# The Role of Active Constructive Feedback in Building Employee Performance

*by* Faroman Syarief

---

# The Role of Active Constructive Feedback in Building Employee Performance
## (Case study at a private construction company in Indonesia 2018-2019)

**Zahara Tussoleha Rony[1], Mahmuddin Yasin[2], Fatimah Malini Lubis[3], Faroman Syarief[4]**

**Universitas Bhayangkara Jakarta Raya[1]**
**Universitas Krisnadwipayana[2]**
**Politeknik LP31 Jakarta[3]**
**Universitas Bhayangkara Jakarta Raya[4]**

## Abstract

Feedback becomes an important part of the performance appraisal process. Feedback is one of the processes to explore the strengths of employees so that it is easier to identify many competencies and the potential of each employee. But the fact is that there are still many leaders who do not consider feedback as an important activity. This has an impact on improving individual performance. This paper aims to describe the activities of leaders at the managerial level in the technical division in the process of improving the performance of their members in 2018 at one of Indonesia's private construction companies. Secondary data were obtained from individual development programs, assessment results, performance appraisal in 2017, while primary data were obtained from field notes, interviews and observations. To express this incident a qualitative case study method is used. The sampling technique is done by purposive and quota sampling and assigns 10 technical division employees as informants. Invalidating the findings of researchers involving the HR management team, leadership, HR practitioners The assessment process carried out by some leaders in assessing technical competencies, core competencies of the company and measuring key performance indicators employees are quite effective, but formal meaningful face-to-face activities have not been used optimally, especially in providing constructive active feedback. In the era of the Industrial Revolution, 4.0 leaders need to understand the philosophy of employee performance appraisal effectively. Based on these findings, human resource managers need to design effective feedback skills training and provide rewards to managers who carry out constructive feedback well.

**Keyword:** Feedback, performance management, performance appraisal,

## I. INTRODUCTION

In winning the competition between companies in an increasingly stringent industry, human resources have a vital role for a company especially in the 4.0 era because companies are required to provide the best service to consumers and business partners, therefore the Human Resources Division as a manager of human resources in The company has the important task of creating systems and programs to improve the competencies and potential of the employees. Every company wants quality employees to have a satisfactory performance by the standards set by the company.

To get complete information on the results of the efforts of employees and leaders in a company, it requires a strategy and performance appraisal system related to the performance and accountability of employees at the company. Some empowerment and coaching strategies are carried out including feedback activities that are believed to help the process of improving the quality of individual work. Gary Dessler's opinion further emphasizes that effective employee performance appraisal along with feedback needs to be understood and prepared to prevent employee performance degradation (Dessler, 2017).

Performance measurement and assessment activities accompanied by feedback programs can encourage operational processes to run well and smoothly so that the projects undertaken can meet market needs. In the feedback process leaders and members are actively involved in building emotional and rational activities (H. Aguinis, Mazurkiewicz, & Heggestad, 2009). Feedback is needed throughout the learning process and throughout the production process to ensure that the process runs without obstacles and can produce work that is expected to be of a certain quality.

The feedback program is expected to be effective in companies including construction companies. But leaders often regard formal feedback as an activity that is not yet very important. Even leaders feel that their members already know the work that is repeated even though different ones can be occasionally discussed without having to be monitored and seen progress, basically they think there is no need to spend valuable time to do formal feedback. In this construction company the new employee appraisal system including the obligation to use feedback, activities are realized so that it is expected to monitor the progress of their members, but at that time they choose to do the feedback, as usual, provide motivation without regard to word selection, pay attention to gestures and other things in other words feedback is only a discussion, telling things that need to be done.

This research shows that the awareness of the leadership in conducting feedback is very limited. They are confident that without constructive feedback all activities can go according to their expectations. The results of this study are indeed almost all of the leaders of production techniques have never received effective feedback training so they have not used these skills systematically and structured even though previous research states that the benefits of constructive feedback provide very fantastic benefits.

## II. LITERATURE REVIEW

### Performance Management

Organizations are run and steered by people. It is through people that goals are set and objectives are realized. The performance of an organization is thus dependent upon the total performance of its members. The success of an organization will, therefore, depend on its ability to measure accurately the performance of its members and use it objectively to optimize them as a vital resource (Pattanayak, 2009).

