

task of raising awareness of the potential derailing impact of overreliance on strengths.

Finally, it should be noted that the notion that overused strengths can indeed have a negative impact on performance is beginning to receive empirical support. Recently, Grant and Schwartz (2011), Carter et al. (2014), and others have found solid evidence that very high levels of, respectively, extraversion and conscientiousness do indeed negatively impact on performance. That is, the relationship between these personality factors and performance is curvilinear. Hopefully we will see an increased number of rigorous tests of the hypothesis that “what you’re best at could be your biggest problem” across populations and attributes. More important, hopefully this book will stimulate the research that helps identify the moderators that determine when, and where in the scale, the relationship between critical leader attributes and performance turn from positive to negative.

#### REFERENCES

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Herman Aguinis. **Performance Management**. 3rd Edition, Boston, MA: Pearson, 2013, 322 pages, \$146.60 hardcover.

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This book represents the third edition of *Performance Management* authored by Aguinis—the first edition was published in 2005 and the second edition in 2008. A professor of organizational behavior and human resources at Indiana University, the author is well known for his research and publications on performance management and related topics. *Performance Management* is appropriate for use as a textbook for upper-level undergraduate students in performance appraisal, compensation, and training and development courses. As an introductory text, the book presents a survey of the state-of-the-art in performance management, which it positions as key competitive advantage in today’s business world. That is, by focusing more on their employees and concentrating less on areas like technology and production, organizations are likely to become more successful.

According to the author, performance management can be a key tool for improving the effectiveness of organizations and their employees, *when properly implemented*. Unfortunately, many organizations are not using their performance management systems productively. We have all heard stories about (or maybe experienced) poorly designed and implemented systems that are considered to be an administrative burden on both employees and supervisors. The purpose of *Performance Management* is to present a detailed plan for developing and implementing a successful performance management system. This plan is based on the latest research findings and on state-of-the-art applications. This text treats performance management as an ongoing and cyclical process that involves performance observation, evaluation, and development. It also focuses on best practices, such as the required steps for creating a successful performance management system. In the coverage of best practices, potential political and organizational pitfalls are discussed that may result in an organization skipping some of the required steps in the implementation of its system. The text includes several examples from real-world organizations that demonstrate how performance management systems can be successfully implemented in spite of situational constraints such as the misalignment of employee and organizational goals.

The text is divided into four parts—each part contains two or three chapters that cover a specific area in performance management. Part I addresses strategic considerations in performance management such as the advantages of implementing a successful performance management system as well as the negative outcomes associated with a poorly implemented system. Part II covers the details of system implementation such as measurement considerations, creating the appraisal forms, and communicating the launch of the system to employees. Part III addresses employee development issues, including creating development plans and implementing 360-degree feedback systems. Part IV concerns the relationships between performance management and rewards, teams, and legal considerations.

Each of the chapters begins with a list of learning objectives and ends with summary points and relevant case studies for that chapter. Students should find these materials valuable when reviewing the chapters for exams. On the author's website, a number of additional resources are available for instructors. These materials include PowerPoint presentations, exam questions and answers, and role plays for use in class.

The third edition of *Performance Management* includes 43 new case studies, and an additional 40 case studies are available in the instructor's manual. These case studies are real-world examples of successful and not so successful implementations of performance management systems. The

case studies are one of the strengths of this text and will serve as valuable learning tools for students.

The latest edition of the text has been extensively updated. In this edition, the role of the context in which performance management occurs receives special emphasis. For example, new initiatives such as 360-degree feedback may work in some organizational contexts but not in others. Another area of emphasis is the multidisciplinary nature of performance management research, which includes diverse fields such as I-O psychology, human resource management, organizational behavior, and strategic management. Whereas the previous editions of the text included descriptions of the technical aspects of implementing performance management systems, this edition emphasizes the importance of interpersonal dynamics in the process. In addition to the measurement concerns in performance management, the role of issues such as trust, politics, leadership, negotiation, and communication are considered for the successful implementation of performance management systems.

This third edition of *Performance Management* presents enhanced discussions of relevant topics such as the importance of performance management to all students regardless of their major and the interaction between science and practice in performance management. The text focuses on research-based findings and presents statistics relevant to increasing an organization's human capital. Rather than including a separate chapter on international issues, *Performance Management* integrates global issues throughout the text, including topics such as the implementation of a performance management system in Ghana, the integration of performance management and business strategy in organizations in Australia, and a methodology for moving away from seniority-based performance management systems in collective cultures such as Korea and China.

In the chapter on employee development, the author devotes considerable space to 360-degree feedback systems, where he provides an excellent overview of this important technique for performance management. He takes the position that 360-degree feedback is most helpful when it is used for only developmental purposes—and not for administrative purposes such as promotion and compensation. Given research indicating that raters tend to change their ratings according to the purpose of the assessment, the author's position seems to be appropriate. This is particularly true for organizations that are implementing 360-degree feedback for the first time. After an organization has successfully implemented a 360-degree system for 2 or more years and employees have developed trust in the process, it may be possible to begin using it for administrative purposes.

As part of the coverage of 360-degree feedback, the author presents a table summarizing eight vendors that offer 360-degree feedback systems,

including well-known providers such as PDI, DDI, and CCL. (Full disclosure: This reviewer is a CCL employee.) He then provides a detailed description of a 360-degree system called Checkpoint, which appears to be an example of a well-developed system. The emphasis is on using these systems for employee development; that is, participants receive developmental feedback from the assessment and then create plans to address areas in need of development (i.e., weaknesses).

There is also a section on legal issues in performance management—a topic that is difficult to summarize in a few pages. The author, however, does a good job in presenting the highlights of important concepts such as adverse impact and in discussing important laws that affect performance management. A table presenting the characteristics of legally sound performance management systems will be particularly useful for introducing these concepts to students. In addition, four case studies are included on topics such as illegal discrimination that will be helpful for students trying to understand these complex legal issues.

As with most textbooks, there is a fair amount of repetition throughout *Performance Management*. For example, there are a number of times when information presented in the text is repeated verbatim in accompanying tables and lists. Although this may be annoying to readers who are familiar with the concepts of performance management, this repetition may be helpful to students who are experiencing this information for the first time.

In summary, this text provides an excellent introduction to performance management for upper-level undergraduate students in a number of areas such as I-O psychology, human resource management, and organizational behavior. It is recommended without reservation as textbook for undergraduate courses in these disciplines.

Gyan Nagpal. **Talent Economics: The Fine Line Between Winning and Losing the Global War for Talent.** London: Kogan Page, 2013, 207 pages, \$39.95 paperback.

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*A Cup Full of Insight*

*Talent Economics*, by Nagpal, is a broadly integrative work that packs a lot of conceptual punch into its 207 pages. The central premise of the book rests at the intersection of talent management, labor economics, and corporate strategy, but in making his central points, Nagpal frequently incorporates useful perspectives from adjacent disciplines such as history.