

**An Investigation into Employee Perceptions and
Experience of
Performance Appraisal in the Public Sector**

by

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DECLARATION

I, the undersigned, hereby declare that the work contained in this thesis is my own original work and that I have not previously in its entirety or in part submitted it at any university for a degree.

ABSTRACT

While the current trend among a number of organisations is to integrate performance appraisal with performance management systems or even 'replace' it with performance management systems, it is still an extremely highly utilised process. The probable reason for this, is that the major use of performance appraisal is as a management tool whereby the quality of personnel decisions can be enhanced when an effective system is in place. Ideally the use of a formal process, focused on objective, job orientated criteria, will empower management to make meaningful decisions which will not only be to the benefit of individual workers but will contribute to the overall effectiveness and efficiency of the organisation.

Apart from the fact that it is used as a management tool, other major objectives of performance appraisal are to determine the administrative and developmental needs of individuals in the interests of their own progress and development as well as that of the organisation. There are therefore, two fundamental parties involved in appraisal, being the appraisee and the appraiser and it is inevitable that the approach to, or the perception of the subject should be different in some, or many ways. Aspects such as utility, fairness, ethics, motivation, accuracy, validity, rating errors, effectiveness and feedback, should therefore be examined in more detail in order to determine where specific problem areas may lie. Serious perceptual differences concerning the process will surely create obstacles and eventually lead to an inefficient system.

The aim of this study was to determine the extent to which differing perceptions play a role in the acceptance or rejection of the appraisal system in general terms and specifically in terms of the aspects mentioned above, from the point of view of subordinates and supervisors.

The diagnostic instrument used in this study was adapted from those of Mount (1983) (named the Leadership Analysis Questionnaire) and le Roux (1989) to include aspects which are more in line with features of the performance appraisal system unique to the participating organisation. Two different forms of questionnaires were used in this study. One was designed for completion by subordinates and the other by supervisors. These two groups were further subdivided into two groups referred to as achievers and non-achievers. The overall response to the questionnaires was very satisfactory in that 431 of the 600 questionnaires were returned (almost 72%) of which 44 were not usable. Of the 186 supervisors' responses which could be used for statistical analysis, 80 were categorised as achievers and of the 201 subordinates' responses which could be used for statistical analysis, 38 were categorised as achievers.

The research revealed statistically significant differences in perception between different computations of all groups in respect of fairness, ethics, accuracy, rater error and administrative aspects.

It is recommended that future research should be directed at the underlying reasons for perceptual differences between supervisors and subordinates, regarding the factors mentioned above, with the aim of improving communication and relationships. Another area would be to investigate the feasibility of organisations incorporating performance appraisal into a more integrated performance management system.

OPSOMMING

Hoewel talle organisasies tans daartoe neig om prestasie-beoordeling by prestasie-bestuur in te skakel of om dit selfs daardeur te vervang, is dit steeds 'n hoogs aangeskrewe proses. Die waarskynlikste rede hiervoor is dat prestasie-beoordeling hoofsaaklik dien as bestuurshulp ten opsigte van die verbetering van personeelbesluite waar 'n doeltreffende stelsel reeds bestaan. Die ideaal is dat die gebruik van 'n formele proses met objektiewe, werkgeoriënteerde kriteria as uitgangspunt, bestuur bemagtig om sinvolle besluite te neem wat nie net tot voordeel van die werker as individu strek nie, maar ook tot die algehele doeltreffendheid van die organisasie.

Benewens prestasie-beoordeling se bestuurshulpfunksie, is 'n ander belangrike mikpunt daarvan om die administratiewe en ontwikkelingsbehoefes van individue te help bepaal - nie net in die belang van hul eie vordering en ontwikkeling nie, maar ook in die belang van die organisasie s'n. Daarom is daar basies twee partye betrokke by prestasie-beoordeling, naamlik die beoordelaar en diegene wat beoordeel word. Dit is dus onvermydelik dat die benadering tot of waarneming van die onderwerp in 'n paar en dikwels selfs in talle opsigte sal verskil. Dit is dus belangrik dat aspekte soos bruikbaarheid, regverdigheid, etiek, motivering, akkuraatheid, geldigheid, beoordelingsfoute, doeltreffendheid en terugvoering in groter besonderhede ondersoek word om vas te stel waar probleemareas moontlik mag voorkom. Ernstige perseptuele verskille wat die proses betref, kan stuikelblokke veroorsaak en aanleiding gee tot 'n ondoeltreffende stelsel.

Die doel van hierdie studie was om vas te stel in watter mate verskillende persepsies kan bydra tot die aanvaarding of verwerping van die beoordelingstelsel oor die algemeen en in die besonder ten opsigte van bogenoemde aspekte soos beskou vanuit beide die toesighouer en die ondergeskikte se oogpunt.

Die diagnostiese meetinstrument wat gebruik is, is 'n aanpassing van Mount (1983) se "Leadership Analysis Questionnaire" en dié van Le Roux (1989) en sluit aspekte in wat in 'n groter mate tred hou met die eienskappe van die beoordelingstelsel eie aan die deelnemende organisasie s'n. Twee verskillende vraelyste is gebruik vir toesighouers en onder-geskiktes. 'n Bykomende verdeling is gemaak tussen presteerders en nie-presteerders. Die reaksie op die vraelyste was, op die keper beskou, baie bevredigend, aangesien 431 van die 600 vraelyste terugontvang is - bykans 72%. Hiervan was 44 onbruikbaar. Van die 186 toesighouersvraelyste wat gebruik kon word vir statistiese ontleding, is 80 as dié van presteerdes geklassifiseer, en van die 201 ondergeskiktes se vraelyste 38.

Die ondersoek het in sy berekeninge statistiese beduidende verskille uitgewys ten opsigte van die verskillende groepe se persepsies van regverdigheid, etiek, akkuraatheid, beoordelingsfoute en administratiewe aspekte.

Daar word aanbeveel dat toekomstige navorsing gerig word op die onderliggende redes vir die perseptuele verskille tussen toesighouers en ondergeskiktes, met inagneming van bogenoemde faktore en met die mikpunt die verbetering van kommunikasie en verhoudinge. Nog navorsing sou ook gedoen kon word om te bepaal hoe uitvoerbaar dit vir 'n organisasie sou wees om prestasie-beoordeling in te skakel by 'n stelsel wat prestasiebestuurgerig is.

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CHAPTER ONE

INTRODUCTION AND PREVIEW OF THE STUDY

1.1 INTRODUCTION

Performance appraisal has been termed the Achilles heel of human resources management (Heneman cited by Cascio, 1987), while Folger and Lewis (1993), suggest that performance appraisals tend to create as much enthusiasm as paying taxes. Deming (1986) takes a more radical line by referring to performance appraisal as one of seven deadly sins afflicting managers. Folger and Lewis (1993) add that stress and discomfort are experienced by participants involved in the appraisal process and as a result of this, they suggest that the process is merely a case of 'going through the motions' or a superficial exercise carried out because it has been so prescribed by the organisation. Sadly, this, together with the feeling that nobody shows any real interest in the development of the individual, seems to be a general sentiment concerning appraisals.

Milkovich and Boudreau (1988) on the other hand, suggest that performance assessment represents one of the most important interactions which take place between supervisors and subordinates, to the extent that it can either boost or reduce the effects of other human resources management activities. Cascio (1987) expresses the same sentiments by saying that despite the intensive awareness of the difficulties involved with performance appraisal, surveys consistently show that managers of both small and large organisations, are unwilling to abandon performance appraisal because they regard it as an important facet in assessing the abilities and skills of workers. These views need however, to be placed in context by briefly considering the roots and history of performance appraisal.

The origin of the concept, systematic performance appraisal, is recorded as taking place soon after World War 1, when Walter Scott persuaded the United States Army to adopt what he referred to as a “man-to-man” rating system for evaluating military officers. Developing from this and progressing through the 1930’s, industrial organisations began implementing wage structures whereby wage increases were based upon merit. These early appraisal interventions were referred to as merit-rating programmes and was the accepted term until the mid-1950’s. Interest in developing performance appraisal systems for technical, professional and managerial personnel commenced in the early 1950’s and was linked to formal management development programmes. It was then that appraisals, on a systematic basis, became recognised as an integral part of well designed development programmes and the terminology changed from merit rating to performance appraisal (Beach, 1980). The latter term is not rigid however and there are many different terms such as, performance assessment, performance measurement, merit assessment, performance rating etc., which refer to performance appraisal. Beach (1980, p. 290) defines performance appraisal as “...the systematic evaluation of the individual with respect to his performance on the job and his potential for development”.

Earlier researchers and authors tended to consider performance appraisal as being a facet of human resources management whereas more recently, performance appraisal has become an integral part of a wider concept of performance management. Beach (1980) described performance appraisal as an essential requirement for effective human resources management and included purposes for performance appraisal as being, employee performance, employee development, supervisory understanding, a guide to job changes, wage and salary treatment and the validation of personnel programmes. Schuler (1981, p. 211) provides a comprehensive definition of performance appraisal by describing it as, “a formal structured system of measuring and evaluating an employee’s job-related behaviours and outcomes to discover how and why the employee is presently performing on the job and how the employee can perform more effectively in future so that the employee, the organisation and society all benefit”. This definition also leads to the introduction of the participants of a performance appraisal system, namely the person (manager or supervisor) who carries out the measuring and evaluating of

performance levels, is often referred to as the rater or appraiser. The person whose performance is being measured or evaluated (subordinate), is referred to as the ratee or appraisee. Under normal circumstances managers or supervisors are responsible for the management and evaluation of performance activities of the subordinates directly under their jurisdiction.

As already mentioned, the most recent step in the development of performance appraisal as a system, is to include it as an integral part of a wider, or more holistic concept referred to as *performance management*. Spangenberg (1994) proposes that this is necessary in order to establish situational and organisational factors so that the system will work more effectively. He describes performance management as the management of workers, which includes planning their performance, facilitating the achievement of goals and effecting the review of performance in such a way that it is both motivational as far as the worker is concerned and *in line with the objectives of the organisation*. The essential difference of the two approaches is that the goals and objectives of the organisation are far more clearly stated in the case of performance management, whereby workers' activities and development are brought more into line with the achievement of these goals and objectives. Although the utilisation of the performance management approach is the preferred way to go according to more recent researchers, not all organisations utilise this approach (Spangenberg, 1994). Despite the fact that the performance management approach is not without fault, the traditional approach to performance appraisal comes in for more general criticism by a great many researchers and authors.

In order to clarify some of the negative sentiments and other concepts mentioned so far, such as 'stress and discomfort'; 'a superficial exercise'; 'nobody shows any real interest in the development of individuals'; and 'holistic concept', a short explanation is given as follows:

- *stress and discomfort* in this context are emotional reactions brought about by having to face an appraisal process wherein critical judgements are given and

received by rater and ratee respectively and a process which is perceived to be non-productive and non-beneficial.

- *a superficial exercise* means that the appraisal process is a process carried out merely because the organisation's hierarchy has so prescribed but as in the previous point, no value or benefits are forthcoming as a result of it.
- *nobody shows any real interest in the development of individuals* is a sentiment which ties in with the previous two points because the perception is that people tend to be almost exclusively interested in their own affairs and are not willing to make a real effort for the benefit and development of someone else.
- *holistic concept* in this context means that the system takes in all related facets of performance management and is not concentrated merely on performance appraisal.

1.2 PERFORMANCE APPRAISAL AS A PROBLEMATIC HUMAN RESOURCES ACTIVITY

Having been reminded of the negative sentiments regarding appraisal, it would be pertinent at this stage to consider the origin of these sentiments. A number of researchers have identified various reasons for resistance against performance appraisal processes from both the point of view of the ratee and the rater. Schneier, Beatty and Baird (1987) for example, suggest that resistance from the point of view of the rater is manifested firstly, in a normal dislike for having to criticise subordinates and then having to defend their point of view which invariably develops into a conflict situation. Secondly, there is often a lack of skill in the handling of the appraisal interview. Thirdly, there is often resistance towards new procedures and the concomitant changes which they bring about especially from the point of view of

evaluation measures. Fourthly, there is often mistrust concerning the validity of the appraisal instrument in use.

Moon (1997), whilst being in agreement with Schneier et al. (1987) on some of the points, takes the perceived problem areas a little further by stating that appraisals take too much time, that the paperwork is complicated, that the results are never tangibly observed, that appraisals are often overly subjective, and that some appraisers who are normally well balanced, tend to become officious in the appraisal situation. He adds that appraisal should be used as a tool to help managers manage and should not only be utilised to the advantage of the organisation but more importantly, for the needs, interests, and development of employees. Philp (1990) attributes resistance toward appraisal, to the lack of responsibility on the part of raters in accepting ownership of the process. From the point of view of ratees, he suggests that their attitudes are affected by suspicion of why they are being appraised, concern for the appraisal process to be fair, the subjectivity of appraisal, being evaluated in terms of personality traits instead of performance results, and the assumption by supervisors that all factors affecting performance are under the control of ratees. This latter point is supported by Spangenberg (1994).

After in excess of twenty five years personal experience in human resources management, in a single organisation, it was found that some, or all of the factors mentioned above, presented themselves in the appraisal of employee performance. A great many colleagues and associates appeared to have similar sentiments towards performance appraisal as a particular human resources management system.

These sentiments indicated that performance appraisal is regarded as :

- too time consuming and laborious having to record, prepare and list incidents.
- too subjective in terms of appraisals by supervisors.

- 6 -

- too confusing in terms of having different instruments for different purposes instead of a single multi-disciplinary instrument.
- insufficiently representative and unfair in that, at review level, ratees' evaluations are ratified and finalised by persons who don't always know them and/or are not always aware of their true capabilities. The outcome of their assessment can also be influenced by the oratory capabilities or personality of the person presenting it before the reviewing body.
- unclear in that incidents and weightings thereof are ill-defined. A general lack of training in the administration of the system and use of the instruments is apparent.
- non-beneficial in terms of notable career progress such as promotions, merit awards etc.
- inadequate in terms of feedback which is experienced as being generally weak and not regular or meaningful enough to make a difference in improving performance.
- inefficient and de-motivating in that feedback on ratified appraisals takes place too long after the appraisal has been carried out or that feedback from supervisors is inadequate to make any meaningful impact on improving performance.
- unethical in that supervisors are often prejudiced for various reasons when evaluating personnel.

Gibb (1985), deems it important for managers to relate performance planning to performance review where the linking of performance planning and appraisal enables firstly, the promotion of understanding and acceptance of organisational goals.

Secondly, the articulation of problems and thirdly, and most importantly for the individual employee, the enhancement of his or her skills assessment and growth. This approach is very much aligned with the concept of performance management. Exploratory enquiries made among a number of employees revealed that their general perception and experience was, that if the three points mentioned did exist, they were not always apparent, nor were they communicated clearly.

Although the planning of performance expectations, as in management by objectives, is a concept more related to positions where performance can be measured against the achievement of strategic or operational goals, there should still be some pre-set standards for those jobs which can be described as mainly routine or duty orientated. In this respect, the above enquiries further indicated that the only means of making any comparisons with reference to performance levels, is measuring performance against the duty sheets of individuals. A further exacerbating factor with regard to the system that was surveyed was however, that individual job analyses are not common and measuring standards are derived from loosely defined job requirements. In this context, performance management looks more toward a system whereby performance is defined by business strategy, team missions, clients, the situation, the nature of the system and roles (Spangenberg, 1994).

Against such a background it becomes clear that the problems besetting performance appraisal, as recorded by a great number of researchers over the years, are real and not merely perceived. The nature of problems do however, differ from situation to situation.

It was the intention through this research to explore the perceptions and experiences of supervisors and subordinates in a given organisation, with regard to specific areas of performance appraisal such as utility, fairness, ethics, motivation, accuracy, validity, rater error, effectivity and feedback. It would be unacceptable to take for granted that performance appraisals tend to be problematical without investigating the reasons for problems in any given situation. This would especially be the case given

the different methods, systems or approaches in use and the application or interpretation of them. The research is therefore important, from this point of view.

1.3 IMPORTANCE OF THE RESEARCH

Le Roux (1989) suggested in her performance appraisal related research that future research in this domain should follow two main directions. Firstly, research should be carried out regarding the accommodation of administrative and developmental aspects of performance appraisal within a single system and the consequent effectiveness of such a system which considers these aspects individually or jointly. Secondly, the research should also focus on comparisons of the perceptions of supervisors and subordinates concerning performance appraisal.

This particular study has addressed these general aspects albeit with slightly differing emphases as a result of the nature of the organisation and the extent to which users of their particular performance appraisal system lack executive powers in bringing about changes to that system. Emphasis in this study has been centred around the aspects of utility, fairness, ethics, motivation, accuracy, validity, rater error, effectivity and feedback, incorporating administrative and developmental aspects, as well as comparisons of perceptions of supervisors and subordinates concerning performance appraisal.

Although the research covered a fair amount of common ground with that of Mount (1983) and Le Roux (1989), the approach in this study was adapted to include aspects which were more in line with features of the performance appraisal system unique to the particular organisation.

The importance of the study was, inter alia aimed at developing a measuring instrument that is both valid and reliable for the measurement of perceptions concerning performance appraisal in a South African context, as recommended by Le Roux (1989). This research has therefore, been conducted in another South African organisation in which the same sentiments as already mentioned, were discovered. In this respect it

was argued that the results of the study might contribute to the industrial psychological body of knowledge in respect of performance appraisal, but within a South African context. More specific aims of the study are discussed later in this chapter.

1.4 THE RESEARCH PROBLEM

As stated above, performance appraisal indeed appears to be a problematical human resources activity. An apparent discrepancy in perception and attitude toward performance appraisal appears to be present in most role players and it is from this point of departure that the research was undertaken. It is important therefore, to try to understand the reason for this phenomenon. The question which needs to be asked is, why are there differences in perception of the utility of performance appraisal systems with regard to fairness, ethics, motivation, accuracy, validity, rater error, effectivity and feedback?

Having briefly outlined the background, sentiments and previous research carried out in terms of performance appraisal, a concept of the problem can be formulated.

Formulation of the problem could therefore consist of more than one facet as follows:

Is perception of the utility of the Performance Appraisal system in the Public Service with regard to fairness, ethics, motivation, accuracy, validity, rater error, effectivity, and feedback, as well as administrative and developmental aspects, dependent upon the post-level of workers and whether they are regarded as "achievers" or "non-achievers"?

1.5 AIMS OF THE STUDY

The aims of the study have been guided by the recommendations of the previous researchers (Mount, 1983; Le Roux, 1989), and the influence of the current situation with

regard to the alleged problems concerning performance appraisal.

The first consideration was to investigate if and how perceptions between supervisors and subordinates differ in terms of the performance appraisal system in use, with specific reference to its utility as a career management tool, fairness, ethics, motivation, accuracy, validity, rater error, effectivity and feedback. A second consideration was to investigate whether perceptions between these groups differ concerning administrative and developmental aspects. A third consideration was to investigate if and how the perceptions of “achievers” differ from those of “non-achievers” in terms of the factors mentioned above. The categorising of achievers and non-achievers will be addressed in more detail in the chapters dealing with the methodology of the research. A fourth consideration was to contribute towards the development of a measuring instrument that is both valid and reliable for the measurement of perceptions concerning performance appraisal in a South African context.

It was hoped that the results of this study would enable future users of the particular performance appraisal system in use in the participating organisation to be sensitive towards: firstly, the correct use and value of appraisal; secondly, the potential problems in the system; and thirdly, negative and unacceptable sentiments towards performance appraisal. In such a way the results should enable users of the system to modify it if and when necessary. Another, possibly more important advantage, would be to enable the organisation to avoid problem areas which have been identified in the present system and which may cover common ground with potential problem areas in a new performance appraisal system. The bottom line of course, is to be able to change the attitude of workers towards appraisal in order to regard it as a system which can not only be administered easily, fairly and efficiently, but is also considered to be useful in terms of the development and progress of employees.

1.6 PREVIEW OF THE STUDY

In this chapter the origin and development of performance appraisal as a human resources phenomenon, sentiments towards a particular system, the specific research problem and the aims of the study have been briefly introduced and discussed.

In Chapters Two to Seven, aspects such as gathering and processing information, the performance appraisal process, a comparative review of the research model, research methodology, results, and the discussion of results and recommendations will be discussed.

Chapter Two handles the gathering and processing of information and concentrates on cognitive processes in terms of making decisions and judgements, factors affecting and influencing these processes, the various uses of appraisal, and the underlying requirements such as evaluation criteria, measures and standards, which should be in place prior to implementing a successful appraisal system. This chapter forms an important basis for understanding the remainder of the study and forms a logical step to Chapter Three which deals with the appraisal process itself.

As mentioned, Chapter Three handles the appraisal process and focuses on the purpose of appraisal, the classification of appraisal methods, types of ratings, typical rating errors, and other factors affecting appraisal such as the environment, feedback and motivation, and ethical aspects. Problems concerning appraisal are discussed together with a look at the characteristics of effective appraisals and finally considering performance appraisal as a part of performance management. These considerations are important and form the basis of the most commonly and typically researched factors of performance appraisal as an HR activity. In this way a more thorough comparison can be made between the research model and the theory.

Chapter Four is important as it renders a logical stepping stone by providing a comprehensive description of the performance appraisal system in use in the participating organisation and merging the practical aspects of this model with the theory. It also includes a discussion of the particular problem areas affecting the research model as well as comparisons with previous research carried out in this direction and sets the scene for a discussion regarding research methodology.

Chapter Five addresses research methodology wherein the aims, method and statistical analysis, including a theoretical discussion of the statistical analysis will be handled.

Results emanating from the statistical analysis will be handled in Chapter Six and a discussion of the results follows in Chapter 7, while conclusions and recommendations, including recommendations for future research will be addressed in Chapter Eight.

CHAPTER TWO

GATHERING AND PROCESSING INFORMATION

2.1 INTRODUCTION

Mention has been made of the importance of gathering and processing information in Chapter One. Beach (1980) says that people contemplate, form opinions and make judgements, about others on a daily basis. This is done either haphazardly or in a formalised way and because managers must also make judgements concerning their employees on a constant basis as well as considering the consequences, the overwhelming weight of argument must go to a formalised performance appraisal approach. This chapter therefore, handles the gathering and processing of information and concentrates on cognitive processes in terms of making decisions and judgements, and considers factors affecting and influencing these processes. It also addresses the various uses of appraisal, and underlying requirements such as evaluation criteria, measures and standards, which should be in place prior to implementing a successful appraisal system. This chapter forms an important basis for understanding the research.

Furthermore, the underlying success of evaluation is the ability of the appraiser to observe and record behaviours accurately in terms of the constituencies and criteria. In support of this view Milkovich and Wigdor (1991) posit that the goals of appraisal are, firstly, to create measures which accurately assess the job performance levels of individuals and secondly, to create an evaluation system which enhances the operational functions of the organisation. From the point of view of observation, London (1997) suggests that being a skilled observer is important in terms of having the ability to understand the effects of individual characteristics, the conditions within any given situation and the effects of these situations on individuals. In this vein, Murphy, Garcia,

Kerker, Martin and Balzar cited by Wyer and Srull (1994) posit that, if performance is to be assessed accurately, it must be observed accurately and that theory and data driven processing, demands input which will be representative of the target person's behaviour.

The emphasis of this chapter will therefore, be on factors affecting the gathering and processing of information for the purpose of evaluating workers in the performance appraisal process.

2.2 FACTORS AFFECTING EVALUATION

Before discussing the approaches to performance appraisal in a little more detail, it would be pertinent to review which factors can play a role in the attitude of the rater towards his or her task of having to evaluate a subordinate. This can include the rater's own frame of reference when making judgements, individual characteristics which affect decision making and evaluation measures.

2.2.1 Making Judgements

Types of judgmental measures which are made on work performance may be classified as non-judgmental, criterion-referenced and norm-referenced performance measures. Criterion-referenced measures endeavour to assess the work performance of an individual with reference to some given standards, while norm-referenced measures make comparisons between individuals (Landy & Farr, 1983). This will be discussed in more detail in the next chapter.

For the present, consideration will be given to the way in which the appraiser processes information concerning the behaviour of the appraisee. This may affect the appraisal more than the appraisee's behaviour itself, hence appraisal means judgement and information processing, not merely completing forms (Schneier, Beatty and Baird, 1987). Carroll and Schneier (1987) describe two classifications of characteristics which explain

judgements. The first classification refers to the information processing function of raters when making judgements. This includes impression-formation processes and attributional processes. The second classification of characteristics refers to factors external to the rater's cognitive processes such as race, gender, experience, role of the rater, etc.

