organisations that boost the degree to which employees are able to exhibit trustworthy behaviour is also likely to increase the level of satisfaction that they derive from their work.

In addition to these points, Lane (2017) found that being happy reduces the extent to which someone is willing to initiate punitive action against another person. This indicates that happy managers are likely to be less strict than their less happy counterparts. He also found that happiness reduces impatience when expecting monetary rewards (Lane, 2017). This suggests that happy employees would be willing to wait longer for bonuses or other financial incentives without it causing a decrease in their levels of motivation.

His research indicated that generous behaviour results in increased happiness (Lane, 2017). This implies that managers can enhance their levels of satisfaction by providing such financial incentives. However, it also indicates that they might be tempted to dispense with excessively high rewards on account of the benefit that they gain from doing so in terms of happiness.

Kerns (2008) put forward the notion that employees within organisations can be roughly categorised according to four main combinations of happiness and performance level: “happy low performers”, “unhappy low performers”, “unhappy high performers”, and “happy high performers”. He claims that happy low performers are sometimes mismatched for their position or require additional training. He points out that if they receive the correct factors to encourage their improvement, they can move towards the happy high performer category (Kerns, 2008).

According to Kerns (2008), a number of different factors can contribute to employees falling within the “unhappy low performers” category, including a lack of meaningful employee recognition, poor selection practices, and failure to put a performance management system in place. They can also end up in this category on account of a mismatch between work preferences and the requirements of the role (Kerns, 2008).

Kerns (2008) suggested a number of different reasons to suggest why some employees end up within the “unhappy high performer” bracket. Their work is sometimes not challenging enough, and they might be assigned similar work over and over again due to the perception that they should keep being given this type of work because they are good at completing it. This can cause employees to believe that managers do not care about their development and increase the chances of staff turnover.

Happy high performers represent the strongest prospects for sustained organisational success. They are more likely to continue to perform at a high level. A number of characteristics are common amongst employees who fall within this category. They typically have a clear direction, are motivated by heading in that direction, and focus upon factors that they believe are important and that they can influence. They tend to be connected to the resources that are necessary for them to utilise in order to carry out key actions, and experience a high degree of engagement with their work. They also derive both purpose and meaning from their roles.

In addition to these points, these employees tend to have a higher number of positive experiences at work than negative ones. They typically possess an optimistic perspective of the future, and view their workplace in a positive light. They usually do not hold grudges against others, and also have a positive view of their past within the organisation (Kerns, 2008).

Kerns’ (2008) model demonstrates how happiness interacts with performance within the workplace to enhance the value of employees. It also provides an indication of how staff members with each combination of happiness and performance can be identified. This means that steps can be taken to promote the development of employees who are not within the “happy high performers” category.

Scollon (as cited in Bradshaw, 2013) notes that happy employees generally tend to take less days off work than their less happy counterparts. They are also typically more creative when it comes to problem solving. She claims that this means that it is within the financial interest of organisations to foster happiness amongst their staff members (Scollon, as cited in Bradshaw, 2013).

Swart and Rothmann studied the effect of happiness on organisational and individual outcomes and concluded that it enhances the degree to which organisational citizenship behaviours are carried out (Swart & Rothmann, 2012). “Organisational citizenship

behaviours" are discretionary actions carried out by employees that fall outside of their formal job descriptions. They are behaviours that go above and beyond what is required on account of personal motivation to do so (Pickford & Joy, 2016). Identifying this motivation can bring about increases in performance. Swart and Rothmann's (2012) research suggests that happiness can constitute a source of motivation for this type of conduct.

Swart and Rothmann (2012) also found that happy employees tend to have higher levels of organisational commitment. This is a term that is used to describe attachment to the organisation, desire to remain in its employment, identification with its objectives and values, and willingness to exert additional effort upon its behalf. It is essentially the linkage between individual employees and the organisation (Martin & Roodt, 2008).

Meena and Agrawal (2014) studied the relationship between employee happiness and organisational climate at educational institutions in India. They took happiness to be an umbrella term for a variety of different positive emotions including joy and contentment (Meena & Agarwal, 2014). The term "organisational climate" refers to the internal environment within an organisation that emerges from its norms and values and influences employee behaviour (University of Delhi Institute of Lifelong Learning, n.d.).

The researchers found that there was a positive correlation between employee happiness and a positive organisational climate (Meena & Agarwal, 2014). It remains unclear whether happiness brings about a positive organisational climate or vice versa. It is also worth noting that the findings of this research might not necessarily be applicable with regards to organisations other than educational institutions or outside of the context of India. It is possible that they apply solely to this geographical setting and type of organisation.

Summary 13: Commonly, happy employees are more productive, as they act less selfish, less punitive, are more patient and uncomplaining, more motivated and focussed, take less days off work and go beyond what is required. Nevertheless, studies indicate the presence of "happy low performers" which results in an inverse relationship between productivity and employee happiness.

There has been much discussion about the role of happiness in organisational behaviour, but considerably less about the impact of platonic love. Khanka (2009) claims that emotions of platonic love lead to increases in empathy. He has stated that this can manifest itself in terms of workplace behaviour (Khanka, 2009). According to Khanka (2009), employees who experience feelings of love towards their work also tend to exhibit higher levels of happiness. He has put forward the notion that factors that detract from the extent to which staff members love their work include confusing instructions and a poorly defined job role (Khanka, 2009).

Khanka (2009) has drawn attention to the importance of positive emotions in the recruitment process. He highlights the fact that there is evidence that employees who exhibit positive emotions more often tend to perform at a higher level. He also draws attention to the significance of emotional intelligence within some roles. He states that a high degree of emotional intelligence has been demonstrated to correlate to better performance in sales jobs.

According to Khanka (2009), emotions also help leaders within organisations to influence their employees. Effective leaders are able to mobilise and frame their emotions in a manner that motivates staff members to share their vision. They are also able to transmit emotional contagion. This is when a leader displays positive emotions, causing employees to experience similar emotional responses. This can lead to increased levels of productivity and cooperation (Khanka, 2009).

Summary 14: By acting as a role model, superiors can trigger intended emotions in their subordinates.

Some have a less positive view of the role of emotions in the workplace and view them as acting as a catalyst for irrational behaviour.[29] However, Robbins and Judge (2013) then challenged this notion, and claim that emotion can actually act as a force for rational decision making. They point out that evolutionary psychology indicates that emotions serve useful functions, or else human beings would not have evolved to exhibit them. They provide the example of feelings of empathy, and claim that it can enhance an employees' ability to deliver customer service (Robbins & Judge, 2013).

However, Robbins and Judge (2013) warn that managers should not assess emotionally driven behaviour as if it was entirely rational. They point out that the sometimes unpredictable nature of human emotions needs to be taken into consideration. They claim that the extent to which emotion is a positive force within the workforce depends upon the complexity of the task (Robbins & Judge, 2013). According to Robbins and Judge (2013), emotions are sometimes useful when it comes to tasks that do not require a high degree of complexity, but can be distracting in the case of highly complex tasks. This is due to the fact that they evoke high arousal levels that interfere with the focus of the employee (Robbins & Judge, 2013).

In conclusion, there appear to be numerous academic texts from different fields of research (see Figure 6) that deal with the topic of emotion in the context of organisational behaviour, some of which specifically relate to the role of positive emotion.

[29] Cf. Robbins and Judge (2013) for a synopsis

Figure 6: Fields of research contributing to emotions in Organisational Behaviour

However, it is notable that positive emotions have still only played a minor role within the discipline until recent years. It is arguable that they still constitute a neglected area of research. An examination of lists of recent articles published in the *Journal of Organisational Behavior* (John Wiley & Sons, 2013-2018), *Research in Organisational Behavior* (Elsevier, 2013-2018) and *Organisational Behavior and Human Decision Processes* (Elsevier, 2013-2018) reveals that out of a total of 94 articles, only three directly relate to positive emotions[30]. This suggests that further exploration is necessary in order to fill the current knowledge gaps.

[30] Hu and Kaplan (2015); Sherf and Venkataramani (2015); Barsade, Coutifaris, Constantinos G. V., and Pillemer (2018)

3.3 Organisational Justice

During the pilot interviews, it emerged that the majority of statements revolved around the themes of fairness and justice. As I had not covered these topics sufficiently in my literature research conducted up to that point, I turned back to the literature at this point and familiarised myself with the concept of organisational justice.

Organisational justice evolved from ideas related to equity theory (Goodman & Friedman, 1971), established in the 1960s by John S. Adams (Berkowitz, 1965). Adams's theory emerged in a period when motivational theories flourished. Building on Maslow's seminal theory on the hierarchy of needs (cf. section 3.2.1), a manifold of motivation concepts were published, such as Herzberg's dual structure (motivator-hygiene) theory (cf. section 3.2.2), Fishbein's expectancy value theory, McClelland's acquired needs theory and many more. In explaining motivation in terms of whether employees feel they are being treated with fairness, equity theory probably provided a better approach than any other of these models. Adams believed that very subtle factors affect how each person perceives their relationship to their work. The employer, of course, is an integral part of the workplace and is considered in this relationship. Equity Theory, however, allows the individual to become aware of what the larger situation is in the workplace. It extends the person's point of view beyond self as equity theory includes environmental influences and comparable situations of others.

Most people would agree that when people feel they have been treated fairly or treated well, they perform better and are more highly motivated. Conversely, people who feel like they have been mistreated lose their motivation; they can begin to regard the company with disaffection and in extreme cases, active hatred or violence (Gotham & Kennedy, 2019; Hershcovis et al., 2007). The question is how people measure this sense of how they feel. Equity Theory explains this feeling and its measurement.

Equity is defined by the feeling of fairness. It is the presence of fairness (or its absence) that leads to motivation or demotivation. According to equity theory, employees tend to use a mental formula to determine what the return on their level of investment is (similar to the way an organisation would determine return on investment, or ROI). Once they have determined their personal ROI, they look around at those they work with and try to determine their ROI. If another employee's ROI is higher than theirs, and the employee is in a similar working situation, then the employee believes the situation is not fair, and demotivation begins. Equity theory's important contribution is that it explains why employees are not motivated by money alone, or benefits alone. Instead, equity theory considers intangibles that may come into play. In that sense it represents an excellent way for an organisation to gain insight into an employee's thought process. And, as Goodman (1971) pointed out, the theory can be used both to determine when inequitable conditions exist, and how to remedy those conditions.

3.3.1 The emergence of Organisational Justice

Organisational Justice, as a concept, evolved from works of *"Homans (Homans, 1961), Adams (Adams, 1965), and Walster, Berscheid, and Walster (Walster, Berscheid, & Walster, G. William, 1973)"* (Greenberg, 1987, p. 9). Greenberg (1987) argues that while equity theory has highlighted important, fundamental aspects of organisational justice and thus laid the foundation for this area of research, it does not provide a comprehensive explanation of all questions in this field. Through the integration of other theoretical approaches, by combining a reactive-proactive dimension with a process-content dimension, he created a contemporary definition of organisational justice. The first dimension covers aspects ranging from the need to rectify injustice up to trying to attain justice. The second dimension focuses on how various outcomes are determined in organisations and on the fairness of the resulting distribution of these outcomes (Greenberg, 1987). According to Greenberg's taxonomy, equity theory is considered a reactive content theory. By bringing other theories of organisational justice to attention and clarifying their interrelationships, Greenberg showed a way to address issues that could not be answered by equity theory alone, such as pay plans (Mahoney, 1983), grievance procedures, selection and placement practices as well as evaluation policies (Folger & Greenberg, 1985).

Justice

Aryee et al. (2015) investigated the topics of justice and how it related to job performance. Their conclusion was that there are three types of justice that especially impact job performance – these types of justice are distributive justice (how fair is the outcome), procedural justice (how fair is the decision-making process) and interactional justice (how fair is the interpersonal treatment that the organisation's decision-makers exercise) (Aryee et al., 2015). However, other researchers have argued that an overall perception of justice is one that perceives the overall fairness of the organisation, which is based not only on an observation of what is happening to oneself, but on what happens to others (Holtz & Harold, 2009). Lind (2001) essentially argues that this global judgement develops from distributive elements, as well as procedural and process elements. He further proposes that the different types of justice are *"more or less fungible"* (Lind, 2001, p. 81).

Barsky et al. (2011) argue that emotional reactions, rather than a cold hard assessment of reality, are what guide perception and assessment of overall organisational fairness. People do not have the ability to take their emotions out of every equation and keep them out. Instead, Barsky et al. argue, it is emotions that motivate individuals and help them develop actions that *"are natural, automatic, and adaptive reactions to mistreatment"* (Barsky et al., 2011, p. 249). However, they suggest, while there is a strong link between emotions and the formation of opinions relating to organisational justice, the researchers do not agree on exactly what that link is.

Fairness

Folger (1987) suggested that whenever a rule violation has occurred in an organisation, the individual who observed the infringement conducts an internal appraisal as to whether or not the people involved in the transgression could have acted different, would have acted differently if the circumstances had made it possible, or simply should have acted differently in order to ensure a different outcome.[31] It is not enough merely to determine that one's supervisor could have acted differently; a complete consideration of fairness would evaluate whether or not the violation or ill treatment was something that the supervisor could have controlled. Finally, an evaluation of whether or not the supervisor should have conducted him or herself differently must also consider what the social norms surrounding the event are (Barsky et al., 2011), because people can react differently to an incident depending upon the social norms and their perspective of them.

3.3.2 Components of Organisational Justice and the Factor Models

Greenberg described organisational justice as a literature *"grown around attempts to describe and explain the role of fairness as a consideration in the workplace"* (Greenberg, 1990, p. 400). As shown above, these attempts date back to the 1960s, with Adams' (1963) equity theory addressing issues on the fairness of outcome distributions or allocations – an aspect later commonly referred to as distributive justice. Soon after research focussed on the fairness of the procedures used to determine outcome distributions or allocations (Thibaut & Walker, 1975) – generally termed procedural justice. Finally, in their qualitative study of treatment expectations in a corporate recruitment setting Bies & Moag (1986) highlighted that people also judge the fairness of the interpersonal treatment they receive, which they called interactional justice. Greenberg later advised that interactional justice should be broken into two separate components: interpersonal and informational justice (Greenberg, 1993).

Distributive Justice

Distributive justice is the fairness that an employee perceives regarding the distribution of outcomes (Adams, 1965; Leventhal, 1976). Examples of outcomes relating to distributive justice in the organisation include pay scales, promotions or lack of them, status within the company, performance appraisals but also dismissals (Pan et al., 2017). Adams (1965) originally asserted that under distributive justice, people are actually

[31] Folger's referent cognitions theory (RCT) illustrates the role of decision-making procedures in shaping perceptions of unfair treatment (Folger, 1987). Cropanzano & Folger capture the essence of RCT in a phenomenological would/should account: *"In a situation involving outcomes allocated by a decision maker, resentment is maximized when people believe they **would** have obtained better outcomes if the decision maker had used other procedures that **should** have been implemented"* (Cropanzano and Folger, 1989, p. 293).

more concerned about the fairness of an outcome than about the outcome itself. In his equity theory he postulated that people compare the ratio of their input to the outcomes achieved with the input/outcome ratio of others. If these ratios are different, inequity is perceived. People who consider their ratio to be lower than that of others are likely to feel disappointment and anger, while people who consider their ratio to be better than that of colleagues in similar situations may well feel guilt. In either case, this inequity creates an unpleasant state that stimulates people to either eliminate it, e.g., by altering inputs or outcomes or by cognitive distortion of inputs or outcomes – either their own inputs/outcomes or those of others, avoid it, e.g., by leaving the work-compensation relationship, or levelling it, e.g., by changing the object of comparison.

This early concept of justice was soon expanded by further 'distribution rules' (Deutsch, 1975; Eckhoff, 1974). Eckhoff's (1974) systematic approach to define distinct principles of justice that are applied during allocation resulted in five distribution rules: objective equality (same outcome for all – often referred to in literature simply as 'equality'), relative equality (equality relative to individual contributions or equality of outcome/input ratios – Adams 'equity' principle), subjective equality (distribution of outcomes proportionate to the 'need' of individuals), rank order equality (allocation of outcomes follows normative expectations) and equality of opportunity (equal, non-discriminatory access to life chances). Depending on the specific conditions or the type of relationship between the persons involved, different distribution rules are appropriate (Lerner, 1974). Among friends, the principle of equality is often applied, while in the professional field the equity principle is prevalent, and in the charitable sector the need principle.

Procedural Justice

In the early 1970s, John Thibaut, Laurens Walker and other researchers began to study the psychology of social decision-making procedures (Lind & Tyler, 1988).[32] In their investigations of legal procedures, they distinguished between the fairness of the verdict and the fairness of the process that led to the verdict, which became known as procedural justice (Thibaut & Walker, 1975). They were particularly interested in the effects of process control (being able to voice one's opinion during the procedure) and decision control (the ability to influence the outcome). Thibault & Walker (1975) showed that process control positively influenced the perceived fairness and thus the acceptance of verdicts although the outcomes were not affected. This finding has become known as the 'fair process effect' or 'voice effect' (Colquitt et al., 2001; Lind & Tyler, 1988).

[32] Other social psychologists had conducted research on procedural issues earlier, but Thibault and Walker were the first to identify a concept focussing on the connection between procedure and justice (Lind and Tyler, 1988).

Later on, procedural justice was transferred into non-legal contexts such as organisational settings by Leventhal (Leventhal, 1980). In addition to the voice effect, Leventhal identified six further determinants which constitute a 'fair' process:

- consistency, across people and across time
- be free from bias
- accuracy, ensure that correct information is collected and used in making decisions
- contain mechanisms for correcting wrong decisions
- adhere to prevalent conceptions of morality and
- be representative, i.e., ensure that the opinions of various groups affected by the decision have been taken into account.

In an organisational context, procedural justice is commonly associated with trust in the organisation's upper management and commitment to the organisation (Pan et al., 2017). It also influences the way that employees engage at work, the way the employees share knowledge, and innovative or entrepreneurial behaviours at work. Procedural justice suggests that the way rewards are established is more important than the actual reward (Pan et al., 2017). In procedural justice, bonuses would be distributed following a fair standard and transparent practice, and if mistakes are made, they are corrected. However, in procedural injustice, bonuses would be distributed following an unfair or random standard, and a closed procedure (Pan et al., 2017).

With the introduction of procedural justice, researchers began to apply a model that consisted of the two dimensions of fairness known until then: distributive justice related to outcomes such as satisfaction with one's rewards and procedural justice related to outcomes that are based within the organisation, such as commitment to management. The 'two factor model' suggests that procedural justice is particularly important when trying to maintain company loyalty.

Interactional Justice

A third dimension of justice was introduced by Bies and Moag (1986), who claimed that people also judge the fairness of the interpersonal treatment they receive when organisational procedures are implemented. They felt that the research on procedural justice focused too much on structural characteristics and that even if its requirements were strictly adhered to, there could still be a sense of injustice. By asking job candidates about how human resources manager should treat applicants, they identified four rules defining the fairness of interpersonal treatment (Bies & Moag, 1986):

- truthfulness (superiors should be honest and open when implementing decision making procedures and avoid deception),
- justification (provide adequate explanations of the outcomes of such procedures),

- respect (treat people with dignity, sincerity and politeness; avoid being rude or dismissive) and
- propriety (no prejudicial statements or improper questions).

These criteria were distinct from those presented by Thibault & Walker (1975) and Leventhal (1980) and complemented them with a social component. In subsequent work Bies expanded this concept with different co-authors (Folger & Bies, 1989; Greenberg et al., 1991; Tyler & Bies, 1990). At first, their work remained an extension of procedural justice, until Greenberg (1993) finally argued that sincere and respectful treatment influences the perceived fairness about decision outcomes as well – hence these aspects constitute an independent component of organisational justice. Recent research claimed that interactional justice is far more critical than distributive and procedural justice, since it occurs in virtually every encounter between managers and subordinates, whereas the latter are typically limited to resource exchange contexts that are relatively infrequent (Scott et al., 2007). Furthermore, Greenberg suggested that this concept should be subdivided into two separate dimensions: interpersonal justice and informational justice, as they are logically distinct and have shown to have independent effects (Greenberg, 1993).

Interpersonal justice is a description of how people are treated. It covers the respect and propriety rules established by Bies & Moag and is thus a measure of how people are treated with politeness, dignity and respect (Greenberg, 1993). Interpersonal justice primarily influences reactions to decision outcomes, because sensitivity can make people feel better about an unfavourable outcome (Colquitt et al., 2001). The perception of interpersonal justice can be increased if supervisors treat their subordinates fair and create a positive working atmosphere (Moorman, 1991). It is important that managers continually strive to maintain good relationships with their subordinates (Mansour-Cole & Scott, 1998).

Informational justice on the other hand comprises the rules of truthfulness and justification. It focuses on the amount and quality of the information given to people while other forms of interaction are applied (Greenberg, 1993). Although informational justice also has a 'day-in day-out' significance like interpersonal justice (Scott et al., 2007), it is situationally driven – i.e., managers adapt the amount and type of information given to the specific situation (Masterson et al., 2005). Clarity, adequacy and sincerity of communication about a decision are important factors to increase the perception of informational justice (Fortin, 2008, p. 96).

With the introduction of interactional justice and its subsequent division into interpersonal and informational justice the debate evolved on whether two, three or four dimensions are appropriate for a comprehensive definition of organisational justice (Fortin, 2008). Although around 1990 some authors (Lind & Tyler, 1988; Sweeney & McFarlin, 1993; Tyler & Bies, 1990) argued that the concept of procedural justice already

took into account aspects of fair human interaction and that an independent dimension was therefore unnecessary, the voices of those who first identified fundamental differences between procedural and interactional justice (Bies, 2005; Bobocel & Holmvall, 2001; Greenberg, 1993; Moorman, 1991) and subsequently also between interpersonal and informational justice (Colquitt et al., 2001; Masterson et al., 2005; Scott et al., 2007) increased. Thus today, the four-factor model of distributive justice, procedural justice, interpersonal justice and informational justice has emerged as the prevailing conceptualisation of organisational justice.

3.3.3 Contemporary concepts of Organisational Justice

While the academic debate at the end of the 20th century focused on the identification, distinction and raison d'être of different dimensions of organisational justice, there has been a tendency since the beginning of the 21st century to recombine the different dimensions in order to arrive at a fundamental, global construct of justice (Colquitt et al., 2005; Fortin, 2008). Colquitt et al. (2005) termed these endeavours the 'integrative wave'. Among the advantages of a monistic view of justice are

- that the strong interdependence of distributive and procedural justice is taken into account (Cropanzano & Ambrose, 2001),
- individuals tend to view justice as one single concept, which makes it difficult to precisely distinguish between distinct dimensions in studies (Ambrose et al., 2015; Colquitt et al., 2001) and
- considering overall fairness and other psychological constructs might provide more valuable insights than research focusing on individual dimensions of organisational justice and their relationship to each other (Ambrose & Arnaud, 2005; Ambrose et al., 2015).

Research into the interdependencies and interactions between the individual dimensions in particular has led to valuable findings. It has been shown, for example, that the feeling of justice in one dimension can at least partially compensate for injustice in another dimension (Brockner, 2002; Cropanzano et al., 2005), although this is not the case in every situation (Mullen & Skitka, 2006). Among the efforts to create a global, integrated concept of organisational justice, Colquitt et al. (2005) identified three different approaches that led to various theories: counterfactual, group-oriented and heuristic conceptualizations.

Counterfactual conceptualizations capture organisational justice through people's perception of what could have been (Colquitt et al., 2001). Referent Cognitions Theory (RCT) tries to explain the feelings of anger and resentment arising from an imbalance between anticipated objectives and results (Folger, 1986). According to Folger (1986), the assessment of the actual result is not only based on a ratio of input and outcome, but also on a mental comparison with alternative, imaginary results which, in the

opinion of the individual, could have occurred if the decision-makers had decided otherwise (referent cognition).

Later on, Folger advanced RCT into Fairness Theory (Colquitt et al., 2005). According to Fairness Theory, the perception of injustice arises when someone is able to hold another person responsible for the loss of their own well-being in a particular situation (Folger & Cropanzano, 2001). For this to happen, several conditions must be fulfilled: first, there must be a situation that is undesirable from the point of view of the person concerned (Would), second, alternative courses of action were available (Could), and third, the person responsible for the given situation should have acted differently on the basis of generally accepted ethical principles (Should). The Would-Could-Should construct represented a shift from referent cognitions to counterfactual thinking – and thus represented the answer to the critique on RCT's narrow emphasis on referent outcomes (Folger, 1993) as it acknowledges that also procedural and interactional justice influence an event's experienced negative impact. Fairness Theory addressed another weakness of the RCT approach: the implication that the imagination of what would have happened is linked to the thinking about what should have been done. Fairness theory assumes that each of the aspects of Would and Should can occur separately with the Could aspect (Folger & Cropanzano, 1998).

Group-oriented conceptualizations consider justice from the point of view that judgements of justice are mediated through the importance of identification with and membership of a group (Colquitt et al., 2005). Lind & Tyler (1988) emphasize the motivation of individuals to engage in social interaction, because people are concerned about their relationships with other people, groups and institutions. The Group Value Model assumes that group identification and group membership are psychologically rewarding and that individuals are motivated to form and maintain group connections (Lind & Tyler, 1988). Lind and Tyler (1988) argue that individuals value participation as an expression of procedural justice because it makes evident that their opinions are worth hearing. Procedures that assert a person's status in this way are perceived positively, regardless of the actual impact of their participation on the outcome (Lind et al., 1990).

In subsequent work, Tyler and Lind (1992) focussed on the legitimacy of authorities. Authority is understood by Tyler and Lind to be given to certain people in a group to make decisions and give direction (*"empowerment of authorities"*). The prerequisite for authority to function effectively is that the instructions of the persons exercising authority are followed (*"authoritativeness"*). This can be achieved in two ways: first, by enforcement or punishment and reward (*"coercive power"*), and second, by considering the authority as legitimate (*"legitimacy"*) (Tyler & Lind, 1992). Authority exercised through coercion is not only more costly, it also fails to control behaviour, since it neither prevents disobedience nor can it assure continuous obedience. In contrast,

legitimacy guarantees the acceptance of decisions as long as the authority is considered legitimate - it leads to voluntary agreement with the decisions of authorities (*"compliance"*). Based on these premises, Tyler and Lind (1992) postulated a Relational Model of Authority relying on the effects of procedural justice. According to this, procedures are evaluated to make decisions about their implications for the group values - the decision procedures are seen as an expression of fundamental values of the group. The perception of procedural justice is based primarily on the impact on self-esteem and on the conviction that the group functions fairly. The most important factors for judging a procedure as fair are standing, neutrality and trust (Tyler & Lind, 1992). The assessment of these factors is closely linked to the relationship between the perceiving person and the decision-makers: people are very attentive to signals that give them information about their position in the group, and they want to understand, maintain and improve their social relationships in the groups. One of the reasons for this is that they can strengthen self-esteem - a high status in a valued group strengthens people's identity.

Based on the Group Value Model and the Relational Model of Authority, Tyler and Blader (2000, 2003) developed the Group Engagement Model that focusses on interpersonal aspects of procedural justice. They base the appreciation of fair treatment on the need of people as social beings to feel that they belong to a social group: *„treatment with dignity and politeness, as well as the consideration of One's needs and concerns, are also aspects of interpersonal experience that communicate that One is valued by others"* (Tyler & Blader, 2003, p. 359). According to the Group Engagement Model, the willingness to cooperate within the group is based on identity-forming characteristics of the group. *„The group engagement model argues that, when People want to make identity assessments, one aspect of their lives that they look to is the procedures of the groups to which they belong"* (Tyler & Blader, 2003, p. 355). The social interaction between group members serves as a source of information about their own status. Fair decision-making processes remain an important element of procedural justice, albeit due to changed theoretical assumptions (Tyler & Blader, 2000; Tyler & Blader, 2003). Fair rules for the course of proceedings do not primarily serve to ensure fair outcomes, but rather to build identity. Unfair trials in dealing with minorities can, for example, lead to negative status implications for members of this minority. *„It will communicate marginality and exclusion from important protections that are extended to most other group members for example, freedom from arbitrary arrest and seizure"* (Tyler & Blader, 2003, p. 359). If the decision-making processes are subject to fair rules, a person can identify better with this group without worrying about receiving negative feedback. Procedural justice manifests itself in informal member interaction and behaviour of authorities or in formalized rules and procedures of the group (Tyler & Blader, 2000, 2003).

In contrast to the group-oriented approaches, *heuristic conceptualizations* again focus on the individual, as they focus on the nature of mental shortcuts used in the formation and application of psychological justice judgements (Colquitt et al., 2005). The Fairness Heuristic Theory developed from the studies on the Relational Model of Authority (Colquitt et al., 2005). It tries to explain how people generate justice judgements and why they apply them (Lind et al., 1993). The theory assumes that handing over responsibility to another person or to an authority can lead to the possibility of being exploited, thus creating a certain degree of uncertainty about how that person will react. To reduce this uncertainty, the actions of the authority will be judged in terms of fairness (Lind, 2001). Fairness in this case serves as a heuristic to predict how the authority will act in the near future. Three elements are essential in fairness heuristics (Lind, 2001). The first element is the procedure. It provides information about the attitude of the decision maker towards the person concerned and whether he or she is a member of the group (Lind, 2001). The second element of the heuristic concerns the order of the information (Lind, 2001). As shown in a study by Van den Bos et al. (1997), the information that is presented first plays the greater role in the assessment of justice. Since in most proceedings or situations procedural information is presented first, procedural justice plays an important role (Van den Bos et al., 1997). The third element is the easiness of situation assessment (Lind, 2001). It is often easier to judge whether one has been treated with respect and kindness than whether the outcome is just or not. According to equity theory, comparative processes are necessary to assess results (Berkowitz, 1965). However, there are often no comparable results available. For example, it is not common to know how much another employee earns, and even if this is known, one does not know the exact work performance of the colleague. Still there is the need to arrive at a judgment of justice. Fairness Heuristic Theory argues that people rely on the information they have (Lind, 2001). This means that if there is no information available about the outcome of a case, the procedural characteristics are used to assess justice. If the person was treated fairly in the trial, then he or she will judge the trial as fair, but if the person was treated unfairly (e.g., not with respect or unkindly), then the whole trial will be judged as unjust. If both procedural and outcome related information is available, both types of information will be used to judge justice (Lind, 2001).

While uncertainty about trust is the focus of Fairness Heuristic Theory, later studies showed that fairness can also be used to address other sources of uncertainty. Uncertainty Management Theory as an advancement of Fairness Heuristic Theory is based on the assumption that in most situations uncertainty is perceived as an aversive state that people want to reduce (Lind & Van den Bos, 2002). One way to reduce uncertainty in social situations is to turn to social groups and organisations. Membership in a social group, like organisations, increases a person's resources to deal with possible negative events and thus reduces the person's uncertainty (Lind & Van den Bos, 2002). It is important for a person to be able to assess the quality of the exchange relationship

with the organisation. Only then can he or she estimate to what extent the group would provide resources in a negative situation and whether it would be worthwhile to belong to this group. According to van den Bos and Lind (2002), people often use fairness assessments as a kind of heuristic indication of the quality of the relationship with the group or organisation with which they are currently interacting. A high level of procedural fairness indicates that the organisation has made efforts to treat the person appropriately and is likely to continue to do so in the future (Van den Bos & Lind, 2002). According to van den Bos and Lind (2002), this results in a sensitisation to fairness judgements when people feel uncertain. In other words, people make more use of fairness judgements when they feel uncertain. Thus, the correlation between fairness judgements and outcome variables should be particularly evident when there is uncertainty.

There is no consensus in the literature as to whether any of these theories explains the general fairness dynamics better than the others. They rather represent different views on various aspects of the concept of justice; for example, Fairness Theory relates to reactions on unfairness perceived in single events, whereas Fairness Heuristic Theory relates to a relationship over time, as the heuristic is relatively stable (Taylor, 2001). More important, they have opened up new directions in the research on organisational justice. New insights were gained as researchers learned that favourability of outcomes is independent of distributive justice, distinguished between short-term event judgments and long-term entity appraisals, separated justice type and justice source and developed improved metrics to measure overall justice (Fortin, 2008).

Recent publications even recognized a paradigmatic shift in the organisational justice literature where *"fairness serves as the dependent rather than independent variable"* (Brockner et al., 2015, p. 103), i.e. whereas prior work on organisational justice focussed on the consequences of (un-)fairness, much of the recent research examines its antecedents – for example, a number of papers have sought to explain when and why managers will behave more or less fair (Scott et al., 2009; Zhao et al., 2015). In general, research in and around organisational justice seems to be more multifaceted and diversified today than at the turn of the century. The boundaries to other fields of research have become more permeable - for example, studies based on findings from the fields of biology (Brosnan, 2006) and social neuroscience (Tabibnia et al., 2008) show that reactions to perceptions of justice are not purely based on cognitive processes. For instance, mammals and birds have been found to show similar reactions to distributive and procedural injustice as humans (Brosnan, 2020). On the other hand, work on organisational justice has influenced related areas and the findings have been integrated and elaborated there – as, for example, in research on

- disadvantaged groups (women and minorities) (Kaiser et al., 2013),
- employee voice and silence (Morrison, 2014),

- abusive supervision (Tepper et al., 2017), workplace incivility and harassment (Schilpzand et al., 2016),
- organizational citizenship behaviour (Cropanzano et al., 2018),
- ethics (Bazerman & Tenbrunsel, 2012) and
- system justification (Proudfoot & Kay, 2014)

to name but a few. Brockner and Wiesenfeld (2020) state that *"research considered to fall under the banner of organizational justice may have plateaued"* (p. 213) but they *"are not suggesting that conceptual and empirical work in justice has become less relevant to the study of employees' beliefs and behaviours"* (p. 213) as organisational psychologists continue to study justice-related matters in areas that are not explicitly labelled as organisational justice. In the title of their most recent resume on research on organisational justice they sum up this conclusion in an ingenious and humorous way: *"Organizational Justice is Alive and Well and Living Elsewhere (But Not Too Far Away)"* (Brockner & Wiesenfeld, 2020).

3.4 The Kano-Model

As I went through the results of the interviews, three different patterns of relationship between the different aspects of PM and emotional responses emerged. These three patterns reminded me of a model that I was more than familiar with from my work in quality management – the Kano model.

The Kano model can be traced back to the two-factor theory - also known as the motivation-hygiene theory - developed by Frederick Herzberg in 1959. It is a model to show the relationship between the features/characteristics of a product or service and customer satisfaction. It is thus also referred to as the Kano model of customer satisfaction.

From the analysis of customer requirements, Noriaki Kano (* 1940), professor at the University of Tokyo, deduced in the late 1970s/early 1980s that customer satisfaction with a product's/service's features depends on the level of functionality that is provided (i.e., how much or how well they are implemented). By contrasting customer satisfaction with the degree of fulfilment of customer requirements, Kano found different correlations depending on the type of feature (Kano et al., 1984).[33] The relationships can be illustrated in a diagram in which the vertical axis reflects the degree of customer satisfaction and the horizontal axis the degree of fulfilment (cf. Figure 7).

[33] The original paper from 1984 was written in Japanese. The first English language publications on the Kano model that I could find appeared in 1993 (Berger et al., 1993; Shiba et al., 1993). Apparently, until that time, the model was known outside Japan only through seminars given by Japanese scholars to foreign audiences. An official translation of the original 1984 paper into English appeared in 1996 (Kano et al., 1996).

The Kano-Model named after him allows the wishes (expectations) of customers to be recorded and taken into account in product development.

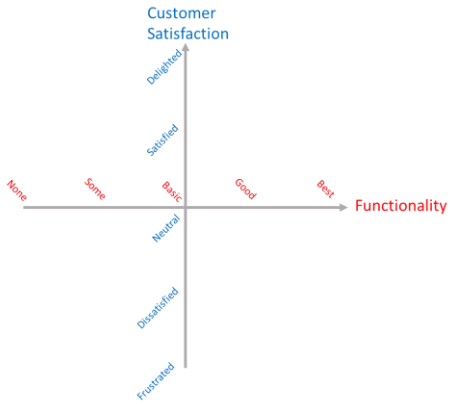

Figure 7: Kano-Model - Dimensions

Features can be classified into five different categories:

- Basic Features,
- Performance Features,
- Enthusiasm Features,
- Irrelevant Features and
- Rejection Features.

Basic Features (elsewhere Must-Be or Threshold Features) are fundamental and self-evident for the customer, so that he/she only becomes aware of them when they are not fulfilled (implicit expectations). If the basic requirements are not fulfilled, dissatisfaction arises - if they are fulfilled, however, satisfaction does not arise. The increase in benefit compared to differentiation from competitors is very small. As an example, one can imagine the wheels on a car. These are naturally assumed, but if they were not present, this would lead to great dissatisfaction.

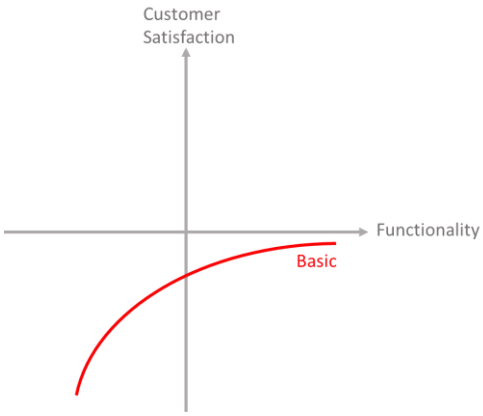

Figure 8: Kano-Model - Basic Features

Performance Features (elsewhere Linear, One-dimensional or Quality Features) have a direct influence on customer satisfaction. They are explicitly expected and often used as a criterion for comparing different products. Performance features are important for market success and to differentiate from the competition. One example from the automotive sector is fuel consumption. If it is extremely high, customers are not particularly satisfied. However, if consumption is lower than expected, this can increase satisfaction.

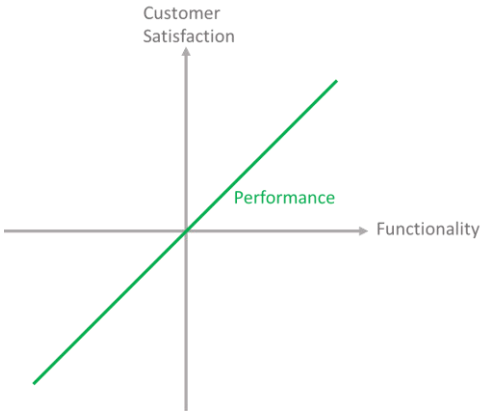

Figure 9: Kano-Model - Performance Features

Enthusiasm Features (elsewhere Attractive Features or Exciters/Delighters), on the other hand, are benefits that the customer does not necessarily expect. They set the product apart from the competition and generate enthusiasm. A small increase in performance can lead to a disproportionate benefit. The differentiation from the competition can be small, but the benefits enormous. In the automotive sector, this is usually achieved through special features or technical innovations.

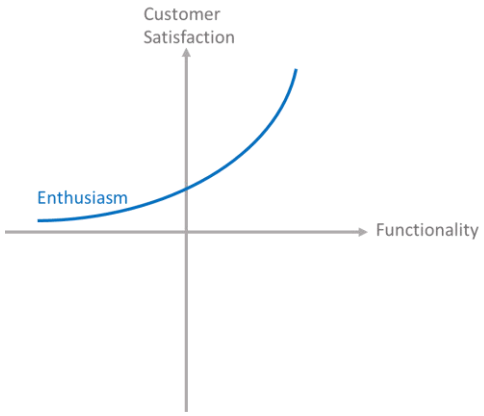

Figure 10: Kano-Model - Enthusiasm Features

Irrelevant features are irrelevant to the customer, both when they are present and when they are absent. Therefore, they cannot create satisfaction, but they also do not lead to dissatisfaction. For example, whether a car's tires are filled with air or tire gas is irrelevant to many customers.

Rejection features cause dissatisfaction when they are present. However, when they are not present, it does not lead to satisfaction. So, a customer may not buy a product because it has a certain feature. For example, some customers reject certain engine variants because they do not seem ecological to them.

In a sense, the model represents a transfer and extension of Herzberg's two-factor theory. The basic characteristics (Kano) correspond in their definition to the hygiene factors (Herzberg), the performance characteristics and also enthusiasm characteristics according to Kano are comparable with the motivation factors (Herzberg). It is important to mention that the expectation towards a product feature is not identical for all individuals. For example, while person A classifies a product feature as an enthusiasm feature, the same characteristic may be a base feature for person B, and a rejection feature for person C.

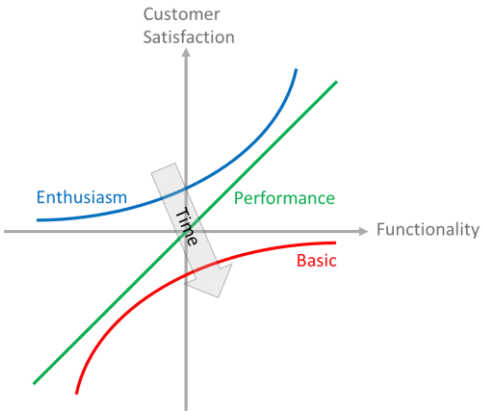

Figure 11: Kano-Model

Over time, the characteristics change as a habituation effect occurs. An enthusiasm feature may become a performance feature and later a base feature. For example, anti-lock brakes were reserved for Mercedes and BMW luxury sedans in the 1980s before they were later added to mid-size cars and are now found as a standard feature in all new cars.

3.5 Synopsis of Literature Review

While reviewing the results of the literature review, I noticed that some of the summaries were more of a universal nature and others were more specific, more problem oriented. For example, Summary 1: '*Performance indicators are a useful guidance for organisations to improve business performance'*, is a general statement. On the other hand, Summary 2: '*Performance measurement/management initiatives often fail'*, points out a specific problem within the field of performance measurement/management. Therefore, I classified the results into two categories – the problem specific summaries and the general summaries that complement, broaden or summarize the former.

Although Summary 2 is more specific than Summary 1, it is nothing more than an observation. Its nature is descriptive – literature supports the statement, but it does not

give a causal explanation. Nevertheless, Summary 2 is the starting point of my work and the intention of the literature review was to explore previous research conducted in this area to create a better understanding for the reasons of failure. Thus, Summary 4: '*Dysfunctional behaviour of employees in regard to performance metrics is an often-neglected reason for the failure of performance measurement/management initiatives*', gives one possible explanation and is thus a partial aspect of Summary 2 – it is hierarchically on a lower level. Further summaries elaborate more detailed elements and consequently are subordinate to summaries of higher order. This results in a hierarchical structure of the specific summaries with several levels, which are supplemented by general summaries at each level. This hierarchy is depicted in Figure 12.

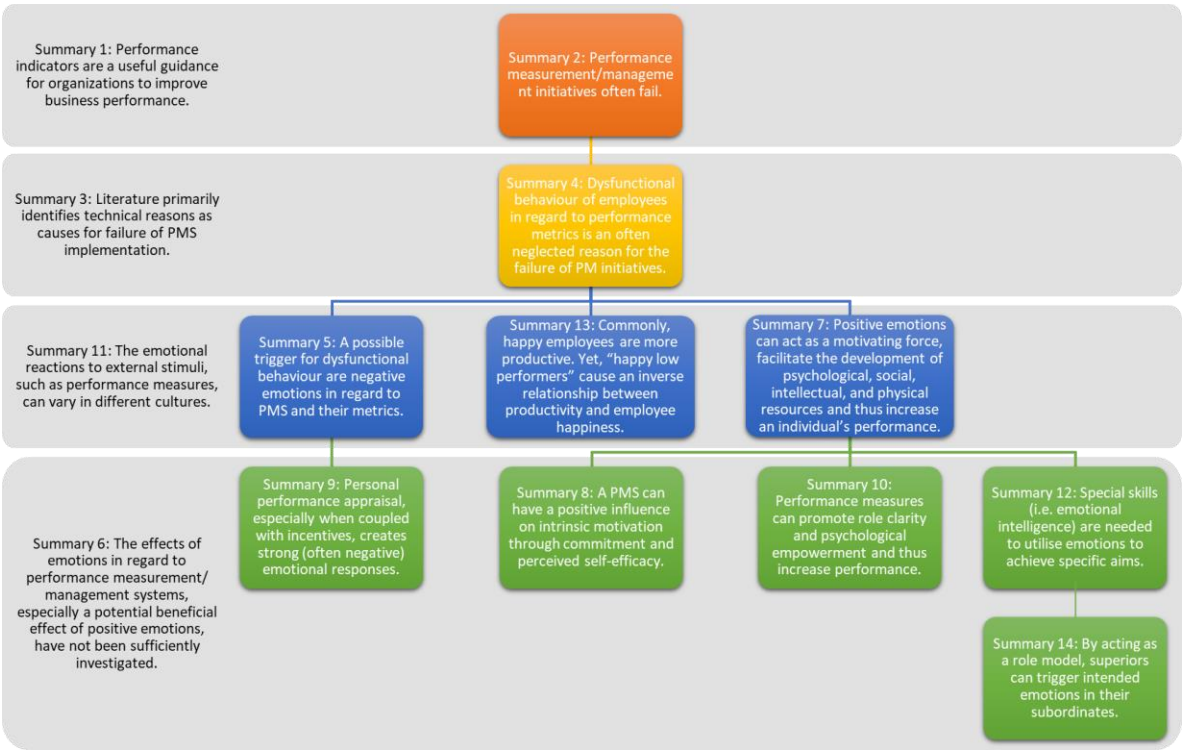

Figure 12: Summaries from Literature Review

3.6 Conceptual Model of Link between Performance Measures, Emotions and Behaviour

Now that the development and current state of research on both Performance Measurement/Management and emotions in the context of Organisational Behaviour have been presented, the question is how to combine both. A frequently cited framework to study the design and operation of performance management systems was developed by Ferreira & Otley in 2009 (Ferreira & Otley, 2009). Although the authors propose that the framework *"allows a holistic overview"* (Ferreira & Otley, 2009, p. 263), I consider it inappropriate in the context of this work, as it reveals the same

shortcomings as most of the literature on failure of PMS implementation: it primarily focusses on technical aspects.

A more suitable approach for this work combines insights from strategic Human Resource Management (HRM) and industrial-organisational (I/O) psychology. Den Hartog et al. (2004) created a model based on the literature that explores the relationship between performance management and performance. The model assumes an influence of HRM practices related to Performance Management on the perception and attitude of employees. According to Den Hartog et al., supervisors and front-line managers play an important mediating role in implementing these practices. The perceptions and attitudes of employees affect their behaviour[34] and hence their personal performance, which in turn affects organisational performance. The model also addresses loopbacks (reversed causality) and contextual factors posing contingencies (Den Hartog et al., 2004).

