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Escalation bias in group decision-making

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ESCALATION BIAS IN GROUP DECISION-MAKING

A Thesis

Submitted to the Graduate Faculty of the
Louisiana State University and
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in

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Molly JoAnn Russ
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Abstract

The present study extended the literature on escalation bias to group decision-making in the context of performance appraisal. Escalation theory states that persons responsible for a hiring decision will provide higher evaluation ratings of that employee than those persons not responsible for the decision. This study compared the performance evaluation decisions of supervisors, individual team members, and teams in order to ascertain differences in escalation behaviors based on rater perspective and whether the rater was responsible for hiring the employee or not. Support for the hypotheses varied depending on the employment decision being made and the perspective of the decision-maker. There was no support found for an escalation of commitment on any of the tested variables. However, it was found that supervisors provided more favorable ratings than teams on the performance and promotability variables. Teams provided more favorable ratings than supervisors on the commission decrease variable and more favorable ratings than team members on the layoff and commission decrease variables. Team members provided higher ratings than teams on the performance and promotability variables. Additionally, there was a perspective by responsibility interaction found between teams and team members on the performance and vacation days variables, and between supervisors and teams on the vacation days variable. No other hypotheses were significant. Possible effects of polarization in teams and diffusion of responsibility by team members are discussed.
Introduction/Review of Literature

Increasingly common in organizations are self-managed and semi-autonomous work groups (Brannick, Salas, & Prince, 1997). The use of teams has become a dominant strategy in organizations and is considered by many to be “a cornerstone in modern organizations” (Cannon-Bowers & Salas, 1998, p. 83). The increased use of teams in organizations is spurred by the belief that teams increase organizational effectiveness (Guzzo & Dickson, 1996; Schrage, 1995; Woodman, Sawyer, & Griffin, 1993). Organizational effectiveness is believed to be increased by using teams because research indicates the use of teams increases job motivation and morale, enhances support for organizational initiatives or programs, and increases the ability to share the expertise of members which may be useful in the generation of novel approaches and in the avoidance of costly mistakes (Paulus, Larey, & Dzindolet, 2001). Indeed, Applebaum and Blatt (1994) reviewed several studies and concluded there was clear evidence that team-based work resulted in improved organizational effectiveness.

Two functions teams are beginning to serve include making organizational hiring decisions and evaluating team member performance, duties that in the past have been typically fulfilled by a manager (Brody & Frank, 2002; Liden et al., 1999; Thompson, Kray, & Lind, 1998). Because a large portion of the idea generation and decision-making in organizations is done within groups or teams (Guzzo & Dickson, 1996; Paulus et al., 2001), recent research has focused on the decision processes of groups and their members. In particular, the concept of escalation bias has been studied with regard to its impact on the decision outcomes of groups. Escalation bias refers to the tendency for a decision-maker to become overly committed to an ongoing project even in light of negative feedback regarding the project’s performance (Moon, 2001; Staw, 1976).
Historically, escalation bias has been studied in regards to individual and group decisions within the context of sunk-costs in financial decisions (Garland, 1990; Staw, 1976; Whyte, 1993). More recently, escalation bias has been examined in hiring contexts and in subsequent performance evaluations (Bazerman, Beekun, & Schoorman, 1982; Schoorman, 1988). However, only one study has analyzed the effects of escalation bias in teams on performance evaluations resulting from previous hiring decisions. Thus, the purpose of the current study was to first further extend the literature on escalation bias in decision-making in the performance appraisal context to teams, an area which has been largely neglected in previous research on escalation bias. The second purpose was to compare the decisions of supervisors, individual team members, and team decisions in an attempt to discern whether there are differences between these groups. Teams are defined as “two or more people with different tasks who work together adaptively to achieve specified and shared goals” (Brannick & Prince, 1997, p. 4). The terms team and group often have been used interchangeably, and as such are used synonymously throughout this paper.

This paper first reviews the existing literature on escalation bias in performance appraisals. Next, the literature extending escalation bias in performance appraisal to its effects on team decision-making processes is discussed. An overview of the current study, hypotheses, methods and materials are presented. Finally, the results are presented and discussed, and future implications offered.

**Escalation of Commitment**

Escalation bias refers to the tendency of appraisers to evaluate a project (or an employee) more favorably if they took part in the project initiation decision than those who were not part of the initial decision, despite negative performance information. The escalation of commitment to
a losing course of action can be seen in a host of naturally occurring situations, including
gambling (McGlothlin, 1956), waiting at a bus stop (Brockner, Shaw, & Rubin, 1979), and
making political decisions (Dietz-Uhler, 1996). Escalation bias has received a great deal of
research attention in recent years in the context of financial decisions (Garland, 1990; Moon,
2001; Schaubroeck & Williams, 1993a). This line of research emerged from Staw’s (1976)
seminal work on escalated commitment of individuals in financial contexts.

There are numerous reasons why individuals may escalate their commitment to a course
of action. One reason is due to sunk-costs, or the consideration of the amount of time, effort, or
money already allocated to a project (Garland, 1990; Schaubroeck & Williams, 1993a; Staw,
1976). Another reason is due to project completion effects, which refers to an increasing
unwillingness to abandon a project as it nears completion (Boehne & Paese, 2000; Garland &
Conlon, 1998; Moon, 2001). Additionally, justification processes may be present, wherein
individuals choose to reinvest in a failing course of action in order to “turn the situation around,”
in hopes of proving to themselves or others that their previous decisions were correct and that
they are competent (Schaubroeck & Williams, 1993b; Whyte, 1993). Prospect theory also offers
a compelling rationale; it suggests that when sunk costs have been incurred toward a losing
course of action, and these costs still retain economic value or have not been fully deflated, the
decision-maker will frame subsequent decisions as a choice between losses (Whyte, 1993). As
abandoning a project will be a certain loss, escalation will be viewed as possibly increasing
losses in addition to a chance at avoiding them, and will occur in the hopes that losses will be
evaded. Finally, a desire to avoid wastefulness (Arkes & Blumer, 1985), need to demonstrate
consistency (Staw, 1981), and approach-avoidance conflicts (Rubin & Brockner, 1975) also have
been offered as explanations for escalation of commitment effects. While past escalation
research almost exclusively has focused on participants making initial financial commitments to a project and then later making a decision to allocate more funds to the project or to abandon it (Schaubroeck & Williams, 1993a, 1993b; Staw, 1976), there is research showing this effect may be prevalent among employees charged with making hiring and subsequent performance evaluation decisions (Bazerman et al., 1982; Schoorman, 1988). Research that has investigated escalation bias in the context of hiring and evaluation (the focus of this paper) is reviewed below.

To test for escalation of commitment in the context of performance appraisals, Bazerman et al. (1982) randomly assigned participants to one of two conditions, that of either high or low responsibility. All participants assumed the role of the vice-president of a fictional corporation. Those assigned to the high responsibility condition attended a session in which they were given sets of materials including data on three regional managers from which to make a promotional decision. This included, for example, information on their past sales, earnings, and past performance ratings. They were then asked to choose which manager to promote. Participants in the low responsibility condition received the same sets of material on the three managers, but were told someone else had already made the decision regarding whom to promote. Participants in both conditions were then given materials entitled Two Years Later, pertaining to the manager they chose (high responsibility) or to the manager who was chosen for them (low responsibility). This material consisted of negative information regarding the new director’s performance over the last two years. From this, they evaluated the new director and made decisions regarding reward allocation, promotion potential, and future performance. Results indicated that participants who made the initial promotion decision (high responsibility) subsequently gave the manager they chose higher pay increases, more vacation days, more positive evaluations, higher
forecasted future returns for the director’s region, and were less likely to demote or layoff the director than those not responsible for the promotion decision.

Schoorman (1988) extended the research of Bazerman et al. (1982) by investigating escalation effects in performance evaluations within a field setting. Participants were supervisors who evaluated their clerical employees (i.e., secretaries, typists, and administrative aides) in a large, public-sector organization. Schoorman predicted that supervisors who had input into, and agreed with, an organization’s decision to promote or hire an employee would rate the employee’s performance more positively than those who did not have input into the decision (a positive escalation effect). Further, supervisors who had input into, but disagreed with, an organization’s promotion or hiring decision were predicted to rate that employee more negatively than those who did not have input into the decision (a negative escalation effect). Supervisors who did not have input into the decision to hire the employee being evaluated (typically due to a high rate of turnover of supervisors in this company resulting in many employees being hired by the previous supervisor) were assumed to exhibit no escalation bias in their evaluations. As predicted, results indicated that those who took part in, and agreed with, the hiring decision rated the employee’s performance the most positively (a positive escalation effect), followed by those who did not take part in the decision (assumed no effect), followed by those who took part in, but disagreed with, the decision (a negative escalation effect). It should be noted that, as there were only 9 of 151 cases constituting the negative escalation condition, this effect could be attributed to true differences in employee performance.

Slaughter et al. (2003) extended the work of Bazerman et al. (1982) and Schoorman (1988) by investigating differences in escalation bias due to the relationship between the rater and ratee, and due to whether the rater agreed with the hiring decision, disagreed with the
decision, or were evaluating a third candidate from which they did not choose. The study employed a 2 × 3 factorial design: rater perspective (team member or supervisor) × responsibility (responsible, not responsible-disagree, or not responsible). This study was conducted in two sessions with the first session consisting of all participants making a hiring decision between two job candidates based on relevant selection information (e.g., the results of a cognitive ability test, a personality inventory, letters of recommendation). In the second session, participants were asked to evaluate the hired candidate’s performance from the past year after being given negative information regarding the employee’s performance. As in previous studies, responsibility was manipulated such that those participants in the high responsibility group evaluated the candidate they chose to hire in the first session. Unlike previous studies, the low responsibility group was further divided into two conditions such that in one condition, participants evaluated the candidate they had previously rejected, and in the other condition, participants evaluated a third candidate – a candidate for which they had not seen any previous selection materials. The researchers also manipulated rater perspective, assigning participants to one of two conditions: that of a supervisor or that of a team member.

As with previous studies, Slaughter et al. (2003) investigated the effects of responsibility on employee performance, promotability, and the likelihood of performance improvement. For all evaluation decisions, results revealed that, as expected, those participants responsible for the hiring decision rated the employee significantly higher than those in the not responsible-disagree and not responsible conditions. In addition, there were no differences observed between the not responsible-disagree and the not responsible-other groups on any of the dependent variables, suggesting that the biases were due to a positive, rather than negative, escalation effect. Additionally, this study hypothesized nondirectional differences between supervisors and team
members in their evaluations. The only significant finding was that supervisors escalated more than team members on the promotability measure. An explanation for this could be that team members are competing for the same jobs and therefore are less likely to escalate on this performance measure (Slaughter et al., 2003).

Research generally has demonstrated that when individuals are responsible for a hiring decision they tend to increase their commitment to the employee by subsequently evaluating that person more favorably than someone not responsible for the hiring decision. Based on this research, the current study hypothesizes:

Hypothesis 1: Individuals responsible for hiring an individual will provide more favorable ratings of that individual than those not responsible.

**Individuals vs. Teams**

In looking at escalation bias in teams, Citera, Isaacs, and Berrill-Ross (1999) extended Bazerman et al.’s (1982) investigation of escalation effects in performance appraisal by using individuals and teams. Participants were randomly assigned to 1 of 6 conditions in a 2 × 3 factorial design: responsibility (high responsibility or low responsibility) and decision-making context (individuals, teams with all members having the same information, or teams with members having both the same and different information). These authors suggested that teams spend much of their time discussing information that each member already has instead of sharing new information, a problem known as information sampling, which is not relevant to individual decision-makers. Thus, while individuals must only analyze the information to avoid an escalation bias, teams must discuss the information all members have as well as pool information that is unique to each member in order to make an unbiased decision. That is, without all of the information, the team is less able to make a rational decision. Thus, it was hypothesized that
teams with shared and unshared information should display the greatest amount of escalation bias (a less accurate decision) of all three perspectives due to insufficient sharing of information. Further, teams with all members having the same information would escalate more than individuals because although they have all the information, they were predicted to only discuss part of it, thereby resulting in a less rational decision. As done previously, the researchers also proposed that participants in the high responsibility condition would escalate more than those in the low responsibility condition across decision-making contexts.

The Citera et al. (1999) study was conducted in one session, with all participants being given information on three job candidates and asked to take the perspective of a vice president in a fictional corporation to make a promotion decision regarding these candidates. Those in the high responsibility condition made a promotion decision based on the information regarding these candidates and subsequently evaluated their chosen candidate. Participants in the low responsibility condition were given the same information on the three candidates, but were told someone else made the promotion decision. The three candidates were randomly divided among the low responsibility condition for evaluation. Decision-making context was manipulated through the amount of information received by participants regarding the promoted employee’s performance over the past two years. Those assigned to the individual condition and to the group with shared information were given the employee’s performance data in its entirety to be evaluated. Participants in the group with shared and unshared information were given all of the information, but it was divided among the two group members such that members had both common and unique information. Using the same dependent variables as Bazerman et al. (1982), this study examined the effects of responsibility and decision context on reward allocation (amount of pay increase, number of bonus vacation days, and amount of bonus pay),
promotion potential (appropriateness for a demotion and appropriateness for a layoff), and a forecast of future performance. Results indicated a main effect for responsibility in the proposed direction on only 1 of the 6 dependent variables, that of demotion decision. That is, participants in the high responsibility condition were less likely to demote the employee than those in the low responsibility condition. Contrary to predictions, individuals were shown to escalate more than both types of groups for projected earnings of the employee over the next three months, with this being the only significant effect of decision-making context.

