HRM at the coalface: employee responses to performance appraisal at an underground coalmine

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Abstract
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Keywords
HRM, Coalface, Employee, Responses, Performance, Appraisal, Underground, Coalmine

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ABSTRACT

Based on a four year empirical study investigating employee responses to the implementation of a performance appraisal (PA) process in an underground coal mine, this paper contributes to the small but growing body of literature that examines employee responses to HRM interventions. The paper is constructed around seven key research questions recently the employee as the discursive subject of HRM. A careful interrogation of employee responses to having their performance appraised indicates that this individuating HRM process occasions considerable disruption to miners’ occupational selves and leads to unintended consequences for the miners, for their working relationships, and for their contributions to organisational goals.

Keywords: appraisal, occupational identity, subjectivity

INTRODUCTION

It is ironic that human resource management, which relates to the effective management of employees, rarely pays explicit attention to the way those employees as subjects of HRM react to its practice (Deery, 2002; Grant and Shields, 2002; Guest, 1999). In both the prescriptive and the critical HRM literature, the employee tends to be viewed in instrumental terms, as a means to organisational ends. While a substantial body of literature analyses employee responses to management initiatives in the organisational behaviour disciplinary area, HRM as a discipline tends to ignore the impact of HR practices on employees. In response to this gap in the HRM literature, our paper reports on a study of employee responses to the introduction of a performance appraisal process in an underground coal mine. We examined employee reactions in the light of a series of research questions proposed by Grant and Shields (2002). The findings suggest that, in addition to their proposed notions of psychological contract and organisational justice, consideration of occupational identity issues provides a cogent framework for a more methodical and reflexive approach to recentring the employee as the primary subject of HRM.

Our approach is to acknowledge, firstly, the call in the HRM literature for more empirical studies, preferably longitudinal, in order to understand employee responses to HRM initiatives. Secondly, we briefly describe the context and methodology of the present study in an underground colliery in eastern Australia, and then we test the data using the suggested research questions and the discourse analytic approach proposed by Grant and Shields (2002). Based on voices we heard in our research,
we conclude by suggesting an addition to their conceptual framework which we believe will increase understanding of employee reactions to HRM.

EMPLOYEE REACTIONS: THE HRM LITERATURE

Guest (1999:5) contends that ‘any concern for the impact of HRM should be as much with outcomes of relevance to workers as to business’. Not all stakeholders would agree with this assertion, especially those interested simply in organisational performance outcomes (Deery, 2002). Legge (2005:41) asserts that ‘the submerged voice of those who experience HRM initiatives needs to be given more prominence, not only for ethical reasons, but also to counteract the managerialist agendas that are implicit in much HRM and performance research’. In the prescriptive HRM literature, descriptions of HRM functions, activities and outcomes pay scant attention to the impact of such processes on employees who are discursively treated as objects, as means to organisational ends. Likewise, scant attention is paid to the promotion of employee wellbeing, nor to fairer or more congenial working environments (Deery, 2002). How job incumbents react to organisational performance standards is a ‘critical, but neglected area’ of research (Bobko, 1994:29).

In the critical management literature, Gabriel (1999) challenges what he sees as the tendency to overplay the uniformity and totality of control in organisations and calls for the rediscovery of human agency in critical research. Rosenthal (2004:602) asserts:

> What is largely missing in contemporary critical analyses, however, are thoroughgoing, workplace level accounts of how employees experience and evaluate regulation in relation to their self-defined interests – research, in other words, that takes more account of employee experience of workplace dynamics and does not so quickly de-centre or dismiss this experience in terms such as discursive colonization, false consciousness or obsessional neurosis. (Emphasis in original)

How do particular organisational contexts affect the responses of employees to the introduction of HRM practices? Longitudinal studies of HRM interventions, Guest (1997) contends, are particularly well suited to understanding the impact of HRM on employees. The empirical research that has been done in this field has examined services or staff positions (see for example, Gibb, 2001; Guest, 1999; Taylor and Pierce, 1999). Our research adds to the current knowledge by using a longitudinal, case study approach to investigate non-managerial employee responses in a heavy extractive industry.
EMPLOYEE RESPONSES TO PERFORMANCE APPRAISAL IN A COALMINE