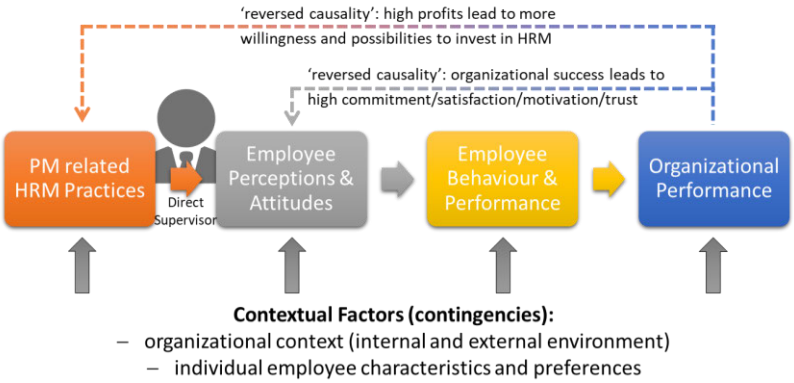

Figure 13: Relationship between HRM practices and performance
Adapted from "Performance Management: A Model and Research Agenda" by D. N. Den Hartog, P. Boselie, J. Paauwe, 2004, *Applied Psychology, 53(4)*, p. 562.

A modified version of this model will constitute the conceptual framework to depict the relationship between performance metrics, emotion and employee behaviour. The first difference is that the input comes from the PMS in the form of performance metrics. Second, I will replace the simplified relationship between Perceptions & Attitudes and Behaviour & Performance with a more detailed model of Emotions, Attitudes and Behaviour (see Figure 14), as recently propagated in research (McShane & Von Glinow, 2018, p. 94).

[34] The idea that perception may lead to corresponding behaviour has been recognized for a long time (Dijksterhuis and van Knippenberg, 1998, p. 866) and in the simplified representation chosen here, it is consistent with the OB concepts described above.

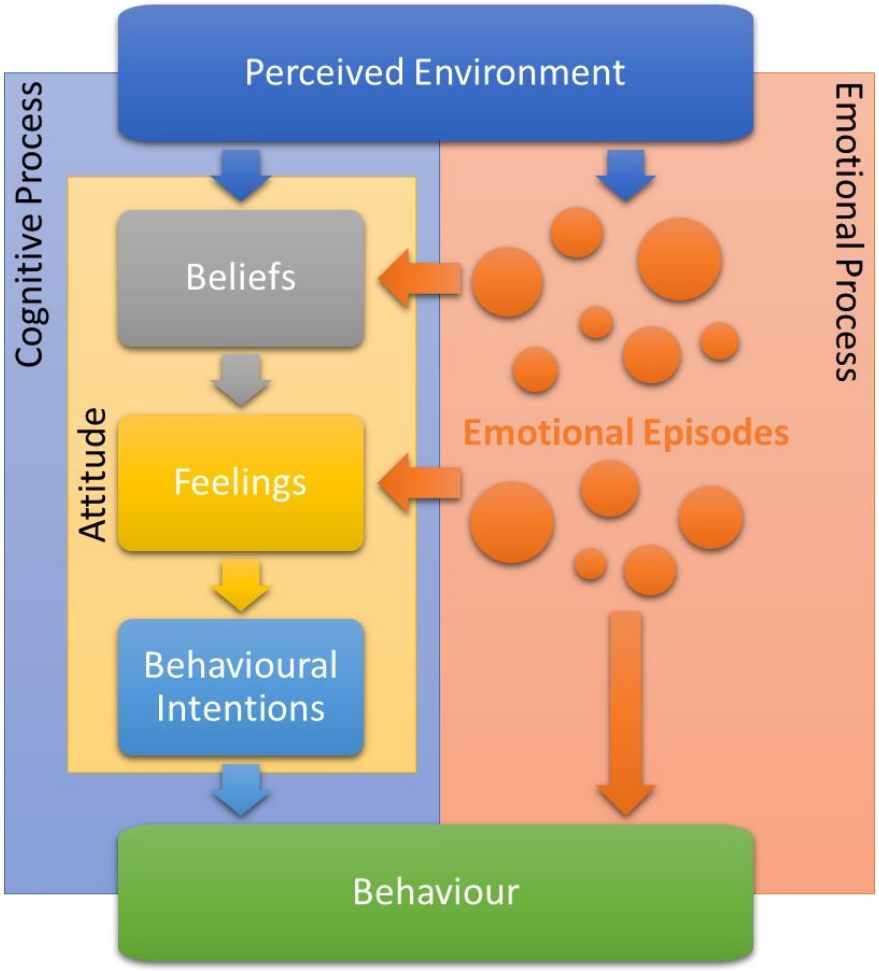

Figure 14: Model of Emotions, Attitudes and Behaviour
Adapted from *Organisational Behavior (Eighth edition)* (p. 94) by S. L. McShane, M. A. von Glinow, 2018, New York: McGraw-Hill.

The model proposes that two processes – a cognitive and an emotional process – are simultaneously at work in the evaluation of stimuli that result in behaviour. Central to the cognitive process are attitudes – clusters of beliefs, feelings and behavioural intentions towards an 'attitude object', i.e., a person, an event etc. (Brief, 1998, pp. 52–53). Within the context of this thesis, I adopt the definition of McShane & Von Glinow (2018) where beliefs are specified as *"established perceptions about the attitude object"* (what someone believes to be true), feelings represent *"conscious positive or negative evaluations of the attitude object"* (feelings are formed from the belief about an attitude object) and behavioural intentions embody the *"motivation to engage in a particular behaviour regarding the attitude object"* (feelings motivate behavioural intentions depending on past experience, personality, and social norms of appropriate behaviour[35]).

[35] Cf. Theory of Reasoned Action (Montano and Kasprzyk, 2008)

Initially, the cognitive process was considered sufficient to explain the relationship between perception and behaviour.[36] For example, expectancy-value theory inherently assumes that cognitive processes lead to evaluative judgments (Ajzen, 2001, p. 33). But recent evidence suggests that an emotional process is at work at the same time (Cunningham & Zelazo, 2007, p. 98). Attitudes are usually consciously conducted evaluations. They are judgments on an attitude object that are stable over a longer period of time. Emotions on the other hand occur as short-term experiences, usually without our awareness (McShane & Von Glinow, 2018, p. 93). External stimuli are tagged with emotional markers based on a quick and imprecise evaluation of whether that input supports or undermines our innate drives (McShane & Von Glinow, 2018, p. 95). These markers are not the result of a cognitive process; they are automatic and unintentional reactions on sensory input within a time frame of 250ms or less (Bargh & Ferguson, 2000, p. 931). Our feelings about the attitude object are then influenced by the experienced emotions (McShane & Von Glinow, 2018, p. 95).

Although the cognitive process creates the impression that certain behaviour can be predicted based on distinct attitudes, there are several contingencies limiting this conclusion. First, even if people share the same beliefs about an attitude object, they may have individual valences for those beliefs resulting in different feelings (McShane & Von Glinow, 2018, p. 95). A positive valence for a belief will result in positive feelings so that the experience or the stimulus situation is pursued further on, whereas a negative valence will lead to negative feelings, the experience is thus avoided (Frijda, 1986, pp. 207–209). Second, the link between beliefs and feelings is not unidirectional. The influence of feelings on the formation of new beliefs was already mentioned in the initial version of the Theory of Reasoned Action by Fishbein and Ajzen in 1975 (Fishbein & Ajzen, 1975, p. 16). Later on, researchers found out that valenced beliefs are able to influence valences of other beliefs, even when there is no rational link between them (Trafimow et al., 2012, p. 518). In addition, recent research showed that contrary to classic learning theories, which implicitly assume beliefs are adjusted similarly regardless of valence (Symmetric Updating), self-relevant beliefs are updated to a greater extent in response to positive valence than negative valence (Asymmetric Updating) (Sharot & Garrett, 2016).

Finally, ability, role perceptions and situational factors influence the relationship between intended and actual behaviour (McShane & Von Glinow, 2018, p. 95). These aspects are central to the MARS model (acronym for Motivation, Ability, Role perceptions and Situational factors). With motivation being defined as *"representing the forces within a person that affect his or her direction, intensity and persistence of*

[36] In 2002 Jacquelynne S. Eccles, a renowned advocate of rational, cognitive expectancy-value theory, demanded more attention towards affective processes (Eccles and Wigfield, 2002).

voluntary behaviour" (McShane & Von Glinow, 2018, p. 32), it can be considered equivalent to the behavioural intentions element from the model depicted in Figure 14. Thus, the remaining three factors of the MARS model complement the Model of Emotions, Attitudes and Behaviour and represent a refinement of the contextual factors of Den Hartog's model. Again, McShane & Von Glinow (2018) deliver an evident definition of these three elements:

- *Ability includes both the natural aptitudes and the learned capabilities required to successfully complete a task. Aptitudes are the natural talents that help employees learn specific tasks more quickly and perform them better.*
- *Role perceptions refer to how clearly people understand their job duties. These perceptions range from role clarity to role ambiguity.*
- *Situational factors are any context beyond the employee's immediate control that constrain or facilitate behaviour and performance.*

The last adaptation I will apply to Den Hartog's model is to omit the outer loopback, because an external reaction (such as a possible investment in HRM practices) is not in the focus of this work. The other 'reversed causality', on the contrary, represents the feedback loop that is initiated by performing a particular behaviour – the feedback may reinforce or mitigate the current belief (Fishbein & Ajzen, 1975, p. 16; Fishbein & Ajzen, 2010, p. 218).

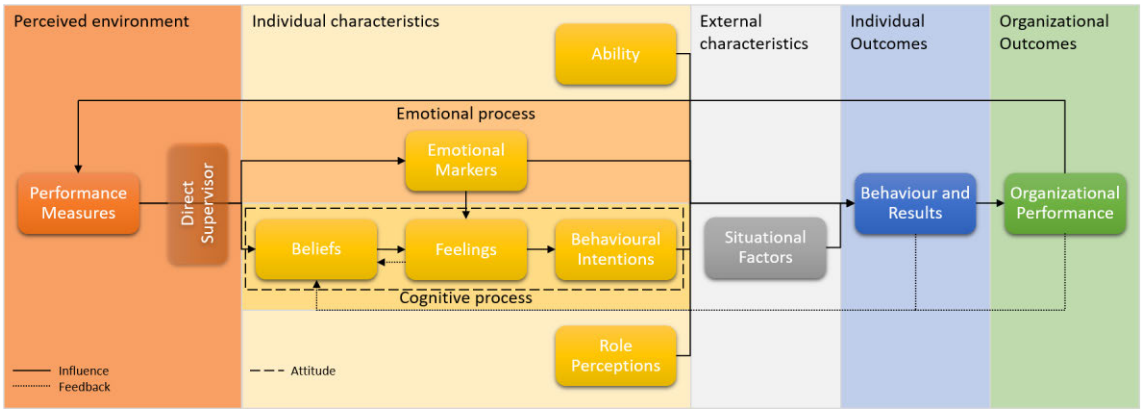

Figure 15: Conceptual Model of Link between Performance Measures, Emotions and Behaviour

The result of the preceding considerations is displayed in Figure 15. My conceptual framework explains the relationship between performance measures on the input side and behaviour & performance on the output side. The perceived environment is evaluated through two simultaneously running processes – the cognitive and the emotional process. In general, beliefs influence feelings which in turn influence behavioural intentions. But feelings also show the ability to alter existing beliefs, they may even influence the valences of other beliefs, even if they are not rationally linked together. The emotional process provides short term evaluations that have an effect on

actual feelings and thus influence the cognitive process. Emotions and behavioural intentions together with ability and role perceptions form a person's individual characteristics. Taking into account external influences (i.e., situational factors), these individual characteristics lead to a specific behaviour and personal outcomes. Feedback on the behaviour and evaluation of the outcomes creates a loop back that may lead to new beliefs about an attitude object. Finally, individual performances aggregate in organisational performance which is reflected in changed performance measures. Evaluation of organisational outcome may also change existing or create new beliefs, similar to the evaluation of individual outcomes. While creating this model, I reflected the state-of-the-art knowledge of psychological research and backed it up by incorporating recent findings in the field of neuroscience (Cunningham & Zelazo, 2007). On the background of this conceptual model, I will now analyse the summaries from the previous literature review to identify gaps within that literature that my research will address.

3.7 Research Questions

First, on the lowest level of the hierarchy, the general Summary 6 states that *'The effects of emotions in regard to performance measurement/ management systems, especially a potential beneficial effect of positive emotions, have not been sufficiently investigated'*. This statement is supported by the specific Summaries 8 & 10, as they provide the only examples for positive influences of PMS I have found in the literature. Namely these effects are commitment and perceived self-efficacy promoting intrinsic motivation as well as increased performance due to role clarity and psychological empowerment. The next step is to investigate how these elements fit in the conceptual model.

According to Solinger et al. (2008) there is widespread agreement in the literature that organisational commitment is an attitude. Attitude in turn is the central component of the cognitive process as explained above – a conscious evaluation of beliefs, feelings and behavioural intentions towards an attitude object. Organisational commitment is thus one entity of the attitude element in the conceptual model. Like every attitude, organisational commitment is also subject to the influence of emotions.

Perceived self-efficacy is defined as *"people's beliefs about their capabilities to produce effects"* (Bandura, 1994, p. 71). In the case of self-efficacy, another individual characteristic inherent to every person – ability – becomes the attitude object of the cognitive process. In the conceptual model, self-efficacy is displayed as a link between beliefs and ability. In his explanation of self-efficacy, Bandura (1994) explicitly states the reciprocity of self-efficacy and emotions.

Role perception relates to the level of understanding people have about the expectations towards them and their function in an organisation. Role perceptions range from role clarity to role ambiguity. Role clarity leads to more accurate and efficient

work, thus motivating employees because they have a higher belief that they will achieve their goals (see the feedback from 'Behaviour and Results' to 'Beliefs' in the conceptual model). Role ambiguity on the other hand will lead to a waste of time and energy due to misdirected effort which in turn has a demotivating effect (McShane & Von Glinow, 2018, pp. 34–35).

Thomas and Velthouse (1990) describe psychological empowerment as "*increased intrinsic task motivation"* that is the result of iterative evaluations of a cognitive process similar to the one used in this thesis. Central to the cognitive process is the assessment of the task to be performed with regard to four elements (Thomas and Velthouse, 1990): ability (originally impact), self-efficacy (originally competence), self-determination (originally choice) and meaning *"the value of the task goal or purpose, judged in relation to the individual's own ideals or standards"* (p. 672). Ability and self-efficacy have been addressed above, so I do not intend to elaborate this further here. A key concept of self-determination is perceived locus of causality (PLOC), which is a measure of felt autonomy for behaviour (DeCharms, 1968). The perceived locus of causality may range from internal over external to impersonal, whereas an internal PLOC is considered desirable because it leads to intrinsic motivation (Ryan & Deci, 2000b). In any case the PLOC and thus the level of self-determination is the result of an evaluation of what someone believes to be the drive for his behaviour – it is a feeling of self-determination. Finally, meaning is a judgment on the anticipated outcomes of a specific behaviour in relation to normative beliefs. Looking back at the definition of intended behaviour given above: 'feelings motivate behavioural intentions depending on past experience, personality, and social norms of appropriate behaviour', it shows that meaning is also an element that becomes relevant during the cognitive process.

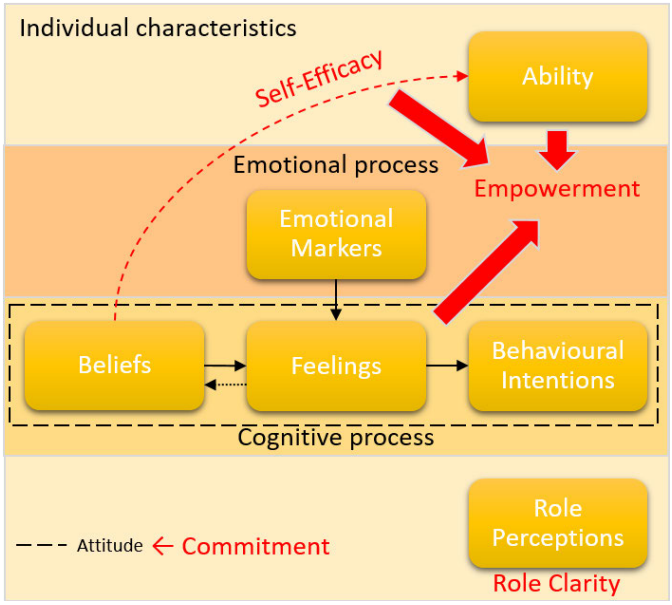

Figure 16: Summaries 8 & 10 and conceptual model

Figure 16 shows that the effects mentioned in Summaries 8 & 10 can be explained by the conceptual model constituted earlier. The effects all take place in the realm of the individual characteristics. And it becomes evident that commitment, self-efficacy and empowerment are all influenced by emotions. However, the question of how positive or negative emotions are triggered by performance measures has not been clarified. This leads to the first research question:

> RQ 1: What elements (e.g., transparency, appraisal etc.) of performance measurement generate positive or negative emotional responses in employees?

Summary 9 presents an example of how negative emotions may arise. Since negative emotions have the potential to trigger dysfunctional behaviour (see Summary 5), it would be beneficial to know how to avoid negative reactions.

> RQ 2: What are the necessary conditions that negatively connoted elements of PMS result in positive emotional responses?

In most cases, employees will come into contact with performance metrics through their managers, as most performance measurement/management practices are applied and exerted by direct superiors. Therefore, the way superiors handle performance metrics (presentation and explanation of measures, managers' overt response etc.) will influence the employees' perception of performance measures and consequently their behaviour. This far-reaching factor of influence is taken into account in the conceptual model as 'overshadowing' (in the sense of altering, mediating) the external stimuli from the performance metrics. The significance of this effect is further strengthened by the Summaries 12 & 14 of the literature review.

Summary 12 proposes that special skills (i.e., emotional intelligence) are needed to utilise emotions to achieve specific aims. Emotional intelligence is a term introduced by John D. Mayer and Peter Salovey in 1990. It describes the ability to correctly perceive, understand and influence one's own and others' feelings (Salovey & Mayer, 1990). Emotional intelligence would thus provide managers with the necessary skills to evoke positive emotions in their subordinates. Emotional intelligence is closely tied to emotional development that progresses primarily in childhood and youth (Salovey & Sluyter, 1997). Nevertheless, emotional intelligence continues to develop even at an advanced age with increasing emotional maturity (Mayer et al., 1999). And it can also be further improved through appropriate coaching (Slaski & Cartwright, 2003, Groves et al., 2008), making it a perfect supporting mechanism to Summary 7.

Summary 14 suggests, that by acting as a role model, superiors can trigger intended emotions in their subordinates. This is based on empirical evidence that leaders displaying positive or negative affects at work can pass on these emotions to subordinates via emotional contagion (Johnson, 2008). This effect is particularly

prevalent among executives who have a tendency to transformational leadership (Bass, 1985). Transformational leadership is a concept for a leadership style in which the values and attitudes of subordinates shall be transformed from selfish, individual goals into long-term, superordinate goals, in order to increase performance (Bass, 1985). Together with transactional leadership and laissez-faire leadership it forms *'full range leadership theory'*, where it is deemed the most active and effective style of leadership (Bass & Avolio, 1994). Podsakoff et al. (1990) identified six dimensions of leader behaviour inherent to transformational leadership: articulating a vision of the future, fostering group-oriented work, setting high expectations, challenging followers' thinking, supporting followers' individual needs, and acting as a role model[37]. Acting as a role model together with providing a vision and fostering group-oriented goals were regarded as *'core transformational behaviour'* (Podsakoff et al., 1990).

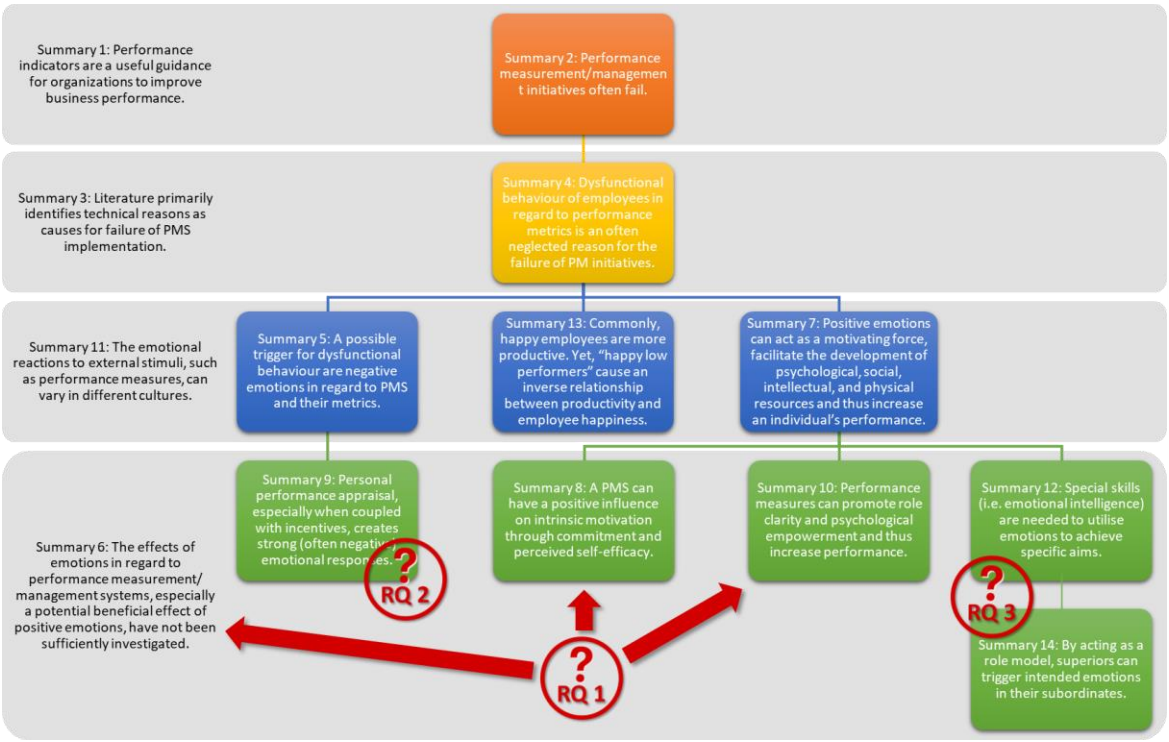

Figure 17: Research questions and summaries

Emotional intelligence is an ability enabling people to evoke certain (in the context of this thesis positive) emotions in other people. Acting as a role model can encourage others to adopt the same (positive) emotions and behaviour. Both are valuable assets when it comes to triggering positive emotional responses. For practitioners it would be helpful to know whether there are other possibilities of influence besides that. Or even

[37] According to Bandura's social learning theory, people adopt the behaviour of others, especially when they respect and admire them. The manager is therefore a role model for his employees at all times and optimally aligns his behaviour towards common, superordinate goals (Bandura, 1977b).

better, to provide them with a practice-oriented guide for utilizing the beneficial effects of positive emotions. Thus, the third research question arises:

> RQ 3: What would be a framework for managerial practice to maximise positive emotional responses during PMS implementation.

By answering the afore-mentioned research questions, I am addressing several gaps in the current state of science and research. Figure 17 shows which topics are addressed by the individual research questions. How the research questions fit into the conceptual model is illustrated in Figure 18.

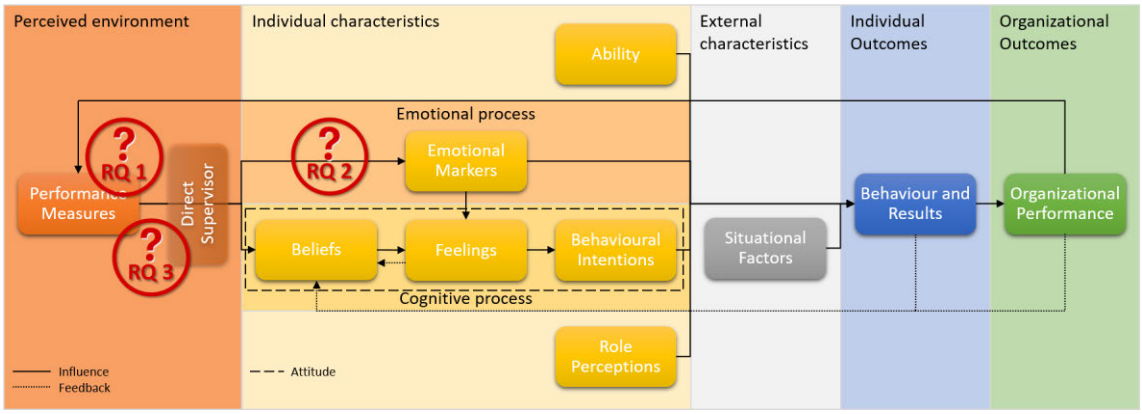

Figure 18: Research questions and conceptual model

In the next chapter I will elaborate the methodology to answer these questions.

4 Methodology

The Oxford English Dictionary definition of methodology is:

Originally: the branch of knowledge that deals with method generally or with the methods of a particular discipline or field of study; (arch.) a treatise or dissertation on method; (Bot.) †systematic classification (obs. rare). Subsequently also: the study of the direction and implications of empirical research, or of the suitability of the techniques employed in it; (more generally) a method or body of methods used in a particular field of study or activity. (Oxford University Press, 2020)

Research methodology is on the one hand a specific set of procedures or techniques used to identify, select, process, and analyse information about a topic. More generally, methodology is the study of how research is done. The way we arrive at results is as important as the results themselves. The methodology outlines the principles that are the guidance for research processes and the way in which knowledge is gained. Presenting the methodology allows other persons to comprehend the way in which knowledge is obtained and thus assess the validity and rigor of the findings. Or in other words, the specific choice of methods, used for a certain purpose, is justified methodologically.

To enable the reader, no matter how much or little our research philosophies may coincide, to understand my approach to answering the research questions, I will present my opinions and considerations regarding philosophical perspectives of truth and knowledge generation that lead to the research paradigm of this thesis in the following.

4.1 Research Paradigms

The word paradigm originates from the Greek word ‘paradeigma’ which can be translated as ‘pattern, model or example’ (Liddell & Scott, 1940). The topic of ‘pattern’ is also expressed in the contemporary meaning of paradigm in science, introduced by American philosopher Thomas Kuhn as he published his notions on normal science, which he describes as scientific work done within a prevailing framework or paradigm (Kuhn, 1962). In his influential book Kuhn (1962) defines research paradigms as a *“set of common beliefs and agreements shared between scientists about how problems should be understood and addressed”* (Kuhn, 1962). It is thus a specific way of perceiving the world that determines the way we seek answers to research questions. Since paradigms can thus also be understood as world views, the conclusion is likely that there are as many different paradigms as there are people on earth. Indeed, some scholars share the view that there are *“as many research paradigms out there as there are researchers”* (Office of Research Consultation, 2004) or at least *“as there are community-specific responses to these questions”* (Biggs & Büchler, 2009). According to Biggs & Büchler (2009) this multitude of research paradigms *“can be clustered into ‘-isms’ such as ‘Constructivism’”*, which fortunately reduces the complexity considerably. These

'-isms' (or research paradigms) represent *"the broadest unit of consensus within a science and serve to differentiate one scientific community (or sub-community) from another. It subsumes, defines and interrelates the exemplars, theories, methods and instruments that exist within"* (Ritzer, 1975, p. 157).

Different points of view usually lead to discussions about which one is 'the right one' - in this way, a fierce discourse about the 'right' or 'preferable' paradigm emerged in the scientific society in the 1980s, the so-called 'paradigm wars' (Gage, 1989). In this situation, Guba's compilation from 1990 can be understood as a call for an unbiased dialogue on paradigms that are neither right nor wrong but all have a justification for existence (Guba, 1990b).[38] In the introduction to this book Guba gave a definition of the term paradigm which is repeated in many textbooks on research design until today: research paradigms are mainly characterised by their ontology, epistemology and methodology (Guba, 1990a, p. 18). These terms are described as following:

Ontology (derived from the Latin term ontologia (science of being)) is *"the philosophical study of being in general, or of what applies neutrally to everything that is real"* (Britannica Group Inc., n.d.).
=> What is reality?

Epistemology (derived from the Greek epistēmē (knowledge) and logos (reason)) is *"the philosophical study of the nature, origin, and limits of human knowledge"* (Britannica Group Inc., n.d.).
=> What and how can we know reality?

Methodology (see definition on previous page)
=> What procedures can we apply to acquire knowledge?

In order to obtain valid and accepted results, methods must be applied that are compatible with the paradigm of the scientific society in which the researcher operates. Blaikie (2007) made an interesting observation that most researchers adopt ontological assumptions implicitly while not being able to articulate them. Since this poses the risk of 'going astray', it is important to reflect on the ontological, epistemological and methodological framework of a given research project.

Blaikie (2007) proposes to begin this process with the research problem, since it is the starting point of all scientific investigation. On one hand, formulating a research problem reveals that there is a gap in the current state of science which provides a justification for further research activities addressing this gap. On the other hand, this also defines

[38] *"Ultimately, paradigms are neither true nor false; as ways of looking, they are only more or less useful"* (Babbie, 2013, p. 59).

and delineates the research area, and shows what the research project is about (Blaikie, 2007).

In the next step, the research problem must be made accessible. For this purpose, it is necessary to focus the research problem on concrete research questions in order to answer them analytically in the course of the work (Blaikie, 2007). The research questions thus provide the 'golden thread' of the work. Blaikie (2007) identifies three main types of research questions: 'What' questions require a descriptive answer, 'Why' questions ask for the causes and 'How' questions are concerned with bringing about change. The formulation of the research questions and their underlying intentions regarding the orientation of the thesis have consequences for the choice of the research strategy. Blaikie (2007) distinguishes four distinct research strategies: deduction, induction, abduction and retroduction.[39] According to Blaikie (2007), deductive reasoning is only suitable for answering 'Why' questions. Inductive reasoning is appropriate for answering 'What' questions, while being of limited usefulness in regard to 'Why' questions, whereas abductive reasoning is suitable for both 'What' and 'Why' questions (Blaikie, 2007). Each research strategy has its own starting point, its own procedure and delivers different types of knowledge.

Deduction, the oldest and most venerable mode of reasoning dating back to Aristotle (Given, 2008), draws specific conclusions from generalized rules that are accepted as true (top-down logic). There is no epistemic uncertainty about the conclusion.

Inductive reasoning, introduced by medieval logicians (Given, 2008), on the other hand seeks to establish theories by drawing general principles from specific instances (bottom-up logic). In contrast to deductive reasoning there remains epistemic uncertainty, since only one single case of evidence is certain, from which all other corresponding cases are inferred by generalization.

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[39] Other sources concentrate on either two research approaches (elsewhere 'types of reasoning'), i.e. deduction and induction (cf. Babbie (2013), Saunders, Lewis, and Thornhill (2015)) or three research strategies, i.e. the former two supplemented by abduction (cf. Given (2008), Reichertz (2004)).
The terms 'abduction' and 'retroduction' are often used synonymously in literature, probably due to Peirce, who used the terms himself *"interchangeably as names for a distinct form of logical inference, as well as for the method by which hypotheses are engendered"* (Chiasson, 2005, p. 223). Chiasson (2005) however argues that *"we should use the term 'abduction' for the reasoning method by which conditional purposes (hypotheses) are constructed and 'retroduction' as the overarching method by which theories are engendered (by the interplay of abduction, deduction, and induction)"* (Chiasson, 2005, p. 242).
Blaikie (2007), on the contrary, regards retroductive reasoning as an independent research strategy (although similarities with abduction exist) and bases his definition on the work of Bhaskar (1979). Retroduction aims to discover underlying mechanisms that explain observed regularities (Bhaskar, 1979). Because there is no common view on retroduction as opposed to the other three research strategies, it will not be discussed further.

The most recent form of logical reasoning, abduction, is attributed to the work of Charles Sanders Peirce at the beginning of the 20th century (Given, 2008). Abductive reasoning seeks to find the most probable explanation for an observation (Given, 2008). It is therefore neither a top-down nor a bottom-up logic, but rather a 'best-fit' logic. Abductive inferences are epistemically highly uncertain, they are merely plausible. A strength of abductive reasoning is that it produces new theories and hypotheses - something that deductive reasoning cannot provide (Given, 2008).

A compelling example to explain the differences between deductive, inductive and abductive reasoning was published by Peirce - the bean bag example (Peirce, 1878b):

Deductive Reasoning	**Inductive Reasoning**	**Abductive Reasoning**
All the beans from this bag are white. (Rule) These beans are from this bag. (Case) These beans are white. (Result)	These beans are from this bag. (Case) These beans are white. (Result) All the beans from this bag are white. (Rule)	All the beans from this bag are white. (Rule) These beans are white. (Result) These beans are from this bag. (Case)
The conclusion "All the beans from this bag are white; these beans are from this bag, therefore they are white" is a deductive conclusion in which nothing is said in the final sentence that is not already implied by the premises. The conclusion is therefore analytical, i.e., not knowledge-enhancing.	The corresponding inductive conclusion is: "These beans are from this bag; these beans are white, therefore all beans from this bag are white". The conclusion is not universal. It is only valid with some probability, which is hardly quantifiable if the number of beans in the bag is not known. However, the final sentence goes beyond what is said in the premises in its generalization. It is therefore knowledge-enhancing and synthesizing.	Finally, the abductive conclusion is: "All the beans from this bag are white; these beans are white, so these beans are from this bag. Again, this conclusion is not universal. The final sentence of the abduction rather contains a hypothesis which makes a connection between the premises by expressing an assumption which, as a case of the rule, would necessarily lead to the result, i.e., the second premise.

Table 2: Research Strategies

Adapted from "Illustrations of the Logic of Science VI: Deduction, Induction, and Hypothesis" by C. S. Peirce, 1878, *Popular Science Monthly, 13*, p. 470

The research strategy is closely linked to the research paradigm. It presents a framework to answer the research questions methodically. The paradigm depends on what one

regards as true - how to define for oneself as a (social) enquirer what constitutes (social) reality. Blaikie defines these ontological assumptions as being *"concerned with what exists, what it looks like, what units make it up and how these units interact with each other"* (Blaikie, 2007, p. 3).

Literature often refers to two opposing, mutually exclusive theories of social reality: an objective or subjective ontology[40] (Saunders et al., 2015). The objective viewpoint regards reality as real, external to social actors, universal (one reality for all), made up of granular relatively unchanging 'things' – this view is widespread in the natural sciences (Saunders et al., 2015). The subjective position on the other hand constitutes that (social) reality is created from the perceptions and actions of people (Saunders et al., 2015). Reality is socially constructed through interaction and since every individual perceives and experiences reality differently, there are multiple realities instead of a single, universal truth (Saunders et al., 2015).

These dichotomies represent only the two extreme points on the scale of ontological positions. And as statistics teach us, the extreme values are only weakly populated while most of the occurrences can be found in between. The same applies to ontological positions, a wide variety of individual manifestations exist between the two extremes - from an extremely subjective perspective there may be as many ontological positions as there are people on earth. To provide an overview and general understanding, there are different approaches to categorize these varying positions. For example, Blaikie (2007) proposes a set of six categories, ranging (objective to subjective) from shallow realist to conceptual realist, cautious realist and depth realist to idealist ontology. Subtle realist ontology constitutes the sixth category, sharing the belief in an external social reality with shallow realist and cautious realist ontologies but also recognizing that all knowledge is a human construction, as proposed by idealist ontology. Blaikie states that this categorization is neither exhaustive nor universal, it is simply useful to understand the variety of ontological positions in his attempt to explain paradigms (Blaikie, 2007).

Once an idea of what constitutes reality exists, the next step is to find a way to make this reality knowable. This is the purpose of epistemology, which deals with assumptions about what constitutes acceptable, valid and legitimate knowledge (Burrell & Morgan,

[40] Elsewhere referred to as 'realistic' and 'idealistic' (Blaikie, 2007) or 'objectivism' and 'constructionism' (Bryman, 2012). To illustrate the dichotomy of the two extreme positions, I find it more distinct to use the terms objective and subjective ontology (or epistemology) than to use any '-isms', since these '-isms' are often preoccupied with different ideas depending on the school of thought and are used for differing philosophical concepts (e.g. Bryman (2012) defines constructivism as an ontological position, whereas Blaikie (2007) uses the term as an epistemological concept – as Smart (1986) observed: *"It is characteristic of realists to separate ontology from epistemology and of idealists to mix the two things up."* (Smart, 1986, p. 295)).

1979b). Just as with ontological assumptions, objective or subjective positions can also be expressed here. An objective epistemology adopts assumptions of the natural sciences, i.e., it relies on observable phenomena, collects facts and uses numbers for documentation to achieve law-like generalizations at best (Saunders et al., 2015). A subjective epistemology on the other side embraces assumptions of the arts and humanities, i.e., it favours attributed meanings, appreciates opinions and records narratives to describe context-specific accounts (Saunders et al., 2015). Again, many hybrid forms exist between these two extremes. Again, the classification of Blaikie (2007) shall serve as an example. He mentions six epistemologies, from (objective to subjective) empiricism to rationalism, falsificationism and neo-realism to constructionism and again an out of sequence epistemology named conventionalism[41] (Blaikie, 2007).

Blaikie then matches the six ontological positions with the six epistemological positions. He concludes that five combinations make logical sense (from objective to subjective in descending order; ontology left, corresponding epistemology right):

- Shallow realist ⇔ Empiricism
- Conceptual realist ⇔ Rationalism
- Cautious realist ⇔ Falsificationism
- Depth realist ⇔ Neo-Realism
- Idealist ⇔ Constructionism

The subtle realist ontology and conventionalist epistemology do not constitute a pair, they are rather alternatives to some of the other (Blaikie, 2007). These combinations are neither exhaustive nor exclusive, they serve Blaikie only as a basis for the introduction to different research strategies and paradigms and this work as an illustration of the relationship between ontology and epistemology.

Closely related to the ontological and epistemological assumptions a researcher adopts is the question about the researcher's view on the role of values. The researcher's values influence all stages of the research process, e.g., the choice of one topic over another represents that the former topic is deemed more important (Saunders et al., 2015). These values also affect the choice of data collection techniques - a researcher who chooses interviews in favour of questionnaires values personal interaction (Saunders et al., 2015). The branch of philosophy concerned about values is called axiology. An

[41] Although Blaikie (2007) does not explicitly use the term Pragmatism in his book, the analogy inevitably comes to mind, since his definition of conventionalism states that *"scientific theories are created by scientists as convenient tools to deal with the world. These tools are justified if they produce the desired results. Hence, there is no need to worry about whether they are true representations of the empirical world."*

objective axiology will consider the research to be value-free while a subjective axiology will result in value-bound science.

In addition, there are further questions about the researcher's stance. Inherently connected with axiology is the relationship the researcher wants to establish with the people researched. Value-free research is easier to conduct if the researcher observes the phenomena as an outsider, whereas being an insider implies thorough immersion in the specific situation with personal experiences influencing the results (Blaikie, 2007). Another aspect is whether the researcher approaches the problem as an expert with relevant existing knowledge or as a learner trying to understand how the research participants perceive and conceptualize their world (Blaikie, 2007). Although the 'expert outsider' and the 'inside learner' are logic matches, there are many intermediate positions as well (Blaikie, 2007). Finally, the aspect of the social relationship between the researcher and the participants has to be considered. Research can be done *on* people, *for* people or *with* people (Blaikie, 2007). Details and delimitations are presented in Table 3.

Social Relationship	Researcher's role	Participants viewed as	Beneficiary
On people	Expert	Subjects	Researcher
For people	Consultant	Clients	Researcher/Clients
With people	Facilitator	Researcher	Clients

Table 3: Social relationship between researcher and participants
Adapted from *Approaches to social enquiry: Advancing knowledge (2nd ed.)* (p. 12) by N. W. Blaikie, 2007, Cambridge: Polity Press

The final piece of the puzzle to complete the picture of a paradigm is the methodology, i.e., the rationale for the research approach *"that outlines the way in which research is to be undertaken"* (Howell, 2013, p. 4). The methodology in turn influences which method(s) is (are) selected for a research project in order to obtain valid results. Like the other aspects of paradigms addressed above, methodologies can also be roughly differentiated into two opposing positions – the objective, universal realist view and the subjective, individual constructionist view. Yet in the context of methodology and methods the terms quantitative and qualitative are mainly used in the literature:

Type of research/ Methodology	Principle	Qualitative/ Quantitative	Methods (example)
Historical	Location, evaluation and synthesis of evidence in order to establish facts and draw conclusions about past events	Qualitative	Analysis of historic records
Comparative	Compare people's experience of different societies, either between times in the past or in parallel situations in the present	Qualitative	Survey studies, Cross-sectional studies, Case studies
Descriptive	Attempts to examine situations in order to establish what is the normal - what can be predicted to happen again under the same circumstances	Qualitative	Observation, Interviews, Questionnaires
Correlation	Statistical measure of association or the relationships between two phenomena	Quantitative	Statistical methods
Experimental	Isolate and control every relevant condition which determines the events investigated	Quantitative	Experiments
Evaluation	Descriptive type of research designed to deal with complex social issues	Qualitative	Systems analysis, Responsive Evaluation
Action Research	Small scale interventions in the functioning of the real world and a close examination of the effects of such an intervention	Qualitative	Participant Observation, Field studies, Reflection
Ethnogenic	Represent a view of the world as it is structured by the participants under observation	Various- not quantitative	Observation, Video recordings, Photography
Feminist	Emphasizes issues of power and authority between the researcher and the researched; politically motivated in that it seeks to change social inequality	Various	In-depth interviews, Group interviews, Survey analysis
Cultural	Concerned with the properties associated with the concept of culture, that is constantly being revised because it is itself the product of on-going social change	Various- not quantitative	Content Analysis, Semiotics, Discourse Analysis

Table 4: Methodologies and methods

Adapted from *Your research project: Designing and planning your work (3rd ed.)* by N. Walliman, 2011, Thousand Oaks, Calif.: SAGE Publications Inc.

quantitative/qualitative[42] methodology or methods and also quantitative/qualitative research. Guba (1990) and later on Lincoln & Guba (2000) explained the methodological differences of different paradigms in more detail. For example, they identified an experimental methodology and naive realism (Blaikie's shallow realism) as characteristics of the positivist paradigm – the most objective (or quantitative) paradigm (Lincoln & Guba, 2000). On the other, subjective or qualitative end of the spectrum, Constructivism is defined through a relativist ontology (idealism in Blaikie) and a hermeneutic/dialectic methodology (Lincoln & Guba, 2000). Guba (1990) as well as Lincoln & Guba (2000) also identify falsification as a relevant methodology for Post-Positivism and a dialogic/dialectic methodology as inherent to Critical Theory.[43]

Walliman (2011) provides a list of ten 'types of research' that feature their own, distinct research methodologies. The list is non-exhaustive, but is intended to cover the major approaches and to illustrate the possibilities for conducting research (Walliman, 2011). Table 4 shows the impact of the chosen methodology on the available methods. From the above it appears that there is a golden thread running from the research questions through various philosophical viewpoints to the methodology and the resulting methods that lead to valid answers. This path is illustrated in Figure 19 (illustration inspired by Blaikie, 2007 and Hay, 2002).

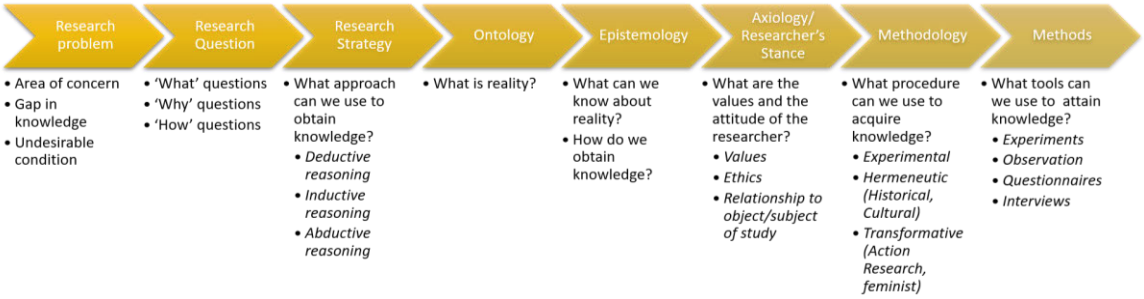

Figure 19: Methodological Golden Thread
Adapted from Blaikie (2007), Hay (2002)

Although the chevrons point in one direction, this is by no means a linear process. In reality, there will be multiple back and forth movements between the individual elements until the final research design emerges. Nevertheless, the next section will follow this logical order when the methodology used in this thesis is presented.

[42] Again, there is much debate in scientific society about this distinction, as some authors consider it fundamental, while others consider it unimportant or even wrong (Bryman, 2012). Nevertheless, it offers a vivid representation of the dichotomy in research philosophies.

[43] Lincoln & Guba (2000) also give a good tabular overview of the ontological, epistemological, axiological and methodological positions in combination with researcher's stance and applicable methods.

4.2 Morphogenesis of a research paradigm

This section follows the approach outlined above to elaborate the research paradigm underlying this work. As shown in Figure 19, this process begins with the research problem. The initial problem is that the implementation of performance measurement/management systems often does not have the desired effect, namely to enable goal-oriented interventions to manage an organisation by creating transparency about the real situation. There are many reasons why the desired control loop cannot be established. As outlined in section 3.1, literature mainly presents technical reasons for the failure of PMS implementations such as choosing the wrong metrics, selecting too many or too few measures, KPIs are not defined in a goal-oriented and practical manner, no follow up on deviations and many more. The fact that humans are directly affected by the establishment of a performance measurement/management system is neglected by most authors. Few authors acknowledge that people are individuals with their own personalities who react differently to the fact that their particular performance is drawn into attention. And some people respond with evasion, rejection or even deception. From the perspective of the top management and that part of the scientific community that propagate the usefulness of PMS, this response is considered dysfunctional behaviour.

But since humans are the elementary building blocks of organisations, their individual behaviour cannot be ignored. For the successful introduction of a PMS, it is therefore important to be aware of the different behaviour of people in organisations. The interdisciplinary field of Organisational Behaviour investigates on the one hand how people behave as individuals, in groups and in whole organisations based on their perception, thinking and feeling, and on the other hand how people are influenced in their behaviour by the activities, processes and structures of/in organisations. Section 3.2 outlined some prominent theories from OB and concluded that emotions have a strong influence on human behaviour. However, research has focused more on the effects of negative emotions in the past - only recently the beneficial effects of positive emotions came to attention.