Organization performance is a complete view of the state of the company for a certain period, is a result or achievement that is influenced by the company's operational activities in utilizing the resources owned. Performance is a general term used for part or all of the actions or activities of an organization in a period regarding standard amounts such as past or projected costs, based on efficiency, responsibility or management accountability. In the present highly competitive environment, organizations have to ensure the peak performance of their employees continues to compete and survive at the market place effectively (Prasad, 2006).

The performance of an individual can be defined as the record of outcomes produced as specified job functions or activities during a specified time (Bernardin & Russel, 1993). Therefore individual performance appraisal is very useful for the dynamics of overall organizational growth, through the assessment it can be seen the actual conditions of how the employee's performance. Performance appraisal is a key factor for developing an organization effectively and efficiently, due to the presence of better policies or programs on the existing human resources in the organization (Iswanto, 2009); (Kaihatu, 2006).

**Performance Appraisals**

Human Resource (HR) managers frequently lead performance appraisals (PA) in their organization, hoping to provide a variety of benefits (e.g., improved performance, creating an opportunity for superior-subordinate communication, data for personnel decisions, and more,(Cones & Jenkins, 2000). PA is frequently used to make distinctions among employees, identify employees' strengths and weaknesses, evaluating HR systems, documenting personnel decisions, and enhancing employee performance (Cleveland, Murphy, & Williams, 1989). According to (H. Aguinis et al., 2009), PA is a key aspect of establishing performance goals, addressing performance problems, distributing rewards, and initiating disciplinary procedures, including dismissals.

(Youngcourt, Leiva, & Jones, 2007) state that a PA has three intended purposes: the administrative and developmental purposes are focused on the individual, while the role definition purpose is position focused. For the present study, only the individual based purposes, namely administrative and developmental, will be included. For PA to achieve their administrative purpose, organizations evaluate the outcomes of the process and make decisions on matters such as salary increases, discretionary bonuses, hiring, dismissals, and promotions.

The developmental purpose of PA relates to the enhancement of professional competencies and employees' personal development. PA serves a developmental purpose in that workers are provided with role-specific feedback, help, and support, to improve their performance in the future. This statement is also supported (Dessler, 2017) argues, "Effective appraisal also requires that the supervisor set performance standards. And it requires that the employee receives the training, feedback, and incentives required to eliminate performance deficiencies. Gary Dessler's opinion further emphasizes that effective employee performance appraisal requires predetermined standards as well as feedback to prevent a decline in employee performance.

**Feedback**

A key responsibility of successful managers is to help their employees improve job performance on an ongoing basis (Herman Aguinis, Gottfredson, & Joo, 2012). Managers carry out this responsibility by implementing performance management systems that are designed to align performance at the individual, unit, and organizational levels. Notably, performance feedback is a critical component of all performance management systems (H. Aguinis et al., 2009); (DeNisi & Kluger, 2000).

Performance feedback can be defined as information about an employee's past behaviors for established standards of employee behaviors and results. The goals of performance feedback are to improve individual and team performance, as well as employee engagement, motivation, and job satisfaction (H. Aguinis et al., 2009). Unfortunately, managers are often uncomfortable giving performance feedback (H. Aguinis et al., 2009), and such feedback often does more harm than good in terms of helping employees improve their performance (DeNisi & Kluger, 2000).

The discrepancy between performance feedback's intended and actual consequences constitutes a major concern to employees, managers, and organizations. Although managers share an intuitive understanding that feedback plays a crucial role in improving individual and team performance, many managers do not know how to deliver feedback effectively. More specifically, managers quite frequently provide feedback in a manner that is excessively focused on employees' weaknesses. Yet, the same managers are typically unaware that such weaknesses-based feedback often fails to improve employee performance. To fully reap the benefits of using feedback, managers should instead primarily rely on a strengths-based approach to feedback that consists of identifying employees' areas of positive behavior and results that stem from their knowledge, skills, or talents.