According to the HR Manager at Crown Colliery (a pseudonym), senior management in their multinational mining company announced that a performance management system would be introduced for underground coal miners in all their collieries. HR managers at regional levels were directed to implement the initiative. Reasons for the edict were unclear; the HR manager given the brief of designing and delivering the appraisal system at Crown Colliery interpreted the initiative as being motivated by the relentless drive to minimise costs of mining operations. The Crown HR manager researched the performance management literature, then designed and began to roll out what was, in effect, a performance appraisal system based on a behaviourally anchored rating scale. However, what was expected to be an orthodox HRM intervention quickly became a bitterly contested process. Miners reacted with vehement and aggressive resistance; industrial unrest in the form of strikes and appeals to the Industrial Relations Commission ensued. Performance suffered. Managerial motives were maligned. Emotions of all parties to the process were severely strained.

The company was mystified by the unexpected reaction of miners to having their performance rated. In spite of assurances that performance reviews would not be used for pay or promotion purposes, or for decisions on redundancy, or for other HR outcomes, miners fought passionately against each stage of the implementation process, with their union officials arguing protractedly over even the minutia of the performance review wording. Why, in the absence of the traditional HR levers of positive or negative consequences, were miners so radically opposed to performance ratings and reviews? What forces – historical, contextual, political or otherwise – were driving such resistance? Why was employee morale and subsequent behaviour worse (by miners’ own accounts) after the HR intervention than before?

METHODOLOGY

The Crown Colliery HR manager sought our help in understanding employee reactions, and gave us unrestricted access to the workforce. Miner participation in interviews was on a voluntary basis; most spoke to us at the mine site on company time. Others, however, contacted us after-hours, away from
the panoptic scrutiny of management. Off site interviews took place at the local pub, at a local leagues club, or in miners’ homes, where partners also spoke passionately about the disruptive effects of PA on miners’ identities. We began our research by listening with a ‘big ear’ (Glaser, 2001: 175) as individuals described their experiences of the PA process. As interview tapes were transcribed, themes began to emerge which were explored in greater depth in more structured interviews with miners after each round of performance reviews over the four year period. We progressively developed more abstract conceptual categories to synthesize, to explain and to understand our data (Charmaz, 1995). Triangulation of data included a nine question survey which all miners at Crown Colliery were invited to complete (response rate of 33%), extensive attendance at mine management and union meetings, and observations and informal ‘chats’ during underground mine visits. Company records were made available to the researchers, as were minutes of various mine review meetings where the impact of the performance appraisal process was evaluated by mine managers, functional coordinators, undermanagers, deputies and union representatives.

USING THE GRANT AND SHIELDS RESEARCH AGENDA

In the context of recentring the employee as discursive subject, Grant and Shields (2002:328) proposed a seven–question framework to guide research for investigating employee reactions to HRM, namely:

1. What particular variant of ‘Human Resource Management’ discourse, if any, is espoused by management?
2. What particular sets of practices does management use, and are these congruent with the espoused discursive concept? Indeed, what does the choice of practices reveal about management’s underlying view of the employee as discursive object?
3. What are employees reacting to: the discursive concept (i.e. what is espoused); the discursive object (i.e. employee-shaping practices); or a combination of the two?
4. Is the employee reaction positive, negative, or neutral; and, if it is positive or negative, to what degree?
5. Is the reaction attitudinal, behavioural or both?
6. Is the reaction uniform, or does it vary across time and between sections of the workforce?
7. Why do employees react in this way?

These seven questions informed our research agenda and provided a cogent framework for understanding the discourse of coal miners in response to having their performance rated.