Since the results of this recent research show that positive emotions can act as a motivating force, facilitate the development of psychological, social, intellectual, and physical resources and thus increase an individual's performance, the question arises whether positive emotions can also facilitate the implementation of PMS. The research questions posed at the end of 3.3 aim to find out how people react to the introduction of a performance measurement/management system and what emotional responses are triggered by measuring and evaluating their performance through performance metrics. From the formulation of these research questions the orientation of the thesis can be understood and an adequate research strategy can be derived. The research questions are all formulated as 'What' questions, which according to Blaikie (2007) requires descriptive answers. They are aiming to discover and describe the

characteristics and patterns of certain social phenomena (Blaikie, 2007). They are typically applied where limited knowledge is available on a topic and are therefore often at the beginning of a logical chain in which 'Why' and 'How' questions follow. This is appropriate in this case because, as discussed in Chapter 3, literature does not provide information about the relationships between PMS and positive emotions.

As mentioned in section 4.1 (Research Paradigms), 'What' questions can either be addressed through inductive or abductive reasoning. Because inductive reasoning aims at establishing universal generalizations from specific observations as rules or patterns of explanation, it is not the appropriate research strategy for this thesis, as it is not my intention to set up universal laws or to discover 'the truth'. On the other hand, abduction, as described by Peirce, *"is the process of forming an explanatory hypotheses"* (Peirce, 1974, § 171). Abduction is the kind of argument that starts from a surprising experience, that is, an observation that runs counter to an active or passive conviction. This takes the form of a perceptual judgement or a proposition relating to such a judgement, and a new form of belief becomes necessary to generalize the experience (Peirce, 1903/1998, p. 287). This is an appropriate description for the starting point of this thesis: the realization, that PMS cannot develop their intended efficacy because negative emotions associated with the introduction of performance metrics can lead to 'dysfunctional behaviour', requires a new theory of how certain aspects of PMS can trigger positive emotional responses. This will also not lead to a universal theory but rather be a description of a specific case within a certain context.

This is in line with my ontological point of view: it is not relevant whether a universal reality exists or whether reality is constructed individually – it is rather important what actually solves a given problem. This posture corresponds to the paradigm of Pragmatism, as established through the writings of Peirce, Mead and Dewey among others at the beginning of the 20th century (cf. Annex I). Pragmatism eschews the dichotomy of objective and subjective views on reality and favours a pluralist view that there is more than one reasonable way to conceptualize the world and its content. For Dewey, the assumptions on reality that both realists and constructivists make are equally important aspects of human experience. This experience is inevitably constrained by the nature of the world as well as our perception of the world is influenced by the interpretation of our experiences (Dewey, 1925). Experience is constituted through interaction between 'a self and its world'; and while physical and social events are transformed through the human context, the human actor is also changed and develops through the interaction with these events (Dewey, 1934). This is an ever-recurring process that continuously creates a back-and-forth movement between beliefs and actions. Pragmatist ontology can thus be described as 'transactional' (Clandinin & Rosiek, 2007).

The reorientation from meta-physical concerns to the emphasis on human experience has epistemological implications. Pragmatism is *"not to generate an exclusively faithful representation of a reality independent of the knower"* as Clandinin and Rosiek state (Clandinin & Rosiek, 2007). And in my opinion, it is not trying to generate a 'knower dependent' reality either. Realist and constructivist approaches are just two points of view on how humans experience interaction with their environment (Morgan, 2014). Instead, Pragmatism wants to create new relations between humans and their environment (Clandinin & Rosiek, 2007). These relations and the experience gained from them *"makes possible a new way of dealing with them, and thus eventually creates a new kind of experienced objects, not more real than those which preceded but more significant, and less overwhelming and oppressive"* (Dewey, 1929, pp. 219–220). This pragmatic view of knowledge generation entails a dynamic process where knowledge arises from our experience and must be revisited by bringing it back to that experience for its validation (Dewey, 1938). Learning through experience, reflecting on the experience and validating the lessons learned through interaction with the environment leads to knowledge creation. Epistemologically Pragmatism may thus encompass both objectivist and subjectivist positions, depending on the practical consequence.

Regarding axiology, as Pragmatism puts the emphasis on the inquiry, the interaction between the researcher and his/her environment and how this interaction is experienced, all research will inherently be contextual, emotional and social. Thus, pragmatist research will automatically require decisions about which goals are most meaningful and which methods are most appropriate (Morgan, 2014). Denzin's claim that *"inquiry has always been and will always be a moral, political, value-laden enterprise"* (Denzin, 2010, pp. 424–425), is therefore inherent to Pragmatism. Dewey has on many occasions advocated social justice and taken a stand for women, racial, ethnic or other minorities as well as the working class and supported their emancipation empowerment (Dewey, 1911/2008, 1932/2008). This fundamental attitude underlies Dewey's approach to inquiry. Pragmatism therefore naturally assigns ethics, politics and empowerment a central role in every aspect of human experience (Morgan, 2014). Based on this, it is difficult to imagine that such research can be carried out value-free.

As Pragmatism allows to choose from a variety of quantitative or qualitative methods and even to combine them, this implies that the researcher may take different stances during his/her research. In this thesis I will try to approach the phenomenon as an outsider, although I am aware that I have my own personal conceptions. The challenge will be to exclude this subjective influence. But at least the reflection on the collected data will not leave me completely on the outside. The same applies to the differentiation between being an expert or a learner. I will enter the project with some prior knowledge, but with the intention to learn about other people's perceptions and thus gain new impressions. Finally, the research will be conducted as a mixture of on and for

the people, as the main interest is about gaining insights on how to better implement a PMS but on the other hand employees will also benefit from the results of this work.

Pragmatism does not imply a specific methodology; it rather advocates the use of the best fit for the actual problem. The actual problem, or better the focus of this thesis, is to understand how individuals experience different aspects of performance indicators as well as performance measurement/management systems and the process of their implementation. Even if the experiences and perceptions differ individually, I believe that some commonalities can be found, indicating which aspects of PMS lead to more negative or to more positive emotional responses. A central assumption of this thesis is that an essence exists that is shared with others who experience the same situation. The research questions derived from the objectives of this thesis and the focus on the meaning of lived experiences imply a methodology in line with a phenomenological approach.[44] The appropriate method of data collection is through interviews, as they are able to deliver rich descriptions of the phenomenon under study, validated by the participants that created it.

In the next section I present different types of phenomenology to allow a decision on the most appropriate approach.

4.3 Phenomenology

Phenomenology is a type of qualitative research that describes the fundamental nature of a given phenomenon, based on the perspective of the person or persons that have experienced the phenomenon (Teherani et al., 2015). Phenomenological research is a systematic investigation, in a natural setting, of social phenomena. The researcher serves as an instrument to collect the data, which can comprise how a person experiences their life, how people behave in groups, how the actions and interactions of people help or hurt an organisation, and many other perceptions of experiences (Teherani et al., 2015). In general, the researcher examines what happened or is happening, why it occurs, and how the people involved in the event perceive it to be.

The seven variations described in Table 5 certainly do not reflect the entire spectrum of phenomenology. They only seem to be the most common approaches due to the breadth of the existing literature.[45] For example, three more recent approaches to phenomenology have blended various approaches to the research, but these three approaches of lifeworld research, post-intentional phenomenology, and interpretive

[44] Cf. Marshall and Rossman (2015)

[45] Cf. Embree et al. (1997)

phenomenological analysis (IPA) are not described here, beyond mentioning that they exist (Neubauer et al., 2019).

Neubauer et al. (2019) suggest that the different types of phenomenology are based on how and what people have experienced. Each type of phenomenology (and the perceptions that form them) is based on a different type of philosophy. In order to choose the approach that will be used for the research, a phenomenological researcher must understand and contemplate the way they approach the philosophy (Neubauer et al., 2019).

Unlike many types of research, Phenomenology (in all its types) is very inclusive. It is important for the researcher to consider a wide variety of data, taken from a wide variety of sources (Polkinghorne, 1989). The subject's spoken opinion is important, but so is his/her actions, and by knowing what has impacted those actions, the researcher can develop a more robust conclusion from that research. The researcher may have to ask a great number of questions in order to gather enough information, but the questions may not have to be blunt. Establishing a rapport with the subjects is important, because it helps develop openness. If openness can be developed, then it may be possible to do without direct questions (Koch, 1996). As Wojnar and Swanson (2007) stated, *"At the core of phenomenology lies the attempt to describe and understand phenomena… as experienced by individuals who have lived through them"* so (Wojnar & Swanson, 2007, p. 173). The seven types of Phenomenology described below have different themes, but they are all intended to help the researcher understand the phenomena the subjects dealt with.

The most appropriate of these different types of Phenomenology is arguably the one that best corresponds to the statements made in Section 4.2. The key aspects from that section helping with the decision are:

- descriptive answers are sought
- of individual perceptions of a phenomenon that appear in the consciousness of people,
- while remaining distance and trying to avoid bias
- to understand the meaning of the observed phenomenon
- and to highlight a universal essence.

From the options presented in Table 5, Husserl's transcendental phenomenology fits best with these statements.

Table 5: Seven Types of Phenomenology

Type of Phenomenology	Main Contributors	Ontological Assumptions	Epistemological Assumptions	Researcher Role in Data Collection	Researcher Role in Analysis and Reporting
Transcendental constitutive phenomenology	Husserl	People have an internal reality. It appears in their consciousness, independent of the world.	In order to reach a transcendental state, and to become bias free, the researcher must be able to separate him or herself from the world.	Researcher brackets his subjectivity, his ideas as he or she collects the data and analyses it	Looks at the phenomena from different views, clusters the information into themes to form a text-based description; then combines the descriptions to form what is a description of the phenomena (Neubauer et al., 2019)
Naturalistic constitutive phenomenology	Farber Husserl	Any philosophy that is not related to science is undependable and speculative as well as subjective (Kurtz, 1969).	The researcher's perceptions of nature allow nature to represent the basepoint for everything that the human being encounters in its experience.	Suspension of 'knowledge' must occur and the subject must be approached with experiencing (Merleau-Ponty & Séglard, 2003).	The research must be able to be refined if necessary (or revised) in order to accommodate unexpected findings (Zahavi, 2010).
Existential phenomenology	Heidegger Arendt Merleau-Ponty	Human existence is subjective because it reflects the values, intentions, emotions, and relationships between humans. It is concerned with individuals experience rather than behaviours that conform to any particular norm.	People are, in essence, thrown into the world; the person becomes a reflection of the time, place, and situation in which they were born.	Relations between people have to be acknowledged and the impact of these relationships considered in the outcome.	Previous knowledge is held aside by putting the knowledge into metaphorical brackets, where it is kept away from newly acquired information. In this way it was kept aside, but the researcher was still aware of it (Finlay, 2015)
Generative historicist phenomenology	--	Generative Historicist Phenomenology suggests that human experience is a collective experience across history (Smith, 2003/2013).	The researcher must be able to understand that humans are all linked in one way or another; the web carries through history and the person today is based on a cumulative effect of that history.	The researcher must be able to embrace the idea of the interrelated nature of humanity and be willing to search for connections in his/her research subjects.	The final result of this project is interpreted in terms of the web of human connection through history, in a form of intersectionality.
Genetic phenomenology	Heidegger and Dilthey	Themes emerge from an individual's stream of existence.	Genetic phenomenology is not based on genetics but rather on the idea that individuals cause a genesis of their own world.	Phenomena is defined and the impact of individual self in interpreting that phenomena is investigated.	Working provisionally and along the lines of individual genesis, the researcher can capture how the individual feels on a topic.
Hermeneutical phenomenology	Heidegger Gadamer Ricoeur	Lived experience is an interpretation of the person's life-world.	Understanding that the observer will always be part of the world and thus cannot be free of bias, thus the phenomenon is best understood through the observer's interpretations.	Reflects on the themes of the experience defined by the participants, while reflecting on personal experience(s).	Capture the reflections and expound upon them, write about them. Complete the analysis of the entirety of the data this way, allowing the overall understanding of the phenomena to develop (Neubauer et al., 2019).
Realistic phenomenology	Pfänder Reinach Scheler Husserl	Existence of a real world that is largely external to consciousness.	Belief in facts that one already 'knows' must be suspended. This becomes a method of discovery as new terms, facts, and relations are acquired and through them, new perspectives developed.	The researcher brackets data to suspend judgement; new data fills in the gaps left by the suspended data, and the new information reshapes the old reality.	Epoché, or the suspension of judgement, is vital to successful use of realistic phenomenology. The whole concept of transformation of attitudes is based on ability to suspend judgement (Budd, Hill, & Shannon, 2010).

4.3.1 Husserl's phenomenological method

As shown in Table 5, Husserl proposed the "things" that exist are matters of consciousness, i.e., the world is considered as a correlate of human consciousness; it is no longer simply the outer world, but fundamentally the sense of the world. 'Something' only becomes 'something' because we think of it accordingly, i.e., we perceive it as something specific. But the meaning attributed to 'something' is more than what is immediately obvious (perceptible or eidetic).[46] The process of meaning giving according to Husserl consists of hylethic data, Noesis and Noema (Husserl, 1913; Husserl & Biemel, 1952). The hylethic data are meaningless experiential impressions - whether they come from an assumed external world or merely from the imagination - which are captured by the act of consciousness or noesis. Noesis then processes these initially neutral impressions – creating meaning resulting in Noema – as 'something' that exists for us (Husserl, 1913).

Thus, certainties about objects must be sought where the objects are found, namely in the consciousness (Husserl, 1913). The place of analysis is thus no longer an outside world conceived as independent. The things themselves - to which Husserl wants to return (Husserl, 1901, p. 7) - are found exclusively as meaningful 'somethings' within consciousness. Despite this perspective, the existence of an outside world is not disputed. It is merely left out of the analysis, i.e., put in brackets or in the Epoché (Husserl, 1913). This is also referred to as transcendental reduction[47], because everything that supposedly or actually 'transcends' consciousness is removed from the analysis.

Once this has been achieved, the next step is the mental reorientation from the phenomenon to the essence of an object – e.g., from 'this individual red' to the 'nature of red'. Husserl termed this process the 'Wesenserschauung' (Husserl, 1913). One possible procedure here is the 'eidetic variation': through constant variation the essence (nature) of 'something' is revealed (Husserl & Landgrebe, 1938/1999). For the perceived individual objects are afflicted with randomness – these aspects can be different. The essence, on the other hand, is peculiar to necessity – it cannot be different. What

[46] A desk, for example, is more than a horizontal plate on four legs because it is in a gestalt-like context of meaning with other intentionally imagined things - such as books, pens and intellectual work.

[47] In literature the expression 'eidetic reduction' appears frequently. According to Luft (2014), this is a misinterpretation that can be attributed to Husserl. In his attempt to write a popular encyclopaedia entry on phenomenology (for the Encyclopaedia Britannica), he mentions both transcendental and eidetic reduction (Luft, 2014). In 'Ideen I', Husserl (1913) mainly used the expression *"phenomenological reduction"* and only once the term *"eidetic reduction"* (p. 4).

remains immutable during variation is thus part of the essence of 'something'.[48] As this methodology delivers a rich description of the essential structure of a specific experienced phenomenon, it is often also termed 'descriptive phenomenology'

Husserl's transcendental phenomenology was adopted by many scientists and has been further developed over the years. Contemporary descriptive phenomenology draws from the work of Giorgi (1975, 1997), Colaizzi (1978), Polkinghorne (1989) and Moustakas (1994) among others. Giorgi formalized descriptive phenomenology into an 'empirical-structural' method, also referred to as 'classical Husserlian' (Giorgi, 1975, 1997). Coming from psychology, Polkinghorne placed emphasis on the role of the narrative (Polkinghorne, 1989). Colaizzi made major contributions to procedures of data analysis (Colaizzi, 1978) and Moustakas is popular because of his guidelines for major procedural steps to the descriptive process (Moustakas, 1994). As Moustakas' step-by-step description provides valuable guidance in conducting phenomenological research, it is explained in more detail below.

As Moustakas points out, this approach is best suited for understanding the common or shared experiences of several individuals about a phenomenon. Reasonable and often used methods of data collection are in-depth interviews and multiple interviews with participants (Moustakas, 1994). Regarding the number of interviews, Polkinghorne (1989) recommends that 5 to 25 people are interviewed, all of whom have experienced the phenomenon. In general, interviews should be conducted until no further themes emerge and therefore data saturation has been achieved (Pope et al., 2000). Other forms of data may also be collected, such as observations, journals, art etc.

The analysis of the collected data starts with the identification of 'significant statements', i.e., words, phrases or sentences that provide an understanding of how the participants experienced the phenomenon. Moustakas (1994) calls this step horizonalization. Next, the significant statements are clustered based on their meaning to create invariant constituents (coding). The codes themselves are then clustered into overarching themes of meaning. Through 'narrating' a synthesis of the codes and themes in form of a textural description of what the participants experienced is generated. These meaning units are further probed through Husserl's method of imaginative (eidetic[49]) variation, i.e., through the process of free variation a synthesis of essences is extracted into a structural description (Gill, 2014). Giorgi underlines the importance of this step as he states that if *"the imaginative elimination of an aspect causes the phenomenon to collapse, then that aspect is essential"* (Giorgi, 2007, p. 64).

[48] For example, in imagination one can try out by means of remodelling to what extent a desk can be modified before it loses its 'desk-ness'.

[49] Cf. Mohanty (1991)

This process is based on intuition and requires passing through several variations of the phenomenon in order to arrive at the essences of the phenomenon (Gill, 2014). Finally, a composite description presenting the condensed essential, invariant structure (or essence)[50] of the common experiences of the participants is created through synthetic intuitive integration of the individual textural descriptions and the composite structural description. Polkinghorne (1989) points out that through this description the reader must gain a better understanding of what it means to experience this specific phenomenon.

4.4 Epoché and bracketing

There has been substantial criticism to the subjective approach in qualitative studies – the fact that a researcher may have shared with respondents' certain experiences in the field of the proposed research – with the critics denying validity and rigour of this method or even calling it unscientific (Clarke, 1992; Field, 1989; Wilde, 1992). In transcendental phenomenology these concerns are addressed through the concepts of epoché and bracketing. Thus, the challenge for a researcher is to design and apply appropriate procedures for the application of these two concepts.

In literature the terms bracketing and epoché are often treated interchangeably or synonymously (Gearing, 2004, p. 1430). In contrast, Gearing (2004) notes that there are indeed philosophical differences between these two concepts – although they are similar in their core essence. He further states that there is no uniform definition or even a fixed procedure for bracketing or achieving epoché. Even Husserl did not provide an unambiguous description throughout his life and through the multitude of subsequent authors who expanded and broadened phenomenology, these two terms were also constantly redefined (Gearing, 2004). Therefore, many subsequent phenomenologists have individually interpreted or described this concept in order to align it with their respective phenomenological writings (Gearing, 2004, p. 1431). Consequently, I am faced with the task of defining a suitable procedure myself.

Gearing (2004) is not the only one to establish distinctions between epoché and bracketing. Moustakas points out that *"Husserl called the freedom from suppositions the epoché, a Greek word meaning to stay away from or abstain"* (Moustakas, 1994, p. 85). This is achieved by setting aside *"prejudgments, biases and preconceived ideas about things"* (Moustakas, 1994, p. 85), by bracketing them. Thus, epoché is a certain state of

[50] For example, grief is the underlying structure of emotional reactions to the loss of something beloved, whether it is a close relative or a pet. Cf. Creswell and Poth (2017)

mind where openness and awareness without preoccupation prevail and distinct acts of bracketing are leading there.[51]

Those personal ideas and feelings that were bracketed, i.e., being held in epoché, are not completely ignored in the analytic process. Gearing (2004) emphasizes the necessity to reintegrate the bracketed elements into the investigation and interpretation process. The *"unbracketing and subsequent reinvestment of the bracketed data into the larger investigation"* (Gearing, 2004, p. 1434) allows to synthesize the personal experiences and preconceptions with the observations attained to obtain interpretative conclusions; in this thesis, this step took place mainly during the identification of the overarching themes. Epoché thus allows the conscious integration of the perceived bias of the researcher and does not intend to eliminate, replace or substitute it. This also dispels the widespread scepticism (cf. Colaizzi, 1978; Field, 1989) that a researcher cannot achieve far-reaching objectivity through epoché if he is familiar with the research phenomenon.

The major challenge for me, therefore, was to find a method to identify my own assumptions and ideas that could potentially limit or prevent the recognition of the essential units of meaning, to suppress their influence during the interviews and to bring them back into the analysis. To become aware of my own ideas and assumptions, the use of a self-reflecting technique was appropriate. With the help of self-reflection, one's own thoughts and actions in different areas of life and the direct and indirect effects can be made transparent. Targeted self-reflection is particularly worthwhile because numerous patterns of thought and behaviour shape our everyday life rather unconsciously. Through their targeted discovery and investigation, completely new insights can often be gained, which can also provide an impulse for changes in one's own behaviour.

Before I started with the pilot interviews, I conducted a self-audit consisting of three phases: remembering, reflecting and realizing (an example is given in Annex II). In the first phase, remembering, I tried to collect examples of personal and professional experiences with performance metrics throughout my life and wrote them down. In the second phase, I reflected on those memories by asking myself questions such as: What was good/bad about this experience? Why did I react that way back then? What do I feel about this memory? Finally, in the third phase, I questioned the way I acted at the time

[51] This is my definition of the terms epoché and bracketing. As mentioned earlier, other conceptions of these terms can be found in literature. For example, Gearing (2004) lists three *"foundational foci"* (p. 1433) of bracketing: the first being identical to my definition above, the second referring to *"the process of focusing in on the essences"* (p. 1433) which I denominate as phenomenological reduction consisting of horizonalisation, coding and identifying themes, and the third being a combination of the former two.

in order to draw conclusions about my mental model. This approach corresponds to the model of double loop learning (Argyris & Schön, 1974). Questions of this phase included: Would I act like that again? What would I do different?

The results of the self-audit were taken to the pilot interviews, although they were not presented to the participants. These recordings served me in the minutes immediately before the interviews as preparation to consciously reflect my suppositions. During the analysis they were reintegrated into the interpretation as they helped me in the consolidation of the significant statements and the formulation of the overarching themes.

The themes that emerged during the pilot interviews were used to set up an interview guide for the semi-structured interviews that followed. In order to make sure that I would also be open about the newly emerged themes, I first conducted the interview on myself in accordance to the guide I had created. The result of this self-interview was again assessed through self-reflection as described above. This extended the list of records that I used before the subsequent interviews to become aware of my assumptions.

4.5 Data collection

The study was carried out in a medium-sized company located in Germany operating in the industrial and mechanical engineering sector. The data was collected through face-to-face interviews with selected employees of the company. Each participant interview took place in a single interview session. All interviews were audio-taped and transcribed verbatim. Before conducting the interviews, the participants were informed about the aim of the study and their verbal and written consent was obtained (see Informed Consent Form in Annex III). Names and any identifying information were anonymized in the transcripts. Additionally, memos were used to capture any important thoughts and sudden insights during and after each interview. Memos serve to remind the researcher of his or her thoughts and help to separate preconceived thoughts that the researcher might impose on the data from topics that emerge from the data (Birks & Mills, 2015).

The interview process was carried out in two stages. In the first stage, unstructured interviews were conducted with three participants. Unstructured interviews are exploratory in nature; they are therefore very useful to gain an in-depth understanding about a topic from the point of view of the interviewee without being leading (Brinkmann & Kvale, 2015). Unstructured interviews are therefore also called an in-depth or intensive interviews. Methodologically, the interviewer has only a more or less basic interview guideline at his or her disposal, in which the interview goal, some topics and possibly ad hoc questions are recorded (Roulston, 2014). The unstructured interview usually has a very free but nevertheless controlled course of conversation; therefore, its form is most similar to an everyday conversation (Roulston, 2014). The

advantage of this form of interview is that a lot of information and detailed knowledge can be gained, which also allows the interviewee's meaning structures behind the statements to be identified (Brinkmann & Kvale, 2015). As with a semi-standardised interview, the data obtained is less comparable than with a structured interview.

The purpose of the unstructured interviews was to identify themes – without having formed any prior conceptions – that would be further developed through semi-structured interviews in stage two. The themes from the unstructured (pilot) interviews were used to set up an interview guide with key questions for the semi-structured interviews in stage two, which is appended in Annex IV. Semi-structured interviews combine the advantages of having some structure and concept about the topics to address while still allowing for in-depth probing of the responses given (Brinkmann & Kvale, 2015). This approach involves a question catalogue or interview guide that is intended to bring a certain structure to the interview (Brinkmann & Kvale, 2015). At predetermined points, the interviewer can also change the wording of questions, ask additional questions or follow up if something is unclear (Roulston, 2014). The advantage of a semi-structured interview is that the interviewees are given more room for their own formulations (Roulston, 2014). The semi-structured interview also goes into more depth than the structured interview, because it is also possible to deviate from the given interview guidelines if necessary (Brinkmann & Kvale, 2015). A disadvantage is the resulting limited comparability of the individual interviews.

4.5.1 Epistemological considerations

Brinkmann & Kvale (2015) point out that there are *"two different epistemological conceptions of interviewing as a process of knowledge collection or as a process of knowledge construction"* (Brinkmann & Kvale, 2015, p. 57). They use the appealing metaphors of 'miner' and 'traveller' to describe these two approaches to interviews: the belief that knowledge is either given and only needs to be uncovered (mined), or that it is constructed in the course of a research journey undertaken by the research traveller. Basically, seen as contradictory approaches, Brinkmann & Kvale (2015) argue that these two conceptions are rather complementary dimensions of qualitative interviews.

An interviewer who is more committed to the miner metaphor regards interviews as a research instrument to access the resource 'interview data' (Brinkmann & Kvale, 2015, p. 51). According to Brinkmann & Kvale (2015) the miner will focus on the lived experience of the participants to obtain a rich description of the 'What'; his or her main challenge will be the assessment of the validity of interviewee reports.

The traveller, on the other hand, views interviews as a method of social practice revealing topics through the accounts reported by the participants (Brinkmann & Kvale, 2015, p. 51). The analytic focus is on the interaction with the interviewee to create an

understanding of the ‘How’; the main challenge here is to evaluate the relevance of the individual accounts (Brinkmann & Kvale, 2015, p. 51).

As already mentioned in the discussion on ontological and epistemological positions, most researchers will take a stance between the two conceptual extremes. The ones tending more to the miner metaphor will receive knowledge in the form of doxa, i.e., it is about the experiences and opinions of people. Whereas the ones tending more to the traveller metaphor will construct knowledge in the form of episteme, i.e., knowledge that has been agreed on through logical discourse (Brinkmann & Kvale, 2015). According to Husserl, doxa is the foundation of the sciences (Pazanin, 1974, p. 72), which is bringing the miner metaphor in line with phenomenology.[52] Moreover, the miner approach focuses on the 'what'; it seeks to disclose the essence of experiences, providing ‘valid’ and ‘credible’ knowledge (with no influence from interviewer). This orientation is in line with the research questions of this thesis and the objectives behind them. In analogy to the considerations on research questions in section 4.1, Brinkmann & Kvale (2015) also state that ‘What’ and ‘How’ questions elicit spontaneous descriptions (reports) from subjects. Too many ‘Why’ question may lead to an *“overreflected intellectualized interview. From a broadly phenomenological viewpoint, the question of why the subjects experience and act as they do is primarily a task for the researcher to evaluate, and the interviewer may here go beyond subjects' self-understanding”* (Brinkmann & Kvale, 2015, p. 159). The conclusion that can be drawn from the above paragraph is that an interview concept based predominantly on the miner approach is consistent with the paradigm and the methodology of this work.

4.5.2 Ethical issues

Ethical issues in interview-based research arise mainly from the fact that investigators are *“researching private lives and placing accounts in the public arena”* (Miller, Birch, Mauthner, & Jessop, 2012, p. 1). Interviewers have to perform a balancing act between deep and probing questions on the one hand to gain profound insights and a respectful and morally unobjectionable treatment of the interviewees on the other hand. According to Brinkmann & Kvale (2015) ethical concerns permeate the entire process of interviewing, from the elaboration of the topic to analysis and reporting.

Throughout their seven-stage process of interview investigation, Brinkmann & Kvale identified the following ethical issues at each stage:

- Thematising: Consider the purpose of an interview study with respect to improvement of the interviewees’ situation as well as with regard to the scientific value.

[52] Cf. Brinkmann and Kvale (2015, p. 51)

- Designing: Obtaining informed consent for participation, ensuring confidentiality and assessing possible implications for the participants are ethical issues during the design phase.
- Interview situation: Personal consequences such as stress and a shift in self-perception must be taken into account.
- Transcription: Issues of confidentiality and originality/conformity with oral statements must be addressed.
- Analysis: It has to be determined how penetrating the analysis of the interviews may be and if the participants are allowed to have a voice in the interpretation of their statements.
- Verification: Researchers are responsible for delivering knowledge that is as secured and verified as possible. It is therefore necessary to consider the level of criticality of the questions.
- Reporting: As it was already the case in the design phase, confidentiality must be guaranteed when reporting the interview results and possible consequences for the group of respondents must have been carefully considered.

In the context of the interviews conducted in the course of this thesis, this concerned in particular informing the interviewees about the research project, obtaining their informed consent to participate in the surveys, avoiding any risks to the interviewees by publishing data, maintaining the strictest possible confidentiality and anonymity in the use of the data and non-discrediting reproduction of the content in this work. The thematic content of the interviews in the context of the research project was clarified in advance and again immediately before the respective interview. There was sufficient time for possible questions, both before and immediately after each interview. In order to ensure the voluntary nature of the interviews and to provide information on the further use of the survey material, a declaration of consent was developed (see Informed Consent Form in Annex III), which was signed by the interviewees before the interviews. In particular, it was pointed out that the non-answering/skipping of questions, the termination of an interview or the subsequent withdrawal of consent is possible at any time.

In general, all interviews and their transcripts were anonymised as far as possible. Personal data which allow direct conclusions to be drawn about the interviewee (e.g., names) were replaced by placeholders. The use of excerpts from the interviews in this dissertation is done by smoothing the text as much as possible in order to avoid discrediting the interviewees by possible linguistic irregularities or errors in the transcription. Any omissions or insertions in quotations from the transcripts are therefore indicated by square brackets (e.g., [...] or [n]).

Research records were stored securely on an external drive and protected from access by third parties through encryption. All data will be deleted three years after the

completion of this study. Audio-recordings were erased as soon as they were transcribed.

In general, I have followed the guidelines of the University of Gloucestershire on the ethical conduct of research projects carried out under its name as written down in the University's Handbook on Research Ethics (University of Gloucestershire, 2018). For the interviews in particular, I followed the recommendations for interviewers by Elton Mayo, which according to Brinkmann & Kvale (2015), still *"prove to be surprisingly contemporary"* (p. 50). The recommendations are as follows (Mayo, 1949, p. 65):

1. Give your whole attention to the person interviewed, and make it evident that you are doing so.
2. Listen – don't talk.
3. Never argue; never give advice.
4. Listen to:
    a. What he wants to say.
    b. What he does not want to say.
    c. What he cannot Say without help.
5. As you listen, plot out tentatively and for subsequent correction the pattern (personal) that is being set before you. To test this, from time to time summarize what has been said and present for comment (e.g., "Is this what you are telling me"). Always do this with the greatest caution, that is, clarify but do not add or distort.
6. Remember that everything said must be considered a personal confidence and not divulged to anyone. (This does not prevent discussion of a situation between professional colleagues. Nor does it prevent some form of public report when due precaution has been taken.)

Overall, I tried to display practical virtue, as defined by Aristotle with the word phronesis, which is *"the ability to appraise and act upon particular situations in a way that is conducive to the creditable overall conduct of life"* (Lovibond, 1995, p. 101).

4.6 Sample

Qualitative studies are not designed to be representative in terms of statistical generalisability. Consequently, probabilistic sampling methods are used less frequently and sample size and participant selection are not determined at random, but in a selective manner, and in such a way that the gain in knowledge with regard to the question is as high as possible (Patton, 2015).

Data collection is not an end in itself and should thus be conducted until no further themes emerge and therefore data saturation has been achieved (Pope et al., 2000). The concept of saturation is often invoked in qualitative research, but as Marshall et al. (2013) and Guest et al. (2006) noted, it is rarely defined. However, a clear definition is

necessary to determine when saturation is reached. A comprehensive overview of different concepts of saturation, their methodological background and the resulting consequences for achieving saturation is given by Saunders et al. (2018). They have identified four different types of saturation, which differ in how far an inductive or a deductive logic is applied and whether the focus is on data collection, data analysis or theory building (Saunders et al., 2018):

- The first model, called *theoretical saturation*, refers to the development of categories and the theories that emerge from them. This approach is based on the original grounded theory, in which saturation is determined by the degree of development of a theoretical category in the course of analysis so (Glaser & Strauss, 1967).

- A similar approach is taken by *inductive thematic saturation* - here, however, saturation focuses on the identification of new codes or themes and is based on the number of such codes or themes rather than the completeness of existing theoretical categories. It thus arises in the phase of analysis.

- The third model represents a reversal of the previous logic, with data collection serving to confirm a given theory with lower order codes or themes, rather than to develop or refine the theory. Saunders et al. (2018) called this model *a priori thematic saturation*, where saturation is reached when there is sufficient data to illustrate the theory.

- The fourth model - referred to as data saturation - sees saturation as a matter of identifying redundancies in the data without requiring reference to a theory. The question of whether saturation has been reached is thus answered exclusively in the data collection phase.

Model three presupposes an existing theory and is therefore not suitable for my inductive approach. Model four sees saturation as a matter of identifying redundancy in the data, without reference to any theory associated with that data (Saunders et al., 2018). This does not fit with my methodological approach, as the decision about saturation takes place exclusively in the data collection phase and not in the analysis phase (cf. Figure 21). Models one and two are very similar, but the focus on the emergence of new codes and themes in model two[53] versus the emphasis on the degree of development of already identified codes and themes in model one fits better with my inductive approach. Therefore, saturation in this thesis is defined as *"the point in coding when you find that no new codes occur in the data. There are mounting instances of the same codes, but no new ones"* the point in coding when you find that no new codes

[53] Cf. Given (2016); Urquhart (2013, p. 194)

occur in the data. There are mounting instances of the same codes, but no new ones (Urquhart, 2013, p. 194).

Regarding participant selection, purposive sampling is a method intended to provide the most extensive sample while retaining a manageable sample size (Marshall, 1996). Purposive sampling techniques include: theoretical sampling, criteria-based sampling, case selection based on qualitative sampling schemes, analytical induction, selection of extreme, typical, deviant, critical, etc. cases, heterogeneous sampling, homogeneous sampling, snowballing and others (Patton, 2015). In this thesis, purposive sampling was utilized to obtain a sample set that is as heterogeneous as possible across demographic aspects such as gender, age group, educational level and hierarchical level. The choice of these variables is further explained in the following section.

4.6.1 Categorization of Interviewees

By categorizing the unstructured recordings from interviews, patterns and topics become apparent and structured relationships can be derived from them (Richards & Richards, 1995). For example, interviewees share common characteristics (e.g., gender, age, etc.) that can be grouped together. Analysing data based on the demographic subsets within (for cross-sectional or sub-population / sub-group analysis) allows for finding demographic trends. Categories enable different types of 'faceted' searches based on particular facets of the 'person'. The categories used in the analysis are described below.

Gender

It is a powerful stereotype that women are more emotional than men (Kring & Gordon, 1998). This stereotype is based less on biological differences but rather on socialized gender roles (Wester et al., 2002). Thus, most researchers agree that women do not experience more emotions than men do, but are more emotionally expressive (Kring & Gordon, 1998). This must be taken into account when evaluating the interviews.

The emotions that are experienced by women and men can, however, differ. Women likely have more relationally oriented goals, whereas men tend to be more power oriented and thus express emotions that reflect their power (Timmers et al., 1998). This is also more probably the result of certain social processes that socialize girls to be nonaggressive, attentive and obedient, as of biological differences (Wester et al., 2002). Thus, women can be expected to report fewer negative emotions than men.

Age Group

Studies show that there are differences in emotional reactions depending on the age of the person. For example, Gross et al. (1997) observed that older adults report less often about anger, sadness and anxiety than younger adults, and more about happiness. They concluded that the capability of emotion regulation increased across the life span (Gross

et al., 1997). In context, older people generally seem to experience negative emotions for a shorter period of time than younger people (Barrick et al., 1989). It is therefore reasonable to assume that people of differing ages may experience different emotional responses to performance measures.

Age-based development processes are the focus of Developmental Psychology. Within this field of science there is a wide spectrum of theories such as Freud's psychosexual development, Piaget's theories of cognitive development or Kohlberg's stages of moral development to name but a few. Regarding the classification of discrete stages (or age groups) throughout people's lifespan, Erikson's eight stages of psychosocial development have received widespread attention (Crain). Building on Freud's stages of childhood and adolescence, Erikson added three later stages of adulthood (early adulthood 20-39 years, middle adulthood 40-59 years and late adulthood 60+ years) to cover the complete life cycle (Erikson, 1950). Although Erikson's theory has been criticized for being rather vague about the causes of development (Shaffer & Kipp, 2010) and for being more appropriate for western civilization males (Gilligan, 1982; Marcia, 1999), his stage model has been adopted and refined by numerous scientists[54]. In order to provide an appropriate classification for the number of interviews carried out, the following age groups were chosen for this work[55]:

- Emerging Adulthood (18 to 25 years)
- Adulthood (26 to 45 years)
- Middle Adulthood (46 to 59 years)
- Young-Old Adulthood (60 to 74 years)

Educational level

Educational level is another sociodemographic variable frequently used to classify interviewees. In the context of this thesis, it seems reasonable to classify the interviewed persons according to their level of education, since literature provides evidence of correlations between educational level and psychological concepts such as metacognition (Schrader, 2003) and self-reflection (Fischer & Pruyne, 2003) as well as emotional responses (Meeks & Murrell, 2001). The latter is also backed by findings from the field of neuroscience (Demenescu et al., 2014). Therefore, depending on their level of education, employees may well show different emotional reactions to performance indicators.

[54] Cf. Windsor et al. (2012); Birditt and Fingerman (2005)

[55] Earlier or later phases were omitted due to their non-relevance for working life. The age ranges given serve a rough categorization and do not claim to be a 'hard' limit of developmental phases.

ISCED 2011 Level	ISCED 2011 Name	ISCED 2011 Principal Characteristics	German Programme (Example)	UK Programme (Example)
0	Early Childhood Education	Holistic approach to support children's early cognitive, physical, social and emotional development and introduce young children to organized instruction outside of the family context.	Kindergarten	Children's Centres
1	Primary Education	Provide students with fundamental skills in reading, writing and mathematics (i.e. literacy and numeracy) and establish a solid foundation for learning and understanding core areas of knowledge, personal and social development.	Grundschule (Primary school)	Primary school
2	Lower Secondary Education	Builds on the learning outcomes from ISCED level 1. Lay the foundation for lifelong learning and human development upon which education systems may then expand further educational opportunities.	Sekundarbereich I -Hauptschule (Secondary general school) -Realschule (Intermediate school) -Gymnasium (Grammar school)	Secondary school
3	Upper Secondary Education	Complete secondary education in preparation for tertiary education or provide skills relevant to employment.	- Sekundarbereich II Gymnasiale Oberstufe (Grammar school grades 11-13) - Berufsschule (Dual System)	-Diploma -National Vocational Qualifications (NVQs) Level 1-3
4	Post-Secondary Non-Tertiary Education	Provides learning experiences building on secondary education, preparing for labour market entry as well as tertiary education.	- Fachschulen (Trade and technical schools) - Fachoberschulen, 1 jährig (Specialised vocational high schools, 1 year)	None
5	Short-Cycle Tertiary Education	Provide participants with professional knowledge, skills and competencies. Typically, they are practically based, occupationally-specific and prepare students to enter the labour market.	- Meisterausbildung (Master Craftsmen programmes at trade and technical schools (short))	-NVQ Level 4/5 -Higher National Certificate (HNC)
6	Bachelor or equivalent	Provide participants with intermediate academic and/or professional knowledge, skills and competencies, leading to a first degree or equivalent qualification.	-Fachschulen, z.B. Techniker (Trade & technical schools, technician degree) - Fachhochschulen/Universitäten (College/University) Bachelor	Bachelor's degree
7	Master or equivalent	Provide participants with advanced academic and/or professional knowledge, skills and competencies, leading to a second degree or equivalent qualification.	- Universitäten/ Master-Abschluss (University/ Master)	Master's degree
8	Doctoral or equivalent	Lead to an advanced research qualification. Devoted to advanced study and original research.	- Promotionsstudium (Doctoral studies)	Doctorate
9	Not elsewhere classified	Not specified	Students in special education (mostly mentally disadvantaged students) who cannot be allocated to a particular ISCED level.	None

Table 6: ISCED 2011 Classification with examples from Germany and the UK

Levels and principal characteristics from (UNESCO Institute for Statistics, 2012), German and UK programme examples from (UNESCO Institute for Statistics, 2011)

The UNESCO International Standard Classification of Education (ISCED) is used in this thesis to classify the educational level of the employees. The UNESCO ISCED was developed in order to compare national education systems that vary widely in terms of structure and curricular content throughout the world with those of other countries or to benchmark progress towards national and international goals (UNESCO Institute for Statistics, 2012). Through the application of uniform and internationally agreed definitions the ISCED facilitates cross-country comparisons of education systems and provides a comprehensive framework for the organisation of education programmes and qualifications (UNESCO Institute for Statistics, 2012). ISCED 2011 is the current revision of this classification (initially developed in the 1970s with a first major revision in 1997). It was adopted by the UNESCO General Conference in November 2011.

ISCED 2011 distinguishes eight levels of education from early childhood education to doctoral level and a separate category for education programmes that cannot be classified into the eight categories (UNESCO Institute for Statistics, 2012).

As this thesis only considers adults in an existing employment relationship requiring at least an ISCED 2011 level 2 education, only ISCED 2011 levels 2-8 are used to classify the educational level of the interviewees. The categories are named after prominent examples from the German school and vocational education system, which are representative of, but not exclusive to, the respective educational level. The categories are sorted in ascending order from the lowest to the highest qualification.

- Labourer - without vocational training qualification (ISCED 2011 level 2)
- Craftsman - accredited vocational training (ISCED 2011 level 3)
- Master craftsman (ISCED 2011 level 4/5)
- Technician or equivalent technical college degree (ISCED 2011 level 6 professional)[56]
- Bachelor (ISCED 2011 level 6 academic)
- Master (ISCED 2011 level 7)
- Doctorate (ISCED 2011 level 8)

Hierarchical level

Strategic initiatives such as the introduction of a performance measurement/ management system pose specific challenges at different levels of the organisational

[56] With the revision of the German Qualifications Framework (Deutscher Qualifikationsrahmen - DQR) in 2012, the graduation as a state-certified technician was made equivalent to a Bachelor's degree. This emphasised that a non-academic course of education is equivalent to an academic course of education. However, only the contentual requirements of both degrees were set to the same level. A direct admission to a master's degree course is not possible as a state-certified technician. This still requires a Bachelor degree. Therefore, the Bachelor degree is generally considered to be a higher qualification.

hierarchy, as this is a process of change and different aspects can be important for individual employees and can be evaluated in many different ways. It therefore makes sense to investigate whether members of different hierarchical levels in the company show varying emotional responses.

Kanter et al. (1992) examined several different case studies and concluded that at least three key groups can be identified in organisations during a change process: change strategists at the top of the hierarchy, change managers in middle management and change recipients at lower levels. They report that change managers and recipients have a greater sense of threat from the consequences of organisational change than change strategists because they are most likely to lose their status or even their jobs when major changes occur (Kanter et al., 1992). In addition, other researchers have found that non-supervisors as recipients of change report higher levels of role ambiguity and overload, lower levels of support from their supervisors, decreased job satisfaction and commitment, lower perceptions of job security and in general lower acceptance of organisational change (Olson & Tetrick, 1988; Oreg et al., 2011). Furthermore, over time job satisfaction as well as mental and physical health of blue-collar workers was found to decline more than that of white-collar employees and managers (Nelson et al., 1995).

On the other hand, managers and supervisors who act more as change strategists and change managers perceive a higher level of organisational support and more opportunities and access to information during change processes (Luthans & Sommer, 1999). Luthans and Sommer (1999) conclude that different attitudes between managers and staff are rooted in the different depth of involvement in the change process. According to Armstrong-Stassen (1998) managers have more control over decisions concerning the future of their jobs than non-supervisory employees and are more likely to engage in control-oriented coping compared to non-supervisors, who typically adopted avoidance strategies. As a result, the latter were less willing to make use of the available information and seek support from their superiors (Armstrong-Stassen, 1998). But there may also be differences in executives and middle managers responses to change. In a study of downsizing middle managers were found to use more avoidance strategies, reported to have less job security, showed lower job performance and experienced more health symptoms than executives (Armstrong-Stassen, 2005).

Overall, literature suggests that supervisors and non-managerial staff have different attitudes about and perceptions of change processes within an organisation, based on the differences between the various hierarchical levels in terms of power, autonomy and influence. Employees at higher levels are more likely to influence decisions because they are directly involved in decision-making, whereas employees at lower levels are generally not involved in the decision-making process. It is therefore expected that differences between hierarchical levels in terms of emotional responses related to the

implementation of a performance measurement/ management system will become apparent.

As there are also differences between individual management levels as described above, it is not sufficient to distinguish only between managers and employees. To ensure a certain degree of granularity in the classification, the following five categories were chosen to classify the hierarchy levels:

- Top executives (top management)
- Intermediary executives (middle management)
- Supervisors, team leaders
- Professionals
- Apprentices, interns, trainees

4.7 Data analysis

The data analysis in this thesis follows the methodology of Husserl's transcendental phenomenology as described in section 4.3.1. Moustakas' (1994) step-by-step procedure is in a sense a deconstruction process in which the experienced is condensed into a system of categories through various forms of reduction and explication. It is thereby purified of prejudices, subjective expectations, cultural, historical, learned knowledge and non-essential elements in order to arrive at the pure act of consciousness intentionally directed at an object.

The first step in the analysis was the process of horizonalization, in which significant statements (i.e., words, phrases or sentences) in the transcripts were identified that provide an understanding of the participants' experiences (Moustakas, 1994). By omitting irrelevant or repeated statements, it significantly reduces the amount of data to be analysed. It is therefore an essential part of the phenomenological reduction.

According to Colaizzi, significant statements are *"phrases or sentences that directly pertain to the investigated phenomenon"* (Colaizzi, 1978, p. 59). The identification of significant statements began with a first reading of the transcription following the question: What are the content-related statements? By blocking out all prior knowledge and prejudices (epoché), I tried to keep the perspective of perception as open as possible and to avoid thematic blocking out as much as possible in order to take in the facts, statements and experiences of the interviewees in an unbiased way. In this step, it is above all the nouns and verbs that refer to facts/contents (Längle, 2015).

