

Management of Poor Performance: A Comparison of Manager, Group Member, and Group Disciplinary Decisions

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Managers and 231 members of 41 work groups representing 4 diverse organizations participated in an experiment involving disciplinary decisions. Managers and group members responded individually to scenarios describing a group member's poor performance, followed by group members meeting to reach consensus on the disciplinary decisions. As hypothesized, manager disciplinary decisions were more severe than decisions made by individual group members. Contrary to predictions, the severity of manager and group disciplinary decisions did not differ. A test of choice shifts revealed that when the prevailing view among individual group members was for a relatively lenient disciplinary action, the group consensus decision was more severe than the average of the individual decisions. Attributions and outcome seriousness were found to influence the severity of manager, group member, and group decisions.

Managing poor performance is often a necessary, albeit unwelcome (Larson, 1984), part of performance management. Starting in the 1950s (Maier & Danielson, 1956) and extending to the present, much of the research on managing poor performance has focused on manager responses to subordinate poor performance (Ashkanasy & Gallois, 1994; Butterfield, Treviño, & Ball, 1996; Crant & Bateman, 1993; Green & Mitchell, 1979; Kipnis & Cosentino, 1969; Klaas

& Wheeler, 1990; Miner & Brewer, 1976; Mitchell, Green, & Wood, 1981; Mitchell & O'Reilly, 1983). This focus is consistent with the common practice of assigning the responsibility for performance management and the specific task of disciplining poorly performing employees to managers. However, because of the increasing use of groups or empowered work teams, the role of managers has been transformed from the direct control over subordinates to the facilitation of groups (Manz & Sims, 1987; Scott & Townsend, 1994). As part of this change, many organizations have either modified or are considering modifying their traditional performance management practices.

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This study was funded by a grant from the Center for Human Resource Management (CHRM) at the University of Illinois. Additional funding was provided by the Society for Human Resource Management (SHRM) Foundation. The interpretations, conclusions, and recommendations, however, are those of the authors and do not necessarily represent those of the CHRM or the SHRM Foundation. We gratefully acknowledge the helpful comments of James R. Larson, Jr., on an earlier version of this article.

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One approach to performance management for organizations that have implemented empowered work teams is to give teams responsibility for managing their own performance, including appraising performance and taking corrective actions when group members are not performing up to standard (Liden & Arad, 1996; Manz & Sims, 1987). With this approach, group members discuss and reach consensus on disciplinary decisions regarding a fellow group member. A second approach involves having a group member or team leader, elected by the members of the group, handle disciplinary decisions. This differs from the traditional practice of having a manager make these decisions in that the group member has the same level of formal authority as other members of the group.

Although organizations increasingly are using empowered work teams, relatively little is known about the complications of using team-based approaches to performance

management as compared with traditional, authority-based methods. One possible result of these alternative approaches to performance management is that disciplinary decisions made by group members may reflect a leniency bias toward peers in the group, and thus they will be less severe than managers' disciplinary decisions. Unfortunately, few studies have examined this issue. One exception is a study that indicated that supervisor actions in response to poor performance were more severe than those recommended by subordinates (Martocchio & Judge, 1995). Related to research on reactions to poor performance, studies indicate that peer performance ratings tend to be more positive than supervisor performance ratings (Harris & Schaubroeck, 1988). The second possibility when using these alternative approaches to performance management is that group members will base their disciplinary decisions on different factors than will managers, or they will weigh those factors differently. Situational factors that influence managers' disciplinary decisions have been investigated, but not with respect to group member or group decisions. However, it has been found that peers may use different factors than supervisors when rating the performance of peers (Borman, White, & Dorsey, 1995; Coovert, Craiger, & Teachout, 1997; Klimoski & London, 1974; cf. Tsui & Ohlott, 1988). A third possibility from team-based performance management approaches involving group consensus is that the decision-making process itself will have an effect on the severity of the group's decision. Research on choice shifts (see Isenberg, 1986, for a review and meta-analysis) in group decision-making processes has identified a "group polarization effect." When polarization occurs, the group decision exacerbates the initial inclinations of individual group members, thus resulting in a group decision that is more extreme than the average of individual members' preferences. However, we know of no research that has examined the effects of group polarization on disciplinary decisions among actual intact work groups in field settings. In summary, little is known about the disciplinary decisions of group members and groups compared with managers' decisions (Treviño, 1992).

The purpose of the current research was to examine the implications of alternative approaches to managing poor performance. We first addressed the leniency question by comparing the severity of disciplinary decisions made by managers, group members, and groups and the factors influencing those decisions. Severity of disciplinary judgments ranged from taking no action to terminating the poor performer. Managers made disciplinary decisions about a poorly performing (hypothetical) member of their work group, which we refer to as "manager decisions." Group members individually made disciplinary decisions about a poorly performing (hypothetical) fellow group member and then met to reach a group consensus on the disciplinary decisions. We refer to these as "group member decisions" and "group decisions," respectively.

Second, we examined the effects of different factors on the severity of disciplinary decisions made by managers, group members, and groups. We selected three factors expected to influence disciplinary judgments: attributions, outcome seriousness, and reward structure.

Third, we empirically examined the effects of group decision-making processes on disciplinary decisions. Disciplinary decisions made by formal managers were compared with group member and group decisions. In addition, on the basis of choice shifts, we compared group member and group consensus disciplinary decisions.

Manager Versus Group Member and Group Disciplinary Decisions

Prior research on disciplinary decisions has focused on manager responses to poorly performing subordinates (Mitchell et al., 1981). For a number of reasons, it is unlikely that group members and groups will respond to a poorly performing member in the same way as managers. Group member and group disciplinary decisions may be less severe than those made by formal managers because of the greater awareness of group members to situational causes of poor performance (Cardy & Dobbins, 1994; Mumford, 1983). Managers with prior experience on the job that their subordinates now hold make less severe disciplinary decisions (cf. Mitchell & Kalb, 1982). Similarly, group members working on the same jobs as the poor performer can be expected to show sensitivity to a fellow group member who has performed poorly (Weathers, Messé, & Aronoff, 1984).

A second reason for the greater severity of disciplinary decisions made by managers than group members and groups is the degree of social distance between the party making the decision and the poor performer. Managers, largely because of the higher status and authority of their positions, tend to be more socially distant to subordinates than group members are to one another (Messé, Kerr, & Sattler, 1992). Expectations for those in a supervisory role include authority, influence, and privilege not possessed by subordinates. These differing role expectations are reflected in greater social distance between the manager and group members than the social distance among group members. At the same time, group members, who are closer to others in their groups than are managers, may not feel comfortable criticizing fellow group members. Thus, differences in social distance suggest that managers would be more severe in their decisions about poor performers than would group members and groups (cf. Bass, 1990; Napier & Ferris, 1993). Supporting our contention, Martocchio and Judge (1995) found that managers recommend more severe disciplinary decisions in handling poor performance than do subordinates.