2.2.1.1 Forming Impressions

The process involving the formation of impressions as described by Carroll and Schneier (1987) concerns the making of various inferences about people, based on the behaviour which is observed. The way the observed behaviour is integrated with the observer's feelings, thoughts, motives, and manner in which the information is selected and processed, will determine how the observer constructs his or her own impression. These impressions of the same person are often quite different. Raters tend to possess their own theories of personality which influence their inferences concerning others (ratees) and these theories, the authors refer to as **implicit personality theories** (as illustrated in Figure 2.1). A further suggestion is that when inferences are made about other people, the characteristics of the person making the inferences are projected onto the one being rated. It has also been said that when raters observe behaviour, they tend to compare it with pre-conceived impressions or images (Beach, 1990). Feldman (1994) discloses evidence whereby the halo effect is said to find its origin in an overall impression of the ratee. London (1997), on the other hand, suggests that impressions may not be what they seem to be as individuals tend to manage the impressions which they are trying to create. This could perhaps be construed as manipulative behaviour, as, according to him, people make use of strategies such as intimidation, flattery or ingratiation and acting out the perfect model in an effort to positively influence raters. Villanova and Bernardin (1991), however, view the management concept of London (1997) as two entities by referring to the situation as *impression motivation* and *impression construction*. Impression motivation concerns the intention of ratees to generate specific impressions in order to maximise social and material outcomes while

impression construction is the process of deciding on behaviours aimed at transmitting a specific image.

With regard to implicit personality theories, Carroll and Schneier (1987), posit that impressions are made up from four distinct processes involving firstly, the selection of a portion of all the information available. Secondly, additional information is generated from the information which has already been selected and thirdly, all this information must then be organised. The fourth process concerns combining and integrating the information.

Selection of information is dependent upon cognitive structures, storage capacity, perceived correctness of behaviour, and the context and purpose of rating. Cognitive structures or complexity is described as the number of dimensions of characteristics used when evaluating individuals and whether or not fine distinctions can be made within these dimensions. Storage capacity concerns the number of categories and type of information which an individual's cognitive structure can assimilate and hold. Perceived correctness refers to correctness or accuracy of behaviour and is determined by the cues raters may differentially respond to when observing performance. Context and purpose of rating suggests that selective attention to cues can be influenced by the situational context in which perception takes place.

Generation of information concerns generating information which has not necessarily become available through observation but in a sense, has been created or manufactured through inferring other facts which have not been observed. In this sense, the authors correlate central traits with the halo effect because it is described as the tendency to base an entire judgement on the knowledge of one or two key characteristics. Specific and general traits refer to some attributes that are applied specifically to only a small number of people, whereas general traits are attributes applied in various degrees to almost everyone.

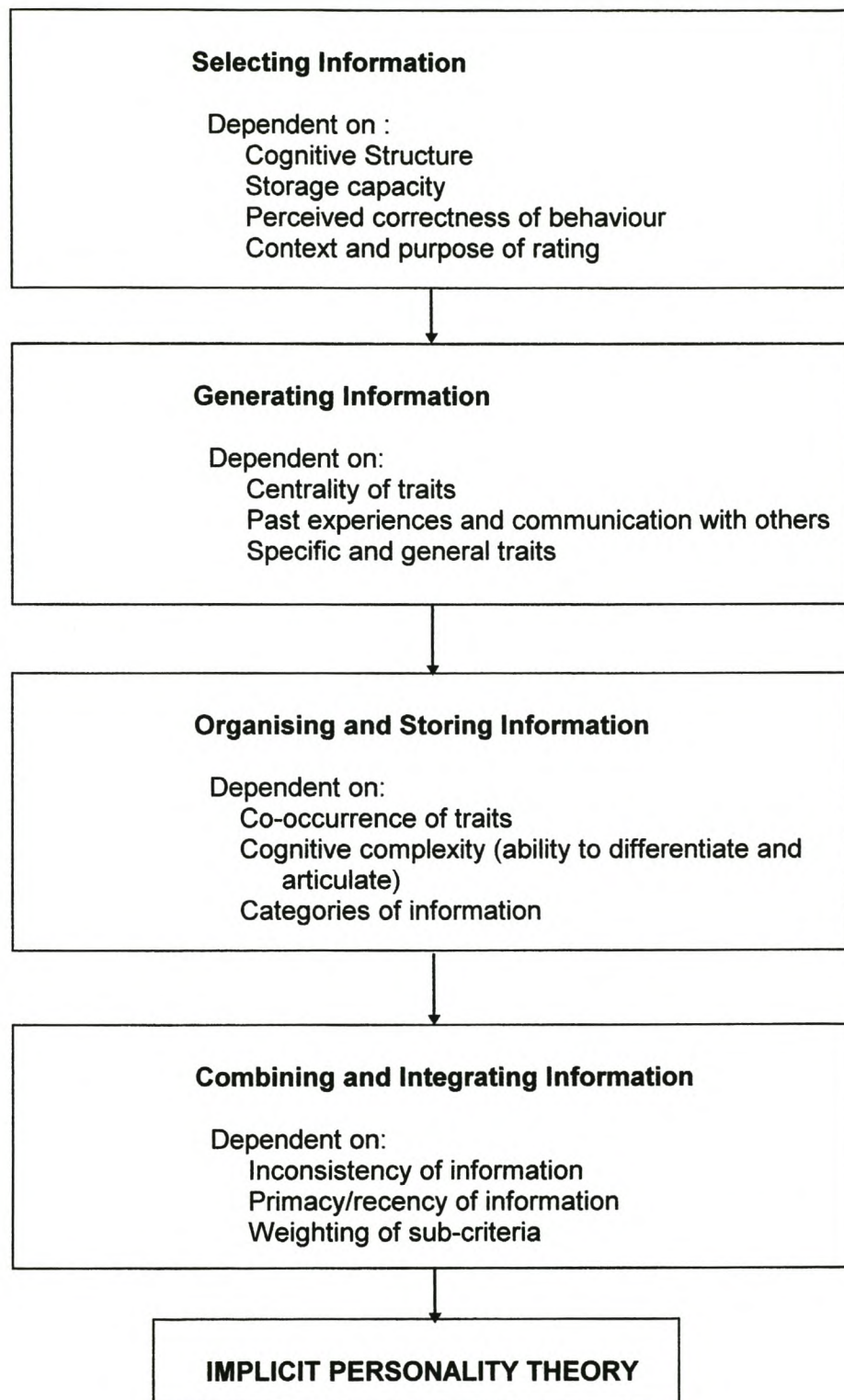


Figure 2.1 The Formation of an Implicit Personality Theory (Carroll & Schneier, 1987, p.14)

The **organisation and storing of information** includes the concepts of cognitive maps, cognitive structure or complexity, and categories of information. Cognitive maps refers to the relationships between traits that are perceived and which emanate from two sources being, communication, and own experience. The information is then organised and stored in accordance with the individual's cognitive map. In this particular case, the organising or co-occurrence of attributes, determines the rating regardless of the observed behaviour. Cognitive complexity refers to the number of attributes individuals use when making inferences. The extent to which they distinguish between traits of personality dimensions enables them to make discriminations across individuals. Categories of information refers to the fact that information is generally placed into categories after it is gathered and this placement influences subsequent evaluations. Prototypes are then developed in each category on the basis of experience.

Combining and integrating information to form a judgement entails the combining of inconsistent information, deciding on the relative importance of the most recent information, and weighting the different aspects of performance into a part or complete judgement. Inconsistent information refers to variable behaviour, however, reconciliation takes place by disregarding certain discrepant information. Primacy and recency effects refer to combining primary information versus more recent information when making judgements. The authors suggest that the latest research indicates that the most recent information a rater receives has the most influence on his or her judgement. In this regard it is important to establish a balance of performance over the whole review period (Gerber, Nel & van Dyk, 1987). Policy capturing attempts to identify raters' actual evaluation policy when integrating information with a view to giving a performance appraisal.

2.2.1.2 Attribution Theory

According to Greenberg (1994), "attribution theory" concentrates on a limited set of cognitions or beliefs about the causes of performance. Referring to Weiner's research,

he adds that “attribution theory” proposes that evaluation of the performance level of others is not only based on actual achievement but also on the evaluator’s beliefs about the causes of performance. Robbins (1986) and Carroll and Schneier (1987), posit that peoples’ perceptions and judgements of the actions of others will be influenced to a great extent by the assumptions they make about the person’s internal state. What they are also referring to is the “attribution theory” which has been proposed in developing explanations of what meanings are attributed to given behaviours and how people are judged differently as a result of that. The theory suggests that when behaviours are observed, an attempt is made to determine whether the given behaviours are internally or externally caused (Carson & Butcher, 1992). Internally caused behaviours are seen as those behaviours which are under the control of the individual, while external behaviours are those which result from external causes or the individual being forced into a given behaviour as a result of the situation. The tendency for observers is to attribute the behaviours of others to internal causes while their own behaviours are attributed to external causes (London, 1997). In this sense he refers to the phenomena as attribution bias. According to attribution theorists, it is important however, for attributions to be present in relationships because they form the basis for continuing evaluations and expectations (Carson & Butcher, 1992).

Robbins (1986) as well as Carroll and Schneier (1987) suggest that behaviours depend on three factors being, distinctiveness, consensus and consistency. *Distinctiveness* refers to whether the individual displays different behaviours under different circumstances or whether the behaviour is unusual or not. If the behaviour is unusual the observer would be inclined to attribute it to external causes, whereas if it was adjudged to be normal, it would probably be attributed to internal causes. *Consensus* is seen as a situation whereby those individuals who are faced with a similar set of circumstances, respond in the same way. External attribution could be expected to be given if consensus was high, however if it was low, internal attribution could be expected. *Consistency* reflects whether or not the individual responds in the same way to situations over an extended period of time. The more consistent the behaviour the more likely it will be attributed to internal causes.

Schneier, et al. (1987, p. 153) suggest that the following errors with regard to attribution, are the most common in interpersonal judgement settings:

- understanding situational or external causes and over-estimating personal or internal causes of behaviour.
- emphasis on situational or external causes by the actors themselves and emphasis on personal or internal causes by observers.
- causal aspects of the environment are seen as those persons or situations which are novel.
- tendency to attribute internal causes when the observer is emotionally involved in the situation.
- internal attributions overstated when behaviour has led to reward.

2.2.2 Individual Characteristics Affecting Evaluation

Whereas impression forming and attributions referred to cognitive characteristics, this section deals with non-cognitive characteristics. Landy and Farr (1980) posit that the relationship between personal characteristics of the rater and various rating criteria can influence the effectiveness thereof. They suggest that the three main characteristics of raters are demographic variables, psychological variables, and job-related variables.

2.2.2.1 Demographic Variables

Of the *demographic variables*, the effects of **gender** on evaluations has been researched the most. In a simulated study, London and Poplawski cited by Landy and Farr (1980), found that female subjects gave higher ratings on some dimensions but not on overall

performance. Hammer, Kim, Baird and Bigoness cited by Landy and Farr (1980) however, found that female subjects gave higher ratings than males in simulated work settings, especially for high levels of performance. Both male and female raters often attribute females' success to luck rather than ability (Schneier et al., 1987). They suggest however that a counter to this would be to provide performance related data and clearly defined standards. Subsequent studies by Adams, Rice and Instone cited by Latham and Wexley (1994) support Landy and Farr's (1980) literature reviews, showing that rater gender does not have consistent effects on appraisals especially where training has been received. Feldman (1994) suggests that when gender effects do occur, they appear to be the result of comparatively complex attributional processes.

As far as **race** is concerned, supervisory personnel tend to give higher ratings to subordinates of their own race than to subordinates of a different race (Landy and Farr, 1980). More recent research reveals that this tendency still appears to represent these claims (Feldman, 1994).

The **age** of raters has also been researched with differing findings. On the one hand Mandell, cited by Landy and Farr (1983), found that younger supervisors were less lenient in their ratings of subordinates whereas Klores, also cited by Landy and Farr (1980), found no effect of age on the way supervisors rated in his study of forced distributions. Feldman (1994) relates research results from Cleveland and Landy whereby some causes of age bias are qualified through situations where workers behaving in a stereotypically young way, are assessed more favourably in jobs typically held by younger persons. The difference is reduced or even slightly reversed in the case of older persons, however.

Education levels of raters were researched by Cascio and Valenzi as cited by Landy and Farr (1980) and apart from finding a significant but limited effect of rater education in the rating of police officers (America), their overall conclusion was that rater education was of no practical importance in their study.

2.2.2.2 Psychological Variables

Landy and Farr (1980) stated that although a large number of *psychological variables* had been studied, only single studies on one variable had been carried out which made it very difficult to come to any meaningful conclusions. Mandell, cited by Landy and Farr (1980) however, found that in respect of self-confidence, raters who were low in this regard were less lenient in their ratings than raters who were high in self-confidence. Schneier cited by Landy and Farr (1980) also reported that the cognitive complexity of raters had an effect on ratings in that they were less lenient and demonstrated fewer restrictions of range with behaviourally anchored scales, than did cognitively less complex raters.

As far as high self-monitors are concerned, they are more accurate than low self-monitors when evaluating, in that they are sensitive to the reactions of others' towards them and that they have an understanding of the behaviour of others (London, 1997). He discusses empathy as a characteristic and states that it is the ability of individuals to understand the feelings, emotions and situations in which others find themselves, while distancing themselves from social involvement. He also mentions that motivated raters tend to be more accurate because their levels of concentration, and their abilities to encode, recall and integrate information are higher than normal.

2.2.2.3 Job-related Variables

With regard to *job-related variables*, job experience was found to have a positive effect on ratings in terms of reliability, while the performance level of raters themselves also had an effect as to how they rated others (Landy and Farr, 1980). For example, raters who were rated positively on performance level tended to give ratings that were more valid in predicting job performance while other findings indicated that the ratings awarded by these raters were characterised by the use of a greater range of points, less central tendency, and by greater emphasis on the independent action of subordinates as

the basis for ratings (Schneider & Bayroff; Kirchner & Reisberg cited by Landy and Farr, 1980).

London's (1997) approach follows more the line of observation skills whereby he suggests that being a skilled observer is a characteristic which gives a rater the ability to understand the effects of individual characteristics, situational conditions and how situations affect people. He adds that generally speaking, good observers, are experienced observers as supported by Schneier, et al. (1987). Expertise in rating he claims, is gained through experience and training with the specific aim of how to avoid bias.

2.3 EVALUATION MEASURES

After having briefly considered the way in which people approach the making of decisions and judgements, questions which in practice, beg asking are, what is the purpose of the evaluation, what is to be measured, what methods, guidelines or values are to be used in discriminating between levels of performance, and who should do the evaluation?

2.3.1 Purpose of Appraisal

As there are different reasons for evaluations, it is important to establish from the outset, what the specific purpose of a particular evaluation is going to be, or in what context it is going to be carried out so that the instrument which is to be used, is applicable. Robbins (1986) suggests that the purpose of performance appraisal is for personnel decisions, identification of training and developmental needs, validation of selection and development programmes, providing feedback to employees, and as a basis for reward allocations. Gerber, Nel and van Dyk (1987) whilst including the aforementioned factors, submit a more detailed list of uses for performance appraisal which are embraced by the

overall categories of administrative and developmental functions of performance appraisal as follows:

- **Salary adjustments:** Decisions on which employees qualify for salary increases.
- **Placement decisions:** Decisions concerning promotions, transfers or demotions are based on past performance or predicted performance.
- **Career planning:** The provision of important information regarding guidelines on specific career directions.
- **Shortcomings in the provisioning process:** Establish the effectiveness of the organisations employment practices.
- **Inaccurate information:** General poor performance may indicate problems with job analysis information or ineffective manpower plans. It can also point to poor appointment strategies or ineffective training methods.
- **Incorrect task design:** Poor performance could be an indication of badly designed tasks.
- **Improving performance:** Supervisors and human resources management specialists have the opportunity to review the performance of workers and take any necessary steps to improve it.
- **Training needs:** Poor performance may be indicative of a need for further or corrective training. Good performance on the other hand may be indicative of under-utilised potential, which could justify further training and development.

- **External factors:** Factors such as family, health, financial or other personal problems could affect performance and these factors could be identified through the performance appraisal process, enabling management to lend support where possible.

While the aforesaid authors mention multi-purpose reasons for appraisal, Henderson (1984) mentions research that was carried out at General Electric in the 1960's where the researchers described how pay matters tend to become the overriding consideration for appraisal ratings. When that happens however, the usefulness of appraisal ratings becomes extremely limited. As a result of this, experts have suggested that appraisals for different purposes should be separated. The primary purpose of appraisal however, is to provide a measure of performance which facilitates continued training and development of the employee (Latham & Wexley, 1994).

2.3.2 Appraisal Criteria

The framework for selecting criteria based on the objectives and goals of the organisation can and probably should, include other constituents of the performance appraisal system such as the appraiser, appraisee and human resources researchers (Balzur & Sulsky, 1990). The reason for this is that these other interested parties may have their own objectives and goals. The organisation's goals for instance, may include increased productivity from workers, increased profits, or intra-organisational compatibility as far as functional aspects are concerned. Rater's goals may embrace areas of concern such as the effective use of the system, the improvement of ratee motivation toward tasks and the elimination of role conflict or role overload. Ratees may be looking towards a reliable appraisal system which provides accurate feedback and whereby job performance and organisational rewards are clearly defined and that these rewards are in fact attainable. Fourthly, researchers' goals may include ratings that are accurate and relatively free from rater errors and which allow for the evaluation of assessment system components.

Henderson (1984) who refers to criteria as performance dimensions, states that they are features of a job or functions that take place in the job situation which are conducive to measurement. The performance dimensions are able to provide a full description of the workplace activities.

As far as ratees are concerned, the criteria which management elects to evaluate when appraising performance, will have a notable effect on what employees do (Robbins, 1986). This is critical when attempting to establish goal orientated behaviours rather than task orientated behaviours. An example of this could be observed in the case of a quality control inspector being positively rated for the number of inspections carried out on production articles, rather than on the number of production errors that he or she has identified through the inspection process. Milkovich and Boudreau (1988) posit that it is not always possible to measure results and the pure measurement thereof may provide insufficient information, as well as possibly reducing employee motivation and satisfaction. The inability to measure direct results would be typical of service orientated functions such as public relations.

The three most popular groups of criteria according to some researchers are those of individual task outcomes, behaviours, and traits (Robbins, 1986; Milkovich & Wigdor, 1991). *Individual task outcomes* measure results and not processes. *Behaviours* are used when it is not easy to identify the contribution a specific member of a team or group is making to that team or group, or where the member's assignments form an intrinsic part of the overall effort. *Traits* form the weakest group of criteria in that they are furthest removed from the performance of the job itself but nevertheless, are still used by organisations as evaluation criteria in measuring the level of performance of employees. Criteria should be tailored according to the organisational objectives, to the job, and to the employee's needs (Milkovich & Boudreau, 1988; Balzur & Sulsky, 1990).

Problems often encountered with criteria are the lack of specificity, ambiguity or incompleteness of measures, irrelevance, and the poor communication of explicit requirements to ratees (Spangenberg, 1994). Criteria should be clearly defined and

verifiable, and in this sense, the better measuring criteria are specified, the less chance there will be of ambiguity and thus the reduction of distortion (Villanova & Bernardin, 1991).

As opposed to performance appraisal models, the performance management model does not consider job criteria as such but rather looks at broad measures based on negotiated, improvement orientated results, as well as competencies aligned with strategy and values (Spangenberg, 1997).

2.3.3 Appraisal Measures and Standards

The measurement of performance in all jobs, no matter how routine or structured they may be, depends upon external judgement concerning what the important elements of the job are and how the individual's performance compares with those elements (Milkovich & Wigdor, 1991; Murphy & Cleveland, 1991).

This presents possibly one of the most difficult aspects of performance appraisal, which is awarding a value to any specific function, task or activity and yet it would not be possible to evaluate the worth of anything without having something else against which it can be compared (Henderson, 1984). A measurement process should therefore, be initiated which leads to the identification of a specific level or degree of performance. On the other hand, quantifying everything is not the sole aim of appraisal but rather the avoidance of arbitrary, erratic, or biased measures (Schneier et al., 1987).

In earlier research, Landy and Farr (1983) suggested that dissatisfaction with judgmental performance measures stems from the fact that they are open to intentional and even unintentional bias. According to them, it was this dissatisfaction which led to the initiation of much research designed to establish bias-free measures.

Generally speaking, people tend to prefer being judged against the achievement of objectives, providing that influences such as work conditions and circumstances have been taken into consideration (Philp, 1990). He adds that the objectives of one work component should not compromise those of another, otherwise it will not be possible to achieve overall performance levels anyway. Performance should be measurable in relatively simple terms, however with more employees working as part of teams as well as producing information rather than products, it would probably be more advantageous in assessing team performance (Spangenberg, 1994). Moon (1997) suggests that apart from being *measurable*, objectives should be set in such a way that they are *agreed upon*, *specific*, and *timed*. The latter two criteria enhance the measurability of the activity while agreement over the activity will lead to its acceptability. Other factors which influence the setting of standards by supervisors are their values, attitudes and beliefs (Murphy & Cleveland, 1991).

Robbins (1986) mentions that, just as students prefer receiving grades rather than a pass/fail result, so also should employees. Most people tend to find it more motivational to have their performance measured in terms of degrees rather than attaining a mere minimum standard. The crux of Robbins's theory however, is that *performance appraisal systems should influence behaviour* and that there should be a benchmark to measure whether it is being influenced or not. This obviously means either the improvement of sub-potential behaviour or the confirmation of good behaviours.

Carlyle and Ellison (1987) posit that developing performance standards stems from identifying *tasks* carried out by the worker, grouping related tasks into *required elements*, and nominating those required elements which are crucial to the success of the performance as *critical elements*. Performance standards for each *task* are then developed. Most of the actions mentioned here require some means of understanding the dimensions of job performance and quantifying or qualifying performance levels which demands some form of weighting and analysing tasks or functions.

Schneier et al. (1987) identified four symptoms of measurement problems being, role ambiguity, quantification of performance, unclear statements regarding objectives, and appraisals containing only numerical indices. Potential solutions which they offer for these problems are job analysis, identification of job outcomes, setting of overall goals for work units and the organisation, and the training of supervisors to make documented judgements.

2.3.3.1 Weighting

If performance dimensions were not weighted or ordered, the assumption could be made that there is no difference between the values of items (Henderson, 1984). He posits that for measurement to be of any use, the assignment of numbers or words to items or events to discriminate between differences, must be descriptive, unambiguous and objective. Since all job requirements are not of equal importance to the organisation, the weighting or ordering of items is necessitated. In this case it is important to remember that as time progresses in the activity of the organisation and things change, it can be expected that the weighting of performance dimensions will have to be adjusted accordingly.

Latham and Wexley (1994) when discussing composite versus multiple criteria, suggest that there are at least three methods which can be used in combining performance measures. One method is that each criterion can be weighted equally and although this may not be ideal as also suggested by Henderson (1984), there would be less chance of error if all the criteria were treated as being equally important. Another method is to weight the criteria subjectively with the weights being allocated by 'experts'. The problem with this method however is that the experts often disagree with each other. A third method is to have the criteria weighted in terms of their monetary value. The problem here is that not every measure of effectiveness is expressible in monetary terms for each individual worker. In earlier research Bernardin and Beatty (1984), mention three methods for assigning weights to various criteria. The *Kelly Bids System* is said to be the best method from the point of view of conceptual foundation and practical

expediency. It entails the assignment of 100 points by subject matter 'experts' to criterion elements on the basis of relative importance and subsequently an average is computed across the ratings of subject matter experts.

The *Kane Method* is based on the allocation of the level of specificity when assigning the importance of weights. The central issue in this method is the selection of the level of specificity for all elements, based on the most narrowly defined component for any one element.

The *Dollar Criterion Method* does not present a problem with weighting if performance dimensions are measured on a monetary scale. The 'dollar' criterion can produce high criterion relevance which facilitates direct calculation of the value based selection processes.

