



RELATIONAL ATTRIBUTION IN MANAGING POOR PERFORMING EMPLOYEES

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INTRODUCTION

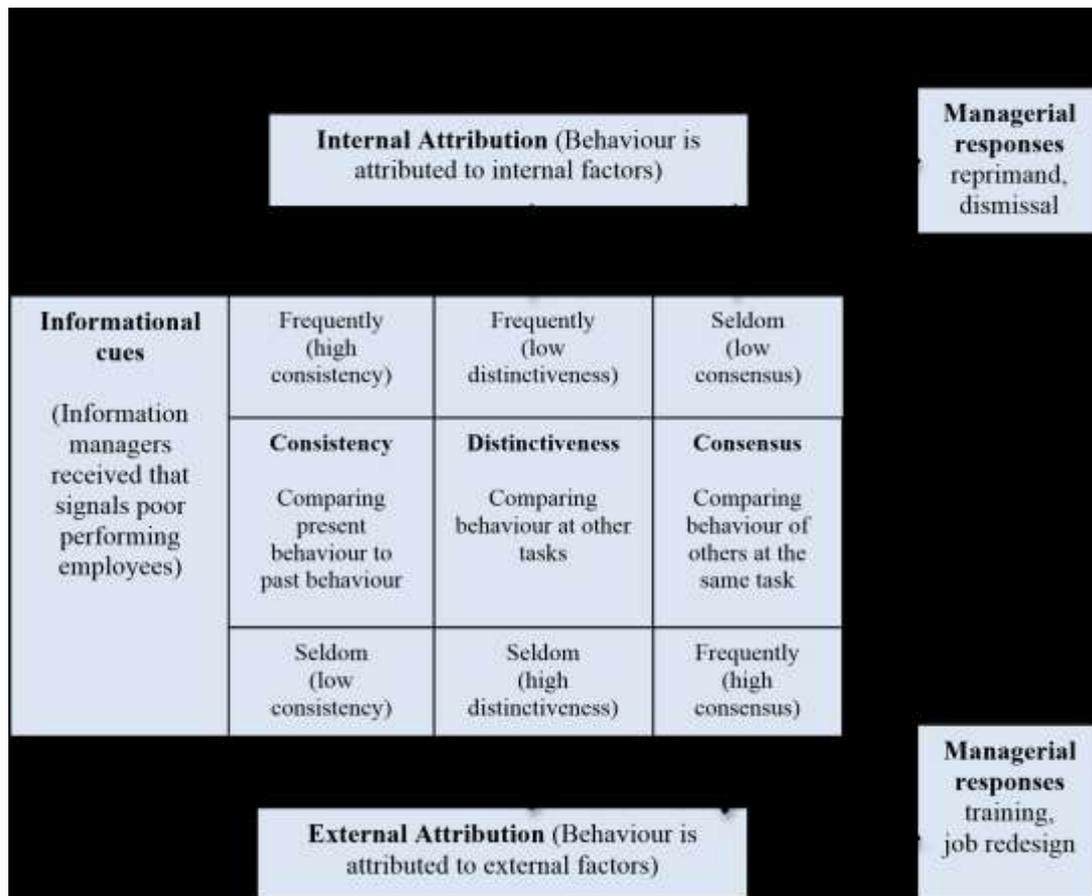
The poor performing employees is a universal phenomenon which comprises about 5-10 per cent of employees at the workplace (Yariv & Coleman, 2005). This means that poor performing employees are commonly found at the workplace and managers' ability in dealing with the issue needs further elaboration, in a formal approach. A poor performing employee is defined as an employee who fails to achieve agreed upon goals or what is commonly known as a performance indicator (Maimunah Aminuddin, 2013). In any organization, when the issue of poor performing employees arises, there is a tendency to question who is responsible for the employees' poor performance. Often, the answer to the question is the employees' manager. The manager is always the person responsible for employees' poor performance because the manager is the person who could have prevented the existence of poor performing employees in an organization (Maimunah, 2013; Dharmen, 2013). This is because the manager is responsible in the process of recruiting, selecting, and hiring such employees. Depending on which country the hiring is made, the issue of hiring poor performing employees may be viewed as trivial by some managers. This is because if a newly hired employee turns out to be a poor performer, the only rational consequence is to terminate the employee.