Hypothesis (H) 1a: The disciplinary decisions made by managers will be more severe than those made by group members.

H1b: The disciplinary decisions made by managers will be more severe than those made by groups (through group consensus).

Factors Influencing Disciplinary Decisions

Research has shown that managers' responses to poor performance are based in part on attributions (or suspected causes) for the ineffective behavior (Butterfield et al., 1996; Fedor & Rowland, 1989; Green & Liden, 1980; Mitchell & Wood, 1980) as well as seriousness of the problem's outcome (Butterfield et al., 1996; Gavin, Green, & Fairhurst, 1995; Green, Fairhurst, & Snively, 1986; Mitchell & Wood, 1980). An additional situational variable that may have a unique effect on group decisions concerning a poorly performing group member is the reward structure that determines compensation. Specifically, when group member compensation is based increasingly on group performance and less on individual performance, it is likely that disciplinary actions will become increasingly severe. Thus, in the current study, we examined how attributions, outcome seriousness, and reward structure would influence the disciplinary judgments of formal managers, group members, and groups.

Attributions

Attribution theory has a long and rich history in social psychology (Kelley & Michela, 1980). Theory and supporting research has identified two types of attributions: (a) external, in which behavior is thought to be caused by factors outside of a person's control, such as bad luck or task difficulty, and (b) internal, in which behavior is attributable to characteristics of a person, such as effort or ability.

Attribution theory has been merged with the leadership literature to form theoretical propositions on manager responses to subordinate performance (Green & Mitchell, 1979; Martinko & Gardner, 1987; Treviño, 1992). Empirical research has consistently shown that external attributions are associated with less severe responses to poor performance, such as discussion of the problem or a verbal warning. Internal attributions tend to evoke more severe actions taken in response to the poor performance, such as docking pay, probation, or termination (Green & Liden, 1980; Mitchell & Wood, 1980).

H2a: The disciplinary decisions made by managers, group members, and groups (through group consensus) will be more severe when internal rather than external explanations for poor performance are evident.

Few researchers have examined the effect of attributions on responses of coworkers or how different attributions influence group consensus decisions about a fellow group member. However, extrapolating from theory and research on manager responses to poor performance suggests that

group member and group consensus disciplinary decisions may not be as influenced by attributions as they are for managers. This is due to group members' reluctance to take severe actions against a fellow group member. A "similar-to-me bias" may affect the decisions of groups regarding the discipline of "one of their own." For example, research has supported Green and Mitchell's (1979) suggestion that leaders who are more similar to a subordinate will be more likely to make external attributions for that subordinate's poor performance. It may be presumed that, on average, group members will be more similar to one another than they are to the manager (cf. Mumford, 1983; Tsui, Xin, & Egan, 1995). Also, compared with managers, group members are generally more intimately familiar with the realm of situational variables that may cause poor performance (Mitchell & Kalb, 1982; Mumford, 1983). Thus, the group members and groups may be expected to interpret the causes of poor performance more externally than will managers and, in turn, make less severe disciplinary decisions.

However, we expected that, because of reduced accountability pressures, group consensus decisions will be influenced more by information pointing to internal explanations for poor performance than will group members' decisions. Thus, combining predictions implied in the earlier discussion, we expected an interaction between source of the disciplinary decision (manager, group member, or group) with attribution.

H2b: The difference in severity between external and internal attributions will be largest for managers, smallest for group members, and in between these extremes for groups (through group consensus).

Outcome Seriousness

In their theoretical framework of managerial responses to poor performance, Green and Mitchell (1979) proposed that the more serious a performance problem, the more internal the manager's attribution for the problem and the more severe the disciplinary decision made in response to the problem. Experimental research using both students (Gavin et al., 1995; Rosen & Jerdee, 1974) and organizational employees (Mitchell & Wood, 1980), as well as field research (Green et al., 1986), has provided support for this proposition. Such results might also be expected based on the extent to which progressive discipline in organizations (Elkouri & Elkouri, 1985), as well as court responses to criminal offenses, is based largely on the seriousness of the performance problem or crime. For example, assume that two individuals both fire a gun at someone with the intent to kill. If the first individual misses and the second kills the target, the former will receive a light sentence and the latter individual may receive the death penalty. The behavior in both cases is identical, but it is the seriousness of the outcome rather than the behavior that has the greatest weight on the severity of the punishment.

H3: The disciplinary decisions made by managers, group members, and groups (through group consensus) will be significantly more severe under conditions of high outcome seriousness than low outcome seriousness.

Reward Structure

It is possible that group members make decisions about the performance of fellow members based on the way in which group members are rewarded. Research has been conducted on the differential effects of group member versus group reward structures on group performance, individual performance, and attitudes (Fandt, Cady, & Sparks, 1993; Wageman, 1995; Wageman & Baker, 1997). Other researchers have examined the effect of individual versus group goals on peer performance ratings (Mitchell & Silver, 1990; Saavedra, Earley, & Van Dyne, 1993). However, little research has been done on the effects of reward structure on group member decisions regarding the poor performance of fellow group members.

Two basic types of reward structure are individual and group based. Individual-based rewards may result in more lenient actions taken in response to poor performance because a group member's personal performance rating and rewards are not affected by the overall performance of the group. Thus, if one person in the group performs poorly, it does not affect the rewards received by the other members. In such a situation, group members may be concerned about protecting their own self-interest in the future when they are the poor performer, and thus they will tend to be lenient in making a disciplinary decision (cf. DeNisi, Randolph, & Blencoe, 1983). Alternatively, the presence of group-based evaluations and rewards may result in more severe disciplinary decisions taken in reaction to poor performance. This may occur because each member of the group suffers a personal loss as a result of the poor performance of one group member.

Although little research has been conducted on the effects of reward structure on manager handling of poor performance, we expected that the disciplinary decisions of managers would reflect reward structure. Because of an interest in being perceived as fair (Greenberg, 1990), managers would feel the need to make a more severe disciplinary decision when poor performance adversely affects the compensation of all team members. Similarly, we expected that group members will also advocate a more severe disciplinary decision under conditions of group-based than individual rewards.

H4a: The disciplinary decisions made by managers, group members, and groups (through group consensus) will be more severe under conditions of group rewards than individual rewards.

Even though we expected the disciplinary decisions of managers, group members, and groups to be influenced by

reward structure, we expected the effect to be stronger for groups, whose compensation is directly affected by reward structure, than it will be for managers. Because of greater accountability as an individual, the effect of reward structure on group members should be weaker than it is for group consensus decisions. The resulting interaction between the source of decision (manager, group member, and group) and reward structure is as follows:

H4b: The difference in severity of disciplinary decisions between conditions of group rewards and individual rewards will be largest for groups (through group consensus), smallest for managers, and in between these extremes for group members.