Accuracy and the ability to discriminate between levels of performance should be a high priority in any process and the use of factor analysis as a technique for assigning weights to performance dimensions could be considered (Landy & Farr, 1980). The weights would represent relative importance and could be calculated on the basis of variance. From the point of view of assigning statistical weights as against arbitrarily assigned weights, it was found that there was no significant difference. Several researchers' work quoted in the same review (Carter; Buckner; Dingman, cited by Landy & Farr, 1980) recommend that multiple ratings would be desirable and that such ratings would improve criterion reliability.

Quantitative or psychometric measures tend to transform the concept of performance appraisal into a test situation where performance is evaluated against criteria of validity, reliability and freedom from bias (Milkovich & Wigdor, 1991). What has to be borne in mind according to them, is that performance appraisal differs from typical standardised tests in that they should be a combination of the scale and the person who completes the rating.

2.3.3.2 Job Analysis

A number of job analysis approaches have been developed over the years as a means for understanding the dimensions of job performance. These approaches include the job element method, the critical incident method, the U.S. Air Force task inventory method, as well as methods such as the Position Analysis Questionnaire and the Executive Position Description Questionnaire. All the methods share some assumptions with regard to good job analysis practices and are based on a variety of empirical sources of information. These sources include surveys, systematic observations, interviews with workers and supervisors, reviews of job-related documentation and self-report diaries.

Information gleaned from these sources provides detailed descriptions of job tasks, and/or personal attributes and behaviours (Milkovich & Wigdor, 1991).

According to Robbins (1986), job analysis involves the development of detailed descriptions of tasks which are part of the job, determining relationships between jobs and then, determining what skills, knowledge and abilities would be necessary for the incumbent to possess in order to be successful.

Latham and Wexley (1994) posit that bearing in mind that job analysis identifies the criteria important for determining whether workers are performing the job effectively, it should serve as the basis for the construction of appraisal instruments. They add that the primary advantage of job analysis is that human resources experts or consultants are able to develop more accurate scales which enhance the evaluation of productivity. Beach (1980) posits that job analysis also clarifies what has to be done to successfully carry out a specific job and should be written so that there is a record. Henderson (1984) divides job analysis input into two categories being, major activities and task analysis. He adds that another important aspect of job analysis is that any other person who, by following the same procedures, should be able to replicate the results. This would enhance both inter-observer and test-retest reliability. Job analysis will also indicate whether an appraisal instrument has content validity by revealing to what extent

the worker is assessed only on job related factors. Latham and Wexley (1994) continue by saying that a primary advantage of job analysis is that appraisal scales can be developed to assist people in making more accurate evaluations of themselves and others.

Of the seven methods of job analysis, the critical incidents technique and the functional job language method received the highest ratings for the purpose of appraisal development (Bernardin & Beatty, 1984). Milkovich and Wigdor (1991) claim that although job analysis provides information on the specifications of critical elements and standards, it cannot replace the judgement of assessors in the performance appraisal process.

2.3.4 Who Should Assess Performance?

The most frequently and commonly used rater is the immediate supervisor (Beach, 1980; Henderson, 1984; Milkovich & Boudreau, 1988). This situation is unlikely to change drastically because in most cases, the immediate supervisor is the person who is closest to the worker and is the one most aware of the factors affecting the worker's performance. The most important aspect in this case is that the immediate supervisor knows what inputs the worker has made in achieving the goals of the work unit. It is however, not always possible for one supervisor to observe every activity of a worker, hence it is necessary to gain inputs on performance from others in the system. Robbins (1986) and Swan (1991) suggest that as the number of assessors increases so the probability of attaining more accurate information, improves. In such cases, inputs could be provided by supervisors, self, peers and co-workers, personnel specialists, multiple supervisors, committees, and clients (Henderson, 1984). London (1997) also refers to multi-source or 360 degree inputs. Multiple inputs in appraisal is very much a feature of the concept of performance management and is referred to as a holistic approach since performance has to be managed on five levels of the human performance system being input, output, consequences, feedback, and knowledge, skills and capacity of the worker (Spangenberg, 1994).

Milkovich and Boudreau (1988) posit that the usefulness of performance assessors will depend on the chance they have to observe appropriate work behaviours, the ability to convert those behaviours into performance ratings, and the inspiration to provide fruitful performance ratings.

The **opportunity to observe** the person being rated is not always available to the rater in which case other persons or groups as mentioned above, may carry out some of the observation functions. In the case of teams, interpersonal skills from the team members themselves could provide the best observation of individual contributions. London (1997) suggests that raters should receive training in observation skills to include the ability to observe cues, encourage self-disclosure and feedback, search for miscon-forming evidence, and to ignore biases. Murphy and Cleveland (1991) say that direct observation is not always possible because of the numerous other demands on the supervisors time. The proximity of the subordinate to the supervisor is also not always advantageous for single observer processes. Another disadvantage which can be brought about by such a situation is the fact that inferences are likely to be made about behaviours which would be reported by another party. Under normal circumstances, the presence or close proximity of the observer could have an effect on changing the behaviour of the subordinate. Indirect methods of observation include such means as video tapes, letters, reports on behaviour and even rumours.

The **ability to convert observations into useful ratings** should be achievable by reducing rater errors through training (Milkovich & Boudreau, 1988). They add however, that according to some studies it is difficult to determine whether the change in rating behaviour subsequent to training, reflected improved accuracy or merely substituted one inaccurate rating process for another. They suggest that "frame of reference" training would go some way to standardising observation skills with a view to producing useful ratings.

Motivation to provide fruitful performance information is related to expectancy theory and suggests that appraisers are inspired to produce fruitful ratings to the extent

that they believe that their endeavours will lead to relevant ratings which will result in desired outcomes and fulfilment of their needs. A large segment of variability in ratings may be directly attributable to high versus low motivation on behalf of raters (Milkovich and Boudreau, 1988).

Referring to motivation, Robbins (1986) argues that performance forms a vital component of expectancy motivation, especially the links between effort/performance and performance/reward. Employees would have to know what is expected of them and how their performance would be measured before they can see effort leading to performance and performance to rewards. Employees are likely to work below their potential when objectives they are supposed to achieve are unclear, when the criteria for measuring the achievement of the objectives or tasks are vague, and when they do not have the belief that their efforts will lead to acceptable appraisal of their performance, or that there will be no satisfactory reward forthcoming from the organisation if they achieve their goals. This in particular, may be the problem when the criteria used in appraisal instruments focus on activities rather than results, or on personal qualities rather than performance (Gerber, Nel & van Dyk, 1987).

2.4 SUMMARY

This chapter has considered factors concerning the gathering and processing of information that may have an effect on performance appraisals. Whether the assessment or management of work is called performance appraisal or performance management, it is obvious that most of the factors discussed here cannot be divorced from any appraisal process and therefore, they need to play an important role in any assessment system. Factors such as judging and its related functions as well as the effects that individual characteristics have on influencing behaviour and attitudes, tend to differ from rater to rater (Landy & Farr, 1980). These may be seen as the intrinsic characteristics of the rater. The latter part of the chapter addressed factors which are integral to most processes such as evaluation criteria, measures and standards which can be consciously changed. These can be considered as extrinsic factors to the rater.

It is of critical importance that the entire performance appraisal process emphasises the correct criteria and accurately evaluates actual job performance accordingly, because if this is not the case, there will be a danger that employees are either over or underrated (Robbins, 1986). Especially in the latter case, and in terms of the equity theory, the consequences could lead to reduced effort and enthusiasm, increases in absenteeism, or even the initiation of enquiries for alternative employment opportunities. The importance of having a well grounded system will become evident in the next chapter when elements of the appraisal process are discussed.

CHAPTER THREE

THE PERFORMANCE APPRAISAL PROCESS

3.1 INTRODUCTION

The importance of this chapter was outlined in Chapter One and focuses on the appraisal process, purpose of appraisal, the classification of appraisal methods, types of ratings, typical rating errors, and other factors affecting appraisal such as the environment, feedback and motivation, and ethical aspects. Problems concerning appraisal are discussed together with a look at the characteristics of effective appraisals and finally considering performance appraisal as a part of performance management. These considerations are important and form the basis of the most commonly and typically researched factors of performance appraisal as an HR activity.

In view of the above it would be pertinent to reconsider the definition of performance appraisal. Some have already been given and it is not the intention to develop a new or different one at this stage as most definitions include the basic fundamentals of performance appraisal. Although Beach's (1980) definition has already been quoted in Chapter One, his definition is broadly stated and for the purposes of introduction to this chapter, it is deemed that a more detailed definition would be of greater significance. Schuler (1981, p. 211) describes performance appraisal as, "a formal structured system of measuring and evaluating an employee's job-related behaviours and outcomes to discover how and why the employee is presently performing on the job and how the employee can perform more effectively in future so that the employee, the organisation and society all benefit". Elements of this holistically stated definition also technically satisfy the requirements and purpose of performance management.

Definitions infer purpose and it is the intention in this chapter to briefly consider the purpose of performance appraisal while also discussing a number of facets involved in the performance appraisal process as mentioned above.

3.2 PURPOSE OF PERFORMANCE APPRAISAL

Performance appraisal has been extensively researched. Some research has been approached mainly from the point of view of the employee while the approach of others is mainly from the point of view of the organisation. Balzer and Sulsky (1990) suggest that there should be four basic constituencies who have an interest in evaluating the effectiveness of a performance appraisal system. Firstly, the organisation which sponsors and supports the system; secondly, the raters responsible for carrying out the appraisals; thirdly, the ratees who are rated through the system; and fourthly, internal or external researchers. These four groups represent most of the individuals with a vested interest in the performance appraisal system.

Each of the groups mentioned above would be expected to have goals for the appraisal system. For example, organisational goals may include employee productivity, improved service delivery, improved efficiency, and compatibility with other organisational functions. Raters may focus on changing ratees' attitudes towards appraisals by simplifying the process and attempting to improve work motivation while trying to eliminate role conflict or role overload. Goals in respect of ratees on the other hand, may include appraisal systems which can be trusted, which clarify relationships between performance and rewards, whilst making rewards more accessible, and which provide efficient feedback which can be used to direct future performance. Lastly, researchers' goals may encompass evaluations which are very accurate and free from traditional rater errors, which lead to the understanding of underlying psychological processes of raters and rater/ratee attitudes towards performance appraisal in terms of other work attitudes such as job satisfaction, turnover etc.

Narrowing the field slightly more, Latham and Wexley (1994) categorise the objectives of appraisals into two main categories being administrative and developmental. The former concerns decisions on promotions, transfers, demotions, layoffs, terminations, salary increases, bonuses, etc., while the latter has to do with enhancing the individual employee's abilities, skills and motivation. Landy and Farr (1980) follow a similar approach in their study, while Murphy and Cleveland (1991) posit that information from performance appraisal has, from an historical point of view, been used mainly as a basis for administrative decisions. In more recent years however, the purpose of appraisal has extended to include feedback and the development of employees, as well as for organisational planning (Drucker cited by Murphy & Cleveland, 1991). Philp (1990) says that organisations invest liberally in machinery, equipment and services, ensuring that they provide exactly what their suppliers claim but when it comes to one of the most expensive resources such as people, the function of measuring performance against results is not carried out with the same objectivity. He adds that the least employees would want to know is what is expected of them, how these expectations are going to be measured, and how they are progressing.

Up until 1977 between 74% and 89% of organisations in the USA had some form of formal appraisal system while in Great Britain the figure is set at around 82% (Murphy and Cleveland, 1991). Longenecker and Goff (1992) put this percentage for the USA at over 90% while Latham and Wexley (1994) put the figure at 94%. This constitutes a large percentage of organisations which carry out appraisal procedures and it is in this context that Schuler, Farr and Smith (1993), when discussing options for carrying out performance appraisal, suggest the interesting option of having no appraisal system at all. They do qualify this statement however, by saying that it would be unwise for medium to large sized organisations to have no appraisal system and the only situation which might justify not having one, would be a situation whereby the system in use is so mistrusted and produces ratings of such questionable validity that it is of no constructive use. In the interest of the majority of organisations, it would be pertinent to review the performance appraisal process.

3.3 CLASSIFICATION OF APPRAISAL METHODS

There are a number of different types of appraisal instruments in use throughout organisations and the instrument in use lies at the core of the appraisal system (Latham & Wexley, 1994). They add that the appraisal instrument is the basis of setting goals and as such, directly affects the employee's motivation. Appraisal methods may be broadly classified into three groups being, individual appraisal methods which are essentially directed at the individual worker, multiple appraisal methods which are directed at groups and other methods such as assessment centres.

3.3.1 Individual Performance Appraisal Methods

As suggested, these methods are concerned with measuring the performance level of an employee as an individual.

3.3.1.1 Graphic Rating Scales

These scales represent the simplest form of scale format whereby the raters record their judgements about a specific performance behaviour, on a scale which can be used to obtain numeric values that correspond with the rater's evaluation of the employee (Latham & Wexley, 1994). Simplicity is the main advantage of this type of scale while the main disadvantage has been identified as the lack of clarity or definition. The system is the most widely used performance appraisal technique (Gerber, et al., 1987; Milkovich & Boudreau, 1988; Daley, 1992) and is the system - together with the critical incident method - which is currently in use in the researched organisation.

3.3.1.2 Behaviourally Anchored Rating Scales

Behaviourally Anchored Rating Scales (BARS) make use of behavioural examples of different levels of performance in the definition of the dimension being rated, as well as

the performance levels on the scale in clear behavioural terms (Murphy & Cleveland, 1991). Scale development may take time but normally result in scales which are clearly defined and well accepted by rater and ratee. Latham and Wexley (1994) state that BARS are sometimes referred to as BES, or behavioural expectation scales whereby each behavioural example or anchor, is expressed in the form of an expectation. The development of a BARS for any given job is time consuming and the procedure includes obtaining critical incidents, developing performance dimensions, scaling of incidents and developing the final instrument (McCormick & Ilgen, 1985).

It was initially thought that BARS were more objective than graphic scales and that more accurate ratings could be expected as a result of being able to define performance in behavioural terms. Subsequent research however, changed this opinion to the extent that the utility of BARS was questioned especially in terms of the process in developing BARS, which can be time-consuming and expensive. Despite this, BARS were found to have the advantage of being accepted by users mainly because of the sense of 'ownership' engendered during the process of setting up mutually approved performance levels. A major advantage that rating scale techniques have in common is that they require a measure of employee performance on a number of dimensions or factors (Beach, 1980). He adds that the main criticism is that the evaluation of common personality traits tends to be a subjective process.

3.3.1.3 Behaviour Observation Scales

Behaviour Observation Scales (BOS) uses the same class of items as mixed standard scales (MSS) but the evaluation is different because, rather than evaluating each ratee, BOS requires from the rater a description of how frequently each behaviour occurs over the appraisal period. This is said to remove a lot of the subjectivity which is usually attendant in evaluations. However, critics of BOS suggest that the process of judging behaviour is just as subjective as the process of forming evaluative judgements.

Murphy and Cleveland (1991) are not enthusiastic about any advantages which BOS might have because they suggest that raters do not respond to the behavioural orientation of the scale, but rather use overall subjective evaluations to direct their ratings. They further suggest that this type of scale may in fact disguise the inherent subjectivity of evaluative judgement by using apparently objective phraseology.

3.3.1.4 Performance Distribution Assessment

Performance Distribution Assessment (PDA) is described as being more sophisticated than BOS in that raters must indicate the frequency of different outcomes which indicate explicit levels of performance on given dimensions. The scale affords the choice, for example, of the most effective outcome and the least effective outcome of a given job with the alternative of several intermediate outcomes. The rater is required to assess the frequency of each outcome of each ratee.

According to Murphy and Cleveland (1991), a potential advantage of this scale is that the rater is able to consider both the variability as well as the average level of performance in forming an evaluation. Henderson (1984) on the other hand, names several advantages which this method should have over others. Firstly, he states that the contents can be arranged to suit each individual ratee's position, while at the same time it provides scores on a ratio scale which allow for direct comparisons between jobs. Secondly, the extent to which factors beyond the control of the individual ratee, affecting his or her evaluation, are excluded from the score. This would be a very welcome facet of any appraisal system especially when coupled with the negative aspects of the attribution theory. Thirdly, it allows for the scoring of each job function to be scored for its consistency, while avoiding the negative and average outcome levels. Fourthly, it attempts to minimise rater bias by requiring information at a very elementary, non-evaluative level.

3.3.1.5 Management by Objectives

Although Management by Objectives (MBO) is not essentially a performance appraisal process it does represent a means for defining goals, objectives and priorities against which an employee can be measured. The nature of MBO aligns itself more with the evaluation of managerial performance as lower level employees will be more involved in routine day-to-day task orientated work whereby it would be meaningless to set long-term goals and objectives.

A danger of MBO is that goals and objectives which are set may either be too easily achieved and quantified as well as not being applicable. The success of MBO therefore, rests in the ability of the supervisor and the subordinate to be able to define meaningful goals and objectives.

3.3.1.6 Critical Incident Technique

With this method the supervisor records effective and ineffective behaviours over the appraisal period and this data (critical incidents) are then divided into categories and at the end of the appraisal period the incidents are rated (Gerber, et al., 1987; Milkovich & Boudreau, 1988). The method requires relatively close and continuous observation by the rater and like the essay method, is time consuming. The rater is also required to have good analytical abilities, as well as good verbal and writing skills. Raters with these attributes could be an advantage or disadvantage to the ratee in that their skill or lack of it in reporting, could unfairly influence the review either in favour or against the ratee (Henderson, 1984). He adds that although the technique was designed to eliminate subjectivity, it has not in essence, reduced rater bias because raters may be inclined to avoid reporting on events which may be detrimental to an individual or even negatively reflect on their own managerial ability. This method is also not easily quantifiable as it makes use of relevancy scales.

The advantages of the technique are that its focus is on actual job behaviour and not on impressions of inconclusive traits. Continuous observation is also required from the supervisor which means that the supervisor is constantly aware of the performance levels of his or her subordinate (Henderson, 1984).

This technique, along with the graphic rating scale method is in use in the organisation which was selected for the purpose of this research. However the tendency is that ratees are required to record or log their own incidents. The reason for utilising the graphic rating scale along with this method, appears to be an attempt to quantify incidents in order to arrive at an overall performance classification which is then used for determining the promotability of employees.

3.3.1.7 Essay Method

With this method the rater describes the ratee in terms of a number of broad categories. These categories include the rater's overall impression of the ratee's performance, the promotability of the ratee, the work the employee would be qualified or capable of performing, the strengths and weaknesses of the employee, and the requirement for training and development (Henderson, 1984; Cascio, 1986). This method is most often used in conjunction with other methods. The main disadvantage is that it is time consuming and requires well developed powers of recall and writing skills from the rater. Another major disadvantage is that criteria for measurement are not clearly stated and the rater is able to write almost anything in justifying his or her evaluation which could even be based on gut-feelings (Swan, 1991).

3.3.1.8 Mixed Standard Scales

Although Mixed Standard Scales (MSS) make use of behavioural examples, the response format is different to that of BARS. For each dimension there is an item describing good, average and poor performances respectively and the rater responds to

the MSS by recording against each item whether the ratee's performance is better, about equal, or worse than the behaviour described. These ratings are then translated into an overall numeric score for each dimension.

The advantage of MSS is that it simplifies the task of the rater, however the main disadvantage is the complexity of its scoring system in that raters do not know which items measure which dimensions or how the ratings are translated into numeric values. This situation could possibly not lend itself to successful feedback.

3.3.1.9 Forced-Choice Method

In this case the assessor is expected to choose from a number of alternatives, the one statement which best describes the behaviour of the appraisee. There are normally a number of homogenous categories into which the questionnaire would be divided (Gerber, et al., 1987). The crux of the method lies in developing the statements and categorising them into groups (McCormick & Ilgen, 1985).

3.3.1.10 Checklists

Henderson (1984) mentions three types of checklists being Simple checklists, Weighted checklists and "Sophisticated" checklists. The **simple checklist** method is classified as a preferential choice/proximity instrument and is based on a list or lists of job requirements, behaviours, or traits. The lists may include anything from fifteen to fifty descriptions from which the rater may choose those descriptions which most accurately indicate the performance of the ratee. The rater therefore, makes a preferential choice which most accurately reflects the workplace activity demonstrated by the ratee.

The **weighted checklist** method is a little more sophisticated and takes the checklist a step further by adding a weight to each item which facilitates the possibility of developing greater accuracy on rating scores. Numerical values are assigned to items through the

application of psychological and statistical procedures which also take into account job analysis data.

Instruments using “**sophisticated**” **checklists** have been designed to reduce rater manipulation. They are classified as preferential choice/dominance instruments which means that the rater, when making a judgement, makes a preferential choice of a dominant activity demonstrated in the work situation. The checklists include lists of acceptable and unacceptable behaviours or traits. The rater then has to make choices, which most accurately describe the ratee, from a list of which the items appear to be comparable but which in effect have different psychologically based weights. Methods which fall into this category are the forced-choice checklist and the mixed standard scale (both of which have been mentioned).

3.3.1.11 The Field Review Method

This method involves the rater who normally is a member of the personnel department, a staff member of the specific work unit or an external consultant. The rater interviews the supervisor of the ratee as well as other members of the organisation who are in a position to give inputs into the job performance of the ratee. The rater then rates the ratee based on the responses to questions which he or she poses to this group. The method does not make use of standardised questionnaires or rating factors but normally has some type of structure which leads to typically qualitative ratings such as “outstanding”, “satisfactory” or “unsatisfactory” (Henderson, 1984). The advantage of the method is that it makes use of well trained and largely independent and unbiased raters who, together with the direct supervisor, are able to concentrate more on the process. One major disadvantage is the cost factor of having an additional person involved in the process.

3.3.2 Multiple Performance Appraisal Methods (Norm-referenced Measures)

This category refers to methods which make comparisons between, or rank, employees. These are ranking methods i.e., comparing one employee with another, as against rating systems that compare employees against a standard. Murphy and Cleveland (1991) suggest that the psychological processes involved in each method are different, however ratings and rankings often produce similar results when rating the performance of groups. The difficulty of discriminating between performance levels with the ranking method is that as the group becomes larger so it becomes more difficult to differentiate between the performers in the middle of the group. The best and the worst performers are easily identified but the differences become less defined as the middle of the group is approached. However, the forced-distribution scale does provide a partial solution to the problem by enabling the supervisor to sort subordinates into ordered categories.

3.3.2.1 Rank-order System

With this method the rater merely ranks the ratees and each ratee's rating is then determined by the position of the rank he or she has been allotted (McCormick & Ilgen, 1985). This method is more suited to situations where there are not many individuals in a group. More complex procedures would be required for larger groups who need to be ranked (Landy & Farr, 1983).

3.3.2.2 Paired-comparison Method

With this method every employee is rated in comparison with every other employee on the rating factor. The rating is normally done with cards (called the deck-of-cards procedure) or slips of paper on which the names of a separate pair of individuals or a list of all pairs appear. The raters mark the ratees who are deemed to be the better on a particular rating factor and the total number of choices for the ratees can be used to

determine their ranking or can be translated to a value scale (McCormick & Ilgen, 1985). The problem with this method, as mentioned earlier, is when the group becomes particularly large. However, the problem can be overcome by either dividing the total group randomly into two sub-groups and rating the pairs in each sub-group separately, or deriving from a matrix of pairs, a “patterned” sample of pairs.

3.3.2.3 Forced-distribution Method

In this method the rater is required to distribute the employees into a limited number of categories which are determined by specified percentage groups. For example, if the total group were to be distributed into five separate sub-groups, the lowest ranking sub-group may be allocated to the 1-15% category, the next sub-group to the 16-35% category, the middle sub-group to the 36-65% category, the following sub-group to the 66-85% category and the last sub-group to the 86-100% category (McCormick & Ilgen, 1985; Milkovich & Boudreau, 1988). Each of these categories could be coupled to a classification of unacceptable, below average, average, above average, and superior performance (Henderson, 1984). This method is particularly useful when working with a large number of employees.

3.3.3 Other Appraisal Methods

A major appraisal method which is widely used is the **assessment centre** which has been developed mainly to facilitate the identification of management potential. In an assessment centre selected personnel are evaluated by means of in-depth interviews, psychological tests, various forms of appraisals by other employees, psychologists and/or managers. Attendees conduct group discussions, and are also subjected to simulated work orientated exercises, e.g. in-basket, leadership, decision making, and observation exercises. The information gained from all these activities provides extremely valuable data for management development and placement decisions (Gerber et al., 1987).

