#### PERFORMANCE CONTAGION MANAGEMENT

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**Summary:** Performance contagion is an individual's emotional – behavioural reaction to the performance of a person or a group in close contact with him or her that leads to a kind of relatively unconscious, automatic conformity. For the purpose of constructing a conceptual model of employees' susceptibility of job performance, a general scale for testing the amount of individual's susceptibility to the performance contagion was developed in the present study. This scale has been used in developing the questionnaire. Then the questionnaire was distributed to the staff of Karafarini Omid Foundation and its validity, reliability, construct – related evidence and content – related evidence were studied. Considering performance management concept, we define the performance contagion management and based on it we conceptualize a new concepts in performance management. By assigning the employees based on the susceptibility to performance contagion and instrumentation of involved factors, a conceptual stepwise model is introduced for performance contagion management in an organization.

**Keywords:** Performance Contagion, Performance Contagion Management, Emotional Contagion, Synergic Contagion Center (SCC)

#### 1. Introduction

Job performance can be defined as the extent to which one exhibits behaviours that further the goals of the organization (Rotundo & Sackett, 2002). This consists of not only formal, prescribed, task related behaviour, or core task behaviours, but also informal acts of a social nature that benefits co-workers, supervisors, and/or the organization called organizational citizenship behavior (Smith, Organ, & Near, 1983). While there is no comprehensive theory of job performance, it plays a major role in almost all human resource decisions (Borman, 1991; Campbell, 1990; Landy & Farr, 1983; Motowidlo, 2003). A system approach to performance management would specify and incorporate measures of individual performance variation that reflect performance changes due to the changes in an individual, job or job context. Note that in the system approach to studying individual job performance, the person cannot be separated from the system per se (Deadrick & Gardner, 2000); therefore context is a key factor in the organizational sciences since it helps frame phenomena in ways that influence our perceptions and interpretations of them, which in turn, affect decisions and actions (Johns, 2006). Doherty (1997) cited that one of the context factors that influences individuals in a society and work environment is emotions and behaviour of other people who work with them. People whether alone or in groups influence and are influenced by their work environment. Group members do have some influence on each other. The presence of others, deemed favourable in the group, may enhance the performance of other group members. This social facilitation is due to the heightened emotional arousal (the tension and excitement) that people experience in the presence of others (Greenberg and Baron, 2000).

### 2. Performance Contagion

Theory and research on contagion has presumed that the feeling and behavior of a member may influence (or be influenced by) the performance of other members of an organization. This phenomenon has been interpreted as performance contagion and it is one of the environmental factors that influences an individual's performance and ultimately the performance of overall organization. Performance contagion is an individual's emotional – behavioral reaction to the performance of a person or a group in close contact with him or her that leads to a kind of relatively unconscious, automatic conformity (Ahmadi & Mirseppasi, 2010). Developing this scale as a scientific and practical step can be helpful in present study as well as other studies related to this phenomenon.

## 2.1. Scale of susceptibility to performance contagion

Different performance scales had been studied in order to develop the study questionnaire and the role- based performance scale (Welbourne, 1998) has been utilized to develop the research scale due to its comprehensiveness and generality of its sub scales. Using the mentioned scale, the sub scales of performance contagion were developed. Figure 1 shows these elements. In our questionnaire two questions have been raised for each sub scale of performance contagion (One question for testing negative performance contagion and another one for positive performance contagion). It should be mentioned that in order to develop the study questionnaire, we consult and interviewed with the experts of human resource field as well as industry managers.

Contagion of teeling sympathy for organization of helping colleagues

Contagion of making effort for tearn success

Elements of Performance Contagion

Contagion of effort to learn new things about one's work contagion

Contagion of effort to contagion of customer service

Contagion of effort to job promotion

Contagion of customer service

Contagion of effort to job promotion

Contagion of effort to job promotion

Contagion of seizing work apportunities

Contagion of seizing work apportunities

Figure 1: performance contagion sub scales according to Welbourne role-based performance scale

## 3. Methodology

The target population of the study was staff of Karafarini Omid foundation. The foundation has been established by Iran government to support the SME's and entrepreneurs. The method of sampling was random- stratified. Therefore, respondents were chosen randomly. <u>Cuchran(1977)</u> formula was used to calculate the sample. By putting 1100 as population, the sample equals 285.

The questionnaires distributed in units. Data were collected by a self-report questionnaire. Total number of 295 questionnaires was distributed, but 286 usable questionnaires were returned and analyzed.188 respondents were men and 98 ones were women.

