

# The bottom-up evaluation of public manager's performance. Evidence from Italian Local Authorities

*Nunzio ANGIOLA*, Full Professor of Accounting & Management at the University of Foggia (Italy), phone: +39 0881 781726; fax: +39 0881 781751; e-mail: [n.angiola@unifg.it](mailto:n.angiola@unifg.it)

*Piervito BIANCHI*, Researcher of Accounting & Management at the University of Foggia (Italy), phone: +39 0881 781735; fax: +39 0881 781751; e-mail: [p.bianchi@unifg.it](mailto:p.bianchi@unifg.it)

*Roberto MARINO*, PhD student in Economic and Business Administration Sciences at the University of Foggia (Italy), phone: +39 0881 781703; fax: +39 0881 781751; e-mail: [rb.marino@unifg.it](mailto:rb.marino@unifg.it)

## **Abstract**

The reform of Italian public administration is a step forward with the latest innovations introduced by the so-called “Brunetta reform”. An important innovation is the introduction of the bottom-up evaluation system (or upward appraisal system) that involves subordinates in their superior's appraisal process.

We notice that over the years the need to ascertain the real contribution of public managers in reaching public administration aims (environmental protection, social, cultural and economic development, etc.) has led many academics and practitioners to design “models” to measure and evaluate manager's performance in order to intercept important drivers of public value creation process. The bottom-up system is one of these models.

However, Brunetta reform does not explain the purposes, object, tools and the process of bottom-up appraisal. So we analyzed the main issues connected with the introduction of this new appraisal system by obtaining the opinions of 130 public managers working in Italian Local Authorities (municipalities and provincial administrations) of the Apulia region.

First of all we analyzed the “purposes” of upward appraisal. We noticed that most of the executive interviewed claimed that the bottom-up appraisal should not be for “administrative” purposes. In other words they thought that subordinates' feedback should not be used to give wage incentives and decide sanctions or compulsory transfers of managers in terms of their performance. The bottom-up assessment should only give managers the opportunity to improve their performance (“improvement” purposes). However, it would seem that we can

introduce bottom-up appraisal to pursue “administrative” aims as well if the organizational climate is positive.

With reference to the “object” of bottom-up appraisal we notice that the most skilled subordinates can appreciate some superior’s competences better because they usually work in close contact with their executive. So we think that if you wanted to extend the bottom-up appraisal to all subordinates you would identify few competences which the less skilled subordinates could also appreciate.

Finally regarding the tools and process of upward appraisal we think that the most sensitive issue refers to the “accountability” of subordinates who participate in the process. Most of the managers interviewed preferred anonymity. In other terms they thought that the manager under review should not know the name of subordinates who participated in the appraisal process and their judgments.

In conclusion we believe that our results could be useful for discussing the purposes, object, tools and the process of bottom-up appraisal. They are the main issues to be solved before launching any experimentation of the bottom-up evaluation model in the public sector.

## **Rèsumè**

La réforme de l’administration publique italienne constitue une avancée avec les dernières innovations introduites par la dite «Réforme Brunetta». Une des nouveautés est le système d’évaluation *bottom-up* ou *upward appraisal*, qui se caractérise pour le fait d’impliquer les collaborateurs dans le processus d’évaluation des dirigeants.

Il est à peine nécessaire de souligner que ces dernières années, la nécessité de vérifier la contribution réelle des dirigeants publics à la réalisation des finalités de l’entreprise (développement social, économique et culturel, protection de l’environnement, etc.) a conduit à de nouveaux «modèles» d’évaluation des performances de gestion afin d’intercepter les importants *driver* du processus de création de la valeur publique. Le modèle *bottom-up* est un de ces derniers. Il convient de noter, toutefois, que le Législateur de la réforme ne précise pas clairement quelles sont les finalités, l’objet, les outils et le processus du système *bottom-up*.

Cette étude analyse donc les principaux défis pour les applications liées à la mise en œuvre de ce «nouveau» système, du point de vue de 130 dirigeants des administrations municipales et provinciales dans la région des Pouilles.

Un des premiers aspects pris en examen concerne la finalité du système d’évaluation *bottom-up*. À cet égard, la plupart des répondants estiment que l’*upward appraisal* ne devrait pas atteindre des «finalités administratives», dans le sens que les jugements des collaborateurs ne

doivent pas être utilisés pour l'attribution de primes et de sanctions et/ou transferts liés à la non-réalisation de bonnes performances. On estime plutôt que l'évaluation *bottom-up* devrait fournir au dirigeant évalué un *feedback* utile à l'amélioration continue de sa *performance*.

Il semble toutefois possible de tenter l'introduction de l'*upward appraisal* aussi pour atteindre des finalités «administratives», si le climat organisationnel est positif.

En ce qui concerne l'objet de l'évaluation *bottom-up*, l'enquête montre que les employés plus qualifiés apprécient mieux les compétences de leur dirigeant dès lors qu'ils travaillent généralement en contact étroit avec eux. Par conséquent, si l'évaluation doit impliquer tous les employés, il faut identifier un «noyau dur» de comportements organisationnels qui puissent également être appréciés des employés moins qualifiés.

En ce qui est des outils et du processus d'évaluation, nous estimons que le point le plus «épineux» concerne la reddition de comptes (*accountability*). À cet égard, la plupart des dirigeants estiment que la personne évaluée ne doit connaître ni l'identité des collaborateurs qui s'expriment ni l'opinion qu'ils ont exprimée.

En définitive, nous croyons que les résultats de la présente recherche «d'exploration» peuvent contribuer au débat sur la finalité, l'objet, les outils et les processus d'évaluation *bottom-up*. Il est ici question, en fait, des aspects fondamentaux qui doivent être clarifiés avant d'effectuer toute expérimentation dans le contexte des administrations publiques.

**Keywords:** bottom-up model – performance measurement – performance evaluation – public manager appraisal – Local Authorities

**Mots-clés:** modèle bottom-up – mesures des performances – évaluation des performances – évaluation des dirigeants publics – administrations municipales et provinciales

# The bottom-up evaluation of public manager's performance. Evidence from Italian Local Authorities

## 1. Introduction

Over the years the need to ascertain the real contribution of public managers in reaching public administration aims (environmental protection, social, cultural and economic development, etc.) has led many academics and practitioners to design “models” to measure and evaluate manager's performance (Borgonovi, 2004; D'Alessio, 1992; Halachmi, Bouckaert, 1996; Hatry, 1999; Meneguzzo, 2006; Mohr, 1999; Moore, 1995; Mussari, 1994; Poister, 2003; Pollitt, 1997; Rebori, 1999, Van Dooren *et al.*, 2010). It is known that the evaluation of public manager's performance is useful to enhance the results of public action.