In a second listening to the recording or reading of the transcription, I turned the focus on the interviewees' manner of expression: how do they describe their content, how do they speak? In addition to collecting the facts about the content, it is necessary to pay attention to the articulation, which is also an important piece of information. This is because speaking contains information not only in the factual statement, but also in the

manner of expression and conveys emotional statements mainly in the 'how' of speaking, which says a lot about the person's relationship to the content. In the study of the mode of expression, attention has to be focused on the modality of the verbs and filler words (intermediate words) and on the expressive aspect as a complementary material to the cognitive information of the statement (Längle, 2015).

Furthermore, evidence of significant statements can be found outside 'textual' sources (i.e., speech or transcriptions), e.g., non-verbal communication like gestures and facial expressions, visual data and many more (Elliott, 2018; Saldaña, 2015). It is therefore important to start the analysis of an interview in a timely manner in order to remember important reactions or to document them during the interview.

Horizonalization implies that the researcher must be receptive to each statement and regard them as equally important (Given, 2008). Thus, this step helps reducing potential bias, because when each statement is considered to be of equal value, the researcher avoids favouring individual aspects of the data. Instead, the whole perspective is considered. This means that each statement is considered individually as an indicator of truth (Given, 2008).

In order to make sense of the identified statements in relation to the research questions, these significant statements were then carefully examined and clustered based on their meaning to create invariant constituents (codes) (Moustakas, 1994). Coding is a process of meaning condensation, as it transforms a larger set of data[57] into a word or short phrase *"that symbolically assigns a summative, salient, essence-capturing and/or evocative attribute"* (Saldaña, 2015, p. 4) for that data.
Miles et al. (2014) distinguish different types of codes: descriptive codes are basic labels often consisting of only a single noun, while process codes use gerunds ('-ing' words) to "connote observable and conceptual action in the data" (Miles et al., 2014, p. 75). NVivo Version 12 (QSR International Pty Ltd, Chadstone, Australia) was used in this thesis to aid the coding and categorization processes.

Next, thematic similar, overlapping or reoccurring codes were clustered, revealing overreaching patterns – the core 'themes'[58] of the experiences (Moustakas, 1994). Codes in the dataset that did not fit into previously formed themes formed a new category. This procedure was repeated until all codes were grouped together to form

[57] Regarding interview transcriptions significant statements may consist of words, phrases, whole or even several sentences. Significant statements may also be found in other sources than textual data, e.g., non-verbal communication like gestures and facial expressions, visual data and many more. Cf. Saldaña (2015); Elliott (2018)

[58] Elsewhere also referred to as categories Mayring (2015)

higher-level themes. Through this inductive process[59] of categorization further meaning condensation towards fundamental themes was achieved. This step required intuition and artistic skills like a craft requires craftsmanship skills, as this activity cannot be precisely delineated or as Colaizzi puts it *"for here he is involved in that ineffable thing known as creative insight"* (Colaizzi, 1978, p. 59). Thus, it is important to go back and forth between the interview material and the list of emerging themes to ensure their validity through continuous confirmation (Hycner, 1985).

A first analysis based on the steps described above was carried out after three pilot interviews had been conducted. These interviews yielded 17 themes (cf. Table 10) that served as the basis for setting up an interview guide (appended in Annex IV) for semi-structured interviews, which were to provide more in-depth understanding of the phenomena. The overwhelming majority of the themes I was able to identify in these first three interviews revolved around a topic area I had not come across in my previous literature review – the topic of organizational justice.

After I had accessed this topic through a renewed literature search, I restructured the codes from the pilot interviews in a second analysis and revised the themes. This revision resulted in eleven themes that formed the basis for the semi-structured interviews. The first three of these semi-structured interviews produced the largest proportion of new codes and themes. The number of new themes decreased significantly from the seventh interview onwards. From the tenth interview on, there were only repetitions, so that after the eleventh interview I decided that saturation had been reached.[60]

In the next step, a synthesis of the codes and themes in form of a textural description including verbatim quotations of what the participants experienced was generated (Creswell & Poth, 2017). The purpose of this 'narrating' was to reconstruct the inner nature of the participants' experiences by summarizing the themes elaborated in the previous steps and setting them in relation to the specific context of the experience (Hycner, 1985). Creswell (2017) portrays these individual text descriptions as the 'what' of the occurring phenomenon.

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[59] Basically, there are two possibilities of category formation: the deductive and the inductive approach (Mayring, 2015). In deductive categorization, the categories (or themes) are established and defined before the data material is analysed. The aim is to extract predefined elements from the material. The analysis of the data is carried out with regard to previously decided structures. The fundamental nature, the profile of the material, is to be assessed on the basis of these categorization criteria (Mayring, 2015). Since this approach is contrary to the understanding of the epoché, it is not appropriate for phenomenological research.

[60] Cf. Guest et al. (2006); Marshall et al. (2013)

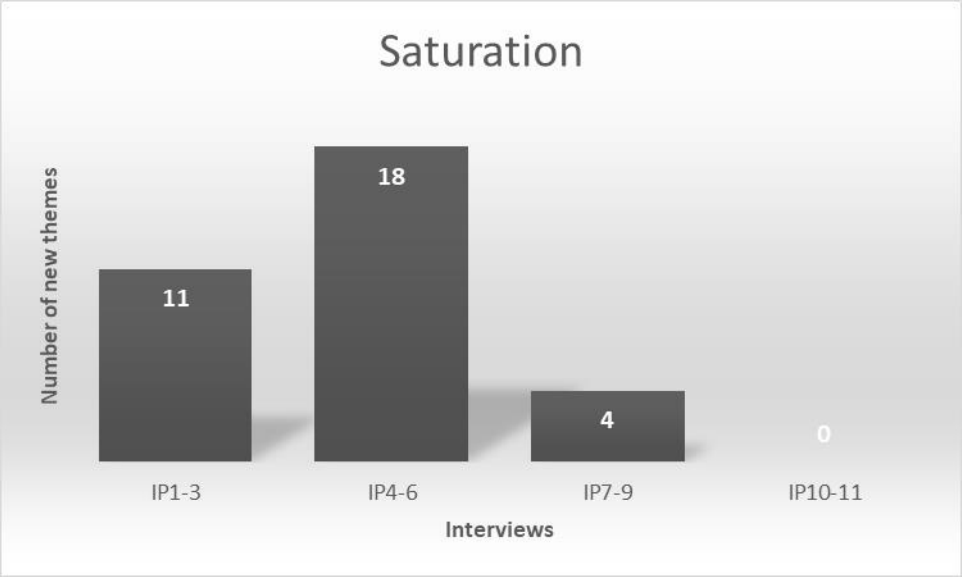

Figure 20: Emergence of new themes and saturation

At this point, a 'validity check' was performed by returning to the interviewees and reviewing the textual descriptions with them (Hycner, 1985). According to Hycner (1985) this offers two benefits: first, to determine whether the essence of the interview was correctly 'captured' and second, to identify and amend any omitted themes, if applicable. In the first case, appropriate modifications were made to the textual description; in the second case, new statements were analysed according to the procedure described above.

To move from the particularly textual descriptions to a more universal essence of the phenomenon, imaginative variation was used. For this purpose, identified characteristics of a phenomenon were removed successively in a thought experiment in order to see if they were in fact essential to the experience. If by removing the characteristic the experience was not essentially altered, that particular aspect of the phenomenon was identified as not essential; on the other hand, if the experience was fundamentally changed, that particular aspect was deemed to be an essential part of the experience (Giorgi, 2007). The structural description provided a vivid illustration of the underlying dynamics of experience through the themes that explain how feelings and thoughts were evoked in connection with the phenomenon under study (Moustakas, 1994). Creswell (2017) notes that the individual structural descriptions determine the "how" of the occurring phenomenon.

Finally, after all the individual structural descriptions had been created, *"the themes common to most or all of the interviews as well as the individual variations"* (Hycner, 1985, p. 292) were compiled in a composite description presenting the condensed essence of the common experiences of the participants.

4.8 Translation

Since both the interviewees and I are native German speakers, it was obvious to conduct the interviews in German. However, since the publication of this thesis is in English, a change of language is necessary at some point. The resulting implications of this cross-language setting[61] and my chosen approach will be described below.

Translations involve the difficult task of understanding the source language and translating it meaningfully into the target language. Translations therefore always represent an interpretation on the part of the translator (Abel, 2000). As a result, translators are both the recipients of the original message and the authors of the text in the target language. This means that translators, as interpreters, have a crucial role in the qualitative research process that needs to be taken into account (Shklarov, 2007). Against this background and the fact that language as a means of communication is a relevant aspect in qualitative social research, the translation process is an important part of the research process. Therefore, the translation of the interviews by an independent third party was ruled out for me from the outset, as this would have resulted in an uncontrollable change in the statements.

Furthermore, according to many researchers, phenomenological studies do not lend themselves to the translation of participant data (Larkin, Dierckx de Casterlé, & Schotsmans, 2007; Squires, 2008; Temple, 2002). Phenomenological studies require an intense, close focus on how participants use language to describe their experiences, and translation alters the process of examining participants' use of language to describe their experience of the phenomenon. The translation process may change the original language use and structure in such a way that the researcher cannot adequately capture the essence of the phenomenon in the translated language (Squires, 2008). Therefore, I conducted data collection and analysis in German and later translated relevant sections for illustration into English.

A translation should always ensure that the reader understands what the originator meant. The quality of a translation is closely related to the translation objective. While in some cases an interpretative translation is a sign of quality, in other cases literal conformity to the original data may be required (Ahrend, 2006). Since the data analysis took place in the source language, the translation did not require a literal match between the source language and the target text, but a match in meaning to enable the reader to understand the content and meaning of what was said. This ‘conceptual equivalence’ denotes a translation that provides a technically and conceptually accurate

[61] I don’t consider this research to be cross-cultural, as it neither compares behaviours across two or more cultures, nor is it conducted within a culture different from mine, nor uses instruments that were developed and intended to be used in a different culture (Rogler, 1999).

communication of the original concept (Jandt, 2003). To evaluate, whether a translation holds similar meanings and relevance in two different languages, it is best to discuss the translated sections with a native speaker.

My translation therefore also followed the three basic activities outlined in the literature:

1. Analysis of the source language text (has been extensively pursued in data analysis),
2. transfer of the source text into the target language (aided by the use of dictionaries), and
3. revision of the translation (through discussions with my supervisor).

In order to increase transparency and comprehensibility (Enzenhofer & Resch, 2011), as well as to enable people with German language skills to gain a deeper insight into the research material, I have included the original quotations in the appendix.

4.9 Summary

The methodological approach applied in this thesis is based on Husserl's transcendental descriptive phenomenology as described in section 4.3.1. By capturing lifeworld experiences, I seek to uncover 'common essences' or the 'essential structure' of the relationships between PMS and positive emotional responses. Employees perceive the measurement of their individual performance or their organisational unit differently and therefore experience different emotional responses. According to Husserl's methodology, the phenomenological researcher is obliged to put his own ideas in 'brackets' and to withhold explicit knowledge, judgements and experiences about the phenomenon during the data collection, in order to avoid the contamination of the data by the interviewer. This epoché was achieved through the conduct of an emotional audit prior to data collection. The data itself was collected through a series of interviews. First, three unstructured pilot interviews were conducted to identify themes that allowed the construction of an interview guide used in the following semi-structured interviews. The interviews were transcribed verbatim and analysed looking for significant statements. The significant statements were coded and condensed into overarching themes. This process was repeated until no further themes emerged, i.e., saturation was achieved. Next, textual descriptions of 'What' occurred were created through rewriting the interviews based on the identified themes. These narratives were taken back to the interviewees for validity checking. Further reduction through imaginative variation resulted in structural descriptions providing vivid accounts of the underlying dynamics of the experiences of the participants. Finally, the textual and structural descriptions of the experiences were combined into a composite description of the phenomenon through 'intuitive integration' (Moustakas, 1994). This description became the essential, invariant structure of ultimate 'essence' capturing the meaning affiliated with the experience. The phenomenological approach used in this thesis is depicted in Figure 21.

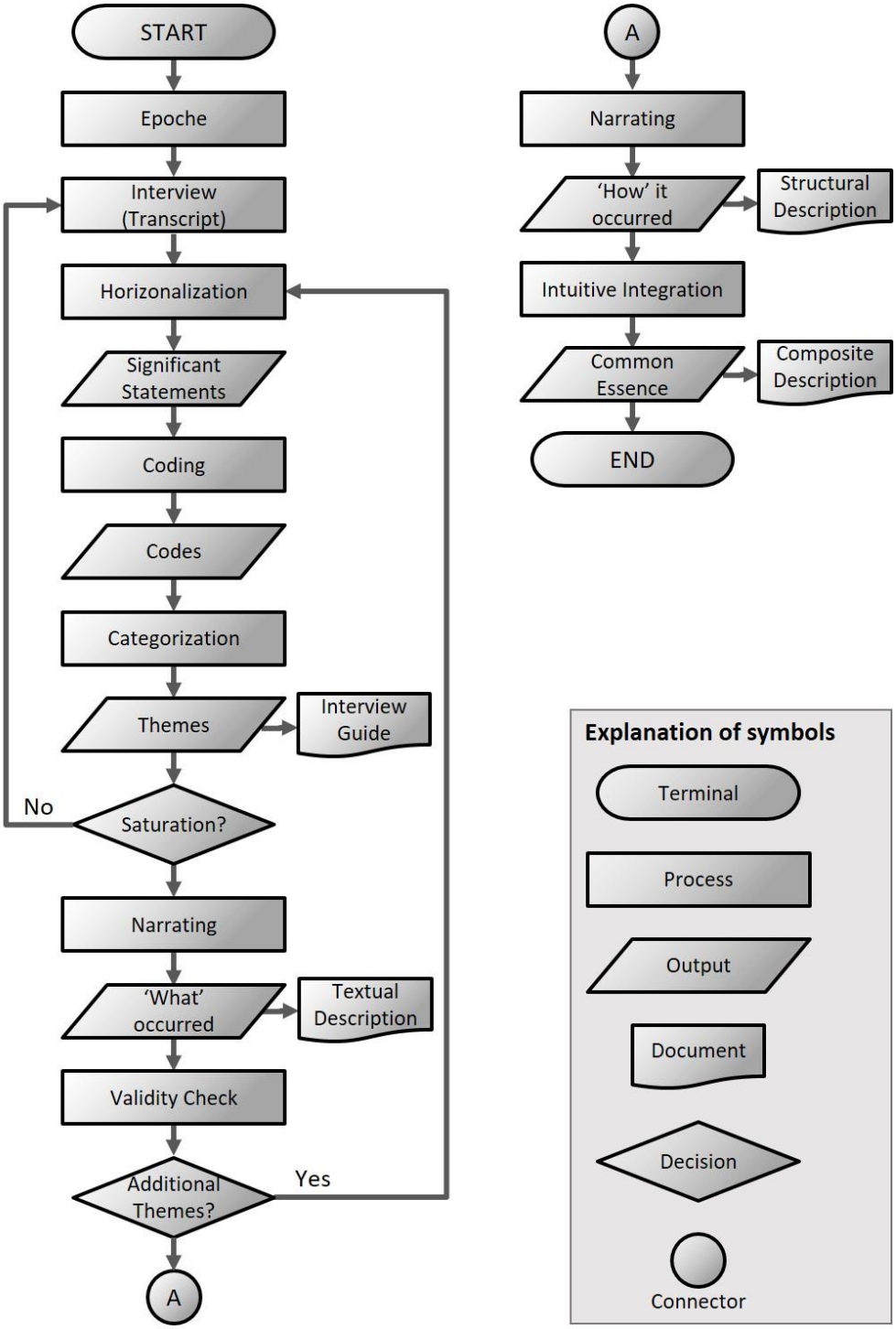

Figure 21: Phenomenological Approach
Constructed by the author

5 Findings

In this chapter the findings from the study are presented. To remind the reader of the purpose of this study, first a short review of the research project is given and the research questions are recalled. Then the participants and their background are introduced, the themes found in the research are presented and the key findings in regard to the research questions are highlighted.

5.1 Overview of the research project

The purpose of this transcendental phenomenological study was to describe what elements of performance measurement elicit positive or negative emotions in employees when they are confronted with the fact that their work performance is to be measured and evaluated either directly via personal metrics or indirectly via team results. In addition, the question arises whether, under certain conditions, aspects of PMS that are usually perceived negatively can also lead to positive emotional reactions. Finally, the findings of the first two research questions were to provide guidelines to help professionals facing the introduction of PMS to minimize negative emotional reactions and maximize the beneficial effects of positive emotions.

According to Moustakas (1994), phenomenology uses a researcher's personal interest to develop questions. Thus, my research began when I was the head of the quality management department in a medium-sized company located in Germany engaged in the industrial and mechanical engineering sector. After an era of economic success and growth in the first 25 years since the company was founded, it had entered a phase of stagnation and showed serious signs of 'growing pains' (cf. section 2.1). It was subsequently concluded that it was necessary to professionalise the way the company was managed and controlled by introducing management systems similar to those of large companies. Thus, a number of strategic initiatives was launched, including the implementation of a performance measurement system. However, the introduction was rushed. The employees were neither sufficiently informed nor were the managers trained in how to handle the results, evaluate them and derive measures from the key performance indicators. The PMS was imposed on the company without any participation of the employees, regardless of their hierarchical level. As a result, employees tended to be sceptical and reticent about the strategic initiative to introduce a performance measurement system. Instead of identifying and removing bottlenecks of productivity, the PMS led to prolonged discussions and increasing dissatisfaction among the employees. It soon became apparent that the introduction of the PMS had not achieved the desired results. This was in contradiction to the benefits of KPIs described in many places in the literature and the phrase often used both in quality management and in management sciences in general: *"If you can't measure it, you can't improve it."* Convinced of the fundamental benefits of PMS from my long professional background, I tried to find out what had gone wrong.

Looking at the literature, primarily technical reasons such as too many or wrong KPIs, problems with data accessibility or poor strategy implementation were identified as causes for failure of PMS implementation. Only few authors recognized what was the apparent cause of failure in this case: the reaction/response of people whose work performance was suddenly measured and assessed without them having been thoroughly prepared for it or their opinion on it having been taken into account. There were no qualitative studies explaining the mutual relations between performance measures and emotional responses. Only few studies acknowledged that there may be negative reactions but none focussed on the potentially beneficial effects of positive emotions. However, it has recently been found that positive emotions are important because they broaden attention and foster the development of cognitive, physical, and social resources (Fredrickson, 2001). Thus, my interest in understanding the interrelationships between performance measurement and positive emotions was raised and the foundation for this thesis was laid.

In the following, this phenomenon is described with the voice of the participants offering a general understanding of the essence of their experience.

5.1.1 Research Questions

There were three research questions formulated to capture the relationship between performance measures and emotional responses on one hand and to provide guidelines for practitioners facing the implementation of PMS on the other hand. Previous research in the field of performance measurement and organisational behaviour assisted in the development of the questions. The three research questions were:

RQ 1: What elements (e.g., transparency, appraisal etc.) of performance measurement generate positive or negative emotional responses in employees?

RQ 2: What are the necessary conditions that negatively connoted elements of PMS result in positive emotional responses?

RQ 3: What would be a framework for managerial practice to maximise positive emotional responses during PMS implementation.

5.1.2 Participants

A total of 11 participants took part in this study. Purposive sampling was utilized to obtain a sample set that was as heterogeneous as possible across demographic aspects such as gender, age group, educational level and hierarchical level, but approximates the statistical distribution of these characteristics in the world of employment. As of 2018, in the German employment market 46% of the employees were female and 54% were male (Bundesagentur für Arbeit, 2019). Therefore, when selecting participants, attention was paid to an approximately balanced distribution between women and men. The age

distribution among the working population in Germany in 2018 was as follows (Statistisches Bundesamt, 2019b):

- 7,1% were between 18 and 25 years old (Emerging Adulthood)
- 41,9% were aged between 26 and 45 years (Adulthood)
- 39,8% of the employees were between 46 and 59 years old (Middle Adulthood)
- 11,2% were 60 years and older

Based on this distribution, the majority of participants were selected from the age groups Adulthood and Middle Adulthood. With regard to the educational level among the working population in Germany, the Federal Statistical Office provides the following data for 2018(Statistisches Bundesamt, 2019a):

Educational Level	**Percentage of the working population**
Labourer (without vocational training qualification - ISCED 2011 level 2)	11,8%
Craftsman (accredited vocational training - ISCED 2011 level 3)	49,7%
Master craftsman, Technician (ISCED 2011 level 4/5 resp. 6 professional)[a]	10,3%
Bachelor, Master, Diploma (ISCED 2011 level 6, resp. 7)[a]	20,9%
Doctorate (ISCED 2011 level 8)	1,5%
In training, education	5,5%

[a] No distinction in the data source

Table 7: Educational Levels of working population in Germany 2018
Data from Statistisches Bundesamt (2019)

Half of the working population has a completed vocational training as their highest educational/professional qualification. Another ten percent have successfully participated in advanced vocational training and a good 20 percent have obtained a university degree. As these educational levels represent the major part of the working population (over 80 percent), participants with these qualifications were selected.

The selection of the interviewees with regard to their position in the company was made according to the distribution given by the typical hierarchy pyramid - the higher the position, the fewer participants. Table 8 gives an overview of the interviewees that participated in this study.

Participant	Gender	Age Group	Educational Level	Hierarchical Level
IP1	Female	Young-Old Adulthood	ISCED Level 3 Craftsman	Professional
IP2	Male	Middle Adulthood	ISCED Level 6/7 Diploma	Professional
IP3	Male	Middle Adulthood	ISCED Level 6/7 Diploma	Supervisor
IP4	Male	Middle Adulthood	ISCED Level 6/7 Diploma	Professional
IP5	Male	Middle Adulthood	ISCED Level 4/5 Technician	Professional
IP6	Female	Adulthood	ISCED Level 3 Craftsman	Professional
IP7	Male	Middle Adulthood		Supervisor
IP8	Male	Adulthood	ISCED Level 3 Craftsman	Professional
IP9	Female	Adulthood	ISCED Level 6/7 Diploma	Professional
IP10	Female	Emerging Adulthood	ISCED Level 3 Craftsman	Professional
IP11	Male	Adulthood	ISCED Level 6/7 Diploma	Professional

Table 8: Interviewees' demographic information

5.2 Pilot interviews

First, unstructured interviews were conducted with the first three participants (IP1 – IP3). The purpose of the unstructured interviews was to identify themes to be further developed in the second phase through semi-structured interviews, without any prior ideas or preconceptions having been formed.

I selected my interview partners primarily in order to achieve a representative picture of the employees according to the categories described above. I then had to choose my

actual interviewees from the set of people with the same characteristics. To do this, I picked the people who I thought would give extensive and in-depth answers. Because not only the interviewer is responsible for the success of an interview, but also the interviewee(s) to the same extent. As the literature points out, not every interviewee has the willingness and the linguistic and social competence to tell his/her 'story' (Spöhring, 1989). Of course, there were differences in the linguistic competence of the individuals, but I did not consider the competence of any of them to be a threat to the results. Therefore, I focused on the willingness to communicate as a selection criterion.

The relationship level is an important factor for a high willingness to communicate and provide information. The literature points out that the interviewer's ability to develop trust and build rapport with respondents facilitates valid data collection (Brinkmann & Kvale, 2015; Ryen, 2001). In this context, rapport is considered the 'heart of the interview' (St-Yves, 2009, p. 104) and is seen as the basis for effective interaction and communication. Therefore, in the final selection of my interview partners, I chose people with whom I had already established a trustful rapport.

The fact that my interview partners and I, as former colleagues, were part of a community - I was not an outsider, not a stranger to them - was probably also conducive to trust. Moreover, since I had left the company, i.e., was no longer part of the management, reservations based on former hierarchical differences were also non-existent.[62]

First, I listened to the tape recordings and read the verbatim transcripts multiple times in order to acquire an understanding for the important passages – to identify the significant statements. I coded the transcriptions with NVivo 12 by associating each significant statement with a named invariant constituent (code – in NVivo named 'node') that indicates an idea or concept shared by each statement. A total of 49 significant statements were extracted from the 3 transcripts during the coding process and connected to 17 nodes. The transcriptions were then re-examined and analysed again, with a focus on identifying the themes emanating from the nodes. Since each significant statement is initially treated as equivalent, this step deletes those statements that are irrelevant to the research questions and others that are redundant or overlapping. The remaining statements are the horizons or textural meanings (Moustakas, 1994). Thus, a total of six themes emerged from the three pilot interviews. 22 selected statements, that I consider the most significant and representative, are presented in Table 9 with their codes and themes to illustrate the process of phenomenological reduction.

[62] Inequalities in the hierarchical relationship can negatively influence the willingness to communicate Petschniker (2001).

Themes/ Meaning Units	Codes/Nodes	Significant Statements	Inter-viewee
Organisational Justice	Objectivity	Oh, so what you can really MEASURE, okay, so like, for example, these days there…	IP1
Organisational Justice	Objectivity	[...] it's always unfair when you think you've given everything, for example. And you see it differently, it can also be quite individual, it can also be that you are wrong, okay.	IP3
Organisational Justice	Specific goals	First of all, it is important that the goal is clearly formulated. Even if you don't do it with a key figure, but then you have an end state to be achieved.	IP3
Organisational Justice	Goal Adjustment	[...] at least then somehow recalculated that or just took the date when/ not when the sales department completed my measure, but when I set the date that [the complaint] was finished.	IP1
Organisational Justice	Goal Adjustment	So, and then/ but something was agreed and that was more expensive but still somewhere in the target. Well, you have to adjust the targets again and again. [...] Adjust them if something has changed in the requirements.	IP3
Organisational Justice	Workload	Yes, I think that I try to do quite a lot of tasks but I just can't do it, yes?	IP2
Organisational Justice	Cross-departmental Goal Alignment	THAT annoys me a bit, that people like [...] or [...], if you don't stand on their toes EVERY day, then nothing comes. Because that's simply not a priority for them.	IP1
Organisational Justice	Cross-departmental Goal Alignment	Goals, like/ that are overarching, that I have to work on with other departments, those are great. That's also a control element, if that's a goal.	IP2

Themes/ Meaning Units	Codes/Nodes	Significant Statements	Inter-viewee
Organisational Justice	Cross-departmental Goal Alignment	[...] First of all, it is fair that all areas are treated equally. That includes comparable areas. That target agreements are similar in terms of wording, okay.	IP3
Organisational Justice	Fair Goal Setting	IP1: Or let's put it this way, I've never assessed myself in such a way that I wouldn't achieve that. And that's always been within the proper bounds. INTERVIEWER: Okay. So, from there, since the bar was, let's say, FAIRLY SET, that wasn't a problem? IP1: Yes.	IP1
Organisational Justice	Uniform Evaluation	[...] when you were in agreement [with a colleague from a different department], and you were of the opinion that you had achieved 90 percent. Did one get 90 percent, the other 60, okay? The evaluation was not consistent either.	IP2
Organisational Justice	Evaluation Standards	[I'll start by] going all the way up. [95% target achievement] Then he laughs at you at first. And then I say, yes, come on, okay, then five percent down. But I have to have that. And then he goes another five percent [down] and then you have it. Like that. Where I myself am of the opinion, actually I only had 80, but then I got 85 percent, if I had gone in with 80, I know I would have come out with 70. It's like that, yes, like at a bazaar.	IP3
Extrinsic Motivation	Control	And that [is] always such a little push, he looks at that.	IP1
Extrinsic Motivation	Incentives	So of course, I come here to make money.	IP2

Themes/ Meaning Units	Codes/Nodes	Significant Statements	Inter-viewee
Extrinsic Motivation	Incentives	It may well be that, if it is relevant to remuneration, you focus a little more on that yourself.	IP3
Intrinsic Motivation	Ambition	IP1: Because that is MY interest. INTERVIEWER: Ah, okay. So, a bit of sporting ambition there as well IP1: Yes, of course. INTERVIEWER: To become better? IP1: Yes, of course.	IP1
Intrinsic Motivation	Self-expectation	During the target meetings, I am reminded that I myself am not satisfied with/ I say, with my work, yes, but not with the documentation of the work.	IP2
Intrinsic Motivation	Conscientious-ness	Because, I see this as my duty and my job, yes?	IP2
Error Culture	Personal Consequences	Yes, he sees a mistake, but is afraid to go to the boss, according to the motto: here, I'm about to get one, because I have a thousand parts here now, which I/ where I have forgotten a hole, yes?	IP2
Error Culture	Fault Prevention	When a complaint comes in, we discuss it here, who is the culprit but never or very rarely, how could I have avoided it?	IP2
Group Dynamics	Conformism	Yes, whereas I have/ That WAS simply COMMON PRACTICE HERE	IP1
Role Model	Role of Supervisor	If I basically work with goals, want to work, I have to put more effort into that as a manager.	IP2

Table 9: Selected Significant Statements, Codes and Themes

It is noticeable that one topic is very prominent. In 37 statements of all three participants (12 of them are listed in the above table), which were clustered in eight codes, one common, fundamental theme can be identified: the employees' perceptions of fairness in the workplace – the concept of organisational justice. Overall, 37 out of 49 statements, i.e., three quarters of all statements related to organisational justice.

Objectivity was a key aspect here, as IP1 found it important, for example, that an indicator can be MEASURED correctly (that it is quantifiable): *"Well, that which can be MEASURED properly […]"*. And IP3 also saw it as challenging, that both employee and superior come to the same, objective assessment. He notes that a divergence in the assessment between the employee and the superior regarding the performance may be perceived as unfair by the former; especially if the employee is convinced that he has done his best: *„[…] it's always unfair when you think you've just given everything you've got, for example. And you see it differently, it can also be quite individual, it can also be that you are wrong, can't you."*.

This is why IP3 also attached importance to the clear formulation of goals, even or especially when they are not quantifiable, to minimize misunderstandings: *„So first of all it is important that the goal as such is clearly formulated. Even if you do not define it with a key figure, but then you have a final state to be achieved."*.

It was important to both IP1 and IP3 that agreed targets are not rigidly adhered to, but that they are revised according to the situation if the achievement of the target does not depend on them alone due to external circumstances. For example, IP1 complained that the last timestamp of a lead time for which she was held responsible was not set by her, but by another department. She was therefore pleased that her supervisor did not base his assessment exclusively on the time stamps stored in the system, but rather adapted the evaluation individually: *„[...] at least somehow excluded that or simply took the date when/ not when the sales department finished my set action, but when I set that it was finished."*. IP3 put it in a nutshell: *„All right, so again, you have to keep adjusting targets. […] Follow up if there are any changes in the targets."*. IP2 expressed himself in the same vein when he addressed the problem between goal achievement and workload: *„Well, I think that I try to do a lot of things but I just can't do it, right?"*. Particularly when tasks turn out to be more extensive than originally estimated, strict adherence to the original objectives is perceived as unfair.

One aspect that was very important to all participants of the pilot interviews was the fact that they are dependent on the cooperation of other departments in order to fulfil their tasks. They therefore consider objectives agreed across departments to be important and desirable. IP1 was annoyed about the lack of cooperation, as she mentioned *„THAT annoys me a little bit that people like [...] or [...], if you don't stand on their toe EVERY day, then nothing will happen. Because that is simply not a priority for them."*. IP2 would like to see cross-departmental goals: *„Goals, such as the overarching goals that I have to achieve with other departments, are great. That is also a control element, if that is a goal."*. IP3 saw it the same way: *„[...] fair is first of all that all departments are treated equally. In other words, comparable. That target agreements are similar in wording, okay."*. Therefore, objectives that cannot be achieved by one

person alone, but require the cooperation of many, should also be targets for all people involved.

Further aspects of organizational justice included

- a ‘fair’ goal setting, even though IP1's idea of ‘fair’ is more from her perspective: *„Or let's just say, I never thought I'd never be able to do this. And that's always been within reason.”*.
- that a uniform evaluation standard is applied to all employees. Apparently IP2 had a bad experience in that regard: *„[...] when you came to an agreement, and thought you had achieved 90 percent. One got 90 percent, the other 60, right? The evaluation wasn't unambiguous either.”*. The fact that different supervisors judge the same performance differently is a problem that leads to great dissatisfaction.
- the use of standardized evaluation procedures and no ‘bargaining’. As IP3 remarked: *„[I'm aiming] high first. [95% Target Fulfillment] He'll laugh at you then. And then I say, yes, come on, okay, then down five percent. But I must have that. And then he goes down another five percent and then you have it. There. Where I am convinced that I only had 80 percent. But I got 85 percent, if I went in with 80, I know that I would have come out with 70. It's like a bazaar.”*. Apparently, IP3 had the feeling that his superior was less concerned with an objective assessment and more with achieving a markdown from goal achievement; after all, the assessment was relevant to remuneration.

With four mentions each, statements on intrinsic and extrinsic motivation followed with a considerable margin in the divided second place. In terms of intrinsic motivation, for example, IP1 spoke about motivation, the ambition to do a good job: *„Because it's MY interest.”*. And IP2 mentioned self-expectation *„During the evaluation talks I am reminded once again that I am not really satisfied myself […]”* as well as conscientiousness *„Because I see it as my duty and my responsibility, okay?”*.

Extrinsic motivation expressed itself with IP1 in the form of supervision/control: *„And that [is] always such a little push, he [the supervisor] has a look there.”*. While IP2 saw more of an impulse in connection with money: *„It may well be that, if it is relevant to remuneration, you focus a little more on it yourself.”*.

Error culture was an aspect in terms of personal consequences, as IP2 stated: *„Well, he then sees a mistake, but is afraid to go to the boss, according to the motto: here, I'll get ticked off, because I now have a thousand parts here that I/ where I forgot a hole, okay?”*. However, according to IP2’s opinion, it should not be a matter of assigning blame but of fault prevention: *„When a complaint comes in, we discuss here who is guilty but never or very rarely, how could I have avoided it?”*.

Finally, group dynamics in the form of conformism was a theme mentioned by IP1: *"It just happened to be this way"*. And IP2 believes that supervisors have a duty to engage intensively with the objectives and performance evaluations of their employees: "If I basically work, want to work with goals, I have to put more work into it as a manager.".

The theme frequency and the spread between the interviewees can be seen in Table 10.

Theme	Codes	Respondents	References
Organizational Justice	Objectivity, Specific Goals, Goal Adjustment, Workload, Cross-departmental Goal Alignment, Fair Goal Setting, Uniform Evaluation, Evaluation Standards	3	37
Intrinsic Motivation	Ambition, Self-expectation, Conscientiousness	2	4
Extrinsic Motivation	Control, Incentives	3	4
Error Culture	Personal Consequences, Fault Prevention	1	2
Group Dynamics	Conformism	1	1
Role Model	Role of Supervisor	1	1

Table 10: Themes identified in pilot interviews

The apparent dominance of the topic of organizational justice was a surprising finding for me. In my broad literature review on the overarching topic of organizational behaviour, although it included equity theory, which explains (dis)motivation based on perceived (in)equity, the topic of organizational justice was not represented to the extent that it emerged from the interviews. Thus, I returned to the literature to explore this theme in more detail (cf. chapter 3.3), in order to elaborate on it more deeply in the subsequent interviews.

5.2.1 Synopsis of pilot interviews

On the background of the additional information on the individual aspects of organisational justice, the manifold significant statements regarding this topic can be further detailed and subdivided into differentiated categories. From this refined classification, it can be seen that aspects of procedural fairness account for more than

half of all mentions with 22 statements. Recurring codes attributed to procedural justice include goal alignment (i.e., establishing cross-departmental goals), objectivity (of assessment) and goal adjustment (i.e., if the circumstances change, adjust the initial goals). Statements on distributive justice rank second with 12 mentions. Finally, the three pilot interviews contained three statements on interactional justice, including two on the partial aspect of informational justice and one on the partial aspect of interpersonal justice. The other themes were not affected by the reclassification, although according to the Group Engagement Model it can be argued that the conformity aspect behind the group dynamics theme can be interpreted as an interpersonal aspect of procedural justice. On the other hand, according to Ryan and Deci (Ryan & Deci, 2000a, p. 64) group dynamics is a factor of extrinsic motivation and could thus be placed there. For the moment this aspect remained a point in its own right in case further interviews were to provide information on this issue. Table 11 provides an overview of the significant statements identified in the three pilot interviews and the themes derived from them.

Theme	Respondents	References
Organisational Justice	**3**	**37**
↳ Procedural Justice	***3***	***22***
↳ Goal Alignment	2	5
↳ Objectivity	2	4
↳ Goal adjustment	2	3
↳ Distributive Justice	***3***	***12***
↳ Interactional Justice	***2***	***3***
↳ Informational Justice	2	2
↳ Interpersonal Justice	1	1
Extrinsic Motivation	**3**	**4**
Intrinsic Motivation	**2**	**4**
Error Culture	**1**	**2**
Group Dynamics	**1**	**1**
Role Model	**1**	**1**

Table 11: Themes identified in pilot interviews with diversification of the superordinate theme of organisational justice
(Subordinate themes summed up in superordinate clusters)

The themes from the unstructured (pilot) interviews were used to set up an interview guide with key questions for the semi-structured interviews in stage two, which is appended in Annex IV.

5.3 Semi-structured interviews

The interview guide that was created for the semi structured interviews was based on the results of the previous unstructured interviews in terms of content. Since the topic of organizational justice had emerged as a focal point from the unstructured interviews, it also became a central point in the semi structured interviews that followed. Other focal points included questions on performance indicators in general and on the characteristics and behaviour of supervisors. These questions were framed by an introductory part, where the interviewees were informed about the purpose of the interview and ethical issues such as voluntariness, confidentiality, anonymity and the possibility to withdraw were addressed, and a closing part which provided an opportunity for concluding words for the interviewees and in which I expressed my gratitude for their participation. The interview guide can be seen in Appendix II - but I must point out at this point that the guide only served as a general roadmap and that the interviews mostly developed a momentum of their own and did not strictly follow the guide.

In the following, I will reproduce excerpts from the interviews that I consider particularly significant for each of the themes that emerged as the essence of the interviews. The order of the themes is based on the frequency of the statements on a theme, so that a weighting can already be derived from this. Finally, in chapter 5.4, there is an overview of the individual themes and their assignment to superordinate clusters with the number of statements for each theme.

5.3.1 Organizational Justice

As in the unstructured interviews, the interviewees in the semi-structured interviews also gave many answers related to fairness and justice. With the background knowledge about the different aspects of organizational justice, I was able to inquire decisively whether it was rather the result itself (distributive justice), the way to the result (procedural justice) or the communication of the result (interactional justice) that affected the interviewees emotionally. Within these three aspects of organizational justice, most statements referred to procedural justice, followed by interactional justice and distributive justice.

5.3.1.1 Procedural Justice

Procedural justice was by far the theme to which most of the interviewees' statements could be assigned. Thereby, I was able to identify a total of seven sub-aspects of procedural justice (sorted by frequency of occurrence):

- Consistency
- Goal Alignment
- Impartiality
- Goal adjustment
- Voice
- Accuracy
- Correction Mechanism

Even though this corresponds in number to the determinants that make up a 'fair' process introduced in chapter 3.3[63], the substantive correspondence is only partial. There is consensus on consistency, impartiality (free from bias), voice, accuracy and correction mechanism. Where Leventhal lists morality and representativeness, I was able to identify goal alignment and goal adjustment.

I do not consider this difference critical. On the one hand, the specific situation in which the group of my interview partners found themselves may be the cause of certain differences (cf. chapter 2.1). On the other hand, I considered for a long time to group the codes 'goal alignment' and 'goal adjustment' under 'consistency', since they can also be understood as sub-aspects of the latter in a broader sense. I ultimately decided to list them individually because of the strong emotional reaction associated with these topics. In the following, I will give examples of the codes that I have grouped under the superordinate theme of procedural justice.

Consistency
According to Leventhal (1980), consistency means that assessment standards, once introduced, are consistently applied and maintained. A sudden change in these standards is seen as procedurally unfair by those affected. While none of the respondents in the semi-structured interviews had such a sudden change of procedures to report within the same evaluation period under the same superior, consistency remained one of the most frequently mentioned themes, albeit from a different perspective.

One aspect is the need for cross-departmental consistency, especially when working on shared goals. For example, IP11 called for consistent approaches to weighting and evaluating goals across different departments: *„But then the departments must also and the superiors of the departments must also weight the goals equally and also evaluate them [equally]."*.

[63] According to Colquitt et al. (2001) there are seven determinants of procedural justice: voice (Thibaut & Walker, 1975) and Leventhal's (1980) six criteria.

Another aspect is consistency over time within a department, even across different superiors. Accordingly, IP6 criticized that she was evaluated differently by varying supervisors: *„In the most positive example, I have received money more often according to the current evaluation criterion. That is, I have been rated as good. With the predecessor, I didn't even receive any money. That means that either the way I work has changed so much or the person who rated me has changed. And in that case, the person has definitely changed."*.

Consistency in soft, subjective criteria was also addressed. IP9 criticized the lack of a transparent evaluation standard that ensures this: *„[…] but also the standard that is applied. To assess, do I now get two points or three points for, let's say, my appearance again or my way of speaking? That is not defined either."*.

Consistency in performance measurement also implies that proportionality is strictly adhered to. IP8 felt it was important that performance appraisals also take into account the amount of working time available: *„Right. I have 90 percent working hours, I get 90 percent of a salary for the work that I do, and then for me the fair inverse, I have to bring 90 percent of a goal of a 100 percent employee, would be a fair assessment for me."*.

There are studies that indicate that the two aspects of consistency and voice of procedural justice may be of different importance to employees depending on what hierarchical level they are located (Summereder, Streicher, & Batinic, 2014). Summereder et al. (2014) observed that employees who are more distant from the decision-making level tend to prefer consistency, while employees who are hierarchically closer to the decision-makers tend to favour voice. This is important in the context of this work because when comparing two traits, the trait that is rated as more important by a person is likely to elicit a stronger emotional response. At least IP10 was very clear that a consistent evaluation process was more important to her than a possible voice in the process[64]: *„So I think that clear, comprehensible evaluations are more meaningful for all, as far as it is comparable, because, there are ALWAYS the people who want to argue something away."*.

Goal Alignment

The topic with the second most statements within the superordinate theme of procedural justice referred to goal alignment. As already stated above, I could have also assigned these statements to the code of consistency. Most of the statements indicate that the goals between different departments of an organization should be coordinated with each other with regard to an overarching strategic goal, which can also be understood as organization-wide goal consistency. However, I have decided to leave

[64] Additional statements from other respondents, regarding whether they would prefer consistency or voice, can be found below in the 'Voice' section.

goal alignment as a separate code, as the large number of statements on this aspect suggest that this topic is particularly important to the respondents.

For example, IP5 saw it as a basic requirement that the goals of different departments do not contradict each other, but are aligned toward a common, overarching goal: *„So I mean, my silly understanding then would be in the management board, I'll say X, Y and Z, you each have individual goals, but then they contribute to one big goal."*.

Likewise, IP11 demanded goals to be *„[...] overarching goals that advance the company as a whole, which of course increases the risk of failure or poor evaluation at the point."*.

IP8 criticized that for some employees a goal is relevant to pay, while for others this is not the case *„The targets are no longer relevant to remuneration. In the case of the other, they are relevant to remuneration. Both are working on a project and will receive an evaluation for this project at the end. It hurts one, but not the other. We've always had that, because even before that, one of them had a tip on top. And for the other, it was 10 percent of his compensation."*.

IP9 was also dissatisfied that overarching goals did not have the same impact for everyone: *„Fair is for example, if you have a (...) connected goal, so really ONE goal definition, for example with the purchasing, okay. With you it's relevant to pay and with purchasing it's not. All issues that I had in the past. One says, trallala, I have the goals all out. The weighting, with one goes 20 percent in, the other has only 5 in and so on."*.

IP6 found it important for members on a team to support each other in achieving goals. This can also mean that one person sometimes does more than the other. However, it is important to IP6 that the performance of all team members is balanced in the long term: *„[…] Well, as a team, we have to reach a goal and we can do it. If I do a bit more than you this year, that's okay, but next year it might be the other way around, because of course we are sometimes at the mercy of customers or market situations. Then that's perfectly fine in a good team that works well together."*.

Impartiality

Leventhal's (1980) rule of bias suppression refers to the event that authorities are not prejudiced, that they act on the basis of a complete and open assessment of the facts and not be guided by sympathies or antipathies. Especially when performance measures are not objectively measurable, but when subjective assessment procedures have to be used, as for example in the assessment of soft skills, the interviewees showed great scepticism that the assessment would be unbiased.

In terms of objective and subjective evaluation criteria, the opinion of IP5 was clear: *„So a subjective evaluation (...) is not appropriate for me. Would not be appropriate for me."*.

IP5 explained his reluctance to the use of subjective evaluation criteria as follows: *„For me, a subjective assessment (...) hm yes, it's hard to say now, not tangible. Let's put it this way. Because the personal attitude still plays a role."*.

IP6 also showed some scepticism about subjective evaluation criteria: *„If I now consider that a colleague who, according to these criteria, which are never completely objective, would receive twice the annual income and another colleague would perhaps receive even less than a normal salary, i.e., who is being picked pocket, that would be something that I would consider unfair, because these criteria are never completely objective."*.

In the case of IP10, too, scepticism prevailed that an evaluation based on subjective criteria would be unbiased: *„I think that the crux of justice, if we want to stay with the word, really lies in the assessment of the individual's performance, because I think that personal factors, sympathy, antipathy always play a very big role in this."*.

IP7 pleaded for a fixed set of criteria in order to avoid subjective influences in qualitative evaluations: *„I always find it difficult with qualitative goals to determine WHAT is required to ensure that a qualitative goal is considered to have been met. An extremely detailed catalogue of criteria must be defined beforehand."*.

Goal Adjustment

Goal adjustment is the second code that is not in line with the seven determinants of procedural justice that I mentioned earlier. It is distinct from the code correction mechanism, as the statements referring to goal adjustment do not focus on correcting a wrong decision but on adjusting a goal to changed circumstances. One can see goal alignment as an aspect of consistency in a broader sense: as a factor that keeps a goal constant in relation to a changing environment. I have also left this topic as a separate code, as it seemed to be of special importance to the interviewees.

IP11 would regard it as fair if the goals were adapted to changing conditions: *„I could imagine that in the past, no, we didn't manage to do that, we were much too late, and so on. On the other hand, I believe that a development or project team has achieved a good result in time. Perhaps the priorities were distributed differently beforehand. We'll have to see."*.

And IP8 would like to see consideration given to aggravating circumstances in performance appraisals: *„That is what I then actually try to say, okay, this is not congruent with what you have formulated as the final state, but it has also been aggravated by this and this and this."*.

IP7 also advocates compensating for unforeseen, aggravating external influences if necessary: *„So, if there are at least correction factors, where you can then recognize, the situation is then perhaps recognized by the management. Or if it is said, yes, we'll stick with this target achievement for now, we'll stick with it, we know you can't do it under*

certain circumstances, and then we'll see to it that we make a compensatory assessment afterwards.".