### 3.1. Validity and reliability test

In order to develop the study questionnaire, we consulted and conducted interviews with human resource experts as well as the industry managers. After preparing primary version of the questionnaire, the test of content validity was given to 15 experts. The experts are human resource managers that have works and executive experiences in performance management field and are familiar with behavioural contagion. The model fit was estimated by executing confirmatory and exploratory factor analyses. Reliability was established by means of Cronbach's alpha and the value was .76 that shows that reliability of the scale is acceptable.

## 3.2. Results of confirmatory factor analyses and determining the model fit

The model fit was determined by executing confirmatory factor analyses. Mentioned analyses were done by LISREL. Table 2 shows the results.

The fit statistics result  $X^2$ 154.15 Degree of freedom(df) 395 Root mean square error of approximation (RMSEA) zero Root mean square residual(RMR) .17 Normed fit index(NFI) .95 Not normed fit index(NNFI) 1.09 Comparative fit index(CFI) 1.00 Goodness of fit index(GFI) .56 Incremental index of fit(IFI) 1.08 Adjusted Goodness of Fit Index(AGFI) 0.48

Table 2: The indicators of the model fit

The first indicator of the model fit is  $X^2$ .  $X^2$  tests the assumption that mentioned model is in harmony with the Covariation among studied variables. Smaller values show more fitness of the model. The ration of  $X^2$ to degree of freedom is .39 and is in accordance with criteria suggested by Bayer (1989) and Bentler (1993)that appropriate value is smaller than 2. Therefore, we came to the conclusion that the test confirms the model fitness. Root mean square error of approximation (RMSEA) is zero and its upper bound is smaller than .05 and if we compared it .008 suggested Browne and Cudeck (1989, 1993). as the largest accepted value, we will conclude that the model fit is acceptable. Another indicator is the Root mean square residual (RMR) that in this model equals .17 that is small and indicates small amount of error and acceptability of the model fit.

As finding a model with good fitness does not show that this model is the only satisfactory model and there are various indicators of the model fit, it should be tested simultaneously by multi indicators. According to the above table, Normed fit index(NFI), not Normed fit index(NNFI), Comparative fit index(CFI) and Incremental index of fit(IFI) equal at least .87 and greater and it shows the model fitness.

### 4. Performance contagion management:

Performance contagion management is a strategic dynamic process of directing performance contagion in order to create, preserve and improve the synergic work environment that in return results in the development of workers, organization and society. In the suggested model presented in this paper and shown in the figure .2, it has been tried to analyse performance contagion process step by step by using presented process and content factors as well as introducing executive tools for each step.

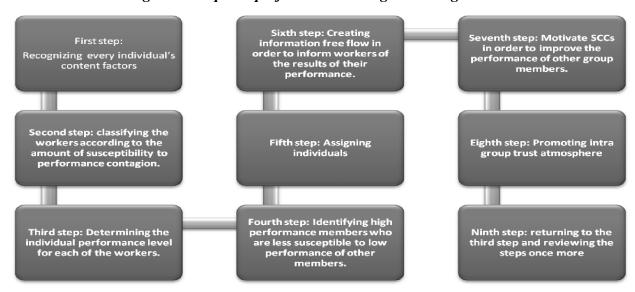


Figure 2: Stepwise performance contagion management

We name some members as synergic contagion centers (SCC). They are the organizational manager's essential instruments for directing the human nature dimension toward organizational goals. By assigning these individuals (SCC) in work groups consisting of susceptible members, the performance of other members as well as the performance of the group will improve significantly. Promoting this atmosphere is effective in performance contagion due to the importance and necessity of trust in the performance contagion phenomenon. In order to make performance contagion management process dynamic, during ninth step and after a certain period of time, while we control other effective factors in the performance, we should assess individuals' performance again then judge about the effectiveness of assignment(human resource layout) and finally repeat previous steps after making necessary changes.

#### 5. Conclusion

This paper has introduced new concepts in the performance management context that have close relationship with organizational behavior field. And in order to accomplish this objective, a general scale for determining the amount of susceptibility to performance contagion was developed. The mentioned scale was utilized in developing the study questionnaires. We distributed the questionnaires among staff of Karafarini Omid Foundation and ran reliability as well as content and construct validity tests. The results of these tests ensure that the model fits is acceptable. By this scale, we can classify individuals according to amount of susceptibility and examine the relationship between the amount of susceptibility and variables such as gender, personality, job experience, level of education, job category, job security perception, and other personal or environmental variables. By incorporating the

new concepts as well as scale and presenting stepwise model to contagion management, we have provided a means to lead context factors toward the organizational goals and performance improvement in both individual and organizational level.

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