

# The impact of collective staff performance management on team cohesion in the medico-social sector

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## Abstract

A longitudinal quantitative research on the impact of collective staff performance management on team cohesion does not show any significant effect. Implementation of team objectives and performance assessment at team level in a medico-social organization does not seem to improve team cohesion. The lack of observed effects is explained by organizational practices which are not in line with collective values, by the lack of support from managers, team instability/turnover, and the absence of collective rewards. The research shows that the collective staff performance management processes does not lead to positive effects when the context is not supportive, in particular when managers are not able to bring the collective principle to life through constant dialogue.

## Collective staff performance management

In a complex, fast and interdependent world, organizations understand that their success is more due to their teams than to their employees taken alone. Knowledge sharing, mutual aid, trust, lead to organizational agility, a requirement which is becoming vital (Singh, Sharma, Hill, & Schnackenberg, 2013). To develop their agility and performance, more and more organizations have started to use collective/team work objectives and rewards. Collective staff performance management is about giving teams collective work objectives and collective rewards/incentives, - usually financial -, at the end of a defined period. The process is the same than that at individual level, the difference being that it is a team that is appraised, not an individual.

It is well known that incentives increase performance (Guzzo, Jette, & Katzell, 1985; E. Locke & Latham, 1990). It is also known that goals increase performance by focusing on attention, mobilizing effort, and motivating individuals to develop goal-attainment strategies (E. A. Locke, Shaw, Saari, & Latham, 1981). As a consequence, goals and incentives (financial, or non-financial), should normally increase performance.

Research in social psychology shows that interdependent tasks, that is to say in group, are a good mechanism for mutual aid, information sharing, communication and cooperation (Wageman & Baker, 1997). Collective incentives request for people to work together in order to reach a common goal. They therefore intend to increase cooperation (Hoegl & Parboteeah, 2003), collaboration (Deutsch, 1949), team cohesion (Kozlowski & Ilgen, 2006), mutual aid and information sharing (Mesmer-Magnus & DeChurch, 2009). As a consequence, they intend to increase performance, which in turn reinforces all of these elements, as the Input-Mediator-Output (IMO) model shows well (Mathieu, Maynard, Rapp, & Gilson, 2008). Collective

objectives and incentives therefore intend to create a positive circle through which teams develop positive processes (collaboration, communication, mutual aid) and emergent states (cohesion, trust, pride, positive emotions), leading to more performance (quantity, quality, other referent).

Cohesion is a team emergent state. Team cohesion is moderately and positively correlated with group performance, as evidenced by multiple meta-analyses (Beal, Cohen, Burke, & McLendon, 2003; Chiochio & Essiembre, 2009; Evans & Dion, 1991). As such, it is an interesting concept to understand group performance or effectiveness. Team cohesion is not unanimously defined in literature. For some authors, it is “a dynamic process which is reflected in the tendency for a group to stick together and remain united in the pursuit of its goals and objectives” (Carron, 1982). For others, team cohesion can be understood as a synonym to team chemistry or team unity (Carron, Burke, & Shapcott, 2009). Carron, Widmeyer, & Brawley (1985) operationalize team cohesion through two dimensions: individual/collective and social-related cohesion/task-related cohesion. This results in four factors: (1) Individual Attraction to Group-Social (ATGS) refers to individual members’ feelings about being involved in social interactions within the group; (2) Individual Attraction to Group-Task (ATGT) reflects individual members’ feelings about being committed to the group’s goals and objectives; (3) Group Integration-Social (GIS) relates to individual team member’s perceptions on closeness, similarity and bonding regarding the overall team’s social activities; (4) Group Integration-Task (GIT) represents individual team member’s perceptions on closeness, similarity and bonding regarding the overall team’s goals and objectives (Carron, Widmeyer, & Brawley, 1985; Carless & De Paola, 2000). Based on the above paragraphs, we posit that:

*H1a: Collective staff performance management is positively linked to team cohesion.*

Research has shown that the effect of incentives depends on several factors (Gomez-Mejia & Franco-Santos, 2015): - the individuals (personality, motivation to work, competencies), - the organization (culture, congruence between the objectives/goals given and the organizational strategy), - and the task (interdependent, difficulty). It also depends on the manager’s style (Lorinkova, Pearsall, & Sims, 2013; Yang, Huang, & Wu, 2011). At collective level, incentives depend on the team composition, its size, its interdependence, diversity, and history (Molleman, 2005). Finally, the impact of incentives depend on the reward itself: its size, frequency and distribution mode (equal or equitable) (Gomez-Mejia & Franco-Santos, 2015). Research has also shown that it is similar for work objectives (E. A. Locke & Latham, 2002). It is therefore probable that the relation between collective staff performance management (with collective objectives and rewards) and team cohesion is moderated by one or several of the following factors: the characteristics of the individuals, the characteristics of the team, the organizational culture, the task, the manager, or the reward.