3.3.4 Summary

Cleveland, Murphy and Williams (1989) suggest that there are several reasons for the need to make distinctions between individuals and within individuals when effecting performance appraisal and hence, the choice of method could be critical. According to them, evidence exists that rating has an effect on the process as well as rating outcomes and because of this, ratings carried out for multiple purposes could be different from those carried out for single purposes. There is also evidence that accuracy during inter-individual differentiation is independent of accuracy during intra-individual differentiation. They also indicate that when there are multiple rating purposes, raters tend to review each purpose but then complete the appraisal form with the one most important purpose - to them - in mind.

A further consideration when deciding on the method/s which should be utilised when appraising large diverse organisations, is whether the method/s and instrument/s to be used, are applicable to all the staff of such an organisation. For example, the question should be posed as to whether a single method can be used successfully for a diversity of occupational functions as well as a relatively deep hierarchical structure?

In this regard, London (1997) does not specifically mention whether a single or more than one instrument should be used by an organisation in its appraisal system. He does suggest however, that discussions with respect to different aspects such as salary implications, motivation and development, should be carried out independently of each other. This view is supported by Harackiewicz and Larson cited by Latham and Wexley (1994) where they quote that 81 percent of respondents in their research indicated a preference to have discussions on salary and performance separated. A counter claim by Prince and Lawler cited by Latham and Wexley (1994) suggested that the inclusion of discussions on salary during the performance review were important to employees, albeit at the lower levels of organisations. The underlying reason for this they say, is that employees can relate areas of specific performance which are viewed as valuable by the

organisation. Once again no mention is made of whether there are separate instruments for salary and performance considerations but the assumption can be made that both aspects are served by one instrument and that the controversy refers only to post appraisal discussions.

3.4 TYPES OF RATINGS

Having considered a number of systems or methods of appraisal which can be used, the logical consequence would be to consider how these methods would be applied and who would carry out the rating. Hedge and Borman (1995), discuss several types of ratings such as supervisory ratings, peer ratings, self-ratings, subordinate ratings and customer ratings.

3.4.1 Supervisory Ratings

Computer-based technologies have tended to minimise the classic role of supervision especially where semi-autonomous groups are concerned. The structure of the organisation may lend itself to close supervision but because of the rapid changes in technology, supervisors may find their knowledge becoming 'dated' which would undermine their role and consequently, would not be viewed as a competent judge of performance by the subordinate.

Latham and Wexley (1994) stated that most organisations surveyed by a leading American research institution, made almost exclusive use of supervisors in carrying out employee appraisals. They added that it was logical to assume that the person who was responsible for rewarding good performance should also be the one to carry out the appraisal. Furthermore, despite the fact that changing technology and work methods may have a significant impact on the working relationship between employee and supervisor, it does not seem likely that there will be any drastic changes to the situation

whereby the supervisor will remain the primary source of appraisal in the future (Hedge & Borman, 1995).

3.4.2 Peer Ratings

According to Hedge and Borman (1995), peer appraisals consistently prove to be reliable mainly for the reason that multiple inputs tend to be relatively free of biases and idiosyncrasies that may be found when a rating is carried out by a single rater. This method is obviously more suited to a group or team orientated situation. Peer ratings are better received by raters and ratees when they are used for developmental purposes (McEvoy & Buller cited by Howard, 1995). Despite DeNisi and Mitchell's (1978) fear that friendship may affect peer evaluations, research carried out by Love (1981) found that through comparisons of peer nominations, rankings, and ratings, each method elicited valid and reliable results and none were biased by friendship.

Peer ratings are also used in the armed services where they are often referred to as 'buddy' ratings (Swan, 1991). When they are used in organisations outside of the armed services however, they are not well accepted by raters or ratees (Murphy & Cleveland, 1991).

Reliability is positively affected as a result of the inter-actions between peers on a daily basis and the fact that they have greater access to work-related information than others do (Hedge & Borman, 1995). Latham & Wexley (1994) also found that reliability and validity co-efficients are generally higher for peer ratings than for supervisory ratings. This is largely due to the fact that peer appraisals are normally carried out anonymously.

3.4.3 Self Ratings

As opposed to peer ratings which are said to be suited to group or team orientated situations, self-appraisal is more suited to employees working in isolation (Hedge &

Borman, 1995). This type of rating seems to have elicited a fair amount of support and counter support from a number of researchers. Those who support the method suggest that, from a developmental perspective, self-appraisal forces the employee to focus on what is expected in the job as well as allowing the supervisor to observe how the subordinate perceives his own level of performance. This would obviously help in the solution of differences of opinion. Those researchers who do not support the method suggest that self-appraisals are unreliable, biased and inaccurate compared to other rating methods.

London's (1997) view is that there is a natural tendency for people to over-estimate their own abilities or performance levels and are inclined to think that others rate them at the same level as they would rate themselves. He adds however, that people generally attempt to evaluate themselves accurately and that self-appraisals assist them in understanding their work environment and the demands which are placed on them. In practical terms, the concept of self-appraisal lies at the core of self-management and as such, the requirement for supervision from the point of view of monitoring work behaviours, decreases (Latham & Wexley, 1994). Self-appraisal may fulfil a useful function especially when the reason for the appraisal is aimed at promoting self-development (Gerber et al., 1987).

3.4.4 Subordinate Ratings

This is something which is not really practised on a wide scale and Hedge and Borman (1995) claim that, although there is evidence to suggest that it is on the increase, there is no empirical research to support upward appraisal for any purpose. It has been suggested that subordinate ratings could assist management in identifying supervisors who are suitable for advancement due to their skills in managing people. The objectivity of subordinate ratings causes some concern, especially where a lenient supervisor receives better ratings than a stricter supervisor in a situation where such a lenient supervisor is likely to be promoted to a position more beneficial to the subordinates.

Other advantages of subordinate ratings have been suggested, such as team development and an improved understanding of each other's functions.

3.4.5 Customer Appraisals

It has been suggested that customers or clients are in a unique position to judge the standard of service delivery (Hedge & Borman, 1995). Very little research however, is available to support or refute the use of these types of ratings. Customer ratings can however, be taken into account for developmental, administrative or validation purposes.

Within the selected organisation used in this study, feedback from 'clients' is received verbally or in writing on a fairly regular basis. This information is used during the rating process, but mainly with regard to substantiating incidents. One area of weakness with this method in terms of general application, is the fact that in many organisations only a limited number of personnel would be exposed to clients, for example sales personnel.

3.4.6 Multi-source Ratings

Multi-source ratings refer to ratings which, as the term intimates, include inputs from subordinates, peers, supervisors, internal and external customers, or some combination of these and is sometimes referred to as a 360 degree rating (London, 1997). He adds that ratings are collected by the normal means and a modern trend is to collect information on a quarterly basis for the provision of feedback to managers. Swan (1991) points out that not all managers or supervisors have direct contact with their subordinates on a daily basis, therefore inputs from other sources are essential in producing a more accurate or comprehensive appraisal. Multi-source feedback is growing in popularity and importance as a method for assessing individuals and for providing them with input for development. This is done by providing information on worthwhile directions for learning and growth. Other advantages of the multi-source rating system are that different sources provide different perspectives which give a more

substantial base for observation. Multiple rater sources tend to be more accurate and they may also highlight inconsistencies which in turn may reduce rating distortion. From the point of view of the organisation it enhances organisational development by identifying dimensions of managerial behaviour and clarifying management's performance expectations.

Multi-source feedback is also useful for administrative decisions, especially in terms of merit pay and advancement decisions (London, 1997). Care needs to be taken with regard to demonstrating the reliability and validity of the ratings if meaningful information is to be provided which cannot be manipulated by raters who may want to impress or punish ratees.

3.5 RATING ERRORS

Whilst social psychologists have been concerned about accuracy in interpersonal perception or social cognition for many years, studies of performance appraisal in organisational psychology have been concerned primarily with accuracy (Feldman, 1994). This is because decisions are based on performance ratings which impact on the welfare of the individual as well as the organisation. The assumption was made that rating-based measures reflected error, so efforts were initiated to devise improved measurement formats to combat this. Despite these efforts common errors which occur during the appraisal process have been well researched and documented.

Before considering some of the individual error types, a general problem which has been identified, is that the subjectivity of the appraisal tends to be strongly influenced when management changes the way or the reasons for which appraisals are to be used (Beach, 1985). As far as individual errors are concerned however, most researchers cover the same types of errors in rating although the terminology may differ from one to the other. McCormick and Ilgen (1985), discuss, the halo effect, the constant error, rating restrictions, the contrast effect, personal characteristics of ratees, and the control of bias in ratings. Gerber, Nel and van Dyk (1987) discuss the halo effect, performance

appraisal standards, central tendency, strictness or leniency, recency of events, and personal bias, while Robbins (1986), discusses the problem from the point of view of, single criterion, leniency error, halo error, similarity error, low differentiation, and forcing information to match non-performance criteria. For the sake of orientation, each common group will be discussed briefly.

Rating errors have been defined as a “difference between the output of a human judgement process and that of an objective, accurate assessment uncoloured by bias, prejudice, or other subjective, extraneous influences” (Latham & Wexley, 1994 p. 138).

3.5.1 The Halo Effect

The Halo effect or error refers to the tendency for a rater to let the appraisal on one trait or characteristic of an individual employee, excessively influence his or her appraisal of that employee on other traits or characteristics as well (Beach, 1980; Henderson, 1984; McCormick & Ilgen, 1985; Robbins, 1986; Gerber et al., 1987; Swan, 1991). Broadly speaking the rater bases the whole of his or her appraisal on an overall impression which may be positive or negative. Feldman (1994) discusses both these forms of halo effect, referring to the former as dimensional halo and the latter as general impression halo effect. Henderson, (1984) mentions a subset of the halo effect which he refers to as the logic error whereby a rater confuses one performance dimension with another and then rates the dimension erroneously because of the mis-judgement. The converse of the halo effect is referred to as the Horns effect where the ratee’s performances are underrated (Henderson, 1984; Philp, 1990).

Attempts to reduce the halo effect were instigated through the development of instruments which would be less affected by this tendency and as a result the forced-choice and mixed standard scales were designed for this purpose (McCormick & Ilgen, 1985). The essence of the effectivity of these instruments is the fact that the scale values of the items are not known to the rater.

3.5.2 The Constant Error

In this particular case the rater is inclined to concentrate the ratings in one area of the rating scale. Concentration of ratings can be at the upper end, lower end or in the middle of the scale. If the concentration is towards the upper end of the scale it is also referred to as the leniency tendency and if it is concentrated in the centre of the scale it is referred to as the error of central tendency. Concentration at the lower end may be interpreted as the severity tendency (McCormick & Ilgen, 1985). The central tendency phenomena is said to emanate from a lack of detailed performance data (Beach, 1980; Gerber et al., 1987). Latham and Wexley (1994) say that central tendency typifies the rater who plays it safe by rating at the midpoint of the scale when the performance actually warrants considerably higher or lower ratings.

3.5.3 Rating Restriction

Rating restriction is invariably reflected by a small standard deviation of the ratings or by a narrow range of ratings across a number of ratees. The range of restriction could occur at any place on the rating continuum (Landy & Farr, 1983). This error is closely related to the constant error effect as well as low differentiation (uniformity) and comes about through a tendency to use only a restricted range of the rating scale when allocating ratings to individuals (McCormick & Ilgen, 1985). Schneier et al. (1987) relate this error to that of central tendency especially when the range is grouped toward the middle of the scale. Because of the limited range of performance in some jobs, care should be taken not to interpret a limited rating range, as rating restriction.

3.5.4 The Contrast Effect

This effect occurs when, instead of measuring employees against the requirements of their job, the tendency is rather to compare their performance with that of other

employees (McCormick & Ilgen, 1985; Latham & Wexley, 1994). The danger in this case is one of relativity, because a rater may rate one employee as outstanding when compared with another below average employee, when in fact the first employee's performance levels in real terms, when measured against his or her job requirements, may be average.

3.5.5 Bias

Bias can take the form of personal likes and dislikes which may influence the evaluations of ratees. Some performance appraisal techniques however, such as forced selection and management by objectives, tend to eliminate the effects of bias to a certain degree. Problems may be overcome by providing clear definitions of the dimensions being appraised and by giving the exact meaning of terms.

Wherry and Bartlett (1982) posited several theorems and corollaries which could be expected to reduce the effects of bias in ratings as follows:

- when performance can be controlled by the ratee and not by the job situation as may be found in self-paced work or where conditions are consistent.
- where behavioural rating scales make use of tasks which are controlled by the ratee rather than the work situation.
- when contact between rater and ratee is more relevant and frequent.
- when the observation of behaviour relevant to rating scale items is easy.
- when the rater has been properly trained in terms of what activities are to be rated.

- when the rater has been provided with a checklist of objective cues which can be referred to when rating.
- when the rater records all critical incidents in writing throughout the process.
- when the results of the rating are made soon after the rating has been made.
- when the complexity of the job allows behaviours to be classified into different categories easily.
- when the rating scale has a number of homogenous items whereby each specific rating dimension can be measured.
- when the rating scale is made up of items handling a number of independent dimensions.

Ratings can be expected to be more reliable when the test-retest method is used rather than the interrater method and when several items, rather than single items, are used to measure any given uni-dimensional variable.

Bias has been defined by Feldman (1994, p. 361) as “differences in the judgements of persons (or their performance or behaviour) associated with membership in a specific socially defined category”.

3.5.6 Similarity Error

This normally occurs when the rater evaluates ratees giving special cognisance and higher ratings than deserved, to those ratees who possess the traits or characteristics that he perceives in himself (Henderson, 1984; Robbins, 1986; Swan, 1991; Latham & Wexley, 1994). This is also known as the just-like-me or same-as-me syndrome. The

different-from-me error type works on the same principle but in reverse. According to Robbins (1986) these errors should decrease as the number of ratees per single rater, increases.

3.5.7 Recency of Events

Raters, when evaluating, tend to forget about events or incidents which took place in the past and concentrate on the most recent behaviours (Gerber et al., 1987; Swan, 1991). This obviously creates distortion whereby the ratee may be rated on performance for two months immediately preceding the evaluation instead of on the whole year and, depending on whether he performed better or worse in those two months compared with the rest of the year, will have a major influence on the final results of his appraisal. The converse of this of course is where the ratee, knowing what normally takes place, may save his or her best performance for the month or two immediately prior to evaluation (Swan, 1991). This situation can be overcome by the critical incident method or MBO.

3.5.8 Leniency

Although it is often termed as the leniency error it also embraces the error of severity and the concept means that the rating which the ratee receives is not a true reflection of his or her true performance level or it is displaced from the result warranted by the ratee (Landy & Farr, 1983). It is an inability of raters to remain consistently objective when judging (Gerber et al., 1987). Robbins (1986) refers to the error as positive or negative leniency and suggests that each rater has his or her own value system as a standard against which they evaluate performance and, relative to the true or actual performance, they may rate high or low. Henderson, (1984) on the other hand, suggests that it is the allocation of scores which are consistently higher than the expected average, or being too forgiving in terms of standards.

3.5.9 Summary

Rater error takes on new meaning when considering that raters are often, not only unaware that they are erring but even when they become aware of the fact that they are making errors, they are unable to correct the situation themselves (Latham & Wexley, 1994). The seemingly obvious response to this is training.

One approach to appraisal training is bringing to the attention of raters the common errors of judgement so that they become more aware of them and by so doing, avoid them (London, 1997). He continues by saying that other approaches concentrate more on changing the appraisal methods rather than the raters. Yet other approaches try to improve the observation skills of raters based on the premise that if they have clear behavioural recall abilities, together with a clear understanding of performance standards, then the judgements should be comparatively free from unwarranted influences. Another training method involves the provision of a frame of reference to raters in order to enable them to assess the accuracy of their appraisals as well as lectures and the discussion of behaviours and appraisal dimensions. He concludes by saying that appraisal methods which are characterised by clear performance dimensions expressed in behavioural terms, are most likely to diminish rater errors.

Research referred to by Latham and Wexley (1994) does not accede to the fact that lectures are useful as a training approach for raters, but prefer the group discussion or workshop approach for meaningful behavioural change on the part of raters. The overall preference is for the workshop method, however they do concede that a fair amount of practice is required on these on-the-job skills, before any benefits become apparent.

In contrast, Spangenberg (1994) says that while training in performance appraisal is aimed exclusively at the rater, performance management involves all participants, as performance is linked to pre-determined consequences.

3.6 RELIABILITY AND VALIDITY

Reliability has an effect on validity in the sense that a measure which is very unreliable cannot be valid (Latham & Wexley, 1994). They expand upon this by explaining that reliability is an attribute of one factor, being a job performance rating while validity is the relationship between two factors, being the manner in which a performance rating correlates with another independent measure of performance. Landy and Farr (1983) state the inter-relationship more subtly by saying that, although an acceptable level of reliability is adequate for a performance measure to be useful, it would not be enough to ensure the worth of that measure. Balzur and Sulsky (1990) state that an unfortunate situation has existed thus far, in that validity and reliability have been under-utilised and have been less prominent than error and accuracy when measuring rating effectiveness.

3.6.1 Reliability

Latham & Wexley (1994) discuss three methods of determining reliability, viz. the test-retest method, the inter-observer or interrater method, and the internal consistency method. The *test-retest* method as the term suggests, assesses the consistency or stability of a performance measure from one period of time to the next while assuming that the ratee's level of performance has remained constant over that period. The *inter-observer* method assesses reliability by determining the extent to which there is agreement in the evaluation of a ratee by at least two observers who carry out their evaluations independently. The key to the test is absolute independence and there should be no influence from other parties or observers. *Internal consistency* should show that the items which comprise a scale are the same and are assessing the same dimension.

In addition to these, Henderson (1984) discusses the *split-half method* which means that the instrument can be split into two equal parts whereby comparable items are grouped into these halves for scoring purposes. If the instrument is reliable, each half should

give the same or similar ratings. He also mentions the parallel test method and intra-rater reliability. The *parallel test method* is comprised of two comparable instruments of which the items in each one cover the same qualities and have a measuring system which allows for the meaningful comparison of qualities. *Intra-rater reliability*, as opposed to inter-observer reliability discussed above, means that the same rater using the same instrument over a period of time should obtain the same results.

3.6.2 Validity

The accuracy and relevance of measurements are critical factors determining the validity of performance appraisals (Milkovich & Wigdor, 1991; Latham & Wexley, 1994). Philp (1990) adds that it is necessary to consider validity as there are managers who waste their time by setting performance standards which have no relevance to the results. The establishment of valid processes and instruments in the appraisal system is of great importance especially in times of increased labour action (Henderson, 1984). For this reason, Latham and Wexley (1994) emphasise the importance of comprehensive and accurate job analysis - which in the USA is a legal requirement - in order to ensure that appraisal processes are valid.

Three types of validity testing have been proposed; content, criterion-related and construct validation and although these strategies have been used as separate entities in the past, the current thinking is that they should be integrated (Landy; Wainer & Braun; Cronbach, cited in Milkovich & Wigdor, 1991).

Content validity gives support to the accuracy of a measure by investigating the match between the content of the measure and the content of the job. This means that the behaviours which have been placed on the performance range scales should correspond with the behaviours required to carry out a particular job. However, any justification of a measurement system based on the simple reliance of content validity has been disregarded by measurement specialists.

Criterion-related validation is not as useful for evaluating performance appraisals. It is used more in the statistical demonstration of relationships between the scores of individuals on a measurement instrument and their performance scores, that is, the relationship between an employment (e.g. psychometric) test and the supervisor's on-the-job rating. This is probably one aspect of appraisals which appears to be sorely neglected as it seems to be of paramount importance that the profile of the prospective employee being tested on entry should match the job profile and the incumbent should then be able to carry out the specific functions of that job while displaying the potential to progress to whatever level required.

Construct validity is viewed as a continuous process (Cronbach cited by Milkovich & Wigdor, 1991), whereby interpretations are supported by assembling many items of evidence. Positive results validate the construct and the measure simultaneously, while failure to endorse the claim results in a renewed investigation for new measuring procedures or for concepts which correlate better with the data. Huysamen (1988 p. 43) when referring to tests, states that construct validity is the "extent to which it indeed measures the theoretical construct it purports to measure". There are two forms of construct validity, convergent evidence and discriminant validity. Convergent evidence indicates that the measure in question is related to the other measures of the same construct while discriminant validity will show that the given measure of a construct has a weak relationship with measures of other constructs.

McCormick and Ilgen (1989) suggest that the most attainable form of validity is content validity because it is normally based on an understanding of the relevance of the evaluation to some particular job behaviour. Criterion-related validity is not quite as achievable because separate criteria of job performance, for example, are not always available or cannot be obtained. The process of constituting construct validity is furthermore, time consuming and often very complex.

The action by psychometrists to expand the view of construct validity to embrace evidence of content and criterion validity as well as other evidence has enabled them to

test hypotheses concerning the underlying nature of constructs. This provides for the chance of introducing a range of forms of evidence to test validity (Milkovich & Wigdor, 1991).

A final thought on validity is the fact that once an instrument has been found to be valid it should also fulfil two other vital requirements and those are practicality and standardisation. An instrument should be understandable, credible and acceptable to the personnel who will be using it. If it is perceived to be difficult and awkward to administer, it will not achieve the purpose for which it was designed. Standardisation should be aimed at minimising differences in the administration and scoring of the instrument especially in view of the appraisal of employees from different sections or departments of the organisation. If this is not so, differences in performance levels between employees in the organisation could be attributed to the appraisal system and not necessarily between the employees themselves.

3.7 THE EFFECTS OF ENVIRONMENTS ON PERFORMANCE APPRAISAL

Murphy and Cleveland (1991) suggest that very little empirical research on the links between environmental variables and performance appraisal has been carried out. As a result of this, not much is known about the mechanisms which affect the appraisal process. Katz and Kahn cited by Murphy and Cleveland (1991), however, noted five aspects of the environment which they feel should be monitored in order to be effective. Firstly, *societal values*, are seen as the extent to which socio-political norms and values support the concept of typical performance appraisals as practised in organisations. Secondly, the *legal* environment is seen as the extent to which the legal system allows the practice of typical performance appraisals. Thirdly, the extent to which general *economic* conditions are favourable for the organisation. Fourthly, the *technical* aspects which determine the extent to which an organisation possesses the technology required to carry out its functions and fifthly, the extent to which the necessary *physical* resources are available to carry out its functions.

3.7.1 Societal Values

Murphy and Cleveland (1991) say that societal values will have a strong influence in the perceptions of the legitimacy of performance appraisal. According to them, most research carried out in this regard has been aimed at political issues with particular emphasis on the extent to which the socio-political system encourages either a democratic or autocratic control system as well as on the differences between capitalistic and socialistic systems. Locke, cited by Murphy and Cleveland (1991) concluded that under capitalism, the market would positively contribute towards a successful and effective performance appraisal climate, while under socialism there would be very little incentive for performance appraisal due to the lack of a price and profit driven system. He also researched mixed economies in which he claims that performance appraisal would be very difficult. In this respect Lerner, also cited by Murphy and Cleveland (1991), apparently does not agree with the findings of Locke. The authors think that Locke's findings tend to be influenced a little too much by the assumptions of classical economics, however they do appear to be credible.

3.7.2 The Legal Environment

Murphy and Cleveland (1991) report on the legal situation from an American perspective, however in South Africa legislation does exist whereby performance appraisals may be contested. Unsatisfactory performance is addressed through the Public Service Regulations (1994), Regulation A18.1 whereby the employer may state its case concerning the reasons for 'adverse remarks' regarding performance but the employee or appraisee has the right to respond to any allegations under the same regulation. By implication, the Constitution grants employees the right to be appraised, as well as the right to be appraised correctly, via Section 33 (Just administrative actions), of Chapter 3 regarding Fundamental Rights (Republic of South Africa, 1996).

The Statutes also cover procedures whereby dismissal may occur as the result of incapacity or poor work performance. Sections 8 and 9 of Schedule 8 of the Labour Relations Act (Republic of South Africa, 1995) address these issues and although Section 8 is mainly concerned with probationary periods, the point should be made that if dismissals can be effected through incapacity or poor performance, then the performance appraisal system or the means of measuring performance must be beyond reproach. The question should therefore be asked: is the performance appraisal system in use in the public sector administered to such a high standard that it can hold in a court of law? Admittedly the question of dismissal is drastic but the appraisal system should also be beyond reproach concerning any decision involving the career prospects of any employee, whether it be for administrative or developmental reasons. In the latter case a poor decision could be covered by legislation dealing with unfair labour practices which is to be found in Section 2 of Schedule 7 of the Labour Relations Act (RSA, 1995).