The most common evaluation methodologies and practices are usually accorded a top-down logic. The final judgement about a manager's performance is closely linked to the feedback from his superior.

In recent years however, the approach to evaluation mainly based on the opinions of a manager's superior seems not to intercept important drivers of public value creation process. As a result many observers suggest that the “bottom-up” evaluation (or “upward appraisal”) – that involves manager's subordinates – may provide useful elements for measuring and evaluating a public manager's performance.

This paper aims to analyze the main problems that affect the implementation of the bottom-up evaluation model in the public sector. The analysis is focused in particular on the purposes, object, tools and the process of the bottom-up evaluation model.

To achieve the aims of our research we collected survey data from public managers working in Apulia (Italy) – in particular in Local Authorities (municipalities and provincial administrations). Data collected using semi-structured interviews.

The implications of the research are several. In particular the research may provide useful information to understand the circumstances in which the bottom-up model can give the best results, to overcome the application problems of bottom-up evaluation model, to improve the evaluation of public manager's performance and then to enhance the results of public action.

## 2. Literature review

As we said this paper aims to analyze the main problems that affect the implementation of the bottom-up evaluation model in public sector. The analysis is focused in particular on the

purposes, object, tools and the process of the bottom-up evaluation model. These problems must be discussed during the planning phase of the bottom-up model.

There is a multitude of studies that examine the purposes, object, tools and the process of the bottom-up evaluation model.

Specifically with regard to the purposes of the bottom-up evaluation the analysis of the most relevant literature reveals two distinct perspectives: the perspective of some researchers who believe that evaluation by the subordinates should only be used for “improvement” purposes and the perspective of others who believe that evaluation by subordinates could be also used for “administrative” purposes (i.e. to make decisions about incentives and sanctions).

Some authors, who believe bottom-up evaluation should be used only for “improvement” purposes, find that subordinates feel more motivated to evaluate their superiors when their feedback is used for individual improvement of evaluated managers (Avis, Kudisch, 2000; Westerman, Rosse, 1997). Other authors suggest that managers are not open enough to accept feedback from their subordinates when bottom-up evaluation is used for administrative purposes. In this perspective McEvoy (1990), after having collected survey data from 128 public sector managers about the possible applications of upward appraisal, found that interviewed managers are open to accept evaluation by subordinates if their ratings are used «for development only». At the same time only 15% of managers believe bottom-up evaluation is acceptable when subordinate ratings are weighted equally with superior ratings (it is known that superior ratings are used generally for “administrative” purposes).

On the contrary authors (Bracken, 1996; London, 2001) who believe bottom-up evaluation can be used also for “administrative” purposes find on the one hand that subordinates provide key information about their superior’s performance because they are able to observe a manager’s behaviour closely and on the other hand that subordinates provide more accurate ratings if they know that feedback will be used to make “administrative” decisions about their superior. These authors find moreover that 1) bottom-up evaluation requires a lot of money and time both in the planning phase and the implementation phase. For this reason it is appropriate that information is used for many applications (not for developmental purposes only but also for administrative purposes) and 2) evaluated managers could consider subordinate feedback to be of little importance if upward appraisal is used for development purposes only.

In order to use upward appraisal for administrative purposes Angiola and Marino (2010b) suggest two different models: the “basic model” and the “advanced model”. In the basic model the subordinates’ rating is used to determine directly the manager’s evaluation. In

particular a weight is given to upward appraisal within the overall performance management appraisal system (the authors propose to assign 5% as a maximum). In the advanced model subordinate feedback produces “indirect” effects on manager’s evaluation. Specifically it is used to “validate” or “control” other ratings about evaluated manager performance (other ratings depend for example on the comparison of objectives with results)<sup>1</sup>.

As we noticed there is no agreement regarding the aims assigned to bottom-up evaluation. However, there is perfect agreement that the subordinate rating can help an evaluated manager enhance his performance.

Regarding the object of bottom-up evaluation many observers believe that subordinates should evaluate superior’s organizational competences only and not also his aptitude for achieving goals (Della Rocca, 2001). Several researchers (Boyatzis, 1982; Koontz, 1971; Likert, 1961, 1967; McClelland, 1973, 1976; Murlis, Fitt, 1991; Spencer, Spencer, 1993, 1995; etc.) have developed useful models to define managerial competences assigning a set of typical behaviour to each competence. These models can also be used for bottom-up evaluation. In fact through the analysis of typical behaviour subordinates are able to “measure” the level of competence of their superior.

In particular in their “Competence at work” Spencer and Spencer identify a set of competences and behaviour that characterize every “best performer” manager. Subordinates can evaluate their superior using the Spencer and Spencer competence model.

However, before using the Spencer and Spencer model two issues must be clarified i.e. 1) what kind of competences should be evaluated by subordinates and 2) whether it is necessary to assign a different degree of importance to each competence (Angiola, Marino, 2010a, 2010b).

With reference to the point at *sub* 1) we notice that Spencer and Spencer assign a “weight” (from 1 to 6) to the competences representing the importance that the authors attribute to each of them. However, it is possible to assign different weights to the competences or allow evaluated managers to indicate the importance attributed to them. Letting managers indicate the importance to be attributed to each competence can increase their confidence with bottom-up evaluation.

With reference to the point at *sub* 2) we notice that only some of the competences can be evaluated by all subordinates. In fact, some behaviour may be seen only by subordinates who

---

<sup>1</sup> As we say in the next paragraphs basic model and advanced model can be used in particular to assign incentives to evaluated managers.

work in close contact with an evaluated manager (we refer in particular to other managers if there are any and to the non-executive personnel).

Finally, as far as the tools and process of the bottom-up evaluation is concerned the questionnaire is the most popular method for collecting feedback. However, some issues should be investigated. It is especially important to clarify 1) whether the questionnaire must be accountable or anonymous 2) what method of interview should be used to collect feedback and 3) whether it is opportune to disclose the final results of bottom-up evaluation within and outside the organization.

With reference to the point at *sub 1)* analysis of the most relevant literature reveals two distinct perspectives i.e. some authors believe that subordinates should evaluate their superior anonymously (anonymity can reduce the risk of retaliation by the evaluated manager) and others believe that subordinates should be accountable (to try to protect an evaluated manager better) (Antonioni, 1994; Brajkovich, 1995; Klimosky, Inks, 1990; London, Wholers, 1991; Silva, Tosi, 2004; Westerman, Rosse, 1997).

