

Use the Best; Leave the Rest: The Productivity Measurement and Enhancement System (ProMES) for Performance Ratings

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Adler et al. (2016) effectively discuss the shortcomings of performance ratings as well as performance management solutions. However, they leave out one important performance management solution from their review and discussion, the Productivity Measurement and Enhancement System (ProMES; Pritchard, 1990; Pritchard, Harrell, DiazGranados, & Guzman, 2008; Scaduto, Hunt, & Schmerling, 2015). We intend to respond to Adler et al. by explaining how ProMES could make up for some of the shortcomings described in performance ratings and performance management, as well as challenge the field to further consider this well-researched and established evidence based solution as a viable alternative.

The ProMES performance management system has been successfully implemented in manufacturing, service, sales, consulting, educational, and athletic settings among different types of workers with various educational backgrounds. Traditionally, ProMES's success is measured by calculating performance based on the ProMES performance scores before and after feedback has started (Pritchard et al., 2008). The effect size is calculated to then determine the impact that ProMES was able to have on the employees in the organization. In a ProMES meta-analysis, Pritchard et al. (2008) report an average effect size of $d = 1.44$ from 83 field studies, assessed in 40 organizations across nine countries by 13 research groups, which is regarded as a very large effect size (Cohen, 1969).

This effective performance management intervention works by targeting motivation and productivity in organizations and is based on the motivational principles from Naylor, Pritchard, and Ilgen's (1980) *A Theory of Behavior in Organizations*. According to this theory, motivation is the process that is used to allocate energy to maximize need satisfaction (Pritchard & Ashwood, 2008). Employees will only be motivated if they have clear links (i.e., contingencies) between the specific actions, the resulting outputs, the evaluation of outputs, the expected outcomes, and the needs that are satisfied by these outcomes. In this facilitated, participative management approach,

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people in organizations are involved in the development of their objectives, performance indicators, and priorities. Regular feedback reports and priority meetings foster increased performance in teams and individuals over time.

ProMES promotes deep and thorough discussions with relevant stakeholders on important topics such as what issues the employees are currently facing and what needs to be done to make improvements moving forward. Based on these conversations, the ProMES performance management system is developed in three major steps: (a) identifying objectives, (b) defining indicators that measure the objectives, and (c) designing contingency graphs that differentiate the priorities of these indicators (Scaduto et al., 2015). Once a ProMES system is developed and implemented, regular feedback meetings are used to identify and evaluate better task strategies while also determining where to focus employee efforts moving forward. For more information on the development stages of ProMES and on how a ProMES system is run, see Pritchard, Weaver, and Ashwood (2012).

Colquitt, Murphy, and Ollander-Krane (Adler et al.) make arguments against the way performance ratings are traditionally done as part of performance management systems and state that they are a “failed experiment.” However, we need to look no further than the body of research supporting ProMES to confidently proclaim that their statement is incorrect. Colquitt and colleagues (Adler et al.) argue that performance ratings are inherently flawed for a number of reasons, including the fact that they have broad guidelines, rely on subjective judges, suffer from halo error, have poorly defined measures, include ineffective rating scales and rater training, have poor interrater reliability, allow contextual impacts on ratings, suffer from rating feedback not being accepted or used, and possess weak research to support these rating systems. Although many implementations of performance management systems fall prey to these failings, there are alternatives that offer a more robust and impactful measurement of performance; ProMES addresses these concerns both conceptually and practically.

ProMES ensures that the rating system being used does not have the above listed shortcomings by using a bottom-up approach to create the measures that will be used as part of its performance management process. These performance rating scales are built on the things that the employees and their managers determine are important to be considered as part of the rating system. These measures are based on actionable and discernable behaviors that can be objectively observed and counted. Before these ratings go into effect, they must be clearly defined and agreed on by all members of the design team (Pritchard, Young, Koenig, Schmerling, & Wright, 2013). In addition, the way that these behaviors will be measured must also be determined by and agreed on by the design team. With the process that ProMES uses,

issues such as subjectivity, poor rating scales, poor measures, subjective feedback, halo error, and contextual impacts on ratings are substantially mitigated. In addition, due to the built in contingencies and feedback sessions, performance ratings are given with the intention that action will be taken to improve performance, and processes exist within ProMES to continuously facilitate this ongoing performance improvement (Pritchard et al., 2013). Therefore, ProMES systems do not tend to experience an issue of nonaction or nonacceptance when performance ratings get compiled and presented to employees.

As for the question of weak research evidence supporting performance ratings research, this might be the strongest argument for the use of ProMES. The Pritchard et al. (2008) meta-analysis of ProMES showed that over 3 decades of applied research have shown not only that ProMES does work but also that it leads to a performance that is equivalent to the 93rd percentile of performance under a baseline measure of performance ($d = 1.44$). In the most recent “Performance Measurement” chapter in the *Handbook of Industrial and Organizational Psychology* (Wildman, Bedwell, Salas, & Smith-Jentsch, 2010), ProMES is discussed as one of the best researched and most effective solutions we have as a field to the issue of performance measurement. Therefore, with the wealth of information and support that exists for ProMES, we strongly encourage Colquitt and colleagues (Adler et al.) to consider ProMES in examining the issue of performance ratings. To rephrase Colquitt and colleagues’ (Adler et al., p. 231) own words:

Performance feedback represents the ultimate win-win scenario. It is possible to do well in all situations, and if it is done well, the recipients accept their feedback as accurate and fair. It is wondrous that we continue to approach performance management with the same old approaches given the advances we have seen in the scientific literature and applied initiatives.

Finally, we must ask the question of why ProMES seems to be severely underrepresented in discussions of performance management or performance ratings. In 2015, the *Industrial and Organizational Psychology* journal published a focal article and series of commentary responses on the struggles facing performance management and on whether it could be fixed. Of the 12 articles written about performance management, only one article (by these authors) discussed the benefits that ProMES has brought to the field (Abben, 2015; Campion, Campion, & Campion, 2015; Cardy, 2015; Church, Ginther, Levine, & Rotolo, 2015; Goldberg, 2015; Hunt, 2015; Levy, Silverman, & Cavanaugh, 2015; Meriac, Gorman, & Macan, 2015; Ock & Oswald, 2015; Pulakos, Hanson, Arad, & Moye, 2015; Scaduto et al., 2015; Smither, 2015). *Industrial and Organizational Psychology* is an industrial and organizational psychology journal that allows us to have substantive conversations and debates about serious and important issues that the industrial and

organizational community faces. Although not every performance management article needs to mention ProMES, more of our discussions on this topic should include mention of this well-researched and supported solution. Without recognizing what has worked well in the past, how can we continue to build on our future? Colquitt and colleagues (Adler et al.) seem to be grouping all performance management systems together when they state that performance management systems are a “failed experiment.” This does not give due credit to performance management systems that have seen success such as ProMES. Generalizations like this may be why we continue to see discussions of the failures of performance management instead of focusing and building on elements of performance management that have been more successful.

ProMES offers an effective tool to enable meaningful performance ratings and performance management. We would be well served to build on this tool as a viable path forward to advance the science and practice around performance management. Although there is still much that can be done to further validate and improve ProMES, we believe that focusing efforts on refining such a system is more productive than giving up. Such focused efforts by the applied and academic community will ideally result in a performance measurement approach that truly generates meaningful behavior change in organizations.

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