What is interesting about the conditions set out in the legislation referred to above, is that the main criteria of appraisal are addressed. Factors such as awareness of standards, clarity of instructions, training, appropriate evaluation, counselling and whether sufficient time has been allowed for improvement are all covered in the Statutes. Probably most important of all, is the fact that the legislation recommends a thorough investigation into the reasons why performance is not up to the required standard, because often the problem will not lie with workers themselves, but with external factors beyond their control which influence the functions they are expected to fulfil.

3.7.3 Economic Conditions

March and Simon cited by Murphy and Cleveland (1991) state that it is known that the frequency and intensity of conflict in organisations is dependent on the circumstances present in the environment. For example when environmental circumstances are poor, conflict can be expected to increase. Economic conditions also affect organisational

goals, however the literature concerning the effects of the economic environment on performance appraisal is very limited.

Murphy and Cleveland (1991) state that as organisations grow in an assumed improved economic environment, they tend to become more autocratic and inflexible with the result that performance appraisal systems would be expected to become more formal. On the contrary, as organisations have to down-size, the incidence of poor performance becomes more prevalent especially when the organisation is forced to retrench a substantial number of its workforce.

3.7.4 Technical Aspects

Changes with regard to technical or technological aspects can have a noticeable influence on performance appraisal processes and results (Murphy & Cleveland, 1991). Changes in technology would probably have an effect on the structure of the organisation and in the light of this, concomitant adjustments to personnel and the handling thereof could be expected to be a consequential spin-off. New technology could for example result in a supervisor having to evaluate more employees which would mean less time available in which to observe behaviours and more time would be spent doing appraisals, but there would be a larger work group available within which comparisons could be made. The first two effects could lead to decreased levels of accuracy while the third effect could lead to increased levels of accuracy.

A further influence of technology on performance appraisal could involve relationships between supervisors and subordinates especially in cases where the subordinates become more highly skilled than their supervisors. The effects of such a situation could mean that supervisors may feel inadequate, hence there may be a reduction in the frequency of appraisals. Another effect could be that workers may not accept an appraisal from a supervisor in whom they have no confidence because they are unsure

that the supervisor really knows what they are doing. A further effect is that new technology may diminish the positional power of a supervisor to a position where he or she is no longer managing but merely monitoring, which again may reduce their credibility in the opinion of the workers.

Landy cited by Murphy and Cleveland (1991) states that technology can in fact be used in the measurement of some facets of performance appraisal through computers which not only record results of actions but also monitor the performance of workers.

3.7.5 Physical Environment

Although the effects of the physical environment on performance appraisal are not researched intensively, some research has been carried out with specific reference to the constraints which may negatively affect job performance. The main areas are shortages of tools and equipment, lack of materials and supplies, and an inadequate work environment in respect of lighting, noise levels, space, etc., (Peters & O'Conner cited by Murphy & Cleveland, 1991). The last point particularly overflows into the field of ergonomics which seems to be an area which is receiving more and more attention as organisations become aware of the benefits thereof.

3.8 FEEDBACK AND MOTIVATION

Constructive feedback is no less important during the appraisal process than in any other facet of management. Feedback forms an important part of the appraisal process and when carried out efficiently it creates the perception among employees of rendering appraisal to be a fair process. Crainer (1997) goes so far as to say that the new model of performance appraisal revolves around feedback.

Bannister (1986), claims that feedback on performance appraisals serves two purposes. One of these is motivational whereby feedback can act as an incentive in promising

future reward or as an actual reward. The second purpose is to act as a detector of error or as a cueing device where ineffective work behaviours are identified and corrective action can be taken. Bannister goes on to say that positive feedback is recalled and accepted more readily than negative feedback and from general experience this statement can be supported fully. However, while the confirmation of positive behaviours is important in sustaining good performance, the importance of identifying and changing negative behaviours is probably more important in improving all-round performance and medium to long-term development of the individual. According to Pearce and Porter (1986), performance appraisal feedback could have negative effects on employees attitudes and behaviours but this phenomenon has not yet been subjected to empirical testing. In fact in a study by Meyer, Kay and French cited in Pearce and Porter (1986), it was found that criticism had a negative effect on the achievement of goals, but praise had little effect either way. They go even so far as to say that many employees classified as "satisfactory" in terms of performance, will interpret the classification negatively because most employees consider themselves to be at least above-average performers.

Having considered some responses to feedback, it is interesting to see how information should be divulged. London (1997), suggests that information is likely to be perceived more accurately under the following circumstances:

- when feedback comes soon after the behaviour.
- when it is positive.
- when it is frequent.
- when it is specific.
- when it comes from a source for whom the recipients have the highest regard

in all aspects.

- when it covers behaviours which the recipient has the power to control within his or her given environment.
- when it informs the recipient what behaviours lead to improved performance.

Gerber et al. (1987) list very similar aspects but in addition, suggest that feedback is more effective when it is requested rather than enforced.

The converse to this situation is one whereby the supervisor does not like to give feedback at all, whether it be positive or negative. Some of the reasons given for this are that supervisors do not believe that feedback is useful or necessary, in other words they believe that “no news is good news”. Some believe that they are not competent to judge others or they fear that the subordinates will react negatively to the feedback. They even fear that feedback may be used against them by their subordinates in an attempt to apportion blame away from themselves (Hillman, Schwandt & Bartz cited by London, 1997).

Constructive feedback is deemed to be specific and considerate (Baron cited by London, 1997). Feedback is said to be constructive when poor performance is attributed to external influences and where situational factors are beyond the employees control. By contrast and still assuming that the attributes are appropriate, good performances are attributed to internal or personal factors such as the employee's effort and ability. Destructive feedback would obviously be seen as the converse of this case.

The credibility and expertise of the person giving feedback may also have an effect on how it would be received. This would probably be the case in highly skilled jobs where the worker is more skilled than the supervisor, in which case feedback may not be received favourably (Landy & Farr, 1983).

Robbins (1986) says whatever the case, employees like to know how they are doing and so they expect feedback. Stressful issues can be overcome by sharing information on a daily basis, providing that this remains practical and beneficial but regardless of whether feedback is given on a daily or an annual basis, management or supervisors should offer feedback to workers. It should be seen as a communications process (Landy & Farr, 1983).

3.9 ETHICAL DILEMMAS AND FAIRNESS IN PERFORMANCE APPRAISAL

Ethics and fairness are very closely related, however in this sense fairness may be regarded as events which take place in the normal process of performance appraisal which are perceived to be, or are in effect unfair, while ethics may be regarded as deliberate inaccuracy or even manipulation during the process. The latter will more often than not fringe on legal implications.

3.9.1 Ethical Dilemmas

The use of performance appraisal in organisations can be morally justified despite the fact that it involves judging others by using subjective processes (Banner & Cooke cited by Longenecker & Ludwig, 1995). Justification for this can be based on the fact that the appraisal process can have positive outcomes for the organisation and the employee. They identified a number of specific ethical dilemmas which often arise during the appraisal process:

- problems resulting from the use of trait orientated and subjective evaluation criteria.
- problems encountered in the writing of standards and measurement indicators.
- problems in that different performance appraisal systems are utilised within the

same organisation.

- how the results will be used.
- who determines the objective standards of measuring performance.

These dilemmas, although focusing on the procedural aspect of the appraisal process, appear to be typical of those affecting the organisation being researched.

Longenecker and Ludwig (1995), after acknowledging the importance of the procedural aspects, posed the question of whether the 'even application' of appraisals does not perhaps simply depend on the person carrying out the rating itself. One study (Longenecker, Gioia & Sims cited by Longenecker & Ludwig, 1995) discovered that self-interest on the part of supervisors often played a role in rater accuracy during the appraisal process. Managers basically admitted that there were other factors than the subordinate's actual performance which influenced them during the process. Ratings tended to be intentionally inflated or deflated. Reasons for inflation were given as follows:

- it was felt that accurate ratings may have had a negative effect on the employee's motivation performance.
- the desire to improve an employee's eligibility for merit increases.
- an attempt to conceal a specific section's, division's or department's "dirty laundry" especially in cases where the appraisal would be reviewed by others.
- an attempt to avoid a permanent record of unsatisfactory performance which may be detrimental to the employee's future progress.

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- the protection of normally good performers whose performance may have suffered from a temporary personal problem.
- the desire to reward employee's showing a great deal of effort even though the performance results are relatively low.
- an attempt to avoid confrontation or conflict with some difficult employees.
- an attempt to promote a poor or disliked employee out of the section.

Negative distortions apparently do not occur as frequently as positive ones but they do occur. The managers were reluctant to deflate ratings because of the legal, ethical and motivational consequences but normally ratings were deflated for the following reasons:

- to frighten employees into producing better performances.
- to punish difficult or defiant employees.
- to encourage problem employees to resign.
- to build up a negative record in order to justify a discharge.
- to diminish the amount of merit increase an employee might receive.
- to fall in line with organisational decree which discourages managers from awarding high ratings.

Longenecker and Ludwig (1995), state that if the findings that allude to widespread unwillingness in carrying out accurate ratings are accepted, they would find it very

difficult to stand in the way of organisations which considered it to be morally unjustified in continuing with their appraisal systems. Examples of more extreme ethically devoid circumstances were recorded by Latham and Wexley (1994) where in one case, an appraisal was negatively contrived by an organisation in order to have an employee discharged on the grounds of poor performance. In another case, an organisation which previously had no appraisal system at all, suddenly produced one in an effort to have an employee demoted. The Court ruled against both organisations.

As far as dishonesty or unethical behaviour from the point of view of the ratee, is concerned, Folger and Lewis (1993) indicate that dishonesty with regard to appraisals occurs in the case of self-appraisals but especially when the appraisal is to be used for purposes which would be particularly beneficial for the ratee.

Longenecker and Ludwig (1995) discuss intentional inaccuracy from three perspectives. Very briefly these are the *formalist* perspective which rejects any form of manipulation, the *utilitarian* perspective which deliberates the outcomes of decisions and whether they will be for or against accuracy. The ethical aspect of this perspective manifests itself in the form of considering alternative actions, estimating the costs and benefits that a particular action will have on all parties concerned, and selecting the option that will afford the greatest utility. The *business bluffing* perspective refers to the action that may be taken in a card game where bluffing is an accepted part of the rules and the aspect of morality does not reflect on the player, or in this case the appraiser. It is interpreted as a negotiating strategy but in the present climate of workers rights and transparency this is surely not an acceptable practice. Requirements for an ethical performance appraisal system should therefore, include integrity, accuracy, flexibility and sensitivity.

Ivancevich and Matteson (1990, p. 367) suggest that managers can create a healthy ethical atmosphere by satisfying three main criteria:

- "*The criterion of utilitarian outcomes*: The manager's behaviour results in optimisation of satisfactions of people inside and outside the organisation.

In other words, it results in the greatest good for the greatest number of people.

- *The criterion of individual rights:* The manager's behaviour respects the rights of all affected parties. In other words, it respects basic human rights of free consent, free speech, freedom of conscience, privacy, and due process.
- *The criterion of distributive justice:* The manager's behaviour respects the rules of justice. It does not treat people arbitrarily but rather equitably and fairly".

In the present times where transparency is championed, it is probably good advice for the management component of organisations to set the example.

3.9.2 Fairness

Four predictors have been identified which are said to be significant in the perception of fairness and accuracy of performance appraisals (Landy, Barnes & Murphy cited by Hedge & Borman, 1995). These predictors are, frequency of appraisals; the elimination of weaknesses through plans developed with the supervisor; thorough familiarity and knowledge by the supervisor of the ratee's duties; and the supervisor's knowledge of the level of performance of the ratee. Philp (1990) expands on these predictors by suggesting that raters should investigate non-achievement a little more in depth than merely considering the inability of the employee to perform. For instance, he says that some or all of the conditions contributing to non-achievement could be beyond the employee's control. The workload may be excessive and the reason for the problem may be concerned with the plan rather than the performance. He also suggests that the setting of standards should be well defined in order to ensure accuracy while allowing for flexibility.

Leventhal, Karuza and Fry cited by Latham and Wexley (1994) on the other hand, approached the subject of fairness from the perspective of the presence of procedural

elements in an organisation. They suggested that employees may ask themselves several questions. Firstly, whether the rules governing decisions are administered consistently regardless of the person affected and over time. Secondly, whether the person making the decision does so in an absolutely unbiased fashion. Thirdly, whether the decision was based on accurate and verified information and fourthly, whether the appeal procedures are honoured and whether they have legitimate recourse in the case of errant decisions. Fifthly, whether a decision represents the standpoint of the majority of the employees in the organisation and finally, whether the decision is in line with societal norms and/or, ethical.

3.10 PROBLEMS CONCERNING PERFORMANCE APPRAISAL

Performance appraisal includes the involvement of the human factor which immediately conjures up perceptions of an unpredictable and subjective component. Problems which can arise out of this situation and possibly adversely affect the appraisal process, should be taken into account in order to optimise the accuracy and effectiveness of the process (Saayman, 1981).

Traditional problems experienced with performance appraisal can be described in three categories, being the design and development, implementation, and acceptability and satisfaction with the system (Saayman, 1981; Long, 1986; Ivancevich & Glueck, 1986).

3.10.1 Problems with the Design and Development of Appraisal Systems

Performance appraisal can become ineffective if the system is poorly designed, criteria are irrelevant, the system's ability to discriminate is poor, appraisal techniques are cumbersome and lengthy, or the system is not compatible with organisational structure, size, composition of the labour force and technology (Milkovich & Glueck, 1985). Performance appraisal policy should be clear and flexible but above all, stress the importance of the process and management should be seen to underwrite the system.

3.10.2 Problems which occur with the Implementation of Appraisal Systems

Notwithstanding the fact that the design of an appraisal system may be close to flawless, the underlying factors such as rater errors, poorly defined criteria and standards which lead to problems affecting the implementation of successful systems have been addressed through Chapter Two and earlier in this chapter and are normally placed at the doorstep of the rater. As already mentioned, the whole question of observation is possibly the most critical factor in that the greatest degree of distortion is likely to stem from it and filter through all the other potentially contaminating factors.

A number of authors have singled out feedback as an important aspect for the success of appraisal and London (1997) suggests that its importance is due to the fact that it directs and motivates behaviour. It has reward value and provides for career development while contributing to increasing the self-awareness of workers and improving relationships between supervisors and subordinates.

Solutions to the main problems of performance appraisal which are individual rater subjectivity and rater error are firstly, multiple-source or 360-degree feedback processes, and secondly, training. The merits and de-merits of these interventions have been discussed in Chapter Two and earlier in this chapter.

3.10.3 Problems with Satisfaction and Acceptability of Performance Appraisal

A major requirement for the success of an appraisal system is that it should have gained the approval and support of subordinates and supervisors or management alike and this apparently is not always the case. Dipboye and Pontbriand (1981) suggest that the support of the system will only be gained from all interested parties if the advantages of the system are seen to benefit them in some way. The best way to address the problems is to consider what characteristics should be present in the appraisal system which will cause it to be effective and hence, engender satisfaction and acceptance.

An interesting anomaly in terms of acceptability, is that research tends to indicate that inaccuracies in appraisals often take the form of inflated ratings (Longenecker & Ludwig, 1995), however, the perception of workers appears to be that the reverse is actually the case.

3.11 CHARACTERISTICS OF EFFECTIVE APPRAISALS

Based on a review of the literature, Burke, Weitzel and Weir in Latham and Wexley (1994), summarised six main characteristics of effective performance appraisal being, levels of participation, acceptance of appraisals, setting of goals, discussion of problems, criticisms, and freedom to exercise opinions.

3.11.1 High Levels of Participation

A number of researchers have claimed that employees who display a great deal of satisfaction with the appraisal process as well as with their supervisors are those who have experienced high levels of participation during the process. Latham and Wexley (1994) suggest that the importance of this statement is that participation in the appraisal interview appears to increase the employees' acceptance of the supervisors observations.

An important factor concerning this investigation is that subsequent studies by other researchers (Leung & Li cited by Latham & Wexley, 1994) have indicated that increased participation does not necessarily enhance perceptions of fairness on the part of employees, especially in cases where the appraisal has been negative.

3.11.2 Employee Acceptance of Appraisals

Acceptance of appraisal by the employee and satisfaction with the supervisor tends to engender reciprocal behaviour from the supervisor who then becomes supportive of the

employee (Latham & Saari cited by Latham & Wexley, 1994). This in turn tends to increase the perceptions of rating fairness, to the extent that the rater shows sensitivity towards the self-image of the employee.

Cleveland cited by Pearce and Porter (1986), discovered that it was more the characteristics of the appraisal system (e.g. frequency of evaluations, rater knowledge and experience, etc.) which were better predictors of the perceived fairness and accuracy of the appraisal system than the actual rating the employee received.

3.11.3 Setting of Specific Goals

This activity is very much aligned with the principles of performance management and it has been said that through the setting of specific employee goals, there has been up to twice as much improvement in performance compared with the setting of general goals (Latham & Wexley, 1994). Moon (1997) suggests that in this respect characteristics of well defined goals and objectives should be, Specific, Measurable, Agreed, Realistic and Timed (SMART). Briefly what is meant is that firstly, a goal must be clearly set where there is very little room for mis-interpretation. Secondly, it should be stated in quantifiable measures where possible or applicable. Thirdly, the goal or objective should be agreed upon by both rater and ratee and fourthly, goals or objectives should be achievable or realistic. Finally, a time scale should be allocated so that objectives can be completed within pre-determined target dates.

3.11.4 Discussion of Problems

The discussion of problem areas which may be having a negative effect on the employee's job performance and working towards solutions tends to have an immediate effect on productivity (Maier; Meyer & Kay cited by Latham & Wexley, 1994). This action would take place during feedback sessions. Other studies that homed in on appraisals which concentrated on behavioural criteria and also included discussions of the

employee's career, correlated with an improvement in post-appraisal job performance. In addition to these two variables, allowing the employee to participate in the appraisal process also indicated a significant correlation with post-appraisal job satisfaction (Nathan, Mohrman & Milliman cited by Latham & Wexley 1994).

Other interesting details from the same study revealed that a well organised appraisal process compensated for poor inter-personal relations between the employee and the rater and conversely, good inter-personal relations between the two parties compensated for a poorly conducted appraisal interview.

3.11.5 Criticisms

Research has indicated that the number of criticisms in an appraisal shows a positive correlation with the number of defensive reactions shown by the employee and in fact the areas of most criticism are the one's least likely to produce any post-appraisal improvement (Kay, Meyer & French cited by Latham & Wexley, 1994). Subsequent research however, has shown that when appraisal is negative, employees become more receptive when they are encouraged to take part in the feedback session (Dipboye & Pontbriand cited by Latham & Wexley, 1994).

In a field study of nurses in Scotland it was found that employees were far more encouraged to improve their performance when they observed that they were being appraised in terms of their performance rather than their personalities. There was also the perception that the appraisals were fair which is important for employee morale (Anderson & Barnett cited by Latham and Wexley, 1994).

3.11.6 Freedom to Exercise Opinions

The more freedom employees have to exercise their opinions during the appraisal interview, the more satisfied they will feel with the process (Greller; Nemeroff & Wexley;

Wexley, Singh & Yukl cited by Latham & Wexley, 1994). Once again, the more the inputs from the employee which were permitted to be given and taken into cognisance, the more the process was perceived to be fair.

3.11.7 Summary

Other researchers and authors such as Schneier, et al. (1987) approach effectivity from a problem/solution viewpoint whereby they state a problem area and then suggest one or more possible solutions to a specific problem. This is a very effective method in that problems peculiar to a specific system in any given organisation are approached directly and no attempt is made to achieve effectiveness through introducing an idealistic or theoretical model. In this respect Longenecker and Goff (1992) argue that there is no use in having a technically sound appraisal system if the effectiveness of the process cannot be ensured. The needs of both appraiser and appraisee therefore, must be satisfied to ensure effectivity.

3.12 THE ROLE OF PERFORMANCE APPRAISAL IN PERFORMANCE MANAGEMENT

The more recent trend is to include performance appraisal as a function of the wider concept of performance management. Spangenberg (1994) suggests that a different approach is required whereby situational and organisational factors need to be considered. A more holistic approach to performance appraisal has therefore, been recommended whereby it is incorporated as an integral part of performance management. He describes performance management as the management of workers, which includes planning their performance, facilitating the achievement of goals and effecting the review of performance in such a way that it is both motivational as far as the worker is concerned but also *in line with the objectives of the organisation*.

In the case of performance management, the degree of integration of worker goals and organisational objectives and goals is far greater than in the case of performance appraisal. Another major difference is that in the case of performance management, it is not a single event but a continuous process and the focus is on the future and not the past (Swan, 1991; Armstrong & Baron, 1998). Grant (1998) describes performance management as including performance planning, performance appraisal, training and development needs assessment, coaching and succession planning. In fact the performance management process must link organisational or corporate strategy to specific employee behaviour (Mailliard, 1997; Weiss & Hartle, 1997; Heneman & Thomas, 1997). Panza (1997) goes a step further by stating that to use performance management effectively, managers should plan performance from three approaches being, macro (corporate strategy), process, and human factors.

The performance management approach is, according to more recent researchers, highly recommended, however not all organisations utilise this approach (Spangenberg, 1994). Notwithstanding the fact that the performance management approach is a relatively new concept and not without fault, the traditional approach to performance appraisal comes in for more general criticism by many more researchers and authors. Nevertheless, Clatfelter (1997) levels one criticism against performance management by saying that despite the apparent advantages of this process, especially in the realm of consistent feedback, many organisations still do not fully utilise the system. Armstrong and Baron (1998) on the other hand, state that the system was initially inclined to be bureaucratic but is gradually moving toward a developmental approach to the extent that since 1991, two-thirds of organisations which operate some form of performance management system, have introduced personal development plans whilst the remainder still use competency based assessments.

While Spangenberg (1994) views performance management as the counter to performance appraisal which he sees as fraught with problems, Swan (1991) views it as a management tool which encompasses appraisal, whereas Schneier et al. (1987) emphasise that it should be approached as a management cycle and not an appraisal

cycle. Swan suggests the following eight steps to be included in the performance management process which focuses more on the micro situation:

- Step One. The performance and development plans are agreed upon between supervisor and subordinate. Performance standards are also agreed upon in this step.
- Step Two. Feedback, counselling, coaching and documentation are continuous for the next year, or appraisal period. Intervention from the supervisor would take place here if improvements were required.
- Step Three. On the approach of appraisal time and prior to preparing the performance appraisal report, the supervisor solicits the subordinates self-evaluation. This provides the supervisor with an extra source of input for his report and also helps to prepare the subordinate for the appraisal meeting.
- Step Four. The supervisor and subordinate meet to discuss the subordinate's self-evaluation. This step is used to clarify any uncertainties the supervisor may have concerning general information as well as details in the subordinate's self-evaluation. It is not used to discuss the merits of any particular matter.
- Step Five. The supervisor completes the appraisal form or report. He ensures that all the available information is used.
- Step Six. The supervisor previews the appraisal with his or her supervisor or the human resources component. The next level of supervision or human resources component is consulted mainly for reasons of confirmation, understanding and agreement.

- Step Seven. The supervisor schedules an appraisal meeting with the subordinate. Enough time should be set aside so that all aspects of the appraisal can be discussed in full.
- Step Eight. The supervisor conducts the appraisal meeting. The subordinate should be given the opportunity to make written comments on the form as his or her signature alone will merely confirm that the report has been seen. During the same meeting, the plan for the following year will be worked out, thus step eight merges with step one and so completes the ongoing cycle.

Although Spangenberg (1994) discusses the performance management process in great detail, his macro overview of the core processes is of value from the point of view of the grounding of organisational strategy. He names five core processes which are independent yet overlap to some degree and are as follows:

- The organisational mission, goals, and strategic capabilities must be developed.
- Goals must be formulated and aligned at team and individual levels.
- Structures then have to be designed or re-designed.
- The activity of managing performance takes place at organisational, process, as well as team and individual levels.
- Performance is reviewed.

Gosselin, Werner & Halle (1997) when carrying out research from an integrated point of view on performance management and appraisal, found that employees trusted their

immediate supervisor the most in terms of accuracy for their appraisals. They also preferred having prior knowledge of their supervisor's expectations, receiving continuous feedback throughout the appraisal period and being formally appraised at least twice a year. This approach appears to satisfy both schools of thought.