There are several limitations of the Citera et al. (1999) study that may help explain the failure to observe many of their hypothesized effects. First, the groups consisted of only two members each, and therefore it is highly plausible that these groups were too small to demonstrate previous effects found for information sampling. Similarly, the failure to observe the hypothesized main effect for responsibility on 5 out of the 6 dependent variables may have been due to the level of responsibility being similar across conditions. Citera et al. suggested that the unexpected results might have been due to all participants reporting high – though statistically different – levels of felt responsibility for the promotion decision, suggesting the manipulation was weak. As such, these results should be interpreted cautiously given the limitations associated with the responsibility manipulation and size of the groups.

**Summary of Escalation Bias**

While research is starting to look at the effects of escalation bias in group decision-making, the only study that has utilized actual groups to analyze differences in individual and group decision-making (Citera et al., 1999) found a significant effect for perspective on only 1 of the 6 dependent variables tested, which was in the wrong direction, with groups escalating less than individuals. However, the limitations of the Citera et al. study previously discussed restrict
the interpretability and generalizability of their findings. As stated previously, there are numerous reasons why an individual decision-maker might escalate their commitment to a previously chosen course of action, yet much is still unknown about when or why groups may demonstrate this bias. As Citera et al. suggest, the assumption cannot be made that groups and individuals follow the same processes when making decisions, nor is it safe to assume that a group’s decision is simply an average of its members’ decisions. The current study looks at differences between team decision-making processes versus those of individuals, as discussed in the following section.

**Team Decision-Making and Escalation of Commitment**

Some research suggests that groups tend to escalate toward a chosen course of action to an even greater degree than do individuals, possibly due to group polarization (Whyte, 1993). Group polarization occurs when the group’s decision exacerbates the initial decisions of individual members, resulting in an evaluation that is more extreme than the average of individual decisions (Liden et al., 1999). However, other research suggests less escalation bias in groups, potentially due to group members diffusing the responsibility for the initial decision (Whyte, 1991). Diffusion of responsibility and polarization in groups are discussed below.

**Diffusion of Responsibility.** The diffusion of responsibility hypothesis suggests individuals should escalate their commitment more than groups when they are responsible for a decision. This is because, in groups, members are likely to feel less responsible for decision outcomes; that is, they diffuse the responsibility for having made the initial decision. If they feel less responsible, they may be less likely to demonstrate escalating behaviors in reaction to poor performance feedback, as previously discussed.
Whyte (1991) studied the likelihood of decreased escalation tendencies among group members who were able to attribute the responsibility of making the decision to initiate a failed project to others. His reasoning was that groups should be less likely to exhibit an escalation of commitment to a decision because they can share the blame when their course of action is determined to have been a poor decision. In sharing the blame, group members feel less responsible for the poor decision than if they had made the decision on their own. To test this, participants in a laboratory study were each given three scenarios describing escalation situations (i.e., conditions involving a financial loss in a course of action wherein participant evaluation decisions can either reverse or exacerbate the initial losses). For each scenario, individuals were asked to make a decision of whether to withdraw from, or increase, financial commitment to the project. They were told that an increase in investment funds could turn the project around, but it was more likely that this would be in vain, with a projected null return on investment (the funds already allocated would represent a loss). Responsibility was manipulated in three ways: participants were assigned to the 1) no responsibility control condition in which they were told someone else had made the decision to initiate the project and their duty was only to decide (individually) whether or not to continue with the course of action; 2) individual-responsibility condition in which they were told they were solely responsible for the initial decision; or 3) the group-responsibility condition, wherein participants were described as being part of a group who shared the responsibility of making the decision to pursue the given course of action. Note, participants were not actually placed in groups, but rather were told they had participated with others to make the project initiation decision. As such, all participants made individual decisions regarding whether to continue or withdraw from the project. Results indicated participants in the individual-responsibility condition were more likely than those in the group condition to escalate
commitment to the project, to invest more resources, and to take more risks (assessed by asking participants what was the maximum risk they were willing to accept for investing additional funds toward the project) in order to turn around the failing project. Group members, in turn, were more likely to escalate commitment, invest more funds, and take greater risks than those in the no-responsibility control condition. Group membership thereby resulted in diminished occurrence and degree of escalation behaviors, not the elimination of such behaviors. Again, it is important to note that the unit of analysis was the individual, as individuals were never placed in groups.

Polarization. Despite the evidence found for a diffusion of responsibility effect, prior research also has shown that team decisions tend to be more extreme than the average of individual decisions of the team members, constituting a polarization effect (Liden et al., 1999; Tindale, 1993; Whyte, 1993; Zaleska & Kogan, 1971). This may seem counterintuitive because, as stated earlier, team members who can obscure their role in the decision-making process might individually feel less responsible (Rao & Monk, 1999). A condition of low responsibility would be predicted to result in the team’s decision being less extreme than that of an individual decision-maker. Yet there are many forces within the team that may act oppositely to the effects of diffused responsibility. A social-value interpretation of the escalation of commitment suggests there is greater social value associated with risk than with caution (escalating being riskier than not escalating), which is the main determinant of risky behaviors in teams (Jones & Roelofsma, 2000; Zaleska & Kogan, 1971). Thus, persons who are more conservative in their decisions than team members are motivated by the presence of team members toward the more socially valued, risky behaviors (e.g., more extreme ratings, larger financial investments). As discussion within the team continues, the decision becomes riskier and riskier. According to this
theory, the social value of risk is more prominent in teams than with individuals because individual attitudes, judgments, and behaviors change as a result of the actual or implied presence of others (Jones & Roelofsma, 2000).

In addition to the social-value theory of team escalation bias, there are several other determinants of risky behaviors in groups that have been observed. One example is the phenomenon of groupthink, which refers to a faulty decision-making process that leads to “a deterioration in mental efficiency, reality testing, and moral judgments as a result of group pressures” (Janis, 1971, p. 44). As such, groups might be predicted to escalate more than individuals due to pressures for uniformity, overconfidence in the group’s invulnerability and past judgments, and stereotyped views of those outside of the group who may be seen as a threat to the group’s positive image (Janis, 1972; Kameda & Sugimori, 1993; Turner & Horvitz, 2001). Another reason groups may be expected to escalate more than individuals is due to group solidarity, or a desire to maintain unity and to preserve a positive image of the group, protecting its identity (Turner & Horvitz, 2001). In an effort to maintain unity and a shared positive view of the group’s functioning, individual group members may be less likely to express an opposing opinion, leading to irrational decision-making if the perceived group preference is for a biased decision. One final reason for an increase in escalation behaviors by groups may be due to the condition of psychological entrapment, or an increase in commitment to a chosen course of action in order to justify prior investments (Kameda & Sugimori, 1993). Kameda and Sugimori argued that group entrapment is distinct from individual entrapment because in groups there is more invested than just physical costs of time and money, such as social and interpersonal outcomes associated with discontinuing the chosen course of action (e.g., group members “saving face,” violating group harmony).
Indeed, there have been many instances in which the terms *groupthink*, *entrapment*, and *escalation of commitment* have been used to describe the same political blunders (e.g., the Bay of Pigs, Watergate, the escalation of America’s involvement in the Vietnam War; Kameda & Sugimori, 1993; Raven, 1998; Street & Anthony, 1997). Jones and Roelofsma (2000) also cite many parallels between groupthink, group polarization, and group escalation of commitment biases, such as their assertion that all three biases stem from social influence factors. The only study found looking at polarization effects with respect to performance evaluations is discussed below.

As previously stated, group polarization occurs when the perspective of individuals is intensified due to the group’s discussion (Jones & Roelofsma, 2000). Liden et al. (1999) attempted to assess for polarization effects in their study comparing the disciplinary decisions of managers, group members, and groups. Individual managers and individual group members were each asked to respond to eight scenarios describing a hypothetical group member’s poor performance (i.e., tardiness, not listening, poor quality, and made a mistake) by indicating the disciplinary action they would take. Individual group members then formed actual groups (averaging 5.6 members) and together reached consensus on the disciplinary action for each of the same eight scenarios (*group perspective*). As hypothesized, results indicated that managerial decisions were more severe than those of group members, but not more severe than those of groups after consensus. The authors reasoned that managers may be more severe than group members due to a greater social distance between the two groups. However, when group members come together to make decisions, social distances may be increased between the members and the poor performer, leading the group to evaluate the employee similarly to
managers. Also, it was observed that groups made more severe disciplinary decisions than their individual members, attributed to polarization effects within the group.

Although there has been little research on escalation behaviors of teams in the performance appraisal context, Liden et al. (1999) found that supervisors tend to make more severe disciplinary decisions than individual group members (Liden et al.). This may be due to team members being less willing to allocate unfavorable ratings to peers for fear of “rocking the boat” (Murphy & Cleveland, 1995, p. 141), or due to peers being uncomfortable in their evaluative roles (Murphy & Cleveland), at least with regard to making disciplinary decisions. On the other hand, peers may be less willing to escalate (providing more accurate appraisals) because the peer’s performance affects the performance of the team (Slaughter et al., 2003).

As Murphy and Cleveland (1995) point out, supervisors may manipulate ratings to accomplish personal goals, such as when the performance of subordinates influences how they as supervisors are evaluated, to achieve organizational goals (Kozlowski, Chao, & Morrison, 1998), or to protect and enhance their best subordinates’ careers (Longenecker, Sims, & Gioia, 1987). As Bretz, Milkovich, and Read (1992) state, supervisors view fairness over accuracy as the most vital issue in performance appraisal. Indeed, Slaughter et al. (2003) observed that supervisors escalated (were more lenient) to a greater extent than team members on the promotability variable. This effect may be due to persons described as supervisors demonstrating more felt responsibility than persons described as being part of a team, or actually placed in a team to make evaluation decisions.

Research suggests that different rater sources (perspectives) tend to provide different ratings of a target (Murphy & Cleveland, 1995) and as such, based on the rationale presented
above, differences were predicted in the current study. The current study hypothesized rater perspective would influence performance evaluations.

Hypothesis 2: Rater perspective will influence performance evaluations.

Hypothesis 2a: Participants in the *supervisor condition* will provide more favorable ratings than *teams*.

Hypothesis 2b: Participants in the *supervisor condition* will provide more favorable ratings than *team members*.

Hypothesis 2c: *Teams* will provide higher ratings than *team members*.

As other studies of escalation bias typically have used only the supervisor condition, differences between perspectives due to the effects of responsibility may be expected when extending this research to teams. For example, a team may demonstrate a stronger escalation effect than its members due to its members diffusing the responsibility of the decision prior to group discussion, and then, after discussion, becoming polarized with regard to the previous decision, thus continuing to invest in the peer who is performing poorly. Based on the past research showing interactions on some evaluation decisions (Citera et al., 1999; Slaughter et al., 2003), the current study suggested there would be differential effects of responsibility across perspectives.

Hypothesis 3: There will be a responsibility by rater perspective interaction.

Hypothesis 3a: *Supervisors* will escalate to a greater degree than *teams*.

Hypothesis 3b: *Supervisors* will escalate to a greater degree than individual *team members*.

Hypothesis 3c: *Teams* will escalate to a greater degree than *team members*. 
Method

Participants

A power analysis was conducted to determine how many participants were necessary to appropriately test the hypotheses. Using an alpha of .05, effect size of .25 (medium), and power of .80, results indicated approximately 216 data points would be needed, or 36 per cell (see design below), resulting in a need for 72 four-person teams (with the same persons comprising the individual team member condition), and an additional 72 individual participants comprising the supervisor condition. Thus, participants were 424 undergraduate students enrolled at Louisiana State University who received extra credit for their voluntary participation. Ninety-three of these participants comprised the supervisor perspective, while 331 comprised the team member perspective. The team members were also placed in groups to form the team perspective, making up 72 teams with an average of 4.6 persons per team. The sample of supervisors was 81.7% female, with a mean age of 21.48 years (SD = 4.48). Most of these were currently employed part-time (65.6%), with 23.9% currently employed full-time. The teams and team members were 71.0% female, with a mean age of 20.98 years (SD = 3.47). Like the supervisors, the majority of team members were employed part-time at the time of the study (70.1%), with 11.0% working full-time. Also, a great many of the team members (89.4%) had previous experience working in teams. Finally, participants in the supervisor condition reported similar past experience with hiring decisions, evaluating performance, and working as managers (40.9%, 34.4%, and 22.6%, respectively) as compared to the participants in the team and team member conditions (39.0%, 33.2%, and 23.6%, respectively).
Design

This study employed a 2 × 3 (responsibility × perspective) factorial design. Responsibility was manipulated such that in one condition, participants evaluated the candidate they chose to hire (responsible condition), and in the second condition they evaluated a candidate chosen for them (not responsible). Perspective was manipulated such that participants either made the hiring and evaluation decisions by themselves as supervisors (supervisor condition), or hired as a team, evaluated by themselves (team member condition), then met as a team again to reach consensus on the evaluation decisions (team condition).