## III. RESEARCH METHODS

This study uses qualitative research with a case study approach, explaining a real case in one of the private construction companies in Indonesia related to The Role of Constructive Feedback in Building Employee Performance Research methods and procedures use a case study research design. (Rony, 2017)

### A. Participants

Participants used as informants were employees in the technical division. Employees are selected who have worked for 2 years and include permanent employees because they already have experience and know the leadership competencies and performance appraisal systems that have been used in measuring the Employee Key Performance Indicator. Whereas key informants were involved by human resources managers and leaders in the technical division. and the number of informants determined by purposive technique and quota sampling. The

number of informants involved is 10 informants. All of them were interviewed and focus group discussions were conducted to confirm and complete the information that had been carried out by the heads of the technical divisions

### B. Interview Guidelines

Interview guides were prepared to help researchers direct informants to be more productive and involved in discussion groups (McLafferty, 2004). The researcher designed the interview guidelines from general questions to specifics (Kingry, Tiedje, & Friedman, 1990). This guide was previously used in the initial interview and was developed in subsequent interviews to get more detailed answers. There are four questions designed to be used in asking about (1) how the performance appraisals conducted by the leaders in the technical Division, (2) how the impact of employee appraisal performance on company performance (3) what are the obstacles in increasing feedback competence in the leadership. (4) How the impact of constructive feedback on employees?

### C. Data Analysis

To ensure the validity of the results of the interview and the verbal accuracy of the experience of the informants each interview was recorded with audio and video. The results of the activities and observations of informants and fully transcribed. Data analysis is performed on the answers to questions and data coding is used by sorting thematically represented and divided into small units (phrases, sentences, or paragraphs), units are grouped into codes The codes were then examined for patterns and organized into central themes across the individual cases and, to protect participants information, pseudonyms were used (Creswell & Clark, 2011).

### D. Data validation

Before making a detailed report, triangulation was carried out through e-mail, telephone media by submitting the research findings to each informant, the Human Resources Team, and 4 technical leaders to obtain the interpretation of the researchers' results. Focus Group Discussion is conducted to calibrate the overall data of the informant data (Corbin & Strauss, 2008). Data from the HR team and leaders also added to the accuracy of the data. Extension of time is also carried out for 2 months to ensure that data can be accounted for. Location of employee interviews conducted in a construction office environment.

## IV. RESULTS AND FINDINGS

### A. Competence

Employees are an important element in a company, therefore the work results of employees need to be evaluated with a system appropriate to the work targets that are planned every year. The system is called a performance appraisal (Dessler, 2017). The Human Resources Division is tasked with making the system and leaders evaluate employees in doing their work and then communicate the results of the evaluation. Most informants feel that the appraisal system created by the HR team is good, the system combines elements of competence and key performance indicators. The socialization and testing system by the Human Resources team makes it easy for employees to understand the use of the system. But the system is not overshadowed by the readiness of the leaders in the technical division (H. Aguinis et al., 2009), They are not used to planning. The informants also acknowledged that they saw leaders as having a difficult time doing work based on desks and work based on creativity to produce something new. Those who think about it are time-consuming activities. Meanwhile, to produce performance appraisals (H. Aguinis et al., 2009), effective employees start from making plans, giving weights, discussing together and then singing about the activities chosen according to company goals.

As stated by one informant:

*was left to fill out the plan without a clear direction. They do not feel that this performance appraisal system has a significant effect on the impact of work on the team. In the end, the performance appraisal of the technical employees that had been made and submitted to the Human Resources Division was returned and revised again.*

The informant's explanation shows that the leaders have not felt the impact of this assessment system. Besides they do not have adequate competence in assessing and gathering evidence of employee performance both in a state of decline and increase. They rely on their memory so that this makes employees' performance not measurable effectively. Though Performance appraisal needs to be done in the company to find out which employees deserve to be maintained or vice versa in a company

B. **Training**

The achievement of organizational goals depends on the performance of its employees. If a company wants a competitive advantage through human resources (HR), it must contain the concept of continuous HR training and development. Training and development are very important for employees and organizations to be more effective (Devi & Shaik, 2012). According to the acknowledgment of most informants, the leaders in the engineering division needed training in carrying out and implementing the employee performance appraisal process. Besides they are new

to know the new rating system. They also lack the skills to regularly and measurably increase team members. Mastery of tools and strategies has not been implemented optimally. When planning is made and agreed to, only the leader occasionally checks the plan, even though the skill is not only making planning, there are evaluations and activities provide feedback so comprehensive training is needed. HR managers need to find attractive training strategies and at the same time be able to foster self-awareness of positions and

responsibilities, teamwork, compliance with regulations to professional attitudes at all levels.