Voice

According to Thibaut & Walker (1975) 'voice' is reflecting the possibility to express one's opinion within a decision process. And according to Summereder (2014), employees closer to the decision-making level would prefer voice over consistency. This preference was not so clear among my interview partners. Very few of them wanted to commit themselves unequivocally. The managers were also convinced that consistency is necessary. However, like most, they wanted to keep at least the possibility of having a voice. Overall, consistency seems to be a rather fundamental aspect, while voice is only relevant in special situations.

When asked whether he would prefer to have a voice in the performance appraisal or consistency in the evaluation process, IP4 was one of the few to express a clear preference: *„Voice. And that's because you're not a lone warrior. In certain things that may be the case, yes, but when it comes to decisions, then, let's say, I may have to put on different glasses."*.

IP5, on the other hand, was somewhat more undecided: *„A combination of both. Sounds stupid, but that's the way it is. Of course, we are with our solutions, use of common parts, use of standard parts, that is standard for us. So. But I would also like to have a VOICE, in quotation marks, when it comes to any other components. That's why I said something from both. That would be fine. Yes."*.

IP7 also did not want to commit whether consistency or voice was more important to him: *„Then I wouldn't want to play one off against the other. Because I think (...) a consistency should be there and at the same time you should then exchange communicatively. But which of these WOULD now be more important."*.

And IP8 at least wants his arguments to be heard before decisions are made: *„So let me say that if I were to show three possible solutions to a problem, I would have done so to the best of my knowledge and belief and considered as much as possible in finding the solution. So. Now an executive comes along and says "Well, that's all crap. I didn't imagine it like this and like that". Then this is first of all HIS subjective opinion. But not mine. Not mine. Then I would want to demand that one discusses the different approaches to the solution."*.

Accuracy

Accuracy refers to the extent to which superiors base their decisions on all the information they receive or only on part of it and to the reliability of the information, which also includes the question of measurability. In particular, the question of the

extent to which complex work processes[65] can be reliably measured concerned the interviewees.

IP4 pointed out the general problem of the accuracy of performance measurements: *„The problem would start where I don't even know where we are at all?"*.

IP6 was also concerned about the accuracy of the performance measures: *„So the first point for me is that a really fair and real evaluation of my work is not really possible, because it has to be precisely measurable."*.

And IP10 would rather do without inaccurately determined metrics than risk tension in the team: *„Yes, because of the measurability, quite clearly. And as long as that's not the case, I'd rather do without it than, yes, maybe have to get angry, have hatred and envy among colleagues, then I'd rather have a good working atmosphere and feel good at my workplace WITHOUT these [key performance indicators]."*.

Correction Mechanism

The code correction mechanism relates to Leventhal's correctability rule. It implies that a procedure should contain some provision for correcting bad decisions or bad outcome (Leventhal, 1980). With only three statements from two respondents, this topic was only scarcely present among the interviewees.

IP6 wanted an independent body to act as an arbitration board in case of disagreement: *„Of course, if something is unjustified, I must have the opportunity to appeal against an evaluation to an independent body, BECAUSE it may be that I do not get along with my manager at all and at the personal level the whole thing is so stuck that I may no longer be evaluated fairly from the outset and then it is very important that I do not have to discuss personally with this person whether something is right or not, there must be an independent body that then tries to judge independently."*.

I was not able to identify statements that correspond to Leventhal's determinants of morality and representativeness. This does not mean that these aspects are not relevant for the assessment of procedural justice for the participants of this study, they were just not so decisive at the time of the interviews that they would have been reflected in their statements.

5.3.1.2 Interactional Justice

Within the overarching cluster of Organizational Justice, the second most statements related to Interactional Justice. Even when comparing all themes, Interactional Justice ranks third, highlighting the importance the interviewees placed on the interpersonal

[65] In contrast to, for example, an assembly process where the result, namely the number of parts produced, is clearly quantifiable.

treatment they receive when being assessed using performance measures. As mentioned earlier, Interactional Justice can be divided into Informational Justice and Interpersonal Justice. I was able to assign about three-quarters of the statements about Interactional Justice to the Informational Justice sub-theme, which is a significant imbalance. At first glance, one might think that detailed and conclusive justifications are more important to the respondents than aspects such as respect and dignity. But it could also be that they were simply more aware, more conscious, about the aspects of Informational Justice, and they simply presupposed the themes constituting Interpersonal Justice.

To address this question, I reached out to the interviewees for clarification.[66] And it turned out that they indeed considered both components of Interactional Justice to be equally important, the only difference being that they presupposed an appropriate, respectful treatment, while the quality and amount of information was for them a conscious evaluation criterion of their superior.

5.3.1.2.1 Informational Justice

Informational Justice focuses on the amount and quality of the information given to people why certain procedures were used or results distributed in a certain way (cf. chapter 3.3). It is the cognitive part of Interactional Justice. People judge Informational Justice based on whether the information given to them is thorough, appropriate, truthful, open, and timely (cf. Fortin, 2008, p. 96; Greenberg, 1993; Masterson et al., 2005; Scott et al., 2007). The statements I was able to identify in the interviews on this topic related to transparency and justification.

Transparency

Transparency is a term that can have multiple meanings: free accessibility, constant accountability, open communication, timely information, etc. The interviewees were mainly concerned with comprehensibility, i.e., the quality of being easy or possible to understand.

Transparency is a high priority for IP6: *„It's not transparent. So, I can't comprehend it. I would like to have a performance measurement that I can see at any time, that I know where I am and clearly know what I have to do to get it."*.

For IP9, performance comparisons were not transparent because, on the one hand, areas with different tasks were compared and, on the other hand, it was not disclosed which persons exactly were included in the comparison: *„I can never see who is really in my peer group. So, since I'm sorted as a specialist in a group that does not only sales, but also support from other sales units, I'm not only sales, but also somewhere, yes, sales*

[66] This 'validity check' is part of the analytical process described in chapter 4.7.

support. And yes, we are in a comparison group with the XXX who have no customer contact at all. So just the comparison groups alone are inconsistent. I don't know exactly which people are in my group.".

IP4 liked the transparency of the KPI system at a previous employer: *„But the advantage was, you knew EXACTLY where you stood."*.

IP7 also advocates transparent, comprehensible assessments: *„The thing is then again that of making it transparent. [...] I think that is also a matter of communication, of the way AND again, how do I really make it concrete? I think it's very important to make the whole thing transparent."*.

Justification

The statements summarised under the code of justification show that it is important to the interviewees to receive truthful and adequate explanations that reason the evaluation of their performance. It is interesting to note that this cognitive process is able to mediate the negative effects (negative emotions) of an assessment that deviates from one's own self-image.[67] The strength of the mediating effect depends on the quality of the justification.

IP5 can certainly be convinced of other views, as long as the justification is reasonable: *„Now that was reasonably argued. (...) And I say, not simply said "So and so it comes now". And then, that one argues it reasonably, yes. Yes. Why my solution is now the better than yours. Or the component of it. (...) So and not evil said Order by Mufti. Is nonsense. If you argue this reasonably and convince ME as a designer that this is the BETTER variant, or the more purposeful variant, sure."*.

And IP6 is also quite open to factual arguments: *„Oh, that's very difficult, of course, but of course only the factual level is possible, right? So, I have to get away from the emotional level, because that is of course something that would certainly move me emotionally. That is, it would then have to be factually justified. "Your shoes don't fit because the colour doesn't match or because they're worn out," that's something that on the factual level, I have to accept or can accept because I can perhaps see it myself. If the person says to me "Well, I just don't like them, that's why you get a point deduction there", that's the other story. But that's exactly the balancing act, how should I communicate this criticism when I put myself in the manager's shoes? It has to be formulated in a purely factual way."*.

[67] This was also a result of RCT (e.g., Folger (1986), Cropanzano and Folger (1989)) and is explained by the two-stage appraisal process of the Cognitive Appraisal Theory (Frijda, 1986; Lazarus, 1991).

If the evaluation differs from the self-assessment, this must be well justified for IP7: *„And then in each case the deviation better, worse, then justify why now a given performance one likes better or worse. Also, in the intensity of the better and worse.“*.

5.3.1.2.2 Interpersonal Justice

Interpersonal Justice is essentially based on the sensitivity, politeness and respect that people receive from authorities during processes. The people interviewed in the context of this study implicitly presupposed to be treated with respect. Therefore, no positive emotions are to be expected when applying respect, but the absence of it will likely lead to negative emotions.

Respect

Respect refers to a form of appreciation, attention and deference towards another person. For the interviewees, respect consisted above all in their supervisors listening to their opinions and arguments and not dismissing them hastily.

IP5 presupposes respectful interaction with one another, which includes, among other things, that a supervisor should listen to the arguments of his or her employees. Any other behaviour would be extremely demotivating: *„The first time, well, I'd probably get annoyed. The second time, I'd be annoyed too, but would probably add, "You know what, go do your own shit." It would, if it happened more than once, demotivate me. Demotivate in the sense that I say/ that I ask myself the question "Am I actually still right?" (...) Because what I deliver is crap anyway or it is presented negatively. Let's put it this way. That would definitely demotivate me at some point.“*.

It is also important for IP8 to be heard out: *„What would motivate me the most is that my proposed solution, whatever it turns out to be, is first at least listened to the end.“*.

Affinity

Affinity is rather an end than a mean, as it is the feeling of belonging to another person or a group of people and being in a mutually trusting relationship. One cannot exert affinity; it emerges as a result of an interpersonal relationship that goes beyond the purely work-related. Nevertheless, the statements related to affinity suggest that affinity can be helpful in establishing a positive perception of Interpersonal Justice.

IP5 emphasized that it is important that the relationship between supervisor and employee is not limited to purely work-related aspects: *„But that we can have a reasonable tone respectively a certain/ yes, on a certain level also talk to each other personally.“*.

And IP6 summarized it by emphasizing the importance of mutual acceptance: *„I think a lot depends on the level of mutual acceptance. You are quickly pigeonholed. We're good together, you're good, I'm good, or maybe we're not good together.“*.

5.3.1.3 Distributive Justice

The feedback on Distributive Justice, which concerns the socially just allocation of outcomes, was unanimous. The interviewees agreed that the outcomes should be in relation to the contribution of a person. This performance principle, also called relative equality or equity in the context of organisational justice, generally enjoys broad support in Germany - approval in Germany is higher than in the European comparison (Adriaans, Eisnecker, & Liebig, 2019, p. 823).

Relative Equality

IP4 stated that the outcomes should be distributed according to the input: *„Against that background, you would have to say, would that have to run on a percentage basis, who has the most impact?"*.

IP5 was of the same opinion: *„So I say fairly rewarded for the effort he has contributed to this goal."*.

IP9 also advocated the performance principle: *„And for that I think it would be fair, the bonus should be divided according to performance."*.

And IP6 had noticed that there were definitely differences in performance among colleagues that should be reflected in the outcome: *„Of course, when I look around at my colleagues, there's always the one who stands at the coffee machine all day and the other who works an extra half hour in the evening to do something that perhaps goes beyond his own. So, I think it's okay that someone who gives more gets more money. That's all right."*.

5.3.2 Role Model

The second highest number of statements included topics that I could summarise under the theme 'role model'. The codes I derived from the statements of the interviewees are (sorted in descending order):

- Approachability,
- Empathy,
- Trust,
- Leadership,
- Loyalty,
- Appreciation and
- Authenticity

These codes paint a clear picture of the type of supervisor the respondents desire. They want a leader, not a boss. A boss is a superior qua hierarchy. A real leader, on the other hand, is followed out of conviction, i.e., voluntarily. His or her followers recognise and acknowledge him or her as a natural leader, without him or her having to emphasise it.

The respondents wish for leaders that display great charisma, charm and an emotionally mature character. Such leaders' charisma and vision not only captivate others. It simultaneously conveys security and confidence to the followers that with this leader they can accomplish anything they set out to do.

In contrast to the manager, whose leadership is mainly based on numbers and measurable results, leaders also value trust and empathy. They see themselves as understanding enablers and as part of the team, at most as primus inter pares, first among equals.

Approachability

Approachability means that one has easy access to something or someone. A person can be approachable, i.e., you can easily start a conversation with them. A person with high approachability is open to others, is also willing to talk about him/herself and to respond to others. It was particularly important to the interviewees that their superiors did not let them feel the hierarchical difference. In their opinion, what made a good supervisor was that they could approach him or her in the same way as a colleague of the same rank.

When asked what defines a good superior, IP5 responded: *„Being at eye level. [...] Professionally, he can't do that at all. He doesn't have to. Let me put it this way, (...) on a human level to be on an equal footing. [...] Yes, openness, honesty. (...) I want to say it clearly: Just don't show off as a manager."*.

IP6 also pays close attention to soft skills: *„So technically is quite simple. Sure. I think everyone can say that quite simply. The other thing is certainly that you have to be skilled in dealing with people. That is certainly something that is also very important, the way to communicate. So now we're getting into the soft again. I'm always in the soft. The way to communicate, the way to lead, the way to deal with conflicts, the approachability perhaps also, does he listen to me, does he trust me, that is certainly also something that all plays a role. Does he give me tasks that I can do independently or am I just controlled? That's all something that certainly that, that's appreciation that doesn't come from the manager's side either. On the other hand, I reward this but also, in which I can but ALSO open up, move more freely. And on the other hand, then the opinion of him or her also becomes more important to me, yes?"*.

IP7 thinks that supervisors should not treat employees from above, especially with experienced employees this is not appropriate: *„Then, in my opinion, a manager should put himself at eye level and not look down from above and say, I'm the manager, this is how it's done now because I'm the manager. I think that's very important because many of the employees here, in our case now, are also well trained. They have been at work for a long time, they already have a lot of experience."*.

IP11 advocates that supervisors understand their role as 'primus inter pares': *„So putting yourself on the same level that as a manager you are perhaps FIRST among equals. I have always thought, that is for me such an understanding of the role, which I have felt as sympathetic, and so I would also like to have always had a leader. I HAD also in the past, I had some. I was great with them."*.

Empathy

Empathy is the ability to put oneself accurately into the world of thoughts and feelings of other people. This enables one to better understand and predict their behaviour and to adjust to it in a targeted manner. The statements on this topic mainly addressed the aspects of sensitivity, i.e., having the ability to comprehend the emotional state of other people and to understand how this influences their behaviour[68], and appropriateness, i.e., to derive an adapted course of action and communication from this understanding.

IP6 wants a leader who shows emotional intelligence: *„Even for situations, well, so can he get a grip, can he give me good, useful tips, perhaps also when I'm in a situation that I'm perhaps no longer able to get to grips with myself, that would be something for me that I would like from my manager, yes, and then the reputation rises immensely. I think even more than/ yes, maybe even more than with professional competence, which is actually a hard criterion. That's easy to judge."*.

IP5 places special emphasis on a superior's skills to exert appropriate communication: *„But the art, and here I must now address the manager, the art is that the person opposite does not feel attacked."*.

IP7 also wants supervisors who address certain issues with sensitivity: *„There again the positive lies in the tone, which makes the music then. If it is formulated very carefully, and (...) yes, I'll put it this way, it' s a matter of approach."*.

For IP10, it is important that supervisors recognize the moods of individual employees or the entire team: *„So, certain empathies should already be there, to BE ABLE to recognize emotional situations in certain situations, be it the whole team or be it individual employees."*.

Trust

When superiors trust their employees, it creates a good team atmosphere. Feeling this trust from their superiors was very important to the interviewees. On the one hand, it

[68] Being able to share somebody's feelings is referred to in literature as emotional (or affective) empathy, while the ability to understand other people's thoughts, intentions and motives in order to infer their future behaviour is called cognitive empathy Ekman, Kuhlmann-Krieg, and Reiss (p. 249).

strengthens the self-confidence of the individual employees, on the other hand, it creates the freedom that each individual needs to develop further.

IP7 would like his superior to show trust in him: *„It would help me if I knew that my supervisor had confidence in me that I would get it right."*.

For IP8, trust means just letting people do things their way: *„Yes, I call that a long leash. Letting it happen and maybe in one case or another really asking, 'How satisfied are you with this, colleague X, colleague Y?'"*.

IP9 also thinks that constantly checking the way of working is not a sign of trust: *„So, as I said, if the result is right so far, the way there also seems to fit. I always think it's very important to let them do it. So, not to be constantly asked, so, now show me, how do you do that here now?"*.

Leadership

Another aspect was that a good leader also has to 'take things in hand'. He or she has to make decisions when the employees either feel overwhelmed or think that making a decision in a specific situation would exceed their competences. In general, a good leader should give the impression that he or she is in control of all issues and matters in his or her area.

For IP6, it is important that a superior also makes decisions when necessary: *„That is correct. But what I expect from a superior is that when a situation arises where a decision has to be made, he must perhaps let me inform him and then make his decision. That's perfectly fine, but he must then also make the decision, because maybe I'm not allowed to make the decision at all. So, I also expect a superior to make decisions and stand behind them - that's very important."*.

IP11 forms his judgment of superiors not only on technical issues, but also by the extent to which they are suitable as leaders: *„Not only about the technical aspects, but also whether I have the impression that the handling of the interests of the department, whether he has them under control, whether he does it well. Ultimately, I also assess my manager, and the higher he or she is on my assessment/internal assessment scale, the more important their opinion is to me. And the other way around, I might also ask for their opinion more often."*.

Loyalty

Loyalty as a generic term first of all stands for faithfulness and solidarity and thus for many character traits that can be measured by this. For the respondents, loyalty meant above all that the superior has the employees' backs, that he or she supports the decisions of the subordinates, defends them against attacks from outside the team and protects them from excessive demands from top management.

When asked about the characteristics of what she considered to be the best superior in her career, IP6 responded: *„(...) Experience, loyalty, a bit of protectiveness. So, this manager has, because, from the top often come some guidelines, which you can of course pass down unfiltered, you can pass them down reinforced or you can also pass them down carefully at first, so that the people also manage, because just what comes from the very top, is often or comes first so with the crowbar. And I think that's what distinguishes a manager, how well dosed or in what way something like that is poured out on you."*.

Likewise, it is important for IP7 to know that his manager has his back and will also take a stand against exaggerated demands from top management: *„[…] and on the other hand, as I have already said, then also reflected back to the executives at the top, that's not how it works. We can't do it. That's not realistic."*.

Appreciation

Appreciation is important for employees and a powerful leadership tool to influence the behaviour of others. Employees whose superiors know how to appreciate good performance appropriately are demonstrably more motivated. The interviewees also expressed the clear need for occasional appreciation.

IP6 emphasizes that appreciation is not a one-way street: *„That is all something [...] that is appreciation that comes from the side of the manager. On the other hand, I reward this as well, in that I can also open up, be more free."*.

And IP7 thinks that superiors should not be so stingy with praise and appreciation: *„Yes, (...) you're allowed to praise when something has gone well. I think that no matter who, everyone has a certain need for praise. It's not as if, when praise is expressed, all employees immediately jump out and say, ah, but if that's so good now, then I have to earn more money now, no. Just say more often, man, top, great, I'm glad. That's enough. (...) Happens a bit rarely. A bit very rarely."*.

Authenticity

No matter how much effort a superior makes to be a good leader, if the employees have the feeling that this behaviour is only put on and that in private the superior would act completely differently, then he or she is ruining all his or her efforts. However, those who appear authentic, i.e., act in accordance with their convictions, ensure credibility and trust.

For IP7, a good superior is authentic and does not act differently in the professional sphere than in the private sphere: *„What is a good tone for me? I like it when people are all of a piece. And here, not such a professional, practiced dichotomy of the actual personality. To say straight forwardly, this, that, and this and that must be done, and*

when it's closing time, then we'll be the very best of buddies again, and we'll be on our way. I don't know.".

5.3.3 Extrinsic Motivation

According to Ryan and Deci extrinsic motivation occurs *"whenever an activity is done in order to attain some separable outcome"* (Ryan & Deci, 2000a, p. 60). Extrinsic motivation is therefore that motivation which is created by external incentives. The activity is a means to an end rather than the reason for doing it. Extrinsic motivation is often the goal of performance appraisal of employees using performance measures. This often involves the prospect of obtaining tangible or intangible incentives.

As the interviewees had already had extensive experience with such performance appraisals, there was a lot of feedback on this. The codes that emerged from statements related to extrinsic motivation are (sorted in descending order):

- Tangible Incentives,
- Praise,
- Control,
- Group Dynamics and
- Conscientiousness

Since the goal of the interviews was to elicit statements on aspects that are related to positive emotions, the above list contains only origins of extrinsic motivation that result in positive consequences. It should be noted, however, that the prospect of negative consequences, such as avoiding punishment, can also be a powerful origin of extrinsic motivation.

Tangible Incentives
Tangible incentives are a classic approach to extrinsic motivation. In most cases, this is understood as a monetary gratification, but it also includes all such benefits of a company that have a material value, especially security and pension systems, company cars, credit assistance, etc. Tangible incentive systems are widespread, even though there is frequent criticism, for example, that their use can have a negative effect on intrinsic motivation (Deci, 1971).

The interviewees were not averse to financial bonuses as an incentive, as they saw it as justified to participate in the company's success, but for them it was important that the result was worth the effort.

IP10 saw money as a motivating factor: *„If that's relevant to pay, a goal, yes, then the motivation to get the money is there for everyone first, of course."*.

IP6 finds it more than fair to participate in the company's success: *„Yes, but since I work in a business enterprise and I provide an economic service and the company, if I work*

well, then earns more and comes forward and I'm not supposed to participate in it and get praise and my head patted, is that fair? Hm.“.

For IP8, however, it is essential to know whether the amount of the bonus justifies the effort: *„Compared to my salary and what I have to do for it, because I don't even know where I am at the moment, that means I really have to walk my feet off to get there for something that I can't exactly quantify either. [...] But since I don't know what exactly is being offered, the effort, the cost-benefit effect is too small for me.”*.

IP7 also noted that if the effort-benefit ratio is unfavourable, demotivation might actually be the result: *„[...] if such a situation then arises, with variable compensation components, well, whether a company then necessarily does itself a favour to have to push that because they think, I have fancy monetary incentives, now see to it that you all jump. That this might backfire on them. And then the majority of a team crosses its arms and says, I don't have much of a chance anyway, so who knows how much effort I have to put in. It's not worth it.”*.

Praise

In addition to tangible rewards, there are also a variety of intangible incentives that can generate extrinsic motivation. Praise is an often-cited example found in literature, and the respondents were also quite receptive to this type of external reward.

Money is not the only incentive for IP8, intangible rewards are also motivating for him: *„Yes, of course it's easy to motivate people with money. But you can also say that you did a good job in the project team, right?“*.

IP6 is also receptive to praise, but it depends on who it is coming from: *„If I were to say now that praise and recognition leave me cold, then I would be lying. It always depends on how I value the person who expresses this. If I have a high opinion of someone, then praise, sincere praise, that is the prerequisite, is very, very important to me. But if it is stuck somewhere already in the interpersonal relationship, then a praise can also very quickly become superfluous or also almost negatively absorbed. From there, conditionally. So, I think that you can't work well if you never receive confirmation and praise. Definitely. That is a kind of appreciation that is important.”*.

IP9 advocates a combination of tangible and intangible incentives: *„A person who is driven only by money has quit inside, is not emotionally connected to the company. So that means that if I run a company where only money is paid, but praise is never given, demands are never made, recognition is never given, then I am dealing with people who change companies immediately from one day to the next and are not loyal to the employer at all. That is/ So only monetary does not work. There always has to be an interplay. That is completely clear to me. It's ultimately, yes, it's nuances.”*.

And IP7 believes that sincere praise has a more lasting impact than monetary incentives: *„Then again authentic praise is, I think, more sustainable than money. Because everyone who is employed spends a relatively large part of their life in the place where they work. That is, it is part of the reality of his life. Like this. And if the atmosphere can be experienced as appreciative, with praise, I would have said, yes, then that is definitely a substitute for money.“*.

Control

People often associate control with something negative, however, feedback also came from participants in this study that they found control, at least from some perspectives, to be positive. The positive aspect of control is that one keeps track of something, that the progress of a certain activity is being followed, which gives it a certain importance.

IP4 considers progress monitoring through performance measures to be useful: *„I didn't think that was bad either. That's the kind of thing that was really tracked, this, yes, not so much on a long leash, but that was really pulled through, okay?”*.

Group Dynamics

Humans, by their very nature, seek contact with other people and groups. The cohesive effect of a group, the feeling of protection or the desire to belong, varies according to the particular person and can have a motivating effect on the individual.

IP4 feels an obligation to the team not to disappoint the expectations of others, not to 'leave the team in the lurch': *„That these things were chained together, so to speak, that they knew exactly that if one of them stepped out of line or something, everyone would be affected.”*.

Conscientiousness

There were also statements that people felt obliged to their superiors or to the company to achieve their goals.

IP8 felt quite committed to his goals, but not to recurring unreasonable increases: *„Of course, I feel somehow obliged to my goals. (...) But if I just keep getting ten percent more every year, (...) at some point it's going to stop.”*.

5.3.4 Goal Setting

Performance measurement, as described in chapter 3.1.3, is the measuring element in a control loop (i.e., performance management) that aims to manage a company's performance. In order for this control loop to function, one or more goals must first be defined that are to be achieved. Goal setting is thus not a part of performance measurement, but a separate component of the overarching performance management, yet the two elements are closely linked. It also emerged from the interviews that the employees saw the aspects of goal setting, performance measurement and performance

appraisal as an interrelated process with mutual dependencies. A mistake at the beginning, in goal setting, tainted the whole process.

Literature often advocates the use of S.M.A.R.T. targets. S.M.A.R.T. is an acronym for Specific Measurable Achievable Reasonable Time-bound (Doran, 1981). The S.M.A.R.T. formula is an orientation aid for goal formulation. It defines criteria for reasonable goals and is intended to enable simple goal definition based on fixed and comprehensible benchmarks. I was able to summarise various statements in the interviews into codes which, although not identical one-to-one with the widely used S.M.A.R.T. formula, are similar in content and coincide to a large extent.

Clarity

The statements on the topic of clarity refer in terms of content to what Doran (1981) addressed with the points specific and measurable. Goals should be formulated as clearly and unambiguously as possible. The more specific a goal is described, the easier it is to derive the steps needed to achieve it. Furthermore, if goals are measurable, it is easier to track progress and recognise when one is approaching the goal.

When asked what constitutes a fair assessment, IP8 responded that first and foremost, the goal must be clearly stated: *„(...) a fair assessment? First of all, it is important that the goal is clearly formulated. Even if you don't do it now with a key figure, but then you have a final state to be achieved. So, and if this final state accordingly/ that is actually relatively black or white often foreseeable.”*.

It is also very important for IP4 that it is clear what the status is and where the company is headed: *„Yes, the point is also, where do I come from and where do I want to go? [...] These statistics have been collected for, I don't know, years. Ultimately, you have a basis where you know exactly where we are.”*.

IP6 also has clear ideas about the importance of accurate targets and what further information are needed: *„First of all, I think goals are very important and very valuable. Everyone needs to know what they have to do to achieve something which is company goal, very important. So, without goals we can't work. [...] I think that's elementary. So, when we talk about goals, I have to know exactly what my goals are, first of all? Secondly, how can I achieve them? Thirdly, what's the point, what's in it for me? Quite clearly.“*.

IP7 is a proponent of S.M.A.R.T. goals: *„The question is always, are the things that are given to us as key figures, as goals, yes, we have this great term S.M.A.R.T., right? Smart target formulation, is it specific, is it measurable, is it ambitious, is it realistic, and is it time-bound.”*.

Attainability

Under the topic of attainability, there are statements that correspond to the characteristics of achievable and reasonable in the S.M.A.R.T. formula. I have divided attainability into the sub-topics of external conditions and self-efficacy, as it was clear from the interviews that the participants distinguished between opportunities and limitations that are rooted in their skills and knowledge and those that are caused by external circumstances and over which they have no control.

External Conditions

External conditions include all factors that are beyond the control of the individual. In particular, respondents mentioned workload and time available.

Once goals have been agreed upon, IP10 requires that the preconditions are also established to achieve them: *„The framework conditions are more the problem. [...] Would rather annoy me at this point, because, I'll put it bluntly/ because I can't influence the framework conditions/ I'm not necessarily responsible for them."*.

IP8 also complains about less-than-optimal preconditions: *„Assuming that the framework conditions then allow the freedom to do so at all. Like this. And quite honestly, at the moment the framework conditions are not such that I would have the freedom to do so. Sometimes I would like to do more, I say that quite honestly, but I don't get around to it."*.

Self-Efficacy

The following are statements about confidence in one's own abilities, which includes the varying degrees of confidence in one's own possibilities and competences to be able to cope with tasks efficiently. If the confidence is not given, it can lead to negative feelings with regard to goals set or given.

IP10 always assessed herself as being able to achieve the goals she was given: *„Or let's put it this way, I've never assessed myself in such a way that I wouldn't achieve that. And that has always been within a reasonable scope."*.

IP7, on the other hand, has been in situations in the past where he had doubts about achieving the goals he had been given: *„However, this can also exert a certain pressure when formulating the target. Depending on the case, if the figure is relatively high and you have no imagination, how can this be achieved, and if you are then also asked the question, yes, what DO you DO? How do you manage to fulfil certain things? And I don't know myself whether that works and then turn my boot and think, yes."*.

Feedback

Feedback is not a feature of S.M.A.R.T. goals, but it is important so that employees know how close or far they are in relation to their goals. Not knowing where you currently are can be demotivating.

IP6 finds herself well informed about goal achievement progress through regular feedback: *„I already know where I am in my goals by talking to my supervisor four times a year, I already know where I am in my goals, yes.”*.

5.3.5 Error Culture

Error culture is the term used to describe the way a company deals with errors, mishaps and problems and the resulting consequences. In a weak error culture, errors are concealed, problems are covered up and blame is sought. The opposite of this is an open, active error culture. In this culture, mistakes are accepted as a necessary evil to enable innovation and agility. This requires management and staff to consciously reflect on difficulties that arise and to look for quick solutions instead of looking for culprits.

Error culture emerged as a theme in the pilot interviews. There, dissatisfaction with the existing error culture was expressed. So, I was interested to find out what kind of error culture the employees would like to see.

Fault Prevention
Fault prevention was the most frequently mentioned topic. The interviewees clearly are concerned about learning from mistakes in order to avoid repeating them in the future.

When asked what constitutes a good error culture, IP5 responded: *„That not the culprit, but the solution is found/searched for.”*.

And IP6 noted that: *„For me, error culture means that errors are recognized, errors are addressed openly, and what is done to improve them on as factual a level as possible.”*.

Error prevention is at the core of a good error culture for IP7: *„So, a good error culture, I guess, helps to avoid errors in the future as well. Because everyone becomes more confident.“*.

Tolerance
Apparently, the respondents had had bad experiences with mistakes committed in the past. They would be happy if their superiors were more tolerant of mistakes.

Trust plays a major role for IP6: *„I think trust is a big aspect of the whole story. First of all, when you've been in the profession for 25 years, I don't make mistakes on purpose, and that's a very crucial point for me. I don't need a control authority to write me a return sheet because I didn't put in a cross.“*.

A tolerant approach to mistakes leads to a positive working atmosphere for IP7: *„If I can approach the work in a relaxed manner and say, yes, come on, if a chip falls on the right and left - if the big direction is right, then I can rely on it, then I will be told I made a mistake, I also know I made a mistake, but then it's all right.”*.

Personal Consequences

The fact that personal consequences may result from mistakes made was the biggest concern for some participants in the interviews.

IP7 is uncomfortable with the idea that he could be made personally responsible for mistakes: *„But then it's clear we/ to bind ourselves to these things and then, when certain goals are formulated, then by all means to operate a deviation analysis then in such a way. Yes, what went wrong with yourself now? What could you do better? And then you have a malus. I have to say, hm, I feel less comfortable with that."*.

5.3.6 Intrinsic Motivation

Intrinsic motivation is the term used to describe a person's inner motivation that arises from within themselves and is independent of reward and other external factors. If an action is intrinsically motivated, it is performed for its own sake. Since intrinsic motivation comes from within, it cannot be forced by external stimuli. However, an interesting point is that behaviour that originally had to be extrinsically motivated can also be integrated after a while (Ryan and Deci, 2000). It then continues without further extrinsic incentives; one may even feel bad if one does not perform it. The originally extrinsically motivated behaviour has thus become intrinsically motivated.

Intrinsic motivation is statistically most significant in demanding, complex tasks where employees have a lot of freedom or personal responsibility (Cerasoli, Nicklin, & Ford, 2014). Control from within is also particularly important here, as it is difficult to measure and reward performance from the outside. Since intrinsic motivation is a strong driving force, one should always try to promote it.

Ambition
Some feedback suggests that it is the challenge of completing a difficult task that is motivating. It seems that some respondents enjoy using their skills and knowledge to solve problems. Rather than the prospect of success, the action itself appears to be what creates this motivation - whether acting alone or in a team.

IP7 sees target achievement and performance measures as also a sporting challenge: *„I have to say, for certain things I like to take it as a sporting challenge, yes. To see when you've landed a contract like that, it also has a certain kind of, yes, there's a success, you've achieved something. You've also earned your own salary here. That's a nice thing."*.

IP9 also sees a sporting challenge, but one that everyone must rise to: *„That can be a sporting challenge. What I then always find important is that I am not the only one to whom this is imposed."*.

Self-Expectation
The desire to fulfil one's own expectations of oneself also seems to have a motivating effect.

IP9 sometimes remind performance measures that she has not lived up to her own expectation: *„That reminds me of something I didn't do to my own satisfaction. But basically, I know about this shortcoming, yes?“*.

5.4 Synopsis of analysis

The previous chapter represents the result of a six-step phenomenological analysis as presented in chapter 4.7. The individual steps of this analysis were:

1. Identifying significant statements (horizonalization)
2. Grouping and condensing the statements in codes (coding)
3. Summarizing codes to higher-level themes (clustering)
4. Synthesizing themes and codes in a textural description (narrative)
5. Review of the textural description with the interviewees (validation)
6. Identifying essential parts of the experience (imaginative variation)

Some steps were carried out several times. Steps 1-3 were carried out after each interview until no new themes could be identified. The majority of themes were identified after seven interviews. Interviews eight and nine produced few new aspects, interviews ten and eleven only repeated what had already been said. This iterative approach meant that I could be sure that further interviews would not produce any new themes.

The second loop comprised steps 1-5. After I had summarised and written down the individual themes according to my understanding, I presented the result to the interview partners. Their comments led me to reword some of the descriptions of the themes and also to reorder some statements. One of the effects, for example, was that I classified the topic of group dynamics under the Extrinsic Motivation cluster, which is furthermore also in accordance with findings of Ryan and Deci (Ryan & Deci, 2000a, p. 64).

An overview of all clusters with their subordinated themes, as well as the number of persons who commented on the individual themes and the sum of statements on the themes, is shown in Table 12.

Theme	Respondents	References	Percentage
Organizational Justice	**11**	**125**	**50,8%**
↳ Procedural Justice	***11***	***77***	***31,3%***
↳ Consistency	8	17	6,9%
↳ Goal Alignment	8	15	6,1%
↳ Impartiality	6	14	5,7%
↳ Goal adjustment	5	11	4,5%
↳ Voice	7	11	4,5%
↳ Accuracy	5	6	2,4%
↳ Correction Mechanism	2	3	1,2%
↳ Interactional Justice	***8***	***31***	***12,6%***
↳ Informational Justice	***6***	***23***	***9,3%***
↳ Transparency	6	15	6,1%
↳ Justification	5	8	3,3%
↳ Interpersonal Justice	***5***	***8***	***3,3%***
↳ Respect	3	5	2,0%
↳ Affinity	3	3	1,2%
↳ Distributive Justice	***11***	***17***	***6,9%***
↳ Relative Equality	11	17	6,9%
Role Model	**7**	**38**	**15,4%**
↳ Approachability	5	8	3,3%
↳ Empathy	5	8	3,3%
↳ Trust	3	8	3,3%
↳ Leadership	3	6	2,4%
↳ Appreciation	3	3	1,2%
↳ Loyalty	3	3	1,2%
↳ Authenticity	2	2	0,8%
Extrinsic Motivation	**9**	**28**	**11,4%**
↳ Tangible Incentives	8	14	5,7%
↳ Praise	5	6	2,4%
↳ Control	3	3	1,2%
↳ Group Dynamics	3	3	1,2%
↳ **Conscientiousness**	2	2	0,8%
Goal Setting	**9**	**25**	**10,2%**
↳ Clarity	8	12	4,9%
↳ Attainability	6	11	4,5%
↳ External Conditions	5	8	3,3%
↳ Self-Efficacy	3	3	1,2%
↳ Feedback	2	2	0,8%
Error Culture	**6**	**19**	**7,7%**
↳ Fault Prevention	6	9	3,7%
↳ Personal Consequences	3	5	2,0%
↳ Tolerance	3	5	2,0%
Intrinsic Motivation	**3**	**11**	**4,5%**
↳ Ambition	3	6	2,4%
↳ Self-Expectation	3	5	2,0%
Total		**246**	

Table 12: Themes identified in interviews (pilot & semi-structured)
(Subordinate themes summed up in superordinate clusters)

5.5 Composite description

The composite description presents the condensed essence of the common experiences of the participants of this study and is the final step in the phenomenological analysis. Moustakas (1994) believes that these essences are never truly exhausted, but merely represent the perspective of the researcher at a particular time and place. After reading this composite description an individual should have a better understanding of how different aspects of performance measurement are related to positive or negative emotions.

All participants in this study linked performance measurement to individual performance appraisals, which in turn have an impact on a variable remuneration component. Therefore, it was of utmost importance to them that the whole process, from agreeing on the objectives, through designing the performance measures and their collection, to the assessment and feedback, was 'fair'.

All respondents agreed that the ratio between outcome and input has to be appropriate, i.e., if someone invests more, the outcome must be higher (Relative Equality). More important to them than the outcome itself was that they felt the procedure leading to the outcome was fair. Some aspects of such procedural justice, namely Consistency, Goal Alignment, Impartiality and Accuracy, were presupposed by the interviewees. They did not associate any positive emotions with these characteristics; only negative emotions were aroused when they were not fulfilled. On the other hand, there were also aspects that had the opposite effect: when they were present, they triggered positive emotions such as joy, but their absence did not trigger negative emotions either. This occurred when the originally agreed objectives were adjusted due to external circumstances (Goal Adjustment), or when an arbitration board could be called in case of dissatisfaction with the outcome (Correction Mechanism). I observed a third pattern in relation to the influence that an individual has on the process (Voice). No or low influence led to negative emotions such as dissatisfaction, while increasing influence was linked to growing positive emotions.

I was able to observe similar relationships in the themes that were linked to the aspects of interpersonal interaction. Respect for the individual was assumed by all respondents. Respectful behaviour did not arouse positive emotions, but disrespectful behaviour led to negative emotions such as reluctance and anger. I could not find the opposite pattern, that only positive emotions are linked to a characteristic. However, Transparency, Justification and Affinity were positively associated with the expression of emotions, i.e., 'less' resulted in negative emotions while 'more' evoked positive emotions.

Most of the interviewees had a certain understanding of how superiors should present themselves. Superiors are perceived as authority figures already because of their

position, and authority figures are followed by most people. Therefore, it is important that superiors act as role models. The respondents had clear expectations of the qualities a role model should possess: he or she should be open and approachable, have trust in his or her employees, show leadership qualities and value his or her subordinates and their work. Depending on how little or how much the superior displays these qualities, the range of emotional reactions of the employees varies from negative to positive. If the executive even shows empathic ability or behaves in an extremely loyal manner, this even triggers enthusiasm. But if the employees find out that the behaviour is just pretended and the person acts quite differently in private, then all efforts are in vain. Because even if authenticity does not arouse positive emotions, inauthentic behaviour leads to negative feelings.

The third most statements related to the theme of extrinsic motivation. However, the respondents only gave examples of positive reinforcement. These are incentives or promised rewards for actions or achievements. The focus was mainly on monetary bonuses and praise, which are predominantly associated with positive feelings. The higher the bonus or the more praise is given, the stronger the positive emotions. However, these emotions can also turn negative if the bonus or praise is refused. The topics of control, group dynamics and conscientiousness must be viewed in a somewhat more differentiated way. Although the statements of the interviewees only referred to the positive aspects such as the feeling of control and belonging, there is also a negative side here, which is expressed through pressure and coercion. This negative reinforcement is the exact opposite of positive reinforcement: failure to perform or achieve a goal threatens negative consequences (e.g., dismissal or transfer in the work context). Extrinsic motivation through negative reinforcement therefore generates predominantly negative emotions and few positive ones.

The issue of goal setting was similarly important to the respondents. Setting goals is the starting point for managing performance. It forms the foundation, so to speak, for the subsequent steps of performance measurement and evaluation. The respondents presupposed that the goals are clearly and unambiguously formulated and that external circumstances are taken into account. A non-fulfilment of these implicit demands resulted in negative emotions; positive feelings could not be achieved with this. The situation is different with the aspects of self-efficacy and feedback. If the interviewees rated their own abilities low or received little feedback, this led to negative emotions. If they felt they were up to the task or if feedback was given regularly, positive feelings were the result.

A good error culture that does not operate with blame and sanctions, but with constructive error management that identifies the causes of errors and takes measures to avoid them in the future, was assumed by the participants in this study. They did not

cite any aspects that were associated with positive emotions. They only expressed that a poor error culture would lead to displeasure and dissatisfaction.

Finally, there were also a few statements on intrinsic motivation. The respondents stated that they always associated situations in which they were intrinsically motivated with positive emotions. When they worked on tasks without their own motivation, there was more of a tendency to feel neutral to bad, but this was less due to the lack of intrinsic motivation than to other circumstances.

6 Discussion

This chapter discusses the findings presented in Chapter Five of this study in order to answer the research questions stated in Chapter Three. For this purpose, I will first summarise the results of the study and highlight the special aspects that I have noticed. Some conspicuous patterns finally lead via a well-known motivation theory to a model that is widely used in quality management. This model will be used for a classification, which is important for answering the research questions.

The aim of this thesis is to establish a connection between the individual aspects of performance measurement and the emergence of positive emotions, as these relationships have received little attention in research to date, as Chapter Two has shown. For this purpose, I conducted interviews in which I tried to find out what feelings the interviewees associate with performance measurement. As it turned out, my interview partners did not see performance measurement as an isolated issue, but as a partial aspect of an overarching performance appraisal.[69] Each perception of performance measurement is thus influenced by the perception of the preceding process step of goal setting and the subsequent process step of performance evaluation. Therefore, in order to understand the emergence of human emotions, the entire process must be considered.

I was thus able to assign most of the statements to the topic that dealt with how to get from the actually value-free measure to a fair evaluation. Organisational justice emerged as the central theme in understanding the relationship between emotions and performance measurement. The theme role model received the second most statements. It seems that the behaviour of superiors has a decisive influence on how employees perceive the process of performance measurement and appraisal and what emotions result from it. Exemplary leadership behaviour may even mediate the effects of negative outcomes. Extrinsic motivation can also positively influence perception, at least as long as the outcomes appear desirable. And as long as they are achievable with reasonable effort. This is a key point that needs to be considered in the context of goal setting. Goals that are difficult (but also too easy) to achieve can become demotivating. The topic of organisational culture also has an influence on how employees perceive performance measurement. An error culture that is limited to identifying the guilty quickly leads to dissatisfaction. Finally, performance measurement can even address an employee's intrinsic motivation if it awakens the spirit of sport.

For all the themes listed above, I was able to identify a commonality. When asked which aspects evoked positive or negative emotions, three patterns emerged. There were

[69] Which is consistent with the widely accepted notion of the control loop functionality of performance management.

aspects that were not able to evoke positive emotions at all. When these aspects were fulfilled, the employees' emotional state was neutral at best. However, under-fulfilment or non-fulfilment quickly led to dissatisfaction, i.e., negative emotions. In contrast, there were also aspects that generated exclusively positive emotions. Here, in the case of non-fulfilment, the emotional state was neutral, while even a low degree of fulfilment generated positive emotions. Then there was a third group of aspects that tended to arouse negative emotions at low levels of fulfilment, but positive emotions at higher levels of fulfilment. These patterns are similar to Herzberg's hygiene factors and motivators, which I will revisit below.

6.1 Herzberg's Dual Factor Theory revisited

Albeit the assumptions of the two-factor theory can now be considered disproved, the introduction of hygiene factors and motivators is definitely helpful in understanding the influencing factors that lead to either positive or negative emotions. And it is legitimate, in my opinion, to use these terms as long as they are seen as two sides of the same coin and not in the sense of Herzberg's two-dimensionality.

A good example here is the behaviour of superiors. When asked whether she had supervisors in her professional life whom she could look up to, who were role models for her, with whom she had positive experiences, IP6 answered as follows: *"(...) Erfahrung, Loyalität, ein bisschen auch Beschützertum. Also diese Führungskraft hat, weil, von oben kommen ja oftmals irgendwelche Vorgaben, die kann man natürlich ungefiltert nach unten durchgeben, man kann sie verstärkt nach unten durchgeben oder man kann sie auch erst mal vorsichtig nach unten durchgeben, damit die Leute es auch schaffen, weil gerade was von ganz oben kommt, ist ja oftmals oder kommt erst mal so mit der Brechstange. Und ich finde, das zeichnet eine Führungskraft aus, wie dosiert oder in welcher Art so etwas über einem ausgeklügelt wird.*" (transl. *"Experience, loyalty, and a bit of protectiveness. So, this manager has, because, from above often come some guidelines, which you can of course pass down unfiltered, you can pass them down reinforced or you can also pass them down carefully at first, so that the people can do it, because just what comes from the very top is often or comes first so with the crowbar. And I think that's what distinguishes a leader, how well dosed or in what way something like that is poured out over you."*). Feeling protected by her supervisor from unreasonable demands from top management triggered positive feelings in IP6 and motivated her to meet her manager's expectations. In terms of Herzberg's dual factor theory, this aspect can be seen as a motivator.

Later, however, IP6 had superiors who lacked this protective behaviour, leading to dissatisfaction: *"Also, wenn ich da an … denke, der hat gar nichts von uns ferngehalten. (…) Der hat eher noch einen draufgesetzt, so nach dem Motto: Seht her was für ein toller Kerl ich bin, ich habe die Truppe richtig im Griff. (…) Bei dem haben wir alle nur ‚Dienst nach Vorschrift' gemacht."* (transl. *„Well, when I think of ..., he didn't keep anything*

away from us. (...) He rather went a step further, according to the motto: Look what a great guy I am, I really have the crew under control. (...) With him, we all just did 'duty by the book'."). As Hulin and Smith had already shown in their study (Hulin & Smith, 1967), a formerly strong motivator now contributed excessively to dissatisfaction.