Collective staff performance management leads to positive effects, but it also has some drawbacks. It may lead to free-riding (Olson, 1965), that is to say that some individuals may decide not to work and count on the others for the goal to be attained. This may demotivate the team and alter its cohesion. The process may also demotivate the top performers in the team, as they prefer an individual system that would give them more recognition (Weidmann, Konishi, & Gonin, 2016). We therefore posit that H1a may not be true:

*H1b: Collective staff performance management is negatively linked to team cohesion.*

Empirical research on the impact of collective incentives is still scarce (Conroy & Gupta, 2016). This is why we decided to conduct a research in this area. Furthermore, research

on teamwork requests for longitudinal studies in order to capture team evolution. Longitudinal studies in this area are also rare. We therefore propose an empirical and longitudinal study on collective staff performance management.

## **Methods**

We are a team composed of 2 researchers (the 2 authors of this papers) and 2 HR consultants (one colleague professor and once scientific associate from our university) working at the implementation of a collective staff performance management process in a retirement home in Geneva (named FM). FM hosts 131 elderly residents who cannot live in their house anymore. FM was created in 1921. It has 2 sites in the centre of Geneva and has just opened a third one in the suburb. FM employed 183 persons in 2015. FM employs nurses, assistant nurses, coordinators of sociocultural activities, laundry operators, room cleaning employees, cooks and meal service staff, technical (building maintenance) and administration staff (finance, HR, management). Except for administration, staff members serve residents to make them comfortable, be it for food, health, cleaning, sociocultural activities and communication with family or external persons. Work is interdependent between staff categories as residents benefit from several services in the same time or during the same day. Coordination between teams is therefore important, in particular to inform colleagues about the resident's wishes and state of health. Coordination within teams is also key, in particular for nurses or assistant nurses. This is why FM asked us to implement a collective staff performance management system. FM's objective was to develop collaboration, knowledge exchange, mutual aid and trust between employees. The goal was to increase team cohesion. We therefore developed the collective process, the policy, and trained the entire staff.

Given the opportunity we had to do a longitudinal research, we decided to measure weather the implementation of the collective process had an impact on team cohesion.

### **Team cohesion scale**

We measure team cohesion using the Group Environment Questionnaire (GEQ; Carron, Widmeyer, & Brawley, 1985). The 18 items were originally designed to assess cohesion in sport teams and were further adapted for work teams (Carless & De Paola, 2000). It is based on two dimensions: individual/collective (individual attraction to the group/group integration) and social cohesion/task cohesion. Sample items are "Some of my best friends are in this team" (Individual attraction to the group – social; ATGS-5), "This team does not give me enough opportunities to improve my personal performance" (Reverse-coded ; Individual attraction to the group – task ; ATGT-6), "Our team would like to spend time together outside of work hours" (Group integration – social; GIS-15) and "Our team is united in trying to reach its goals for performance" (Group integration – task; GIT-10).

In addition, we included two questions on individual/collective orientation ("I prefer to be rewarded for my own performance than for the team performance"), two on mutual help ("I help struggling coworkers"), two on collaboration ("I contribute to the team effort"), two on communication ("We are easily sharing information necessary to do our job), and three on management style ("My team leader is there to support, guide, and advise us"). All scales for the GEQ and the additional questions range from 1 ("Totally disagree") to 5 ("Totally agree").

We planned the questionnaire-based survey to be conducted in three stages. The first wave took place in September 2015, a few months before the beginning of the introduction of the new process. The second one has been realized in June 2017, once the implementation of process has been achieved. The third and last wave is planned for 2018, in order to assess the

variations in team cohesion at a time when FM staff will be fully acquainted with the collective process. In 2015 and 2017, the questionnaire was put online and several computers were at disposal at the retirement home for the employees to complete it. We were present during the survey days in order to brief the staff and answer the questions. In 2015, the questionnaire was completed by 148 employees out of the 170 working in the retirement home, resulting in a very high response rate (87%). All in all, 51 employees completed both questionnaires at time 1 and time 2, allowing for a cross-time comparison. A code system was used to match respondents across the 2 periods. This relatively small number is mainly due to the high turnover experienced by FM over the last 2 years.