Competency and skills training programs can reduce errors at work (Dessler, 2005). Training will help leaders improve their ability to make a fair assessment of their members and motivate their members to do better (Zane, Marie de, Nancy, Linda, & Donna, 2002) (Shen & Darby, 2006) so that the impact of leadership training will prepare them to become future leaders. Leaders will be customized to plan carefully and give work by adjusting the competencies of their members. Performance appraisal training makes it easy for leaders to map the competencies of their members so that it is easy to get a gap between current performance and desired standards.

The training program not only develops employees but also helps organizations to make the best use and support competitive advantage. Therefore companies should plan a training program to improve their abilities and competencies needed in the workplace (Shen & Darby, 2006). Training refers to planned interventions and aims to improve the elements of individual performance (Chiaburu & Tekleab, 2005). Training to understand competencies in running performance appraisals will show a greater level of performance than shared job satisfaction. Training is an effort to deal with the current business environment.

C. **Communication in the performance appraisal process**

Most informants acknowledge that the performance appraisal system encourages them to have effective communication with the leaders regarding their work. Communication crafts the system and outline of organizations (Luthra & Dahiya, 2015). When data is frequently exchanged by human resources of an organization, an integrated linking system is created where one of the central resources controls the exchange and movement of information.

But most leaders do it not seriously enough. They leave it to their members to make plans without clear communication. In the first step, the process is ideal for the leadership to introduce a performance evaluation program and the determination of specific work standards, criteria and conditions that form the basis of the assessment. After it has been run and evaluated it is possible to adjust it according to current needs. The second step is to choose an assessment format by making and compiling an assessment plan so that it can be implemented tangibly and able to answer problems in achieving company goals. When the performance appraisal program is not appropriate will result in an ineffective evaluation, so that it can affect the productivity of both workers and leaders, therefore special communication related to the performance appraisal process must be done in earnest. It was believed that organizations were independent of communication and act as containers that contained information and affected communication activities (Axley, 1984)

Most informants acknowledge that the performance appraisal system encourages them to have effective communication with the leaders regarding their work. Communication crafts the system and outline of organizations When data is frequently exchanged by human resources of an organization, an integrated linking system is created where one of the central

resources controls the exchange and movement of information. But most leaders do it not seriously enough. They leave it to their members to make plans without clear communication. In the first step, the process is ideal for the leadership to introduce a performance evaluation program and the determination of specific work standards, criteria and conditions that form the basis of the assessment. After it has been run and evaluated it is possible to adjust it according to current needs. The second step is to choose an assessment format by making and compiling an assessment plan so that it can be implemented tangibly and able to answer problems in achieving company goals. When the performance appraisal program is not appropriate will result in an ineffective evaluation, so that it can affect the productivity of both workers and leaders, therefore special communication related to the performance appraisal process must be done in earnest. It was believed that organizations were independent of communication and act as containers that contained information and affected communication activities (Axley, 1984).

### D. Active Constructive Feedback

A performance appraisal system can run comprehensively when the planning and communication process accompanied by feedback is done correctly. From the informants' acknowledgment, almost all leaders did not make meaningful feedback. So far, the feedback has only been carried out as a kind of evaluation. The leaders only said the shortcomings and did not provide detailed improvements, even the words that were often delivered were:

*.........It's still lacking, you try to find other ideas, of course, you can, and I want results like this. Although this has progressed, it is not satisfactory enough.*

