# Don't Shoot the Messenger:
## Causes and Levers of Manager Performance Appraisal Anxiety

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*The integrity of performance appraisal systems depends on the appraiser, responsible for providing employees with objective evaluations. Research has shown that managers often feel anxiety when conducting employee appraisals and consequently may withhold negative feedback, compromising the appraisal process. We examined, using Grounded theory, the manager's experience of performance appraisal anxiety with 13 experienced managers. We found that a primary cause of PA anxiety was the fear that the employee would react negatively to the feedback. Further, our participants described productive levers they use to reduce PA anxiety while preserving the integrity of the feedback provided. PA anxiety was reduced by implementing more frequent feedback, training to increase manager confidence in delivering feedback effectively, and adoption of an employee-centered approach to PA.*

*Keywords: performance appraisal, anxiety, grounded theory, feedback acceptance, feedback sign*

## INTRODUCTION

Performance appraisals are used for critical organizational needs such as identifying potential candidates for promotion, determining salary increases, and enhancing workforce capabilities. For performance appraisal systems to be effective, the appraiser must be willing and able to rate the employees' job performance accurately. Research has shown that appraisers often feel anxiety over the appraisal process, resulting in the over-rating of an employee's performance and a reluctance to give negative feedback when warranted (e.g., Gbadamosi & Ross, 2012). These actions by the appraiser to reduce anxiety

by avoiding negative feedback can render a performance appraisal system ineffective. The anxiety felt by appraisers is likely highly subjective and contextually dependent on multiple factors. If the specific causes of appraiser anxiety are identified, measures can be taken to minimize their detrimental effects, and performance appraisal systems could be more effective. The goal of the present study is to examine the causes of performance appraisal anxiety (PA anxiety). Using Grounded theory methodology (Corbin & Strauss, 2015), we inductively generate a theory of manager PA anxiety and levers that influence it.

**Performance Appraisal Anxiety**

Anxiety is defined as an unpleasant emotional state and consists of feelings of tension, apprehension, nervousness, worry, and activation of the autonomic nervous system. It is triggered by a perceived threat, including threats to self-esteem or psychological well-being (Kelholz, 1972). It often results in a feeling of a low sense of control, a state of distress, and a feeling of uncertainty (Tomaka et al., 1993). It is experienced as unpleasant, and individuals are often motivated to lower their anxiety levels (Ashkanasy et al., 2004). People develop various ways to cope with anxiety, sometimes leading to poor decision-making and behavior that attempts to restore self-esteem and self-confidence (Brooks, 2013).

Research suggests that managers often experience anxiety resulting from the necessity to evaluate and provide feedback on employee performance, a phenomenon that has been called "performance appraisal discomfort" by others (Gbadamosi & Ross, 2012; Villanova et al., 1993). Here, we refer to it as performance appraisal anxiety (PA anxiety). The PA process is associated with high stakes for employees and organizations, as it is used as a basis for determining salary increases and promotions, for workforce reduction decisions, and long-range personnel planning, such as succession planning (Burke et al. 1969; Jawahar & Williams, 1997). Whether to correct deficiencies or for continuous improvement, the PA process requires the manager to evaluate and provide critical and constructive feedback on growth areas the employee should target (Cawley et al.,1998). The fundamental management principle behind this notion is that if management can, through a systematic process, identify areas (behaviors and skills) for development, and if the employee works to change or further develop those behaviors and skills, employee job performance will improve and thus organizational performance will improve as well (Giles & Mossholder, 1990; Williams, 2018).

Research demonstrates that the high stakes, pressure, and emotions associated with the PA process can produce manager PA anxiety (Gbadamosi & Ross, 2012). These managers often employ coping strategies that are detrimental to the goals of the performance appraisal process. For example, rating leniency (to avoid conflict) (Ferris et al.,2008; Saffie-Robertson & Brutus 2014; Villanova et al., 1993); deliberate distortion of performance results (Saffie-Robertson & Brutus, 2014); and intentional disengagement from the employee (Akram, 2013; Baker, 2013). Refusal to assume the role of "judge" (Gbadamosi & Ross, 2012), rating all employees the same, and failure to foster employee development (Burke & Wilcox, 1969; Dipboye & de Pontbriand, 1981) are other coping actions managers take to deal with PA anxiety. These anxiety coping actions by an appraising manager decrease the validity, value, and use of a performance appraisal system.

Rating leniency and deliberate distortion of performance results appear to be typical manager behavior to deal with anxiety. Eighty percent of companies believe that inflated manager ratings of employees compromise the integrity of their performance appraisal system (Saffie-Robertson & Brutus, 2014). Leniency also affects an employee's perception of fairness, and often, how rewards are distributed, as well as an employee's opinion of the value of performance appraisals (Roberts, 2003).