Stimulus Materials

The stimulus materials (i.e., scenarios) were adapted from Slaughter et al. (2003), with changes made due to adding the team perspective, and with one sentence added at the end of the team-responsible scenario reminding the participant of their perspective (see Appendix A). The scenarios described a fictional company for which the participant works as either a supervisor or as a team member. The first set of stimulus materials described the organization and the participant’s duties within this company, which include hiring (for those in the responsible condition) and evaluating sales personnel. Information regarding two job candidates from whom the participants were asked to make a hiring decision, or whom the participants were told someone else was going to make the hiring decision, were found in two folders that accompanied the scenario. Inside each folder were letters of recommendation, scores from intelligence, integrity, and personality tests, and a summary of test results (see Appendices B and C). The second set of materials contained a second scenario informing participants who was hired (by themselves or their team, or by Human Resources), and describing this person’s less than optimal performance over the last year. A folder corresponding to the candidate who was hired was
presented which included their annual sales evaluation summary and customer comment cards (see Appendices D and E).

**Measures**

All measures are described below and items may be found in Appendix F.

*Performance* was measured with three items, each rated on a 7-point scale of agreement (1 = *strongly disagree* to 7 = *strongly agree*). An example item is, “Overall, this employee contributed to the success of the team.” These are the same items used by Slaughter et al. (2003). The items demonstrated an internal consistency reliability estimate of $\alpha = .85$.

*Promotability* was measured with three items on a 7-point scale of likelihood (1 = *highly unlikely* to 7 = *highly likely*). An example item is, “Likelihood of this employee being promoted within the next year.” Slaughter et al. (2003) used only this one item to measure promotability. As one item tends to be unreliable, the present study added two more items. These demonstrated an internal consistency reliability estimate of $\alpha = .95$.

*Performance improvement* was also rated with three items on a 7-point scale of likelihood (1 = *highly unlikely* to 7 = *highly likely*). An example item is, “Likelihood of improving performance next year.” As with the promotability variable, Slaughter et al. (2003) used only this one item to measure performance improvement. Two additional items were added, with a total internal consistency reliability estimate of $\alpha = .92$.

*Pay increase* was measured with one item asking participants, “How large, if any, of a pay increase would you give this employee (i.e., how much would you increase his pay over the previous year’s salary)? The company average is 10% annually.” This is the same item used by Bazerman et al. (1982), Citera et al. (1999), and Slaughter et al. (2003).
Vacation days were measured with one item asking participants, “How many, if any, bonus vacation days in the upcoming year would you give to this employee? (0-4).” This item was also used by Bazerman et al. (1982), Citera et al. (1999), and Slaughter et al. (2003).

Likelihood of probation was measured with one item asking the participant, “If you were told to make a decision at this moment, would you put this employee on probation? (Yes/No).” This item was adapted from Slaughter et al. (2003).

Likelihood of layoff was measured with one item asking the participant, “If you were told to make a decision at this moment, would you fire this employee? (Yes/No).” This item was adapted from Slaughter et al. (2003).

Commission decrease was measured with one item asking the participant, “How much, if any, would you lower this employee’s percentage of commissions? (1 = not at all to 7 = as much as possible).” This item has not previously been used.

Procedure

Consistent with Bazerman et al. (1982) and Citera et al. (1999), data was collected during one session. The informed consent of all participants was obtained. Participants assigned to the supervisor condition read a scenario identifying them as a supervisor in a fictional organization. Responsibility was manipulated such that participants in the responsible condition were asked to make a hiring decision between two candidates and then evaluated the candidate they chose to hire. Participants in the not responsible condition were given the same stimulus materials on the two candidates, but were told someone else has already made the hiring decision. All those in the supervisor condition read scenarios describing the employee’s poor performance over the last year from which they were asked to make various performance evaluations and associated performance decisions. They then evaluated the candidate. Rather than equally dividing the two
candidates among the not responsible participants, these participants evaluated the candidates in proportion to the rate at which each candidate was chosen by the responsible participants.

Participants assigned to the team member and team conditions read a scenario identifying them as a team member in a fictional organization and, as in the supervisor condition, were asked to make a hiring decision between the same two candidates as participants in the supervisor condition (responsible), or were told someone else made the hiring decision (not responsible). In the responsible condition, the team, consisting of 4 to 6 members, made the hiring decision as a group by consensus. Next, participants read the same scenarios describing the employee’s poor performance over the last year from which they then evaluated the employee. Team members first evaluated the employee individually, then came together for a second time and reached consensus on each of the evaluation items. Again, not responsible participants evaluated the candidates in proportion to the rate at which each candidate was chosen by the responsible participants. All participants completed a demographic and background questionnaire (see Appendix G) and were debriefed at the end of the session.

Manipulation Checks

Perspective was measured with one item reading, “Based on the scenarios you read, you were asked to assume which of the following working relationships with the person you evaluated? (a) Supervisor; (b) Team member.” This item was adapted from Slaughter et al. (2003; see Appendix H for manipulation items). For participants in the supervisor condition, 88.2% passed this manipulation check, or said that they were the employee’s supervisor. Of the participants in the team member condition, 82.4% passed, or saw themselves as the employee’s team member. Finally, 97.2% of those in the team condition correctly identified themselves as being part of the employee’s team.
Responsibility was measured with one item reading, “Based on the scenarios you read, who was responsible for hiring the employee you evaluated? (a) I was; (b) My group was; (c) Human Resources; (d) I don’t know.” In the supervisor condition, 97.8% of participants who were responsible for the hiring decision correctly identified themselves as being responsible. Of those supervisors not responsible for the hiring decision, 76.6% correctly identified Human Resources as being responsible for the hiring decision. For participants in the team member condition, 90.4% of those responsible for the hiring decision passed this manipulation, or stated they were responsible. For those team member participants who were not responsible for the hiring decision, 60.0% correctly stated Human Resources made the hiring decision. Many of these participants (22.4%) stated they did not know who hired the employee, and 15.8% stated their group was responsible. Lastly, for participants in the team condition, 100% of those responsible for the hiring decision stated they were the ones who hired the employee. For those teams not responsible for the hiring decision, 88.9% accurately identified Human Resources as responsible for hiring the employee.
Results

As the team and team member conditions were comprised of the same participants (making analyses between the two within-subject), and supervisors were persons not participating in either other condition (making analyses between supervisors and either teams or team members between-subject), three separate analyses were run for all dependent variables (DVs) or sets of DVs. For the purpose of testing the effects of responsibility (made the hiring decision or not) and rater perspective (supervisor, team member or team) on the participant’s evaluations of the ratee’s performance, likelihood of performance improvement, and promotability, a between-subjects multivariate analysis of variance (MANOVA) was first run between supervisors and team members. Responsibility and perspective were the independent variables (IVs), with the order of the DVs being performance, likelihood of improvement, and promotability. With the use of Wilks’ criterion, this analysis indicated no significant main effects of perspective, responsibility, or of the perspective x responsibility interaction on the combined DVs, $F(3, 418) = .66, \text{ns}$, $F(3, 418) = 1.00, \text{ns}$, and $F(3, 418) = 1.11, \text{ns}$, respectively. There was no support for hypotheses 1, 2b or 3b in this analysis. (See Table 1 for a summary of the hypotheses and significant findings, and Tables 2 and 3 for means and standard deviations.)

A second between-subjects MANOVA was run between supervisors and teams on the same three DVs as previously run, entered in the same order. This analysis indicated a significant main effect of perspective on the combined DVs, $F(3, 159) = 5.75, p < .01$. Further investigation revealed a significant effect of perspective on the performance variable, $F(1, 161) = 5.94, p < .05, \eta^2 = .04$, and on the promotability variable, $F(1, 161) = 12.77, p < .01, \eta^2 = .07$.

1 Correlation tests were run between teams and team members on the performance, likelihood of improvement, and promotability variables to ascertain if these two groups were significantly different, allowing the use of only between-subjects MANOVAs and ANOVAs to test all hypotheses. Team and team member responses, however, were significantly, moderately correlated on all three variables. Thus, separate MANOVAs and ANOVAs were used.
Supervisors rated the employee higher than teams on performance ($M = 3.48, SD = 1.06$, and $M = 3.09, SD = 1.03$, respectively), and on promotability ($M = 2.73, SD = 1.16$, and $M = 2.14, SD = .91$, respectively), showing support for hypotheses 2 and 2a. The analysis showed no significant effects of responsibility or of the perspective x responsibility interaction on the combined DVs, $F(3, 159) = 1.15, ns$, and $F(3, 159) = 2.05, ns$, respectively. There was no support demonstrated in this analysis for hypotheses 1, 3 or 3a.

To test the effects of responsibility (a between-subjects factor) and perspective (a within-subjects factor) of team members and teams on the performance, likelihood of improvement, and promotability variables, three mixed-model analyses of variance (ANOVAs) were run. The first ANOVA, run on the performance variable, showed no significant effect of responsibility on teams and team members, $F(1, 70) = 1.49, ns$. There were significant effects of perspective, $F(1, 70) = 11.79, p < .01, \eta^2 = .14$, in the opposite direction hypothesized, and of the perspective x responsibility interaction, $F(1, 70) = 8.65, p < .01, \eta^2 = .11$. That is, team members ($M = 3.41, SD = .50$) rated the employee’s performance higher than did teams ($M = 3.09, SD = 1.03$), and this effect was of greater magnitude for those responsible for the hiring decision. There was support for hypotheses 2 and 3, but not for hypotheses 1, 2c, or 3c. The second mixed-model ANOVA, run on likelihood of improvement variable, demonstrated no significant effects of perspective, $F(1, 70) = .04, ns$, responsibility, $F(1, 70) = .67, ns$, or the perspective x responsibility interaction, $F(1, 70) = .01, ns$, showing no support for hypotheses 1, 2c or 3c. The final mixed-model ANOVA, which was run on the promotability variable, showed a significant effect of perspective, $F(1, 70) = 19.58, p < .001, \eta^2 = .22$, in opposition to what was hypothesized in 2c. That is, team members ($M = 2.55, SD = .56$) were significantly more likely to promote the employee than were teams ($M = 2.14, SD = .91$). This analysis yielded no
<table>
<thead>
<tr>
<th>Hypothesis 1: Those responsible will rate higher than those not responsible.</th>
<th>Overall Performance</th>
<th>Likelihood of Improvement</th>
<th>Promotability</th>
<th>Pay Increase</th>
<th>Bonus Vacation Days</th>
<th>Probation</th>
<th>Layoff</th>
<th>Commission Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Supported</td>
<td>Not Supported</td>
<td>Not Supported</td>
<td>Not Supported</td>
<td>Not Supported</td>
<td>Not Supported</td>
<td>Not Supported</td>
<td>Not Supported</td>
<td>Not Supported</td>
</tr>
</tbody>
</table>

| Hypothesis 2: Perspective will influence ratings | Supported | Not Supported | Supported | Not Supported | Not Supported | Supported | Supported | |

| Hypothesis 2a: Supervisors will rate higher than teams. | Supported | Not Supported | Supported | Not Supported | Not Supported | Not Supported | Not Supported | Not Supported |

| Hypothesis 2b: Supervisors will rate higher than team members. | Not Supported | Not Supported | Not Supported | Not Supported | Not Supported | Not Supported | Not Supported | Not Supported |

| Hypothesis 2c: Teams will rate higher than team members. | Not Supported (in opposite direction) | Not Supported | Not Supported (in opposite direction) | Not Supported | Not Supported | Not Supported | Supported | Supported |

| Hypothesis 3: There will be a responsibility by perspective interaction. | Supported | Not Supported | Not Supported | Not Supported | Supported | Not Supported | Not Supported | Not Supported |

| Hypothesis 3a: Supervisors will escalate to a greater degree than teams. | Not Supported | Not Supported | Not Supported | Not Supported | Not Supported (in opposite direction) | Not Supported | Not Supported | Not Supported |

| Hypothesis 3b: Supervisors will escalate to a greater degree than team members. | Not Supported | Not Supported | Not Supported | Not Supported | Not Supported | Not Supported | Not Supported | Not Supported |

| Hypothesis 3c: Teams will escalate to a greater degree than team members. | Not Supported (in opposite direction) | Not Supported | Not Supported | Supported | Not Supported | Not Supported | Not Supported | Not Supported |
Table 2