The informants explained that most construction managers do not understand how to do effective feedback. Feedback is carried out as needed without proper knowledge or competence. They have not received training so they are still unfamiliar with the term feedback that should be done to their members even though doing Feedback (Allin & Turnock, 2007) must be clear, specific, personal, and honest, therefore, several things need to be considered in providing feedback the most basic quality desires to give praise before concentrating on what can be changed/improved. It is important to give members or employees time to think and respond. Focus on the problem, not on the person. And after feedback, do it well up. (Dihoff, Brosvic, & Epstein, 2003)

A good leader will continue to look for feedback that can provide better service for member needs. Feedback activities will cause the people they lead to understanding the mindset of their leaders and feel confident in them, thus helping them to come to their respective duties and functions in following their leader's logic, belief, and leadership. It will also build confidence in the team, so they all understand the problems and challenges that are and will be facing.

Mastering feedback skills is not easy, therefore the leader is obliged to do the practice. There are 4 type feedback a) active constructive feedback, responses accompanied by positive comments (praise) both verbal and non-verbal (tone, voice, posture, gesture, face, breath pattern) indicate genuine interest and enthusiasm to the success being described b) Passive

response constructive, responses accompanied by positive but low energy comments in non-verbal support. c) active feedback destructive, responses with negative comments (sometimes wrapped in the positive) and negative non-verbal behaviors such as frowns or complaints d) Passive response destructive, responses not accompanied by involvement and more visible as verbal and nonverbal (Rony, 2019).

## V. CONCLUSION

The employee is a valuable asset of the organization, therefore the company needs to have the tools to measure performance effectively. Measuring tools will be maximally useful if done by leaders who have a series of abilities and competencies along with a willingness to provide the best for their members. A series of Performance Appraisal activities accompanied by constructive active feedback will have a significant impact on employee productivity, but the assessment process in 2018 until 2019 has not been carried out optimally because of the leadership competencies related to the performance appraisal implementation, especially in the feedback activities are still limited.

## VI. RECOMMENDATIONS

Performance Appraisal is a tool to assess employee performance and the tool is needed to determine the strength of employees in the company. One important step to realize and optimize the system and make an impact on individual performance is the feedback activity because the event builds communication and emotional closeness,therefore HR managers should be able to provide the best possible effective training for all employees especially for supervisors or managers

1. Learn and understand well the measuring performance appraisal instrument
2. Give clarity to your employees on how their performance goals contribute to the goals of the organization.
3. Provide mandatory ongoing performance appraisal training for supervisors or managers on the basic concepts of the performance appraisal process to include setting goals, evaluating performance, providing constructive feedback, etc. All to ensure the success of the program evaluation.
4. Continuously communicate to ensure your employees are moving in the right direction and meeting objectives. On-going dialogue allows managers the opportunity to get employees back on track that may be moving in the wrong direction in addition to giving employees an understanding of where they are in the appraisal process.
5. Embed the mindset of all employees that this system needs to be implemented comprehensively

## VII. ACKNOWLEDGMENT

## REFERENCE

Aguinis, H., Gottfredson, R. K., & Joo, H. (2012). Delivering effective performance feedback: The strengths-based approach. *Business Horizons*. https://doi.org/10.1016/j.bushor.2011.10.004

Aguinis, H., Mazurkiewicz, M. D., & Heggestad, E. D. (2009). Using Web-Based Frame-of-Reference Personality-Based Job Analysis : An Experimental Field Study. *Personnel Psychology*.

Allin, L., & Turnock, C. (2007). Reflection on and in the work place. *Making Practice-Based Learning Work Www. Practicebasedlearning. Org/Home, Accessed*, *1*(07), 2010.

Axley, S. R. (1984). Managerial and Organizational Communication in Terms of the Conduit Metaphor. *Academy of Management Review*. https://doi.org/10.5465/amr.1984.4279664

Bernardin, H. J., & Russel, J. E. . (1993). Human Resourses management. *New York: Mc Graw Hill Inc*.