Influence of Group Member Decisions on Subsequent Group Consensus Decisions

When groups make decisions, the consensus-seeking process is in part affected by the individual decisions of group members (Davis, 1973; Stasser, Kerr, & Davis, 1989). This raises a question about the effect that individual group member opinions may have on the consensus decision reached by the group. The small-groups literature in social psychology has demonstrated that the prevailing or majority position among individual group members is positively associated with subsequent group consensus decisions (Levine, 1989). Davis (1992) summarized this trend by noting that "a majority of some order often determines group decision" (p. 27). It has been observed, however, that virtually all research comparing individual with group decision making has been conducted with randomly assembled ad hoc groups (Hollenbeck et al., 1995; Michaelsen, Watson, & Black, 1989). Perhaps the key difference between ad hoc groups and intact groups is the familiarity that members have with one another (Hollenbeck et al., 1995; Goodman & Leyden, 1991). Knowledge of each other's expertise and values may lead to a substantial association between individual and group decisions in intact as opposed to ad hoc groups (e.g., Wegner, 1987). Indeed, a strong association has been found in intact groups between individual group member decisions and the group consensus decisions (Hollenbeck et al., 1995). Furthermore, Hollenbeck et al. developed a multilevel theory of team performance that stresses the interplay between individual expertise and perceptions and group-level decisions. On the basis of this theory as well as past empirical results, we anticipated that individual group member decisions will explain variation in group consensus decisions.

H5a: The disciplinary decisions made through group consensus will be significantly influenced by the initial decisions of individual group members.

Although individual group member decisions are expected to influence the group decision, it is clear from the

literature on groups that group consensus is more than a simple aggregation of individual effects (Davis, 1992). Because of the sharing of information (Larson, Christensen, Abbot, & Franz, 1996; Stasser & Titus, 1985), the integration of a diverse set of skills and expertise (Guzzo & Dickson, 1996), pooling of resources, discussing alternatives (Watson, Michaelsen, & Sharp, 1991), and combining individual decisions (Davis, 1973), group decisions often differ from the simple aggregation of individual decisions (Shaw, 1981; cf. Gigone & Hastie, 1993, 1997).

H5b: Attributions, outcome seriousness, and reward structure will explain variance in disciplinary decisions made through group consensus beyond that explained by the initial decisions of individual group members.

Research on choice shifts provides the theoretical foundation for examining differences in the severity of disciplinary decisions between group members and groups. The main theoretical position concerning such differences is that the group decisions exacerbate the initial decisions made by individual group members. This has been labeled the "choice shift effect" or "group polarization effect." Choice shifts in decision-making groups have attracted considerable attention in social psychology over many years (Davis, Kameda, & Stasson, 1992; Isenberg, 1986; Pruitt, 1971; Wallach, Kogan, & Bem, 1962). The basic premise of choice shifts (Myers & Lamm, 1976) is that during the decision-making process, group decision preferences tend to drift toward the pole of the prevailing position expressed during group consensus decision making. Confronted with decisions that involve risk, such as those involving the potential loss or gain of money or physical danger, group decisions are likely to shift in one of two directions. When individual group members tend to favor a risky decision, the group consensus tends to be even more risky than the mean of individual decisions, thus demonstrating a risky shift. On the other hand, if group members lean toward a cautious decision, the group consensus decision tends to be more cautious, demonstrating a cautious shift. The reasons for this shift have stimulated much debate (Davis, 1992). Even though much of the choice shift literature has focused on decisions involving risk, substantial research has been conducted on other types of shifts, such as those involving the decisions of juries (Davis, Stasser, Spitzer, & Holt, 1976) and on shifts in attitudes (Pruitt, 1971).

Extending the theoretical presuppositions of choice shift to the current research on disciplinary decisions, we expected that social comparison and persuasion processes will occur such that group consensus disciplinary decisions will exaggerate the initial tendencies of the group members.

H6a: When the initial tendency among group members is in favor of a mild disciplinary action (average individual decision), the disciplinary decisions made by groups (through group consensus) will be significantly less severe than those made by group members.

H6b: When the initial tendency among group members is in favor of a severe disciplinary action (average individual decision), the disciplinary decisions made by groups (through group consensus) will be significantly more severe than those made by group members.

Method

Overview of Research Design

An experiment and survey were used to test the hypotheses. Members of intact work groups and their managers from four organizations participated in the study, which was part of a larger investigation. The experimental design consisted of participants responding to eight scenarios, each describing a poor performance incident. Respondents indicated the disciplinary actions they would take in response to each incident. We rated the actions in terms of severity. The scenarios included a between-subjects factor and within-subjects manipulations. Managers and group members responded individually to the scenarios, followed by the group members meeting (no managers were present) to reach a consensus on the disciplinary decision for each scenario. Consequently, the source of the disciplinary decision (managers, group members, and groups) defined the between-subjects variable of interest. Attributions (external vs. internal), outcome seriousness (mild versus serious), and reward structure (independent vs. group), each operationalized as a dichotomous variable, were manipulated in the scenarios and served as the within-subjects variables.

Sample

This study was conducted with work group members and their managers from four organizations: administrative and clerical employees at a university, production and clerical employees at a small manufacturing company, production employees at two facilities of a large manufacturing company, and managerial and administrative employees at a large distribution company. These organizations were located in two midwestern states, with the exception of one facility of the large manufacturing organization, which was located in the Southeast. All participants were members or managers of intact work groups.

Of the 49 work groups selected to participate in the study, 47 (269 group members) agreed to do so (a 96% response rate). However, 6 groups did not reach consensus on all eight scenarios because of time constraints. Thus, for the group-level portion of the experiment, a total of 41 groups containing 231 group members (effective response rate = 84%) were included in the analyses. The average size of these 41 groups was 5.6 members, and the average length of time since the groups had been formed was 20 months. The average age of the group members was 35.5 years, and the average organizational tenure was 57.8 months. The sample consisted of 58.5% women and 68.6% Whites. As for educational level, 8% had no degree, 39% had a high school diploma, 9% had completed a professional training program after receiving a high school diploma, 15% had an associate's degree, 26% had a bachelor's degree, and 4% had a graduate degree. Respondents at the two facilities of the large manufacturing organization were not able to participate in the individual-level portion of the experiment because of time constraints. Thus, only part of the sample (26

groups containing 142 group members) was involved both in the individual and group portions of the experiment.

Among the 47 work groups that agreed to participate, 45 managers or group leaders (response rate = 96%) participated in the study. The manager sample was composed of 64% men and 73% Whites. Their average age was 36.8 years, the average organizational tenure was 7.5 years, and the average number of years of supervisory experience was 7.9. In terms of educational level, 2% had a high school diploma, 20% had completed a professional training program after receiving a high school diploma, 13% had an associate's degree, 47% had a bachelor's degree, and 18% had a graduate degree.