Between-Subject Results

<table>
<thead>
<tr>
<th>Dependent Variable</th>
<th>Responsibility</th>
<th>Decision-Making Context</th>
<th></th>
<th></th>
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<tr>
<td></td>
<td></td>
<td>Supervisors</td>
<td>Team Members</td>
<td>Teams</td>
<td>Supervisors</td>
<td>Team Members</td>
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<td>1.04</td>
<td>3.38</td>
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<td>1.08</td>
<td>3.44</td>
<td>1.07</td>
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<td>Likelihood of</td>
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<td>1.11</td>
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<td>1.21</td>
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<td>Improvement</td>
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<td>1.23</td>
<td>4.01</td>
<td>1.36</td>
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<tr>
<td>Promotability</td>
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<td>2.93</td>
<td>1.22</td>
<td>2.56</td>
<td>1.07</td>
<td>2.06</td>
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<tr>
<td></td>
<td>None</td>
<td>2.53</td>
<td>1.08</td>
<td>2.55</td>
<td>1.12</td>
<td>2.22</td>
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<td>Pay Increase</td>
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<td>2.89</td>
<td>4.13</td>
<td>3.01</td>
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<td></td>
<td>None</td>
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<td>4.27</td>
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<td>Bonus Vacation Days</td>
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<td>Probation</td>
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<td>.50</td>
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<td>.51</td>
<td>1.45</td>
<td>.50</td>
<td>1.39</td>
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<tr>
<td>Layoff</td>
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<td>.21</td>
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<td>.30</td>
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<tr>
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<td>1.93</td>
<td>.26</td>
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<td>Commission</td>
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<tr>
<td>Decrease</td>
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<td>3.30</td>
<td>2.16</td>
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</tbody>
</table>
### Table 3

Within-Subject Results

<table>
<thead>
<tr>
<th>Dependent Variable</th>
<th>Responsibility</th>
<th>Team Members</th>
<th>Teams</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>M</td>
<td>SD</td>
<td>M</td>
</tr>
<tr>
<td>Overall</td>
<td>3.37</td>
<td>.45</td>
<td>3.32</td>
</tr>
<tr>
<td>Performance</td>
<td>3.45</td>
<td>.54</td>
<td>2.85</td>
</tr>
<tr>
<td>Likelihood of Improvement</td>
<td>4.20</td>
<td>.63</td>
<td>4.16</td>
</tr>
<tr>
<td>High</td>
<td>4.00</td>
<td>.65</td>
<td>3.99</td>
</tr>
<tr>
<td>None</td>
<td>2.55</td>
<td>.58</td>
<td>2.06</td>
</tr>
<tr>
<td>High</td>
<td>2.55</td>
<td>.54</td>
<td>2.22</td>
</tr>
<tr>
<td>Promotability</td>
<td>4.17</td>
<td>1.48</td>
<td>4.71</td>
</tr>
<tr>
<td>None</td>
<td>4.26</td>
<td>1.45</td>
<td>4.56</td>
</tr>
<tr>
<td>High</td>
<td>1.24</td>
<td>.42</td>
<td>1.39</td>
</tr>
<tr>
<td>Pay Increase</td>
<td>1.22</td>
<td>.50</td>
<td>.97</td>
</tr>
<tr>
<td>None</td>
<td>1.44</td>
<td>.23</td>
<td>1.47</td>
</tr>
<tr>
<td>High</td>
<td>1.45</td>
<td>.23</td>
<td>1.39</td>
</tr>
<tr>
<td>Probation</td>
<td>1.90</td>
<td>.17</td>
<td>1.97</td>
</tr>
<tr>
<td>None</td>
<td>1.93</td>
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<td>2.00</td>
</tr>
<tr>
<td>Layoff</td>
<td>1.46</td>
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<td>1.24</td>
</tr>
<tr>
<td>None</td>
<td>2.20</td>
<td>2.70</td>
<td>.51</td>
</tr>
</tbody>
</table>

Note: Two tables are used to depict the means and standard deviations because in the between-subjects analyses using team members, each team member rating was allowed to be an independent observation (or \( n = 331 \)), while in the within-subjects analyses using team members, an average of each teams’ members’ ratings was taken for each variable (or \( n = 72 \)), allowing this score to be compared to the team score. Means and standard deviations presented are from the first set of analyses, prior to removal of subjects not passing the manipulation checks.
significant effects of responsibility, $F(1, 70) = .27, \text{ns}$, or of the perspective x responsibility interaction, $F(1, 70) = .72, \text{ns}$, showing no support for hypotheses 1 or 3c.

To test the effects of responsibility and perspective on the percentage of pay increase raters allocated to the employee, 3 separate ANOVAs were conducted. A between-subjects factorial ANOVA was run between supervisors and team members on the pay increase variable, indicating no significant effects of perspective, $F(1, 419) = .18, \text{ns}$, responsibility, $F(1, 419) = 2.71, \text{ns}$, or the perspective x responsibility interaction, $F(1, 419) = 1.62, \text{ns}$. Thus, there was no support for hypotheses 1, 2b or 3b. A second between-subjects ANOVA was run between supervisors and teams on percentage of pay increase, again indicating no significant effect for perspective, $F(1, 161) = 1.58, \text{ns}$, responsibility, $F(1, 161) = 1.02, \text{ns}$, or for the perspective x responsibility interaction, $F(1, 161) = 1.77, \text{ns}$, showing no support for hypotheses 1, 2a or 3a. Finally, a within-subjects factorial ANOVA was run between team members and teams on the pay variable. There was no significant effect of responsibility between teams and team members, $F(1, 70) = .01, \text{ns}$, of perspective within teams and team members, $F(1, 70) = 2.11, \text{ns}$, or of the responsibility x perspective interaction, $F(1, 70) = .17, \text{ns}$. No support for hypotheses 1, 2c or 3c was found for the pay variable.

To test the effects of responsibility and rater perspective on number of vacation days allocated by the raters, a between-subjects factorial ANOVA was first run between supervisors and team members. This analysis showed no significant effects of perspective, $F(1, 420) = .04, \text{ns}$, responsibility, $F(1, 420) = .71, \text{ns}$, or the perspective x responsibility interaction, $F(1, 420) = 1.09, \text{ns}$. Thus, there was no support for hypotheses 1, 2b or 3b. A between-subjects factorial ANOVA between supervisors and teams also showed no significant effects of perspective, $F(1, 161) = .28, \text{ns}$, or responsibility, $F(1, 161) = .51, \text{ns}$. However, the perspective x responsibility
interaction was significant, $F(1, 161) = 4.70, p < .05, \eta^2 = .03$, showing responsibility had differential effects on supervisors and teams. Teams who were responsible for the hiring decision ($M = 1.39, SD = .90$) gave the employee more vacation days than did supervisors who were responsible for the hiring decision ($M = 1.15, SD = .87$), while teams not responsible for the hiring decision ($M = .97, SD = .74$) allocated less vacation days to the employee than did supervisors who were not responsible ($M = 1.36, SD = 1.09$). As teams escalated to a greater extent than did supervisors due to responsibility, hypotheses 3a failed, as well as hypotheses 1 and 2a. Finally, a within-subjects factorial ANOVA was run between teams and team members on the vacation variable. This analysis indicated no main effect of perspective, $F(1, 70) = .42, ns$, or of responsibility, $F(1, 70) = 2.52, ns$, showing no support for hypotheses 1 or 2. Again, the perspective x responsibility interaction was significant, $F(1, 70) = 6.66, p < .05, \eta^2 = .09$. Of those persons responsible for the hiring decision, teams ($M = 1.39, SD = .90$) allocated more vacation days than did team members ($M = 1.24, SD = .42$), supporting hypothesis 3c; of those not responsible for the hiring decision, team members ($M = 1.22, SD = .50$) allocated more vacation days to the employee than did teams ($M = .97, SD = .74$).

A between-subjects factorial ANOVA was run between supervisors and team members on whether the raters would place the employee being evaluated on probation. This analysis showed no significant effects of perspective, responsibility or the perspective x responsibility interaction, $F(1, 420) = .00, ns, F(1, 420) = .53, ns$, and $F(1, 420) = .33, ns$, respectively. There was no support for hypotheses 1, 2b or 3b. A second between-subjects factorial ANOVA was run between supervisors and teams on the probation variable. Again, this showed no significant effects of perspective, responsibility, or the perspective x responsibility interaction, $F(1, 161) = .07, ns, F(1, 161) = .00, ns$, and $F(1, 161) = 1.03, ns$, respectively. There was no support for
hypotheses 1, 2a or 3a. Finally, a within-subjects factorial ANOVA was run on teams and team members on the probation variable. This analysis showed no significant effects of perspective, $F(1, 70) = .12, ns$, of responsibility, $F(1, 70) = .24, ns$, or of the perspective x responsibility interaction, $F(1, 70) = .86, ns$. There was no support for hypotheses 1, 2c or 3c for the probation DV.

A between-subjects factorial ANOVA was run between supervisors and team members on evaluator’s desire to fire the employee being evaluated. This analysis yielded no significant effects of perspective, responsibility, or of the perspective x responsibility interaction, $F(1, 420) = 1.13, ns$, $F(1, 420) = .02, ns$, and $F(1, 420) = .61, ns$, respectively. There was no support for hypotheses 1, 2b or 3b for this variable. A between-subjects factorial ANOVA was run between supervisors and teams on the layoff variable. This analysis likewise showed no significant effects of perspective, responsibility, or of the perspective x responsibility interaction, $F(1, 161) = 1.81, ns$, $F(1, 161) = .02, ns$, and $F(1, 161) = .66, ns$, respectively. There was no support for hypotheses 1, 2a or 3a for the layoff variable. Lastly, a within-subjects factorial ANOVA was run between teams and team members on this variable. The within-subjects analysis revealed no significant effects of responsibility or of the perspective x responsibility interaction, $F(1, 70) = 1.11, ns$, and $F(1, 70) = .01, ns$, respectively. There was a significant effect of perspective, $F(1, 70) = 21.27, p < .01, \eta^2 = .23$. That is, teams ($M = 1.99, SD = .12$) showed more lenience, or were significantly less likely to fire the employee than were team members ($M = 1.91, SD = .15$). There was support for hypothesis 2c, but not for hypotheses 1 or 3c for the rater’s decision to fire this employee.

The last DV tested was the percentage of commission decrease participants gave to the employee. The first between-subjects factorial ANOVA, between supervisors and team
members, showed no main effects of perspective, $F(1, 414) = .00, ns$, or of responsibility, $F(1, 414) = 1.47, ns$, and no significant perspective x responsibility interaction, $F(1, 414) = .13, ns$.

There was no support for hypotheses 1, 2b or 3b. A between-subjects factorial ANOVA between supervisors and teams on the commission decrease DV showed a significant effect of perspective, $F(1, 161) = 4.09, p < .05, \eta^2 = .03$, in the opposite direction. Teams rated the employee higher on this variable ($M = .88, SD = 3.08$) than did supervisors ($M = 1.81, SD = 2.83$). In other words, teams decreased the employee’s rate of commission to a lesser extent than did supervisors. This analysis showed no significant effects of responsibility or of the perspective x responsibility interaction, $F(1, 161) = .15, ns$, and $F(1, 161) = 1.43, ns$, respectively. There was no support for hypotheses 1, 2a or 3a. Finally, a within-subjects factorial ANOVA was run on teams and team members to ascertain differences on the commission decrease variable. This analysis also showed no significant effects of responsibility or of the perspective x responsibility interaction, $F(1, 70) = .00, ns$, and $F(1, 70) = 3.66, ns$. The analysis did show a significant effect of perspective, $F(1, 70) = 6.16, p < .05$, in the hypothesized direction. With regard to the commission variable, teams rated the employee higher ($M = .88, SD = 3.08$) – or lowered his commission to a lesser extent – than did team members ($M = 1.83, SD = 2.12$), showing support for hypotheses 2c. There was no support for hypotheses 1 or 3c.

Finally, as many participants did not pass the manipulation checks, and the responsibility manipulation in particular appeared weak (recall that only 60% of team members who were not responsible for the hiring decision correctly identified Human Resources as being responsible), each analysis was run a second time after removing all participants who did not pass the manipulation checks. In these analyses, there were no longer any significant interactions found
(see Table 4). Additionally, there were still no significant effects found for responsibility. There were many significant effects found for perspective, however.

In the between-subjects MANOVA between supervisors and team members on the performance, likelihood of improvement, and promotability variables, while there was no overall significant effect of perspective, significant effects were found for performance, $F(1, 279) = 4.30, p < .05, \eta^2 = .02$, and for promotability, $F(1, 279) = 4.22, p < .05, \eta^2 = .02$. Specifically, supervisors rated the employee higher than team members on both the performance variable ($M = 3.58, SD = 1.11$, and $M = 3.29, SD = 1.01$, respectively), and on the promotability variable ($M = 2.78, SD = 1.21$, and $M = 2.45, SD = 1.04$, respectively), supporting hypotheses 2 and 2b. These results are unique from the initial MANOVA on these variables.