Chiaburu, D. S., & Tekleab, A. G. (2005). Individual and contextual influences on multiple dimensions of training effectiveness. *Journal of European Industrial Training*. https://doi.org/10.1108/03090590510627085

Cleveland, J. N., Murphy, K. R., & Williams, R. E. (1989). Multiple Uses of Performance Appraisal: Prevalence and Correlates. *Journal of Applied Psychology*. https://doi.org/10.1037/0021-9010.74.1.130

Cones, T., & Jenkins, M. (2000). Abolishing Performance Appraisals. San Francisco, CA, Berrett-Koehler Publishers, Inc.

Corbin, J., & Strauss, A. (2008). Basics of Qualitative Research (3rd ed.): Techniques and Procedures for Developing Grounded Theory. *Basics of. Qualitatice Research 2nd Edition*. https://doi.org/10.4135/9781452230153

Creswell, J. W., & Clark, V. L. P. (2011). Designing and Conducting Mixed Methods Studies. In *Workshop for the 2011 Society for Social Work and Research annual meeting*. https://doi.org/10.1111/j.1753-6405.2007.00097.x/full

DeNisi, A. S., & Kluger, A. N. (2000). Feedback effectiveness: Can 360-degree appraisals be improved? *Academy of Management Executive*. https://doi.org/10.5465/ame.2000.2909845

Dessler. (2005). Manajemen Sumber Daya Manusia. Alih bahasa: Eli Tanya. Penyunting Bahasa: Budi Supriyanto. Jakarta: Indeks. *Jurnal Ilmu-Ilmu Sosial*.

Dessler, G. (2017). Manajemen Sumber Daya Manusia. In *Pelatihan dan Pengembangan*. https://doi.org/10.1145/2505515.2507827

Devi, V. R., & Shaik, N. (2012). Training & development – a jump starter for employee performance and organizational effectiveness. *International Journal of Social Science & Interdisciplinary Research*.

Dihoff, R. E., Brosvic, G. M., & Epstein, M. L. (2003). The role of feedback during academic testing: The delay retention effect revisited. *Psychological Record*. https://doi.org/10.1007/BF03395451

Iswanto, Y. (2009). Manajemen Sumber Daya Manusia.

Kaihatu, T. S. (2006). Good Corporate Governance Dan Privatisasi. *Jurnal Manajemen Dan Kewirausahaan*.

Kingry, M. J., Tiedje, L. B., & Friedman, L. L. (1990). Focus groups: a research technique for nursing. *Nursing Research*, *39*(2), 124–125.

Luthra, A., & Dahiya, K. (2015). Organizational Communication and Management Effectiveness: An analytical Study at Various Managerial Levels. *InternatIonal Journal of ManageMent & BusIness StudIes*.

McLafferty, I. (2004). Focus group interviews as a data collecting strategy. *Journal of Advanced Nursing*. https://doi.org/10.1111/j.1365-2648.2004.03186.x

Pattanayak, B. (2009). Human Resource Management, PHI Learning Pvt. *Ltd., New Delhi*, 20.

Prasad, L. M. (2006). Human Resource Management (Sultan Chand & Sons. Educational Publishers.

Rony, Z. T. (2017). *Siap Fokus, Siap Menulis Skripsi, Tesis, Disertasi (Jurus Mudah Gunakan Metode Kualitatif Tipe Studi Kasus)*. Jakarta: PSSDM.

Rony, Z. T. (2019). Generation y challenges in becoming innovative leaders at organization in the 21st century. *International Journal of Recent Technology and Engineering*. https://doi.org/10.35940/ijrte.B1164.0982S919

Shen, J., & Darby, R. (2006). Training and management development in Chinese multinational enterprises. *Employee Relations*. https://doi.org/10.1108/01425450610673402

Youngcourt, S. S., Leiva, P. I., & Jones, R. G. (2007). Perceived purposes of performance appraisal: Correlates of individual- And position-focused purposes on attitudinal outcomes. *Human Resource Development Quarterly*. https://doi.org/10.1002/hrdq.1207

Zane, B., Marie de, V., Nancy, B., Linda, D., & Donna, S. (2002). The increasing scope of training and development competency. *Benchmarking*.

# The Role of Active Constructive Feedback in Building Employee Performance

Exclude quotes          On            Exclude matches          Off

Exclude bibliography    On

# The Role of Active Constructive Feedback in Building Employee Performance