Another adverse effect of rating leniency and deliberate distortion of performance results is the harm it does to the level of trust between the manager and their subordinates (Ferris et al., 2008). In the performance appraisal process, many managers see a role conflict between being a judge when delivering the performance appraisal to the employee and their day-to-day relationship of mentor, teacher, and coach. This perceived role conflict leads managers to either avoid the role of the judge or to disengage from the employee. Both actions are detrimental to the performance appraisal and its goal of ongoing employee development (Baker, 2013; Burke & Wilcox, 1969; Gbadamosi & Ross, 2012). The degree to which any performance appraisal system achieves its goals is dependent on relationships developed between

employees and their manager or supervisor (Ferris et al., 2008). That relationship must be built on trust, mutual respect, openness, support, and shared goals. One of the dilemmas that managers face is their perception that if they do not give employees good ratings in the performance appraisal process, they will harm the relationship. As a result, managers often increase the ratings of their employees as a way to maintain a good relationship with their employees. This action has resulted in one case where 35% of employees felt the performance appraisal process was a waste of time (Akram, 2013; Nathan et al., 1991).

Thus, managers can inflate employee performance ratings to present themselves in a more favorable light, thereby bolstering their self-esteem and avoiding conflict with an employee. It has been further confirmed by research that leniency by managers in employee rating (overrating) is directly related to a manager's level of discomfort or anxiety. The higher the level of a manager's stress, the greater the tendency to overrate an employee (Villanova et al., 1993).

The literature provides some insights into potential causes of anxiety experienced by managers around the performance appraisal process. Some of the more frequently mentioned causes include a manager's perceived potential for confrontation with an employee (Tomaka et al., 1993), a general sense of the uncertainty of what to expect on the part of the manager (Brashers, 2001), the employee's characteristics (Campbell & Lee, 1988), and the actual performance appraisal process itself due to the nature of it being an evaluative and somewhat a judgement process which puts the manager in a position which many managers are uncomfortable with (Ashkanasy et al., 2004). Qualitative research using grounded theory allows us to examine individual experiences of the phenomenon, including attention to context and sensemaking (Corbin & Strauss, 2015). With the use of the grounded theory process, we hope to gain additional insights into other possible causes of appraisal anxiety, confirm the findings in the current research literature, and develop a more comprehensive model of how managers make sense of and interpret context, and how they experience performance appraisal anxiety.

## METHOD

The collection and analysis of data were performed using Corbin and Strauss (2015) grounded theory methodology. The goal was to examine and analyze the experiences of managers regarding anxiety associated with conducting performance appraisals and inductively develop a theoretical model to explain the causes of a manager's PA anxiety. The resultant theory and model should be "grounded" in the data gathered rather than based solely on prior research to avoid bias. This process allowed us to identify major factors that contributed to a manager's PA anxiety. One-hour in-depth interviews were conducted separately with 13 working managers (in-person or via Zoom) who were experienced with conducting performance reviews. To strictly adhere to the principles of grounded theory research methodology, we used open-ended interview questions to allow participants to lead the conversation to reveal the factors they viewed as the most important contributors to anxiety when conducting employee performance appraisals (Corbin & Strauss, 2015). We adopted a semi-structured approach to provide some consistency while allowing participants to drive the direction of the conversation and providing the interviewer an opportunity to ask follow-up or exploratory questions as needed. It is important to note that the participants were not explicitly asked about anxiety. This was done to avoid focusing entirely on the negative connotations of the PA process. The semi-structured interview guide used is included in Table 1 below.

**TABLE 1**
**SEMI-STRUCTURED SAMPLE INTERVIEW QUESTIONS**

| 1st Round Interview Questions | Can you please tell me about your company's performance evaluation process? |
| --- | --- |
| | Can you please describe how the employee's performance is measured? |
| | What is the performance review primarily used for? |
| | Can you please share some of your best or worst performance review experience? |
| | What emotions do you feel before, during, and after the process? |
| | If we have any follow-up questions, can I reach back out to you? |
| Added Questions in Subsequent Interviews | What elements of a performance appraisal process have made you confident or uncomfortable? |
| | Have you ever felt anxious about writing or delivering a performance review? If yes, why? |
| | How would you like to improve the performance appraisal system/process? |

Following grounded theory methodology, participant interviews continue collecting data until the researchers believe that data saturation has been reached (Corbin & Strauss, 2015). Because we gathered a large amount of in-depth information from our participants, a large sample was unnecessary to complete our study. The process was stopped when no substantial new information was emerging.