Procedure

Data were collected during a 7-month period. Participation in the study was voluntary. All of the organizations allocated time during regular work hours for respondents to participate in the study. One of us distributed the study materials to participants and was present during the data collection sessions. First, all group members individually completed a survey (questions measuring demographics). For the 142 members (comprising 26 groups) who completed the scenarios both individually and as a group, the group members next responded to eight scenarios describing a hypothetical group member's poor performance (individual level). After each scenario, respondents indicated the disciplinary decision they would make to deal with the poor performance incident and then responded to the manipulation check items. After completing the scenarios individually, we instructed members to discuss the same eight scenarios with the other members of their group and come to consensus on the disciplinary action (group level). We collected the individual responses to the scenarios so that members could not refer to them during the group consensus process. When the group had reached consensus on the disciplinary action, they then completed the manipulation checks by reaching consensus on each item. Fifteen groups were not able to complete both the individual- and group-level portions of the experiment because of time constraints (in both facilities of the manufacturing organization, the plant manager had to shut down the manufacturing line so that the group members could participate in the study). Because group-level phenomena were of primary interest in this study, we had these group members complete the group portion of the experiment immediately after completing the survey, and they did not complete the individual part of the experiment. In cases in which members did not complete the scenarios individually, groups were given the scenarios and instructed to read, discuss, and reach consensus on the appropriate disciplinary action.¹ Groups typically reached consensus after discussing each scenario for 5–10 min. The researchers observed the groups' interaction but did not intervene in the discussions or attempt to structure how consensus was reached. Frequently, one or more individuals would assume informal leadership roles and poll members who had not spoken up about their views.

In all cases, managers did not participate in the group portion of the experiment. Managers individually completed a survey (questions measuring demographics) and then responded to the same set of eight scenarios and manipulation check items responded to by their group members. For the experimental portion of the study, all

participants were told to read each scenario and view the poor performer as a member of their work group.

Scenarios

The scenarios described a hypothetical group member's poor performance and the circumstances related to the poor performance incident. The poor performers described in the scenarios had androgynous names such as Terry and Chris. To minimize repetitiveness, we used four different performance problems across the eight scenarios. The four performance problems included a group member who (a) did not listen to job-relevant instructions; (b) produced a lower quantity than expected; (c) was late when completing an assignment; and (d) made a mistake, resulting in poor quality of work (see Samples 1 and 2 in the Appendix). The combination of manipulations (described shortly) and performance problem type resulted in 32 ($2 \times 2 \times 2 \times 4$) different scenarios (systematically varying the three dichotomous independent variables across the four performance problems).

The selection and sequential order of the eight scenarios was randomized for each group, except for two constraints. First, the same problem type appeared only twice and was never presented consecutively to the same respondent. Second, within any one organization, every possible combination of manipulations appeared at least once in each position (i.e., first, second, third, etc.). For the individual-level portion of the experiment, group members and managers from the same work group responded to an identical set of eight scenarios, arranged in the same order. When group members met to reach a consensus decision for the group portion of the experiment, they responded to the same set of eight scenarios that were used in the individual-level part of the experiment, arranged in the same order.

Manipulations

Attributions. Attributional cause of the poor performance was manipulated by providing information that would encourage respondents to attribute the poor performer's behavior to either an external or an internal cause. To do this, each scenario provided consensus, distinctiveness, and consistency information (Kelley, 1967). The term *consistency* refers to the extent to which the target individual has previously behaved in the same way in the past. For example, high consistency would be present if a person who was late to work today has also been many times in the past. *Distinctiveness* is based on the degree to which the behavior in question compares with other behaviors. For example, low distinctiveness

¹ An analysis of variance (ANOVA) was conducted to examine the possibility that completing the scenarios individually before completing them in groups would have a systematic effect on the severity of the group's subsequent decisions. We compared the disciplinary decisions of the groups in which members had previously completed the scenarios individually with the decisions made by groups whose members had not completed them individually. The ANOVA showed no statistically significant differences in the severity of the groups' decisions, $F(1, 340) = 0.31, p = .576$, which was attributable to members having previously completed the scenarios individually.

applies to cases in which the group member performs poorly on virtually all aspects of the job. Although consistency and distinctiveness exclusively involve the behavior of the poor performer, the term *consensus* refers to a comparison between the poor performer and coworkers on the behavior in question. Low consensus on lateness indicates that it is rare for coworkers to be late to work. Internal attributions tend to follow from cases involving high consistency, low distinctiveness, and low consensus. External attributions follow from a pattern of low consistency, high distinctiveness, and high consensus.

An example of the internal attribution manipulation is, "Several members of your team remember other times when Chris had made mistakes like this one. In fact, Chris's performance is usually very poor. Other team members would not have made a similar mistake." An example of the external attribution manipulation is, "No one on your team can remember a time when Terry had made a mistake like this one. Terry's performance is usually very good. Besides, other team members have made mistakes like this one."

Outcome seriousness. Outcome seriousness was manipulated by describing the outcome of the poor performance episode as either mild or serious. An example of the mild problem manipulation is, "Although the quality of Terry's work was below standard, it caused problems only for your work group. Your team corrected the mistake before other departments were affected by it." An example of the serious problem manipulation is, "Because of Chris's mistake, the quality of the project was poor. This caused severe problems for your work group, as well as for other departments."

Reward structure. Reward structure was manipulated by describing the reward structure for the work group as being either based on individual rewards (individual-based reward structure) or group rewards (group-based reward structure). An example of the individual reward structure manipulation is, "Each person on your team earns bonuses and other rewards based on how well each group member performs on the job. This means that your compensation is not affected by how well anyone else does his or her job. Some team members can receive large bonuses and rewards, while others receive much smaller bonuses and rewards." An example of the group-based reward structure manipulation is, "Each person on your team earns bonuses and other rewards based on the performance of the team as a whole. This means that your compensation depends on how well everyone else on the team does their job. Everyone on the team receives the same bonus and rewards."

Pretest of Scenarios

Thirty-six undergraduate students enrolled in an upper-level management course provided data in a pretest of the scenarios. After each scenario, the students indicated the disciplinary actions that they would take in response to the poor performance incidents. Our main purpose for collecting these data was to examine the effects of problem type on the severity of disciplinary decisions. Participants also responded to three manipulation check items and an item assessing the realism of the scenarios. Analyses were conducted to test the effects of problem type, the efficacy of the manipulations, and the realism of the scenarios. Repeated measures analysis of variance (ANOVA) results indicated that performance problem type had no effect on respondents' disciplinary

decisions, $F(3, 111) = 0.95, p = .42$. In three separate repeated measures ANOVAs with the manipulation check serving as the dependent variable, results show support for all three manipulations: attribution, $F(1, 35) = 98.43, p < .001$; outcome seriousness, $F(1, 35) = 74.67, p < .001$; and reward structure, $F(1, 35) = 217.97, p < .001$. Mean scores for the manipulation check items were in the expected direction. However, based on students' feedback, we slightly modified the attribution and outcome seriousness manipulation check items to make them more clear and concise. Concerning realism, 87% of the respondents felt the scenarios were realistic.