For IP6, this aspect of managerial behaviour (i.e., protectiveness) had become a factor on the basis of which she judged her superiors - in a sense, she presupposed this behaviour: *"Nun, das ist mir schon wichtig (…) ich erwarte das schon von meinen Vorgesetzten, dass sie sich auch mal vor mich stellen."* (transl. *"Well, that's certainly important to me (...) I do expect that from my superiors, that they stand up for me from time to time."*). The change that this particular aspect of supervisor behaviour underwent in IP6's perception is particularly interesting. Initially, when IP6 first observed this behaviour in a supervisor, it elicited positive feelings, almost enthusiasm. Over time, it became a factor by which she evaluates supervisors. Nowadays, it is in line with her expectation of an exemplary supervisor to stand protectively in front of his employees.

This time-based change reminded me of a concept that I have been involved with in quality management all my life and that I find extremely helpful in understanding the interactions between employee perceptions (positive or negative) and reactions on the one hand, and requirements (measured by performance metrics), supervisor behaviour, and organizational culture on the other hand. This concept is the Kano model, which I introduced in chapter 3.4.

6.2 Categorization of the findings according to the Kano-Model

Noriaki Kano's observations on the different effects of the degree of fulfilment of a feature on satisfaction for each category of his model are consistent with my research findings. I was also able to identify three different types of relationships between the themes and aspects of performance measurement mentioned by the interviewees and the generation of positive or negative emotions.

Elements of the first category did not generate any positive emotions. The respondents implicitly assumed that the organisation or the superior fulfilled the requirements for these characteristics. If their expectations were not met, this was expressed in negative emotions such as disappointment and annoyance. This corresponds to the behaviour of Kano's Basic Features, which are not capable of generating satisfaction (positive emotion), but will result in dissatisfaction (negative emotion) if they are not fulfilled. From my interviewees' point of view, the majority of the aspects of procedural justice, namely consistency, goal alignment, impartiality and accuracy, fell into this category. In addition, there was the topic of respect, which belongs to the sub-item of interpersonal justice of interactional justice, as well as the aspect of authenticity of the theme role model, the aspects of clarity and external conditions (sub-item of attainability) of the

theme goal setting and the topics of fault prevention, tolerance and personal consequences of the theme error culture.

Kano-Model	Themes and Codes
Basic Features (Must-Be, Threshold)	OJ->PJ->Consistency
	OJ->PJ->Goal Alignment
	OJ->PJ->Impartiality
	OJ->PJ->Accuracy
	OJ->IJ->IpJ->Respect
	OJ->DJ->Relative Equality
	RM->Authenticity
	GS->Clarity
	GS->Attainability->External Conditions
	EC->Fault Prevention
	EC->Tolerance
	EC->Personal Consequences
Performance Features (One-Dimensional)	OJ->PJ->Voice
	OJ->IJ->IfJ->Transparency
	OJ->IJ->IfJ->Justification
	OJ->IJ->IpJ->Affinity
	RM->Approachability
	RM->Trust
	RM->Leadership
	RM->Appreciation
	EM->Tangible Incentives
	EM->Praise
	EM->Control
	EM->Group Dynamics
	EM->Conscientiousness
	GS->Attainability->Self-Efficacy
	GS->Feedback
Enthusiasm Features (Exciters)	OJ->PJ->Goal Adjustment
	OJ->PJ->Correction Mechanism
	RM->Empathy
	RM->Loyalty
	IM->Ambition
	IM->Self Expectation

OJ: Organizational Justice	PJ: Procedural Justice	IJ: Interactional Justice
IfJ: Informational Justice	IpJ: Interpersonal Justice	DJ: Distributive Justice
RM: Role Model	EM: Extrinsic Motivation	GS: Goal Setting
EC: Error Culture	IM: Intrinsic Motivation	

Table 13: Categorization of findings

The second category contains aspects that lead to negative emotions at low levels of fulfilment, but to positive emotions at higher levels of fulfilment. Thus, the elements in this category behave like Kano's Performance Features, where satisfaction scales with the degree of fulfilment. Performance features are the characteristics of a tangible object or an intangible concept that people consciously engage with. Compared to the basic features, these are explicitly expected. Therefore, it is not surprising that most of the aspects (codes) gained from the respondents' statements could be assigned to this category. The aspects in this category include: voice (procedural justice), transparency and justification (informational justice, subordinate of interactional justice), affinity (interpersonal justice, subordinate of interactional justice), approachability, trust, leadership and appreciation (role model), all aspects of extrinsic motivation as well as self-efficacy (sub-item of attainability) and feedback (goal setting).

The third and last category forms the counterpart to the first category. The aspects summarised here generate positive emotions even at low levels of fulfilment. However, negative emotions do not occur in the case of non-fulfilment. These characteristics are usually not expected and therefore not expressed. Therefore, they generate a positive surprise and contribute over-proportionally to satisfaction. This behaviour corresponds to Kano's enthusiasm features. Goal adjustment and correction mechanism from procedural justice would generate such enthusiasm in the group of people I interviewed, as well as empathy and loyalty of the superior and all aspects of intrinsic motivation.

6.3 Answering the research questions

As already mentioned in the previous chapter, the elements of the three categories behave differently with regard to the emotions triggered by their respective degree of fulfilment. This different behaviour provides the foundation for answering the research questions.

The first research question asked what elements of performance measurement generate positive or negative emotional responses in employees. The case-specific answer to this question is threefold:

1. The elements listed under Basic Features of Table 13 (i.e., Consistency, Goal Alignment, Impartiality, Accuracy, Respect, Relative Equality, Clarity, External Conditions, Fault Prevention, Tolerance and Personal Consequences) are not capable of generating positive emotions. Instead, when not fulfilled or under fulfilled, they will produce negative emotions.
2. The themes and codes associated with Performance Features (i.e., Voice, Transparency, Justification, Affinity, Approachability, Trust, Leadership, Appreciation, Tangible Incentives, Praise, Control, Group Dynamics, Conscientiousness, Self-Efficacy and Feedback) in Table 13 will result in positive

emotions, when a threshold (i.e., higher grades) of fulfilment is exceeded. But for lower levels of fulfilment, they can generate negative emotions.
3. The elements of the Enthusiasm Features (i.e., Goal Adjustment, Correction Mechanism, Empathy, Loyalty, Ambition and Self Expectation) will always result in positive emotions, even at low levels of fulfilment.

This answer is case-specific because it is only valid for the participants of this study. If I had chosen my interviewees differently, from other organisations, with a different individual background in terms of their experience with performance measurement, different themes might have been emerged and/or the individual themes might have received different valuation. But the classification of the themes and aspects into three categories allows for a general answer to the research questions, because each person will implicitly presuppose certain themes, consciously evaluate other features according to their degree of fulfilment, and be enthused by further aspects.

The general answer to the first research question is thus:

1. Basic Features are not capable of generating positive emotions. Instead, when not fulfilled or under fulfilled, they will produce negative emotions.
2. Performance Features will result in positive emotions, when a threshold (i.e., higher grades) of fulfilment is exceeded. But for lower levels of fulfilment, they can generate negative emotions.
3. Enthusiasm Features will always result in positive emotions, even at low levels of fulfilment.

The second research question asked what the necessary conditions are that negatively connoted elements of PMS result in positive emotional responses. As described above, no positive emotions can be generated with basic features, no matter how high the degree of fulfilment. Basic features represent those aspects that lead to negative emotions if they are not present or are not perceived in accordance with somebody's expectations. The basic features thus represent the minimum requirements that must be fulfilled. The basic requirements are a necessary but not sufficient condition for the development of positive emotions. If the basic factors are present or if the expectations are fulfilled, positive emotions do not arise, but only a neutral state of not experiencing negative emotions. Performance features are those characteristics that lead to positive emotions if they are present or expectations are met, or to negative emotions if they are not present or expectations are not met. There is no exact distinction from which degree of fulfilment positive emotions arise. Rather, there is a tolerance zone in which neither positive nor negative emotions arise, but rather a neutral emotional state exists. The relationship between performance features and emotional response is assumed to be linear. Thus, the answer to the second research question is twofold:

1. Negative emotions emanating from Basic Features cannot be transformed into positive emotions. The negative emotions can only be alleviated by a higher fulfilment of their underlying expectations. In the best case, a neutral state is achieved.
2. Negative emotions based on unfulfilled expectations of performance features can turn into positive emotions when a level of fulfilment beyond the minimum requirements is achieved.

The summary above is the general answer to the research question. This case-specific answer includes the themes and aspects listed under the respective category of Table 13. Again, the use of alternative interviewees may lead to different themes and priorities.

Up to this point, I have distinguished between the general answer, which enables transferability to other use cases, and the specific answer, which is only valid in the context of this study. This distinction is important for answering the third research question, as an initial process step results from the distinction between specific and general validity. The third research question asked, what would be a framework for managerial practice to maximise positive emotional responses during PMS implementation. In order to be able to apply the findings in a new context, the superior who is interested in generating the most positive emotional reactions possible when introducing a PMS must become aware which aspects of performance measurement are assumed by the employees, which they consciously engage with and with which enthusiasm can be generated. In subsequent he or she should address the identified themes and aspects according to their classification as either Basic, Performance or Enthusiasm Features. The framework for maximising positive emotional responses would thus be:

1. Identify the themes and aspects your employees associate with performance measurement.
2. Understand which elements are presupposed, which are explicitly expected and which could generate excitement. Become aware of the expectations related to the aspects. Assign the aspects into the categories of Basic, Performance or Enthusiasm Features.
3. Ensure that the expectations regarding the Basic Features are fulfilled, otherwise they burden your other activities. The rule here is as much as necessary, as little as possible.
4. Focus on the Performance Features as the emotional response is proportional to the degree of fulfilment. This category is the key to generating sustainable positive emotions.
5. Enthusiasm Features result in positive emotions even with a small investment. These are elements where quick wins can be achieved.

6. Be aware of the habituation effect. Exciters will become Performance Features over time and Performance Features might someday be presupposed. Monitor changes in the relevance of individual aspects and react accordingly.

This framework provides a guideline for practitioners in all disciplines to understand the links between performance measurement and emotional responses. For example, to maximise positive emotions for the people interviewed in this study, a supervisor should at least ensure that the following implicit expectations (Basic Features) are met (for an overview see figure X):

- The goals should be specific and measurable. It is also important that the external circumstances make it possible to achieve the goal.
- The process leading to the outcome should be consistent, unbiased and accurate. In case of unforeseen events, the targets may need to be adjusted.
- The organisational culture should seek to prevent errors and show some tolerance instead of penalising the employees.
- It can be taken for granted that the outcome of the evaluation process is proportional to the effort and that employees are treated with respect.
- The superior presents him/herself authentically and not in an artificial way.

However, he or she should pay most attention to those issues that the people consciously use to evaluate their experience with performance measurement (Performance Features). Therefore, he or she pays particular attention to:

- Ensure that the employees are heard during the process determining the outcome.
- He/she is open and friendly, shows trust and appreciation towards the employees and shows leadership capabilities.
- The goals are specified in a way that the employees are confident in achieving them. Furthermore, constant feedback is given.
- His or her communication is transparent and justified.
- That all aspects of extrinsic motivation are applied in way that pressure and coercion is avoided and positive traits are appropriate.

And some effort should also be spent on the traits that lead to excitement /Enthusiasm Features), as even little investment there will show reasonable results:

- Adjusting goals in the case of unforeseen events of the possibility to call an arbitration board in case of discontent with the outcome would significantly increase the perception of a just process.
- Showing empathy and loyalty will sustainably strengthen the bond between superior and employee.

- Finally, the superior should try to trigger the intrinsic motivation of his employees to maximise the results.

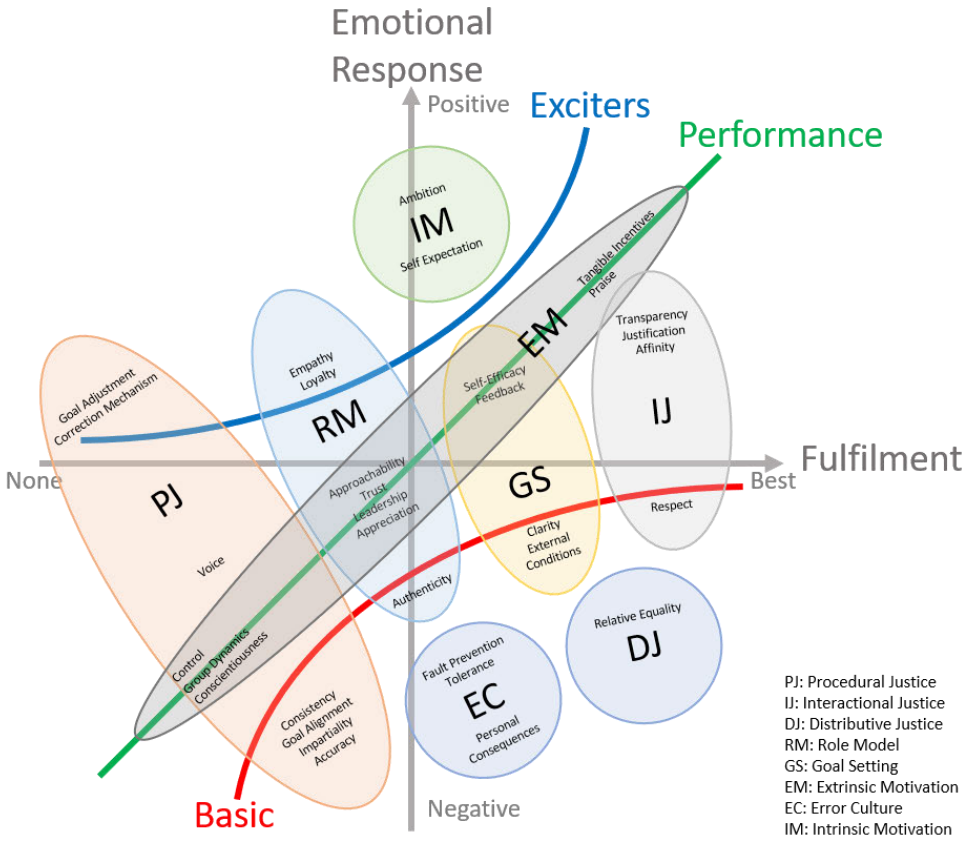

Figure 22: Overview of categorized findings

For a successful implementation it is certainly advisable to have a closer look at the superordinate areas of research to which the individual aspects belong, i.e., organizational justice, leadership, motivation and goal setting theory and organizational culture. As extensive literature is available on the areas mentioned, I will not go into further detail here.

6.4 Review of the Conceptual Model

Although it has not been an explicit research question within the scope of this thesis, the question is whether evidence emerged during the interviews conducted that confirms or rejects the conceptual model (cf. Figure 15) I created in chapter Conceptual Model of Link between Performance Measures, Emotions and Behaviour about the link between performance measures, emotions and behaviour.

In short, I was able to determine on several occasions that the mechanisms of action shown in the model also work in practice. I was able to identify three cause-effect relationships between emotional reactions and individual performance, two of which I

had expected. I did not expect the third one in advance, but it can be explained with the knowledge gained from this work. The three interdependencies are in detail:

- Positive Emotion -> Increased Performance
  There was a lot of evidence that experiencing positive emotions increases one's motivation and consequently the own performance. Already my first interviewee saw the achievement of certain goals as her personal interest (IP1: *„Because that's MY interest. […] That's for me. And I can work on that somehow."*). And IP7 saw goals as a sporting challenge (IP7: *„For certain things I like to take it as a sporting challenge"*).
  This suggests that intrinsic motivation to achieve certain goals can arise from experiencing positive emotions.
- Negative Emotion -> Decreased Performance
  However, negative experiences can also have a demotivating effect and thus lower individual performance. For example, it is demotivating for IP5 if his work results are assessed worse than his self-assessment suggests they should be (IP5: *„Because what I deliver is crap anyway or it's portrayed negatively. Let's put it this way. That would definitely demotivate me."*). IP2 has had to accept deductions before because he could not work on all tasks due to his high volume of work. Since he cannot influence the amount of work, he felt it was unfair that this was not taken into account in his performance appraisal. The result was a significant reduction in his motivation (IP2: *„At some point I'll just do it by the book."*).
- Negative Emotion -> Increased Performance
  In addition to numerous references to the rather obvious connections between the experience of positive emotions and the resulting positive effects on performance or to the opposite connection of negative emotions with negative results, there were also statements that indicated a positive effect on individual performance despite initially negative emotional experiences. For example, IP11 can also take something positive from negative criticism, if it is presented appropriately, in a factual and constructive manner (IP11: *„So, if I now assume that I think I'm doing a good job and my supervisor says, yes, that's your perception. I have a different perception. First of all, that's quite a disruptor. […] Then again, it's the positive tone that makes the music. If it's formulated very carefully and conveyed in an appreciative way. Then I have to say, yes, I'm always happy to have a certain insight into the matter, if I know it will bring me further."*). For IP6, the relationship with the person who is criticising is important. If the relationship is basically positive, negative criticism can also have a stimulating effect (IP6: *„If a person I feel positive about evaluates me negatively, then it can be very quick/ it can be constructive for me to say, gosh, what did I do wrong? What can I do better? Because I have an open relationship with this person, that can be constructive."*).

Although my interviews did not reveal any evidence of a connection between an emotionally positive experience and declining performance, such a connection is possible in principle.[70]

Overall, the interviews confirmed the link between performance measures, emotions and behaviour described in the model. This illustrates the importance of the influence of the emotional process on the cognitive process. Which aspects work in which way can be seen from the diagram in the previous chapter (Figure 22), at least for this particular case. Furthermore, it is also confirmed that the direct supervisor can play a mediating role, as can be seen in the example of the third cause-effect relationship described above.

6.5 Relating the findings to the larger field of research

As the motivation for this study originated in the dissatisfaction with researchers investigating the causes of failed PMS implementations widely neglecting the influence of emotions, I will start relating my findings to research on performance measurement/ management.

6.5.1 Performance Measurement and Management Research

As mentioned in chapter 3.1.4, apart from a few remarks about the reactions of people on being measured (Davenport, 1997; Eccles, 1991; Marchand et al., 2000; Meekings, 1995), PMM research primarily identifies technical/ methodological reasons as causes for failure of PMS implementation. It relies mainly on notions of systems and structured processes and assumes that the measurements collected affect people's behaviour, but has largely failed to investigate or even understand their reactions (Beer & Micheli, 2018, p. 755).

However, there is extent literature on how emotions influence performance e.g., at work (cf. Luthans & Youssef, 2007; Wright et al., 2007), in sports activities (cf. Hanin, 2000; Lazarus, 2000) or elsewhere, but these studies derive from the domains of Organizational Behaviour, Sport Psychology or other. Especially the field of positive psychology, which has received increasing attention from the late 20th century on (cf. Seligman & Csikszentmihalyi, 2000), has produced a variety of findings on the effects of positive emotions on human performance.[71]

The contrasting view of how performance outcomes or feedback arouse emotions has also been studied by scholars of various research areas. For example, control value

[70] Cf. „Happy low performers“ mentioned in Summary 13 and the preceding section.

[71] For a list of scholarly articles see https://ppc.sas.upenn.edu/learn-more/readings-and-videos/selected-scholarly-articles

theory defines achievement emotions as emotions tied directly to achievement activities or achievement outcomes (Pekrun & Perry, 2014). Control value theory states that, on the one hand, the degree of subjectively perceived control over success/failure in a situation and, on the other hand, its value or importance for the individual determine the experience of certain emotions (Pekrun, 2006). This theory, stemming from Educational Psychology, could give explanations on the relationships between the elements of Self-Efficacy and Voice and the resulting emotions.

Only recently, in addition to the traditionally dominant line of research focusing on technical aspects of measurement processes, have several researchers from different disciplines begun to address a range of social, cultural and behavioural implications of measurement (Smith & Bititci, 2017). For example, Bourne et al. state that the organisational social climate influences the effect of PM on organisational performance (Bourne et al., 2013). Other researchers observed that the 'mechanistic' use (Diagnostic Use) of PMS should be accompanied with an interactive use (Organic Use) to maximise the effects on organizational performance (Koufteros et al., 2014; Marginson et al., 2014).[72]

Smith and Bititci (2017) also agree that the impact of PMM systems depends on the interplay between technical and social elements. They propose a two-dimensional model in which the maturity level of the PMS represents the technical control aspect and the leadership style the social control aspect of organisational control. These separate but interdependent dimensions are linked to employee engagement and performance (Smith & Bititci, 2017). Although their findings support the view that the way measures and targets are used influences employee engagement, the underlying mechanisms of this relationship remain vague.

PMM research should focus more on individuals' lived experiences of measuring or being measured in the future, Beer and Micheli (2018) claim, citing findings from the field of social value measurement (SVM) that outline the impact of organisational processes on human well-being. Approaches and methods of SVM, originally introduced as a mechanism to show the human implications of organisational processes, could serve PMM research as a reference on how to recognize and include people's engagement and experiences of the measurement process (Beer & Micheli, 2018, p. 767). According to Beer and Micheli (2018), phenomenological methods in particular could be useful to understand lived experiences with performance measurement.

[72] Diagnostic use assesses business performance against various evaluation indicators, while interactive use focuses on the future, highlights necessary changes and emphasises effective communication across the organisation (Simons, 1995b).

Looking at the literature that considers the links between performance and emotions, there are contributions from a variety of disciplines that elaborate in detail on individual elements of the findings of this thesis. However, I have not encountered any studies that deal comprehensively with people's reception of performance measurement, the emotions it generates and the resulting implications for practitioners from the perspective of performance measurement/management research. This study therefore makes an important contribution to the research field of performance measurement by looking at a hitherto neglected area, the emotional reactions of people, who form the core of any organisation, to the measurement and evaluation of their individual performance, and by generating insights that contribute to the understanding of the interactions between performance measurement and emotional reactions. In addition, this work also provides a guide on how practitioners who are to introduce and implement performance measurement systems in their area of responsibility can minimise negative receptions and maximise the effects from positive emotions.

Although this work has provided new insights for PMM research, the identified influencing factors on emotional responses have been extensively addressed in other research areas, such as leadership, motivation research, goal setting theory and organisational behaviour. In these disciplines, the topic of emotions has received more attention, albeit with varying degrees of intensity - predominantly in the sense of how emotions are generated, but the other direction, how emotions influence outcomes, has also been explored to some extent. In the following, I will discuss the extent to which my findings coincide with the insights of these research fields and what further implications arise thereof.

6.5.2 Organisational Justice Research

I assigned slightly more than half of the statements relevant to the research questions to the overarching theme of organisational justice. The perception of (in)justice thus seems to be by far the most important trigger for emotions in connection with performance measurement. As if to confirm my findings, research on organisational justice has also dealt intensively with the interactions between justice and emotions. Scholars in this field have broadly acknowledged the importance of emotions, since any model of justice that excludes emotions is incomplete (Winden, 2007). Or, to put it another way, theoretical models of justice that fail to account for emotions would only work with hypothetical people, which would be highly incomplete and, in their distinct simplicity, would not occur in reality in such a way (Cropanzano et al., 2011, pp. xiv–xv).

It is widely recognised that justice is an affect-laden process, whereby emotions can be both a consequence and a precondition of organisational justice (Scher & Heise, 1993). However, most of the work was done from the perspective of justice researchers, which meant that emotions were mostly seen as the outcome of (in)justice (Cropanzano et al., 2020, p. 243). The opposite direction, less well researched according to Cropanzano et

al. (2020), in which emotions serve as antecedents to justice, offers interesting approaches for practitioners seeking to create a positive atmosphere vis-à-vis performance measurement.

For example, there is evidence that high positive affect and high procedural justice both reduce the tendency to complain about injustice (Huang & Huang, 2016). Therefore, if supervisors manage to create a positive atmosphere among their employees, any injustices that may occur, which are almost unavoidable when introducing a PMS, will have less of a negative impact. This is supported by various studies that have shown that employees tend to display organizational citizenship behaviours, when experiencing positive affective states, while they display counterproductive work behaviours, when experiencing negative affective states (Fox et al., 2001; Ilies et al., 2006; Lyons & Scott, 2012).

Notwithstanding the importance of this interdependence for the practitioner, what is significant in the context of this work is the (better researched) conceptual approach that considers organisational justice as an antecedent of emotions. According to Cropanzano et al. (2020), affective states[73] may serve as mediators as well as moderators in this context.

There are studies that show that affect mediates the relationship between perceptions of injustice and some sort of response – for both negative (cf. Hoobler & Hu, 2013) and positive (cf. Jacobs et al., 2014) emotions. Respect is a good example of how the emotions resulting from the perception of interpersonal (in)justice mediate work motivation. IP5 found it very demotivating when his supervisor did not show him the respect to listen to his arguments fully (cf. Chapter 5.3.1.2.2). The lack of respect is an expression of interpersonal injustice for IP5, which leads to negative emotions. These, in turn, also affect his motivation to work. This relationship can also be observed for positive emotions and for themes beyond organisational justice (cf. Chapter 5.3, for example IP6 on the mutual benefits of an open-minded, approachable superior, IP7 on praise etc.). These findings support my conceptual model of link between performance measures, emotions and behaviour. It underlines the importance practitioners should give to the issue of emotions when implementing a PMS.

Additionally, affective states may also act as a moderator between organizational (in)justice and behaviour (Geenen et al., 2012). In my interviews, I did not find a moderating effect of emotions between perceptions of organisational justice and

[73] Affect refers to *"subjective feeling states in general"* (Cropanzano et al., 2020, p. 248), while mood is *"free-floating affect"* (Cropanzano et al., 2020, p. 248). In contrast, emotions are *"about something […] also more intense than moods"* (Cropanzano et al., 2020, p. 249). Moreover, emotions occur in the short term, while moods last longer (Cropanzano et al., 2011, p. 10).

derived behaviour. However, I did not investigate the possible influence of moods.[74] Thus, my results neither support nor refute this relationship.

In the literature on the relationships of organisational justice and emotions, there is so far no categorisation that establishes different relationships between discrete aspects of organisational justice and resulting positive or negative emotions, as I have done in chapter 6.2. As mentioned earlier, there is extant literature on the mediating effects of emotions between organizational justice perceptions and attitudinal and behavioural responses by employees[75]. For example, the finding that the availability of ex post goal adjustments has positive effects on procedural fairness perceptions (and in some cases on performance) (Kelly et al., 2015) supports my categorization of procedural justice's aspect of 'goal adjustment' as an enthusiasm feature, but there are no statements about comparable qualitative mappings or even different relationships between perceptions of organisational justice and resulting emotions.

Commonly, studies in this area try to show how strong (or weak) the associations between perceptions of organisational justice and employee behaviour are. For example, scholars have shown that distributive injustice leads to voluntary absenteeism (Geurts et al., 1999) or burnout (Bakker et al., 2000). Likewise, there are studies that show that procedural justice generates emotions (Barsky & Kaplan, 2007) and, in the case of positive emotional responses, is capable of boosting intrinsic motivation and thus work performance (Zapata-Phelan et al., 2009). Moreover, the affective consequences of procedural justice were shown to have a mitigating effect on the outcomes of distributive injustice (Brockner, 2002; Tepper, 2001). As in the case of distributive and procedural justice, researchers have found evidence of resulting emotions for interactional justice. For example, failing to provide either proper explanation for rejecting employees' recommendations (Bies & Shapiro, 1987) or timely information on outcome relevant changes in evaluation procedures (Cropanzano & Randall, 1995) resulted in negative emotions.

It is no coincidence that the majority of the examples above are about injustice and negative emotions. The focus of justice research in the past was mostly on situations perceived as unjust and the associated negative consequences (Cropanzano et al., 2020, p. 250). Both justice (Cropanzano et al., 2020) and affect researchers (Fredrickson, 2001) see this as a serious omission, as both negative and positive emotions are important for overall understanding. Albeit, in recent years more attention has been placed on the

[74] According to Cropanzano, organisational justice researchers are commonly *"distinguishing between positive and negative affect, rather than examining specific emotions"* (Cropanzano et al., 2020, p. 248) – a shortcoming that should be addressed in future research.

[75] For an overview of the literature see Cropanzano et al. (2011)

effect of positive emotions. For example, an indirect effect of procedural justice through positive emotions was shown (Pérez-Rodríguez et al., 2019) or that interpersonal justice can trigger positive affect in subordinates, which evokes positive emotions in actors and fosters positive social interactions (Johnson et al., 2014).

The concept of three different relationships between discrete characteristics of organizational justice and their resulting emotional responses, is a new aspect that contributes to research on organizational justice, especially in the light of inadequately represented positive emotions.

6.5.3 Leadership Research

Leadership research is an interdisciplinary field of research rooted in business administration and organisational psychology. Leadership research distinguishes between historically developed approaches to personnel management, which either examine the characteristics of the leader, his or her behaviour, the situation and its specifics, the relationships of the leader to the employee, the group or the organisation or a systems theoretical approach of leadership as the object of research (Stippler et al., 2011).

Leadership research has long recognised the importance of emotions. The focus is primarily on conflictual relationships and interactions between superiors and employees, which result in negative emotions (Badura et al., 2011; Sträter et al., 2012). However, the effects of positive emotions on desirable behaviour, such as positive communication behaviour or high work engagement, have also been identified so (Spector & Fox, 2002). Employees with a high emotional attachment to the company, which is often shaped by superiors, are also the most productive group in the workforce (Nink, 2018). Therefore, establishing positive social relationships in the workplace as well as satisfying emotional needs is an important task of leadership (Felfe, 2009). For organisations, it is therefore necessary to identify and train leadership behaviour that promotes the generation of positive emotions and avoids or reduces the creation of negative emotions (Siebert-Adzic, 2016, p. 17).

This is in line with my findings regarding the aspects I have summarized under the theme ‘role model’. The aspects listed there cover the entire range from presupposed expectations to performance and enthusiasm features. While authentic appearance is assumed, the quantity and quality of characteristics such as approachability, trust, leadership skills and appreciation directly contribute to the well-being and expression of positive emotions of employees. Empathy and loyalty towards subordinates even have a higher-than-average impact on the positive bond between superiors and their employees.

In view of the fact that my questions in the interviews were aimed, among other things, at which characteristics or which behaviour of superiors evoke positive emotions, it is

not surprising that the statements of the interviewees brought forth themes that are attributed to the dimension of Consideration within the behavioural theories of leadership. Robbins and Judge (2013) describe consideration as the *"extent to which a leader is likely to have job relationships characterized by mutual trust, respect for subordinates' ideas, and regard for their feelings"*. The complementary dimension of initiating structure describes how supervisors define and structure their role and that of their subordinates in terms of goal achievement.

Despite criticism that behavioural theories are not able to provide holistic explanations of what constitutes successful leadership[76] (which is not relevant to this thesis), they do provide useful approaches to how superiors' behaviour can evoke positive emotions in employees, especially when looking at the consideration dimension.

6.5.4 Motivation Theory

The term motivation refers to all processes that are decisive for the intensity, direction and perseverance of human action with regard to achieving a goal. In this context, the intensity of action describes how strongly a person is committed to achieving a goal, the direction specifies the goal towards which a person channels his or her energy, and the perseverance refers to the stamina and tenacity to achieve a goal against resistance (Kanfer, 1990, p. 78).

In order to explain the motivated behaviour of employees, a different consideration of person-related and situation-related factors is of central importance (Nerdinger, 2014). In this context, a distinction is made between intrinsic and extrinsic motivation with regard to the motivation background (Porter & Lawler, 1968).

In general, intrinsic motivation describes the desire to pursue an activity for its own sake (Deci, 1971). In terms of the work context, this means that the work activity per se is perceived as interesting and meaningful (Gagné & Forest, 2008, p. 225). Intrinsic motivation is particularly felt when one is confronted with demanding activities (Deci, 1975), has the feeling of influencing the environment through the activity (White, 1959) and of being self-determined, i.e., the source of one's own behaviour so (Charms, 1968). In contrast, with extrinsic motivation, the work activity itself is not perceived as satisfying. Therefore, an incentive must be created that is external to the activity. Extrinsic motivation is therefore perceived as a tool to obtain external consequences, which can be both material and immaterial (Gagné & Deci, 2005, p. 331). They only occur after and through the successful performance of an activity. The employee performs in order to avoid potential punishment and/or to receive a reward.

[76] For a summary of the criticism and an appeal not to prematurely abandon behavioural theories, see Judge et al. (2004)

In the work context, it is observed that people who exhibit behaviour from intrinsic motivation, compared to extrinsically motivated people, are more satisfied with their job, are more persistent in pursuing their goals and are more excited about achieving a goal (Vansteenkiste et al., 2004). In addition, it has a positive impact on work performance per se, leading to an increase in the quality of work (Cerasoli et al., 2014). Extrinsic motivation primarily affects the quantity of performance and, viewed in isolation, can also lead to an increase in work performance (Cerasoli et al., 2014).

Intrinsic motivation has historically been considered the more desirable type of motivation, while extrinsic motivation, especially in the form of monetary incentives, has been considered less effective. The long-held assumption of some motivation researchers that extrinsic incentives negatively influence intrinsic motivation or cause it to disappear altogether (cf. Deci, 1971; Lepper et al., 1973) is now considered incorrect. Experts assume that both forms can coexist without any effects - as long as one prerequisite is met: A reward must have a concrete relation to a performance criterion. If someone is only rewarded for the mere performance of an activity, the intrinsic motivation decreases (Cameron et al., 2001). In recent research it is increasingly accepted that both concepts are independent but interrelated, mutually influencing factors of motivation, both of which have their raison d'être (Locke & Schattke, 2019).

These understandings of motivation research on the mechanisms and effects of intrinsic and extrinsic motivation support my classification of the aspects gained from the interviews on extrinsic motivation into performance features and on intrinsic motivation into enthusiasm features.

Regarding extrinsic motivation, I have assigned all aspects to the performance features, which means that the degree of fulfilment of these characteristics relates proportionally to the resulting emotions. This is in line with Gagné and Deci's (2005) arguments that extrinsic motivation is a means to gain both tangible (e.g., salary bonuses) and intangible (e.g., praise and recognition) consequences. The more bonus and/or praise (i.e., the better the consequences), the more positive emotions arise. On the other hand, denial of praise and/or bonuses might result in negative emotions.

On the other hand, intrinsic motivation per se leads to satisfaction, i.e., to positive feelings. This supports the fact that I have assigned all aspects of intrinsic motivation to the enthusiasm features – the features that evoke exclusively positive emotions. It is also in line with prevailing research on motivation theories (cf. Ryan & Deci, 2000a) that intrinsic motivation is the only theme that arouses exclusively satisfaction and thus positive emotions.

While extrinsic motivation is relatively easy to achieve, for example by giving praise and recognition or tangible incentives, it is much more difficult to influence intrinsic motivation, as this is only indirectly possible. According to the self-determination theory

(Deci & Ryan, 1985) and its various sub-theories, the experience of autonomy and competence in particular, but also the feeling of social relatedness, are decisive for the development and promotion of intrinsic motivation. Superiors should therefore support and encourage the development of these qualities. This requires a modern understanding of leadership behaviour and also shows how closely motivation and leadership are linked together.

6.5.5 Goal Setting Theory

Goal-setting theory was developed in the second half of the 20th century by the American psychologist Edwin A. Locke (Locke, 1968). The focus of goal-setting theory is to explore the relationship between goals and performance (Locke & Latham, 1990). It is assumed that goals form the basis for motivation and have an effect on performance in the fulfilment of a task via mediators (perseverance, effort, task-specific strategies and the choice of actions to complete a task) and under the influence of moderators (goal commitment, feedback, task complexity and situational constraints) (Locke & Latham, 2006, p. 265). In essence goal-setting theory states that specific high goals lead to higher performance than moderate goals or the mere requirement to do one's best (Locke, 1996).

The mediators (or mechanisms) explain why specific, high goals increase an individual's performance. According to goal-setting theory (Latham, 2016), a goal that is specific and high

- enables people to focus, to choose the right actions to pursue that goal,
- engenders effort to reach the goal (the higher the goal, the more effort),
- encourages people to persevere in pursuing their goal until it is achieved and
- initiates strategies that are necessary to achieve the goal.

Moderator variables, on the other hand, specify the boundary conditions within which the above statements apply. A specific, high goal leads to higher performance under four conditions (Latham, 2016):

1. Goal commitment is the most important moderator. It describes the extent to which a person feels committed to a goal. If a person is not committed to achieving a goal, he or she does not have a goal at all. Goal commitment can be increased in two main ways: firstly, through factors that make goal achievement seem important to someone, secondly, by strengthening a person's self-efficacy (Locke & Latham, 2002, p. 707).
   Convincing people that goal achievement is important can be done in many ways. The communication of an inspiring vision by authorities, participation in goal-setting or monetary incentives should be emphasised. The influence of a person's peer group or non-monetary measures to sanction the achievement or non-achievement of goals can also be used. These interventions relate to the

strengthening of extrinsic motivation.

The second factor that determines goal commitment, self-efficacy, is defined as a person's belief in his or her own abilities and in being able to control the course and execution of one's actions in such a way as to achieve a certain result (Bandura, 1994, p. 71). Self-efficacy is one of the aspects I have identified in the interviewees' statements. Depending on the degree of perceived self-efficacy, both negative or positive emotions can arise. Increasing self-efficacy (and thus higher chances of generating positive emotions) can be done through appropriate training that provides a sense of achievement, the development of role models that a person can identify with, or communication that reinforces someone's belief that they can achieve a goal (Locke & Latham, 2002, p. 708).

2. People must have the ability to attain a high goal – otherwise they are unlikely to commit to attaining it. Thus, the task complexity must be adapted to the individual abilities. Challenging goals can only have a motivating effect if there is clarity about the goal and a realistic reference to the person, e.g., through clear formulation of the goal, clear time perspective, clear prioritisation, clarity about the way to achieve the goal.

   These requirements for this moderator are partly reflected in the statements on the aspect 'Clarity'. The interviewees unequivocally expressed their expectation of clear and unambiguous goals that are also measurable in order to determine the degree of goal achievement. As far as the topic of appropriateness of task complexity is concerned, I have classified the statements on this under the aspect of self-efficacy, since the component of self-assessment seemed to be more present.
3. Another essential prerequisite for the performance-motivating effect of goals is feedback on the respective degree of goal achievement. Without knowledge about the respective performance level or the current goal achievement, the direction, intensity and perseverance as well as the choice of strategy for goal achievement cannot be adjusted and corrected in a result-oriented manner. Feedback was also mentioned by the interviewees in the context of goal setting. Depending on the frequency and quality of the feedback, emotional reactions can range from negative to positive. Therefore, I have categorised the aspect of feedback as a performance feature.
4. The last condition concerns situational constraints. Whether and to what extent a person can change a certain situation is always determined by situation-specific constraints. These constraints limit their behavioural influence no matter how difficult or easy the goal may be and must be taken into account accordingly. The issue of feedback was also raised in the interviews. Although the number of statements was lower than for the other aspects, I have grouped under the theme of goal setting, at least two people found the topic important enough to bring it up.

In the statements of the interviews, I was able to identify aspects that on one hand stand for the generation of an emotional reaction and on the other hand have direct reference to the moderators of the goal-setting theory. Therefore, it is permissible to say that the quality of the moderators influences the generation of either positive or negative emotional reactions. This is a new aspect that adds to existing research on the relationships between goals and affect. Locke and Latham (1990) showed a strong and consistent effect between goal achievement and satisfaction, but this relationship is located at the end of the process. It is possibly because of their convincing arguments that research has moved away from the influence of goals on emotions and towards the effect of affective reactions on goal-directed behaviour (Plemmons & Weiss, 2013, p. 119). However, I have not been able to find any references to the above-mentioned finding in the literature on the former relationship.[77]

6.5.6 Error Culture

"Errare humanum est" concluded Seneca, and it can be assumed that reflection on errors[78] has always accompanied humankind. Scientific examination of the subject intensified at the beginning of the 20th century (Zapf & Reason, 1994, p. 427). A famous example from this period is Sigmund Freud's psychoanalytical examination of malfunctions (Freud, 1904/2009). Currently, psychology, pedagogy, linguistics, medicine and economics, among others, are concerned with the scientific study of errors. Unfortunately, the terminology, approaches, objectives and results of this research are shaped by disciplines and appear confusing when viewed in their entirety (Weingardt, 2004, pp. 199–202).

An interdisciplinary definition that foregrounds the fact that an error is a judgement dependent on the cultural and social context was contributed by Weingardt (2004):

„Als Fehler bezeichnet ein Subjekt angesichts einer Alternative jene Variante, die von ihm – bezogen auf einen damit korrelierenden Kontext und ein spezifisches Interesse – als so ungünstig beurteilt wird, dass sie unerwünscht erscheint." (transl. *„In view of an alternative, a subject designates as an error that variant which - in relation to a*

[77] The model of goal-directed emotions (Bagozzi and Pieters, 1998) considers both anticipatory emotions and emotions associated with the actual outcome of goal pursuit. Although the anticipated emotions already occur during goal setting, they are also related to the (hypothetical) outcome of goal achievement.

[78] In common speech, the terms error, failure and mistake are often used synonymously. In scientific language, a consensus has developed since the 1980s that the term error serves as a superordinate concept. Human error as an unintentional action or decision is thereby distinguished from violations, i.e., intentional failures – deliberately doing the wrong thing. Error itself is differentiated into mistakes (decision-making failures – doing the wrong thing, believing it to be right), slips (failures of attention) and lapses (memory failures) (Reason, 1990, p. 9).

correlating context and a specific interest - is judged by him as so unfavourable that it appears undesirable.") (Weingardt, 2004, p. 234)

This definition addresses a relevant feature of errors: their undesirability. Errors and error-making have negative connotations. Especially in the workplace, they cause stress and usually trigger negative emotions in the person making the error, such as embarrassment, fear, anger, guilt or shame (Rausch et al., 2017, p. 376). On the one hand, these negative feelings can stimulate learning, but they can also lead to strategies being adopted to avoid or conceal mistakes. In addition, they can impair cognitive performance in the situation and negatively influence self-confidence and feelings of competence (Rausch et al., 2017, p. 377).

How organisations deal with errors in view of their undesirability and inevitability is reflected in their error culture. The error culture or "second chance culture" is part of the organisational culture (Kuckertz, p. 59). It is determined by the values, norms, behaviours, etc. established in the organisation. This implies that the respective organisational culture enables or hinders a positive error culture. A positive error culture (non-blaming culture) requires a corporate culture that is characterised by openness, fairness and mutual respect. It accepts that mistakes are part of everyday working life (Schüttelkopf & Vogl, 2015, pp. 247ff.).

This contrasts with negative error culture, in which high sanctions are drawn at the personal level from the errors committed, a high rate of denial and secrecy prevails in relation to errors, and in which analysis of the system does not take place (Schüttelkopf & Vogl, 2015, pp. 247ff.).

The statements of the people I interviewed expressed only negative emotions in connection with the theme of error culture. This indicates that the error culture in their company is largely of a negative nature. The fact that only negative emotions can arise from a negative error culture, or expressed the other way round, from the lack of a positive error culture, is consistent with the existing findings from research. A positive error culture may generate positive emotions, but in the absence of such a culture, this relationship could not be observed in this specific case.

6.5.7 Summary

Looking at the contributions this thesis makes to the different research areas, the contribution to research on performance measurement and management systems stands out. This is not surprising, as this work was motivated by a desire to address the lack of consideration of the human factor in the predominantly technocratic approaches to PMS implementation. By showing which emotional reactions a PMS can trigger, this work makes a considerable contribution to understanding the success or failure of the introduction of performance measurement and management systems.

There are also minor contributions to research on organisational justice and goal setting theory. As far as I have been able to survey, there is no classification in the literature so far that divides various aspects of organisational justice into distinct categories that differ in their impact on human emotions. Furthermore, I found no evidence in the extensive literature on goal-setting theory that a link has been drawn between the quality of moderator variables and the emergence of positive or negative emotions. Although these insights may not have the same significance as the findings regarding PMS and emotions, they do represent new aspects within their respective fields of research.

No new insights have emerged relating to the research areas of leadership, motivation theory and error culture. However, my findings are in line with the current views in the literature, which is why I consider my work and the research to be mutually confirmatory. Table 14 gives an overview of the contribution of my work to the different research domains.

Area of research	**Contribution**
Performance Measurement and Management	++
Organisational Justice	+
Leadership	o
Motivation Theory	o
Goal Setting Theory	+
Error Culture	o

++	Novel concept: Setting up new* theories to explain an old phenomenon
+	Extension: Providing new insights on aspects that have not been noticed before
o	Replication: Confirming already existing findings
-	Dissent: Disagreement or inconsistency with the prevailing theory
--	Falsification: Demonstration that an accepted theory is not true
	*New to that specific area of research

Table 14: Contribution to larger field of research
(Classification adapted from Ladik & Stewart, 2008; Salovaara et al., 2020)

7 Conclusions

The motivation for this work arose from my dissatisfaction with the fact that the literature dealing with the implementation of PMS focusses largely on 'technical' (i.e. methodological) aspects while neglecting the human factor. There are many instructions and guides that deal in detail on how to successfully implement performance indicators emphasizing the need to align the measures to the strategic goals of the organization, to define S.M.A.R.T indicators etc. (e.g. Bourne, 2001, Hudson Smith & Smith, 2007 and many more[79]), but only a fraction of these publications addresses the topic of emotions in some way[80] and none combines the terms "performance measurement" and "emotions" in its title.

Many initiatives for the introduction of PMS do not achieve their goals (cf. Bourne et al., 2002, McCunn, 1998). The analyses of these incomplete or even failed implementations also list predominantly methodological reasons. The human factor – the psychological, cognitive and social influencing factors in socio-technical systems – is usually left out of the equation. An astonishing simplification of the human being, especially in view of the fact that since Aristotle it has been discussed that cognition and emotion must be understood in their interaction in order to explain human behaviour (Sendera & Sendera, 2007, p. 48).

In order to address this underrepresentation in the scientific discourse on PMS, I have attempted in this thesis to explore which emotional responses are linked to the different aspects of PMM. The methodological approach applied to uncover the individual emotional responses of employees is based on Husserl's transcendental descriptive phenomenology. It starts from the sensual experience of the human being and seeks the actual essence behind a sequence of phenomena.

The data itself was collected through a series of interviews. First, three unstructured pilot interviews were conducted to identify themes that allowed the construction of an interview guide used in the following semi-structured interviews. The interviews were transcribed verbatim and analysed looking for significant statements. The significant statements were coded and condensed into overarching themes. This process was repeated until no new aspects emerged in the tenth and eleventh interviews, i.e. saturation was reached. Once the data were collected, they were analysed using Moustakas' transcendental phenomenological model.

[79] A search on Google Scholar using the term 'implementation of performance measurement' returned more than 4.5 million results.

[80] The same search term as before extended by 'emotion' returns only 23.400 results.