**Participants**

Recruitment consisted primarily of LinkedIn postings and direct contact via the researchers' professional networks. Our research was not restricted to any specific type of Performance Appraisal system. It included Management by Objectives (MBO), 360-evaluations, behavioral evaluations, trait assessments, self-appraisals, the use of subjective rating scales, and both formal and informal systems. Participation was strictly voluntary, and no researcher interviewed a member of their current organization. Our study was approved by the university IRB and adhered to APA ethical guidelines. Confidentiality was protected via pseudonyms and the removal of all personal identifiers from the data transcriptions.

Participants represented diverse functional areas and industries, including legal, financial, consulting, retailers, information technology, health care, insurance, manufacturing, and not-for-profit organizations. The participants' ages ranged from twenty-five to over fifty-five. Of the thirteen participants interviewed, ten were male and three female. The majority were Caucasians with advanced degrees with at least ten years' managerial or supervisory experience (see Table 2).

**TABLE 2**
**PARTICIPANT DEMOGRAPHICS**

| N | Pseud. | Age Range | Gender | Mgmt. Exp. (Years) | # Direct Reports | Position | Functional Area | Industry | Education |
|---|--------|-----------|--------|--------------------|------------------|----------|-----------------|----------|-----------|
| 1 | Alex | 45-55 | Male | 10+ | 6-10 | Manager | Project Mgmt. | Tech. Consulting | MS |
| 2 | Bob | 45-55 | Male | 5-10 | 6-10 | VP | Program Mgmt. | Tech. Fin. Serv. | MS |
| 3 | Carlos | 36-45 | Male | 10+ | 6-10 | CEO | CEO | Consulting | MS |
| 4 | Dan | 25-35 | Male | 10+ | 0-5 | Manager | Director | Not For Profit | BS |
| 5 | Edward | 55+ | Male | 30+ | 10+ | VP | President | Consulting | MS |
| 6 | Frank | 25-35 | Male | 0-5 | 0-5 | Manager | HR | IT | BS |
| 7 | George | 36-45 | Male | 0-5 | 6-10 | Director | Sales | IT | BS |
| 8 | Helen | 55+ | Female | 10+ | 10+ | CFO | Accounting | Health Care | MBA |
| 9 | Ian | 55+ | Male | 10+ | 6-10 | VP | Marketing | Insurance | MBA |
| 10 | Justin | 36-45 | Male | 10+ | 6-10 | Manager | Operations | Retailers | MS |
| 11 | Kathy | 55+ | Female | 10+ | 0-5 | Supervisor | HR | Legal Firm | Some College |
| 12 | Landon | 45-55 | Male | 10+ | 6-10 | VP | General Mgmt. | Mar. & Def. Manuf. | MS |
| 13 | Marsha | 36-45 | Female | 10+ | 0-5 | Manager | Quality Assurance | Phar. Manuf. | MBA |

Note: all participants are Caucasian, with the exception of #3 who is Hispanic

**Analysis Process**

Consistent with Corbin and Strauss' grounded theory methodology, the researchers analyzed the data (transcripts) in an iterative fashion using three coding processes. After receiving a transcript, the interviewer conducted *open coding* in which they divided the text into meaningful units and applied labels for the concepts. Also, each transcript was coded by at least one other researcher to assess agreement on intereprations and themes. In *axial coding*, the researchers compared these hundreds of codes with each other to identify similarities and differences, distilling them into a set of meaningful "categories" of codes. In *selective coding*, the researchers assess participants' descriptions of causality among the factors and their sensemaking processes, and we synthesized the codes into our grounded theory. Throughout the process, the researchers documented their ideas using memos, and the research team met weekly to discuss and agree on themes, theoretical relationships, etc. Consistent with Corbin and Strauss's suggestions for ensuring the process is inductive, data collection and coding were conducted simultaneously. The results from early interviews were used to fine-tune the areas investigated more deeply in subsequent interviews.

For example, by the time the first four interviews had been conducted and coded, over 200 unique codes had been generated and distilled into 12 major categories. These 12 categories were probed in subsequent interviews to determine whether they "held up" across participants. Eventually, five of these categories were removed as they were not consistently supported, and seven were retained and further developed by the remaining interviews. By the time we had conducted 13 interviews, we had concluded that saturation was achieved (no substantial new codes were being identified; the information fit within our existing structure).

# RESULTS

**Overview**

Participants revealed that the most salient *proximal* determinant of PA anxiety was the extent to which they expected, or feared, that the employee might react negatively to the feedback provided. Participants described having experienced negative emotional reactions ranging from crying to threats, and even flipping a table. The expectation/fear of a negative reaction mediates the effects of several distal predictors, which participants described using as levers to decrease the expectation of a negative reaction and thereby decrease anxiety. We begin by presenting our results regarding the expectation of a negative reaction, followed by a presentation of factors that seem to decrease the expectation of a negative reaction. Our theoretical model is presented in Figure 1, and a participant quotes illustrating the relationships are presented in the Appendix, Table 3.