With reference to the point at *sub 2)* we suggest two different methods of collecting feedback i.e. personal interview and self-compilation. In the personal interview, a “facilitator” guides the subordinates in filling in the questionnaire. In the self- compilation the subordinates fill in the questionnaire by themselves when and as they like. The choice is particularly delicate because both methods have advantages and disadvantages<sup>2</sup>.

With reference to the point at *sub 3)* we refer in particular to the opportunity of sharing the results of bottom-up evaluation with subordinates and citizens. Several benefits can be gained from sharing results with them. First, sharing with the subordinates tells them that feedback is been taken seriously (Lepsinger, Lucia, 2009). Second, sharing results with the citizens makes the administration more “accountable”.

But the sharing of results can also present some disadvantages. In fact, evaluated managers may feel uncomfortable especially when they receive a negative feedback.

However, it is important that the choice of sharing or not the results of bottom-up evaluation is communicated to all participants at the beginning of the upward appraisal process (Lepsinger, Lucia, 2009).

---

<sup>2</sup> Advantages and disadvantages of different methods of interview are described in: FACCHINI (2004); FONTANA, ROSSI (2005), LEPSINGER, LUCIA (2009).

After having briefly analyzed the existing literature on bottom-up evaluation we make some further clarifications.

At first we notice that not all application problems with reference to the purpose, object, tools and the process of bottom-up evaluation can be solved only by the analysis of the scientific research existing in literature.

Besides the study of McEvoy (1990) there are no other empirical studies that can better support the decisions to be taken from time to time especially regarding the public sector.

Secondly, we believe that the solution of the application problems of bottom-up evaluation in the public sector cannot be separated from a preliminary analysis of the “organizational climate” of the administration. Acceptable levels of organizational “well-being” can facilitate the introduction of an upward appraisal system.

As we said to analyze the application problems of the bottom-up evaluation we collected survey data from public managers working in Apulia (Italy), in particular in Local Authorities (municipalities and provincial administrations) using semi-structured interviews. Methodology and findings are discussed in the next paragraphs.

### **3. Methodology**

The survey on the application problems that affect the implementation of the bottom-up evaluation model in public sector was conducted from March to July 2010. The survey, supported by Observatory-Laboratory on Public Administrations of the University of Foggia, involved all public managers of the municipalities (n. 314) and of the provincial administrations (n. 86) working in Apulia (Italy), making a total of 400 managers<sup>3</sup>.

The managers surveyed were asked to answer a series of questions regarding the topics discussed in this paper. Each manager was interviewed with a questionnaire.

Before giving the questionnaire we conducted a pre-test involving 10 managers selected randomly within the population. The pre-test allowed us to identify and overcome the weaknesses of the questionnaire.

The questionnaire was divided into two sections. Section 1 allowed us to gather “personal” information about the interviewed managers. In this section we also asked whether the managers had ever participated in a bottom-up evaluation process.

---

<sup>3</sup> In particular data was collected from managers of municipalities and provincial administrations working in Apulia (Italy) on 1<sup>st</sup> March 2010.

Section 2 investigated the “point of view” of the managers about the application problems of a bottom-up evaluation system.

We used the method of self- compilation to distribute the questionnaire. In this way the respondents completed the questionnaire independently when and as they liked. We sent the questionnaire by fax or e-mail with a brief covering letter. The letter in particular explained the purpose of the research and how to complete the questionnaire. We used reminder e-mails to increase response rate. Sometimes interviewed managers had to be phoned<sup>4</sup>.

Managers were interviewed only once (the survey is cross-sectional). At the end of questionnaire phase the overall response rate was 33% (130 of 400).

Findings are discussed in the next paragraph.

#### **4. Findings**

In this paragraph we discuss the findings of our empirical research. As we said section 1 of the questionnaire was to gather “personal” information about the interviewed managers (for example whether the manager had ever participated in a bottom-up evaluation process). Section 2 investigated the “point of view” of the managers about the application problems of a bottom-up evaluation system with particular regard to the purposes, object, tools and the process of the bottom-up evaluation model.

For each sections we give a detailed analysis of the answers provided by the interviewed managers.

##### *Section 1 – Data sample*

We gathered the feedback of 87 (of 314) municipal managers (28%) and of 43 (of 86) provincial managers (50%) out of a total of 130 respondents. Table 1 shows the response rate to the questionnaire specifying the type of Local Authority (municipalities or provincial administrations) in which managers worked<sup>5</sup>.

---

<sup>4</sup> To find the name and the contacts (telephone, fax and e-mail) of each manager we used the information posted Apulia municipality and provincial administration websites particularly in the section called “Transparency Operation”. As is known article 21 of Law 69/2009 states that: «Every public administration as described in the article 1, paragraph 2, of the legislative decree n. 165 of 30<sup>th</sup> March 2001 as amended has to post the annual wage, *curricula vitae*, e-mail address and professional phone number of its managers and provincial and municipal secretaries on its website and to disclose the absence and presence rates of the personnel distinguishing between the different managerial offices».

<sup>5</sup> In Table 1 column “N° of Local Authority participants” shows the number of Local Authorities in which at least one manager worked on 1<sup>st</sup> March 2010.

**Table 1: Participation to the survey. Partition based on the type of Local Authority in which respondents worked**

Type of Local Authority	N° of Local Authority participants	Population size of managers	N° of managers participants to the survey	Response rate
Municipalities of the province of Foggia	8	49	34	69%
Municipalities of the province of Barletta-Andria-Trani (BAT)	5	40	8	20%
Municipalities of the province of Bari	17	125	32	26%
Municipalities of the province of Brindisi	4	32	3	9%
Municipalities of the province of Taranto	5	21	3	14%
Municipalities of the province of Lecce	10	47	7	15%
Provincial administrations	6	86	43	50%
<b>Total</b>	<b>55</b>	<b>400</b>	<b>130</b>	<b>33%</b>

Respondents had about 13 years seniority on average. Table 2 shows that managers with the highest average work experience (15 years) worked in the municipalities of the province of Foggia. The managers with the lowest average work experience in management roles operated in the municipalities of the provinces of Bari and Brindisi (9.34 and 8.67 years respectively). In the provincial administrations managers' work experience was higher than the average of the sample (14.77 years compared to about 13).

