A review of research on leadership performance feedback in the era of digital economy

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Abstract. Performance feedback is a tool and method of communication between leaders and subordinates, and has always been a hot topic in organizational behavior research. In the context of digital economy era, the endogenous force is the key to solve the current dilemma of digital transformation. The paper integrates the digital transformation strategy of enterprises into the analysis framework of "performance feedback-organizational response", summarizes the focus of past research and proposes a research direction for performance feedback in the follow-up digital economy, which has theoretical inspiration and work practice significance.

Keywords: Digital economy; digital transformation; leadership performance feedback; expected performance feedback.

1. Review of performance feedback studies

Feedback research, originated in the 1970s, mainly focuses on the process and factors influencing feedback on recipients. Research found that the process of feedback on individual behavior mainly goes through four steps and procedures, including perception, acceptance, willingness to behave and expected response. Feedback perception is the ability of the person receiving the feedback to interpret the content of the feedback. The results of different people's interpretation of feedback will vary depending on the recipient's personal values, mindset, and sense of responsibility. This will affect employees' willingness to accept feedback and their behavioral tendencies, and employees will make different behavioral changes under the constraints of the situation and environmental factors at that time.

2. Factors affecting performance feedback

The influence of feedback on the behavior of the receiver is affected by the receiver's perception, acceptance, behavioral willingness and expected response, and environmental constraints, which determine whether the receiver's behavior changes. Further research found that the feedback information would have different consequences on subordinates according to different feedback sources, feedback valence and methods. Scholars divided the performance feedback information into several categories, and found that different performance feedback information had different effects on the work motivation and willingness of subordinates of different personality traits under different situations, which further affected the work performance and behavior of the performance feedback subordinates. In general, when you receive positive performance feedback, your instinct is happy or surprised, and when you receive negative performance feedback, you feel frustrated and depressed, which increases or suppresses employee performance and behavior. In addition, performance feedback will affect the psychology and emotion of subordinates, but the degree of the impact will vary according to the psychological quality and personality characteristics of the recipient and the current situation. For example, subordinates with different goal orientation and mentality will have different perceptions and interpretation of leadership performance feedback. Other scholars have found that the feedback environment is composed of daily interactions between organizational leaders and members, including feedback credibility, feedback quality, feedback communication, feedback preferences, feedback availability and promoting feedback seeking, etc., which affects the

relationship between performance feedback and variables such as subordinates, performance and behavior.

Alvero et al. (2001) divided the performance feedback information into several categories, including different feedback sources, feedback media, feedback frequency, feedback object, feedback openness and feedback content. The study found that the continuous effect of supervisor performance feedback was related to effective communication (86%) as the most influential source of feedback. Secondly, the research divides performance feedback into positive and negative performance feedback according to different valence. Positive performance feedback emphasizes positive and active treatment, while negative performance feedback emphasizes negative feedback and passive feedback information to the feedback object. Positive/ negative performance feedback will affect the emotion of the receiver, and the relationship between the intermediary performance feedback and subsequent target setting, the receiver adjusts the target downward after negative feedback and improves the target after positive feedback, thus generating positive target performance differences. Moreover, different feedback methods, such as command or euphemistic tone, will have different effects on subordinates. For example, the higher the leader delivers quality negative performance feedback to subordinates in a considerate way, the more effective it can improve work performance. Thirdly, the frequency and repeatability of feedback transmission have different effects on subordinates. The study found that different feedback frequency and frequency will have different emotional effects on perfectionists in different dimensions, and found that repetitive performance feedback in different directions will also have different emotional effects on subordinates.

3. The impact of leadership performance feedback on their subordinates

Performance feedback on an employee's mood, psychological and emotional have different degree of influence, and improve or reduce the self-confidence and self-efficacy, which affect the strength of employees organization self-esteem and target commitment. They are able to increase or reduce staff's work intention and determination to complete the task, ultimately affect employee's work performance, satisfaction and learning ability, and even behavior. Studies found that subordinates not only passively receive feedback on performance, but also actively respond to performance feedback, such as feedback seeking and avoidance.

3.1. Work performance

The study considers that the effect of performance feedback on subordinates' work performance was different. In general speaking, positive performance feedback is easier to motivate sales behavior and improve their job satisfaction. Managers should make good use of opportunities to communicate with employees with positive performance feedback and try not to use negative performance feedback. In addition, positive performance feedback may lead to performance decline, especially for employees who have been consistently successful in the past, which in turn leads to complacency and unwillingness to perform. Other studies have shown that negative performance feedback can also improve sales staff performance or maintain staff self-assessment. Studies have also found that negative performance feedback sometimes has side effects on employees, and even reduces the self-efficacy of the receiver. It cannot get the expected effect, but the performance will become worse, leading to supervisors generally try to avoid providing negative performance feedback.