**FIGURE 1**
**THE ONLY THING TO FEAR IS FEAR ITSELF!**
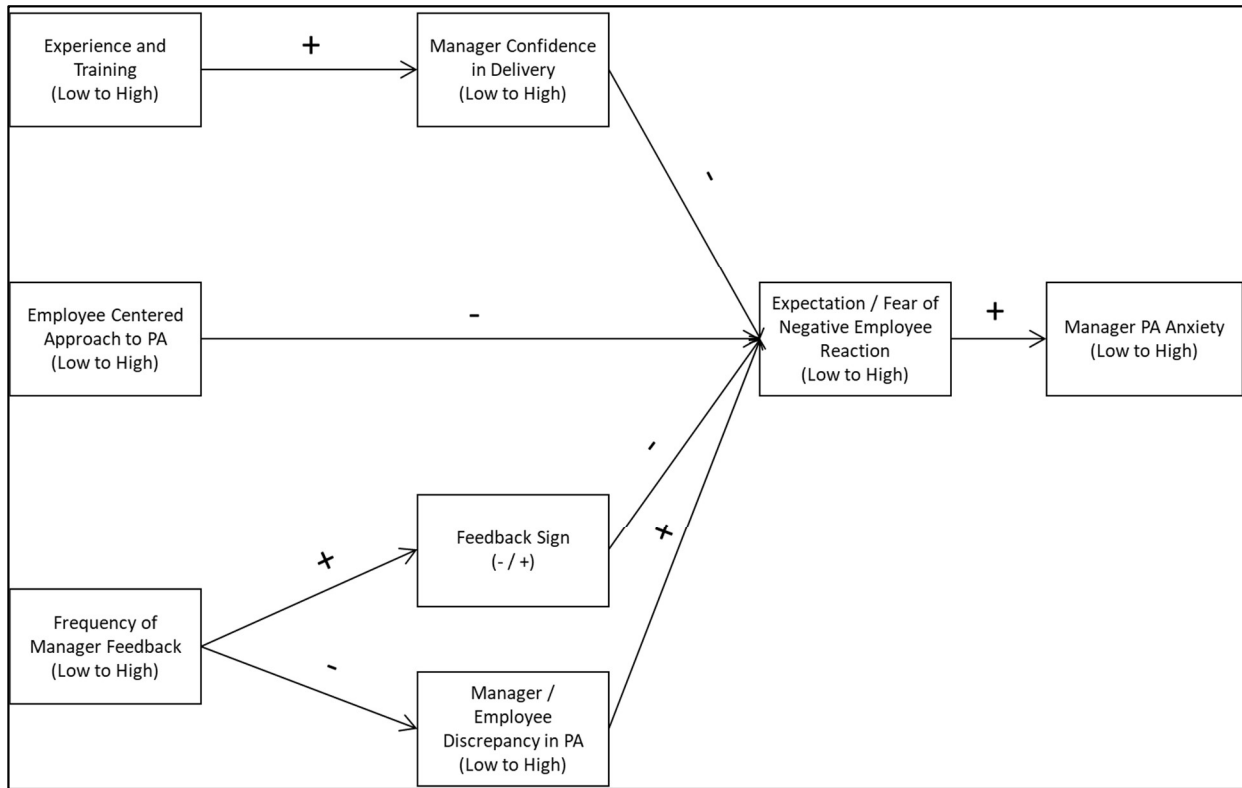


## Expectation / Fear of Negative Employee Reaction to the PA Feedback

The most salient and proximal determinant of anxiety level is the degree to which the manager expects the employee to react to the PA feedback—examples of negative reactions included both anger and sadness. The expectation of a negative employee reaction is defined as the expected degree of adverse physical and mental response to a PA result from employees in managers' perceptions. Its dimensions run from high to low along a continuum. Dan gave us a worst-case example in describing a negative reaction, "He did everything short of flipping the table, you know, he says, I'm going to kick your ass. You're nothing but a little punk."

Also included in this theme surrounding employee reactions is the notion of uncertainty. A manager may not necessarily expect a negative reaction but might fear, or worry, that one will occur. In the performance appraisal process, managers cannot know with certainty how employees will react to the PA feedback. For example, Bob said, "We know the anxiety kind of comes from unknown." Landon said, "I think the big issue that causes anxiety is if you're delivering news to someone that they're not expecting, particularly bad news. And it has the potential for conflict. That's probably where a lot of performance appraisal anxiety stems from."