Measures

Manipulation check. Participants responded to three items created specifically for this study to assess the effectiveness of the three manipulations. The effectiveness of the attribution manipulation was assessed with the item, "The team member's diminished performance resulted mostly from what?" Participants responded on a 5-point scale that ranged from 1 (*situation or task*) to 5 (*characteristics of the poor performer [e.g., skills, motivation]*). For the outcome seriousness manipulation, participants responded to the following item: "The team member's performance problem had a serious effect on the work group's productivity." Respondents indicated their agreement with this statement on a 5-point scale that ranged from 1 (*strongly disagree*) to 5 (*strongly agree*). The manipulation check item for reward structure was the question, "To what extent were your own rewards based on individual versus group efforts?" The response scale ranged from 1 (*was based exclusively on individual efforts*) to 5 (*was based exclusively on group efforts*).

Severity of disciplinary decision. When responding to each scenario, participants indicated which of 12 possible actions they would take in response to the poor performance incident. Participants were allowed to choose more than one action. Their choices were adapted from similar items used by Green and Liden (1980). Following Green and Liden, the disciplinary decision variable was created by evaluating the actions in terms of severity, defined as the level of punitiveness and level of change in job duties. Each action was categorized by five of us in terms of four levels of punitiveness (no punitiveness, low punitiveness, moderate punitiveness, and termination) and three levels of change in job (no change, minor change, and moderate change). There was perfect agreement among us in categorizing the actions into punitiveness and job change levels. Although crossing punitiveness by job change resulted in 12 (4×3) categories, termination precluded the use of a job change. Thus, a 10-point scale shown in Table 1 resulted, indicating the severity of the disciplinary decision. The scale ranged from 1 (*no punitiveness and no change in job duties*),

Table 1
Severity of Disciplinary Decision Coding

Change in job	No punitiveness	Low punitiveness	Moderate punitiveness	Termination
None	1	4	7	10
Minor	2	5	8	10
Moderate	3	6	9	10

the most lenient response, to 10 (*termination*), the most severe action.

Demographics. As part of a larger study, group members and managers completed surveys that included measures of demographics.

Organization. We created a nominal variable for organizations and facilities (university = 1, small manufacturing company = 2, large manufacturing company [Facility 1] = 3, large manufacturing company [Facility 2] = 4, and large distribution company = 5).

Results

Manipulation Checks

To test the effectiveness of the manipulations in the scenarios, we conducted three within-subjects ANOVAs for each source (managers, group members, and groups). For groups, members discussed each manipulation check and reached consensus. The within-subject factors were the attributions, outcome seriousness, and reward structure, and the dependent variables were the manipulation checks. Support was found for the efficacy of all three manipulations for each decision-making source: (a) attribution for group members, $F(1, 122) = 361.30, p < .001$, managers, $F(1, 39) = 169.84, p < .001$, and groups, $F(1, 40) = 306.77, p < .001$; (b) outcome seriousness for group members, $F(1, 129) = 204.57, p < .001$, managers, $F(1, 40) = 75.96, p < .001$, and groups, $F(1, 40) = 84.99, p < .001$; and (c) reward structure for group members, $F(1, 127) = 281.61, p < .001$, managers, $F(1, 37) = 53.51, p < .001$, and groups, $F(1, 40) = 92.69, p < .001$.² Furthermore, an examination of the mean scores for the manipulation check items indicated that the means were in the expected direction.

To prevent repetition, in the scenarios we presented four different examples of poor performance (i.e., not listening, tardiness, poor quality, and made a mistake). When preparing the scenarios, we also had to subtly alter the wording of each manipulation to be consistent with the type of poor performance. The pretest showed no differences across the four performance problem types. However, in the main sample, it was possible that the type of poor performance depicted in the scenario, or the subtle differences in the wording of our manipulations, would affect the severity of judgments made by individuals, groups, or managers. To test this possibility, we examined both main effects for poor performance type as well as interactions between the type of poor performance and each of the three manipulations.

The type of poor performance described in the scenarios showed no statistically significant main effects on the severity of decisions made by individuals, groups, or managers. Among individuals, only the Poor Performance Type \times Attribution interaction term was statistically significant, $F(3, 1191) = 4.67, p < .003$. However, the effects of the

interaction term explained less than 1% of the variance in performance decisions. Among groups, the Poor Performance Type \times Attribution interaction term was also significant, $F(3, 340) = 2.95, p < .033$. Again, however, the proportion of variance explained by the interaction (1.06%) was small. Among managers, only the Performance Type \times Reward Structure interaction was statistically significant, $F(3, 363) = 3.06, p < .028$, and explained 2.5% of the variance in the severity of their judgments. The absence of main effects for the type of poor performance described in the scenarios, and the relatively weak effects of the interactions of poor performance type and the three manipulated variables, indicated that participants' responses to the scenarios were largely unaffected by differences in the wording of the scenarios.

Severity of Manager, Group Member, and Group Disciplinary Decisions

To test the differences in the severity of disciplinary decisions across decision-making sources (manager, group member, and group consensus) and organizations, we conducted a 3×5 two-way ANOVA (Decision-Making Source \times Organization). Results reveal a significant difference in the severity of disciplinary decisions across decision-making sources, $F(2, 1896) = 12.49, p < .001$.³ Consistent with H1a, paired t tests ($p < .05$) showed that managers ($M = 3.73$) were more severe in disciplinary decisions than were individual group members ($M = 3.06$). Contrary to H1b, the difference in means between managers ($M = 3.73$) and group consensus decisions ($M = 3.63$) was not significant. This analysis also showed that groups ($M = 3.63$) were more severe in disciplinary decisions than were individual group members ($M = 3.06$). There was also a significant difference in the severity of disciplinary decisions across organizations, $F(4, 1896) = 14.99, p < .001$.

Factors Influencing Disciplinary Decision Severity

Testing H2–H4 required the explicit assessment of the differences among the decision-maker categories. Given that the source of decision maker (manager, group member, or group) and the control variable (organization) were cat-

² Degrees of freedom varied across analyses because of missing data.

³ Two-tailed tests were used in testing all coefficient estimates for significance. Although it can be reasonably argued that one-tailed significance tests should be used in testing the hypothesized effects, to be consistent in testing all coefficients (hypothesized and nonhypothesized) we chose to use the more conservative two-tailed tests for all coefficient estimates. Note that regardless of whether one- or two-tailed tests were used there was no difference in the significance of any hypothesized effect.

egorical variables, we used a repeated measures ANOVA, with the dependent variable being the severity of the disciplinary decision across all eight scenarios. Organization was included as a control variable because of the wide diversity of organizations represented in the sample. However, the sample size of five (four organizations, one containing two geographically separated facilities) precluded meaningful interpretation of effects for organization. Decision-maker source and organization were treated as between-subjects factors, and the three manipulated variables were tested as within-subjects factors. Table 2 shows the repeated measures ANOVA results explaining variance in the severity of disciplinary decisions.