## Results

### Sample characteristics

**Table 1.** Socio-demographic characteristics of the sample

	N	%
<b>Age</b>		
15 to 24 years	2	4.0
25 to 34 years	8	16.0
35 to 44 years	13	26.0
45 to 54 years	21	42.0
55 to 65 years	6	12.0
Total	50	100.0
<b>Sex</b>		
Women	42	82.4
Men	9	17.6
Total	51	100.0
<b>Nationality</b>		
Switzerland	15	30.6
France	11	22.4
Other western European countries	15	30.6
Eastern Europe	2	4.1
Africa	5	10.2
Asia	1	2.0
Total	49	100.0
<b>Education</b>		
Compulsory school	8	16.7
Secondary education	35	72.9
Higher education	5	10.4
Total	48	100.0

More than half of the employees are 45 years old or over. Women represent the overwhelming majority, which is fairly common in the field of nursing and health care. Only 30% of the staff is Swiss and another 22% is French. Individuals from “other western European countries” (30.6%) are mostly Portuguese. Finally, eastern Europeans are coming mainly from the Balkan countries and African employees, from French-speaking countries in Africa. Most of them have completed secondary school.

The main activity of the retirement home is nursing care. More than half of the respondents are working in this area (Table 2). The second main activity is hotel service

(cafeteria, laundry and cleaning). Compared to 2015, when a majority of the respondents (67%) were holding their position for less than five years, the staff appear to have stabilized in 2017, as only 36.7% of them are in the same situation.

**Table 2.** Socio-professional characteristics of the sample

<b>Job type</b>	<b>N</b>	<b>%</b>
Nursing care	28	54.9
Hotel service	12	23.5
Social activities	5	9.8
Administration	5	9.8
Technical maintenance	1	2.0
Total	51	100.0
<b>Seniority</b>		
0 to 4 years	18	36.7
5 to 9 years	26	53.1
10 to 19 years	4	8.2
20 years and over	1	2.0
Total	49	100.0
<b>Position</b>		
Apprentices	1	2.0
Employees	46	92.0
Managers	3	6.0
Total	50	100.0

### **Team cohesion**

In order to assess the impact of the collective process on team cohesion, we have performed repeated measures ANOVA with SPSS 24. Table 3 shows the mean values at time 1 and time 2 for each dimension and item (all scales from 1 to 5). We considered successively the impact of the collective process on group cohesion as a whole (18 items), the social dimension (9 items), the task-related dimension (9 items), the individual dimension (9 items), the group dimension (9 items) and the four sub-dimensions (Individual attraction to the group – social : 5 items ; Individual attraction to the group – task : 4 items ; Group integration – social : 4 items ; Group integration – task : 5 items). In addition, the 10 items about individual/collective orientation, mutual help, collaboration, communication and management style were taken into account separately. Results show that none of the differences of scores between time 1 and time 2 were statistically significant ( $p < .05$ ).

### **Discussion**

Team cohesion between September 2015 and June 2017 has not changed. The results are non-significant for all the teams. Our study show that the implementation of a collective staff performance management system is not sufficient for team cohesion to improve. Other factors come into play in the equation, in particular the team manager's style, the organizational culture and the reward. These elements may be such that the collective process has no impact on team cohesion. H1a and H1b are not supported.

**Table 3.** Repeated measures ANOVA mean scores (n=51)

<b>Variables/dimensions</b>	<b>Time 1</b>	<b>Time 2</b>	<b>F</b>	<b>p</b>
Group cohesion	3.29	3.34	.410	.525
Social dimension	3.00	3.00	.000	.985
Task dimension	3.63	3.72	.769	.385
Individual attraction to the group (social and task)	3.41	3.43	.077	.783
Group integration (social and task)	3.23	3.29	.429	.515
Individual attraction to the group - social	3.20	3.26	.215	.645
Individual attraction to the group - task	3.66	3.65	.010	.921
Group integration - social	2.70	2.68	.024	.878
Group integration - task	3.60	3.78	1.873	.177
<b>Single items</b>				
I prefer to work alone than in a team	2.02	2.20	1.112	.297
I prefer to be rewarded for my own performance than for team performance	2.68	2.50	.975	.328
I help struggling coworkers	4.65	4.69	.197	.659
I am open to sharing my knowledge with coworkers	4.68	4.68	.000	1.000
I contribute to the team effort	4.51	4.53	.034	.855
Some are working less than others	3.71	3.35	3.327	.074
We are easily sharing information necessary to do our job	3.75	3.78	.048	.828
I can freely talk about my problems with my coworkers and my leader	4.37	4.14	2.166	.147
My team leader ensures that everyone contributes to the team's effort	4.12	4.00	1.000	.322
My team leader congratulates those who work particularly well	3.17	3.17	.000	1.000
My team leader is there to support, guide, and advise us	3.94	3.94	.000	1.000