*Proposition 1: Greater expectation or fear of a negative reaction is associated with higher PA anxiety.*

## Predictors and Levers for Expected Negative Reaction
*Predictor: Feedback Sign*

Not surprisingly, participants consistently raised the degree of negativity of the feedback to be provided to the employee as a key influence on the expectation of negative reaction. Several participants used the words "bad news" or "good news" to describe this theme. The degree of negativity ranges along a continuum

ranging from "none" to "extreme." Participants feared that providing negative feedback would harm the ongoing work and personal relationship. This idea is consistent with the notion that giving negative feedback conflicts with the cultural expectation to allow others to save face (Schein, 1998). For example, Dan said, "I don't want to be seen as a hard ass. I don't want to be seen as someone who's negative." Landon said, "I think there's always a level of anxiety that relates to delivering bad news to somebody. If we used a performance appraisal process as a way to terminate someone that I'm sure would generate anxiety even if it's not a surprise."

**Proposition 2:** *Negativity of the PA feedback is associated with an increased expectation of a negative reaction.*

Consistent with past research, these managers perceived that they faced a conflict between providing accurate, constructive feedback and maintaining a positive relationship with the employee. As we discussed previously, past research suggests that managers sometimes manipulate feedback sign (i.e., inflate ratings) as a lever for reducing their PA anxiety (Saffie-Robertson & Brutus, 2014; Villanova et al., 1993). However, our participants also revealed additional levers that can be more effectively employed to reduce the expectation of a negative reaction while better maintaining the validity of PA system.

*Predictor: Manager / Employee Discrepancy in Performance Evaluation*

This is the known or assumed degree of difference in the manager's evaluation of the employee's performance compared to the employee's view of their performance. Differences between manager ratings and employee self-perceptions may be introduced by issues, including the notion that the manager is creating an evaluation based on incomplete information (the manager cannot watch the employee all the time). Also, it is known that individuals have biases that inflate their self-perceptions and their perceptions of their contributions (Jawahar & Williams, 1997). Frank described discrepancy in this way, "It's harder to grade yourself as opposed for me to look at somebody and grade them, I would think they were an A player, and they would give themselves a B."

Alex reported that the expectation of a negative reaction and uncertainty about employee reactions were greater when they believed there was a greater discrepancy between the feedback to be given and the employee's self-perception – particularly when the PA feedback was more negative than the employee expected. Alex also said, "we don't really align, those are the ones that really gave me a lot of anxiety…those are kind of the middle of the road guys in and gals who really gave me the most anxiety I think because it was the unknown…you start thinking about what are they going to say, what is the reaction going to be, especially if it's a positive review." Kathy said, "Of course she thought she was doing just fine. She didn't see anything that she was doing. She did not take into account anything that we told her. So, she gave herself usually fours, and everybody else would give her two and threes. So, it was quite different." This cognitive gap between managers' ratings and employees' self-evaluation may trigger employees' defensive mechanism to reject the validity of the feedback. At its extreme side, the defensive mechanism can cause unpleasant conflicts or potential confrontations between managers and employees, which would harm the ongoing manager-employee relationship. Kathy said, "I don't like confrontation, and I knew it was going to be confrontational. So, I remember one time she particularly asked me, "Why do I never get at least a 3% increase?" And I'd explain, "You don't do 3% work. Your quality of work is not up to par. And until it is, you won't get the normal 3%.""

**Proposition 3:** *Greater discrepancy in performance perceptions, particularly when the manager's evaluation is more negative than the employee's self-evaluation, is positively associated with the expectation of a negative reaction.*

*Lever: Feedback Frequency*

Many of our participants took action to minimize their anxiety. The primary strategy by which they did so was to have more frequent communication about performance with their employees. Our participants

linked increased frequency with a reduced necessity to deliver negative feedback during the formal PA assessment. Carlos said, "... I would do individual one-on-ones every other week. That would entail a temperature check and make sure everything's going well, see where they need help, see where they are falling short, and if there were times to take corrective actions, they would happen in the one-on-one."

The increased frequency was also associated with less discrepancy in perceptions. "My company only requires annual reviews, but I chose to do monthly informal reviews throughout that annual period, and I align with my employees, about 75% of the time". Frank, who conducts bi-weekly one-on-ones, said, "I have experienced where that discrepancy (alignment) has been that large, but no in my experiences, people have undervalued themselves. I mean there's people what may be said since we're on the grading system, I would give them an A, and they give themselves an A-plus, where I still see an area where they could improve, but they think they're operating at max capacity".

More frequent feedback was also cited to reduce discrepancies by ensuring that the feedback provided is accurate. For example, Frank stated, "I feel like that is directly related to how structured my role is, where we meet twice a day, and we talk about goals... So I feel pretty confident in the information that I'm delivering to them." Edward stated, "I meet with my resources almost every week. I spend time with them. So, my feedback is usually timely instead of waiting for that performance appraisal time. Because if I waited that long then I would have been anxious as well."