In the light of the above, a very interesting approach is that of Stiles, Gratton, Truss, Hope-Haley and McGovern (1997) viz. that the management of performance has a major influence in determining the psychological contract in an organisation. The reason for this being, that any change in the performance requirements of employees and their remuneration as the result of strategic changes, will inevitably eventuate in re-defined expectations and in such a way, alter the employment relationship and hence, performance.

3.13 SUMMARY

This chapter has touched on the purpose of appraisal, the classification of appraisal methods, types of ratings, typical rating errors, and other factors affecting appraisal such as the environment, feedback and motivation, and ethical aspects. Problems concerning appraisal were discussed together with a look at the characteristics of effective appraisals. It also affords an overview of what factors have to be considered when designing a performance appraisal model. The tendency is to perceive systems or processes from the point of view of the perfect model but unfortunately this cannot be achieved, especially when considering the human element involved in the process. In this sense, the question could be posed; what is the ideal or perfect model?

Performance appraisal was also considered in its role as an integral part of performance management and while some authors like Spangenberg (1994) are not at all partial to the concept of performance appraisal, others like Swan (1991) and Gosselin et al. (1997), are satisfied to accept performance appraisal as an integral part of performance management.

It is probably safe to say that no system will please or carry the approval of all its participants, however this should never prevent organisations from constantly striving for better systems which will be accepted by an increasing majority of employees. The fact that no system will carry the approval of all participants will become apparent in the next chapter where comparisons are made between the research model and theory.

CHAPTER FOUR

A COMPARATIVE REVIEW OF THE PERFORMANCE APPRAISAL SYSTEM IN USE IN THE PARTICIPATING ORGANISATION

4.1 INTRODUCTION

This chapter provides a comprehensive description of the performance appraisal system in use in the participating organisation and merges the practical aspects of this system with the theoretical factors discussed in Chapters Two and Three. It also includes a discussion of the particular problem areas affecting the system as well as comparisons with previous research carried out in this direction in a South African context.

In this regard it is interesting to note that much of the recorded research addressing the topic of perceptions concerning performance appraisal, have been carried out in the United States of America and the United Kingdom. Comparatively very little appears to have been carried out in South Africa to date, however as mentioned above, this particular research is related to another South African study undertaken by Le Roux (1989). It was initiated on the recommendations made by her, with regard to developing and validating a measuring instrument that is both valid and reliable for the measurement of perceptions concerning performance appraisal in the South African context. The essence of Le Roux's research was based on that of Mount (1983) and was aimed at a fairly large private enterprise, whereas this study is based on perceptions as they appear in the public sector.

4.2 AIMS AND FUNCTIONS OF THE SYSTEM IN USE IN THE PARTICIPATING ORGANISATION

The system refers to the overall Public Service performance appraisal system which is

termed, "Staff Evaluation" and is based on Chapter B.X of the Public Service Staff Code which in turn is a document promulgated by the Department of Public Service and Administration. It should be noted therefore, that the particular departments being researched fall under the jurisdiction of the National Government and as such, is compelled to make use of the evaluation systems being utilised in the wider Public Sector.

Evaluations are split into two components or levels. The first being the assessment of the upper structure (deputy directors and upward, excluding heads of department) which is governed by Chapter B.X Part I of the Public Service Staff Code and the second, is the assessment of officers and employees below the level of the upper structure (assistant directors and lower) which is governed by Chapter B.X Part II. The latter component which can also be referred to as middle management and lower, is the one which concerns this research. A different instrument is used for each level and the instrument and process pertaining to the research group will be discussed in the following section.

4.2.1 The Instrument and Process

At present the Public Service makes use of three different instruments for the evaluation of personnel in the component, middle management (assistant director) and lower. There is the Personnel Assessment Questionnaire, the Merit Award questionnaire and a questionnaire used for what is termed salary notch increments. The design and application of these instruments have been prescribed by the Department of Public Service and Administration and promulgated via Chapter B.X of what is known as the Public Service Staff Code. The main instrument called a Personnel Assessment Questionnaire, consists of a thirty item, six point graphic rating scale which is used as the basis for general personnel decisions. The second instrument, used for merit awards (cash payments), consists of a fifteen item questionnaire, the first ten items of which are applicable to what is termed Production Units (non-supervisory positions) while the full fifteen items apply to the 'Supervision level'. A third instrument which is

used for salary notch increments consists of six items of which, at least four, have to be reported upon. This situation tends to cause confusion amongst employees as can be seen from the allegations recorded in the previous section.

By means of comparison at this point, it was observed in Chapter Three that most organisations appear to make use of one instrument but post-appraisal discussions on different issues such as salary, motivation, and performance are combined or separated depending on the preference of the organisation (Latham & Wexley, 1994; London, 1997). Even though the use of several instruments has been mentioned as a problem area, for the purposes of this research, the emphasis was focused almost exclusively on the main appraisal instrument, being the personnel assessment questionnaire.

The Personnel Assessment Questionnaire (Appendix A) consists of thirty items which are grouped into four sub-groups or sections consisting of Job Performance, Knowledge and insight, and Interpersonal Relations. These three sub-groups are completed for all employees while the fourth section, Leader Abilities is completed in addition for those employees categorised as supervisors or "persons in promotion ranks". Each item is then 'scored' on the basis of the graphic rating scale method of evaluation and the scores are derived from critical incidents which are supported by written motivations for each item or element.

The procedure regarding the way in which the appraisal process is handled is as follows:

- the appraisee maintains a record of all the 'incidents' surrounding his performance for the specific year of evaluation. An incident is defined as any task or action carried out beyond the normal scope of the appraisee's field of responsibility or work of a particularly high standard within his/her scope of responsibility.

- the incidents are then discussed with the appraisee's supervisor on the basis of, as they occur, on a weekly or monthly basis, or as a whole at the end of the evaluation period. More often than not the discussion of incidents takes place at the end of the evaluation period. It is also important to note that the term 'evaluation period' does not always mean, on a yearly basis.
- supervisors are then required to allocate ratings (degrees of efficiency) on a scale from 1 to 6 in Part C of the questionnaire in accordance with the incidents and reports substantiating the relevant elements as per Chapter BX/II/6.1 (c) (i) and (ii) of the Public Service Staff Code. The scores are then totalled and converted to an overall percentage which gives an indication of the employee's promotability classification. When Part D is completed by the supervisor/reporting officer and divisional head, the questionnaire is forwarded to the assessing authority for ratification by completing Part E. There are two overall classifications, being "*promotable*" or "*not promotable*" which are then split further into sub-classifications. In the case of not promotable (49.9% and lower), the employee will be classified as either "*not promotable at present*" or "*gainfully employed*"; or as, "*has reached a ceiling in present work situation*". The latter classification is split further into "*gainfully employed*" or "*not gainfully employed*". The promotable classification has a three way split consisting of "*promotable when turn comes*" (57% and lower); "*promotable out of turn*" (72% - 80.9%) and "*preferentially promotable*" (85% and higher).
- the personnel component completes Part A of the questionnaire and ensures that the rest of the questionnaire is correctly completed while the supervisor or reporting officer ensures that the appraisee has completed Part B of the questionnaire which includes a declaration (Part B.4) that he or she (appraisee) has received feedback on performance/evaluation results. The supervisor/reporting officer then completes Part C and he or she, together with the

divisional head make their recommendations in Part D and the questionnaire is then forwarded to the assessing authority.

- the report is then verified and classified in terms of promotability as indicated above and a further recommendation is made by the assessing authority as to the employee's *acceptability* in the next highest rank. If the employee is acceptable, a recommendation will be made as to whether the acceptability would be with or without reservations.
- after the classification of the report has been ratified, and approved by the head of department or his or her delegate, the appraisee is informed by means of a confirmation of assessment form/letter.

The aims of the process are addressed in the following section.

4.2.2 Aims of the System

The procedures appear to be sound and the stated objectives of the Public Service Staff Evaluation system do not differ in essence from the literature in that the objectives include both administrative as well as developmental aspects. However, the main criticisms from the point of view of users, is the application thereof. The stated (Chapter BX/II/1, Public Service Staff Code) purpose or objective of the public service personnel evaluation system is to determine the relative efficiency of officers and employees in order to:

- determine the promotability of employees to, and acceptability in, higher posts.
- the consideration of transfers within and between departments (i.e. correct placement).

- identify supervisory and/or management potential.
- determine the needs for training and development, especially those of under-achievers.
- decide upon corrective action.

The head of each department has the authority to constitute an assessing authority in compliance with the following requirements (only the applicable ones are listed):

- It is essential that the members of the assessing authority are acquainted with the type of work performed by the employees to be assessed.
- The Chairperson and members should be fully acquainted with the relevant directives.
- Special attention should be given to the members' personalities, their knowledge of the assessment system and their attitudes towards personnel assessment.
- Members should be at least two ranks senior to the personnel being assessed.

Although the ideal situation is one wherein the interests of the organisation and the individual are seen and experienced to be equally served, this does not appear to be the perception of many public servants. In fact many public servants name some or all of the criticisms, discussed in the next section, when the question of the performance evaluation system is discussed.

4.2.3 Sentiments of Public Servants Concerning the Appraisal System

Having reviewed the instrument and process of the Public Service Staff Evaluation system, it is important to consider the sentiments which many public servants express when discussing or questioned about the system. These were mentioned in Chapter One and are repeated for ease of reference.

The system is perceived to be:

- Time consuming and laborious having to record, prepare and list incidents.
- Subjective in terms of appraisals by supervisors.
- Confusing in terms of having different instruments for different purposes instead of having a single multi-disciplinary instrument.
- Insufficiently representative and unfair in that, at review level (assessing authority), ratees' evaluations are ratified and finalised by persons who don't always know them and/or are not always aware of their true capabilities. The outcome of their assessment can also be influenced by the oratory capabilities or personality of the person presenting it before the assessing authority.
- Unclear and indecisive in that incidents and weightings thereof are ill-defined. Generally a lack of training in the administration of the system and use of the instruments.
- Non-beneficial in terms of notable career progress such as promotions, merit awards etc.

- Inadequate in terms of feedback which is generally weak and not regular or meaningful enough to make a difference in improving performance.
- Inefficient and de-motivating in that feedback on ratified appraisals takes place too long after the appraisal has been carried out.
- Unethical in that supervisors are often prejudiced for various reasons when evaluating personnel.

A more comprehensive explanation of these allegations is required however and they are discussed in terms of the theory, as follows.

4.2.3.1 Time Consumption

In the collection of information for appraisal, an adaptation of the critical incident technique is used. This aspect probably receives the most widespread and vociferous criticism, mainly because each reportable incident has to be motivated on a report form and in a fairly comprehensive format which includes the date of the incident, general background, what specific actions were carried out by the employee in handling the incident, whether it was on their own initiative, what sacrifice had to be made on the part of the employee in terms of time and effort, was the action part of their normal duties, and what the result of the actions were. The last point could refer to time saving, money saving, improving procedures, improving relations with clients, etc. From the point of view of time, the impact of this process can be placed into perspective when it is considered that many incidents can be recorded for each one of thirty different dimensions or elements. In fact at another State department in Gauteng, a personnel advisor appointed on contract from the United Kingdom, expressed his alarm at the fact that on a certain afternoon of each week, staff would suspend their normal activities to spend the whole afternoon preparing their incidents.

The fact that this method is considered to be time consuming and costly is confirmed by Henderson (1984) and Moon (1997).

4.2.3.2 Subjectivity

Two main points are raised here, one being that many employees feel that to be rated by a single supervisor for the entire assessment period is not the ideal situation and lends itself to subjectivity. Although the question of continuity is often an advantage, the feeling is that assessments would be more acceptable if more people with whom employees had contact, were involved with inputs thereof. Other views are that there is not enough contact with a specific supervisor for that supervisor to know how the employee is performing or progressing, or that the supervisor is not fully aware of what the employee is supposed to be doing (Henderson, 1984; Murphy & Cleveland, 1991; London, 1997).

The other point which occurs less frequently is that it often happens that staff functionaries are placed in supervisory positions over line functionaries especially where the line functionaries are specialised personnel and the staff functionaries are not. The feeling in this case is that the supervisor is not in a position to give objective evaluations. The latter situation is supported through research carried out by Henderson (1984) and Murphy and Cleveland (1991) on technical aspects.

4.2.3.3 Multiple Appraisal Instruments

More than one instrument is used in the overall evaluation system and confusion exists regarding the use of the three basic instruments being the Personnel Assessment Questionnaire, Merit Award questionnaire and 'Salary Notch Promotion' questionnaire. These have already been described but the confusion is very real in that many employees are unaware of when these instruments should be applied, how they should be applied, or the relationship between them and what they are supposedly measuring. The literature does not mention specifically that separate instruments are used in other

systems but does mention that organisations combine or split motivation, performance and salary discussions depending on their preference (Latham & Wexley, 1994; London, 1997). Coates (1998) on the other hand, is quite adamant that salary discussions should not be included in what he terms a 360-degree feedback session because it can undermine trust and create the inception of unacceptable bias in the ratings.

During informal discussions, most employees have expressed the preference for a single, multi-disciplinary instrument. This they felt would contribute to less confusion, less waste of time resulting in an efficient and effective, integrated system.

4.2.3.4 Representivity

Although one of the requirements of the assessing authority is that it is essential to have serving members who should be acquainted with the type of work performed by the employee being assessed, this fact is often hotly contested by many employees. The main criticism is that the members of the assessing authority are not familiar enough with them as individuals and as a result of that, their careers are often dependent on the oratory ability or personality of one person presenting their 'case' before the assessing authority. This also often takes place without any physical inputs from people who are familiar with the individual's capabilities and able to expand on any points on which the committee might have needed further information or clarification. In other words judgements are made purely on the strength of a report. The feeling on this point is that committees should be further decentralised in order to create more direct involvement from people who are more familiar with performance capabilities.

4.2.3.5 Clarity of Measuring Standards

It has already been mentioned that each item is scored or evaluated on a six-point scale according to levels of proficiency, which the supervisor/reporting officer records in Part C of the questionnaire. The main problems in respect of this aspect are that employees

are confused as to how the items or elements are quantified. If any guidelines concerning the weighting of incidents are provided they are normally very vague and reflect a situation whereby most scores are based on overall impressions, educated guesses, or gut-feel as discussed from the literature in Chapter Two. This does not contribute towards an efficient or accurate system. Weightings appear to be a particular area of uncertainty because not only are the ratees unsure of how final values are arrived at for any given performance or behavioural dimension, but many of the employees who fulfil the role of raters are equally unsure. It must be assumed that in many cases, committee members are equally uninformed as to how values for any particular worker are determined.

Other criticisms fall in line with typical rater errors such as the halo effect, bias, rating restriction or central tendency, and the contrast effect, with the latter two tendencies inclined to be the most prevalent. The feeling is that not enough training in the administration of performance appraisal and the proper use of instruments is carried out.

4.2.3.6 Lack of Career Progress Benefits

Many employees feel that there is no benefit from going through the 'pain' of performance appraisal when nothing seems to transpire from the exercise. If there is progress, this is often criticised as being too slow and not commensurate with the contribution which they make towards the achievement of organisational goals. Of course employee expectations can be seen as subjective and unrealistic, but surely if this view has been voiced long enough and strongly enough by the apparent, overwhelming majority, then there must be some merit in investigating this 'perception' further. In other words, the effort does not justify the results and could be related to negative valence as postulated in the expectancy theory.

Moon (1997) confirms the perceptions of workers, in that performance appraisal never seems to lead to anything and is viewed as an annual chat or merely an exercise in going through the motions.

4.2.3.7 Inadequate Feedback

This is another bone of contention and despite there being a section of the questionnaire (Part B.4) whereby confirmation has to be given by the supervisor/reporting officer that feedback on performance/evaluation has been given, this is not often handled with the importance with which it should. The main criticisms are that the quality of feedback is generally poor and is not meaningful or regular enough to be of any use in terms of enhancing the potential performance levels of employees.

Should these allegations be accurate, they would be in direct contrast with the literature which firstly, suggests that the objective of performance appraisal is to improve the performance of individuals while enhancing the performance of the organisation as a whole (Crainer, 1997). Secondly, the feedback should be specific and frequent (Robbins, 1986; Gerber, et al., 1987; London, 1997).

4.2.3.8 Prolonged Delay in respect of Ratified Assessment Results

Earlier in the chapter it was mentioned that the final leg of the assessment process involves providing the employee with a confirmation of classification form/letter but this is another action that allegedly takes too long, with delays of anything from three to six months. This is regarded as being inefficient and highly de-motivating. It is considered to be counter-productive in the sense that feedback is deemed to be most effective when given as close after the event as possible (Robbins, 1986; Gerber et al., 1987; London, 1997). When the ratified classification can mean a possible promotion, the delay could be understandably devastating in terms of de-motivating employees.

4.2.3.9 Ethics

The feeling in this regard, is that supervisors are inclined to manipulate assessments in order to achieve a number of objectives. The main criticisms are that employees sense

that they have been deliberately assessed too low or too high. In the first case, the supervisor attempts to keep the good workers back by preventing them from being promoted out of the section and in the second case, the supervisor may find the only way to get rid of a poor worker is to have him or her promoted out of the section. The main allegations have been in connection with the first scenario. Other allegations concern the favouring of some workers in a section to the detriment of others. Again these are instances which are well documented in the literature (Longenecker & Ludwig, 1995). Needless to say however, that supervisors don't necessarily agree with these sentiments.

4.2.4 Summary

From the aforementioned review it can be seen that in essence, the Public Service has a system which includes the basic elements that should make it a successful one. The only possible exceptions are that there are too many instruments and that the particular instrument used for personnel assessments is not diverse enough to handle an organisation which employs any job title from messenger to medical specialist. The interpretation and application of the system however, appear to be the areas which have led to negative sentiments and problems expressed by many public servants. This aspect could be addressed through training, but perhaps the whole issue can be placed into perspective by considering the basic elements of a performance appraisal model.

4.3 A BASIC PERFORMANCE APPRAISAL MODEL

Balzer and Sulsky (1990) describe the appraisal system in terms of the typical systems dynamics model i.e., *inputs* (e.g., purpose for rating, rater selection, the instrument/s, training of raters etc.); *process* (e.g., monitoring of performance, completion of the instrument, feedback etc.); and *outputs* (e.g., performance ratings, personnel decisions, characteristics of the feedback etc.). This systems approach will make an interesting comparison with what actually takes place in practice.

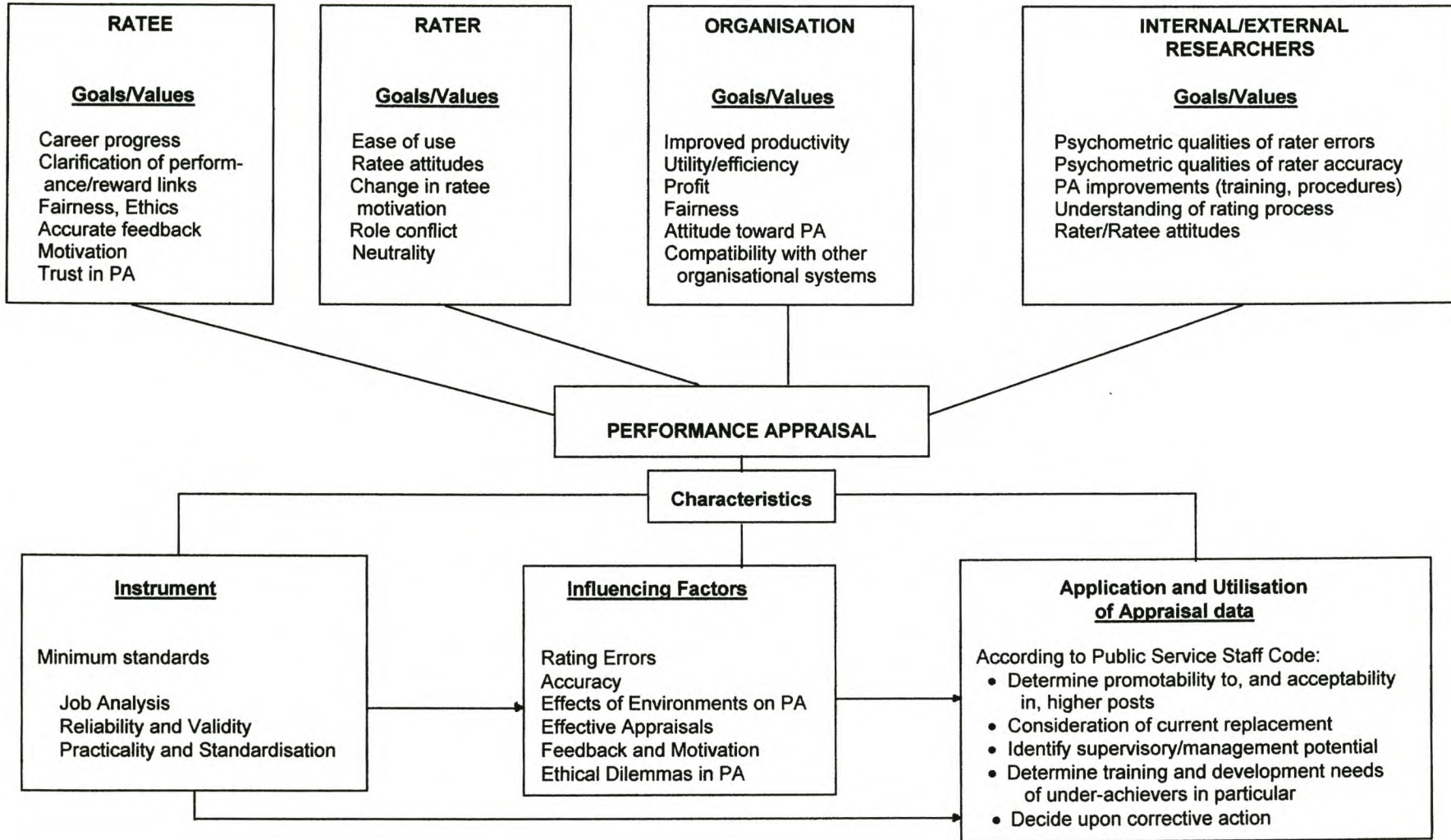


Figure 4.1 Constituent components of a basic Performance Appraisal Model

A model has been developed (Figure 4.1) from the basis of the framework suggested by Balzur and Sulsky (1990) as well as inputs from Latham and Wexley (1994), the Public Service Staff Code (Chapter B.X), and aspects of the theory discussed to this point. The model follows the typical systems dynamics as described by Balzur and Sulsky, above.

The upper half of the model is made up from what Balzur and Sulsky (1990), refer to as constituent interest groups being the ratee, the rater, the organisation and researchers. The main goals of these groups are listed and are fed into an integrated performance appraisal system.

The lower half of the model is made up of the characteristics of the system. There are many instruments in use but Latham and Wexley (1994) suggest that an appraisal instrument should be derived from three basic concepts being, job analysis, reliability and validity, and practicality and standardisation. Influencing factors have been drawn from the general literature and represent areas where either omission of positive factors influencing accurate appraisals occur or commission of errors influences the accuracy of appraisals. Application and utilisation of appraisal data are taken from the Public Service Staff Code (Chapter BX) and represent the outcomes for which the Public Service performance appraisal system strives.

4.4 THE PROBLEM

There is an apparent discrepancy in perception and attitude toward performance appraisal present in most role players and it is from this point of departure that the research was undertaken. It is important therefore, to try to understand the reason for this phenomenon. The question which had to be asked was, why are there differences in perception of the utility of performance appraisal systems with regard to fairness, ethics, motivation, accuracy, validity, rater error, effectivity and feedback?

The two fundamental groups that have been identified as having differing perceptions on these issues are those of supervisors and subordinates or workers on different post-levels. This is understandable as it becomes a case of the 'judge' and the 'judged' and therefore it cannot be expected to evoke the same sentiments or perceptions from each group. A further division was made within each of these groups on the grounds of whether supervisors or subordinates could be regarded as "achievers" or "non-achievers". This was regarded to be necessary in terms of the aims of the study and by taking into account that certain administrative and developmental rewards are derived from achievement. Due to this, it was expected that the "achievers" group would be more positively orientated towards performance appraisal than the "non-achievers" group. The method of determining these two sub-categories is fully explained in Chapter Five (par. 5.6).

Having reviewed the theoretical background to performance appraisal and considered the characteristics in terms of the instruments and processes of the system being researched, as well as the groups involved, a concept of the problem was formulated.