**Table 2: Work experience on average of respondents in management roles. Partition based on the type of Local Authority in which respondents worked**

Type of Local Authority	N° of managers who answered this question	Work experience on average of respondents in management roles	Median
Municipalities of the province of Foggia	34	15.28	12.00
Municipalities of the province of Barletta-Andria-Trani (BAT)	8	10.88	10.50
Municipalities of the province of Bari	31	9.34	10.00
Municipalities of the province of Brindisi	3	8.67	12.00
Municipalities of the province of Taranto	3	14.33	12.00
Municipalities of the province of Lecce	7	11.86	7.00
Provincial administrations	43	14.77	12.50
<b>Total</b>	<b>129</b>	<b>12.99</b>	<b>11.00</b>

In most cases, (104, 80%), the managers interviewed had never participated in a bottom-up evaluation process. Among the managers (26) involved in upward appraisal processes, 58% (15) had been evaluated by subordinates, 31% (8) had evaluated his superior, while only 11% (3) had participated in bottom-up evaluation processes both as evaluated and evaluator.

*Section 2 – The purposes of bottom-up appraisal*

Most of the managers interviewed (101; 78%) claimed that in general the bottom-up appraisal should not be for “administrative” purposes. In other words they thought that subordinates’ feedback should not be used to give wage incentives and decide sanctions or compulsory transfers of managers in terms of their performance. The bottom-up assessment should only give managers the opportunity to improve their performance by knowing subordinates’ opinion (“improvement” purposes).

However, it must be emphasized that most (86) of the 101 managers who considered that bottom-up appraisal should not be for “administrative” purposes had never taken part in upward appraisal (Table 3).

There is a significant statistic correlation between the purposes of the evaluation system (“administrative” or “improvement”) and the practice of upward appraisal (Chi square = 7,501;  $p < 0,05$ ). It means that managers who have never had experience in upward appraisal are more careful and prefer to assign “improvement” purposes to “administrative” ones which could produce greater consequences.

**Table 3: Purposes/experiences of bottom-up appraisal**

Purposes of the evaluation system \ Experiences of bottom-up appraisal	Administrative purposes	Improvement purposes	Total
YES	11	15	26
NO	18	86	104
<b>Total</b>	<b>29</b>	<b>101</b>	<b>130</b>

If we went by what we have been told by the managers interviewed it would seem that in different public administrations analyzed we can introduce bottom-up appraisal to pursue “administrative” aims as well. In fact, most of the managers interviewed (83) stated that in their organization there was a good level of organizational well-being. If there were not it would be risky and perhaps counter-productive to base the allocation of wage incentives or decisions regarding sanctions or compulsory transfers on subordinates’ opinion.

However, it is understood that the analysis of the organizational climate needs close examination. So if you want to implement a bottom-up system to pursue “administrative” purposes as well you will need close examination of the level of organizational well-being.

It is interesting to note the willingness of the managers interviewed to accept their subordinates’ negative judgments if the bottom-up appraisal were introduced in their organization. In fact, 60% of the managers interviewed were clearly willing to accept negative

opinions. An additional 35% of managers stated that they would be willing to accept negative opinions only if the bottom-up approach did not have “administrative” aims. Only 5% of managers felt great aversion to upward appraisal in any case.

However, we have to notice that the readiness of the managers interviewed is associated with the level of organization well-being. In fact there is a significant statistic correlation between the readiness of the managers and the level of organization well-being (Chi square = 8,429;  $p < 0,05$ ). The managers who notice the presence of a positive organizational climate are inclined to accept negative judgments from their subordinates. On the contrary if the organizational climate is poor the managers will have difficulty in accepting negative feedback especially if the purposes of bottom-up evaluation are administrative.

Ultimately the opinion of managers interviewed seems to support the case according to which it is not advisable to pursue administrative purposes if the organizational climate is inadequate.

As stated above we can follow two approaches to reach administrative conclusions (Angiola, Marino, 2010b).

In the first one (called “basic model” by the two authors) the subordinates’ opinions are used to assess the final score which the allocation of wage incentives depends on. In other words if the highest score the manager got amounted to 100, part of the score would be allocated in terms of the subordinates’ feedback. In this case, staff opinions generate immediate effects on wage incentives.

In the latter approach (called “advanced model”) feedback is more important than in the first. More exactly, subordinates’ opinions are not used to assess final score but “confirm” or “control” the judgments which come from other sources of appraisal (achievement of managerial objectives and organizational behavior). So, staff view “confirms” the judgments that come from other sources of assessment if it is consistent with these judgments. In this case the final score is the same as would have been assessed if the bottom-up appraisal had not been implemented. On the other hand, staff view “controls” the judgments that come from other sources of assessment, if it is not consistent with these judgments. In this situation we ought to wonder whether it is better to give and to what extent if it is the case the manager being reviewed a final score which is different – higher or lower – from the score assessed by the judgments from other sources. To answer this question we need closer examination and in particular we should converse with the manager under review to analyze the reasons which make feedback inconsistent.

On this basis we asked the managers interviewed whether it was better to give a part of the final score in terms of subordinates' feedback (basic model) or to use that feedback to confirm or control the judgments coming from other sources of assessment. The managers who answered this question were obviously those who believed that it was possible to pursue administrative aims (29 managers). Most managers (25; 86%) thought that a part of the final score in terms of subordinates' feedback should have been allocated (basic model).

We would highlight that the Italian Independent Commission for Valuation, Transparency and Integrity of public administrations (CiVIT) has also recently pronounced its point of view regarding the possible uses of the upward appraisal in Italian public administration. More precisely on 15 July 2010 the Commission stated that the bottom-up appraisal «... must only serve as a countercheck of the judgments which come from the appropriate subjects according to decree n. 150/2009 therefore concurring to the definition of a comprehensive evaluation, which is up at last to the independent organism of evaluation or to the different appropriate subjects depending on the circumstances»<sup>6</sup>.

The Commission's point of view seems to be consistent with the "advanced model" which suggests using bottom-up appraisal to confirm or control feedback that comes from other sources.

### *Section 2 – The object of bottom-up appraisal*

As stated above there is a broad consensus of the fact that subordinates should set their judgment on the manager's performance exclusively on his "organizational behaviour" and not on his skill in reaching targets.

The analysis of organizational behaviour needs at first the identification of competences which describe a good managerial performance. In our research project we draw on the list of competences identified by Spencer and Spencer (1993, 1995). We prefer Spencer and Spencer model of competences to other model (Boyatzis, 1982; Koontz, 1971; Likert, 1961, 1967; McClelland 1973, 1976; Murlis, Fitt, 1991). This is because the two authors first of all identify the competences that describe the best managers by interviewing a lot of managers (so called *Behavioral event interview–Bei*) and afterwards give a detailed description of the meaning of each competence specifying the actions the manager should take (so called

---

<sup>6</sup> The point of view of the CiVIT is one of the answers the CiVIT gives to the questions formulated by the "National agency for social security of entertainment workers" (so called ENPALS) in connection with the interpretation of some law rules of decree n. 150/09. The CiVIT also explains the meaning of the article 14, paragraph 5 of decree n. 150/09 that refers to the bottom-up appraisal. The list of the answers of the CiVIT to the questions of the ENPALS is available at this web address: [www.civit.it/?p=1689](http://www.civit.it/?p=1689).