**Proposition 4a-b:** *Increased frequency of feedback reduces a) feedback negativity and b) discrepancy in performance perceptions.*

*Lever: Manager Confidence in Feedback Delivery*
Within the parameters of the PA system, managers make decisions about how the feedback will be phrased, the timing and setting of delivery, etc. Participants raised the delivery of feedback as a theme related to the expectation of a negative reaction. Specifically, the manager's anxiety is tied to their level of confidence in their ability to make effective choices about feedback delivery (Bernardin & Villanova, 2005). As an illustration, Dan said, "I am really hoping that I don't extinguish a flame or take away some motivation because it's constructive criticism. So, I kind of put the anxiety on myself, and I have to deliver this review in a way that motivates him to be better." We defined the dimensions of confidence on a scale from Low to High, where lower confidence leads to higher anxiety via a greater expectation of negative reaction. Manager confidence is both a cognitive and emotional property.

**Proposition 5:** *Increased confidence in feedback delivery is associated with a lower expectation of a negative reaction.*

There were many examples in our interviews of confidence being the result of prior (positive) activities, such as training (Woehr & Huffcutt, 1994) or years of experience in giving performance appraisals. Bob stated, "I guess years of experience give you confidence for sure because you have time to see what you're doing right, what you're doing wrong, and make those adjustments." Bob continued, "And that gives you a timeline where you can also adjust what you're doing or try certain things differently. So definitely from a confidence perspective and within my company, this is the five years I gave you was within my current company that I had that experience." Finally, "... but the years I would say gave more confidence in terms of observing yourself as well of what you're doing right or what you're doing wrong and adjust that. So definitely."

**Proposition 6:** *Confidence in feedback delivery is increased by training and practice.*

*Lever: Employee-Centered Approach to PA*
Many of our participants described their approach to PA as employee-centered, meaning they viewed it as providing a service to help the employees. They viewed themselves as fulfilling a coaching role: Ian stated, "I have over forty years of experience and focus on coaching my employees to help them improve

their performance. I see that as my primary responsibility." "It comes with coaching sessions and advice on how to work with individuals based on their core strengths." Bob described the process by which they build trust by expressing their concern for the employee's career growth and development: "And I set the stage upfront saying that I'm very transparent with my feedback or if I'm going to appraise you, I'm appraising for a reason not just doing it because I need to appraise you and I need to motivate you. So, I think that aspect helped a lot." Edward clearly described how this employee-focused approach to PA allows employees to react more positively to feedback: "My goal is to get my employees to trust that I have their best interest in mind, so when I give feedback, it is viewed as honest and helpful and not criticism."

**Proposition 7:** *An employee-centered approach to PA decreases the expectation of a negative employee reaction to feedback.*

## DISCUSSION

Our study contributes to the literature by a) confirming expected negative reaction and feedback sign as important predictors of PA anxiety and b) identifying strategies that our sample of managers had used to decrease their PA anxiety while preserving the integrity of the feedback provided. The expectation or fear that the employee will react negatively to PA feedback emerged as the most consistent and central predictor of manager PA anxiety (Kluger & DeNisi, 1996). Managers, like others, have a desire to maintain positive relationships with their coworkers, and the PA process is seen as a potential threat to those social goals. Our participants revealed that this threat was particularly evident when the manager was obliged to provide negative performance feedback. This is consistent with the literature on acceptance of feedback, which finds large effects for feedback "sign" (positive or negative) (Conant, 1973; Steelman et al., 2004). The literature supports the notion that negative feedback may indeed damage supervisor-employee relationships (Conant, 1973). When the threat to the association is attributed to the negative feedback, one strategy that managers may use to cope is to decline to provide that feedback (Saffie-Robertson & Brutus, 2014).

However, our participants revealed that PA anxiety might be reduced through more productive means than by tempering or removing negative feedback. Specifically, adopting an employee-focused approach to PA where the manager considers themselves a coach or servant, was also associated with a decreased expectation of a negative reaction. This mindset connects with the literature on servant leadership, which has been associated with the increased trust of followers, and trust is associated with greater willingness to accept negative feedback (Cawley et al., 1998). These managers used the feedback process for developmental purposes. Indeed, some scholars have called for separating the performance review meeting from employee development meeting and consider creating a development-oriented performance appraisal system which is not connected to compensation to encourage the continued success of employees (Giles & Mossholder, 1990).

Also, some managers actively managed PA anxiety by running toward it rather than away – they implemented more frequent feedback meetings. They reported that more frequent feedback meetings (often informal) reduce anxiety by ensuring that the employee understands the manager's expectations and has a chance to correct before the formal evaluation, thereby decreasing the need to give negative feedback in the formal PA process. It also ensures that the manager is aware of any barriers to employee performance and reduces discrepancies in performance perceptions (Ivanceich, 1982). Although our participants did not explicitly discuss fairness perceptions, we suspect that increased feedback frequency also improves fairness perceptions by employees (Burke & Wilcox, 1969; Burke et al., 1978). The fact that our participants did not explicitly discuss fairness suggests that it may be more salient to employees receiving feedback than to the managers giving it.