7.1 Summary of key findings

The result was that all respondents associated the topic of PMM more with the assessment of their individual, personal performance than that they saw it as an overarching information and steering instrument for corporate management. This view was supported by the fact that variable pay components were linked to performance appraisal at both individual and team level. Therefore, fairness, or more generally justice, was the central theme around which most of the statements revolved (50,8% of all statements).

Within the overarching theme of (organisational) justice, statements referring to procedural justice were particularly frequent. Two out of three statements about justice referred to a just approach to decision-making. The aspects mentioned by the respondents largely coincided with what can be found in the literature about the characteristics of procedural justice (cf. Colquitt et al. (2001)). Essentially, this included consistent decision-making procedures that take all needs into account (6.9% of all statements), trust in the neutrality of decision-makers (impartiality, 5.7% overall), the possibility of participation (voice, 4.5% overall) and accuracy of the underlying information (2.4% overall).

Most of these aspects (accuracy, consistency, impartiality) together with goal alignment (6.1% overall), a cross-departmental coordination of the respective goals, especially if the outcomes of both areas depend on each other, were seen as fundamental by the respondents, i.e. they implicitly assumed that the organisation or the superior fulfilled the requirements for these characteristics. There was no evidence that fulfilling them could lead to positive emotions. But on the other hand, if these expectations were not met, this was expressed in negative emotions such as disappointment and annoyance.

The opportunity to participate, on the other hand, could generate both positive and negative emotions, depending on how pronounced the opportunity to voice one’s opinion in the decision-making process was. The possibility to express one’s opinion within a decision process was explicitly expected by the interviewees and was used as a criterion for evaluating the fairness of the procedure.

A third group, which generated exclusively positive emotions, was formed by goal adjustment (4.5% overall), i.e., adjusting a previously determined goal to changed circumstances, and by the opportunity for correcting bad decisions or bad outcome (correction mechanism, 1.2% overall). These characteristics are usually not expected and therefore generate a positive surprise and contribute over-proportionally to satisfaction. Moreover, negative emotions do not occur in the case of non-fulfilment, because there is no disappointment when something is missing that was not expected.

This three-part categorisation corresponds to Noriako Kano's classification of different types of requirements for products and services, which have varying effects on customer

satisfaction depending on their degree of fulfilment. Kano (1984) defines five criteria in his model that have an influence on customer satisfaction:

- Basic Features – are a matter of course for customers and are taken for granted. They are considered must-have criteria. Missing basic features make for dissatisfied customers, but existing basic features do not generate satisfaction.
- Performance Features – are explicitly expected by customers. They have a direct influence on satisfaction. Customers often compare different products on the basis of performance features. If performance features are missing, dissatisfaction arises; if they are exceeded, satisfaction increases.
- Enthusiasm Features – excite customers. They are not expected by customers and the lack of corresponding features does not generate dissatisfaction. If an enthusiasm feature exists, this leads to a disproportionate benefit and advantage.
- Irrelevant Features – lead neither to customer satisfaction nor to dissatisfaction. Or in other words: The existence or non-existence of the irrelevant characteristics has no influence on customer satisfaction.
- Rejection Features – lead to dissatisfaction by their mere existence. If rejection features are present, this leads to dissatisfaction, but if none are present, this does not generate satisfaction.

The Kano model goes back to Frederick Herzberg's two-factor theory - also known as motivation-hygiene theory - from 1959. The American professor of labour science defined motivators and hygiene factors and described satisfaction and dissatisfaction not as opposites but as two independent characteristics. Herzberg had observed that satisfaction does not arise automatically just because there are no reasons for dissatisfaction.

The Kano model is a transfer from labour science to the analysis of customer desires. The basic characteristics of the Kano model correspond to the hygiene factors of the two-factor theory. Performance characteristics and enthusiasm characteristics are comparable to motivators. It is therefore also referred to as the customer satisfaction model. In this case, if the employees are seen as customers who are supposed to ‘buy’ the PMS from top management, then the customer satisfaction model can also be considered the employee satisfaction model. The Kano model has previously been used by researchers to determine the influence of various factors in the work environment on employee satisfaction (cf. Eskildsen & Kristensen, 2006; Martensen & Grønholdt, 2001; Matzler et al., 2004)

A similar picture emerged with the second major block within the overarching theme of organisational justice, interactional justice – the sensitivity with which employees are treated by their superiors and the associated perceived respect shown by the superior.

12.6% of all statements referred to interactional justice, making this theme one of the top 3 in its own right. Interactional justice has two facets, informational justice, i.e., important information is conveyed in a timely manner and explained thoroughly and exhaustively, and interpersonal justice, treating staff with respect, courtesy and dignity.

My interview partners seemed to place particular emphasis on the amount and quality of the information given to people why certain procedures were used or results distributed in a certain way, as there were more statements on informational justice (9.3% overall) than on interpersonal justice (3.3% overall). At least they explicitly dealt with the two aspects of informational justice, transparency and justification, which leads to a relationship between degree of fulfilment and emotional response, as is common for performance features.

Regarding the two aspects of interpersonal justice, the results were mixed. While the respondents expected their superiors to treat them with respect (2.0% overall), the emotional responses showed a wide spectrum from negative to positive when it came to the quality of the interpersonal relationships (affinity, 1.2% overall).

There was unanimity on the theme of distributive justice, the third and final topic within the overarching theme of organisational justice. All eleven respondents agreed that a distribution is fair if it is performance-based (6.9% overall). All seemed to implicitly assume the relative equality principle, i.e., positive emotional reactions were not generated when adhering to it. Only in the case of a recognised deviation from this performance principle discontent would arise. Relative equality can therefore also be seen as a basic feature.

Kano's classification is applicable to other aspects of PMS and their resulting emotional responses beyond organisational justice. For the theme with the second most statements (15.4%), which revolved around the behaviour of superiors and their role model function, I was also able to assign the individual aspects to Kano’s three categories mentioned above. Authentic behaviour, i.e., acting according to one's convictions, conveying credibility and trust in one's own personality, was presupposed (0.8% overall). Such behaviour does not evoke positive emotions in the respondents, but if they felt that their supervisor was deceiving them and that his behaviour was only pretended, this would lead to mistrust and discomfort. Authenticity is therefore a basic feature.

On the other hand, factors such as how open and accessible the superior is (3.3% overall), how far he or she shows trust in his or her employees (3.3% overall) and appreciation for their achievements (1.2% overall), and how pronounced his or her leadership qualities are (2.4% Overall), serve as assessment criteria of the managers, which can lead to both positive and negative results depending on the degree to which they are expressed and fulfilled. These aspects are thus performance features.

Within the ‘role model’ theme there are also aspects that behave like Kano’s enthusiasm features. When superiors show the ability to behave empathically (3.3% overall), i.e., the ability to grasp the emotional state of other people and understand how this influences their behaviour, and to derive an adapted way of acting and communicating from this understanding, the interviewees associate this with over-proportionally positive emotions. Above-average loyal behaviour (1.2% overall), where the superior supports the decisions of the subordinates, defends them against attacks from outside the team and protects them from excessive demands from top management, shows the same effect.

The statements on the motivational factors of PMM also indicate that the relationships between these characteristics and the emotional reactions caused by them correspond to the Kano model. It is noticeable that the aspects of PMM that are associated with the theme of extrinsic motivation can all be assigned to the category of performance features. Most statements on extrinsic motivation (11.4% overall) revolved around the classic topics of tangible (5.7% overall) and intangible rewards (especially praise, 2.4% overall). But there were also examples of other, extrinsically motivated incentives: the feeling that a regular control, a follow-up, gives some meaning to an activity (1.2% overall); the momentum created by belonging to a group (1.2% overall); or the sense of duty towards the superior, the group or the organisation (0.8% overall).

While the first two aspects of extrinsic motivation (tangible and intangible rewards) are clearly positively reinforcing, the situation with the other three aspects (control, group dynamics and conscientiousness) is not so clear. They can have a positive reinforcing effect, for example, if the group dynamic strengthens the feeling of belonging to the group. However, they can also have a negative reinforcing effect if group-compliant behaviour is seen as coercion. In the context of positive reinforcement, the relationship between the fulfilment of the characteristic and the emotional response corresponds to the performance feature described above. In the case of negative reinforcement, the relationship behaves like a rejection feature, i.e., increasing levels of fulfilment lead to dissatisfaction.

In contrast, all aspects related to intrinsic motivation (4.5% overall) can be classified as enthusiasm features. This is not surprising, since intrinsically motivated activities are carried out for their own sake – one experiences positive feelings when performing them. This is also evident from the statements made about ambition (2.4% overall) and self-expectation (2.0% overall) in the interviews.

The aspects related to the theme of goal setting also generate emotional reactions analogous to the modes of action of the basic as well as the performance features of the Kano model. Here, the interviewees presupposed both clarity (4.9% overall) of the given goals and the establishment of external conditions (3.3% overall) that enable the

fulfilment of these goals. The fulfilment of these two requirements is therefore essential to avoid negative emotions.

In contrast, perceived self-efficacy (1.2% overall) and feedback (0.8% overall) from the supervisor on the degree of goal achievement can evoke both negative and positive emotions, depending on their intensity and quality. These aspects can thus be assigned to the performance features. Overall, it is noticeable that four times more statements were made on the aspects that can be assigned to the basic features than on the aspects attributable to the performance features. This may be partly due to the fact that goal setting is the starting point and foundation in the overall process of PMM - without well-developed goals, the entire PMM will not be successful.

It is remarkable that the four aspects mentioned by the interviewees are closely related to the four moderators of goal setting theory (Latham, 2016). Two aspects correspond directly to one of the moderators (external conditions <-> situational constraints and feedback <-> feedback), while self-efficacy is one of the two influencing factors of the key moderator goal commitment (besides importance/relevance) and clarity is essential to the moderator attainability.

The boundary conditions identified in goal setting theory thus evoke emotional reactions which in turn are influential to the pursuit of these goals as emotions give direction to our actions (Dreisbach, 2008). This emphasizes the importance of positive emotions for the effectiveness of PPM.

The statements on the topic of error culture showed great dissatisfaction with how errors are handled in the interviewees' organization. There was agreement that a good error culture should lead to fault prevention (3.7% overall). However, respondents agreed that there was a lack of tolerance (2.0% overall) for mistakes in their organization, which translated into negative personal consequences (2.0% overall).

For the interviewees, on the other hand, it was fundamental that superiors and organizations show tolerance towards mistakes and that employees precisely do not have to fear negative personal consequences in order to deal constructively with mistakes, learn from them and thus enable sustainable fault prevention. Therefore, I have assigned all aspects of the error culture theme to the basic features category.

Table 12 (p. 168) provides an overview of the number of statements on the individual aspects of the identified themes, as well as the respective share of the total number of statements and a weighting derived from this. The allocation of the themes and their aspects to the various categories of the Kano model is listed in Table 13 (p. 176) and illustrated in Figure 22 (p. 181). Finally, Figure 23 shows the absolute and proportional number of statements allocated to the individual categories.

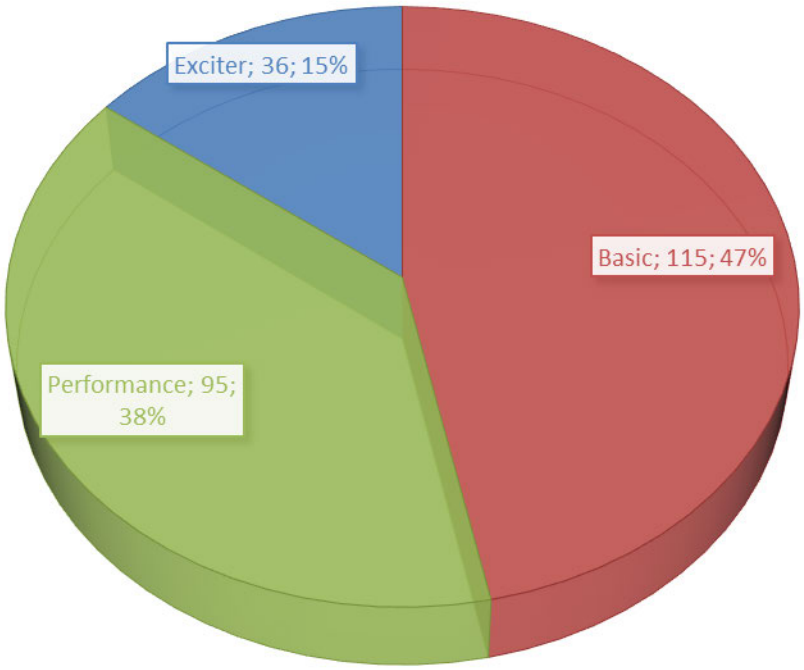

Figure 23: Statements (absolute/relative) per Kano category

With a normal distribution, it is to be expected that most of the statements are allotted to the category of performance features, since these are the attributes with which the respondents are consciously concerned. Basic features are generally more difficult to identify because they are generally assumed - they only come into focus when they are under- or non-fulfilled. The fact that this category is so strongly represented here suggests that some basic requirements in relation to performance measures are not being met in the respondents' organization and that there is therefore a degree of dissatisfaction. In another group of interviewees or in other organizations, the distribution of statements across the individual categories of the Kano model may be different.

7.2 Insights for practitioners

As shown in chapter 3.6, emotions have an important impact on the evaluation of external stimuli that result in behaviour (cf. Figure 15, p. 89).

The model described there is based on current research findings, which assume that both a cognitive and an emotional evaluation process are simultaneously involved in the processing of perceived events. The model illustrates how emotions influence feelings and beliefs, which in turn contribute to the assessment of the situation within the cognitive evaluation process. Taking into account one's own understanding of the role and the available possibilities, the individual behaviour of the respective person is derived from this.

Thus, although emotions are not the sole determining factor for people's behaviour, they do represent an important aspect in the evaluation process that determines their individual behaviour. For a successful introduction and application of a PMS, it is therefore worthwhile to become aware of employees' feelings in connection with key figures, as PMM offers many external stimuli that can be associated with a variety of positive or negative emotions.

Although the results presented in Table 13 (p. 176) and Figure 22 (p. 181) only apply to one specific case, general findings can be derived from them that are important for all practitioners who are considering the introduction of a PMM or are working with an already established KPI system.

Firstly, people are not machines, they have feelings that help determine their actions. Second, different people can have varying emotional reactions to the same external stimulus. Third, the same aspects of a performance measurement system can have varying degrees of significance for each individual.

The particular emotional reaction depends on the individual, his or her personality and previous shaping experiences, as well as on specific framework conditions such as the corporate culture and the behaviour of superiors. In order to understand the emotional reactions of employees and the associated effects, superiors need to create a relationship of trust in which their employees open up and talk about their feelings in relation to KPI systems. Subsequently, the Kano model with its different categories can help the supervisor to focus on the essential activities and measures in order to create a most positive mindset towards a PMS. This can be achieved by using the framework described in chapter 6.3 as an answer to the third research question.

The Kano model shows that employees react differently to distinct aspects of PMM. This results in various insights:

- Basic features - also called Must-Be or essential features - are taken for granted by employees and are assumed. They are considered must-have criteria.
  Missing basic features make for dissatisfied employees, but existing basic features do not create satisfaction.
  Even with a very good quality of individual basic features, satisfaction cannot be increased.
  Therefore, these aspects must be fulfilled, but pursuing them beyond that is inefficient.
- Performance features - also called linear, one-dimensional or quality features - are explicitly expected. They have a direct influence on satisfaction.
  If performance features are insufficiently fulfilled, dissatisfaction arises; if they are exceeded, satisfaction increases.
  Superiors should put the most effort into this category.

- Enthusiasm features - also called attractive features or exciters/delighters - inspire employees. They are not expected and the lack of corresponding characteristics does not create dissatisfaction.
  If an enthusiasm feature exists, it leads to a more than proportional benefit and advantage.
  Enthusiasm features represent the top class. Identifying and implementing them can be very time-consuming or require special characteristics of the manager or the organisational culture. However, it is worth addressing them from time to time, as they not only contribute extraordinarily to satisfaction, but can also give new impulses.
- Irrelevant features - also called indifferent qualities - lead neither to satisfaction nor to dissatisfaction among employees. Or in other words:
  The existence or non-existence of the irrelevant characteristics has no influence on satisfaction.
  They are irrelevant in the truest sense of the term.
- Rejection features lead to dissatisfaction by their mere existence.
  If rejection features are present, this leads to dissatisfaction, but if they are not present, this does not generate satisfaction.
  Rejection features should therefore be avoided at all costs.
- The importance of individual aspects and thus employee satisfaction change over time. Often, enthusiasm features (cf. e.g., the wiping technique on a smartphone) become performance features and later even basic features. A habituation effect occurs. Sometimes a basic feature also becomes a performance feature - but this usually requires prior habituation to an unfulfilled basic feature.

So, if a manager takes the time to explore the emotional reactions of his or her staff in regard to PMM, if he or she understands which aspects are assumed, which are explicitly expected and which can trigger enthusiasm, then he or she can act accordingly, taking into account the insights from the Kano model listed above, to minimise negative emotional reactions and create a positive atmosphere.

This becomes even more important when a performance measurement system is linked to the attainment of variable remuneration components. The interviews showed that this is a sensitive issue where employees pay particular attention to fairness (especially procedural). Lind (2001) proposes to provide as many positive justice experiences as possible early on in a person's experience with an organisation, supervisor etc., because any type of justice influence's the (initial) formation of a general fairness judgment. This general fairness judgment carries over to other fairness judgments.

Maximising positive emotional responses will not automatically lead to successful PMS implementation; the technical aspects are also important[81], but it provides a solid basis as warm and friendly emotions signal connectedness in a social relationship (Scherer et al., 2013). Connectedness increases trust towards partners and the willingness to fulfil the needs, interests and wishes of the organisation and to accept one's own disadvantages in the process.

Cold and hostile emotions signal antagonism in a social relationship (Scherer et al., 2013). Adversarial emotions lead to a moral disengagement from the company and to an increased commitment to one's own needs, interests and desires and to disregarding those of the company. The quality of the social relationship in the company - i.e., whether the needs, interests and wishes of the employees are met or frustrated - and the associated friendly or hostile emotions are in turn the source of work engagement and health or company-damaging work behaviour, stress reactions and health risks (Badura et al., 2020).

Generating positive emotions is therefore not only useful in the context of PMM, but also serves the satisfaction and well-being of employees in general and thus also supports the achievement of the organisation's goals in the medium and long term.

7.3 Insights for researchers

This study makes an important contribution to the research field of PMM by examining a previously neglected area, that is, people's emotional reactions to the measurement and evaluation of their individual performance, and by providing insights that contribute to the understanding of the interactions between performance measurement and emotional reactions. It represents the first explicit investigation into which aspects of PMM lead to certain emotional reactions and which factors are thus decisive for employees' attitudes towards a performance measurement system.

As the results show, not all aspects of PMM have the same effect on the development of emotional reactions. Some aspects only have an impact if they are not fulfilled or only fulfilled to a small extent. Then, however, they cause dissatisfaction, while they do not automatically cause satisfaction when fulfilled. They can be compared very well with Herzberg's hygiene factors in his two-factor theory (motivation-hygiene theory) or the basic features of the Kano model.

Other aspects, on the other hand, are explicitly linked by employees to certain expectations. They can be fulfilled to varying degrees and eliminate dissatisfaction or

[81] These have been detailed elsewhere in research and literature (cf. chapter 3.1.4).

create satisfaction, depending on the degree of fulfilment. In the Kano model, this behaviour corresponds to performance features.

A third category, which corresponds to Herzberg's motivators or the enthusiasm features in the Kano model, are not expected and if they are missing, this does not lead to dissatisfaction. On the other hand, even low levels of fulfilment lead to disproportionately positive reactions.

According to the respondents in this study, the basic features, i.e., the presupposed characteristics, included above all the majority of the aspects of procedural justice, namely consistency, goal alignment, impartiality and accuracy. Furthermore, they presupposed certain issues of interpersonal relationships, namely respect and authenticity, as well as aspects of the goal-setting process and elements of a positive error culture. In summary, employees expect a 'fair' procedure in the assessment of their performance by metrics, characterized in particular by clear, achievable targets that can be evaluated as objectively and unbiasedly as possible. In addition, there should be an appreciative atmosphere and an error culture that focuses on prevention rather than punishment.

In contrast, the majority of the aspects of interactional justice, and closely related to them, the appearance and behaviour of superiors, were among the characteristics that the interviewees consciously dealt with, which, depending on the degree of fulfilment, could elicit both positive and negative emotional reactions. This category also included all types of extrinsic motivation, especially when variable remuneration was linked to the achievement of certain threshold values in the key performance indicators, as well as the remaining aspects of the goal-setting process.

Finally, the category of enthusiasm features included some unexpected aspects such as special correction or adjustment mechanisms in the appraisal process as well as outstanding characteristics of superiors such as special loyalty or empathy. All aspects that have a positive effect on intrinsic motivation can also be sorted into this category.

Even though these results come from the interviews of a relatively small group of people who are also pre-determined by certain framework conditions, and thus do not represent generally valid findings, it seems plausible to me that a certain procedural fairness, respectful treatment of employees and a positive error culture are presupposed, while the explicit handling of the performance indicators and the related behaviour of the superiors, as well as the associated interaction on extrinsic motivation, serve as conscious evaluation criteria and thus elicit corresponding emotional reactions. In this sense, it is also evident that outstanding characteristics of either procedural justice or supervisor characteristics can lead to disproportionately positive reactions that may even culminate in intrinsic motivation.

Whether positive emotions have such far-reaching consequences that they even strengthen cognitive abilities, as claimed by positive psychology, is not something I can answer in the context of this study. But they do have a reinforcing effect on the perception of fairness, which was directly confirmed by some of the interviewees:

INTERVIEWER: *„So first of all, I take with me, if the interpersonal relationship with the manager, if it is good, do you also perceive the manager and their assessment as fairer?"*
IP6: *„ (...) I'm afraid so."*

Whether the trend that emerged here can be confirmed and possibly even has general validity, or where and how a demarcation is necessary (e.g., between different sectors, cultures, etc.), represents an interesting question for future research.

Overall, my study calls for greater reflection on how employees respond to the implementation of a PMS. An organization should be seen as a multicellular organism made up of people with needs and emotions, rather than a soulless machine whose reactions can be predicted by the rules of physics. If one or the other practitioner or researcher adopts this view, there is a chance that both companies will gain more transparency about their internal processes and a more positive climate will develop among employees.

7.4 Personal insights

As I stated briefly in chapter one and more broadly in the introduction to chapter three, there is a widespread view among theorists and practitioners working in the field of management science that the complexity of an organisation needs to be reduced to a finite number of (key) indicators in order to be able to manage it. This view has become deeply embedded in the education system - at least in the part of the education system I have had contact with in the past: a German High School and a technical university.

Against this educational background, it is not surprising that I too initially became a professed believer in the universal truth of numbers. Numbers do not embellish anything. The numbers do not lie. Numbers are always right. The beauty of numbers is that they create the appearance of objectivity. And that they are so catchy and easy to understand: 10 % EBIT is better than 5 %. Everyone understands that.

If the numbers did not improve despite all the measures taken, it was because of the people. They could not or did not want to understand the numbers. The truth is sometimes unpleasant, especially when it concerns oneself. In any case, it was not the numbers.

Then the moment came when my previous employer wanted to introduce a system of key performance indicators. I was responsible for the technical implementation, not for the introduction into the organisation as such. However, since the introduction was neither prepared nor accompanied by the top management nor the respective

executives, many employees turned to me. Against the background of my basic attitude towards numbers as described above, I thought the KPI system was a good thing. It would enable us to identify bottlenecks and process orders more efficiently. However, many colleagues showed reservations about the new system. I could not dispel these concerns even through rational argumentation.

Around the same time, I became interested in studying for a Doctor of Business Administration. The problems with the implementation of the performance measurement system seemed to be a good topic to work on. At that time, my philosophical approach was more positivist in nature. This way of thinking corresponded to my education - I simply did not know any alternatives. During several years as a student and then as a research assistant at a German university, I had never come into contact with the different philosophical approaches, some of which can be traced back to German thinkers and philosophers. It was only through my studies at an English university that I became acquainted with the diversity of existing philosophies of science and research methods.

This opened up new ways of looking at things for me. Seen from a different perspective, my colleagues' concerns about the KPI system were suddenly understandable. The inconsistencies and problems that I had perceived from my previous point of view but could not grasp suddenly became tangible and explainable. I realised that I had to find other ways to approach the core of the problem. My view of the professional literature on the subject of key performance indicators changed. I realised that most of the authors had approached the subject from the same technical perspective as myself. While there were critical voices noting that a large number of implementations of KPI initiatives failed, these were in the minority. Only a few denounced the fact that most of the theoretical models were developed completely bypassing people (Levinson, 2003; Meekings, 1995).

However, to understand the human side, a science of the "inside" was necessary, where the world is approached through subjective experience. This is how I arrived at phenomenology, which is oriented towards things in themselves as they are experienced - free of assumptions and prejudices. This was the result of a long cognitive process during which I learned a lot about different paradigms and had many discussions with the lecturers and other students from my course.

The most fascinating thing was to discover a new path that gave me the opportunity to grasp, describe and understand all the problems and stumbling blocks that had remained closed to me from my previous approach. On this path I was often unsure how to move forward. I was like an explorer moving on unknown terrain. And then I couldn't quite get out of my old skin. So, I drew myself a kind of map so as not to get lost in uncharted territory – my phenomenological approach (Figure 21).

So where do I stand today? Have I completely renounced numbers? No, definitely not. I still think numbers are useful because they are an effective tool in communication and they are good for comparison. They just don't have any meaning on their own - it's the person who gives them meaning.

For me, the motto *"If you can't measure it, you can't improve it."* I quoted at the beginning of this thesis, which stood for my point of view for a long time, is no longer appropriate. From my perspective, the statement of another bright mind, Albert Einstein, is much more suitable: *"Not everything that can be counted counts and not everything that counts can be counted"*.

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Annex I – Pragmatism

Pragmatism as a theory of meaning was first stated by Peirce in his 1878 article 'How to make our ideas clear' (Peirce, 1878a; Bacon, 2012). However, the term 'Pragmatism' was coined by William James and introduced to philosophy during his 1898 lecture 'Philosophical conceptions and practical results' at the University of California in Berkeley (Burks, 1958, p. 253; Bacon, 2012). James was especially engaged in aspects of truth and advanced Pragmatism in this direction (Bacon, 2012; Thayer, 1968). John Dewey, who had been a graduate student at Johns Hopkins University during Peirce's appointment, did much to improve Pragmatism's respectability among professional philosophers. In contrast to Peirce, he advocated the application of Pragmatism to all areas of human life and addressed questions of epistemology, metaphysics, moral, political theory and social problems more generally (Bacon, 2012). Other important contribution of that time came from Mead, a colleague of Dewey at the University of Chicago, who developed perspectives upon the relations of the self and the community, and Oxford's Schiller, who was a harsh critic of then contemporary English mainstream philosophy (Bacon, 2012; Thayer, 1968). After Dewey, Pragmatism lost a lot of its momentum, either due to the influence of European philosophers (e.g., Popper, the Frankfurt school and others) or as others suppose as its attitude of tolerance did not suit the circumstances of the mid twentieth century. Pragmatism saw its revival in 1979 with the publication of Rorty's 'Philosophy and the Mirror of nature' (Bacon, 2012). His controversial work rejected many of the basic assumptions of modern philosophy. Although he can be credited with having renewed interest in Pragmatism, his work also received criticism from other contemporary Pragmatists like Putnam, Haack, Brandom or Misak (Bacon, 2012).

Annex II - Epoché and bracketing

In the following, I give an insight into how I approached the topic of epoché and bracketing by means of an excerpt from the self-audit I conducted. I did this self-audit before I started the interviews. The extract explains how I became clear about my own mental model in relation to variable remuneration.

Phase I – Remembering:
It's that time again. The annual meeting is coming up. One topic will be the achievement of goals. Once again, my supervisor wants to know how I assess my own performance. This part always fills me with unease. It's not that I have a guilty conscience. It's not that I think I haven't shown enough commitment. Sure, more is always possible. But I have already shown more commitment than I should have. All the overtime. No, that's not what fills me with unease. It's the fact that I think my work can't be evaluated so easily. My tasks are too multi-layered, too complex to judge them by counting measure because of principle. If I look at how much of my daily work is really objectively measurable, then that's maybe 10 %. The other 90 % is difficult to grasp. I work on the framework conditions so that others can do their work effectively and efficiently. Or I prepare the ground for change. I coordinate with other departments, convince others and work on processes. How do you measure success or the degree of fulfilment? Nevertheless, my supervisor expects me to give him a percentage of how far the goal has been achieved.

Phase II – Reflecting:
I find it problematic to evaluate a performance on a percentage scale, the results of which, however, cannot be counted, measured or otherwise objectively assessed. An attempt is being made here to give a subjective assessment an objective veneer. I could even live with that if I could be sure that my supervisor and I would come to the same conclusion. Or at least to the same result, if he comes to a higher value I would not say no. However, he usually follows my assessment. That's all he's given me so far, with the occasional 5% deduction. I could probably achieve higher values if I did a bit more self-promotion. They say: do good and talk about it. But I'm not the type to constantly pat myself on the back.

Phase III – Realizing:
I assume that performance appraisal is largely subjective, even if it cloaks itself in objectivity. Furthermore, I fear that the outcome of an assessment depends on the extent to which the person being assessed has marketed their performance positively in advance. According to this understanding, employees who do their work in a matter-of-fact and calm manner and do not make a much noise about work successes should have more reservations about fair performance appraisals than colleagues who regularly put their achievements in the limelight.

Annex III - Informed Consent Form

Information Sheet

You are invited to participate in a research study. This form has information to help you decide whether or not you wish to participate – please review it carefully. Research studies include only people who choose to take part – your participation is completely voluntary and you can stop at any time.

Purpose of the study
The purpose of this study is to investigate the role of emotions in relation to key performance indicators, as used in corporate management, for example in performance appraisal procedures.

Procedures
If you agree to participate, you will be asked to be interviewed as an employee who has had experience with key performance indicators in a business environment. The interview will take approximately 45 to 60 minutes and the location will be determined according to your preference. It may be conducted in your office, nearby public areas, or other locations you prefer. You will be asked some questions about your experiences with performance indicators in the past, especially what emotions you associated with them.

Potential risks and discomforts
There are no anticipated risks to your participation. When you feel some discomfort at responding some questions, please feel free to ask to skip the question.

Potential benefits to subjects and/or to society
You will not directly benefit from your participation in this research study. The overall goal is to reveal the experiences of employees in relation to performance measurement. The findings may provide better understanding of the interrelation between performance indicators and emotional perception. Thus, it may provide insights into which aspects need to be taken into account in order to ensure ethically appropriate practices when introducing and using performance measurement in a business context.

Payment/compensation for participation
You will not receive any payment for your participation in this research study

Confidentiality
Any information that is obtained in connection with this study and that can be identified with you will remain confidential and will be disclosed only with your permission or as required by law. The information collected about you will be coded using a fake name (pseudonym) or initials and numbers for example abc-123, etc. The information which has your identifiable information will be kept separately from the rest of your data.

The data will be stored in the investigator's office in a password protected computer.

The data will be stored for approximately seven years after the study has been completed and then destroyed. Your consent will be asked for audio recording. You may decline to be taped. The researcher will transcript the tapes and may provide you with a copy of the transcripts upon request. You have the right to review and edit the tapes. Sentences that you ask the reearcher to leave out will not be used and they will be erased from all relevant documents.

When the results of the research are published or discussed in conferences, no information will be included that would reveal your identity.

Participation and withdrawal
You can choose whether to be part of this study or not. If you volunteer to be in this study, you may withdraw at any time without consequences of any kind. You may also refuse to answer any questions you are reluctant to answer and still remain in the study. The investigator may withdraw you from this research if circumstances arise which warrant doing so.

Alternatives to participation
Your alternative to participation is not to participate.

Rights of research subjects
You may withdraw your consent at any time and discontinue participation without penalty. You are not waiving any legal claims, rights or remedies because of your participation in this research study. If you have any questions about your rights as a study subject or you would like to speak with someone independent of the research to obtain answers to questions about the research, or In the event the researcher cannot be reached, please contact the Research Ethics Committee of the University of Gloucestershire (secretariat@glos.ac.uk).

Your Consent

By signing this document, you are agreeing to participate in this study. Make sure you understand what the study involves before you sign. If you have any questions about the study after you agree to participate, you can contact the researcher via e-mail [redacted]

I am 18 years of age or over and agree to take part in this study.

Participant's Name (printed) _____

Participant's Signature _____ Date _____

Annex IV - Interview Guide

1. Introduction

    1.1. Explain purpose of interview.

    1.2. Inform about timeframe (45-60 min), voluntariness, confidentiality, anonymity and possibility to opt-out at any time or to retract given consent.

    1.3. Get consent for audio recording.

    1.4. Tell me about your current job.

    1.5. Is your personal performance or that of your team currently measured with key performance measures? Or has it ever been throughout your professional career?

        1.5.1. If “Yes”: Tell me about the measures that are/were used. Are the measures relevant for your payment?

        1.5.2. If “No”: Give interviewee an example of performance measures that may be applied with regard to current job.

    1.6. How do you feel about being measured?

2. Aspects of performance measures

    2.1. What do you think of performance measures?

    2.2. Which aspects of performance measures would you consider positive?

    2.3. What type of feelings do you associate with these positive aspects?

    2.4. Which aspects of performance measures would you consider negative?

    2.5. What type of feelings do you associate with these negative aspects?

    2.6. Tell me about positive and negative experiences you had with performance measures.

    2.7. What did you feel in these situations?

    2.8. What made the positive experiences so special?

    2.9. What should have been different for the negative experiences to be less negative or even positive?

    2.10. Did your supervisor have a special part in the positive/negative development of your experiences? Please explain.

2.11. Did the organization or part of it have a special part in the positive/negative development of your experiences? Please explain.

3. Aspects of superiors

3.1. Were there supervisors in your professional life who acted as role models for you?

3.1.1. If “No”: Ask questions 3.2 to 3.7 hypothetically, skip 3.8 to 3.10

3.2. What characteristics made them role models?

3.3. (Leadership Style) Furthermore, did they

3.3.1. articulate a vision of the future,

3.3.2. foster group-oriented work,

3.3.3. set high expectations,

3.3.4. challenge followers’ thinking,

3.3.5. support followers’ individual needs?

3.3.6. (Ask for importance of above-mentioned aspects)

3.4. (Personality Traits) Did they display

3.4.1. extraversion,

3.4.2. agreeableness,

3.4.3. openness to experience,

3.4.4. conscientiousness,

3.4.5. neuroticism?

3.5. (Attitudes and Values) What attitude to work and organisation did they express? Did they show

3.5.1. organizational commitment,

3.5.2. job satisfaction,

3.5.3. a positive attitude towards life in general?

3.6. (Emotional Intelligence) Did those supervisors recognize and understand your feelings?

3.7. (Emotional Intelligence) Did your superiors respond to your feelings? Could they alleviate negative feelings and strengthen positive ones?

3.8. Do you think you performed better under those superiors? Why?

3.9. Were they able to arouse positive feelings about a task or work in general? What do you think triggered those emotions?

3.10. Did any specific behaviour of your superiors influence your opinion on performance measures?

3.11. Were there any supervisors in your professional life for whom you did not like to work?

3.12. In your opinion, what characteristics made them inappropriate superiors? Ask for

3.12.1. leadership style,

3.12.2. personality traits,

3.12.3. attitudes and values.

4. Aspects of organizations

4.1. (Organizational Justice/Distributive justice) Do you think that the performance measures collected will lead to a fair distribution of tangible (e.g. payment) or intangible (e.g. praise) outcomes?

4.1.1. If “no”, what is unfair?

4.2. (Organizational Justice/Distributive justice) What is your definition of a fair distribution of the outcomes of performance measurement?

4.3. (Organizational Justice/Distributive justice) What preconditions must be met, that you would just the distribution of tangible or intangible outcomes of performance measurement to be fair?

4.4. (Organizational Justice/Procedural justice) Do you think that the process used to determine the outcomes of performance measurement is fair?

4.4.1. If “no”, what is unfair?

4.5. (Organizational Justice/Procedural justice) What is your definition of a fair process used to determine the outcomes of performance measurement?

4.6. (Organizational Justice/Procedural justice) What preconditions must be met, that you would just the process of determining the distribution of the outcomes of performance measurement to be fair?

4.7. (Organizational Justice/Procedural justice) Are your concerns heard before a final decision is made?

4.7.1. Is that important to you?

4.8. (Organizational Justice/Procedural justice) Are decisions applied consistently to all affected employees?

4.8.1. Is that important to you?

4.8.2. What is more important to you: consistency or being heard? Why?

4.9. (Organizational Justice/Procedural justice) Do you think the performance measures are accurate and reliable?

4.9.1. If “no”, what is missing/wrong?

4.10. (Organizational Justice/Procedural justice/Goal Alignment) Do you think your personal goal agreements support the overall strategic goals of your company? How do you feel about that?

4.11. (Organizational Justice/Procedural justice/Goal Alignment) In case of multidisciplinary goals, are your target agreements coordinated with other areas? How do you feel about that?

4.12. (Organizational Justice/Procedural justice/Quantitative vs. Qualitative Measures) Are all your (team’s) measures quantitative?

4.12.1. If “No”: Tell me about your experience with the subjectivity of qualitative measures. (Refer to questions 4.7 – 4.9)

4.13. (Organizational Justice/Procedural justice/Goal Adjustment) If the conditions change under which the goals were originally agreed, how will this be addressed?

4.14. (Organizational Justice/Interactional justice) Do you feel treated with respect and dignity when you are told the results of performance measures affecting you or your team?

4.14.1. If “no”, what aspects need improvement?

4.15. (Organizational Justice/Interactional justice) Are explanations given during the communication of performance measures why procedures were used

in a certain way or why outcomes were distributed in a certain fashion and are they reasonable?

4.15.1. If “no”, what is missing/wrong?

4.16. (Intrinsic Motivation) How does perceived fair or unfair performance assessment influence your motivation?

4.17. (Intrinsic Motivation) What aspect of performance assessment has the biggest impact on your motivation – the outcome itself, the process determining the outcome or the way the result is communicated? Why?

4.18. (Error culture) How do you assess the current error culture in the company?

4.19. (Error culture) What characteristics should the error culture in the company display so that you can undergo a performance assessment unburdened and with positive feelings?

5. Finish

5.1. Thank you for all that valuable information, is there anything else you would like to add before we end?

Annex V - Quotes in original language (German)

Chapter 5.2 Pilot interviews

English translation	Original German quote
Oh, so what you can really MEASURE, okay, so like, for example, these days there…	Och, also das, was man richtig MESSEN kann, ne, also wie zum Beispiel diese Tage da…
[...] it's always unfair when you think you've given everything, for example. And you see it differently, it can also be quite individual, it can also be that you are wrong, okay.	[…] unfair ist es immer, wenn man selber eben meint, man hat jetzt zum Beispiel alles gegeben. Und man sieht es anders, es kann ja auch ganz individuell, kann ja auch sein, dass man da falsch ist, ne.
First of all, it is important that the goal is clearly formulated. Even if you don't do it with a key figure, but then you have an end state to be achieved.	Also erstmal ist es ja wichtig, dass das Ziel als solches klar formuliert ist. Auch wenn man es jetzt nicht mit einer Kennzahl, aber dann hat man einen zu erreichenden Endzustand.
[...] at least then somehow recalculated that or just took the date when/ not when the sales department completed my measure, but when I set the date that [the complaint] was finished.	[…] hat das zumindest dann irgendwie rausgerechnet oder hat einfach das Datum genommen, wann/ nicht wann der Vertrieb meine eingestellte Maßnahme abgeschlossen hat, sondern wenn ich die eingestellt habe, dass das fertig war.
So and then/ but something was agreed and that was more expensive but still somewhere in the target. Well, you have to adjust the targets again and again. [...] Adjust them if something has changed in the requirements.	So und dann/ aber es war ja irgendwas vereinbart und das war zwar teurer aber trotzdem irgendwo im Ziel. Also gut, da muss man wieder Ziele immer wieder anpassen. […] Nachziehen, wenn sich von den Vorgaben was geändert hat.
Yes, I think that I try to do quite a lot of tasks but I just can't do it, yes?	Ja, ich glaube schon, dass ich relativ viele Aufgaben versuche zu erledigen aber es eben einfach nicht erfüllen kann, ja?
THAT annoys me a bit, that people like [...] or [...], if you don't stand on their toes EVERY day, then nothing comes. Because that's simply not a priority for them.	DAS ärgert mich ja ein Stück weit, dass Leute wie […] oder auch […], wenn man denen nicht JEDEN Tag auf dem Zeh

	steht, dann kommt da nichts. Weil das für die einfach keine Priorität hat.
Goals, like/ that are overarching, that I have to work on with other departments, those are great. That's also a control element, if that's a goal.	Ziele, wie/ die übergreifend sind, die ich mit anderen Fachabteilungen machen muss, die sind super. Das ist auch ein Steuerelement, wenn das ein Ziel ist.
First of all, it is fair that all areas are treated equally. That includes comparable areas. That target agreements are similar in terms of wording, okay.	[…] fair ist erstmal, dass alle Bereiche gleichbehandelt werden. Also auch vergleichbare. Dass Zielvereinbarungen von der Formulierung her ähnlich sind, ne.
IP1: Or let's put it this way, I've never assessed myself in such a way that I wouldn't achieve that. And that's always been within the proper bounds. Interviewer: Okay. So from there, since the bar was, let's say, FAIRLY SET, that wasn't a problem? IP1: Yes.	IP1: Oder sagen wir mal so, ich habe mich nie so eingeschätzt, dass ich das nicht erreichen würde. Und das ist ja auch immer im ordentlichen Rahmen gewesen. Interviewer: Okay. Also von daher, da die Messlatte, sage ich mal, FAIR GELEGT wurde, war das kein Problem? IP1: Ja.
[...] when you were in agreement [with a colleague from a different department], and you were of the opinion that you had achieved 90 percent. Did one get 90 percent, the other 60, okay? The evaluation was not consistent either.	[…] wenn man sich abgestimmt hat, und war der Meinung, man hätte 90 Prozent erreicht. Hat der eine 90 Prozent gekriegt, der andere 60, ne? Man war da auch nicht bei der Bewertung nicht eindeutig.
[I'll start by] going all the way up. [95% target achievement] Then he laughs at you at first. And then I say, yes, come on, okay, then five percent down. But I have to have that. And then he goes another five percent [down] and then you have it. Like that. Where I myself am of the opinion, actually I only had 80, but then I got 85 percent, if I had gone in with 80, I know I would have come out with 70. It's like that, yes, like at a bazaar.	[Da gehe ich erstmal] ganz hoch ran. [95% Zielerfüllung] Dann lacht er dich eben erstmal aus. Und dann sage ich, ja, komm, okay, dann fünf Prozent runter. Aber die muss ich aber haben. Und dann geht er nochmal fünf Prozent [runter] und dann hast du es. So. Wo ich selber der Meinung bin, eigentlich hatte ich nur 80. Habe ich aber dann dadurch 85 Prozent gekriegt, wenn ich mit 80 reingegangen wäre, weiß ich, wäre ich mit 70

	rausgekommen. Das ist dann so, ja, wie auf einem Basar.
And that [is] always such a little push, he looks at that.	Und das [ist] immer so ein kleiner Anstoß, er guckt da nach.
So of course, I come here to make money.	Also natürlich, ich gehe hier hin, um Geld zu verdienen.
It may well be that, if it is relevant to remuneration, you focus a little more on that yourself.	Das kann schon sein, dass man das selber so, wenn es entgeltrelevant ist, ein bisschen mehr im Fokus hat.
IP1: Because that is MY interest. Interviewer: Ah, okay. So a bit of sporting ambition there as well IP1: Yes, of course. Interviewer: To become better? IP1: Yes, of course.	IP1: Weil das MEIN Interesse ist. Interviewer: Ah, okay. Also so ein bisschen sportlicher Ehrgeiz da auch IP1: Ja, natürlich. Interviewer: besser zu werden? IP1: Ja, klar.
During the target meetings, I am reminded that I myself am not satisfied with/ I say, with my work, yes, but not with the documentation of the work.	Ich werde dann halt bei den Zielgesprächen mal wieder daran erinnert, dass ich eigentlich selbst nicht zufrieden bin mit der/ ich sage mal, mit meiner Arbeit schon, ja, aber nicht mit der Dokumentation der Arbeit.
Because, I see this as my duty and my job, yes?	Weil, ich sehe das als meine Pflicht und meine Aufgabe an, ja?
Yes, he sees a mistake, but is afraid to go to the boss, according to the motto: here, I'm about to get one, because I have a thousand parts here now, which I/ where I have forgotten a hole, yes?	Doch, der sieht dann einen Fehler, hat aber Angst zum Chef zu gehen, nach dem Motto: hier, ich kriege gleich einen drauf, weil ich hier jetzt tausend Teile habe, die ich/ wo ich ein Loch vergessen haben, ja?
When a complaint comes in, we discuss it here, who is the culprit but never or very rarely, how could I have avoided it?	Wenn eine Reklamation reinkommt, diskutieren wir hier darum, wer ist der Schuldige aber nie oder ganz selten, wie hätte ich es vermeiden können?
Yes, whereas I have/ That WAS simply COMMON PRACTICE HERE	Ja, wobei das habe ich/ Das WAR eben so ÜBLICH HIER

If I basically work with goals, want to work, I have to put more effort into that as a manager.	Wenn ich grundsätzlich mit Zielen arbeite, arbeiten möchte, muss ich da als Führungskraft mehr Arbeit reinstecken.

Chapter 5.3 Semi-structured interviews

English translation	**Original German quote**
5.3.1.1 Procedural Justice	
But then the departments must also and the superiors of the departments must also weight the goals equally and also evaluate them [equally].	Aber dann müssen die Fachbereiche auch und die Vorgesetzten der Fachbereiche auch die Ziele gleichwertig gewichten und auch bewerten.
In the most positive example, I have received money more often according to the current evaluation criterion. That is, I have been rated as good. With the predecessor, I didn't even receive any money. That means that either the way I work has changed so much or the person who rated me has changed. And in that case, the person has definitely changed.	Im positivsten Beispiel habe ich nach dem jetzigen Bewertungskriterium schon häufiger Geld erhalten. Das heißt, ich bin als gut eingestuft worden. Bei dem Vorgänger habe ich nicht einmal Geld erhalten. Das heißt, entweder hat sich meine Arbeitsweise so unheimlich verändert oder derjenige, der mich bewertet hat, hat sich verändert. Und in dem Fall hat sich ja definitiv die Person verändert.
[…] but also the standard that is applied. To assess, do I now get two points or three points for, let's say, my appearance again or my way of speaking? That is not defined either.	[…] sondern auch der Maßstab, der angelegt wird. Zu beurteilen, kriege ich jetzt für, ich sage mal, mein Äußeres wieder oder meine Art zu sprechen, zwei Punkte oder drei Punkte? Das ist ja auch nicht definiert.
Right. I have 90 percent working hours, I get 90 percent of a salary for the work that I do, and then for me the fair inverse, I have to bring 90 percent of a goal of a 100 percent employee, would be a fair assessment for me.	Richtig. Ich habe 90 Prozent Zeiteinsatz, bekomme 90 Prozent eines Gehaltes für die Arbeit, die ich tue und dann ist für mich der faire Umkehrschluss, ich muss 90 Prozent eines Ziels eines 100 Prozent Angestellten bringen, wäre für mich eine faire Beurteilung.