In the second between-subjects MANOVA between supervisors and teams, there was a significant effect of perspective on the combined DVs, $F(3, 130) = 5.40, p < .01$. Again, there were significant effects found for the performance, $F(1, 132) = 6.07, p < .05, \eta^2 = .04$, and for promotability, $F(1, 132) = 9.64, p < .01, \eta^2 = .07$. Specifically, supervisors rated the employee higher than teams on both the performance variable ($M = 3.58, SD = 1.11$, and $M = 3.14, SD = 1.03$, respectively), and on the promotability variable ($M = 2.78, SD = 1.21$, and $M = 2.18, SD = .90$, respectively), supporting hypotheses 2 and 2a. These were the same results found in the initial MANOVA between supervisors and teams.

Three mixed-model ANOVAs were run again to test for differences between teams and team members on the performance, likelihood of improvement, and promotability variables. The only significant effect found was on the promotability variable, $F(1, 64) = 4.74, p < .05, \eta^2 = .07$, in the opposite direction of what was hypothesized. That is, team members ($M = 2.40, SD = .66$) were significantly more likely to promote this employee than were teams ($M = 2.18, SD = .90$).
<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Overall Performance</th>
<th>Likelihood of Improvement</th>
<th>Promotability</th>
<th>Pay Increase</th>
<th>Bonus Vacation Days</th>
<th>Probation</th>
<th>Layoff</th>
<th>Commission Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>1: Those responsible will rate higher than those not responsible.</td>
<td>Not Supported</td>
<td>Not Supported</td>
<td>Not Supported</td>
<td>Not Supported</td>
<td>Not Supported</td>
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</tr>
<tr>
<td>2: Perspective will influence ratings</td>
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<td>Not Supported</td>
<td>Supported</td>
<td>Supported</td>
<td>Not Supported</td>
<td>Not Supported</td>
<td>Supported</td>
<td>Supported</td>
</tr>
<tr>
<td>2a: Supervisors will rate higher than teams.</td>
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<td>Not Supported</td>
<td>Supported</td>
<td>Not Supported</td>
<td>Not Supported</td>
<td>Not Supported</td>
<td>Not Supported</td>
<td>Not Supported (in opposite direction)</td>
</tr>
<tr>
<td>2b: Supervisors will rate higher than team members.</td>
<td>Supported</td>
<td>Not Supported</td>
<td>Supported</td>
<td>Not Supported</td>
<td>Not Supported</td>
<td>Not Supported</td>
<td>Not Supported</td>
<td>Not Supported</td>
</tr>
<tr>
<td>2c: Teams will rate higher than team members.</td>
<td>Not Supported</td>
<td>Not Supported</td>
<td>Not Supported (in opposite direction)</td>
<td>Supported</td>
<td>Not Supported</td>
<td>Not Supported</td>
<td>Supported</td>
<td>Supported</td>
</tr>
<tr>
<td>3: There will be a responsibility by perspective interaction.</td>
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</tr>
<tr>
<td>3a: Supervisors will escalate to a greater degree than teams.</td>
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<td>Not Supported</td>
<td>Not Supported</td>
<td>Not Supported</td>
<td>Not Supported</td>
<td>Not Supported</td>
</tr>
<tr>
<td>3b: Supervisors will escalate to a greater degree than team members.</td>
<td>Not Supported</td>
<td>Not Supported</td>
<td>Not Supported</td>
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<td>Not Supported</td>
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</tr>
<tr>
<td>3c: Teams will escalate to a greater degree than team members.</td>
<td>Not Supported</td>
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</tbody>
</table>
This is the same result found from the initial analyses, although prior analyses also found significant results for perspective and the perspective x responsibility interaction on the performance variable.

Unlike the initial analysis for this variable, a within-subjects ANOVA between teams and team members on the pay variable showed a significant effect of perspective, $F(1, 64) = 5.98, p < .05, \eta^2 = .09$. Teams allocated a significantly percentage of pay increase to the employee than did team members ($M = 3.97, SD = 2.02$, and $M = 4.70, SD = 2.75$, respectively). These results showed support for hypotheses 2 and 2c.

As found previously, a within-subjects ANOVA between teams and team members on the layoff variable showed a significant effect of perspective, $F(1, 64) = 12.79, p = .001, \eta^2 = .17$. Teams ($M = 1.98, SD = .12$) rated the employee higher on this variable, or were significantly less likely to fire the employee than were team members ($M = 1.90, SD = .21$), showing support for hypothesis 2 and 2c.

The last analyses run were for the commission decrease variable. A between-subjects ANOVA between supervisors and teams showed a significant effect of perspective, $F(1, 132) = 11.58, p = .001, \eta^2 = .08$, in the opposite direction as hypothesized. Supervisors rated the employee lower, or lowered his percentage of commission significantly more than did teams ($M = 1.88, SD = 2.89$, and $M = .58, SD = 1.11$, respectively). A within-subjects ANOVA between teams and team members also found a significant effect of perspective, $F(1, 64) = 10.92, p < .01, \eta^2 = .15$. Specifically, teams rated the employee higher on this variable, or lowered his commission significantly less than did team members ($M = .58, SD = 1.11$, and $M = 1.62, SD = 2.68$, respectively). These were the same results found for the commission decrease variable in the previous analyses.
To summarize the two sets of analyses, one major difference between them is that once the participants who did not pass the manipulation checks were removed, no interactions were found to be significant. Also, in addition to those hypotheses previously supported, in the second set of analyses hypothesis 2b was now supported for the overall performance and promotability variables, hypothesis 2c was supported for the pay increase variable, and hypothesis 2c was no longer found to be significant in the opposite direction for the overall performance variable. All other findings from the original analyses remain the same.
Discussion

Overall, there was minimal support found for the hypotheses. Although much past research (as discussed previously) has shown an escalation of commitment effect due to responsibility, the present study found no significant effects of rater responsibility. As Slaughter et al. (2003) suggested, participants may not have felt truly responsible for the hiring decision, and, therefore, for the employee’s poor performance. Or, as Citera et al. (1999) noted, all of their participants reported a high degree of responsibility for the hiring decision, diminishing differences between the responsibility conditions. Indeed, in the present study, while degree of felt responsibility was not measured, many participants in the team member condition who were not responsible for the hiring decision failed to realize who was responsible or thought themselves or their group made the hiring decision (recall that this manipulation was successful for 60% of the team members). Also, the participants may not have fully realized their role as either team member or supervisor, and thus all participants evaluated the employee from a similar perspective. In listening to the teams discuss their relationship with the employee, oftentimes they stated that if they were in charge of evaluating an employee, they must be that employee’s supervisor.

There were, however, some significant findings based on perspective. As hypothesized, supervisors gave higher ratings than teams and team members for the employee on the overall performance and promotability variables. Though not hypothesized, team members also gave significantly higher ratings than did teams on these two variables. One explanation for this finding may be that team members were able to diffuse the responsibility of their decisions prior to meeting as a group (as previously discussed), making their ratings similar to supervisors. Team member and supervisor ratings may also have been similar due to team members not yet
fully realizing they were part of a team (82.4% of team members stated they were part of a team, while 97.2% of teams stated they were such).

Teams also gave higher ratings than team members on the pay increase and layoff variables, and higher ratings than team members as well as supervisors on the commission decrease variable. In other words, teams increased the employee’s rate of pay significantly more than did team members, as well as decreased the employee’s rate of commission significantly less than both team members and supervisors, and were significantly less likely to fire the employee than team members. Team members in the present study may have been more likely to fire the employee and decrease his rate of commission due to an attempt to correct the poor behavior of the team member that is detrimental to the team (Slaughter et al., 2003). Teams, on the other hand, may be more lenient on these variables due to a desire to maintain the group’s level of cohesiveness, to not disturb the peace, or to maintain the group’s positive identity in the eyes of others (Turner & Horvitz, 2001).

Differences between perspectives with regard to the findings may also be due to the type of employment decision differentially affecting the amount of escalation demonstrated by raters, or that negative and positive employment decisions may operate differently (Citera et al., 1999). Negative employment decisions (or disciplinary decisions) refer to those items asking participants to make decisions regarding a demotion, layoff, or commission decrease for the employee being evaluated. Positive employment decisions (or reward decisions) are those asking participants to set the percentage of pay increase for the employee, allocate bonus vacation days, and designate a bonus amount. Researchers have found that participants were more favorable in their ratings when a person’s job was on the line or they faced demotion (Citera et al.). When faced with negative employment decisions such as these, individual
decision-makers were more likely to escalate commitment in the positive direction than when considering the positive employment decisions, which did not induce escalation behaviors. The authors suggested that participants saw negative employment decisions as more likely to reflect negatively on them than positive decisions. Thus, if teams viewed the employee’s performance as more likely to reflect on them than did team members (who may have diffused responsibility before evaluating as a team) and supervisors, then this may have led to more escalation in teams on some decisions than in team members or supervisors.

Lastly, in the present study the decision-making context did interact with responsibility on two of the variables tested (in the first set of analyses), overall performance and bonus vacation days (see Figures 1 and 2).

Figure 1. Responsibility x Perspective Interaction on Bonus Vacation Days – Supervisors and Teams
Teams were found to escalate to a greater degree than supervisors and team members on vacation days (or allocated significantly more bonus vacation days to the employee). Per the team discussions that ensued during the rating aspect of the study, this effect may be due to teams desiring to show support for fellow team members who they see as performing poorly, but whose performance they excused as possibly being due to having personal problems, thus necessitating more personal days from work. This effect may also be an attempt to motivate the employee to perform better (i.e., “the folly of rewarding A while hoping for B;” Kerr, 1975). Additionally, while teams did view the ratee’s performance as poor (as demonstrated by their ratings on the performance, likelihood of improvement, and promotability variables), they appeared concerned about demotivating the employee to the point of him voluntarily leaving the job. Thus, while they rated his performance more harshly, when it came to reward decisions
based on his performance, teams expressed concern about leading the employee to quit by allocating too few vacation days as compared to the company average (or too small of a pay increase as compared to the company average).

The second interaction showed that team members escalated to a significantly greater degree than did teams on the performance variable due to responsibility (see Figure 3). Specifically, teams who were responsible for the hiring decision rated the employee higher than those not responsible, but still lower than team members in both conditions. Team members who were responsible rated the employee lower than team members not responsible for hiring. Thus, it appears that team members in both conditions felt similarly responsible for the hiring decision and the employee’s subsequent performance. Responsibility may have affected team members differentially due to them being able to diffuse the level of felt responsibility while evaluating independently (making team members in both conditions evaluate the employee similarly), then polarizing in their evaluations as teams.
Figure 3. Responsibility x Perspective Interaction on Performance – Team Members and Teams
Limitations

One limitation of this study is that the teams had prior knowledge of the evaluation items as they completed them in the team member condition prior to meeting as teams. This may have influenced the team ratings in a number of ways. For example, the team member’s behavior in the team condition may have been altered by their participation in the team member condition such that the team evaluation may have reflected effects of memory, practice, boredom, or sensitization (Crocker & Algina, 1986). These effects or others, if they existed in this study, could have been avoided by using separate teams, 72 for the team member condition and an additional 72 making up the team condition, instead of using the same persons for both. However, this may reduce the external validity of the study as it is unlikely that, in practice, team members make initial decisions and separate teams vote on these or make them again.

Another limitation is the inability to directly compare the results of the separate analyses for all between-subject and within-subject hypotheses. Additionally, in computing 20 separate analyses, Type I error rate may have been inflated, increasing the power of the analyses to find differences between groups. One method for avoiding alpha error inflation would be to use a Bonferroni adjustment, or to assign alpha for each analysis such that experimentwise alpha does not exceed the .05 level (Tabachnick & Fidell, 2001). However, in doing this for so many analyses, alpha would be so small than finding anything reaching significance would have been very unlikely.

A final limitation is that of many participants not passing the manipulation checks. While this study was designed to improve upon the perspective manipulation of Slaughter et al. (2003) by actually putting participants in a team, it may be that in a laboratory environment many participants did not feel like or truly see themselves as part of a team. Also, participants
may have understood that they were part of a team or that they hired the employee without actually feeling responsible as a team or individually for hiring the employee or for his performance. One method of strengthening these manipulations may be to use intact teams in classroom settings, such as business or management courses requiring students to form teams to accomplish tasks throughout a semester. Repeated interactions with real-life consequences (such as a team grade on a project) should strengthen both team members viewing themselves as a team and the level of responsibility each feels for the paper or project.
Implications for Future Research

According to Gordon (1992), 82% of companies employing 100 or more persons reported the use of teams. Additionally, 68% of Fortune 1000 companies in 1993 reported the use of self-managed work teams (Lawler, Mohrman, & Ledford, 1995). With the vast shift from managers toward teams to accomplish numerous organizational tasks, the functions of employee selection and performance evaluation have been relegated from supervisors to teams in some organizations (Brody & Frank, 2002; Liden et al., 1999). Unfortunately, research on team decision-making in this context has not caught up with industry’s fervor for team usage. Understanding when teams create or amplify biases is an important issue for researchers and practitioners alike (Argote, Gruenfeld & Naquin, 2001).