We also found that anxiety is decreased when managers have confidence that they can deliver the feedback in a way that will be well-received. Providing training and practice via role-playing exercises may be an effective way to build leadership skills and self-efficacy around best practices of feedback delivery (Burke & Wilcox, 1969; Campbell et al.,1998; Conant, 1973; Giles & Mossfolder, 1990; Jafari et al., 2009).

## LIMITATIONS

While this research project reached saturation, we nevertheless acknowledge that our theory may not generalize across all populations. For example, the literature suggests cultural differences in feedback delivery are significant (Dahling et al., 2017; Whitaker et al., 2007) as well as organizational climate (Dahling et al., 2017). Given our study included participants in the United States, the results may be most relevant in Western cultures. Also, most participants in the study were recruited through researchers' LinkedIn networks and were predominantly male Caucasians with over ten years of managerial experience. There is also limited existing literature on performance appraisal anxiety from the managers' perspective. It involves a very sensitive and confidential process in business settings, which limited our exposure to the relevant knowledge base and field of vision.

## FUTURE RESEARCH

The feedback delivery process is an interaction between two or more people, but our study was limited to managers only. Manager PA anxiety is likely to be affected in-the-moment by aspects of the interaction between individuals. It would be interesting for future research to compare the perceptions of the manager and the employee and to observe feedback delivery interactions to observe and record non-verbal cues, etc. Further, although our study examined conscious experiences of anxiety, some research suggests that anxiety may affect behavior even when it is not consciously perceived (Gbadamosi & Ross, 2012). To examine these effects, it would be necessary to use physiological measures to capture changes in PA anxiety and their associated behavioral effects. Finally, it is suggested that research could be conducted to determine if significant differences exist in the level of anxiety amongst various PA systems.

## CONCLUSION

This research has shown that managers consider giving negative feedback to one of the most stressful interactions with employees in the workplace (Gbadamosi & Ross, 2012). This work illustrates strategies that managers and their organizations may adopt to decrease this discomfort. If individuals and organizations take action to mitigate the impact of these factors, they can increase the objectivity and accuracy of employee evaluations and employee feedback, resulting in a PA system that will be more effective in meeting its objectives, and ultimately improve organizational productivity.

## ACKNOWLEDGEMENT

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# APPENDIX

## TABLE 3
## PARTICIPANT QUOTES

| Variables | Components | Quotes from Interviews |
|---|---|---|
| **Manager Confidence in Delivery** | Manager Experience | "I am always nervous, uneasy, and uncomfortable. Every single time I give feedback, I am uncomfortable."<br>"Performance appraisal is basically up to the individual manager."<br>"I get a little bit of anxiety every single time I do a performance appraisal because you never know how somebody's gonna react, you know, good or bad...it was self-inflicted anxiety that was completely unwarranted...so I very am very conscious of my emotions and what I say when I get in high stress or high motion...so when it's all sudden, what's that feeling like when, you know, you can kind of feel the adrenaline leaving your body afterward because it's over."<br>"I am not worried. I am not afraid. It's just that I'm fearful it's going to go south if I'm not careful. And particularly when you are talking about relationships and people, you work closely with every day, and now you're in a position of giving them actual feedback."<br>"It's going to be a great review... I'm not anticipating anything negative from him. I am really hoping that I don't extinguish a flame or take away some motivation because it's constructive criticism. So, I kind of put the anxiety on myself, and I have to deliver this review in a way that motivates him to be better."<br>"I guess years of experience gives you confidence for sure because you have time to see what you're doing right, what you're doing wrong and make those adjustments."<br>"The first few years of being a manager, and I hear this from managers all the time is they don't want to upset people."<br>"I generally do not experience any anxiety, but again some of my newer, less experienced managers will and any manager that is expecting to surprise their employee with a negative performance result will." |
| | Performance Appraisal Training | "We need to potentially expand on the system to make it more value-added for future growth and progress of the employees individually. And I think that managers need training because no one has ever received any training."<br>"I think more information and understanding would help to reduce anxiety. So, creating training around performance reviews, a better criterion, and then that would alleviate some of that anxiety because then we would have more knowledge, and it would be clearer." |

