

## **Sense-making and (e)valuation in Local Practices of Performance-related Pay in Sweden**

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The Swedish wage-setting system has transformed over the last four decades. Tariff-based yearly pay raises and collective agreed general wage increases have been replaced by individual and differentiated wage setting, and yearly compensations are based on performance-related pay raise. Performance appraisal is thus a means to systematically (e)valuate both what the employee has achieved and how the tasks were carried out. This has been said to indicate a neo-liberalization of wage determination in Sweden, however, there are few studies of what is actually going on at the local level, where this performance-related pay determining system is put to practice. This study explores, describe and explain how qualitative performance criteria are used in evaluations, how they are interpreted, and how managers and employees approach makes sense of and practice performance appraisal and individualised pay determination. We analyse the overall yearly process from setting goals for individual employees, over the performance appraisal, to the ranking and pricing of the subordinates at the unit or team level. We focus in particular on the instruments used and the information collected by managers to perform the (e)valuation and ranking, and how managers and employees make sense of the policies and criteria in relation to concrete occupational tasks. Empirically the study is based on organisational documents such as policies, guidelines and performance appraisal criteria, and 47 interviews with 53 persons (employees, line managers, trade union reps and HR-staff) from four large organisations in both the public and the sectors

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