1. What particular variant of HRM discourse, if any, is espoused by management?
Managerialist rhetoric of high performance imperatives in a market-driven economy, of ‘getting the tonnes out’, of ‘squeezing the lemon’ (the miner), of ‘hot-seat changeovers’ (changing shifts without stopping the longwall operation), of ‘headcounts’ and workers as ‘lazy bastards’ were all evidence of a ‘hard’ (Storey 2001:9) HRM discourse. An engineering tradition, harsh environments, dirty work (Ashforth and Kreiner, 1999) and dangerous conditions produced a measurement-based culture where workers were seen as means to organisational ends. Managerial strategy and rhetoric were about keeping the machines running, whatever it took. Miners were expected to work overtime whenever a crisis arose. Mine managers themselves were also subjected to this ‘hard’ approach of produce or perish. In our four year study at Crown Colliery, there were 3 different mine managers.

2. What particular sets of practices does management use? Are these congruent with management’s underlying view of the employee as discursive object?

The performance rating at Crown Colliery was but one of a series of managerial practices designed to control productivity. The above-ground/below-ground dichotomy of management versus labour increased the perception of an alienated workforce who were not on the same level as management. Miners were treated as being there to get the tonnes out, not there to have a relationship with management. Performance appraisal, which at Crown consisted of a review of 13 categories against which miners were rated on a 5 point scale and told their scores in a review meeting, is typically used in the ‘hard’ version of HRM, especially when in practice it is seen as predominantly concerned with surveillance, accountability and control (Newton and Findlay, 1996). Performance appraisal at Crown Colliery was justified as a managerial prerogative; there were no attempts to identify or articulate positive benefits for employees. Management discourse made no pretence of ‘soft’ HRM. ‘If we’re subtle, miners won’t get the message’ was the way managers explained their approach to us. ‘We have to tell it like it is.’

3. What are employees reacting to: the discursive concept (i.e. what is espoused); the discursive object (i.e. employee-shaping practices); or a combination of the two?

Miners responded negatively both to the discursive concept of PA (the notion of having their performance ‘managed’), and also to being treated as discursively as objects of production, as something to be ‘calibrated’, compared and controlled through a rating process:
I think the system stinks. It’s not fair. It’s demeaning. It’s wrong. I think it is insulting the way the system works. This whole PMS [performance management system] erodes our dignity. It makes us feel that we are being treated like kids. We’re grown men! This is no way to treat adults! ...There’s no recognition of how long we’ve been here. There’s no sense of caring for the workforce! [Interview with a Crown Colliery miner]

Miners resented management’s discursive concept of performance; they also resented being objectified like machines. They objected to being treated ‘like rats on a treadmill’; they saw appraisal as breaching their identity as professional miners:

What is this thing called ‘performance’? Every year they expect more and more! Every year they cut the labour force and expect more and more! Why should we be forever screwed in our working lives to produce more and more with less and less? I mean – we’re not fucking machines! ...Why can’t they say, ‘Good job, well done’ rather than saying we’ve got to get more tonnes next time? Work isn’t meant to be like rats on a treadmill! [Interview with a Crown Colliery miner]

Our attendance at ‘calibration meetings’ where HR managers compared functional coordinators’ rating scores for individual miners across shifts and across functional areas revealed a preoccupation with measurement of performance (rather than a focus on how to improve performance). The discourse was of employee-objects to be measured along with any other resource in the colliery. At training meetings for reviewers, appraisers were instructed that they were not to negotiate with miners regarding their scores. Miners were to be told their scores; no adjustments were to be made. The discourse was of miners objectified by their raw scores, not as complex professional subjects.

4. Is the employee reaction positive, negative, or neutral; and, if it is positive or negative, to what degree?

Miners reacted negatively to the process of being rated; no miner expressed any positive sentiment to us about the performance reviews over the 4 years of the study. ‘It’s not grading, it’s degrading!’ was how one miner described his reactions to the PA process. Miners demanded that a union representative accompany them to the review meetings; most then argued their way through all 13 categories of the BARS document; interviews took on average two and half hours each, with considerable costs in wages and loss of production in the process. By all accounts (employees, deputies, undermanagers and coordinators all agreed) morale suffered for about 3 months after each review meeting.