The practice of terminating employees is unique to each country's employment laws. For example, in the United States of America where the doctrine of employment-at-will dominates the American employment laws, termination of employment is permitted without any reason for termination (Grant, 2008). On the other hand, under Malaysian employment laws, termination must be with 'just cause and excuse', which includes terminating poor performing employees (Maimunah, 2013; Dharmen, 2013). The Industrial Court Awards show that Malaysian employers have not been successful in the Industrial Court in providing evidence of fair termination of poor performing employees (Dharmen, 2013). According to Dharmen (2013) employers more often lose cases of unfair termination claimed by an employee on the ground of poor performance as compared to misconduct. This means, employers are not successful in providing evidence of just termination of poor performing employees. Despite the loss cases, stepping backwards, the fundamental questions raised on poor performance issues, were "is the employee being fairly appraised?" "did the manager professionally derived to the fair rating?" "are the evaluation basis conclusive for such performance appraisal?" and on.



THE THEORY IN MANAGING POOR PERFORMERS

The widely accepted theory in managing poor performers is the Attribution Model of Leader (Green & Mitchell, 1979, Ashkanasy & Gallois, 1994; Martinko & Thomson, 1998; Martinko, et al., 2007;2011) which examining extensively two types of attribution i.e. internal and external attribution as illustrated below.



The basic premise of the Attribution Model of Leaders is derived from the Attribution Model introduced by Heider in 1958 that people have an innate desire to understand the causes of important outcomes in their lives and that their attributions influence their responses to these outcomes (Heider, 1958 as cited in Martinko, et al., 2011). Based on this principle, Green and Mitchell (1979) introduced the Attribution Model of Leaders under the Leader-Members Exchange (LMX) studies. In the model, as illustrated in Figure 1, Green and Mitchell (1979) describe how member behaviour leads to informational cues that influence leader attributions which, in turn, influence leader behaviours directed toward members. This means that by observing employees' behaviour at work, managers would be able to gather informational cues i.e. information that managers receive, which gives signals of poor performing employees (Green & Mitchell, 1979). This information is observed in terms of its 'consistency' (i.e. how often did the employee act this way in the past), 'distinctiveness' (i.e. how often does the employee act this way in other settings), and 'consensus' (i.e. how often do other employees act this way in similar situations). Depending on the level, either high or low, in terms of the consistency, distinctiveness, and consensus of



employees' behaviour, the informational cues would then influence leader attributions (Green & Mitchell, 1979).

High consistency, low distinctiveness, and low consensus will lead to the managers to conclude that a person's performance is internally attributed, which means that such behaviour is attributed to internal factors such as attitude of poor performing employees. Subsequently, managers' attributions will influence managers' behaviours toward managing the employees (Green & Mitchell, 1979). As illustrated in the Figure 1, internal attribution will lead to reprimand and dismissal of a poor performing employee.

The Attribution Model of Leaders as illustrated in Figure 1 is widely applied in previous research conducted in the field of performance evaluation, especially those related to leaders' evaluation of subordinates' performance studies (e.g. Deluga 1998; Judge and Ferris 1993; Pulakos and Wexley 1983; Wayne and Liden 1995; Xu & Tuttle, 2005). In fact, according to Benkhoff (1998), the Attribution Theory is one of the most widely referenced theories in performance evaluation research because it focuses on the individuals' causal attributions for another's behaviour and the subsequent consequences of those attributions. Past researches concluded various findings based on the perspective of internal and external attribution. One was by Beyer and Trice (1984) who conducted research on the use and effectiveness of discipline among managers whose employees are poorly performing at work due to alcohol abuse. Their research found that supervisors use discipline as a response to certain behaviours and when their work context is relatively favourable to its use and supportive of their supervisory role. In addition, their research found that managers are constrained by the specific situation, by policy, and by the general organizational context in using discipline. Beyer and Trice (1984) also found that when supervisors are less powerful, they are less likely to use discipline. Supervisors with less authority and informal influence in decision making less often used confrontational topics and suspensions. Those who rated themselves high on informal influence used an informal form of discipline i.e. confrontational topics; significantly more. Those who rated themselves high on formal authority used significantly more of both informal and formal means of discipline. Beyer and Trice (1984) also examined the effects of discipline on work performance. This was assessed by supervisory reports of the disciplined employees' subsequent work performance. They found that constructive topics and being suspended had positive effects on performance and confrontational topics, written warnings, and the number of days suspended had negative effects on performance.