3.2. Job satisfaction and civic behavior

Performance feedback has an impact on job satisfaction, turnover, career planning, and civic behavior. Employee satisfaction with feedback evaluation was positively correlated with job satisfaction and organizational commitment, and negatively correlated with turnover tendency. In addition, performance feedback has a direct or indirect impact on non-role behavior, including citizens' behavior intention and anti (unwilling) - work behavior intention, etc.

3.3. Feedback on management behavior

In addition to passively receiving performance feedback, performance feedback will also lead to the active response of subordinates to leaders, which is represented by the individual seeking feedback process model, which believes that individuals can actively adapt to the organization and self-development by seeking valuable information. Other feedback management behaviors include feedback avoidance, and employees may take different ways to avoid supervisor feedback. In addition, when employees perform poorly, they may do impression management of the supervisor, and take feedback and moderation behavior, hoping to maintain a good image in front of the supervisor. The research of leaders 'performance feedback has changed from passively receiving and responding to subordinates in the past to actively investigating and monitoring of feedback information, or taking feedback avoidance and feedback mitigation behavior to match leaders' feedback opinions for the purpose of self-protection and impression management. The behavior of the subordinates through these feedback management in turn affects the subsequent feedback of the leader.

4. The impact of performance feedback on leadership and organization

Performance feedback will not only have different effects on the performance and behavior of subordinates, but also affect the leaders themselves in the opposite direction, change the member relationship between subordinates and leaders, and even have a certain impact on the harmony, cohesion and combat effectiveness of the organization.

4.1. Influence on leadership

When the negative performance feedback fails after the team organization task, the employee will attribute the result of poor performance to the leadership of the supervisor, resulting in the reduction of the subordinates' evaluation and perception of the leader. The study found that negative feedback can become a leadership insult to subordinates, leading to performance feedback. In general, negative feedback is one of the most interaction of workplace stress, may cause subordinate hostility and revenge, very test managers attention and experience, the study considers that most employees after the feedback of aggressive behavior is essentially oral, passive or indirect, so leadership to subordinate potential radical reaction, prepared.

4.2. Impact on the organization

Feedback has different consequences on organizations of different characteristics. The impact of feedback results varies between consistent and heterogeneous organizations, and positive performance feedback encourages members to use their information flexibly and contribute different insights to the team. In addition, the impact of performance feedback is related to the atmosphere of team authorization, which affects the relationship between leader members and the exchange and performance relationship of leader members.

5. The impact of expected performance feedback on the digital transformation of enterprises

Performance feedback is an important theoretical perspective to analyze the enterprise strategic response behavior. Generally speaking, the management sets the operating expectation of the enterprise at a satisfactory level. When the actual performance of the enterprise is higher than the expected level, the expected surplus is generated; otherwise, it is the expected gap. According to the performance feedback theory, the judgment of success and failure is mainly based on the comparison of actual performance and expected performance, and accordingly determines which strategic change behavior to take. Existing literature has conducted a rich discussion on corporate strategic response behavior under performance feedback. One side, when the enterprise is in a state of expectation gap, management believes that the company is currently in a state of "loss" and tends to search for

problems, Companies will increase their innovative search efforts (Chen and Miller, 2007), Advertising and marketing (Vissa et al., 2010), internationalization (Mohr et al., 2017; Mohr et al., 2014; Thomas & Julian, 2013; Martina, 2010) and other ways to reverse the poor performance state. On the other hand, the expected surplus state of enterprises is conducive to accumulating redundant resources, and under the influence of the "gambling money" effect. Companies are also likely to take out more risky and experimental activities (Joel et al., 2010; Emily et al., 2010; Baum and Dalhin, 2007). In the era of digital economy, the performance feedback of enterprises in different states is likely to affect their own digital transformation decisions to a certain extent. In the existing literature research on the analysis framework of "performance feedback-organizational response", the possible effects of performance feedback in different states on the digital transformation decision of enterprises are refined.