Consistent with H2a, the disciplinary decisions of managers, group members, and groups were more severe under the internal attribution condition and less severe in the external attribution condition. Paired comparisons ($p < .05$) revealed that the average disciplinary decision was significantly more severe when an internal attribution was made ($M = 4.94$) than when an external attribution was made ($M = 1.65$). The Source \times Attribution interaction also explained significant amounts of variance in the severity of disciplinary decisions. A graphical display of this interaction appears in Figure 1. The figure shows that attributions were most strongly related to disciplinary decisions for groups and least strongly related for group members. The average increase in severity for groups under conditions of internal versus external attributions was 4.42, whereas the average increment was 3.47 for managers and 2.90 for group members. Contrary to H2b, the difference in the severity of disciplinary decision was largest for groups (not managers). However, as predicted, the difference in severity of disciplinary decisions was smallest for group members.

Table 2
Repeated Measures Analysis of Variance for
Disciplinary Decisions

Source of variation	F	η^2	dfs
Attribution (ATTRIB)	17.47**	.075	1, 215
Outcome seriousness (OUTSER)	4.69*	.021	1, 215
Reward structure (REWARD)	3.67 ^a	.017	1, 215
Source of decision maker (SOURCE)	2.83 ^b	.026	2, 215
Organization (ORG)	3.36*	.059	4, 215
ATTRIB \times REWARD	3.89*	.018	1, 215
ATTRIB \times OUTSER	0.10	.000	1, 215
ATTRIB \times SOURCE	9.19**	.079	2, 215
ATTRIB \times ORG	2.58*	.046	4, 215
REWARD \times OUTSER	0.14	.001	1, 215
REWARD \times SOURCE	2.39	.022	2, 215
REWARD \times ORG	2.51*	.045	4, 215
OUTSER \times SOURCE	0.38	.004	2, 215
OUTSER \times ORG	2.51*	.045	4, 215
SOURCE \times ORG	3.54**	.090	6, 215

Note. $N = 228$.

^a $p = .057$. ^b $p = .062$.

* $p < .05$. ** $p < .01$.

Supporting H3, the disciplinary decisions of managers, group members, and groups were more severe under conditions of high outcome seriousness than low outcome seriousness.⁴ Across categories of decision makers, decisions were significantly more severe ($p < .05$) when the outcome of the performance problem was serious ($M = 3.52$) than when the outcome was not serious ($M = 3.06$). Finally, only marginal support was found for H4, as the main effect for reward structure was not quite significant ($p < .057$).⁵

Effect of Group Member Decisions on Group Consensus Decisions

H5a and H5b addressed the effect that group member decisions (made before meeting as a group) had on the severity of the disciplinary decision made through group consensus. Two regression equations were conducted to test these hypotheses. First, group action was regressed on the average group member reaction within that group. As shown in Table 3, the average group member decision had a strong effect on the severity of the group consensus decision as predicted in H5a. Second, we regressed group action on the average group member reaction and the three independent variables (i.e., reward structure, attribution, and problem seriousness). This analysis revealed that the majority of variance (70.9%) in group consensus decisions was explained by the average of the group member decisions. However, consistent with H5b, attribution, reward

⁴ Table 2 also shows η^2 coefficients, which indicate the relative strength of the effects (Keppel, 1982). Although many of the η^2 coefficients were small, several points should be kept in mind. First, η^2 coefficients do not have a comparable interpretation to r^2 ; in fact, they are always less than r^2 (Keppel, 1982). Furthermore, because the distributions of η^2 coefficients are unknown, it is impossible to make a conclusive judgment about the size of each coefficient. Third, the coefficients reported in Table 2 are not unlike those encountered by past researchers (Martocchio & Judge, 1994; Rynes & Lawler, 1983). Finally, the η^2 coefficients are best used to compare the relative strength of effects within a sample. To that end, it is clear that attribution was the variable most strongly related to disciplinary decisions.

⁵ We tested whether problem type had an effect using repeated measures analysis of covariance (ANCOVA) with performance problem type as a covariate. Thus, this analysis was the same as that reported in Table 2, except that performance problem type was included as a covariate. Statistical significance remained the same for all main effects and was different for only 1 of the 10 interactions tested. With performance problem type as a covariate, the Reward \times Organization interaction was not significant ($p = .088$), but it was significant without the control for performance problem type ($p = .043$) as reported in Table 2. Thus, the results of the ANCOVA were nearly identical to those reported in the repeated measures analysis of variance appearing in Table 2, indicating that performance problem type did not alter the results of our tests of the hypotheses.

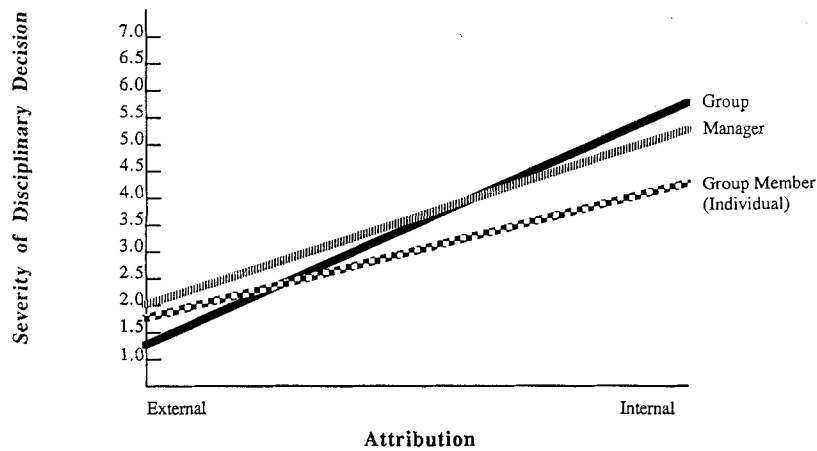


Figure 1. Interaction between source of decision and attribution.

structure, and problem seriousness explained an additional 7.8% of the variance in group consensus decisions, with the beta weight for attribution being significant.

To test H6a and H6b, which concerned predictions about choice shift, we compared the average of group members' decisions before discussion with those made by group consensus after discussion. To do this, we first determined the predicted direction of the choice shift by creating a dummy variable. This variable represented whether the group decision should shift in a more lenient or more severe direction. We calculated the variable by determining whether the average of prediscussion member decisions for each of the groups was more lenient or more severe than the median of all prediscussion member decisions. Groups in which members were on average lower than the median were predicted to become more lenient as a group. Groups in which members were on average higher than the median were predicted to become more severe (mean group member decision more lenient than the median = 1, or mean group member deci-

sion more severe = 2; see Butler & Crino, 1992). We also created a second dummy variable representing the source of the disciplinary decision (average of member decisions before discussion = 1, or group consensus decision after discussion = 2). The dependent variable was the severity of the disciplinary decision for each of the eight scenarios. We conducted two paired *t* tests to determine whether group decisions shifted in the predicted direction. The first paired *t* test examined those groups predicted to become more lenient, whereas the second examined those predicted to become more severe. Paired *t* tests showed a significant difference, $t(12) = 1.82, p < .05$, in severity between average group member ($M = 2.49$) and group consensus ($M = 4.83$) for lenient groups (i.e., those below the median on the severity of group member decisions). This result was the opposite of that predicted in H6a: Consensus decisions for groups in which members tended to favor lenient disciplinary decisions were more severe, not less severe as hypothesized. For groups above the median on the severity of group member decisions, there was not a significant difference, $t(13) = 0.48, p = .37$, in the severity of decisions between average group member ($M = 3.74$) and group consensus ($M = 3.80$). Thus, neither H6a nor H6b was supported.