Studies have shown that once a hiring or project initiation decision has been made there is a tendency to evaluate subsequent performance more favorably if the appraiser took part in the decision process, even in light of negative information regarding performance of the employee or project (Bazerman et al., 1982; Schoorman, 1988; Staw, 1976). Most research on escalation bias has focused on decisions made by participants under extreme conditions of responsibility; that is, they were either free to make the original decision or it was made for them (Rao & Monk, 1999). However, there are intermediate levels of responsibility that individuals can experience, such as in a situation where blame for an adverse decision outcome can be diffused among decision-makers. The few studies that have investigated escalation decisions in a group decision context have yielded mixed results, calling for more research needed in this area.

Much research has suggested the likelihood of an escalation of commitment extending to team decision-making, and while prior research on group processes suggests these effects are likely to be more severe than that typically observed for individuals (Argote et al., 2001; Jones &
Roelofsma, 2000; Whyte, 1993), the present study found that the effects of perspective varied dependent upon the variable in question, and that perspective and responsibility interacted for some variables. While there has been a voluminous body of research citing polarization effects leading to groups exacerbating individual decisions (Jones & Roelofsma, 2000; Liden et al., 1999; Whyte, 1993), in many cases it may be that the polarization effects are unable to outweigh the effects of diffused responsibility during group decision-making, making the ratings provided by the team variable dependent on the type of decision they are making, the degree to which they feel responsible, and the degree to which they agree or disagree with their group. More research should be done analyzing different types of employment decisions (e.g., rewards or punishments), assessing how much each participant feels responsible for the employee’s performance, and looking at possible negative escalation effects due to group disagreement.
References


Brody, R. G., & Frank, K. E. (2002). Influence of prior involvement on employees’ ratings. Psychological Reports, 90, 139-149.


Appendix A: Scenarios

Appendix A1
Supervisor – Responsible (Hiring Phase)

Hiring a Sales Representative at Lerman Furniture, Inc.

You are a supervisor at Lerman Furniture, Inc. Lerman is a medium-sized retail distributor of home and office furnishings. The firm employs 3000 persons and has showrooms in numerous major cities, including St. Paul, Minnesota; Columbus, Ohio; Atlanta, Georgia; and Dallas, TX. Lerman Furniture is a team-based organization such that retail employees at each store location are organized into teams. The team members often work side-by-side, relying on each other to make or complete furniture sales. In addition, the teams compete against other teams from stores within their district, and the store with the largest sales volume at the end of each year receives a bonus.

As a supervisor at one of Lerman's Dallas, TX stores, you supervise one such team, and you work together to carry out responsibilities as a group. One of your duties includes motivating team members to peak customer interest in the quality and attractiveness of your company’s furniture in order to maintain high sales. You are also responsible for encouraging team members to help each other make sales and for hiring and evaluating team members.

Recently, the retirement of one of the sales representatives has led to the need to hire a new sales employee. As a supervisor, it is your responsibility to decide whom to hire. Though there were several qualified applicants for the position, after multiple assessments used by Lerman in the selection process, two finalists emerged as the most qualified: Mike Brown and Dave Waterman. In the following folders, you will find some information regarding these two candidates. For each candidate you will find two letters of recommendation from former employers, as well as the results from three different assessments. The first assessment measures the applicant’s general intelligence, or cognitive ability. The second assessment is an integrity, or honesty test. The third is a test that measures three dimensions of personality: a) extraversion: the extent to which the candidate is outgoing and friendly; b) dependability: the extent to which the candidate is reliable and trustworthy; and c) agreeableness: the extent to which the applicant is likely to work well with others and display a positive attitude.

Please carefully review all given information on each candidate and choose one candidate for the position.

Mark an “X” next to the candidate you decide to hire.

M. Brown _________  D. Waterman_________

Below, please state which candidate you chose and describe why you chose this particular applicant:
Appendix A2
Supervisor – Not Responsible (Hiring Phase)

Hiring a Sales Representative at Lerman Furniture, Inc.

You are a supervisor at Lerman Furniture, Inc. Lerman is a medium-sized retail distributor of home and office furnishings. The firm employs 3000 persons and has showrooms in numerous major cities, including St. Paul, Minnesota; Columbus, Ohio; Atlanta, Georgia; and Dallas, TX. Lerman Furniture is a team-based organization such that retail employees at each store location are organized into teams. The team members often work side-by-side, relying on each other to make or complete furniture sales. In addition, the teams compete against other teams from stores within their district, and the store with the largest sales volume at the end of each year receives a bonus.

As a supervisor at one of Lerman's Dallas, TX stores, you supervise one such team, and you work together to carry out responsibilities as a group. One of your duties includes motivating team members to peak customer interest in the quality and attractiveness of your company’s furniture in order to maintain high sales. You are also responsible for encouraging team members to help each other make sales and for hiring and evaluating team members.

Recently, the retirement of one of the sales representatives has led to the need to hire a new sales employee. Though there were several qualified applicants for the position, after multiple assessments used by Lerman in the selection process, two finalists emerged as the most qualified: Mike Brown and Dave Waterman. In the following folders, you will find some information regarding these two candidates. For each candidate you will find two letters of recommendation from former employers, as well as the results from three different assessments. The first assessment measures the applicant’s general intelligence, or cognitive ability. The second assessment is an integrity, or honesty test. The third is a test that measures three dimensions of personality: a) extraversion: the extent to which the candidate is outgoing and friendly; b) dependability: the extent to which the candidate is reliable and trustworthy; and c) agreeableness: the extent to which the applicant is likely to work well with others and display a positive attitude.
Hiring a Sales Representative at Lerman Furniture, Inc.

You are a team at Lerman Furniture, Inc. Lerman is a medium-sized retail distributor of home and office furnishings. The firm employs 3000 persons and has showrooms in numerous major cities, including St. Paul, Minnesota; Columbus, Ohio; Atlanta, Georgia; and Dallas, TX. Lerman Furniture is a team-based organization such that retail employees at each store location are organized into teams. The team members often work side-by-side, relying on each other to make or complete furniture sales. In addition, the teams compete against teams from stores within their district, and the store with the highest amount of sales at the end of each year receives a bonus.

As an employee at one of Lerman’s Dallas, TX stores, you and your coworkers are organized into one such team, and you work together to carry out responsibilities as a group. One of your duties includes motivating team members to peak customer interest in the quality and attractiveness of your company’s furniture in order to maintain high sales. You are also responsible for encouraging team members to help each other make sales and for hiring and evaluating other team members.

Recently, the retirement of one of the sales representatives has led to the need to hire a new sales employee. It is the team’s responsibility to decide whom to hire. Though there were several qualified applicants for the position, after multiple assessments used by Lerman in the selection process, two finalists emerged as the most qualified: Mike Brown and Dave Waterman. In the following folders, you will find some information regarding these two candidates. For each candidate you will find two letters of recommendation from former employers, as well as the results from three different assessments. The first assessment measures the applicant’s general intelligence, or cognitive ability. The second assessment is an integrity, or honesty test. The third is a test that measures three dimensions of personality: a) extraversion: the extent to which the candidate is outgoing and friendly; b) dependability: the extent to which the candidate is reliable and trustworthy; and c) agreeableness: the extent to which the applicant is likely to work well with others and display a positive attitude.

Please carefully review the candidate information and choose one candidate for the position. Remember, you are a part of this team and will be working with this individual.

Mark an “X” next to the candidate the team decides to hire.

M. Brown  D. Waterman

Below, please state which candidate you chose and describe why you chose this particular applicant:
Hiring a Sales Representative at Lerman Furniture, Inc.

You are a team at Lerman Furniture, Inc. Lerman is a medium-sized retail distributor of home and office furnishings. The firm employs 3000 persons and has showrooms in numerous major cities, including St. Paul, Minnesota; Columbus, Ohio; Atlanta, Georgia; and Dallas, TX. Lerman Furniture is a team-based organization such that retail employees at each store location are organized into teams. The team members often work side-by-side, relying on each other to make or complete furniture sales. In addition, the teams compete against teams from stores within their district, and the store with the highest amount of sales at the end of each year receives a bonus.

As an employee at one of Lerman’s Dallas, TX stores, you and your coworkers are organized into one such team, and you work together to carry out responsibilities as a group. One of your duties includes motivating team members to peak customer interest in the quality and attractiveness of your company’s furniture in order to maintain high sales. You are also responsible for encouraging team members to help each other make sales and for hiring and evaluating other team members.

Recently, the retirement of one of the sales representatives has led to the need to hire a new sales employee. Though there were several qualified applicants for the position, after multiple assessments used by Lerman in the selection process, two finalists emerged as the most qualified: Mike Brown and Dave Waterman. In the following folders, you will find some information regarding these two candidates. For each candidate you will find two letters of recommendation from former employers, as well as the results from three different assessments. The first assessment measures the applicant’s general intelligence, or cognitive ability. The second assessment is an integrity, or honesty test. The third is a test that measures three dimensions of personality: a) extraversion: the extent to which the candidate is outgoing and friendly; b) dependability: the extent to which the candidate is reliable and trustworthy; and c) agreeableness: the extent to which the applicant is likely to work well with others and display a positive attitude.
Appendix A5
Supervisor – Responsible (Evaluation Phase)

Performance Evaluations of Sales Representatives at Lerman Furniture, Inc.

Recall that you are a supervisor at Lerman Furniture, Inc. Lerman is a medium-sized retail distributor of home and office furnishings. The firm employs 3000 persons and has showrooms in St. Paul, Minnesota; Columbus, Ohio; Atlanta, Georgia; and Dallas, TX. Lerman Furniture is a team-based organization such that retail employees at each store location are organized into teams. The team members often work side-by-side, relying on each other to make or complete furniture sales. In addition, the teams compete against other teams from stores within their district, and the store with the largest sales volume at the end of each year receives a bonus.

As a supervisor at one of Lerman's Dallas, TX stores, you supervise one such team, who works together to carry out responsibilities as a group. Your principle duties include motivating team members to peak customer interest in the quality and attractiveness of your company’s furniture in order to maintain high sales, encouraging team members to help each other make sales as needed, and hiring and evaluating team members.

As you may remember, the retirement of one of the sales representatives led to the need to hire a new sales employee. Though there were several qualified applicants for the position, after multiple assessments used by Lerman in the selection process, two finalists emerged as the most qualified: Mike Brown and Dave Waterman. As the team’s supervisor, one of your responsibilities was to make the final hiring decision based on a cognitive ability (general intelligence) test, a personality test (including items testing for extraversion, dependability, and agreeableness), an integrity (honesty) test, and two letters of reference from former employers. After reviewing the materials, you chose Dave Waterman (Mike).

Dave began work at Lerman 12 months ago. Although his test scores and recommendations suggested that he would be an excellent worker, his performance was variable. For example, Dave often agrees to stay late or to help coworkers with their tasks. However, he has been unable to reach his own sales goals. His sales started out at a relatively high volume; but lately his sales have been slightly less than average. In addition, Dave has, at times, neglected customers that eventually left the showroom in frustration. Taken together, Dave’s performance has adversely impacted this team’s overall sales.

The time has come for Dave's first annual performance review. In addition to being responsible for hiring Dave, as the supervisor of the team to which Dave belongs, you are responsible for evaluating his performance at the end of this probationary period. Considering the information presented in the attached folder, please evaluate Dave’s performance and make decisions about him using the items and rating scales located on the next page.
Recall that you are a supervisor at Lerman Furniture, Inc. Lerman is a medium-sized retail distributor of home and office furnishings. The firm employs 3000 persons and has showrooms in St. Paul, Minnesota; Columbus, Ohio; Atlanta, Georgia; and Dallas, TX. Lerman Furniture is a team-based organization such that retail employees at each store location are organized into teams. The team members often work side-by-side, relying on each other to make or complete furniture sales. In addition, the teams compete against other teams from stores within their district, and the store with the largest sales volume at the end of each year receives a bonus.

As a supervisor at one of Lerman's Dallas, TX stores, you supervise one such team, who works together to carry out responsibilities as a group. Your principle duties include motivating team members to peak customer interest in the quality and attractiveness of your company’s furniture in order to maintain high sales, encouraging team members to help each other make sales as needed, and hiring and evaluating team members.

As you may remember, the retirement of one of the sales representatives led to the need to hire a new sales employee. Though there were several qualified applicants for the position, after multiple assessments used by Lerman in the selection process, two finalists emerged as the most qualified: Mike Brown and Dave Waterman. Based on a cognitive ability (general intelligence) test, a personality test (including items testing for extraversion, dependability, and agreeableness), an integrity (honesty) test, and two letters of reference from former employers, the Human Resources Department hired Dave Waterman (Mike Brown) for the position.

