**Chapter 16: Evaluating and Rewarding Teams**

**Multiple Choice**

1. A high quality team performance evaluation system:

a. focuses on traits (such as cooperativeness) rather than on behaviors.

b. should be all-inclusive with more than 20 separate measures.

\*c. needs to have a strong link to team and organization’s goals.

d. should focus on measuring the internal operation of the team.

Learning Objective: 16-2

Cognitive Domain: Knowledge

Answer location: Types of Measures

Question Type: MC

2. Which of the following statements about team-oriented performance evaluation systems is FALSE?

a. They provide feedback to the team to improve its performance.

b. They help assign rewards and motivate team members.

c. They help identify training needs of the team.

\*d. They create less conflict than individual-based evaluation systems.

Learning Objective: 16-1

Cognitive Domain: Comprehension

Answer Location: Types of Measures

Question Type: MC

3. Who is in the best position to evaluate a team member’s performance?

a. The customers the team serves

\*b. Fellow team members

c. The team’s supervisor

d. The team member himself/herself

Learning Objective: 16-3

Cognitive Domain: Knowledge

Answer Location: Participation in the Evaluation Process

Question Type: MC

4. 360-degree feedback includes input from:

\*a. team members, customers, and supervisors.

b. team members and customers.

c. team members only.

d. supervisors only.

Learning Objective: 16-3

Cognitive Domain: Knowledge

Answer Location: Participation in the Evaluation Process

Question Type: MC

5. Multi-rater feedback is \_\_\_\_\_\_ than supervisor-only evaluations.

\*a. more reliable

b. less valid

c. more cost-effective

d. less fair

Learning Objective: 16-3

Cognitive Domain: Knowledge

Answer location: Participation in the Evaluation Process

Question Type: MC

6. When evaluations from team members are used only for feedback and development purposes, they tend to be:

a. inflated.

b. inaccurate.

c. more biased.

\*d. honest.

Learning Objective: 16-3

Cognitive Domain: Knowledge

Answer Location: Participation in the Evaluation Process

Question Type: MC

7. Which of the following is NOT a problem or bias with team evaluations?

a. Inflation bias

b. Halo effect

\*c. Lack of time

d. Reciprocity bias

Learning Objective: 16-4

Cognitive Domain: Knowledge

Answer Location: Participation in the Evaluation Process

Question Type: MC

8. When a team is successful, the members view it as caused by the team; but when the team is unsuccessful, members blame specific individuals for this failure. This is known as:

\*a. team halo effect.

b. reciprocity bias.

c. team hijacker effect.

d. inflation bias.

Learning Objective: 16-4

Cognitive Domain: Knowledge

Answer Location: Problems and Biases with Team Evaluations

Question Type: MC

9. Bias inflation on team evaluations comes from all of the following EXCEPT:

a. fear.

b. empathy.

\*c. feelings of pride.

d. feelings of obligation.

Learning Objective: 16-4

Cognitive Domain: Analysis

Answer Location: Problems and Biases with Team Evaluations

Question Type: MC

10. When comparing individual versus team rewards, it is important to note that:

a. most U.S. employees prefer team rather than individual rewards.

b. team rewards are best at motivating the high performers.

\*c. a mixture of team and individual rewards encourages better performance than either type alone.

d. team rewards are best at discouraging social loafing.

Learning Objective: 16-6

Cognitive Domain: Knowledge

Answer location: Types of Approach

Question Type: MC

11. Skill-based pay programs reward team members for:

a. the set of skills they used during a particular week.

\*b. the number of skills the individual team member possesses.

c. the set of skills the team as a whole used during a particular week.

d. the number of skills the team as a whole possesses.

Learning Objective: 16-7

Cognitive Domain: Knowledge

Answer Location: Skill-Based Pay

Question Type: MC

12. The best type of reward program for the members of a work team depends on:

a. the personalities of the individual team members.

b. the size of the team.

\*c. the type of tasks the team performs.

d. how long the team has been in operation.

Learning Objective: 16-7

Cognitive Domain: Knowledge

Answer Location: Types of Approach

Question Type: MC

13. In a student team work experiment, hybrid rewards were more effective than individual or team rewards because:

a. team members were from a collectivistic culture.

b. students had little experience being evaluated.

c. the task was highly interdependent.

\*d. students did not have to make trade-offs between individual and team actions.

Learning Objective: 16-8

Cognitive Domain: Analysis

Answer Location: Hybrid Approaches

Question Type: MC

14. In team-oriented organizations, base pay should be based on:

a. the types of tasks performed by employees.

\*b. skills and knowledge of employees.

c. type of work performed on a given day.

d. individuals’ personalities.

e. Willingness of employees to cross-train.

Learning Objective: 16-7

Cognitive Domain: Knowledge

Answer Location: Skill-based Pay

Question Type: MC

15. The primary advantage of skill-based pay is:

\*a. organizational flexibility.

b. employee acceptance.

c. lower cost.

d. higher productivity.

Learning Objective: 16-7

Cognitive Domain: Comprehension

Answer Location: Skill-based Pay

Question Type: MC

16. To make a noticeable difference in individual pay, team rewards should be about \_\_\_\_ % of the employee’s salary.

\*a. 10

b. 25

c. 50

d. 75

Learning Objective: 16-7

Cognitive Domain: Knowledge

Answer Location: Skill-based Pay

Question Type: MC

17. Which of the following type of teams is most difficult to reward?

a. Parallel

b. Process

\*c. Project

d. Hybrid

Learning Objective: 16-8

Cognitive Domain: Knowledge

Answer Location: Linking Rewards to Types of Teams

Question Type: MC

18. Why are project teams the most difficult type to reward?

\*a. Team membership may change during the project.

b. Members serve multiple supervisors.

c. They work too briefly together.

d. Their tasks are not interdependent enough.