Table 3

Disciplinary Decision Severity Regressed on Average Group Member Decision, Attribution, Outcome Seriousness, and Reward Structure

Variable	dfs	R^2	ΔR^2	β
Step 1	1, 207	.709		
Severity of average group member decision				.476*
Step 2	3, 203	.787	.078**	
Attributions				.459*
Outcome seriousness				.029
Reward structure				.003

Note. Standardized regression coefficients (β s) were computed after all independent variables were entered in each model. Asterisks indicate significance of the *F* ratios for the change in R^2 and the significance of the *t* statistics for each variable's regression coefficient.

* $p < .01$. ** $p < .001$.

Discussion

The purpose of this study was to empirically examine the severity of disciplinary decisions across three sources (manager, group member, and group) and the factors influencing these decisions. Results indicate that manager and group disciplinary decisions were both significantly more severe than the decisions made by group members. Attributions and outcome seriousness affected the severity of disciplinary decisions made by managers, group members, and groups.

Severity of Manager, Group Member, and Group Disciplinary Decisions

Consistent with predictions, we found that disciplinary decisions made by managers were more severe than those made by group members. This effect may have occurred because managers are less familiar than are group members with the poor performer's job (Cardy & Dobbins, 1994; Mumford, 1983). Another explanation for the difference in severity between manager and group member disciplinary decisions may be that there is greater social distance between managers and group members than among group members (Messé et al., 1992). However, the results indicate that managers' disciplinary decisions were not significantly more severe than group consensus decisions as hypothesized. It may be that when groups are given the responsibility to make disciplinary decisions and engage in group interaction and discussion, social distance increases between the poorly performing member and the other group members such that it is comparable to the social distance between managers and group members. Another possible explanation is that groups develop their own system of control for dealing with poor performers that is equally strict relative to organizational control systems (Barker, 1993).

Factors Influencing the Severity of Disciplinary Decisions

Despite mean differences in disciplinary decision severity of group members versus group consensus and manager decisions, there was a remarkable similarity in the factors influencing decisions. Managers, group members, and groups were all influenced most by attributions for the poor performance, with internal attributions being associated with more severe disciplinary decisions. Research on attribution theory and the management of poor performance has focused on the perceptions and decisions of individuals. Results of the current study extend these research streams to the group level by suggesting that group consensus decisions may also be guided by attributions concerning the behavior of the target individual. Furthermore, the interaction between the type of decision maker (manager, group member, and group) and attribution indicated that disciplinary decisions of groups were influenced most by attributions. Groups were least severe when an external attribution was made and most severe when an internal attribution explained the poor performance. It could be that identifying an attribution has some attributes of a "eureka" task, that is, a decision that has a solution viewed by all members as clearly correct once it is introduced (Steiner, 1972). For this to occur, all it would take is for one group member to identify the cause and communicate it to the group. This would make it more likely for groups to identify internal or

external attributions than it would for individuals. Although not as strong as the attribution effects, the severity of actions taken in response to poor performance was also affected by outcome seriousness. These findings extend the results of studies on managerial responses to poor performance (Mitchell & Wood, 1980) to include group member and group consensus decisions.

Interestingly, whether group member rewards were based exclusively on individual performance or on group performance had minimal effects on the disciplinary decisions of managers, group members, and groups. One possible explanation is that even in cases in which the performance problem was portrayed as not affecting individual compensation, groups and managers may assume that all incidents of poor performance hurt group effectiveness and eventually will negatively affect individual rewards.

Results of the current investigation also show that initial individual group member decisions explained a majority of the variance in the severity of subsequent group consensus disciplinary decisions. Thus, the judgments reached by group members in isolation of the others tend to parallel the decision made through group consensus. However, group decisions were not redundant with group member decisions, as an additional 7.8% of the variance in group decision severity was explained by attributions, outcome seriousness, and reward structure.

Choice Shifts in the Severity of Disciplinary Decisions

Although a significant shift toward a more severe decision occurred for groups whose individuals initially favored a relatively lenient decision, this shift was in the direction opposite of our prediction. Among groups whose individuals initially favored a relatively severe decision, the shift was toward greater severity as hypothesized, but the effect was not statistically significant. One possible explanation for the lack of consistency between these results and those of past choice shift studies (Davis, 1992; Isenberg, 1986) lies in the type of decision being made. Decisions examined in the choice shift literature have been directed externally from the group, such as jury decisions concerning a defendant. A different group decision process may be evoked, accompanied by a different choice shift, when the target of a decision is a member of the group, as in the current study. Accountability and social comparison theories may explain this process.

Based on accountability theory, it may be that individual group members, in comparison to groups, are reluctant to advocate a severe response to poor performance of a fellow group member. Accountability is greater with individual decisions relative to group decisions, and research has shown that as accountability increases, individuals tend to avoid difficult, sensitive decisions (Adelberg & Batson,

1978; Fandt & Ferris, 1990; Frink & Klimoski, 1998; Tetlock, 1985). However, groups may have a more severe response to handling the poor performance because no one group member can be identified as being accountable for the disciplinary decision. Therefore, there is less fear of retribution.

Individuals may also evaluate a poor performer's behavior through social comparison processes that involve only themselves and the poor performer. During this process, individuals may consider the possibility that they may commit the same error in the future, thus responding more leniently. On the other hand, groups may be more inclined to evaluate the poor performance in terms of its effect on the good of the group as a whole (Hackman, 1976). In its concern for the success of the group, a group's more severe disciplinary decision may be deemed appropriate through group consensus relative to decisions made by individuals.

Implications for Practice

In mature work groups, responsibility for a range of personnel decisions, including discipline and termination, may be transferred from managers to groups (Liden & Arad, 1996; Manz & Sims, 1987). However, the implication of such a transfer of power is not known. The current results showing the similarity between manager and group disciplinary decisions suggest that a transfer of responsibility for disciplinary decisions from managers to work groups may not result in greater leniency toward poor performers. In fact, with the increasing spans of control for managers that often accompany downsizing, groups may possess much richer information than managers on the task behaviors and performance of each group member (Mumford, 1983) because they work together daily and are capable of recalling more information about peers. In addition, by pooling resources, groups may be less prone to unfair performance rating bias because any one group member's biases may be removed from further consideration by the rest of the group. Thus, the results of the current study suggest that groups may be capable of making valid and fair decisions about group member poor performance.