Scales from 1 to 5

As previously explained, we are a team of both consultants and researchers. Since 2015, two colleagues of us have worked at the implementation of the collective staff performance management system in the organization surveyed. They conducted regular training workshops on the collective system with all the teams, coached them at the identification of SMART team objectives, and helped them appraise their performance at the end of the first year (early 2017). Courses on communication and feedback were also given. In other words, our colleagues had the opportunity to observe the teams several times (4-5 times) over a period of more than 2 years. They also coached the leadership team on an ongoing basis since 2015 (over 15 meetings). We therefore interviewed them in order to understand why team cohesion did not improve. Their analysis of the context is the following:

FM experienced many changes over the last 2 years. The kitchen and the hotel service teams were outsourced without staff consultation. This destabilized FM employees much, many of them fearing to be outsourced as well. The Nursing Services manager, who had a rather paternalistic and authoritarian leadership style, retired in 2016. He left the nurse team without a strong leader. The nurse team is now led by 2 managers (one for each site in Geneva), who were both employed at FM before. One of them is present and takes decision, but the other one is rather weak in terms of decision-making and guidance. These changes, which were never formally communicated, had a negative impact on the nursing teams.

The hotel services team experienced many leadership changes. 3 years ago, it was led by a manager who died. The team was left without a manager for almost 2 years, then was led by a new manager who decided to recruit a new assistant manager, who was fired after a few months of employment. Then, a new assistant manager arrived, who replaced the manager when on maternity leave. All these changes destabilized the hotel services team.

FM opened a third site in 2017 where colleagues were transferred. Teams therefore experienced quite some turnover, which had an impact on their cohesion.

A few employees were fired without explanation. This was experienced as a trauma for some of the teams. Some team members reported that managers let problem accumulate, then suddenly decided to fire people. This created a culture of fear. Quite a few teams said that they feared to express their opinion. FM promotes values such as collaboration, humanity, personal development, transparency, but it is not applied at work, as far as employees perceive. Culture is perceived as being based on drastic management decisions.

Most of the team leaders have a comparable leadership style. They are clear and supportive. They are able to take decisions, aside one of the two chiefs of the nursing services, who is rather weak. The CEO can be quite authoritative, but in the same time he may delegate a lot. His style varies according to situations. Visionary, he has many ideas and a good charisma. However many projects are not followed up by actions and remain unfinished. The management team, composed of 9 persons, is not so cohesive. It does not seem to have a shared vision on the organizational policy.

As far as the process is concerned, teams had the opportunity to set their team objectives, to discuss them during the year, and to conduct a team assessment of their achievements at the end of the year (early 2017). However, no team reward was given to them.

The above-mentioned analysis from our colleagues lead us to conclude that the implementation of a collective staff performance management does not improve team cohesion at FM since:

- FM organizational culture is not linked to the values promoted by a collective staff performance management system. While willing to develop knowledge sharing, respect for each other, collaboration, mutual aid and transparency, FM does not yet manage to make it happen in day to day operations, or to make it perceived as such by the employees. Some important decisions are perceived as being abrupt and without consultation with the staff.
- Managers are not present for their teams enough, they do not take enough time to discuss issues and questions.
- The management team is not cohesive enough. It does not convey strong and solid messages.
- Team composition changed significantly, due to staff turnover, staff transfers and terminations.
- The collective process raised expectations, in particular regarding consideration of team members' point of views and dialogue with management, but this did not happen yet. As a consequence, employees may be disappointed or cynical about the initiative.
- No collective reward was given.

## Conclusion

Our longitudinal study reveal that the implementation of a collective staff performance management process does not improve team cohesion when moderators are not supportive. Our study show that collective staff performance does not work (as far as team cohesion is concerned) if collective organizational values such as collaboration, communication, trust, mutual aid are not experienced in day-to-day work. It does not work if managers do not bring the process to life, if they do not have a real dialogue with their team members to share issues and successes. The collective process has no impact when team composition and management change too frequently. It does not work when no collective reward is given. All of this factors have a different impact. As far as we could see at FM, manager's availability and ability to dialogue with his/her team seem to be crucial. Also, team stability seems to matter, as the arrival of new comers may jeopardize the team balance.

Considering the numerous changes at FM, the outsourcing of 2 services, and some traumatic experiences (people fired), we are surprised to see that team cohesion has not diminished. The collective performance management process may explain why it has not. In a way, the process may well have avoided team cohesion to drop. As such, it may still be considered as a positive input to team cohesion.

Our study shows that collective staff performance management is not only about having the right tool or process, but it is also about using or implementing it in the right context, in particular a supportive management, congruence between organizational values and practices, and team stability. It is also about recognising teams' efforts with a reward, be it financial or in another form.

The present research is rather limited as we only managed to get 51 respondents between time 1 and 2. Further data would be needed, in particular with larger teams, in order to test differences between them, differences which may be due to the type of work, the leader's style, or the team member characteristics. We yet hope to show the importance of the context for the success of any people management process.

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