Learning Objective: 16-8

Cognitive Domain: Knowledge

Answer Location: Linking Rewards to Types of Teams

Question Type: MC

19. \_\_\_\_\_\_\_ is/are a valuable and popular way of rewarding parallel teams, where participation is not a full-time, permanent activity.

a. Bonuses

\*b. Team recognition rewards

c. Skill-based pay

d. Salary-based compensation

Learning Objective: 16-8

Cognitive Domain: Knowledge

Answer Location: Linking Rewards to Types of Teams

Question Type: MC

20. Organizational rewards such as profit-sharing:

a. encourage competition between teams.

b. reduce overall organizational performance.

\*c. enhance connection to the organization’s overall goals and values.

d. should not be used for teams.

Learning Objective: 16-8

Cognitive Domain: Knowledge

Answer Location: Linking Rewards to Types of Teams

Question Type: MC

**True/False**

1. Team evaluation systems do not suffer from the biases that occur in traditional supervisor evaluations.

a. True

\*b. False

Learning Objective: 16-4

Cognitive Domain: Knowledge

Answer Location: Problems and Biases with Team Evaluations

Question Type: TF

2. Multi-rater evaluations should not be used in educational settings.

a. True

\*b. False

Learning Objective: 16-3

Cognitive Domain: Comprehension

Answer Location: Participation in the Evaluation Process

Question Type: TF

3. A fixed distribution of evaluation for team-based organizations will enhance teamwork.

a. True

\*b. False

Learning Objective: 16-4

Cognitive Domain: Knowledge

Answer Location: Problems and Biases with Team Evaluations

Question Type: TF

4. Employment law prohibits multi-rater evaluations to be used to determine pay.

a. True

\*b. False

Learning Objective: 16-4

Cognitive Domain: Comprehension

Answer Location: Participation in the Evaluation Process

Question Type: TF

5. Personality-based evaluations are better than behavioral ones.

a. True

\*b. False

Learning Objective: 16-2

Cognitive Domain: Knowledge

Answer Location: Types of Measures

Question Type: TF

6. Most U.S. employees prefer individual-based rewards.

\*a. True

b. False

Learning Objective: 16-7

Cognitive Domain: Knowledge

Answer Location: Types of Approach

Question Type: TF

7. Culture may affect how team members respond to different types of rewards.

\*a. True

b. False

Learning Objective: 16-7

Cognitive Domain: Knowledge

Answer Location: Hybrid Approaches

Question Type: TF

8. Of the three types of work teams (parallel, process, and project), the most difficult to reward is the process team.

a. True

\*b. False

Learning Objective: 16-8

Cognitive Domain: Knowledge

Answer Location: Linking Rewards to Types of Team

Question Type: TF

9. Rewards based upon milestones may be more appropriate for process teams because of changing team membership.

a. True

\*b. False

Learning Objective: 16-8

Cognitive Domain: Knowledge

Answer Location: Linking Rewards to Types of Team

Question Type: TF

**Short Answer/Essay**

1. What are problems and biases with team evaluations and how do they influence the evaluation process?

\*a. Problems include personal relationship and favoritism, lack of training in conducting evaluations, and reluctance of managers to give up power. Biases include inflation bias, reciprocity bias, and the halo effect. They may result in higher than earned or deserved evaluations (inflation and reciprocity bias). With the team halo effect, the tendency to attribute team success to the team and team failure to individual members (scapegoating) may result in unduly high or low ratings. Altogether, biases may result in inaccurate ratings as well as perceptions of unfairness.

Learning Objective: 16-4

Cognitive Domain: Comprehension

Answer Location: Problems and Biases with Team Evaluations

Question Type: ESS

2. Why do organizations need to have a reward system that supports teamwork?

\*a. Because an organization’s reward system is an important way of encouraging a team to improve the way it operates. Team rewards have the potential to influence the motivation of individual team members, the level of coordination in the team, the quality of the group process, and team effectiveness.

Learning Objective: 16-5

Cognitive Domain: Comprehension

Answer Location: Reward Systems

Question Type: ESS

3. What are the problems that may be created by team rewards?

\*a. Social loafing may be encouraged, the performance of good workers may be discouraged, and problems with inequity may occur.

Learning Objective: 16-6

Cognitive Domain: Knowledge

Answer Location: Types of Approach

Question Type: ESS

4. What are the advantages and disadvantages of individual versus team rewards?

\*a. Individual rewards motivate individual performance, especially high performers. However, they may reduce cooperation and commitment to the team. Team rewards encourage cooperation but not individual motivation. They may lead to social loafing if a hybrid reward system is not used. In the U.S., employees tend to prefer individual-based rewards, so may lead to lower employee acceptance if team rewards are used. Also, there are several types of teams that exist and choosing the appropriate type of team reward is quite challenging.

Learning Objective: 16-6

Cognitive Domain: Analysis

Answer Location: Types of Approach

Question Type: ESS

5. Describe and explain the best type of reward system for teams that are project-based.

\*a. One approach is to give the team a bonus or recognition award when its task has been completed. However, since team membership may change during the project, it is better to give team rewards or bonuses during project milestones. Team bonuses can be given equally or relative to the level of participation.

Learning Objective: 16-8

Cognitive Domain: Application

Answer Location: Linking Rewards to Types of Team

Question Type: ESS