So I think that clear, comprehensible evaluations are more meaningful for all, as far as it is comparable, because, there are ALWAYS the people who want to argue something away.	Also ich glaube, das eindeutige, nachvollziehbare Bewertungen für alle gleich, soweit es vergleichbar ist, sinnvoller sind, weil, es gibt IMMER die Menschen, die irgendwas wegdiskutieren wollen
So I mean, my silly understanding then would be in the management board, I'll say X, Y and Z, you each have individual goals, but then they contribute to one big goal.	Also ich meine, mein dummes Verständnis wäre dann im Managementboard, ich sage mal X, Y und Z, ihr habt jeder Einzelziele, aber die dann zu einem großen Ziel dazu beitragen.
[...] overarching goals that advance the company as a whole, which of course increases the risk of failure or poor evaluation at the point.	[…] übergreifende Ziele sein, die das Unternehmen als Ganzes weiterbringen, was natürlich die Gefahr eines Scheiterns oder schlechter Bewertung erhöht an der Stelle.
The targets are no longer relevant to remuneration. In the case of the other, they are relevant to remuneration. Both are working on a project and will receive an evaluation for this project at the end. It hurts one, but not the other. We've always had that, because even before that, one of them had a tip on top. And for the other, it was 10 percent of his compensation.”	Die Ziele sind nicht mehr entgeltrelevant. Beim anderen sind sie entgeltrelevant. Beide sitzen an einem Projekt und kriegen am Ende für dieses Projekt eine Bewertung. Dem einen tut es weh, dem anderen nicht. Das hatten wir immer schon, weil auch vorher hatte der eine irgendwie, ich sage mal, ein Trinkgeld obendrauf. Und bei dem anderen waren das 10 Prozent seiner Vergütung.
Fair is for example, if you have a (...) connected goal, so really ONE goal definition, for example with the purchasing, okay. With you it's relevant to pay and with purchasing it's not. All issues that I had in the past. One says, trallala, I have the goals all out. The weighting, with one goes 20 percent in, the other has only 5 in and so on.	Fair ist zum Beispiel, wenn du ein (...) verbundenes Ziel also wirklich EINE Zieldefinition, zum Beispiel mit dem Einkauf hast, ne. Bei dir ist es entgeltrelevant und beim Einkauf nicht. Alles Themen, die ich in der Vergangenheit hatte. Der eine sagt, trallala, ich habe die Ziele alle raus. Die Gewichtung, beim einen geht 20 Prozent rein, der andere hat nur 5 drin und so weiter.

[…] Well, as a team, we have to reach a goal and we can do it. If I do a bit more than you this year, that's okay, but next year it might be the other way around, because of course we are sometimes at the mercy of customers or market situations. Then that's perfectly fine in a good team that works well together.	[…] Mensch wir als Team zusammen, wir müssen ein Ziel erreichen und wir schaffen das auch. Wenn ich dieses Jahr ein bisschen mehr mache als du, ist das okay, wenn es nächstes Jahr vielleicht andersrum läuft, weil wir natürlich auch, ja, Kunden auch manchmal ausgeliefert sind oder Marktsituationen. Dann ist das in einem guten Team, das gut miteinander arbeitet, ist das völlig in Ordnung.
So a subjective evaluation (...) is not appropriate for me. Would not be appropriate for me.	Also eine subjektive Bewertung (...) ist für mich nicht zielführend. Wäre für mich nicht zielführend.
For me, a subjective assessment (...) hm yes, it's hard to say now, not tangible. Let's put it this way. Because the personal attitude still plays a role.	reluctance to the use of subjective evaluation criteria as follows: „Für mich ist eine subjektive Beurteilung (...) hm ja, ist jetzt schwer zu sagen, nicht greifbar. Sagen wir es mal so. Weil da spielt immer noch das persönliche Befinden mit rein.
If I now consider that a colleague who, according to these criteria, which are never completely objective, would receive twice the annual income and another colleague would perhaps receive even less than a normal salary, i.e. who is being picked pocket, that would be something that I would consider unfair, because these criteria are never completely objective.	Wenn ich jetzt überlege, dass ein Kollege, der nach diesen Kriterien, die ja nie ganz objektiv sind, wenn er da ein doppeltes Jahreseinkommen bekommen würde und ein anderer vielleicht sogar weniger bekommen würde als ein normales Gehalt, also dem man in die Tasche greift, das wäre dann etwas, was ich als ungerecht empfinden würde, weil diese Kriterien nie ganz objektiv sind.
I think that the crux of justice, if we want to stay with the word, really lies in the assessment of the individual's performance, because I think that personal factors, sympathy, antipathy always play a very big role in this.	Ich glaube, dass der Knackpunkt der Gerechtigkeit, wenn wir bei dem Wort bleiben wollen, wirklich in der Beurteilung der Leistung des Einzelnen liegt, weil ich glaube, dass persönliche Faktoren, Sympathie, Antipathie immer eine sehr große Rolle dabei spielen.

I always find it difficult with qualitative goals to determine WHAT is required to ensure that a qualitative goal is considered to have been met. An extremely detailed catalog of criteria must be defined beforehand.	Schwierig bei den qualitativen Zielen, finde ich immer, ist, festzumachen, WORAN man das festmacht, dass ein qualitatives Ziel dann auch als erfüllt gilt. Da muss ein extrem detaillierter Kriterienkatalog dann vorher definiert sein.
I could imagine that in the past, no, we didn't manage to do that, we were much too late, and so on. On the other hand, I believe that a development or project team has achieved a good result in time. Perhaps the priorities were distributed differently beforehand. We'll have to see.	Da könnte ich mir vorstellen, das war in der Vergangenheit, nein, das haben wir ja nicht gepackt, da waren wir ja viel zu spät und so weiter. Auf der anderen Seite hat da aber, glaube ich, ein Entwicklungs- oder ein Projektteam ein gutes Ergebnis noch in der Zeit realisiert. Man hat dann vorher vielleicht die Prioritäten anders verteilt. Muss man mal gucken.
That is what I then actually try to say, okay, this is not congruent with what you have formulated as the final state, but it has also been aggravated by this and this and this.	Das ist ja das, was ich dann eigentlich versuche dann zu sagen, okay, das ist jetzt nicht deckungsgleich mit dem was man als Endzustand formuliert hat, aber es ist ja auch erschwerend hinzugekommen, das und das und das.
So, if there are at least correction factors, where you can then recognize, the situation is then perhaps recognized by the management. Or if it is said, yes, we'll stick with this target achievement for now, we'll stick with it, we know you can't do it under certain circumstances, and then we'll see to it that we make a compensatory assessment afterwards.	Also, wenn es zu mindestens Korrekturfaktoren gibt, bei der/ bei denen man dann erkennen kann, die Situation ist dann vielleicht von der Unternehmensleitung erkannt. Oder wenn gesagt wird, ja, wir bleiben erst mal bei dieser Zielerreichung, bleiben wir, wir wissen, das kriegen sie unter bestimmten Umständen nicht hin, und wir sehen dann aber zu, dass wir da im Nachhinein eine ausgleichende Bewertung vornehmen.
Voice. And that's because you're not a lone warrior. In certain things that may be the case, yes, but when it comes to decisions, then, let's say, I may have to put on different glasses.	Mitsprache. Und zwar, man ist ja kein Einzelkämpfer. In gewissen Dingen mag das vielleicht sein, ja, aber wenn ich zu Entscheidungen komme, dann, ich sage

	mal, da muss ich unter Umständen verschiedene Brillen aufsetzen.
A combination of both. Sounds stupid, but that's the way it is. Of course, we are with our solutions, use of common parts, use of standard parts, that is standard for us. So. But I would also like to have a VOICE, in quotation marks, when it comes to any other components. That's why I said something from both. That would be fine. Yes.	Eine Kombination aus beidem. Hört sich blöd an, ist aber so. Natürlich sind wir bei unseren Lösungen, Gleichteileverwendung, Normteileverwendung, das ist Standard bei uns. So. Ich hätte aber auch gerne MITSPRACHERECHT, in Anführungsstrichen, wenn es um irgendwelche anderen Komponenten geht. Darum habe ich gesagt, aus beidem etwas. Das wäre schon gut. Ja.
Then I wouldn't want to play one off against the other. Because I think (...) a consistency should be there and at the same time you should then exchange communicatively. But which of these WOULD now be more important.	Dann würde ich das eine gegen das andere gar nicht ausspielen wollen. Weil, ich finde schon (...) eine Konsistenz sollte da sein und gleichzeitig sollte man sich dann kommunikativ dann austauschen. Aber was davon jetzt wichtiger WÄRE.
So let me say that if I were to show three possible solutions to a problem, I would have done so to the best of my knowledge and belief and considered as much as possible in finding the solution. So. Now an executive comes along and says "Well, that's all crap. I didn't imagine it like this and like that". Then this is first of all HIS subjective opinion. But not mine. Not mine. Then I would want to demand that one discusses the different approaches to the solution.	Also ich sage mal, wenn ich zu einem Problem drei Lösungswege aufzeige, zeigen WÜRDE, so, dann hätte ich die nach bestem Wissen und Gewissen gemacht und möglichst viel bedacht, in dieser Lösungsfindung. So. Jetzt kommen/ eine Führungskraft davor her und sagt "Also, das ist alles Mist. Das habe ich mir so und so aber nicht vorgestellt". Dann ist das erst mal SEINE subjektive Meinung. Aber nicht mit meiner. Nicht meine. Dann würde ICH verlangen wollen, dass man über die Lösungsansätze diskutiert.
The problem would start where I don't even know where we are at all?	Das Problem würde anfangen, wo ich überhaupt gar nicht weiß, wo stehen wir überhaupt?
So the first point for me is that a really fair and real evaluation of my work is not	Also Punkt eins ist für mich eine wirklich faire und reelle Beurteilung meiner Arbeit

really possible, because it has to be precisely measurable.	ist nicht wirklich möglich, weil, sie muss ja auch präzise messbar sein.
Yes, because of the measurability, quite clearly. And as long as that's not the case, I'd rather do without it than, yes, maybe have to get angry, have hatred and envy among colleagues, then I'd rather have a good working atmosphere and feel good at my workplace WITHOUT these [key performance indicators].	Ja, aufgrund der Messbarkeit, ganz klar. Und solange das nicht gegeben ist, verzichte ich lieber da drauf, als dass ich, ja, mich vielleicht ärgern muss, Hass und Neid unter Kollegen habe, dann habe ich lieber ein gutes Betriebsklima und fühle mich wohl an meinem Arbeitsplatz OHNE diese [Leistungskennzahlen]
Of course, if something is unjustified, I must have the opportunity to appeal against an evaluation to an independent body, BECAUSE it may be that I do not get along with my manager at all and at the personal level the whole thing is so stuck that I may no longer be evaluated fairly from the outset and then it is very important that I do not have to discuss personally with this person whether something is right or not, there must be an independent body that then tries to judge independently.	Natürlich muss ich, wenn etwas ungerechtfertigt ist, muss ich die Möglichkeit haben gegen eine Bewertung Einspruch zu erheben an eine unabhängige Instanz, WEIL, es kann ja sein, dass ich mit meiner Führungskraft vielleicht überhaupt gar nicht klarkomme und auf der persönlichen Ebene das Ganze so sehr klemmt, dass ich vielleicht von vornherein gar nicht mehr fair bewertet werde und dann ist es sehr wichtig, nicht dass ich persönlich jetzt mit dieser Person diskutieren muss, ob jetzt etwas richtig ist oder nicht, es muss eine unabhängige Instanz her, die dann versucht unabhängig zu beurteilen.
5.3.1.2 Interactional Justice	
It's not transparent. So I can't comprehend it. I would like to have a performance measurement that I can see at any time, that I know where I am and clearly know what I have to do to get it.	Es ist uneinsichtig. Also ich kann es nicht nachvollziehen. Ich würde mir eine Performance-Messung wünschen, die ich jederzeit einsehen kann, dass ich weiß, wo ich bin und ganz klar weiß, was muss ich tun, um es zu bekommen.
I can never see who is really in my peer group. So since I'm sorted as a specialist in a group that does not only sales, but also support from other sales units, I'm not only sales, but also somewhere, yes,	Ich kann niemals einsehen, wer denn wirklich in meiner Vergleichsgruppe ist. Also da ich als Spezialist in einer Gruppe einsortiert bin, die nicht nur Vertrieb macht, sondern auch Unterstützung von

sales support. And yes, we are in a comparison group with the XXX who have no customer contact at all. So just the comparison groups alone are inconsistent. I don't know exactly which people are in my group.	anderen Vertriebseinheiten bin ich nicht nur Vertrieb, sondern auch irgendwo, ja, Vertriebsunterstützung. Und ja, wir sind in einer Vergleichsgruppe mit dem XXX, die gar keinen Kundenkontakt haben. Also schon alleine die Vergleichsgruppen sind uneinsichtig. Ich weiß nicht, welche Personen sich genau in meiner Gruppe befinden.
But the advantage was, you knew EXACTLY where you stood.	Aber der Vorteil war, man wusste GENAU, wo man steht.
The thing is then again that of making it transparent. [...] I think that is also a matter of communication, of the way AND again, how do I really make it concrete? I think it's very important to make the whole thing transparent.	Die Sache ist dann wieder die des transparent machens. […] Ich denke mal, das ist auch eine Sache dann der Kommunikation, der Art und Weise UND wiederum, woran mache ich das wirklich konkret fest? Ich finde/ das finde ich ganz wichtig, das ganze transparent zu machen.
Now that was reasonably argued. (...) And I say, not simply said "So and so it comes now". And then, that one argues it reasonably, yes. Yes. Why my solution is now the better than yours. Or the component of it. (...) So and not evil said Order by Mufti. Is nonsense. If you argue this reasonably and convince ME as a designer that this is the BETTER variant, or the more purposeful variant, sure.	Das war jetzt vernünftig argumentiert. (...) Und ich sage mal, nicht einfach gesagt "So und so kommt das jetzt". Und dann, dass man es vernünftig, ja, argumentiert. Ja. Warum meine Lösung jetzt die bessere ist als deine. Oder der Bestandteil davon. (...) So und nicht böse gesagt Order by Mufti. Ist Quatsch. Wenn man das vernünftig argumentiert und MICH als Konstrukteur davon überzeugt, dass das die BESSERE Variante ist, oder die zielführendere Variante, gerne.
Oh, that's very difficult, of course, but of course only the factual level is possible, right? So I have to get away from the emotional level, because that is of course something that would certainly move me emotionally. That is, it would then have to be factually justified. "Your shoes don't	Oh, das ist natürlich sehr schwierig, aber da geht natürlich nur die sachliche Ebene, ne? Also da muss ich weg von der emotionalen, weil, das ist natürlich etwas, was mich dann emotional sicherlich auch bewegen würde. Das heißt, es müsste dann sachlich begründet werden. "Ihre

fit because the color doesn't match or because they're worn out," that's something that on the factual level, I have to accept or can accept because I can perhaps see it myself. If the person says to me "Well, I just don't like them, that's why you get a point deduction there", that's the other story. But that's exactly the balancing act, how should I communicate this criticism when I put myself in the manager's shoes? It has to be formulated in a purely factual way.	Schuhe passen nicht, weil die Farbe nicht passt oder weil sie abgetragen sind", das ist etwas, dass man auf der sachlichen Ebene, das muss ich akzeptieren oder kann es akzeptieren, weil ich es vielleicht selber auch sehen kann. Wenn derjenige zu mir sagt "Also die gefallen mir einfach nicht, deswegen kriegst du da einen Punkteabzug", das ist die andere Geschichte. Aber das ist genau diese Gratwanderung, wie soll ich diese Kritik, wenn ich mich in die Führungskraft versetze, wie soll ich diese Kritik kommunizieren? Also die muss rein sachlich formuliert sein.
And then in each case the deviation better, worse, then justify why now a given performance one likes better or worse. Also in the intensity of the better and worse.	Und dann jeweils das Abweichen besser, schlechter, dann begründen, warum jetzt eine erbrachte Leistung einem besser gefällt oder schlechter gefällt. Auch in der Intensität des besseren und schlechteren.
The first time, well, I'd probably get annoyed. The second time, I'd be annoyed too, but would probably add, "You know what, go do your own shit." It would, if it happened more than once, demotivate me. Demotivate in the sense that I say/ that I ask myself the question "Am I actually still right?" (...) Because what I deliver is crap anyway or it is presented negatively. Let's put it this way. That would definitely demotivate me at some point.	Beim ersten Mal, na ja, würde ich mich wahrscheinlich ärgern. Beim zweiten Mal würde ich mich auch ärgern, aber würde wahrscheinlich noch dazu kommen "Weißt du was, dann mach doch deinen eigenen Scheiß". Es würde mich, wenn das mehrmals vorkäme, demotivieren. Demotivieren insofern, dass ich sage/ dass ich mir selber die Frage stelle "Bin ich eigentlich noch richtig?" (...) Weil das, was ich abliefere, ist eh Mist oder es wird negativ dargestellt. Sagen wir es mal so. Das würde mich definitiv irgendwann demotivieren.
What would motivate me the most is that my proposed solution, whatever it turns out to be, is first at least listened to to the end.	Was mich am meisten motivieren würde, ist, dass mein Lösungsvorschlag erst mal, wie auch immer er ausfällt, zumindest zu Ende angehört wird.

But that we can have a reasonable tone respectively a certain/ yes, on a certain level also talk to each other personally.	Aber dass wir einen vernünftigen Umgangston beziehungsweise eine gewisse/ ja, auf einer gewissen Ebene auch persönlich miteinander sprechen können.
I think a lot depends on the level of mutual acceptance. You are quickly pigeonholed. We're good together, you're good, I'm good, or maybe we're not good together.	Also ich denke, es steht und fällt ganz viel damit, wie die gegenseitige Akzeptanz ist. Man ist ganz schnell in einer Schublade. Wir sind gut miteinander, du bist gut, ich bin gut oder wir sind vielleicht nicht gut miteinander.
5.3.1.3 Distributive Justice	
Against that background, you would have to say, would that have to run on a percentage basis, who has the most impact?	Vor dem Hintergrund müsste man sagen, müsste das prozentual laufen, wer hat denn den größten Einfluss?
So I say fairly rewarded for the effort he has contributed to this goal.	Also ich sage mal, für seine Leistung, die er zu diesem Ziel beigetragen hat, gerecht zu entlohnen.
And for that I think it would be fair, the bonus should be divided according to performance.	Und dafür fände ich es fair, die Prämie sollte leistungsgerecht aufgeteilt sein.
Of course, when I look around at my colleagues, there's always the one who stands at the coffee machine all day and the other who works an extra half hour in the evening to do something that perhaps goes beyond his own. So I think it's okay that someone who gives more gets more money. That's all right.	Es gibt natürlich, wenn ich mich umgucke unter den Kollegen, gibt es immer den einen, der den ganzen Tag an der Kaffee-Maschine steht und den anderen, der abends noch mal eine halbe Stunde länger macht, um etwas zu erledigen, was vielleicht noch über seins hinausgeht. Also ich finde schon in Ordnung, dass jemand, der mehr gibt, mehr Geld bekommt. Das ist schon in Ordnung.
5.3.2 Role Model	
Being at eye level. [...] Professionally, he can't do that at all. He doesn't have to. Let me put it this way, (...) on a human	Auf Augenhöhe sein. […] Fachlich kann er das gar nicht. Muss er auch nicht. Ich will es mal sagen, (...) menschlich auf

level to be on an equal footing. [...] Yes, openness, honesty. (...) I want to say it clearly: Just don't show off as a manager.	Augenhöhe kommen. […] Ja, Offenheit, Ehrlichkeit. (...) Ich will es deutlich sagen: Die Führungskraft einfach nicht raushängen lassen.
So technically is quite simple. Sure. I think everyone can say that quite simply. The other thing is certainly that you have to be skilled in dealing with people. That is certainly something that is also very important, the way to communicate. So now we're getting into the soft again. I'm always in the soft. The way to communicate, the way to lead, the way to deal with conflicts, the approachability perhaps also, does he listen to me, does he trust me, that is certainly also something that all plays a role. Does he give me tasks that I can do independently or am I just controlled? That's all something that certainly that, that's appreciation that doesn't come from the manager's side either. On the other hand, I reward this but also, in which I can but ALSO open up, move more freely. And on the other hand, then the opinion of him or her also becomes more important to me, yes?	Also fachlich ist ganz einfach. Klar. Ich glaube, das kann jeder ganz einfach sagen. Das andere ist sicherlich auch, dass geschickt mit Menschen umzugehen. Das ist sicherlich etwas, was auch ganz wichtig ist, die Art zu kommunizieren. Also jetzt kommen wir schon wieder ins Weiche. Ich bin immer im Weichen. Die Art zu kommunizieren, die Art zu Führung, die Art mit Konflikten umzugehen, die Erreichbarkeit vielleicht auch, hört er mir zu, vertraut er mir, das ist sicherlich auch etwas, was alles eine Rolle spielt. Übergibt er mir Aufgaben, die ich selbstständig erledigen kann oder werde ich nur kontrolliert? Das ist alles etwas, was sicherlich das, das ist Wertschätzung, die von der Seite der Führungskraft auch nicht kommt. Andersrum belohne ich dieses aber auch, in dem ich aber AUCH mich öffnen kann, mich freier bewegen kann. Und auf der anderen Seite, dann wird mir die Meinung von ihm oder ihr auch wichtiger, ja?
Then, in my opinion, a manager should put himself at eye level and not look down from above and say, I'm the manager, this is how it's done now because I'm the manager. I think that's very important because many of the employees here, in our case now, are also well trained. They have been at work for a long time, they already have a lot of experience.	Dann, finde ich, sollte sich eine Führungskraft dann auch mal auf Augenhöhe begeben und nicht von oben runter kucken und sagen, ich bin die Führungskraft, das wird jetzt so gemacht, weil ich jetzt nun mal Führungskraft bin. Finde ich schon sehr wichtig, weil doch viele Mitarbeiter hier, jetzt in unserem Falle, auch gut ausgebildet sind. Die sind

	schon lange bei der Arbeit, die haben schon sehr viel Erfahrung.
So putting yourself on the same level that as a manager you are perhaps FIRST among equals. I have always thought, that is for me such an understanding of the role, which I have felt as sympathetic, and so I would also like to have always had a leader. I HAD also in the past, I had some. I was great with them.	So dieses auf eine Ebene stellen, dass man als Führungskraft vielleicht ERSTER unter Gleichen ist. Habe ich immer gedacht, das ist für mich so ein Rollenverständnis, was ich für mich als sympathisch empfunden habe, und so hätte ich auch gerne eine Führungskraft immer gehabt. HATTE ich auch in der Vergangenheit, hatte ich welche. Mit denen konnte ich super.
Even for situations, well, so can he get a grip, can he give me good, useful tips, perhaps also when I'm in a situation that I'm perhaps no longer able to get to grips with myself, that would be something for me that I would like from my manager, yes, and then the reputation rises immensely. I think even more than/ yes, maybe even more than with professional competence, which is actually a hard criterion. That's easy to judge.	Auch für Situationen, ne, also kann sich der (unv.) reindenken, kann er mir gute, nützliche Tipps geben vielleicht auch, wenn ich in einer Situation bin, die ich vielleicht selber auch gar nicht mehr in den Griff kriege, das wäre für mich etwas, was ich mir wünsche von meiner Führungskraft, ja, und dann steigt das Ansehen immens. Ich glaube, noch mehr als/ ja, vielleicht sogar noch mehr als bei der Fachkompetenz, was ja eigentlich ein hartes Kriterium ist. Das kann man ja leicht beurteilen.
But the art, and here I must now address the manager, the art is that the person opposite does not feel attacked.	Aber die Kunst, und da muss ich jetzt an die Führungskraft, die Kunst ist das, dass der gegenüber sich nicht angegriffen fühlt.
There again the positive lies in the tone, which makes the music then. If it is formulated very carefully, and (...) yes, I'll put it this way, it' s a matter of approach.	Da liegt dann so wieder der/ das positive im Ton, der die Musik dann macht. Wenn es sehr vorsichtig formuliert wird, und (...) ja, ich sage mal so, die Sache des Rangehens.
So, certain empathies should already be there, to BE ABLE to recognize emotional	Also, gewisse Empathien sollten schon da sein, Gefühlslagen in bestimmten Situationen, sei es das ganze Team oder

situations in certain situations, be it the whole team or be it individual employees.	sei es einzelne Mitarbeiter schon dann mit zu erkennen KÖNNEN.
It would help me if I knew that my supervisor had confidence in me that I would get it right.	Es würde mir helfen, wenn ich wüsste, dass mein Vorgesetzter Vertrauen in mich hat, dass ich das schon richtig machen werde.
Yes, I call that a long leash. Letting it happen and maybe in one case or another really asking, 'How satisfied are you with this, colleague X, colleague Y?'	Ja, ich bezeichne das mal mit langer Leine. Machen lassen und vielleicht mal in dem einen oder anderen Fall dann wirklich mal zu fragen, Mensch, wie zufrieden sind Sie denn hiermit, Kollege X, Kollegin Y?
So, as I said, if the result is right so far, the way there also seems to fit. I always think it's very important to let them do it. So, not to be constantly asked, so, now show me, how do you do that here now?	Also, wie gesagt, wenn das Ergebnis so weit stimmt, scheint ja auch der Weg dahin zu passen. Da fände ICH es immer ganz wichtig, machen lassen. Also, nicht ständig gefragt zu werden, so, jetzt zeigen Sie mir mal, wie machen Sie das jetzt hier?
That is correct. But what I expect from a superior is that when a situation arises where a decision has to be made, he must perhaps let me inform him and then make his decision. That's perfectly fine, but he must then also make the decision, because maybe I'm not allowed to make the decision at all. So I also expect a superior to make decisions and stand behind them - that's very important.	Das ist richtig. Aber von einer Führungskraft erwarte ich, dass er sich letztendlich, wenn es in eine Situation kommt, wo eine Entscheidung hermuss, muss er sich letztendlich von mir vielleicht mal in Kenntnis setzen lassen und dann seine Entscheidung treffen. Das ist völlig in Ordnung, aber er muss dann auch die Entscheidung treffen, weil vielleicht darf ich ja die Entscheidung gar nicht treffen. Also ich erwarte von einer Führungskraft auch, dass sie Entscheidungen trifft und dahintersteht, ganz wichtig.
Not only about the technical aspects, but also whether I have the impression that the handling of the interests of the department, whether he has them under control, whether he does it well.	Nicht nur über das Fachliche, auch ob ich den Eindruck habe, dass die Führung der Belange der Abteilung, ob er die im Griff hat, ob er das gut macht. Also ich beurteile meine Führungskraft ja

Ultimately, I also assess my manager, and the higher he or she is on my assessment/internal assessment scale, the more important their opinion is to me. And the other way around, I might also ask for their opinion more often.	letztendlich auch und je höher die in meiner Beurteilungs/ internen Beurteilungsskala ist, desto mehr ist mir die Meinung sicherlich auch wichtig. Und ich frage andersrum vielleicht auch öfter mal nach der Meinung.
(...) Experience, loyalty, a bit of protectiveness. So this manager has, because, from the top often come some guidelines, which you can of course pass down unfiltered, you can pass them down reinforced or you can also pass them down carefully at first, so that the people also manage, because just what comes from the very top, is often or comes first so with the crowbar. And I think that's what distinguishes a manager, how well dosed or in what way something like that is poured out on you.	(...) Erfahrung, Loyalität, ein bisschen auch Beschützertum. Also diese Führungskraft hat, weil, von oben kommen ja oftmals irgendwelche Vorgaben, die kann man natürlich ungefiltert nach unten durchgeben, man kann sie verstärkt nach unten durchgeben oder man kann sie auch erst mal vorsichtig nach unten durchgeben, damit die Leute es auch schaffen, weil gerade was von ganz oben kommt, ist ja oftmals oder kommt erst mal so mit der Brechstange. Und ich finde, das zeichnet eine Führungskraft aus, wie dosiert oder in welcher Art so etwas über einem ausgeklügelt wird.
[…] and on the other hand, as I have already said, then also reflected back to the executives at the top, that's not how it works. We can't do it. That's not realistic.	[…] und andererseits dann eben, wie ich schon sagte, dann auch mal wiederum den Führungskräften nach oben zurückgespiegelt haben, so geht das nicht. Kriegen wir nicht hin. Das ist nicht realistisch.
That is all something [...] that is appreciation that comes from the side of the manager. On the other hand, I reward this as well, in that I can also open up, be more free.	Das ist alles etwas, […] das ist Wertschätzung, die von der Seite der Führungskraft kommt. Andersrum belohne ich dieses aber auch, in dem ich aber AUCH mich öffnen kann, mich freier bewegen kann.
Yes, (...) you're allowed to praise when something has gone well. I think that no matter who, everyone has a certain need for praise. It's not as if, when praise is	Ja. (...) Man darf auch mal loben, wenn was gut gelaufen ist. Da denke ich mir, also egal wer, jeder so ein gewisses Lob-Bedürfnis. Ist ja nicht so, dass, wenn Lob

expressed, all employees immediately jump out and say, ah, but if that's so good now, then I have to earn more money now, no. Just say more often, man, top, great, I'm glad. That's enough. (...) Happens a bit rarely. A bit very rarely.	geäußert wird, dass sofort alle Angestellten lossprungen und sagen, ah, aber wenn das jetzt so gut ist, dann muss ich jetzt aber auch mehr Geld verdienen, nein. Einfach auch mal häufiger mal sagen, Mensch, top, klasse, freut mich. Reicht. (...) Kommt ein bisschen selten vor. Ein bisschen sehr selten.
What is a good tone for me? I like it when people are all of a piece. And here, not such a professional, practiced dichotomy of the actual personality. To say straight forwardly, this, that, and this and that must be done, and when it's closing time, then we'll be the very best of buddies again, and we'll be on our way. I don't know.	Was ist für mich ein guter Ton? Ich habe das gerne, wenn Menschen so aus einem Guss sind. Und hier nicht so eine professionelle, geübte Zweiteilung der eigentlichen Persönlichkeit. Völlig straight zu sagen, dies, jenes, und das und das muss, und wenn Feierabend ist, dann sind wir dann wieder die allerbesten Kumpels und läuft. Weiß ich nicht.
5.3.3 Extrinsic Motivation	
If that's relevant to pay, a goal, yes, then the motivation to get the money is there for everyone first, of course.	Wenn das entgeltrelevant ist, ein Ziel, ja, dann ist die Motivation an das Geld zu kommen, für jeden natürlich erst mal da.
Yes, but since I work in a business enterprise and I provide an economic service and the company, if I work well, then earns more and comes forward and I'm not supposed to participate in it and get praise and my head patted, is that fair? Hm.	Ja, aber da ich in einem Wirtschaftsunternehmen arbeite und ich eine Wirtschaftsleistung erbringe und das Unternehmen, wenn ich gut arbeite, dann auch mehr verdient und nach vorne kommt und ich soll nicht dran teilhaben und kriege ein Lob und den Kopf getätschelt, ist das fair? Hm.
Compared to my salary and what I have to do for it, because I don't even know where I am at the moment, that means I really have to walk my feet off to get there for something that I can't exactly quantify either. [...] But since I don't know what exactly is being offered, the effort, the cost-benefit effect is too small for me.	Verglichen mit meinem Gehalt und dem, was ich dafür tun muss, weil ich ja gar nicht weiß, an welcher Stelle ich im Moment gerade bin, das heißt, ich muss mir wirklich die Füße ablaufen, um dahin zu kommen für etwas, was ich auch nicht genau beziffern kann. […] Da ich aber nicht weiß, was genau ausgelobt wird, ist

	mir der Aufwand, der Kosten-Nutzen-Effekt zu gering.
[...] if such a situation then arises, with variable compensation components, well, whether a company then necessarily does itself a favor to have to push that because they think, I have fancy monetary incentives, now see to it that you all jump. That this might backfire on them. And then the majority of a team crosses its arms and says, I don't have much of a chance anyway, so who knows how much effort I have to put in. It's not worth it.	[…] wenn so eine Situation dann eintritt, mit variablen Vergütungsbestandteilen, hach, ob sich dann ein Unternehmen unbedingt einen Gefallen tut, das unbedingt forcieren zu müssen, weil sie meinen, ich habe ja schicke monetäre Anreize, nun seht mal zu, dass ihr alle springt. Dass das als Schuss vielleicht nach hinten losgeht. Und dann der Großteil einer Mannschaft die Arme verschränkt und sagt, habe ja eh wenig Chancen, ja, muss ich mich denn jetzt wer weiß wie über die Maße anstrengen. Lohnt ja nicht.
Yes, of course it's easy to motivate people with money. But you can also say that you did a good job in the project team, right?	Ja, natürlich lässt sich einfach Leute über Geld motivieren. Man kann aber auch mal sagen, ihr habt da einen guten Job gemacht in dem Projektteam, ja?
If I were to say now that praise and recognition leave me cold, then I would be lying. It always depends on how I value the person who expresses this. If I have a high opinion of someone, then praise, sincere praise, that is the prerequisite, is very, very important to me. But if it is stuck somewhere already in the interpersonal relationship, then a praise can also very quickly become superfluous or also almost negatively absorbed. From there, conditionally. So I think that you can't work well if you never receive confirmation and praise. Definitely. That is a kind of appreciation that is important.	Wenn ich jetzt sagen würde, dass mich Lob und Anerkennung kalt ließe, dann würde ich lügen. Es kommt immer drauf an, wie ich die Person, die dieses ausspricht Wert schätze. Wenn ich eine hohe von jemand habe, dann ist mir ein Lob, ein ernst gemeintes Lob, das ist die Voraussetzung, sehr, sehr wichtig. Wenn es aber irgendwo klemmt schon in der zwischenmenschlichen Beziehung, dann kann ein Lob auch sehr schnell überflüssig werden beziehungsweise auch fast negativ aufgefangen werden. Von daher, bedingt. Also ich glaube, dass man nicht gut arbeiten kann, wenn man niemals Bestätigung und Lob erhält. Definitiv. Das ist eine Art von Wertschätzung, die wichtig ist.

A person who is driven only by money has quit inside, is not emotionally connected to the company. So that means that if I run a company where only money is paid, but praise is never given, demands are never made, recognition is never given, then I am dealing with people who change companies immediately from one day to the next and are not loyal to the employer at all. That is/ So only monetary does not work. There always has to be an interplay. That is completely clear to me. It's ultimately, yes, it's nuances.	Eine Person, die nur durch Geld angetrieben wird, hat innerlich gekündigt, ist emotional mit dem Unternehmen nicht verknüpft. Das heißt also, wenn ich ein Unternehmen führe, wo nur Geld gezahlt wird, aber es wird niemals Lob ausgeschüttet, niemals Ansprüche gestellt, niemals Anerkennung ausgeschüttet, dann habe ich es mit Personen zu tun, die von heute auf morgen die Firma sofort wechseln und sich überhaupt nicht loyal dem Arbeitgeber gegenüber verhalten. Das ist/ Also nur monetär geht nicht. Es muss immer ein Wechselspiel stattfinden. Das ist mir völlig klar. Es ist letztendlich, ja, es sind Nuancen.
Then again authenic praise is, I think, more sustainable than money. Because everyone who is employed spends a relatively large part of their life in the place where they work. That is, it is part of the reality of his life. Like this. And if the atmosphere can be experienced as appreciative, with praise, I would have said, yes, then that is definitely a substitute for money.	Da gilt auch wieder authentisch wirkt Lob, denke ich, nachhaltiger als Geld. Weil, jeder, der in abhängiger Beschäftigung tätig ist, verbringt relativ viel Zeit seines Lebens an der Stelle, da er wirkt und arbeitet. Das heißt, das gehört zu seiner Lebenswirklichkeit. So. Und wenn da so die Atmosphäre wertschätzend, mit Lob, erlebt werden kann, hätte ich gesagt, ja, dann ist das durchaus ein Geldersatz.
I didn't think that was bad either. That's the kind of thing that was really tracked, this, yes, not so much on a long leash, but that was really pulled through, okay?	Das fand ich auch nicht schlecht. Das sind so Sachen, also das wurde dann wirklich so getrackt, dieses, ja nicht so an der langen Leine, sondern das wurde wirklich durchgetackert, ne?
That these things were chained together, so to speak, that they knew exactly that if one of them stepped out of line or something, everyone would be affected.	Dass man diese Sachen quasi, ja, verkettet hat, dass man/ dass die genau wussten, wenn einer da irgendwo aus der Reihe tanzt oder so, hat jeder einen Schaden davon.

Of course, I feel somehow obliged to my goals. (...) But if I just keep getting ten percent more every year, (...) at some point it's going to stop.	Natürlich fühle ich mich schon irgendwie verpflichtet, meine Ziele/ meinen Zielen gegenüber. (…) Wenn ich allerdings jedes Jahr einfach immer zehn Prozent oben drauf kriege, (…) irgendwann hört's dann auch mal auf.
5.3.4 Goal Setting	
(...) a fair assessment? First of all, it is important that the goal is clearly formulated. Even if you don't do it now with a key figure, but then you have a final state to be achieved. So and if this final state accordingly/ that is actually relatively black or white often foreseeable.	(…) eine faire Beurteilung? Also erstmal ist es ja wichtig, dass das Ziel als solches klar formuliert ist. Auch wenn man es jetzt nicht mit einer Kennzahl, aber dann hat man einen zu erreichenden Endzustand. So und wenn dieser Endzustand entsprechend/ das ist eigentlich relativ schwarz oder weiß oft abzusehen.
Yes, the point is also, where do I come from and where do I want to go? [...] These statistics have been collected for, I don't know, years. Ultimately, you have a basis where you know exactly where we are.	Ja, der Punkt ist ja auch, wo komme ich her und wo will ich hin? […] Diese Statistik, die wurde schon, ich weiß nicht, Jahre geführt. Da hat man letztendlich eine Basis, wo man genau weiß, so und so liegen wir.
First of all, I think goals are very important and very valuable. Everyone needs to know what they have to do to achieve something which is company goal, very important. So without goals we can't work. [...] I think that's elementary. So when we talk about goals, I have to know exactly what my goals are, first of all? Secondly, how can I achieve them? Thirdly, what's the point, what's in it for me? Quite clearly.	Zunächst einmal finde ich Ziele sehr wichtig und sehr wertvoll. Jeder muss wissen, was er zu tun hat, um etwas zu erreichen was Unternehmensziel ist, sehr wichtig. Also ohne Ziele können wir nicht arbeiten. […] Ich finde, das ist elementar. Also wenn wir über Ziele sprechen, dann muss ich schon ganz genau wissen, wie sind meine Ziele erstens? Zweitens, wie kann ich sie erreichen? Drittens, was bringt das, was kommt für mich dabei rum? Ganz klar.
The question is always, are the things that are given to us as key figures, as goals, yes, we have this great term S.M.A.R.T., right? Smart target formulation, is it	Frage ist immer die, sind die Dinge, die uns als Kennzahlen, als Ziele vorgegeben werden, ja, wir haben ja diesen tollen Begriff S.M.A.R.T., ne? Smarte

specific, is it measurable, is it ambitious, is it realistic, and is it time-bound.	Zielformulierung, ist es spezifisch, ist es messbar, ist es anspruchsvoll, ist es realistisch, und ist es terminiert.
The framework conditions are more the problem. [...] Would rather annoy me at this point, because, I'll put it bluntly/ because I can't influence the framework conditions/ I'm not necessarily responsible for them.	Die Rahmenbedingungen sind eher das Problem. […] Würde mich an der Stelle dann eher schon nerven, weil, ich sage das mal ganz platt/ weil, ich kann die Rahmenbedingungen/ bin ich nicht unbedingt für verantwortlich.
Assuming that the framework conditions then allow the freedom to do so at all. Like this. And quite honestly, at the moment the framework conditions are not such that I would have the freedom to do so. Sometimes I would like to do more, I say that quite honestly, but I don't get around to it.	Vorausgesetzt sind, die Rahmenbedingungen lassen dann überhaupt den Freiraum dazu. So. Und ganz ehrlich, im Moment sind die Rahmenbedingungen nicht so, dass ich die Freiräume dazu hätte. Ich würde da schon manchmal gerne mehr machen, das sage ich auch ganz ehrlich, komme aber nicht dazu.
Or let's put it this way, I've never assessed myself in such a way that I wouldn't achieve that. And that has always been within a reasonable scope.	Oder sagen wir mal so, ich habe mich nie so eingeschätzt, dass ich das nicht erreichen würde. Und das ist ja auch immer im ordentlichen Rahmen gewesen.
However, this can also exert a certain pressure when formulating the target. Depending on the case, if the figure is relatively high and you have no imagination, how can this be achieved, and if you are then also asked the question, yes, what DO you DO? How do you manage to fulfill certain things? And I don't know myself whether that works and then turn my boot and think, yes.	Das kann allerdings bei der Zielformulierung auch einen gewissen Druck ausüben. Je nachdem, wenn das eine relativ hohe Fallzahl ist, und man hat so keine Phantasie, wie kann das denn zustande kommen, und wenn einem dann noch zusätzlich die Frage gestellt wird, ja, was MACHEN Sie denn? Wie kriegen Sie das hin, bestimmte Dinge denn dann so zu erfüllen? Und ich weiß selber nicht, ob das klappt und drehe dann meinen Stiefel und denke, ja.
I already know where I am in my goals by talking to my supervisor four times a year,	Ich weiß in meinen Zielen schon durch viermalige Gespräche mit meiner

I already know where I am in my goals, yes.	Vorgesetzten, weiß ich im Jahr schon, wo ich in meinen Zielen steht, ja.
5.3.5 Error Culture	
That not the culprit, but the solution is found/searched for.	Dass nicht der Schuldige, sondern die Lösung gefunden wird/ gesucht wird.
For me, error culture means that errors are recognized, errors are addressed openly, and what is done to improve them on as factual a level as possible.	Also Fehlerkultur heißt für mich ja, werden Fehler erkannt, werden Fehler offen angesprochen und was wird unternommen, um diese zu verbessern in einer möglichst, ja, sachlichen Ebene.
So, a good error culture, I guess, helps to avoid errors in the future as well. Because everyone becomes more confident.	Also, eine gute Fehlerkultur, denke ich mal, hilft, auch zukünftig Fehler zu vermeiden. Weil alle sicherer werden.
I think trust is a big aspect of the whole story. First of all, when you've been in the profession for 25 years, I don't make mistakes on purpose, and that's a very crucial point for me. I don't need a control authority to write me a return sheet because I didn't put in a cross.	Ich finde, Vertrauen ist ein großer Aspekt bei der ganzen Geschichte. Wenn man 25 Jahre im Beruf ist, dann mache ich erstens Fehler nicht absichtlich und das ist ein ganz entscheidender Punkt für mich. Ich brauche keine Kontrollinstanz, die mir einen Rückgabebogen schreibt, weil ich ein Kreuzchen nicht gesetzt habe.
If I can approach the work in a relaxed manner and say, yes, come on, if a chip falls on the right and left - if the big direction is right, then I can rely on it, then I will be told I made a mistake, I also know I made a mistake, but then it's all right.	Wenn ich locker ans Werk gehen kann und sage, ja, komm, wenn mal rechts und links eine Späne fällt - wenn die große Richtung stimmt, dann kann ich mich drauf verlassen, dann wird mir zwar gesagt, ich habe einen Fehler gemacht, ich weiß auch, ich habe einen Fehler gemacht, aber dann ist auch gut.
But then it's clear we/ to bind ourselves to these things and then, when certain goals are formulated, then by all means to operate a deviation analysis then in such a way. Yes, what went wrong with yourself now? What could you do better?	Aber dann ist klar, wir/ sich an diese Dinge zu binden und dann, wenn bestimmte Ziele formuliert sind, dann unbedingt eine Abweichungsanalyse dann derart zu betreiben. Ja, was ist denn jetzt bei dir selber schief gegangen? Was könnte man dann denn noch mal besser machen? Und dann hat man einen Malus.

And then you have a malus. I have to say, hm, I feel less comfortable with that.	Da muss ich sagen, hm, da fühle ich mich dann weniger wohl mit.
5.3.6 Intrinsic Motivation	
I have to say, for certain things I like to take it as a sporting challenge, yes. To see when you've landed a contract like that, it also has a certain kind of, yes, there's a success, you've achieved something. You've also earned your own salary here. That's a nice thing.	Ich muss sagen, so bei bestimmten Dingen nehme ich das sehr gerne als sportliche Herausforderung, ja. Um da zu kucken, wenn man mal so einen Abschluss gemacht hat, hat das auch so eine gewisse Art von, ja, da ist ein Erfolg, da hast du was geschafft. Dein eigenes Gehalt hast du hier auch mal mit verdient. Das ist eine schöne Sache.
That can be a sporting challenge. What I then always find important is that I am not the only one to whom this is imposed.	Kann das sportliche Herausforderung sein. Was ich dann immer wichtig finde, ist, ich darf nicht der einzige sein, dem das aufgebürdet wird.
That reminds me of something I didn't do to my own satisfaction. But basically I know about this shortcoming, yes?	Das erinnert mich an etwas, was ich nicht zu meiner eigenen Zufriedenheit erledigt habe. Aber grundsätzlich weiß ich um dieses Manko, ja?
7.3 Insights for researchers	
INTERVIEWER: „So first of all, I take with me, if the interpersonal relationship with the manager, if it is good, do you also perceive the manager and their assessment as fairer?" IP6: „ (...) I'm afraid so."	INTERVIEWER: „Ich nehme also erst mal mit, wenn das zwischenmenschliche Verhältnis mit der Führungskraft, wenn es gut ist, nimmst du die Führungskraft und ihre Beurteilung auch als gerechter wahr?“ IP6: „(...) Ich fürchte, ja.“

Declaration of Original Content

I declare that the work in this assessment was carried out in accordance with the regulations of the University of Gloucestershire and is original except where indicated by specific reference in the text. No part of the assessment has been submitted as part of any other academic award.

Any views expressed in this assessment are those of the author and in no way represent those of the University.

Signed: 

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