Dave began work at Lerman 12 months ago. Although his test scores and recommendations suggested that he would be an excellent worker, his performance was variable. For example, Dave often agrees to stay late or to help coworkers with their tasks. However, he has been unable to reach his own sales goals. His sales started out at a relatively high volume; but lately his sales have been slightly less than average. In addition, Dave has, at times, neglected customers that eventually left the showroom in frustration. Taken together, Dave’s performance has adversely impacted this team’s overall sales.

The time has come for Dave's first annual performance review. Even though you are not responsible for hiring Dave, as the supervisor of the team to which Dave belongs, you are responsible for evaluating his performance at the end of this probationary period. Considering the information presented in the attached folder, please evaluate Dave’s performance and make decisions about him using the items and rating scales located on the next page.
Recall that you are a team member at Lerman Furniture, Inc. Lerman is a medium-sized retail distributor of home and office furnishings. The firm employs 3000 persons and has showrooms in St. Paul, Minnesota; Columbus, Ohio; Atlanta, Georgia; and Dallas, TX. Lerman Furniture is a team-based organization such that retail employees at each store location are organized into teams. The team members often work side-by-side, relying on each other to make or complete furniture sales. In addition, the teams compete against other teams from stores within their district, and the store with the largest sales volume at the end of each year receives a bonus.

As an employee at one of Lerman’s Dallas, TX stores, you and your coworkers are organized into one such team, and you work together to carry out responsibilities as a group. Your team’s principle duties include motivating team members to peak customer interest in the quality and attractiveness of your company’s furniture in order to maintain high sales, encouraging team members to help each other make sales as needed, and hiring and evaluating team members.

As you may remember, the retirement of one of the sales representatives led to the need to hire a new sales employee. Though there were several qualified applicants for the position, after multiple assessments used by Lerman in the selection process, two finalists emerged as the most qualified: Mike Brown and Dave Waterman. As a team member, one of your responsibilities was to make the final hiring decision based on a cognitive ability (general intelligence) test, a personality test (including items testing for extraversion, dependability, and agreeableness), an integrity (honesty) test, and two letters of reference from former employers. After carefully reviewing the materials, you chose Dave Waterman (Mike).

Dave began work at Lerman 12 months ago. Although his test scores and recommendations suggested that he would be an excellent worker, his performance was variable. For example, Dave often agrees to stay late or to help coworkers with their tasks. However, he has been unable to reach his own sales goals. His sales started out at a relatively high volume; but lately his sales have been slightly less than average. In addition, Dave has, at times, neglected customers that eventually left the showroom in frustration. Taken together, Dave’s performance has adversely impacted this team’s overall sales.

The time has come for Dave’s first annual performance review. In addition to being responsible for hiring Dave, as part of the team to which Dave belongs, you are responsible for evaluating his performance at the end of this probationary period. Considering the information presented in the attached folder, please evaluate Dave’s performance and make decisions about him using the items and rating scales located on the next page.
Appendix A8
Team Member – Not Responsible (Evaluation Phase)

Performance Evaluations of Sales Representatives at Lerman Furniture, Inc.

Recall that you are a team member at Lerman Furniture, Inc. Lerman is a medium-sized retail distributor of home and office furnishings. The firm employs 3000 persons and has showrooms in St. Paul, Minnesota; Columbus, Ohio; Atlanta, Georgia; and Dallas, TX. Lerman Furniture is a team-based organization such that retail employees at each store location are organized into teams. The team members often work side-by-side, relying on each other to make or complete furniture sales. In addition, the teams compete against other teams from stores within their district, and the store with the largest sales volume at the end of each year receives a bonus.

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Dave began work at Lerman 12 months ago. Although his test scores and recommendations suggested that he would be an excellent worker, his performance was variable. For example, Dave often agrees to stay late or to help coworkers with their tasks. However, he has been unable to reach his own sales goals. His sales started out at a relatively high volume; but lately his sales have been slightly less than average. In addition, Dave has, at times, neglected customers that eventually left the showroom in frustration. Taken together, Dave’s performance has adversely impacted this team’s overall sales.

The time has come for Dave's first annual performance review. Even though you are not responsible for hiring Dave, as a member of the team to which Dave belongs, you are responsible for evaluating his performance at the end of this probationary period. Considering the information presented in the attached folder, please evaluate Dave's performance and make decisions about him using the items and rating scales located on the next page.
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The time has come for Dave’s first annual performance review. In addition to being responsible for hiring Dave, the team is responsible for evaluating his performance at the end of this probationary period. Considering the information presented in the attached folder, please evaluate Dave’s performance and make decisions about him using the items and rating scales located on the next page.
Appendix A10
Team – Not Responsible (Evaluation Phase)

Performance Evaluations of Sales Representatives at Lerman Furniture, Inc.

Recall that you are a team at Lerman Furniture, Inc. Lerman is a medium-sized retail distributor of home and office furnishings. The firm employs 3000 persons and has showrooms in St. Paul, Minnesota; Columbus, Ohio; Atlanta, Georgia; and Dallas, TX. Lerman Furniture is a team-based organization such that retail employees at each store location are organized into teams. The team members often work side-by-side, relying on each other to make or complete furniture sales. In addition, the teams compete against other teams from stores within their district, and the store with the largest sales volume at the end of each year receives a bonus.

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The time has come for Dave's first annual performance review. Even though you are not responsible for hiring Dave, the team is responsible for evaluating his performance at the end of this probationary period. Considering the information presented in the attached folder, please evaluate Dave's performance and make decisions about him using the items and rating scales located on the next page.
Appendix B: Hiring Materials – Dave Waterman

Appendix B1

Letter of Recommendation – Dave Waterman

*Allen’s Furniture Supply*

Personnel Department

February 10, 2002

Lerman’s Furniture, Inc.
Human Resources Department
121 Tollway
Dallas, TX 76203

To Whom It May Concern:

Please accept this letter of recommendation as strong support of Dave Waterman’s application to be a sales representative for Lerman’s Furniture, Incorporated. Dave is a former employee of mine who has been very active professionally in the fields of furniture sales and general retail.

Dave Waterman has always been well respected by his employers, peers, and customers while at Allen’s Furniture Supply. If any criticism can be said of Dave, it is that he is extremely motivated in his work and fastidious about details. At times he may intimidate those around him who have neither the discipline nor the desire to put forth the optimal effort which ensures success. At the same time, Dave is an ethical and professional employee who exemplifies the philosophy of customer satisfaction. He is a promising sales representative who will be successful in your company.

I am proud to have the opportunity to recommend Dave Waterman to Lerman’s for your consideration. Please give him your support as the next Lerman’s representative. You will be proud to have him as a member of your sales team.

Sincerely,

Mark Smith
General Director
Allen’s Furniture Supply
Letter of Recommendation – Dave Waterman

Sears Furniture
11 Galleria Drive #804
Dallas, TX 76202

February 12, 2002

Management and Human Resources Department:

I am writing this letter in response to a request by Dave Waterman for a recommendation. Mr. Waterman worked in the furniture division of Sears Department Store for over a year. While at Sears, he appeared to perform his job to the best of his ability, and voluntarily left the company for a position elsewhere.

Thank you for your time and consideration of Dave Waterman as a Lerman’s Sales Representative.

Best regards,

Tim Hanson
Director, Furniture Sales
Appendix B3

Cognitive Ability Test – Dave Waterman

Directions: Please complete the following questions without the aid of any problem-solving device. This is a timed test in which you have 10 minutes to complete.

1. Cold is the opposite of ______.
   a) frigid    b) unfeeling    c) responsive    d) arctic

2. In the following set of words, which word is different?
   a) skip    b) run    c) jump    d) think

3. How many of the five pairs of items below are exactly the same?
   
   72425137  72425187
   3689242   3689242
   478901    478901
   58279     52879
   4301      4301

4. Billy bought some stereos for $240. He sold them for $360, making $30 on each radio. How many radios did he buy?

5. In military time 1500 hours is what time?

6. In Summer the time changes by moving:
   a) forward by one hour    b) backward by one hour    c) it doesn’t change

7. Which two of the choices have the same quantity?
   a) 1/4    b) 2/3    c) 3/8    d) 2/8

8. Is the third statement true or false?
   Larry is a boy.
   All boys like sports.
   Larry likes sports.

9. What number comes next in this pattern?
   4 2 2 8 2 2 16 2 2_____

10. Which does not belong?
    a) doughnut    b) tire    c) ring    d) ball

11. The first two statements are true statements. Is the third statement true or false?
    Some doodles are daggets.
    Some daggets are dapples.
    Some doodles would have to be dapples.
12. Flower is to garden as wave is to _______.
   a) lake       b) hand       c) ocean       d) waterfall

13. Two runners start in the same location and run 4 miles in opposite directions. They then both turn left and run 3 miles in that direction. How far apart are the runners now?
   a) 7 miles    b) 25 miles    c) 10 miles    d) 14 miles

14. Which word is a synonym for the word “lawlessness”?
   a) legitimate  b) disorder     c) enforced    d) controlled

15. Which word best completes this sentence?
   I am friendly even to people who are ________.
   a) kind        b) generous     c) happy       d) disagreeable

16. What is one-fifth of one fifth of 100?
   a) 4           b) 25          c) 10          d) 20

17. Whale is to mammal as frog is to _____.
   a) reptile     b) amphibian   c) mammal      d) invertebrate

18. Solve the following equation for x:
   \[ 3x + 2(2-x) = \]
   a) 4           b) \(-\frac{4}{5}\)   c) \(-4\)       d) 2

19. Which item does not belong?
   a) apple       b) banana      c) tomato      d) carrot

20. Cat is to kitten as bear is to ________.
   a) cub         b) pup         c) grizzly     d) panda

Score: 63
Appendix B4

Integrity Test – Dave Waterman

Directions: Please answer all questions accurately to the best of your ability. Answer using the scale 1=strongly agree, 2=somewhat agree, 3=agree/neutral, 4=somewhat disagree, or 5=strongly disagree. Please select only one choice for each item.

1. I am difficult to get along with at times.  
2. I am not always honest.  
3. I have thought of hitting someone who really deserves it.  
4. I am not very prompt.  
5. I daydream when I am bored.  
6. Sometimes one must break the rules to get the job done.  
7. I have in the past stayed home from work or school when not really sick.  
8. Managers expect people to ignore company rules and policies.  
9. I get annoyed when someone tries to tell me what to do.  
10. Using force is okay if defending yourself.  
11. I will probably change jobs more than once in the next year.  
12. I sometimes lose my temper.  
13. I have gotten into a physical fight when provoked.  
15. I like doing things my own way.  
16. I rarely pay a lot of attention to how I look and dress.  
17. I have a hard time smiling when I am having a bad day.  
18. I have gotten in trouble at work or school for just fooling around.  
19. I am often dissatisfied with myself.  
20. I rarely have excess energy.

Score: 64
### Appendix B5

Personality Test Scores

<table>
<thead>
<tr>
<th>Employee Name</th>
<th>Dave Waterman</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Personality Assessment:</strong></td>
<td></td>
</tr>
<tr>
<td>Extraversion</td>
<td>9/10</td>
</tr>
<tr>
<td>Dependability</td>
<td>9/10</td>
</tr>
<tr>
<td>Agreeableness</td>
<td>6/10</td>
</tr>
</tbody>
</table>
Appendix B6

Summary of Test Results

Candidate: Dave Waterman

Test and Score:  
Test A, Intelligence ......................................................... 18/20  
Test B, Integrity ............................................................ 81/100  
Test C, Personality  
  Extraversion ............................................................ 9/10  
  Dependability ............................................................ 9/10  
  Agreeableness ........................................................... 6/10
Letter of Recommendation – Mike Brown

A+ Auto Dealership
19 Market Street
Plano, TX 76201

February 3, 2002

Lerman’s Furniture, Inc.
Personnel Department
121 Tollway
Dallas, TX 76203

Dear Human Resources Manager:

The purpose of this letter is to recommend a former employee, Mike Brown, for your company’s position of Sales Representative. Mike Brown has been a loyal and hard-working sales representative for A+ Auto Dealership for the last three years. While here, Mike was always attuned to the customers’ needs and wants, and always presented himself courteously and professionally.

In addition, Mike was well liked by both his peers and his customers. He routinely had the highest monthly sales, and was always able to work well without supervision. Mike enjoyed his duties and was always helpful in training new employees. He was a value to our company, and will be a strong addition to Lerman’s.

Although I am sad to see him go to pursue other opportunities, I am honored to be able to recommend Mike Brown to Lerman’s Furniture, Inc. for your consideration. Please call me if you need any further information, or have any questions.

Sincerely,

John Parker
Sales Director, A+ Auto Dealership
972-381-5567, sales office
Appendix C2

Letter of Recommendation – Mike Brown

McKinley Sporting Goods
7424 Indian School Road
Phoenix, AZ 85024

February 4, 2002

Lerman’s Selection Personnel:

As Mike Brown’s former employer and owner of McKinley Sporting Goods, I was pleased to be asked by Mike to write a letter of recommendation. Mike made a lasting impression on this company and me.