Group discussion of member performance may also serve a developmental function, as each member gains an understanding of the ingredients of successful job performance. An additional benefit of participating in group discussion of each group member's performance is that acceptance of one's own performance rating might be enhanced, thus reducing the possibility of negative reactions to peer ratings (DeNisi et al., 1983).

Despite the advantages for the use of groups in making disciplinary decisions and rating the performance of peers, there are possible drawbacks. First, group performance rating takes extra time and money relative to the traditional approach of a formal manager conducting all evaluations.

Second, the interpersonal and legal issues surrounding the management of poor performance are complex. Third, when several members of the group share the same biases, bias in the group decision may be magnified (Argote, Devadas, & Melone, 1990; Martell & Borg, 1993). Thus, research is needed to examine the costs and benefits associated with the use of groups for handling discipline and rating performance. Finally, social interactions between the poor performer and group members may be awkward, and group cohesiveness may suffer after the group has administered the disciplinary action.

Limitations and Strengths

The main limitation of our research was the use of hypothetical cases of poor performance. Although realism would have been enhanced by studying actual performance problem cases, that approach also suffers from limitations, such as reliance on retrospective accounts, which are not free of problems (Miller, Cardinal, & Glick, 1997). Also, given our interest in group consensus decisions about the discipline to be imposed on a fellow group member, it would have been unethical to identify a person of the group who could be labeled a poor performer. Furthermore, given the lack of research on group disciplinary actions, we wanted an experimental design so that causal inferences could be made. A limitation of the sample is that the participating groups were not experienced in making formal disciplinary decisions. However, the groups did have experience in making many other work-related decisions by consensus. At the time of the study, the participating organizations were considering whether to transfer responsibility for disciplinary decisions from managers to groups.

A strength of the research was that participants were either members or managers of intact work groups representing five facilities of four diverse organizations. In the group consensus portion of the experiment, participants interacted with group members with whom they had worked on a daily basis for an average of nearly 2 years. Also, realistic situations were depicted in the scenarios. Finally, group decision making and discipline/poor performance are difficult topics to address in field settings: Discipline is an extremely sensitive issue, and collecting group consensus decisions is difficult because all members of a group must participate at the same time.

Suggestions for Future Research

To the extent that it is feasible to observe actual incidents of poor performance in the workplace, the results of the current study need to be replicated. Independent variables other than attributions, outcome seriousness, and reward structure also need to be assessed. One potentially critical independent variable is task interdependence (Liden &

Mitchell, 1983; Liden, Wayne, & Bradway, 1997; Saavedra et al., 1993; Wageman, 1995).

Poor performer responses to disciplinary decisions also need to be studied. For example, does the favorability of poor performers' attitudes toward fellow group members change as a result of the group's involvement in the disciplinary decision? Do poor performers respond differently to sanctions applied by groups as opposed to those applied by managers? Furthermore, when groups are in charge of disciplinary decisions, do poor performers direct impression-management behaviors toward group members in an attempt to influence group decisions? If so, are results similar to those uncovered in research focusing on the influence of impression management on manager decisions (Wood & Mitchell, 1981)? Finally, more research is needed on choice shifts in organizational settings (Bettenhausen, 1991). Experimental research in social psychology demonstrates that the prevailing decisions of individual group members are exacerbated in the group consensus decision. However, the results of the present study differ from the typical findings of social psychology. It is possible that certain contextual factors affect the decision-making process of intact groups. Given the widespread use of groups in organizations (Hollenbeck et al., 1995), researchers need an understanding of what other contextual variables influence the direction of shifts from individuals to groups in intact work groups.

In summary, we explored the management of poor performance from a group perspective by comparing the disciplinary decisions made by managers, group members, and groups and by examining the factors influencing those decisions. Given the increasing prevalence of groups in organizations, more research is needed that will examine other organizational behavior and human resource management topics from a group perspective.

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(Appendix follows on next page)

Appendix

Experimental Manipulations and Example Scenarios

The eight poor performance scenarios had the following characteristics:

Scenario	Attribution	Problem seriousness	Reward structure
1	External	Mild	Independent
2	External	Mild	Interdependent
3	Internal	Mild	Independent
4	Internal	Mild	Interdependent
5	External	Serious	Independent
6	External	Serious	Interdependent
7	Internal	Serious	Independent
8	Internal	Serious	Interdependent

These manipulations (i.e., attribution, outcome seriousness, and reward structure) were combined with four different performance problems described throughout the scenarios. The four performance problems included a group member who (a) did not listen to job-relevant instructions; (b) produced a lower quantity than expected; (c) was late when completing an assignment; and (d) made a mistake, resulting in poor work quality. The combination of manipulations and performance problem type resulted in 32 ($2 \times 2 \times 2 \times 4$) scenarios (systematically varying the three dichotomous independent variables across the four performance problems). Two sample scenarios are described below:

Sample 1: Scenario 1

Attribution = External

Outcome seriousness = Mild

Reward structure = Independent

Performance problem type = Made a mistake, resulting in poor work quality

You and your co-workers are organized into a team. You work together to organize and carry out your responsibilities as a team. Each person on your team earns bonuses and other rewards based on how well each individual performs on the job. This means that your compensation is not affected by how well anyone else does his or her job. Some team members

can receive large bonuses and rewards, while others receive much smaller bonuses and rewards. Your team was assigned a major project and each member of your team was responsible for completing a different task in order to complete the project. Terry, a member of your team, made a mistake while working on the assigned task. Although the quality of Terry's work was below standard, it caused problems only for your work group. Your team corrected the mistake before other departments were affected by it. No one on your team can remember a time when Terry had made a mistake like this one. Terry's performance is usually very good. Besides, other team members have made mistakes like this one.

Sample 2: Scenario 8

Attribution = Internal

Outcome seriousness = Serious

Reward structure = Interdependent

Performance problem type = Made a mistake, resulting in poor work quality

You and your co-workers are organized into a team. You work together to organize and carry out your responsibilities as a team. Each person on your team earns bonuses and other rewards based on the performance of the team as a whole. This means that your compensation depends on how well everyone else on the team does their job. Everyone on the team receives the same bonus and rewards. Your team was assigned a major project and each member of your team was responsible for completing a different task in order to complete the project. Gerry, a member of your team, made a mistake while working on the assigned task. Because of Gerry's mistake, the quality of the project was poor. This caused severe problems for your work group, as well as for other departments. Several members of your team remember other times when Gerry had made mistakes like this one. In fact, Gerry's performance is usually very poor. Other team members would not have made a similar mistake.

Received April 17, 1998

Revision received December 7, 1998

Accepted December 14, 1998 ■