“typical behaviour”). This description is helpful to the objects of our research because it explains the meaning of each competence to the managers interviewed.

Having said this we make use of the 11 managerial competences of the Spencer and Spencer model (impact and influence, achievement orientation, teamwork and collaboration, analytical thinking, initiative, teaches/develops others, self confidence, directiveness, information seeking, team leadership, conceptual thinking).

We asked the managers interviewed if each competence could be assessed by all workers or only by some of them. It must be emphasized that each worker could have difficulty in assessing exactly his superior’s organizational behaviour. Probably the most skilled subordinates (managers in a subordinate position – if they exist – and white-collar workers of the highest wage range – Italian “D” category) can better appreciate some superior’s competences because they usually work in close contact with their executive.

Graph 1 describes the executives’ point of view regarding the 11 competences of the Spencer and Spencer model. More precisely most of the managers interviewed thought that the competences called “conceptual thinking”<sup>7</sup> and “analytical thinking”<sup>8</sup> could be assessed better by the most skilled workers. These competences are very specific and their assessment claims among other things a deep knowledge of management dynamics of the department the manager being appraised is responsible for. These competences also claim a command of decision making managerial methods (Ishikawa diagram, Pareto diagram, variance analysis, etc.).

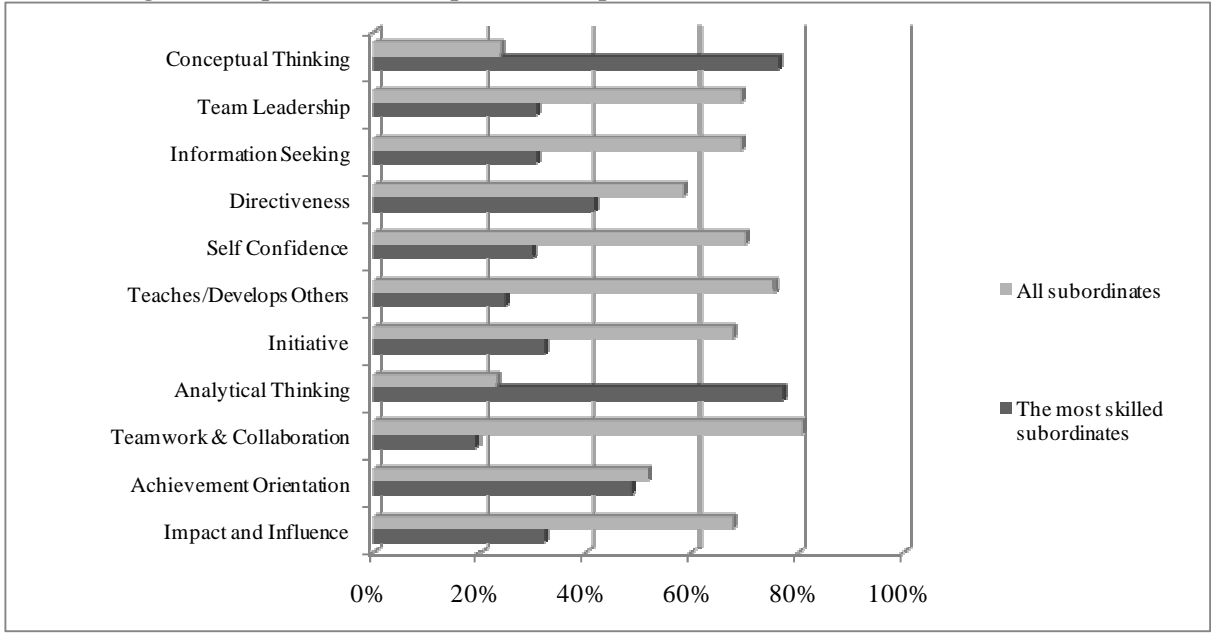
As regards the other competences of the Spencer and Spencer model most of the managers interviewed thought that they could be assessed by all collaborators. These competences relate to the manager’s skill in exercising his leadership role to reach specific levels of organizational and individual performance. These competences could be assessed when the executive turned to his subordinates for information, to communicate priorities and objectives, to highlight problems and to promote organizational changes, etc. So it could seem reasonable to extend the analysis of these competences to all subordinates.

---

<sup>7</sup> Spencer and Spencer connect these following actions (“typical behaviours”) with the “conceptual thinking” competence: to use empirical rules, common sense and experience to identify problems and situations; to recognize relevant differences between current situations and past events; to use and modify appropriately the concepts and methodologies acquired.

<sup>8</sup> The actions (“typical behaviours”) connected with the “analytical thinking” competence are the following: to set working priorities; to foresee difficulties and plan the actions to overcome problems; to identify many solutions and criteria to evaluate them.

**Graph 1: The managers' point of view regarding the subjects who could be involved in the evaluation of the 11 managerial competences of the Spencer and Spencer model**



Finally, we would stress that Spencer and Spencer assign a different weight to the 11 competences. According to the two authors some competences are characteristics that recur more frequently than others with reference to the “best performer” managers. So these competences could be the most important ones.

We would underline that the order of importance suggested by Spencer and Spencer is generic because it does not refer to a specific type of manager but relates to a broad range of managerial positions (from general managers to middle managers) in organizations active in different business segments (education, health, industry, public administration, etc.).

Table 4 sets out the degree of relative importance which Spencer and Spencer assign to the 11 competences that describe the best managers.

**Table 4: The level of relative importance assigned by Spencer and Spencer to the 11 competences in the generic model of manager**

Competences	Level of relative importance
Impact and Influence	6
Achievement Orientation	6
Teamwork & Collaboration	4
Analytical Thinking	4
Initiative	4
Teaches/Develops Others	3
Self Confidence	2
Directiveness	2
Information Seeking	2
Team Leadership	2
Conceptual Thinking	2

Source: L.M. SPENCER, S.M. SPENCER, *Competence at work: models for superior performance*, John Wiley & Sons, New York, 1993.

According to Spencer and Spencer the list of competences in the generic model of manager should also be weighed up in the light of the following elements that are specific of the organization investigated: the negative consequences connected with the lack of the competence; the importance of the advantages which result from the use of the competence; the future requirements of the manager's role, considering the foreseeable changes in the working environment and in the organization's strategy (Spencer, Spencer, 1993). We think that this analysis should also be carried out with the contribution of the managers being appraised.