| Employee-Centered Approach | Compensation | "Merit increases in salary or incentive plan pay. The formal and informal, all those discussions really at the end of the day relate to compensation."<br>"I would say it is primarily financial compensation. So, that has actually been one of my complaints recently because I feel that we need to focus more on personal development and establishing their future and their goals to ensure continued success for the employees."<br>"I have over forty years of experience and focus on coaching my employees to help them improve their performance. I see that as my primary responsibility."<br>"It comes with coaching sessions and advice on how to work with individuals based on their core strengths."<br>"And I set the stage upfront saying that I'm very transparent with my feedback or if I'm going to appraise you, I'm appraising for a reason not just doing it because I need to appraise you and I need to motivate you. So I think that aspect helped a lot." |
| | Development | My goal is to get my employees to trust that I have their best interest in mind, so when I give feedback, it is viewed as honest and helpful and not criticism."<br>"Well, we have a scheduled weekly call where we kind of talk a little bit. But the call is really for them. But I do use the opportunity to say, okay, this is where you're at, and this is what we need to do. But it's typically not meant to be an intimidating conversation. It's really meant to be a developmental conversation for them and me." |
| Frequency of Manager Feedback | Frequency of Manager Feedback | "There's a midyear review...this is more like a checkpoint midyear so that it's more of an alignment."<br>"I meet with my resources almost every week. I spend time with them. So my feedback is usually timely instead of waiting for that performance appraisal time. Because if I waited that long then I would have been anxious as well."<br>"I think the other thing it can't be an annual event; it has to be an ongoing process."<br>"Every week, I have a conversation with them, as a group and as an individual"<br>"A formal pat on the back four times a year seems to help with morale and motivation, as opposed to if it was just annually."<br>"So, every week, I take a snapshot of what they're doing from a metrics perspective and blend that in with just general attitude and demeanor." |

| Feedback Sign | Positive | "Even the positive performance reviews cause a little bit of anxiety because you don't know how that information is going to be received regardless. So, I might be telling an employee they're doing a great job, but if they still only get a three, they're going to say, "Well, why didn't I get a better score? Because you're telling me I'm doing a great job."<br>"I think there's always a level of anxiety that that relates to delivering bad news to somebody."<br>"If manager A is giving everyone fours and fives and I'm giving people threes and fours when they're really the same type of performers, that's where my anxiety kind of comes from is that, you know, I don't want to be seen as a hard ass. I don't want to be seen as someone who's negative." |
|  | Negative | "Always prior to the (evaluation) process and usually, during the process, it causes me a lot of anxiety because you don't want to deliver a bad message to your employee."<br>"When you write a review for someone, that their performance isn't stellar, that causes anxiety."<br>"So, I don't like to be surprised, and I sure don't want my direct reports to be surprised."<br>"If we used a performance appraisal process as a way to terminate someone that I'm sure would generate anxiety even if it's not a surprise." |
| **Manager / Employee Discrepancy in PA** | Manager's Certainty of Employee's Self-Evaluation | "I think a lot of people think they're doing four and five work when maybe their evaluators don't necessarily."<br>"So then when they give themselves a very high review, and we come back and say, you know, this is how I've gauged your performance, we don't really align, you know, those are the ones that really gave me a lot of anxiety."<br>"I think it (self-appraisal) causes more anxiety for the employees because then they have to present this to their managers, and they know that it can impact their raise. And then it (self-appraisal) causes anxiety for me specifically because if an employee gives me their review and they think that they've done an amazing job and they potentially haven't, then that disconnect can cause a lot of anxiety where we have to have that conversation."<br>"Of course, she thought she was doing just fine. She didn't see anything that she was doing. She did not take into account anything that we told her. So she gave herself usually fours, and everybody else would give her two and threes. So, it was quite different."<br>"We don't really align. Those are the ones that really gave me a lot of anxiety…those are kind of the middle of the road guys in gals who really gave me the most anxiety; I think because it was the unknown…you start thinking about what are they going to say, what is the reaction going to be, especially if it's not a positive review." |

| Expectation / Fear of Negative Employee Reaction | Expected Negative Reaction | "He did everything short of flipping the table, you know, he says, I'm going to kick your ass. You're nothing but a little punk." "I don't like confrontation, and I knew it was going to be confrontational, so I wanted to avoid it, but it was one of those things you just couldn't. And it affected me physically and emotionally. I was very anxious before I would talk with her. I'd get sweaty palms, and my temperature would rise; my stomach would get upset..." "The scheduling of the review causes anxiety because you both know it's not a conversation you want to have and performing the review. It causes a physiological response that seems unnecessary. You might feel a little nauseous and maybe get sweaty hands a little bit. And usually, my breathing is a little bit shorter when I know that I have to do something like that. I'm just more tensed." "They knew it was going to be a lot of constructive criticism, and this individual did not take constructive criticism very well. And it actually resulted in him resigning." |
|---|---|---|
| | Uncertainty | "I think the big issue that causes anxiety is if you're delivering news to someone that they're not expecting, particularly bad news. And it has the potential for conflict. That's probably where a lot of performance appraisal anxiety stems from" "We know the anxiety kind of comes from unknown." |