Another research in handling poor performing employees also relates to poor performance with discipline issues at work conducted by O'Reilly and Weitz (1980). In their research, O'Reilly and Weitz (1980) examined a list of discipline problems and bad behaviours among front line employees of a retail chain i.e. fails to keep sales area tidy; poor personal appearance; low sales productivity; not courteous to customers; high absenteeism; doesn't follow supervisor's directions; bad attitude towards job; lacks selling skills; takes long breaks; doesn't cooperate with fellow workers; leaves sales area unattended; and not punctual. O'Reilly and Weitz (1980) found that there were four (4) main kinds of discipline used by supervisors in dealing with poor performing employees i.e. informal oral warnings; formal written warnings; suspension or loss of pay; and dismissal. They also found that supervisors differ both in their approaches to poor performance employees and in their willingness to use negative discipline. O'Reilly and Weitz (1980) also found that there is a significant positive correlation between supervisors' use of discipline and ratings of unit performance by higher level



managers. O'Reilly and Weitz (1980) suggested that appropriate use of discipline may be seen by employees as legitimate and may be conducive to the development of productive group norms.

THE UNDERLYING ISSUE

It is the legal requirements of the Malaysian Employment Laws that burden of justice is on the employer to satisfy the Industrial Court that any termination of a poor performing employees were done with just cause and excuse (Maimunah, 2013). This means, in Malaysia, an employer must be able to provide evidence that the decision to terminate a poor performing employee (this involve the managerial attribution process) is only after justice were given to the poor performing employee by providing sufficient opportunity (this involve the adherence of justice rules) to the employee to improve poor performance prior to termination decision.

In reaching to the conclusive evidence of poor performance management, there is a need to study possible expansion of the existing Attribution Theory in meeting accurate underlying process of managing poor performers. A wider workplace behaviours, non-limited to just internal and external attributions, crucial to accurate and testable decisions. According to Martinko et al. (2011) despite the significance and potential to explain a wide range of workplace behaviours, attribution processes have been underutilized in organizational sciences. In line to that stand, Eberly *et al.* (2011) extended the LMX model of internal and external attribution by including relational attributions. According to Eberly *et al.* (2011), the reason to extend the LMX model by including 'relational attributions' is because the relationship between leader-member is a dyad relationship. This means leaders' behaviour is influenced by members' behaviour, and vice versa.

Eberly *et al.* (2011) extended the attribution model as introduced by Green and Mitchell (1979) by including relational attributions. However, in their research Eberly *et al.* (2011) only examined employees' relational attribution. Therefore, relational attribution has yet to be extended to manager's attribution. Examining relational attribution in the context of managerial decision making and response to poor performing employees is appealing, because without recognizing the existence of relational attribution, managers tend to attribute poor performing behaviour to internal attribution (Martinko, *et al.*, 2007), for example employee's attitude(s). This could hinder fair decision making in managing poor performing employees. However, the research conducted by Eberly *et al.* (2011) only explains employees' relational attribution (i.e. attribution in relation to own behaviour which is also known as self-attribution). Past research has not examined relational attribution in the context of managing poor performing employees and how it influences a manager's responses toward the poor performer. Thus it is appealing, a study, explores managers' relational attribution (i.e. attribution in relation to others' behaviour). The idea of exploring this approach is important because otherwise managers tend to attribute poor performing behaviour to internal attribution (Martinko et al., 2007), for example the employee's attitude. Attributing poor performing behaviour to internal attribution could possibly hindering fair making decision making in dealing with poor performing employees.