We have recorded the interviewed executives' point of view regarding the importance of the 11 competences of the Spencer and Spencer model. According to the executives' opinion it seems that those competences have all the same importance in the context of the local governments analyzed. In fact, the average score recorded is high in connection with each competence (see Table 5).

**Table 5: The level of relative importance assigned by the executives interviewed to the 11 competences of the Spencer and Spencer model**

Competences	Level of relative importance (mean)	Standard deviation
Impact and Influence	4,90	1,23
Achievement Orientation	5,21	0,97
Teamwork & Collaboration	5,28	0,85
Analytical Thinking	4,69	1,01
Initiative	5,16	0,94
Teaches/Develops Others	5,13	0,87
Self Confidence	5,15	1,03
Directiveness	4,91	1,16
Information Seeking	4,74	0,96
Team Leadership	5,50	0,81
Conceptual Thinking	4,84	0,83

### *Section 2 – The tools and process of bottom-up appraisal*

The questionnaire is used to gather subordinates' opinion. As everybody knows the main methods of distribution are the self-collection and interviewing. Self-compilation is cheaper and easier than interviewing because it does not need much work. It also gives the compiler enough time to come to a judgment independently. However, self-compilation will only be effective if the questionnaire is comprehensible and not too difficult. Otherwise an interview would be better.

So, we asked the executives which method they preferred. 65% (84 units) of managers preferred self-compilation whilst 35% (46 units) wanted that subordinates were interviewed.

We also asked them if the manager being appraised should know the name of the subordinates who took part in the appraisal process. 58% of executives interviewed (75) thought that it

should be anonymous i.e. the subordinates' name should not be made available. Thus, subordinates could freely formulate their judgment regarding their superior. In fact, subordinates could be «... fearful of being objective or honest about their superior because they realize the tremendous power he has over their economic security and future» (Koontz, 1971: p. 37), especially in those situations in which relationships between superior and subordinates are not developed or seem conflicting.

However, the others (55; 42%) did not agree and thought that the manager under appraisal should know the name of subordinates who participated in the appraisal process. But a relevant number of these managers (39 out of 55) thought that the manager under review should associate each judgment with the person who had formulate it.

We would highlight that if you put yourself in the position of the manager being appraised knowing the subordinates' name and opinion seems to protect him the most especially if bottom-up appraisal pursued administrative aims. In fact, in these situations the appraisal is used to distribute wage incentives and to decide sanctions or compulsory transfers of managers.

If you put yourself in the subordinates' position anonymity seems to be the best solution especially if the aims of the upward appraisal are administrative. In fact, in these situations negative judgments can have repercussions on the manager.

Before understanding which the solutions that guarantee the appraisal program were more effective we must consider this thought. In the context of public administrations in general and local government in particular a bureaucratic approach to staff appraisal often prevails. In this context the appraisal program could also have a punitive effect. We should not be surprised if the manager under review wishes to guarantee his status in every possible way. In the special context of the bottom-up appraisal that means knowing the names of subordinates who participate in the appraisal process and their opinions if it is the case.

However, we think that bottom-up appraisal like other evaluation systems should not be used with a bureaucratic approach. As Del Vecchio underlines, «... a valuation that is not fully positive should not be absolutely confused with a disciplinary process: it means that it is necessary to change workers' behaviour or to invest (workers and organization together) in new and higher competences» (Del Vecchio, 2000: p. 164). So, we think that any valuation should be made with a "constructive" approach. In other words the manager being appraised should go through a "learning experience" (Koontz, 1971: p. 15).

In the light of these considerations we think that anonymity is not a weakness of the bottom-up appraisal but a strength because it guarantees more effectiveness to the valuation process.

In fact, the bottom-up appraisal succeeds when subordinates' opinions are reliable. To do so it is necessary to let subordinates express their opinion freely. We believe that we should not only understand subordinates' opinion but we must compare them with the feedback coming from other sources of appraisal (achievement of managerial objectives and organizational behavior). It goes without saying that we should wonder what the causes of differences between judgments referring to the same superior are.

We asked the executives interviewed if subordinates should be told the final results of bottom-up appraisal in their organization no matter what the aims of appraisal (administrative or others). Most of the executives (78%) answered that it was better to inform subordinates. In fact, workers who participated in the appraisal process could verify if their opinion was coherent or not with the final results of the process. In this way, transparency of the process should improve, workers' belief in upward appraisal should rise and subordinates should be more aware of the role in the process which they are responsible for.

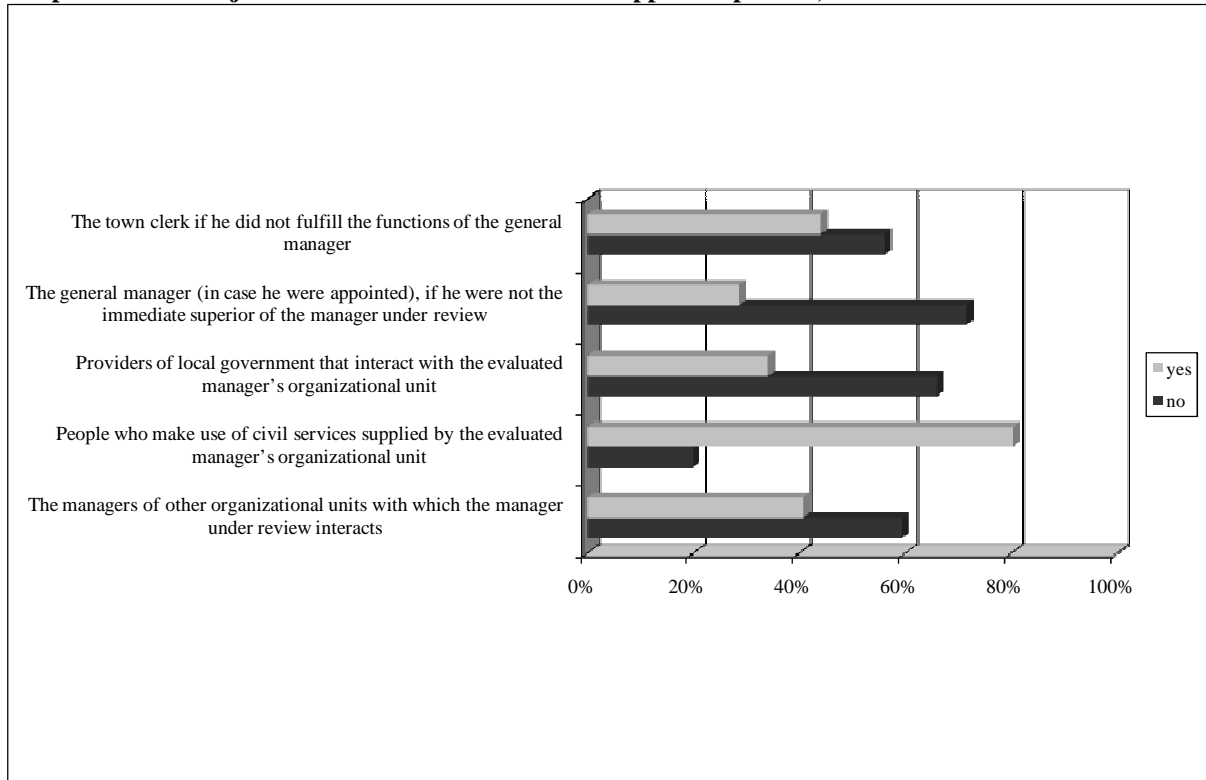
In addition, we asked the managers interviewed if citizens should also be told the final results of bottom-up appraisal. In this case most executives disagree even though the percentage is not high (52%). In our opinion citizens should also be told the final results to make public administration more transparent to them.