5.1. Impact of positive performance feedback on the digital transformation of enterprises

When the actual performance of the enterprise exceeds the expected level, that is, the performance feedback is in a state of expected surplus, which means that the enterprise has achieved success in the past business development. Successful enterprises are often more likely to form redundant resources to support the strategic transformation and reform of enterprises, and their accumulated substantial income will also stimulate the gambling capital effect in the strategic response of enterprises. Especially in the era of digital economy, when the external market competition environment is intensifying, it is expected that surplus enterprises must continue to carry out strategic innovation and promote self-transformation and upgrading in order to maintain their existing market position and competitiveness. Digital transformation is likely to become a new strategic choice for the surplus enterprises to improve their business performance and maintain a sustainable competitive advantage in the era of digital economy.

On the one hand, the knowledge and experience required for digital transformation often exceeds the inherent knowledge boundary of most enterprises. If enterprises want to achieve successful transformation, they need to invest a lot of resources to break through the cognitive boundary of updating their existing knowledge and experience. From the perspective of resource effect, it is expected that surplus enterprises are more likely to form redundant organizational resources to support the sustainable development of enterprises, and more redundant resources can support enterprises to carry out more exploratory experiments and activities. Therefore, the redundant resources owned by enterprises are an important guarantee for promoting enterprises to actively implement the digital strategic reform. Digital transformation, on the other hand, is not for a product project or a production line of local updates, its essence is the enterprise value creation process all can upgrade, the complexity and the results of the transformation process of uncertainty often lead to some enterprises "not dare to transform" "reluctant to transform", so the enterprise strategic change will is the key to support the implementation of the strategy of digital transformation. And under the influence of gambling effect, expect surplus enterprise strategic change will more obvious, may for digital transformation innovation exploration behavior show greater inclusive (Parker et al., 2017), therefore, expect surplus enterprise show strong strategic change will is also an important driver of the response of digital strategic behavior. In addition, expect surplus enterprises often face certain performance keep pressure and catch up with pressure, enterprises to maintain the current positive performance feedback state, the risk taking will also strengthened, also more likely to mobilize their own redundant resources, conducive to the long-term development of risky change behavior.

5.2. Impact of negative performance feedback on the digital transformation of enterprises

Problem-driven search is an important theoretical perspective to understand and analyze the organizational change behavior under negative performance feedback. When the actual business performance of the enterprise does not reach the expected level, that is, the performance feedback is in a state of expected gap, the management realizes that there may be some problems in the operation and management in the early stage of the enterprise. If the appropriate strategic reform or resource

adjustment is not adopted, it is likely to fall into a continuous business dilemma. Therefore, when the enterprise is in the expectation gap, the search mechanism driven by the problem is activated, and the enterprise begins to conduct a comprehensive inspection of its own value creation process. Once the problem is locked in, companies will respond with a wide range of strategic change to reverse poor performance. And digital transformation as the digital economy era of enterprise important strategic change behavior, through the enterprise research and development, production, logistics, sales and other value creation core link of digital transformation, is beneficial to expect between enterprise more accurate effectively identify the problems existing in the business activities, and to late repair performance, even realize the corner overtaking on the performance. Enterprise digital strategy through information effect, break the original information island, realize the external market in information, data flow and enterprise internal production data information depth interaction docking, and can help expected drop enterprises better perception of external competition environment, consumer demand of dynamic change (Aarni, 2017), for the enterprise late in cost control, resource allocation of "suit the remedy to the case" to provide important support. In view of this, when enterprises in the era of digital economy are in a state of low expectations, it is likely to stimulate problem-driven search, improve the poor performance through the implementation of digital strategy, and empower the production and operation of enterprises.

6. Research Prospects

Performance feedback, as an important tool and an important method to promote individual performance and team cohesion, reviewed the past research literature and found that previous studies have studied the consequences and action paths of performance feedback on individuals to a certain extent. The study found that the communication methods and valence of different performance feedback would have different consequences on subordinates, and further expanded the research from the impact on individuals to the impact on organizations and groups, and improved the relevant research of performance feedback to a certain extent.

In the era of digital economy, whether the performance feedback analysis mechanism is still applicable to the digital strategy of enterprises, and whether the enterprise will still show the characteristics of differentiated change under the performance feedback of different states, all these need to be further explored. Specifically, based on the perspective of problem-driven search, can the "poverty is change" scenario of the expected gap of enterprises be reflected in the digital strategy? Under the redundancy driven search, do the expected surplus enterprises more actively embrace the digital reform due to more redundant resources and stronger risk-taking willingness, reflecting the change characteristics of "thinking for danger in times of peace"? It remains to be continued.

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