Mike was routinely our top salesperson, continually exceeding the weekly goals set for the employees. He had an uncanny ability to assess and meet customers’ needs without appearing aggressive.

Unfortunately, Mike and his family relocated to Texas; we at McKinley’s were disappointed to lose such an exceptional employee. However, I am certain he will soon become an indispensable part of your team.

Respectfully,

Josh McKinley
CEO
Appendix C3

Cognitive Ability Test – Mike Brown

Directions: Please complete the following questions without the aid of any problem-solving device. This is a timed test in which you have 10 minutes to complete.

1. Cold is the opposite of ______.
   a) frigid      b) unfeeling     c) responsive   d) arctic

2. In the following set of words, which word is different?
   a) skip       b) run          c) jump        d) think

3. How many of the five pairs of items below are exactly the same?
   72425137       72425187
   3689242        3689242
   478901         478901
   58279          52879
   4301           4301

4. Billy bought some stereos for $240. He sold them for $360, making $30 on each radio. How many radios did he buy?

5. In military time 1500 hours is what time?

6. In Summer the time changes by moving:
   a) forward by one hour     b) backward by one hour   c) it doesn’t change

7. Which two of the choices have the same quantity?
   a) 1/4       b) 2/3         c) 3/8         d) 2/8

8. Is the third statement true or false?
   Larry is a boy.
   All boys like sports.
   Larry likes sports.

9. What number comes next in this pattern?
   4 2 2 8 2 2 16 2 2____

10. Which does not belong?
    a) doughnut   b) tire         c) ring       d) ball

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    Some doodles are daggers.
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12. Flower is to garden as wave is to _______.
   a) lake        b) hand        c) ocean       d) waterfall

13. Two runners start in the same location and run 4 miles in opposite directions. They then both turn left and run 3 miles in that direction. How far apart are the runners now?
   a) 7 miles    b) 25 miles    c) 10 miles    d) 14 miles

14. Which word is a synonym for the word “lawlessness”?
   a) legitimate  b) disorder    c) enforced    d) controlled

15. Which word best completes this sentence?
   I am friendly even to people who are ________.
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16. What is one-fifth of one fifth of 100?
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17. Whale is to mammal as frog is to ______.
   a) reptile    b) amphibian  c) mammal    d) invertebrate

18. Solve the following equation for x:
   \[3x + 2(2-x) = \]
   a) 4     b) \(-4/5\)   c) \(-4\)     d) 2

19. Which item does not belong?
   a) apple    b) banana    c) tomato    d) carrot

20. Cat is to kitten as bear is to ________.
   a) cub       b) pup        c) grizzly   d) panda

Score:
Appendix C4

Integrity Test – Mike Brown

Directions: Please answer all questions accurately to the best of your ability. Answer using the scale 1=strongly agree, 2=somewhat agree, 3=agree/neutral, 4=somewhat disagree, or 5=strongly disagree. Please select only one choice for each item.

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>I am difficult to get along with at times.</td>
</tr>
<tr>
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<td>I am not always honest.</td>
</tr>
<tr>
<td>3</td>
<td>I have thought of hitting someone who really deserves it.</td>
</tr>
<tr>
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<tr>
<td>5</td>
<td>I daydream when I am bored.</td>
</tr>
<tr>
<td>6</td>
<td>Sometimes one must break the rules to get the job done.</td>
</tr>
<tr>
<td>7</td>
<td>I have in the past stayed home from work or school when not really sick.</td>
</tr>
<tr>
<td>8</td>
<td>Managers expect people to ignore company rules and policies.</td>
</tr>
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<td>9</td>
<td>I get annoyed when someone tries to tell me what to do.</td>
</tr>
<tr>
<td>10</td>
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<td>13</td>
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</tr>
<tr>
<td>19</td>
<td>I am often dissatisfied with myself.</td>
</tr>
<tr>
<td>20</td>
<td>I rarely have excess energy.</td>
</tr>
</tbody>
</table>

Score: 71
Appendix C5

Personality Test Scores

<table>
<thead>
<tr>
<th>Employee Name</th>
<th>Mike Brown</th>
</tr>
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<tbody>
<tr>
<td>Personality Assessment:</td>
<td></td>
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<tr>
<td>Extraversion</td>
<td>7/10</td>
</tr>
<tr>
<td>Dependability</td>
<td>7/10</td>
</tr>
<tr>
<td>Agreeableness</td>
<td>6/10</td>
</tr>
</tbody>
</table>
Appendix C6

Summary of Test Results

Candidate: Mike Brown

Test and Score:
- Test A, Intelligence ......................................................... 14/20
- Test B, Integrity ............................................................ 86/100
- Test C, Personality
  - Extraversion ............................................................. 7/10
  - Dependability .......................................................... 7/10
  - Agreeableness ......................................................... 6/10
### Sales Associate Evaluation
#### 2003 – Annual Evaluation

<table>
<thead>
<tr>
<th>Product</th>
<th>Cost</th>
<th>Average Units Sold per Employee*</th>
<th>Total Monetary Value</th>
<th>Units Sold by This Employee</th>
<th>Total Monetary Value</th>
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</thead>
<tbody>
<tr>
<td><strong>Leather Sofa Set</strong></td>
<td></td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>Couch</td>
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<td>14</td>
<td>$42,000</td>
<td>11</td>
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<tr>
<td>Recliner</td>
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<td>17</td>
<td>16,830</td>
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<td>Ottoman</td>
<td>$450</td>
<td>6</td>
<td>2,700</td>
<td>5</td>
<td>2,250</td>
</tr>
<tr>
<td><strong>Home Office</strong></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Computer Desk</td>
<td>$1,000</td>
<td>13</td>
<td>13,000</td>
<td>11</td>
<td>11,000</td>
</tr>
<tr>
<td>Desk Chair</td>
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<td>1,600</td>
<td>10</td>
<td>2,000</td>
</tr>
<tr>
<td>Bookshelf</td>
<td>$350</td>
<td>12</td>
<td>4,200</td>
<td>7</td>
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<tr>
<td><strong>Totals</strong></td>
<td></td>
<td>70</td>
<td>$80,330</td>
<td>62</td>
<td>$68,520</td>
</tr>
</tbody>
</table>

*not including sales made by this employee
CUSTOMER SATISFACTION SURVEY – Dave Waterman

Our records show that you have purchased one of our products in the past month. We appreciate your business and welcome your comments regarding your experience with our staff. Please answer the following questions regarding your interaction with the salesperson who sold you the product:

Date of Purchase/Visit: ___/___/___

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>The salesperson approached me within a reasonable amount of time after I entered the store.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>The salesperson was careful to consider my specific furniture needs when suggesting a product.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>The salesperson was able to answer any questions I had concerning the product.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>I would feel comfortable dealing with this salesperson for a future purchase.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>

Please provide any additional comments about your interaction with the salesperson and about how his/her service could be improved in the future.

____________________________________________________________________________
____________________________________________________________________________
____________________________________________________________________________

CUSTOMER SATISFACTION SURVEY

Our records show that you have purchased one of our products in the past month. We appreciate your business and welcome your comments regarding your experience with our staff. Please answer the following questions regarding your interaction with the salesperson who sold you the product:

Date of Purchase/Visit: ___/___/___

<table>
<thead>
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<th>Strongly Disagree</th>
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<th>Neutral</th>
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</tr>
</tbody>
</table>
Please provide any additional comments about your interaction with the salesperson and about how his/her service could be improved in the future.

______________________________________________________________________________

______________________________________________________________________________

______________________________________________________________________________

**CUSTOMER SATISFACTION SURVEY**

Our records show that you have purchased one of our products in the past month. We appreciate your business and welcome your comments regarding your experience with our staff. Please answer the following questions regarding your interaction with the salesperson who sold you the product:

**Date of Purchase/Visit: ___/___/___**

<table>
<thead>
<tr>
<th>Strongly Disagree</th>
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______________________________________________________________________________

______________________________________________________________________________

______________________________________________________________________________
Appendix E: Evaluation Materials – Mike Brown

Appendix E1

Sales Associate Evaluation
2003 – Annual Evaluation

Store #: ______
Employee Name: Mike Brown
Date Hired: Feb/02

<table>
<thead>
<tr>
<th>Product</th>
<th>Cost</th>
<th>Average Units Sold per Employee*</th>
<th>Total Monetary Value</th>
<th>Units Sold by This Employee</th>
<th>Total Monetary Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leather Sofa Set</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Couch</td>
<td>$3,000</td>
<td>14</td>
<td>$42,000</td>
<td>11</td>
<td>$33,000</td>
</tr>
<tr>
<td>Recliner</td>
<td>$990</td>
<td>17</td>
<td>16,830</td>
<td>18</td>
<td>$17,820</td>
</tr>
<tr>
<td>Ottoman</td>
<td>$450</td>
<td>6</td>
<td>2,700</td>
<td>5</td>
<td>$2,250</td>
</tr>
<tr>
<td>Home Office</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Computer Desk</td>
<td>$1,000</td>
<td>13</td>
<td>13,000</td>
<td>11</td>
<td>$11,000</td>
</tr>
<tr>
<td>Desk Chair</td>
<td>$200</td>
<td>8</td>
<td>1,600</td>
<td>10</td>
<td>$2,000</td>
</tr>
<tr>
<td>Bookshelf</td>
<td>$350</td>
<td>12</td>
<td>4,200</td>
<td>7</td>
<td>$2,450</td>
</tr>
<tr>
<td>Totals</td>
<td>70</td>
<td>$80,330</td>
<td>62</td>
<td>$68,520</td>
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*not including sales made by this employee
CUSTOMER SATISFACTION SURVEY – Mike Brown

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The salesperson was able to answer any questions I had concerning the product.

I would feel comfortable dealing with this salesperson for a future purchase.

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______________________________________________________________________________
Appendix F: Measures

Performance

1. Overall, this employee was effective. (Slaughter et al., 2003)

2. Overall, this employee contributed to the success of the team. (Slaughter et al., 2003)

3. Overall, this employee performed favorably. (Slaughter et al., 2003)

Promotability

1. Likelihood of promoting this employee within the next year.

2. Likelihood of this employee being promoted within the next year. (Slaughter et al., 2003)

3. During the next year, how likely is this employee to be promoted?

Performance Improvement

1. Likelihood of improving performance next year. (Slaughter et al., 2003)

2. How likely is this employee to improve his performance?

3. Likelihood of this employee’s performance meeting the company’s standards in the next year.

Pay Increase

1. How large, if any, of a pay increase would you give this employee (i.e., how much would you increase his pay over the previous year’s salary)? The company average is 10% annually. (Bazerman et al., 1982; Citera et al., 1999; Slaughter et al., 2003)

Vacation Days

1. How many, if any, bonus vacation days in the upcoming year would you give to this employee? 0-4 (Bazerman et al., 1982; Citera et al., 1999; Slaughter et al., 2003)

Likelihood of Probation

1. If you were told to make a decision at this moment, would you put this employee on probation? Yes/No (Slaughter et al., 2003)
Likelihood of Layoff

2. If you were told to make a decision at this moment, would you fire this employee? Yes/No (Slaughter et al., 2003)

Commission Decrease

3. How much, if any, would you lower this employee’s percentage of commissions? (1 = not at all to 7 = as much as possible)
Appendix G: Demographic and Background Information

What is your gender? _____ Female _____ Male

What is your age? _____ years

What is (are) your major(s)? ________________________________

How many full-time jobs (i.e., 30-40 hours per week) have you held (circle one)?

0 1 2 3 4 5 6 or more

How many part-time jobs have you held (circle one)?

0 1 2 3 4 5 6 or more

Are you currently employed full-time (i.e., 30 or more hours per week)? _____ Yes _____ No

Are you currently employed part-time (i.e., less than 30 hours per week)?
_____ Yes _____ No

If you are not currently employed full-time, when do you plan to begin full-time employment?
_____ within the next 6 months _____ within one year _____ more than one year from now

Have you ever worked as part of a team? Yes No

Have you ever held a managerial position? Yes No

Have you ever had any experience evaluating an employee’s performance? Yes No

Have you ever had any experience, formal or informal, with making hiring decisions? Yes No

What factors did you consider when evaluating Dave’s (Mike’s) performance?
Appendix H: Manipulation Checks

**Perspective**

1. Based on the scenarios you read, you were asked to assume which of the following working relationships with the person you evaluated? (a) Supervisor; (b) Team member” (Slaughter et al., 2003)

**Responsibility**

1. Based on the scenarios you read, who was responsible for hiring the employee you evaluated? (a) I was; (b) My group was; (c) Human Resources; (d) I don’t know
Vita

The author was born in Naperville, Illinois, and moved to Texas when she was young. She attended the University of North Texas from 1994 to 1997. Upon graduation with her Bachelor of Arts degree, she spent a few years working in Arizona and Texas before becoming a graduate student in Louisiana State University’s industrial-organizational psychology program. She is currently in her third year as a doctoral student and hopes to finish her doctorate in 2005.