Formulation of the problem therefore consists of more than one facet as follows:

Is perception of the utility of the Performance Appraisal system in the Public Service with regard to fairness, ethics, motivation, accuracy, validity, rater error, effectivity and feedback, as well as administrative and developmental aspects, dependent upon the post-level of workers and whether they are regarded as "achievers" or "non-achievers"?

4.5 AIMS OF THE STUDY

The aims of the study have been influenced by the recommendations of previous researchers (Mount, 1983; Le Roux, 1989), and the influence of the current situation with regard to the alleged problems concerning performance appraisal which have been listed in Chapter One (par. 1.2) and confirmed earlier in this chapter (par. 4.2.3).

The aims of the study were stated in Chapter One and are re-stated here for easy reference.

The first consideration would be to investigate if and how perceptions between supervisors and subordinates differ in terms of the performance appraisal system in use, with specific reference to its utility as a career management tool, fairness, ethics, motivation, accuracy, validity, rater error, effectivity and feedback.

A second consideration would be to investigate whether perceptions between these groups differ concerning administrative and developmental aspects.

A third consideration would be to investigate if and how the perceptions of “achievers” differ from those of “non-achievers” in terms of the factors mentioned above. The categorising of achievers and non-achievers will be addressed in more detail in the chapters dealing with the methodology of the research.

A fourth consideration would be to contribute towards the development of a measuring instrument that is both valid and reliable for the measurement of perceptions concerning performance appraisal in the South African context.

It was hoped that the results of this study would enable future users of the particular performance appraisal system in use in the participating organisation to be sensitive towards; firstly, the correct use and value of appraisal; secondly, the potential problems in the system; and thirdly, negative and unacceptable sentiments towards performance appraisal. In such a way the results should enable users of the system to modify it if and when necessary. Another, possibly more important advantage, would be to enable the organisation to avoid problem areas which have been identified in the present system and which may cover common ground with potential problem areas in a new performance appraisal system. The bottom line of course, is to be able to change the attitude of workers towards appraisal in order to regard it as a system which not only,

can be administered easily, fairly and efficiently, but is also considered to be useful in terms of the development and progress of employees.

4.6 INTRODUCTION OF HYPOTHESES

It is not the intention to state detailed hypotheses at this stage but merely to give an indication as to the direction they will be headed, bearing in mind the problem statement, the aims and the theory. The full hypotheses will be discussed in the next chapter.

One of the main hypotheses concerns whether there would be a significant difference in perception of the performance appraisal system with regard to utility, fairness, ethics, motivation, accuracy, validity, rater error, effectivity and feedback, exists between supervisors and subordinates. The other main hypothesis concerns whether there would be a significant difference in perception of the performance appraisal system with regard to utility, fairness, ethics, motivation, accuracy, validity, rater error, effectivity and feedback, exists between the sub-groups of subordinates and supervisors namely, "achievers" and "non-achievers".

The sub-hypotheses concern whether there are significant differences in perception of the performance appraisal system with regard to utility as a career guidance tool, fairness, ethics, motivation, accuracy, validity, rater error, effectivity, and feedback, between supervisors and subordinates.

4.7 RELATED STUDIES

Although the information in this section fringes on the territory of research methodology, it is deemed to be important in terms of orientation as to the focus and representivity of each study.

Mention has already been made of the studies carried out by Mount (1983) and Le Roux (1989). Mount focused on comparisons of satisfaction between managers and employees of a given performance appraisal system, while Le Roux focused more on the perceptual differences between 'superiors' and subordinates in respect of the administrative and developmental dimensions of performance appraisal. Both studies were undertaken in large private enterprises. In essence, this study embraces the aims of the aforementioned studies but in addition, attempts to gain perceptions of supervisors and subordinates in respect of more detailed aspects such as utility, fairness, ethics, motivation, accuracy, validity, rater error, effectivity and feedback. The study was carried out in a very large department of the Public Service.

The subjects used in Mount's (1983) study appear to be drawn mainly from the clerical, sales representative and management levels of the organisation and the subjects used in Le Roux's (1989) study were drawn from the financial, law administration, planning, production, marketing, and personnel and communications departments. The subjects used in this study also represent a wide variety of job descriptions from broad categories such as general administration, personnel administration, medical functions, financial functions, transport, planning, etc.

The most important comparison however, is the content of the diagnostic instrument used in the research. Le Roux (1989) made use of a sub-section ("Satisfaction with Performance and Development Appraisal") of the "Leadership Analysis Questionnaire" which Mount (1983) used in a similar research project. The diagnostic instrument used in this particular study addressed similar aspects as those of Mount and Le Roux, albeit with slightly differing emphases. The approach was adapted to include aspects which are more in line with features of the performance appraisal system unique to the participating organisation.

The findings of the related studies produced various results. In the case of Mount (1983), the results indicated that there is a moderate similarity between employee and management satisfaction with appraisal and it is apparent that satisfaction with some

aspects of the system are moderated by perspectives of individuals. Significant differences were found regarding which aspects of the appraisal system are responsible for the greatest amount of satisfaction. The most substantial amount of variance recorded in the management sample related to the type of ratings made, whereas for employees, the most significant part of common variance recorded, referred to their overall satisfaction with the appraisal system. Le Roux (1989) on the other hand, found that there were no significant differences between the perceptions of successful and unsuccessful subordinates as well as between subordinates and managers with regard to administrative and developmental dimensions.

The results of this study will not be pre-empted by discussing them here as the research methodology and statistical analysis will be discussed fully in the following chapters.

4.8 SUMMARY

This chapter provided a comprehensive description of the performance appraisal process used for middle management and lower, in the participating organisation, while practical aspects of the model were merged with the theoretical factors discussed in Chapters Two and Three. It also included a discussion of the particular problem areas affecting the research model as well as comparisons with previous research carried out in this direction in a South African context.

While the use of a single instrument (Personnel Assessment Questionnaire) for a highly divergent workforce as well as the particular nature of the instrument may be queried, the main area of contention appears to be inconsistencies in the application, interpretation and administration of the system. In this regard, the perception of the system seems to be negatively influenced, hence the development of the problem statement and aims.

The directions which the hypotheses follow have been introduced, together with a link to related studies and these will be expanded upon in the next chapter.

CHAPTER FIVE

RESEARCH METHODOLOGY

5.1 INTRODUCTION

The previous chapter has placed the performance appraisal system of the participating organisation into perspective with reference to the discussion of the system, the perceptions and experience workers have of the system, a comparison with the theory, the problem statement derived from this situation and the aims of the study. It has in fact crystallised the underlying reason for this study and allows for the hypotheses to be developed further.

As mentioned in Chapter One, the importance of this chapter is to give a résumé of the research methodology, including a statistical analysis and a discussion regarding the statistical analysis.

5.2 HYPOTHESES

The hypotheses were briefly mentioned in the previous chapter, however, they will be fully stated here in terms of main hypotheses and sub-hypotheses. The alternative hypotheses have been stated and all are non-directional.

- **Main Hypothesis 1**

A significant difference in perception of the performance appraisal system with regard to utility, fairness, ethics, motivation, accuracy, validity, rater error, effectivity and feedback, exists between supervisors and subordinates.

- **Main Hypothesis 2**

A significant difference in perception of the performance appraisal system with regard to utility, fairness, ethics, motivation, accuracy, validity, rater error, effectivity and feedback, exists between the sub-groups of subordinates and supervisors namely, “achievers” and “non-achievers”.

- **Sub-hypothesis 1**

There is a significant difference in perception of the performance appraisal system with regard to **utility as a career guidance tool**, between (a) supervisors and subordinates, and (b) achievers and non-achievers.

- **Sub-hypothesis 2**

There is a significant difference in perception of the performance appraisal system with regard to **fairness**, between (a) supervisors and subordinates, and (b) achievers and non-achievers.

- **Sub-hypothesis 3**

There is a significant difference in perception of the performance appraisal system with regard to **ethics**, between (a) supervisors and subordinates, and (b) achievers and non-achievers.

- **Sub-hypothesis 4**

There is a significant difference in perception of the performance appraisal system with regard to **motivation**, between (a) supervisors and subordinates, and (b) achievers and non-achievers.

- **Sub-hypothesis 5**

There is a significant difference in perception of the performance appraisal system with regard to **accuracy**, between (a) supervisors and subordinates, and (b) achievers and non-achievers.

- **Sub-hypothesis 6**

There is a significant difference in perception of the performance appraisal system with regard to **validity**, between (a) supervisors and subordinates, and (b) achievers and non-achievers .

- **Sub-hypothesis 7**

There is a significant difference in perception of the performance appraisal system with regard to **rater error**, between (a) supervisors and subordinates, and (b) achievers and non-achievers.

- **Sub-hypothesis 8**

There is a significant difference in perception of the performance appraisal system with regard to **effectivity**, between (a) supervisors and subordinates, and (b) achievers and non-achievers.

- **Sub-hypothesis 9**

There is a significant difference in perception of the performance appraisal system with regard to **feedback**, between (a) supervisors and subordinates, and (b) achievers and non-achievers.

- **Sub-hypothesis 10**

There is a significant difference in perception of the performance appraisal system with regard to **administrative aspects**, between (a) supervisors and subordinates, and (b) achievers and non-achievers.

- **Sub-hypothesis 11**

There is a significant difference in perception of the performance appraisal system with regard to **developmental aspects**, between (a) supervisors and subordinates, and (b) achievers and non-achievers.

5.3 MEASURING INSTRUMENT

The diagnostic instrument used in this research has been adapted from those used by Mount (1983), and Le Roux (1989) to include aspects which are more in line with features of the performance appraisal system unique to the participating organisation. Le Roux used a sub-section (Satisfaction with the Performance and Development Appraisal) of the "Leadership Analysis Questionnaire" used by Mount in a similar research project.

Two questionnaires consisting of two sections each were prepared for the research. One questionnaire was designed for subordinates (Appendix B) while the other was designed for supervisors (Appendix C). Section A in each questionnaire covers demographic information while Section B consists of forty five items each, which are directly focused on aspects of performance appraisal. Demographic items cover mostly the same ground in both cases with the only exception being that in the case of the supervisors' questionnaire, item 7 requests them to furnish their number of years service as a supervisor whereas, the subordinates were asked to record the number of years they have been in the Service. Some questions in Section B which cover general appraisal aspects, were set exactly the same in both questionnaires (questions 1, 7, 8, 10, 11, 14, 15, 16, 17, 18, 19, 20, 21, 24, 26, 27, 45). The remaining questions in each questionnaire, were essentially the same but differed in terms of relationship with a particular dimension or factor, either from the point of view of a subordinate or from that of a supervisor. Responses to Section B of the questionnaires were recorded on a seven-point scale which is expected to have elicited a higher degree of discrimination.

The questionnaires were prepared only in English, for three reasons. Firstly, it was important to prevent distortion of the meaning of questions through possible inaccurate interpretation. The second reason was that English has been accepted by most departments as the language to be used in general correspondence and hence, it was assumed that most employees would be comfortable in responding in this medium. Two

respondents did however, enquire whether the questionnaires were available in Afrikaans. The third reason was in the interests of the volume of the questionnaire, in that if it had been produced as a dual medium document, it would have been reasonably lengthy and respondents are reputed to shy away from such questionnaires.

Apart from the questions that address general aspects of performance appraisal, which have already been identified, there are also questions which are aligned with other factors of the aims of the study. These are utility (questions 1, 20, 21, 27, 44), fairness (questions 2, 5, 15, 16, 19, 35), ethics (questions 35, 40, 41, 42, 43), motivation (questions 3, 8, 17, 32, 34, 36), accuracy (questions 4, 5, 9, 23, 24, 26), validity (questions 18, 22, 25), rater error (questions 6, 28, 29, 30, 31) effectivity (questions 7, 10, 11, 14, 33, 45), and feedback (questions 12, 13, 37, 38, 39). The administrative aspects were addressed over seventeen items, namely in questions 2, 3, 4, 5, 9, 10, 15, 16, 17, 20, 21, 22, 25, 26, 27, 30, and 33, while developmental aspects were addressed over fifteen items being questions 2, 3, 10, 12, 13, 14, 22, 25, 32, 34, 36, 37, 38, 39, and 40.

Due to the fact that the responses with regard to rank were so poor, it was decided not to include this aspect in the statistical analysis. It is not certain why this was the case but the only assumption which can be made is that some respondents may have thought that it was a way of identifying them. The fact that many ranks were not furnished did not however, affect the categorisation of supervisors and subordinates as these categories were pre-determined. Responses concerning home language also did not evoke the reaction that was expected with only one respondent indicating that his or her home language was a language other than Afrikaans or English. This was also omitted from the statistical analysis as was the aspect of marital status which was included in case any tendencies could be coupled to it.

In view of the fact that the questionnaires have been extensively adapted to a unique situation, their reliability has been calculated by use of Cronbach's Coefficient Alpha to determine the degree of internal consistency. This has been carried out through the use

of all the items from Section B of each of the questionnaires. The results are close to Nunnally's (1967) postulation that a reliability coefficient of around 0.80 is sufficient for research purposes. An exposé of the results is given in Table 5.1.

Table 5.1 Reliability of Questionnaires in terms of Scale Alpha

Subscale	Female	Male	Total	Coefficient Alpha
Subordinates	105	96	201	0.80 (rounded)
Supervisors	128	58	186	0.74
Total	233	154	387	0.77 (rounded)

5.4 METHOD

While parts of the study embrace an expository or explanatory approach as to why certain phenomena exist, it is in essence a descriptive study whereby the existence and intensity of variables are to be described. The basic questions being posed in the study are: how do the units being analysed react to a given situation, and why do all of these units not react in the same way?

Thus the explanatory approach is part of the descriptive nature of the study but only in a diagnostic/idiographic sense.

5.5 RESEARCH PARTICIPANTS

Although a study on the performance appraisal system in the Public Sector should ideally be conducted in the wider Public Service, this was deemed to be impractical due to the size of the population. It was thus decided to focus on a conglomerate of State

Departments in the Western Cape. Again, the size of the population in the whole of the Western Cape rendered any proposed study of this limited nature, impractical and it was finally decided to concentrate the study more specifically on the centralised Head Office components.

It is however, believed that the population from which the sample has been drawn is representative of the Public Service for the following reasons:

- as stated earlier, personal experience has indicated that the specific comments or criticisms concerning performance appraisal are common throughout the Public Service.
- with the constant migration of public servants through inter-departmental and inter-provincial transfers, it can be expected that the application of the system must become more and more stereotyped and therefore suffer similar criticisms throughout the Service.
- because the system is universally applicable throughout the Public Service, training methods and information concerning the administration of the system are originated and controlled from a single central source. This means that individual departments cannot deviate from the rules as set out in the Public Service Staff Code, thus leading to a situation which also lends itself toward uniformity.

This last point is critical in terms of the presence of feelings or attitudes of ownership toward the system and the extent to which the supervisory or management levels would probably be prepared to defend the system or really try to make it work. On this note Longenecker and Goff (1992) suggest that despite the fact that over 90% of large American

organisations have some form of performance appraisal system, in order to be effective, managers and subordinates should have a shared perception of the purposes and functions of the given system and should also believe that it will be beneficial on an individual basis. This is seldom apparent in the Public Service.

In an attempt to improve the quality of results, it was decided to distribute questionnaires to a sample population of at least three hundred for each group (a total of six hundred questionnaires). The sample population therefore, included employees representing subordinates and supervisors.

The questionnaires were distributed to participants who were drawn mainly from the Cape Town/Bellville area of the Western Cape. This was done through liaison personnel who were identified by the personnel component. Questionnaires were distributed to all those employees who qualified to do so, by department. This was done on the basis of every second person where possible, or as in the case with some smaller sections, every person who qualified. Respondents were supplied with envelopes in which the completed questionnaires could be placed and then sealed before returning them to the designated liaison officials. Information regarding the designated liaison officials and the target date for return of the questionnaires was printed on the envelopes.

The overall response to the questionnaires was very satisfactory in that 431 of the 600 questionnaires were returned (almost 72%) of which 44 were unusable. The main reasons for which the 44 questionnaires could not be used was due to incorrect completion or total incompleteness of the questionnaires by respondents. Of the 186 supervisors' responses which could be used for statistical analysis, 80 (43%) were categorised as achievers and of the 201 subordinates' responses which could be used for statistical analysis, 38 (19%) were categorised as achievers. These percentages, albeit in raw form, are interesting in terms of the relationship of achievement and career progress, i.e., a notably greater percentage of supervisors are categorised as achievers.

The distribution of usable responses in terms of groupings is illustrated in Table 5.2. The categories of “achievers” and “non-achievers” are explained under point 5.6.

Table 5.2 Distribution of usable responses in terms of groupings

SUBORDINATES		SUPERVISORS	
USABLE RESPONSES - 201		USABLE RESPONSES - 186	
Achievers	Non-achievers	Achievers	Non-achievers
38 (19%)	163 (81%)	80 (43%)	106 (57%)

5.6 INFORMATION GATHERING METHODS

Information was collected from the two groups, namely the group representing the supervisor cadre, (from the ranks of administrative officer and equivalent to assistant director and equivalent) and the second group, from those ranks below the rank of administrative officer i.e., subordinates. Both groups were further divided into what is termed “achievers”, or what was expected to be a positively orientated sub-group, and “non-achievers”, or what was expected to be a negatively orientated sub-group. The division between these two sub-groups was made on the basis of their classification of assessment over the last three years and whether they have received a merit award over the last five years or not. The assumption was made that employees who have received a “Class 1” or “Class 2” assessment classification and/or a merit award, are more positively orientated towards the performance appraisal system than those employees who have received a “Class 3” assessment classification and have never received a merit award.

A points system was allocated in order to effect this differentiation, for example, assessment classifications were scored as follows; Class 1 = 5 points; Class 2 = 3 points

and Class 3 = 0 points. These were combined with Merit Award scores which were scored on the basis of 3 points for having received a merit award and 0 points for not having received a merit award. Thus employee's scoring 8 points (5 for assessment + 3 for merit award); 6 points (3 for assessment + 3 for merit award) or 5 points (5 for assessment + 0 for merit award), make up the positively orientated sub-group. Alternatively those employee's scoring 3 points (either 3 for assessment or 3 for merit awards) or no points (0 for assessment and 0 for merit awards) make up the sub-group expected to be negatively orientated.

The classification of assessments can be explained as follows: a "Class 1" assessment means that an employee is considered to be fit for promotion far in advance (1 year) of his/her due date, or as a matter of 'priority'. A "Class 2" assessment means that an employee is to be considered for promotion in advance (6 months) of his/her due date, or as it is termed an 'out of turn' promotion. A "Class 3" assessment means that the employee is performing within the expected norms of his/her job and may be considered for promotion after the minimum required period of time has been served in a particular rank/post. It is apparent then that Class 1 & 2 classifications represent performances of a very high standard while Class 3 classifications represent the norm. Merit Awards are coupled almost exclusively to Class 1 & 2 assessments. The information for the determination of the different groups/sub-groups was obtained from the demographic section of the questionnaire.

Although the questionnaires cover a fair amount of common ground with those used by Mount (1983) and Le Roux (1989), the questionnaires used in this study have been adapted to include a wider range of dimensions and items which are more in line with features of the performance appraisal system unique to the Public Sector.

The motivation for the study and hence the adaptation of the questionnaires, is, as previously recorded, to aim at developing and validating a measuring instrument that is both valid and reliable for the measurement of perceptions concerning performance appraisal in the South African context, as recommended by Le Roux (1989). The Public

Service as the major single employer in the country is deemed to be an apt point of departure in this regard.

An important factor to bear in mind is that in this particular case, junior and middle management do not have the necessary executive powers to amend existing systems, or implement new performance appraisal systems but are dependent on the systems recommended and enforced by a central body being the Department of Public Service and Administration.

By comparison, the studies by Mount (1983) and Le Roux (1989), were carried out on comparatively smaller, private sector organisations which included a management component possessing executive powers, thus enabling it to amend existing systems, or implement new performance appraisal systems.

5.7 STATISTICAL ANALYSIS

The consolidated aim of the research was to compare if and how perceptions between supervisors and subordinates (including achievers and non-achievers) differ in terms of the performance appraisal system in use in the Public Sector, with specific reference to its utility, fairness, ethics, motivation, accuracy, validity, rater error, effectivity, feedback, and administrative and developmental aspects. In order to illustrate or operationalise this aim, use has been made of descriptive statistics as well as multiple comparisons. The descriptive statistics consisted of means and standard deviations while use has also been made of One-way analysis of variance (one-way ANOVA) and *Post Hoc* Tests. Howell (1990) states that analysis of variance is reputed to be the most used technique in contemporary psychological research.

The statistical analysis was carried out by means of the "Statistical Program for Social Sciences" (SPSS for Windows package, George & Mallery, 1999).

After the raw data had been acquired, frequencies were calculated for each of the biographic items that were used in Section A of the questionnaires as well as for each of the questions in Section B. Frequencies were also calculated for each of the sub-groups and the total group. Frequencies were then calculated for each of the dependent variables (utility, fairness, ethics, motivation, accuracy, validity, effectivity, feedback, administrative, and developmental). The advantage of calculating the frequencies first, is that any errors in the recording of raw data can be identified immediately and corrected accordingly.

T-tests were carried out in terms of relationships between the independent variables, (supervisors and subordinates) with reference to each of the dependent variables. This procedure was also carried out for relationships between the achiever/non-achiever groups with reference to each of the dependent variables. Considering that the hypotheses were stated in non-directional terms, two-tailed (or non-directional) tests were carried out so that extreme outcomes in either tail could be rejected.

Comparisons between all the independent variables, namely, the achiever and non-achiever sub-groups representing subordinates and supervisors, with the dependent variables were determined by means of the One-way analysis of variance procedure. Analysis of variance is also suited to situations where unequal numbers of observations exist. Although the variables were initially investigated in terms of planned comparisons in accordance with the hypotheses, other possible significant relationships were investigated by application of *Post Hoc* tests using the Bonferroni technique. These were carried out by relating each one of the independent variables with the other three, in terms of each of the dependent variables. It was considered that the outcomes of these tests may also elicit possible themes for future research.

Only two of the discrete variables were used in the statistical analysis and these were the "last assessment category" and "merit awards". These were used for determining achiever and non-achiever classifications. The other discrete variables being, "gender",

“age”, “highest academic qualification”, and “length of service” were requested in the event that other statistics could be derived from them.

5.8 SUMMARY

This chapter advanced the discussion of the hypotheses wherein the detailed assumptions of the study were stated and the direction of research methodology, conceptualised. Other facets of the methodology such as the measuring instrument, the method or nature of the study, research participants and information gathering methods were discussed in greater detail.

Most important however, discussion of the statistical analysis, outlined the statistical approach or strategy on which the tests and procedures were based and serves as an apt introduction to Chapter Six where the results of the research are recorded.

CHAPTER SIX

RESULTS OF THE RESEARCH

6.1 INTRODUCTION

As mentioned in the research preview in Chapter One and again in Chapter Five, this chapter deals mainly with the recording of results gained through the statistical tests and procedures. The research hypotheses as stated in the previous chapter were thus, tested against the results. Satisfaction of the aims of the research which were assessed thereby, will be discussed in greater detail in the next chapter.

Reporting of the statistical results has been recorded according to hypotheses i.e., each sub-hypothesis is examined in terms of *t*-tests, one-way ANOVA's and subsequently, *Post Hoc* Tests where applicable.

6.2 SUB-HYPOTHESIS 1 : PERFORMANCE APPRAISAL'S UTILITY AS A CAREER GUIDANCE TOOL

This hypothesis states that there is a significant difference in perception of the performance appraisal system with regard to ***utility as a career guidance tool***, between (a) supervisors and subordinates, and (b) achievers and non-achievers. The exposé of results of the tests and procedures incorporate sections (a) and (b) of the hypothesis.

6.2.1 Perceptual differences between main groups, and sub-groups regarding Utility

The ***t*-test** carried out for differences between supervisors and subordinates (a) as well as for the sub-groups, achievers and non-achievers (b), revealed the results as indicated

in Table 6.1. No significant perceptual differences were observed. The alternative hypothesis as stated was therefore, not supported.