MOVING FORWARD

A well-informed managerial attribution process, which includes internal, external and relational attribution, could facilitate organizations in preparing training for managers in reducing errors in the performance appraisal process. This is because without recognizing the existence of all the above attribution, managers tend to attribute poor performing behaviour to internal attribution (Martinko et al., 2007), for example, the employee's attitude, thus, hindering a fair decision. Subsequently, in the event that the managers are faced with the poor performing employees issue and there is a need for managers to take disciplinary action against them, which includes termination of employment, a well-informed managerial attribution process could help managers to prepare evidence that their decision in terminating the employees was done fairly as per Malaysian Employment Laws requirements.

Relational attribution is defined as those explanations made by a focal individual that locate the cause of an event within the relationship the individual has with another person (Eberly *et al.*, 2011). In the study, the focal individual should be the manager. Eberly *et al.* (2011) stressed that relational attribution is not merely a combination of an internal and an external attribution but, rather, is uniquely grounded in the interaction between two partners. In other words, relational attribution is not reducible to the actions of either partner alone. For example, a manager may attribute the failure to meet a project deadline to a lack of clear communication with his or her subordinates. The manager does not solely blame his or her subordinate's abilities and skills for the missed deadline (external attribution), nor does he or she attribute blame solely to his or her subordinate's attitude (internal attribution). Instead, the manager attributes the failure to the poor interaction he or she had with her subordinate i.e. a feature of their relationship.

According to Eberly *et al.* (2011), the reason to extend the LMX model by including 'relational attributions' is because since the introduction of Attribution Model in 1979, it has been examining only two types of attributions i.e. internal and external attribution (For example Ashkanasy, 1991;1989;1997;2002; Ashkanasy & Gallois, 1994; Deluga, 1998; LePine & Van Dyne, 2001; Ferguson *et al.*, 2010). Thus there is a need to examine relational attribution because the relationship between a leader-member is a dyad relationship (Eberly *et al.*, 2011). This means such a relationship involves individuals' interactions with others, which can be explained by the interdependence theory.

The interdependence theory analyses relations between people within situations that vary in interdependence (Rusbult & Van Lange, 2008). While many psychological theories take a within-person perspective to analysing human behavior, the interdependence theory attempts to capture the between-person relationships that shape individual attitudes and behaviors (Kelley & Thibaut, 1978). The literature on interdependence describes multiple ways that interdependence can occur (Wong & Campion, 1991). People may need to share information or resources to successfully complete a task (input interdependence) or they may share the performance outcomes (e.g., rewards) with group members (output interdependence). They may both need each other (reciprocal interdependence) or only one person in the pair (or group) may be dependent on the other (serial interdependence). These different types of interdependence may have important implications for individual attribution processes.



Therefore, the interdependence theory provides a theoretical argument that individual attribution processes may not only be in the form of internal or external attributions. There are circumstances, people may rely on their relationships to develop their attitudes and make decisions that later translate into actual behaviours (Eberly et al., 2011).

CONCLUSION

The issue of poor performing employees is commonly found at the workplace, and this segment of the employee population comprising about 5-10 per cent of employees (Yariv & Coleman, 2005) but research conducted by management scholars on the issue of poor performing employees is limited, ignored and side-lined (Yariv & Coleman, 2005; Chelliah & D'Netto, 2006). Therefore, there is a need to explore qualitatively the internal, external and relational managerial attribution processes within the context of observing (informal evaluation as in daily interactions) and recording (formal evaluation as in performance appraisal) and responding to the poor performing employees. Due to the requirements of the Malaysian industrial relations landscape, which promotes industrial harmony, it is high time to conduct a research study on this topic with the expected outcome of a better understanding of the process of making a fair decision related to poor performing employees.

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