We asked the executives if there were other people in addition to subordinates who could be involved in the appraisal process providing that the bottom-up appraisal was implemented in their organization. Concerning this most of the executives (91; 71%) answered that it was possible to identify some subjects among various possible alternatives (see Graph 2)<sup>9</sup>.

---

<sup>9</sup> Note that the executives interviewed could select more than one subject among various possible alternatives.

**Graph 2: Other subjects that could be involved in the appraisal process, in addition to subordinates**



Most executives (80% out of 91 persons) identify “people who make use of civil services supplied by the evaluated manager’s organizational unit”. However, it must be emphasized that citizens could be involved only if the organizational unit supplied services to them. Failing this it could be better to involve people who work in the organization i.e. the managers of other organizational units with which the manager under review interacts.

This solution met with acceptance by only 41% of the executives (37) who believe that other subjects could be involved in the appraisal process in addition to subordinates. The others were unwilling to be tried by their peers.

Finally 44% of the executives thought that it could be possible to involve the town clerk if he did not fulfill the functions of the general manager.

Ultimately it seems that citizens could also participate to the appraisal process of the managers who are responsible for the organizational units which supply civil services.

**5. Conclusion**

The latest changes in Italian regulations regarding public administrations (so-called “Brunetta<sup>10</sup> Reform”) foresee the possibility of subordinates’ being involved in their superior’s appraisal (so-called bottom-up or upward appraisal). However, Brunetta Reform

<sup>10</sup> Mr. Brunetta is the Italian Minister for “public administration and innovations”.

does not explain the purposes, object, tools and the process of bottom-up appraisal. So we analyzed the main issues connected with the introduction of this new appraisal system by obtaining the opinions of Italian local governments executives. More precisely, we interviewed public managers of Local Authorities (municipalities and provincial administrations) of the Apulia region.

First of all we analyzed the “purposes” of upward appraisal. We noticed that most of the executive interviewed were careful and preferred to assign “improvement” purposes to “administrative” ones which could produce greater consequences. In fact, administrative purposes mean that bottom-up appraisal is used for giving wage incentives and decide sanctions or compulsory transfers of managers in terms of their performance.

The care of the executives interviewed is neither statistically correlated with seniority nor with the organization where each executive works. However, it seems statistically connected with the practice in upward appraisal. In other words managers who have never had experience of upward appraisal are more careful than others.

We think that if certain conditions occurred the bottom-up appraisal could be used to pursue administrative purposes. The main condition is the positive organizational climate that would seem to be in the local administrations analyzed if we went by what we have been told by the managers interviewed.

However, we think that more care should be used in the early stage of testing of the bottom-up appraisal. In other words managers should have enough time to learn the rules of upward evaluation. In this way we avoid the fact that managers could refuse or be suspicious of the bottom-up appraisal because of an unclear and incomplete knowledge of the new appraisal system.

Therefore, we think that it is necessary to go on to preparatory training of the participants to the appraisal process (evaluated managers and their subordinates) to tell them the purposes of the appraisal, subjects involved, solutions for collecting feedback and rules for data processing, etc. In this stage of the appraisal the subject that the Brunetta Reform makes responsible for the whole appraisal system (so-called “Independent Organism for Valuation–IOV”) should exercise an important role because he should coordinate “orientation meetings” and explain any doubts. We would emphasize that the testing of the bottom-up appraisal will succeed if the IOV is able seen as an influential and reliable person.

If we focus our attention in particular on the functions of the upward appraisal in the whole evaluation system of public managers it is interesting to underline that the Italian Independent Commission for Valuation, Transparency and Integrity of public administrations (CiVIT) has

recently issued its point of view regarding the possible uses of the upward appraisal in Italian public administration. The Commission stated that the bottom-up appraisal «... must only serve as a countercheck of the judgments which come from the appropriate subjects ...». The Commission's point of view seems to be consistent with the "advanced model" which suggests using bottom-up appraisal to "confirm" or "control" feedback that come from other sources.

With reference to the "object" of bottom-up appraisal we notice that the most skilled subordinates can appreciate some superior's competences better because they usually work in close contact with their executive. We refer to the competences of the Spencer and Spencer model (called "conceptual thinking" and "analytical thinking") which claim a deep knowledge of management dynamics of the department the manager being reviewed is responsible for. These competences also claim a command of decision making managerial methods. So we think that if you wanted to extend the bottom-up appraisal to all subordinates you would identify few competences which the less skilled subordinates could also appreciate (team leadership, impact and influence, etc.).

Finally regarding the tools and process of upward appraisal we think that the most sensitive issue refers to the "accountability" of subordinates who participate in the process. More precisely most of the executives interviewed preferred anonymity. However, a relevant part of the managers even if it is a minority thought that the manager under review should know the name of subordinates who participated in the appraisal process and their judgments.

We think that anonymity is a strength of bottom-up appraisal because it is necessary to let subordinates express their opinion freely. However, we believe that we should not only understand subordinates' opinions but we must compare them with the feedback which coming from other sources of appraisal to identify the relevant differences between judgments referring to the same superior and then to analyze the causes of these differences.

However, we must emphasize that anonymity could be really hard to guarantee if few subordinates were involved. We refer in particular to small public administrations. In these situations before introducing upward appraisal we would have to ask subordinates if they wanted to be involved in the appraisal program.