5. Is the reaction attitudinal, behavioural or both?
A memo circulated by a miner in his capacity as a union official well summarised some of the attitudinal reactions of miners to having their behaviour rated:

> This power-wielding exercise that pits mate against mate – due to the fact [that] they make public their results – does little but create low self-esteem, spite and negative responses to other workers, knowing full well the importance of team work, friendship and in the coal mining game the trust to watch out for each other’s back has been betrayed by the slotting of these employees into these so called Egyptian pyramids. [Union secretary, 2001]

Most dismissed their scores as ‘bullshit!’, but in private interview most conceded that they were deeply hurt by obtaining what they perceived to be a rating less than they believed they were worth.

> I think it boils down to respect. The reviews tell the men that management doesn’t respect their motives, their experience, and their years of service to the company. I think the [PA] management system shows management doesn’t trust the workforce. They want to control us more. [Interview with a Crown Colliery miner]

Not only was their reaction attitudinal, but on the job behaviour after review meetings also suffered. Miners used their rating outcomes as excuses to behave accordingly:

> If they think I’m a C, I’ll fucking act like a C! You can get your fucking A grader to do that fucking job! [Field notes, on-site conversation with a Crown Colliery miner]

6. **Is the reaction uniform, or does it vary across time and between sections of the workforce?**

Miners’ reactions, while consistently negative, varied in degree and intensity over time. Over the four years during which the appraisal process was tracked, emotional fatigue set in. Miners’ reactions became less vitriolic, but they still deeply resented the process and refused to accept the discourse of appraisal. Underground supervisors, too, hated the process and treated it with benign neglect. With some supervisors, performance review reached the ‘tick and flick’ stage, where managers told workers they just needed to fill in the form and get on with it. The heart and soul appeared to be drained from the process.

7. **Why do employees react in this way?**

Grant and Shields (2002:329) appeal for ‘more nuanced and employee-centred constructs for understanding such reactions’. Their proposal that the psychological contract and notions of organisational justice act as key intervening variables between HRM as projected and HRM as received and reacted to is well supported in the present study. Unfairness perceptions were continually raised in our interviews with miners. A document circulated by a union official called performance
review ‘a blatant system of injustice put together by wellpayed [sic] HR personnel...[it] is a system that does not reflect on the actual performance of the majority of employees and in my opinion is unaustrial [sic].’ [Undated memo circulated at Crown Colliery in mid-2001]

Miners’ discourse reveals that the individual rating system disrupted their collective identity as miners. Consequently, we maintain that, if context matters, then so do employees’ individual and collective sense of self as influenced by their working experiences. Work is a bulwark of identity (Hughes, 1994; Snow and Anderson, 1987) and occupational identity is constructed by a community of workers in response to such things as managerialist practices and workplace interaction (Colomy and Brown, 1995). Our research, which is informed by this sociological conception of collective identity, indicates that the effect of performance appraisal on employees needs to be considered in terms of appraisal’s impact on the subject’s sense of occupational self.

In coalmines, in particular, employees not only have a private self, they also have an occupational identity enriched by years of working in close-knit teams in dangerous conditions away from the panoptic surveillance (Sewell and Wilkinson, 1992) of managerial interventions. Coalface miners belong to a proud occupational community (Van Maanen and Barley, 1984). Outsiders are seen as incompetent to control their working processes. Ashforth and Kreiner (1999:413) have noted, ‘qualitative research from a wide variety of occupations indicates that people performing dirty work tend to retain relatively high occupational esteem and pride’. Hughes (1994:57) has noted, ‘a man’s work is one of the things by which he is judged, and certainly one of the more significant things by which he judges himself.’