We refer to Local Authorities (municipalities and provincial administrations) of the Apulia region. We know that this is a weakness in our research and that we should explore it further. We are also aware of some issues that we should further consider by means of experimentation.

However, we have to emphasize that the theme of bottom-up appraisal is completely new for Italian local governments and that so far we have never seen relevant experiences of bottom-up appraisal which are useful in corroborating our results. So we think that our results could be useful for discussing the purposes, object, tools and the process of bottom-up appraisal. They are the main issues to be solved before launching any experimentation. As far as we have already begun to introduce the upward appraisal in some local governments.

## References

- ANGIOLA N., MARINO R. (2010a), “La valutazione dei dirigenti nelle amministrazioni pubbliche. La progettazione del modello *bottom-up*”, *Azienda pubblica*, 2.
- ANGIOLA N., MARINO R. (2010b), “La valutazione della dirigenza delle regioni e degli enti locali secondo l’approccio *bottom-up*: dalla progettazione alla concreta applicazione del modello”, *Quaderno Monografico Rirea*, 88.
- ANTONIONI D. (1994), “The effect of feedback accountability on upward appraisal ratings”, *Personnel Psychology*, Vol. 47, 2, Summer.
- AVIS J.M., KUDISCH J.D. (2000), “Factors influencing subordinates’ willingness to participate in upward feedback”, paper presented at the 21<sup>st</sup> annual conference “*Industrial & Organizational Behavior*”, Knoxville, TN.
- BORGONOV E. (2004), *Ripensare le amministrazioni pubbliche. Tendenze evolutive e percorsi di approfondimento*, Milano: Egea.
- BOYATZIS R.E. (1982), *The Competent Manager: A Model for Effective Performance*, New York: Wiley.
- BRACKEN D.W. (1996), “Multisource (360-Degree) Feedback: Surveys for Individual and Organizational Development”, in A.I. KRAUT (editor), *Organizational Surveys: Tools for Assessment and Change*, San Francisco: Jossey-Bass.
- BRAJKOVICH L.F. (1995), “How truthful should you be when evaluating your boss?”, *Academy of Management Executive*, Vol. 9, 4, November.
- D’ALESSIO L. (1992), *La gestione delle aziende pubbliche. Problemi di programmazione, controllo e coordinamento*, Torino: Giappichelli.
- DEL VECCHIO (2000), “La valutazione del personale: alcune riflessioni sull’esperienza delle aziende sanitarie pubbliche”, *Azienda Pubblica*, 2-3.
- DELLA ROCCA G. (2001), *La valutazione e la retribuzione delle prestazioni*, Soveria Mannelli: Rubbettino.

- FACCHINI C. (2004), "Come realizzare un'indagine di customer satisfaction", *Azienditalia*, n. 10, Ottobre.
- FONTANA F., ROSSI M. (2005), *La rilevazione della customer satisfaction negli enti locali*, Matelica: Halley.
- HALACHMI A., BOUCKAERT G. (edited by) (1996), *Organizational Performance and Measurement in the Public Sector. Toward Service, Effort and Accomplishment Reporting*, Westport: Quorum Books.
- HATRY P.H. (1999), *Performance Measurement. Getting Results*, Washington DC: The Urban Institute Press.
- KLIMOSKY R., INKS L. (1990), "Accountability forces in performance appraisal", *Organizational Behavior and Human Decision Processes*, Vol. 45.
- KOONTZ H. (1971), *Appraising manager as manager*, New York: McGraw-Hill.
- LEPSINGER L., LUCIA A.D. (2009), *The Art and Science of 360° Feedback*, 2<sup>nd</sup> ed., Jossey-Bass, San Francisco.
- LIKERT R. (1961), *New patterns of management*, New York: McGraw-Hill.
- LIKERT R. (1967), *The Human Organization. Its management and value*, New York: McGraw-Hill.
- LONDON M. (2001), "The Great Debate: Should Multisource Feedback Be Used for Administration or Development Only?", in D.W. BRACKEN, C.W. TIMMRECK, A.H. CHURCH (editors), *The Handbook of Multisource Feedback*, San Francisco: Jossey-Bass.
- LONDON M., WHOLERS A. (1991), "Agreement between subordinate and self ratings in upward feedback", *Personnel Psychology*, Vol. 44, 2, Summer.
- MCCLELLAND D.C. (1973), "Testing for competence rather than for "intelligence"", *American Psychologist*, Vol. 28, 1.
- MCCLELLAND D.C. (1976), *A Guide to Job Competence Assessment*, Boston: McBer.
- MCEVOY G.M. (1990), "Public Sector Managers' Reaction to Appraisal by Subordinates", *Public Personnel Management*, Vol. 19, 2, Summer.
- MENEGUZZO M. (2006), "Creazione di valore e sviluppo del capitale sociale: la sfida per il sistema dalla PA italiana", *Rivista Italiana di Ragioneria ed Economia aziendale*, 1.
- MOHR L.B. (1999), "The Qualitative Methods of Impact Analysis", *American Journal of Evaluation*, Vol. 20, 1.
- MOORE M.H., (1995), *Creating public value : strategic management in government*, Cambridge: Harvard University Press.

- MURLIS H., FITT D. (1991), *Evaluating skill, competencies and job*, London: Hay Management Consultants.
- MUSSARI R. (1994), *Il management delle aziende pubbliche. Profili teorici*, Padova: Cedam.
- POISTER T.H. (2003), *Measuring Performance in Public and Nonprofit Organizations*, San Francisco: Jossey-Bass.
- POLLIT C. (1997), "Looking Outcomes in the Face: The Limits of Government Action", paper presented at the "Public Service Senior Management Conference", Wellington, New Zealand, 9 October.
- REBORA G. (1999), *La valutazione dei risultati nelle amministrazioni pubbliche*, Milano: Guerini e Associati.
- SILVA P., TOSI H.L. (2004), "Determinants of Anonymity of the CEO Evaluation Process", *Journal of Management Issues*, Vol. 16, 1, Spring.
- SPENCER L.M., SPENCER S.M. (1993), *Competence at work: model for superior performance*, New York: Wiley.
- SPENCER L.M., SPENCER S.M. (1995), *Competenza nel lavoro: modelli per una performance superiore*, Milano: Franco Angeli.
- WESTERMAN J.W., ROSSE J.G. (1997), "Reducing the Threat of Rater Nonparticipation in 360-Degree Feedback Systems: An Exploratory Examination of Antecedents to Participation in Upward Ratings", *Group & Organization Management*, Vol. 22, 2.
- VAN DOOREN W., BOUCKAERT G., HALLIGAN J. (2010), *Performance Management in the Public Sector*, London and New York: Routledge.