Men at the coalface see themselves as part of an elite occupational group. Their job is their ‘price tag and calling card’ (Hughes, 1994:57). They speak in reverential terms of the dark, the noise, the danger, and the expertise needed. They speak nostalgically of the camaraderie of teamwork and how it has become disrupted by the individuating practices of HRM. There continues to be an ‘occupational rhetoric’ (Fine, 1996:90) associated with their work and their identity (or identities). They resent
individuating processes of HRM (such as individual ratings) which disrupt this highly valued sense of occupational self. Any HRM process that ‘pits mate against mate’ is seen in the heavily collectivised and sequentially interdependent process of mining to be particularly disruptive. For an outsider (such as an above-ground HR manager) to disrupt the informal ratings that miners hold of each other is particularly offensive. They also see the absurdity of individual ratings in what is essentially an integrated production system.

*You got the methane drainage blokes – 2 of them sat on the drilling rig year after year. One done the driving, the next day the other bloke done the driving, the other bloke done the drilling. And this bloke got an A and he got a C. It was just insane! And they were good friends and worked well together, meaning that they had a good relationship. [Interview with a Crown Colliery miner]*

**Dealing with disruption to occupational identity**

Miners, like Fine’s (1996) restaurant workers, employed situation-specific narratives to shore up their sense of occupational identity (or identities) when disrupted by managerial others. At Crown Colliery, miners commonly mobilised the dominant repertoire (Ball and Wilson, 2000) of managerial incompetence to defend their sense of individual and collective worth. Identities were mutually reinforced as they shared their stories where heroes, villains and fools predominated (Gabriel 2000). They also relied on a sense of mateship to resist the subjugating discourse of managerialist treatment as objects of production. They were particularly adept at the use of insults as a narrative of resistance (Gabriel 2000). Through the telling of such stories, miners provided a rich source of data on their emotional reactions to having their performance appraised, in narratives that were culturally accepted in the masculine context of the mining industry.

*I think there’s something wrong with the mentality of management around here. Everything is for the almighty dollar. I mean, management used to take pride in this place. The whole area around the entrance to the mine used to be lined with flowers. Now look at it. Just dust! [Interview with a Crown Colliery miner]*

This story about flowers turning to dust was an apt metaphor for how employees felt about their working lives after the implementation of a performance rating system. They saw it as an intensification of work, their working lives eroded to a barren landscape in the name of cost-savings.

**CONCLUSIONS**
Our research confirms the utility of the framework and research agenda suggested by Grant and Shields (2002). Their framework provides a cogent and methodical device for sensemaking (Weick, 1995) in the complex world of management-employee relations, and provides a much-needed refocusing on the employee as discursive subject in the study of HRM. Our study of the reactions of miners to having their performance appraised has confirmed the need to recentre the employee as subject in order to understand (and subsequently perhaps predict) the impact of HRM practices in the workplace. While both prescriptive and critical HRM tends to view the employee in instrumental terms, this study supports Grant and Shield’s contention that studies on the effective management of people should be concerned with how employees, as the subjects of HRM, react to its practice. In addition to notions of the psychological contract and organisational justice, we suggest that the inclusion of a concept from the sociology of work, namely the notion of occupational identity, would go far towards providing a deeper understanding of the dynamics of the impact of HR practices on employees as thinking and acting human beings upon whom HRM is practised.

In the present study, worker identity was seen to be situationally specific, robust, and mutually reinforced by the discursive practices of miners whose identities were not as fragile as earlier writings (Townley, 1994; Knights and Willmott, 1989) would imply. Our research suggests a new sociology of appraisal that both informs, and is informed by, understanding employee narratives of identity work. This study has demonstrated that many HR practices, even those accepted as part of orthodoxy, can have considerably disruptive unintended consequences on employees when applied without a careful consideration of the historical, political and contextual situation in which employees interpret their sense of collective self. At the coalface, it is not the orthodoxy of HRM but the reality of the occupational context in which it is applied that makes the difference in how it is received. Since occupational identity is critical to miners, team based review/planning in a climate of mutual respect is suggested as one alternative. It now remains to be seen how other occupational groupings react to HR interventions in their particular situational contexts. An analysis of the discourse of job incumbents on their identity work provides an effective framework for understanding the employee as the primary subject of HRM interventions, and their reactions to them.
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