Table 6.1 T-test : Perceptual differences between supervisors and subordinates and the sub-groups, achievers and non-achievers in respect of Performance Appraisal having utility as a career guidance tool

Variable	Groups	T-test for Equality of Means		
		<i>t</i>	df	Sig - <i>p</i> (2-tailed)
Utility	Supervisors / Subordinates	-.343	385	.732
	Supe: Achievers / Supe: Non-achiever	1.762	184	.080
	Sub: Achievers / Sub: Non-achievers	.766	199	.444

6.2.2 Comparisons among all groups with reference to Utility

The results of the one-way ANOVA regarding relationships of Utility within the total group elicited no specifically significant perceptual differences as indicated in Table 6.2.

Because of this, there was no need to proceed with the *Post Hoc* test.

Table 6.2 One-way ANOVA regarding relationships of Utility with the total group

Group interaction	Sum of Squares	df	Mean Square	<i>F</i>	Sig - <i>p</i>
Between Groups	138.337	3	46.112	1.213	.305
Within Groups	14559.730	383	38.015		
Total	14698.067	386			

6.3 SUB-HYPOTHESIS 2 : FAIRNESS IN THE APPLICATION OF PA

The hypothesis states that there is a significant difference in perception of the performance appraisal system with regard to **fairness**, between (a) supervisors and subordinates, and (b) achievers and non-achievers. The exposé of results of the tests and procedures incorporate sections (a) and (b) of the hypothesis.

6.3.1 Perceptual differences between main groups, and sub-groups regarding Fairness

The **t-test** revealed the results as indicated in Table 6.3. The perceptual difference between supervisor and subordinate groups was significant as indicated in the table. The alternative hypothesis concerning supervisors and subordinates was therefore, supported ($p < 0.001$). The hypothesis for the sub-groups however, was not supported.

Table 6.3 T-test : Perceptual differences between supervisors and subordinates and the sub-groups, achievers and non-achievers with regard to Fairness in the Performance Appraisal process

Variable	Groups	T-test for Equality of Means		
		t	df	Sig - p (2-tailed)
Fairness	Supervisors / Subordinates	-3.842	385	.000***
	Sup: Achievers / Sup: Non-achiever	.485	184	.628
	Sub: Achievers / Sub: Non-achievers	1.428	199	.155

*** $p < 0.001$

6.3.2 Comparisons among all groups with reference to Fairness

The results of the one-way ANOVA regarding relationships of Fairness within the total group elicited significant perceptual differences as indicated in Table 6.4.

Table 6.4 One-way ANOVA regarding relationships of Fairness within the total group

Group interaction	Sum of Squares	df	Mean Square	F	Sig - p
Between Groups	631.180	3	210.393	5.914	.001**
Within Groups	13624.562	383	35.573		
Total	14255.742	386			

** $p < 0.01$

The Bonferroni technique of the *Post Hoc* test was used in order to identify where the

Table 6.5 *Post Hoc* test using the Bonferroni technique to determine relationships among the groups in respect of Fairness

Response Groupings		Mean Difference (I-J)	Std. Error	Sig - p	95% Confidence Interval	
(I)	(J)				Lower Bound	Upper Bound
Subordinate: Achievers	Sub: Non-achievers	1.80	1.074	.569	-1.05	4.65
	Supe: Achievers	-1.06	1.175	1.000	-4.18	2.05
	Supe: Non-Achievers	-.73	1.128	1.000	-3.72	2.26
Subordinate: Non-achievers	Sub: Achievers	-1.80	1.074	.569	-4.65	1.05
	Supe: Achievers	-2.86	.814	.003*	-5.02	-.70
	Supe: Non-achievers	-2.53	.744	.004*	-4.51	-.56
Supervisor: Achievers	Sub: Achievers	1.06	1.175	1.000	-2.05	4.18
	Sub: Non-achievers	2.86	.814	.003*	.70	5.02
	Supe: Non-achievers	.33	.883	1.000	-2.01	2.67
Supervisor: Non-achievers	Sub: Achievers	.73	1.128	1.000	-2.26	3.72
	Sub: Non-achievers	2.53	.744	.004*	.56	4.51
	Supe: Achievers	-.33	.883	1.000	2.67	2.01

* $p < 0.05$

differences were. Significant differences were indicated between the sub-group, subordinate non-achievers, with both supervisor sub-groups, as reflected in Table 6.5.

6.4 SUB-HYPOTHESIS 3 : ETHICS IN THE APPLICATION OF PA

The hypothesis states that there is a significant difference in perception of the performance appraisal system with regard to **ethics**, between (a) supervisors and subordinates, and (b) achievers and non-achievers. The exposé of results of the tests and procedures incorporate sections (a) and (b) of the hypothesis.

6.4.1 Perceptual differences between main groups, and sub-groups regarding Ethics

The **t-test** revealed the results as indicated in Table 6.6. The perceptual difference between supervisor and subordinate groups was significant as indicated in the table. The alternative hypothesis concerning supervisors and subordinates (a) as stated, was supported ($p < 0.001$). The hypothesis for the sub-groups (b) was not supported.

Table 6.6 T-test : Perceptual differences between supervisors and subordinates and the sub-groups, achievers and non-achievers with regard to Ethics in the Performance Appraisal process

Variable	Groups	T-test for Equality of Means		
		t	df	Sig - p (2-tailed)
Ethics	Supervisors / Subordinates	10.169	385	.000***
	Supe: Achievers / Supe: Non-achiever	-1.271	184	.205
	Sub: Achievers / Sub: Non-achievers	-.935	199	.351

*** $p < 0.001$

6.4.2 Comparisons among all groups with reference to Ethics

The results of the one-way ANOVA regarding relationships of Ethics within the total group elicited significant perceptual differences as indicated in Table 6.7.

Table 6.7 One-way ANOVA regarding relationships of Ethics within the total group

Group interaction	Sum of Squares	df	Mean Square	F	Sig - p
Between Groups	4068.091	3	1356.030	35.301	.000***
Within Groups	14712.327	383	38.413		
Total	18780.419	386			

*** $p < 0.001$

The Bonferroni technique of the *Post Hoc* test indicated significant differences between

Table 6.8 *Post Hoc* test using the Bonferroni technique to determine relationships among the groups in respect of Ethics

Response Groupings		Mean Difference (I-J)	Std. Error	Sig - p	95% Confidence Interval	
(I)	(J)				Lower Bound	Upper Bound
Subordinate: Achievers	Sub: Non-achievers	-1.10	1.116	1.000	-4.07	1.86
	Supe: Achievers	6.14	1.221	.000***	2.90	9.38
	Supe: Non-Achievers	5.05	1.172	.000***	1.94	8.16
Subordinate: Non-achievers	Sub: Achievers	1.10	1.116	1.000	-1.86	4.07
	Supe: Achievers	7.25	.846	.000***	5.00	9.49
	Supe: Non-achievers	6.16	.773	.000***	4.11	8.21
Supervisor: Achievers	Sub: Achievers	-6.14	1.221	.000***	-9.38	-2.90
	Sub: Non-achievers	-7.25	.846	.000***	-9.49	-5.00
	Supe: Non-achievers	-1.09	.918	1.000	-3.52	1.35
Supervisor: Non-achievers	Sub: Achievers	-5.05	1.172	.000***	-8.16	-1.94
	Sub: Non-achievers	-6.16	.773	.000***	-8.21	-4.11
	Supe: Achievers	1.09	.918	1.000	-1.35	3.52

*** $p < 0.001$

each subordinate sub-group with each of the supervisor sub-groups respectively, as reflected in Table 6.8.

6.5 SUB-HYPOTHESIS 4 : MOTIVATION IN THE APPLICATION OF PA

The hypothesis stated that there is a significant difference in perception of the performance appraisal system with regard to *motivation*, between (a) supervisors and subordinates, and (b) achievers and non-achievers. The exposé of results of the tests and procedures incorporate sections (a) and (b) of the hypothesis.

6.5.1 Perceptual differences between main groups, and sub-groups regarding Motivation

The *t*-test revealed the results as indicated in Table 6.9. The perceptual difference between supervisor and subordinate groups or the sub-groups of achievers and non-achievers were not significant as indicated in the table. The alternative hypothesis was therefore, not supported.

Table 6.9 T-test : Perceptual differences between supervisors and subordinates and the sub-groups, achievers and non-achievers with regard to Motivation in the Performance Appraisal process

Variable	Groups	T-test for Equality of Means		
		<i>t</i>	df	Sig - <i>p</i> (2-tailed)
Motivatn	Supervisors / Subordinates	-1.421	385	.156
	Supe: Achievers / Supe: Non-achiever	.247	184	.805
	Sub: Achievers / Sub: Non-achievers	.726	199	.469

6.5.2 Comparisons among all groups with reference to Motivation

The results of the one-way ANOVA regarding relationships of Motivation within the total group elicited no significant perceptual differences as indicated in Table 6.10. As a result of this a *Post Hoc* test was not carried out.

Table 6.10 One-way ANOVA regarding relationships of Motivation within the total group

Group interaction	Sum of Squares	df	Mean Square	F	Sig - p
Between Groups	65.063	3	21.688	.891	.446
Within Groups	9320.136	383	24.335		
Total	9385.199	386			

6.6 SUB-HYPOTHESIS 5 : ACCURACY IN THE APPLICATION OF PA

The hypothesis states that there is a significant difference in perception of the performance appraisal system with regard to **accuracy**, between (a) supervisors and subordinates, and (b) achievers and non-achievers. The exposé of results of the tests and procedures incorporate sections (a) and (b) of the hypothesis.

6.6.1 Perceptual differences between main groups, and sub-groups regarding Accuracy

The **t-test** revealed the results as indicated in Table 6.11. The perceptual difference between supervisor and subordinate groups was significant as indicated in the table. The alternative hypothesis concerning supervisors and subordinates (a) as stated, was therefore, supported. The hypothesis for the sub-groups (b) was not supported.

Table 6.11 T-test : Perceptual differences between supervisors and subordinates and the sub-groups, achievers and non-achievers, with regard to Accuracy in the Performance Appraisal process

Variable	Groups	T-test for Equality of Means		
		t	df	Sig - p (2-tailed)
Accuracy	Supervisors / Subordinates	-2.508	385	.013*
	Sup: Achievers / Sup: Non-achiever	.522	184	.602
	Sub: Achievers / Sub: Non-achievers	.227	199	.821

* $p < 0.05$

6.6.2 Comparisons among all groups with reference to Accuracy

The results of the one-way ANOVA regarding relationships of Accuracy within the total group elicited no significant perceptual differences as indicated in Table 6.12. It was not necessary to carry out a *Post Hoc* test.

Table 6.12 One-way ANOVA regarding relationships of Accuracy within the total group

Group interaction	Sum of Squares	df	Mean Square	F	Sig - p
Between Groups	220.938	3	73.646	2.171	.091
Within Groups	12991.594	383	33.921		
Total	13212.532	386			

6.7 SUB-HYPOTHESIS 6 : VALIDITY IN THE APPLICATION OF PA

The hypothesis states that there is a significant difference in perception of the performance appraisal system with regard to *validity*, between (a) supervisors and

subordinates, and (b) achievers and non-achievers. The exposé of results of the tests and procedures incorporate sections (a) and (b) of the hypothesis.

6.7.1 Perceptual differences between main groups, and sub-groups regarding Validity

The **t-test** revealed the results as indicated in Table 6.13. The perceptual difference between supervisor and subordinate groups as well as between the sub-groups were not significant as indicated in the table. The alternative hypothesis as stated was therefore, not supported.

Table 6.13 T-test : Perceptual differences between supervisors and subordinates and the sub-groups, achievers and non-achievers with regard to Validity in the Performance Appraisal process

Variable	Groups	T-test for Equality of Means		
		<i>t</i>	df	Sig - <i>p</i> (2-tailed)
Validity	Supervisors / Subordinates	1.732	385	.084
	Sup: Achievers / Sup: Non-achiever	.002	184	.998
	Sub: Achievers / Sub: Non-achievers	1.361	199	.175

6.7.2 Comparisons among all groups regarding Validity

The results of the one-way ANOVA regarding relationships of Validity within the total group elicited no significant perceptual differences as indicated in Table 6.1, hence it was unnecessary to carry out a *Post Hoc* test.

Table 6.14 One-way ANOVA regarding relationships of Validity within the total group

Group interaction	Sum of Squares	df	Mean Square	F	Sig - p
Between Groups	56.240	3	18.747	1.653	.177
Within Groups	4343.145	383	11.34		
Total	4399.385	386			

6.8 SUB-HYPOTHESIS 7 : RATER ERROR IN THE APPLICATION OF PA

The hypothesis states that there is a significant difference in perception of the performance appraisal system with regard to *rater error*, between (a) supervisors and subordinates, and (b) achievers and non-achievers. The exposé of results of the tests and procedures incorporate sections (a) and (b) of the hypothesis.

6.8.1 Perceptual differences between main groups, and sub-groups regarding Rater Error

The *t-test* revealed the results as indicated in Table 6.15. Perceptual differences were significant between supervisors and subordinates (a) on the one hand and between the supervisor sub-groups, achievers and non-achievers (b). The alternative hypothesis as stated for supervisors and subordinates was supported as well as that for the supervisor sub-groups, achievers and non-achievers. The hypothesis was not however supported in respect of the subordinate sub-groups, achievers and non-achievers.

Table 6.15 T-test : Perceptual differences between supervisors and subordinates and the sub-groups, achievers and non-achievers with regard to Rater Error in the Performance Appraisal process

Variable	Groups	T-test for Equality of Means		
		<i>t</i>	df	Sig - <i>p</i> (2-tailed)
Rater error	Supervisors / Subordinates	-4.035	385	.000***
	Sup: Achievers / Sup: Non-achiever	2.589	184	.010*
	Sub: Achievers / Sub: Non-achievers	1.014	199	.312

* $p < 0.05$ *** $p < 0.001$

6.8.2 Comparisons among all groups regarding Rater Error

The results of the one-way ANOVA regarding relationships of Rater error within the total group, elicited significant perceptual differences as indicated in Table 6.16.

Table 6.16 One-way ANOVA regarding relationships of Rater Error within the total group

Group interaction	Sum of Squares	df	Mean Square	<i>F</i>	Sig - <i>p</i>
Between Groups	323.954	3	107.985	8.118	.000***
Within Groups	5094.790	383	13.302		
Total	5418.744	386			

*** $p < 0.001$

The *Post Hoc* test indicated differences between the subordinate sub-group, non-achievers and the supervisor sub-group, achievers as can be seen in Table 6.17.

Table 6.17 *Post Hoc* test using the Bonferroni technique to determine relationships among the groups

Response Groupings		Mean Difference (I-J)	Std. Error	Sig - p	95% Confidence Interval	
(I)	(J)				Lower Bound	Upper Bound
Subordinate: Achievers	Sub: Non-achievers	.66	.657	1.000	-1.08	2.40
	Supe: Achievers	-1.78	.719	.083	-3.68	.13
	Supe: Non-Achievers	-.37	.690	1.000	-2.19	1.46
Subordinate: Non-achievers	Sub: Achievers	-.66	.657	1.000	-2.40	1.08
	Supe: Achievers	-2.44	.498	.000***	-3.76	-1.12
	Supe: Non-achievers	-1.03	.455	.148	-2.23	.18
Supervisor: Achievers	Sub: Achievers	1.78	.719	.083	-.13	3.68
	Sub: Non-achievers	2.44	.498	.000***	1.12	3.76
	Supe: Non-achievers	1.41	.540	.056	-2.21E-02	2.84
Supervisor: Non-achievers	Sub: Achievers	.37	.690	1.000	-1.46	2.19
	Sub: Non-achievers	1.03	.455	.148	-.18	2.23
	Supe: Achievers	-1.41	.540	.056	-2.84	2.21E-02

*** p < 0.001

6.9 SUB-HYPOTHESIS 8 : EFFECTIVITY IN THE APPLICATION OF PA

The hypothesis states that there is a significant difference in perception of the performance appraisal system with regard to **effectivity**, between (a) supervisors and subordinates, and (b) achievers and non-achievers. The exposé of results of the tests and procedures incorporate sections (a) and (b) of the hypothesis.

6.9.1 Perceptual differences between main groups, and sub-groups regarding Effectivity

The **t-test** revealed the results as indicated in Table 6.18. The perceptual difference

between supervisor and subordinate groups (a) as well as between the sub-groups (b) were not significant as indicated in the table. The alternative hypothesis as stated, was therefore, not supported.

Table 6.18 T-test : Perceptual differences between supervisors and subordinates and the sub-groups, achievers and non-achievers with regard to Effectivity in the Performance Appraisal process

Variable	Groups	T-test for Equality of Means		
		<i>t</i>	df	Sig - <i>p</i> (2-tailed)
Effectiv	Supervisors / Subordinates	-1.556	385	.120
	Supe: Achievers / Supe: Non-achiever	.866	184	.388
	Sub: Achievers / Sub: Non-achievers	.071	199	.943

6.9.2 Comparisons among all groups regarding Effectivity

The results of the one-way ANOVA regarding relationships of Effectivity within the total group elicited no significant perceptual differences as indicated in Table 6.19.

Table 6.19 One-way ANOVA regarding relationships of Effectivity within the total group

Group interaction	Sum of Squares	df	Mean Square	<i>F</i>	Sig - <i>p</i>
Between Groups	76.547	3	25.516	1.045	.372
Within Groups	9347.303	383	24.405		
Total	9423.850	386			

6.10 SUB-HYPOTHESIS 9 : FEEDBACK IN THE APPLICATION OF PA

The hypothesis states that there is a significant difference in perception of the performance appraisal system with regard to **feedback**, between (a) supervisors and subordinates, and (b) achievers and non-achievers. The exposé of results of the tests and procedures incorporate sections (a) and (b) of the hypothesis.

6.10.1 Perceptual differences between main groups, and sub-groups regarding Feedback

The **t-test** revealed the results as indicated in Table 6.20. The perceptual difference between supervisor and subordinate groups (a) as well as between the sub-groups (b) were not significant as indicated in the table. The alternative hypothesis as stated, was therefore, not supported.

Table 6.20 T-test : Perceptual differences between supervisors and subordinates and the sub-groups, achievers and non-achievers with regard to Feedback in the Performance Appraisal process

Variable	Groups	T-test for Equality of Means		
		<i>t</i>	df	Sig - <i>p</i> (2-tailed)
Feedback	Supervisors / Subordinates	.363	385	.717
	Sup: Achievers / Sup: Non-achiever	1.124	184	.262
	Sub: Achievers / Sub: Non-achievers	.082	199	.935

6.10.2 Comparisons among all groups regarding Feedback

The results of the one-way ANOVA regarding relationships of Feedback within the total group elicited no significant perceptual differences as indicated in Table 6.21.

Table 6.21 One-way ANOVA regarding relationships of Feedback within the total group

Group interaction	Sum of Squares	df	Mean Square	F	Sig - p
Between Groups	48.625	3	16.208	.466	.706
Within Groups	13329.375	383	34.803		
Total	13378.000	386			

6.11 SUB-HYPOTHESIS 10 : ADMINISTRATIVE ASPECTS IN THE APPLICATION OF PA

The hypothesis states that there is a significant difference in perception of the performance appraisal system with regard to *administrative aspects* between, (a) supervisors and subordinates, and (b) achievers and non-achievers. The exposé of results of the tests and procedures incorporate sections (a) and (b) of the hypothesis.

6.11.1 Perceptual differences between main groups, and sub-groups regarding Administrative Aspects

The *t-test* revealed the results as indicated in Table 6.22. The perceptual difference between supervisor and subordinate groups were significant as indicated in the table. The alternative hypothesis for supervisors and subordinates (a) was therefore, supported. The hypothesis for the sub-groups (b) was not supported.

Table 6.22 T-test : Perceptual differences between supervisors and subordinates and the sub-groups, achievers and non-achievers with regard to the Administrative Aspects in the Performance Appraisal process

Variable	Groups	T-test for Equality of Means		
		t	df	Sig - p (2-tailed)
Admin	Supervisors / Subordinates	-3.517	385	.000***
	Sup: Achievers / Sup: Non-achiever	1.834	184	.068
	Sub: Achievers / Sub: Non-achievers	1.424	199	.156

*** $p < 0.001$

6.11.2 Comparisons among all groups regarding Administrative Aspects

Results of the one-way ANOVA regarding relationships of Administrative Aspects within the total group elicited significant perceptual differences as indicated in Table 6.23.

Table 6.23 One-way ANOVA regarding relationships of Administrative Aspects within the total group

Group interaction	Sum of Squares	df	Mean Square	F	Sig - p
Between Groups	4494.371	3	1498.124	5.778	.001**
Within Groups	99310.456	383	259.296		
Total	103804.827	386			

** $p < 0.01$

The *Post Hoc* test indicated significant differences between the subordinate sub-group, non-achievers and supervisor sub-group, achievers, as reflected in Table 6.24.

Table 6.24 *Post Hoc* test using the Bonferroni technique to determine relationships among the groups

Response Groupings		Mean Difference (I-J)	Std. Error	Sig - <i>p</i>	95% Confidence Interval	
(I)	(J)				Lower Bound	Upper Bound
Subordinate: Achievers	Sub: Non-achievers	4.75	2.901	.615	-2.94	12.44
	Supe: Achievers	-3.94	3.173	1.000	-12.36	4.47
	Supe: Non-Achievers	-.41	3.045	1.000	-8.49	7.66
Subordinate: Non-achievers	Sub: Achievers	-4.75	2.901	.615	-12.44	2.94
	Supe: Achievers	-8.69	2.198	.001**	-14.52	-2.86
	Supe: Non-achievers	-5.16	2.009	.063	-10.49	.17
Supervisor: Achievers	Sub: Achievers	3.94	3.173	1.000	-4.47	12.36
	Sub: Non-achievers	8.69	2.198	.001**	2.86	14.52
	Supe: Non-achievers	3.53	2.385	.838	-2.80	9.85
Supervisor: Non-achievers	Sub: Achievers	.41	3.045	1.000	-7.66	8.49
	Sub: Non-achievers	5.16	2.009	.063	-.17	10.49
	Supe: Achievers	-3.53	2.385	.838	-9.85	2.80

** $p > 0.01$

6.12 SUB-HYPOTHESIS 11 : DEVELOPMENTAL ASPECTS IN THE APPLICATION OF PA

The hypothesis states that there is a significant difference in perception of the performance appraisal system with regard to **developmental aspects**, between (a) supervisors and subordinates, and (b) achievers and non-achievers. The exposé of results of the tests and procedures incorporate sections (a) and (b) of the hypothesis.

6.12.1 Perceptual differences between main groups, and sub-groups regarding Developmental Aspects

The **t-test** revealed the results as indicated in Table 6.25. The perceptual difference

between supervisor and subordinate groups (a) as well as between the sub-groups (b) were not significant as indicated in the table. The alternative hypothesis as stated, was not supported.

Table 6.25 T-test : Perceptual differences between supervisors and subordinates and the sub-groups, achievers and non-achievers with regard to Developmental Aspects in the Performance Appraisal process

Variable	Groups	T-test for Equality of Means		
		<i>t</i>	df	Sig - <i>p</i> (2-tailed)
Develop	Supervisors / Subordinates	-.336	385	.737
	Sup: Achievers / Sup: Non-achiever	.346	184	.730
	Sub: Achievers / Sub: Non-achievers	-.042	199	.967

6.12.2 Comparisons among all groups regarding Developmental Aspects

Results of the one-way ANOVA regarding relationships of Developmental Aspects within the total group did not elicit significant perceptual differences, as indicated in Table 6.26.

Table 6.26 One-way ANOVA regarding relationships of Developmental Aspects within the total group

Group interaction	Sum of Squares	df	Mean Square	<i>F</i>	Sig - <i>p</i>
Between Groups	29.086	3	9.695	.071	.975
Within Groups	52139.182	383	136.134		
Total	52168.269	386			

6.13 ADDITIONAL TESTS

Certain outcomes and comparisons from the results prompted two additional tests. One of these areas of interest was the interactions between the subordinate sub-groups, achievers and non-achievers. The other area concerned a number of questions (17) which were posed in exactly the same way on each questionnaire that concerned general aspects of performance appraisal and are referred to as “like-items”.

6.13.1 Subordinate Sub-group Interactions

None of the planned tests produced any statistically significant differences between the two subordinate sub-groups, achievers and non-achievers. As a result there was some doubt as to whether the method chosen to discriminate between the two sub-groups was sufficient or not. In order to test this, it was decided to use one of the other discrete variables to establish if there were any areas in which the perceptions of the two sub-groups would differ significantly. The variable which seemed to have the greatest chance of producing a significant result was that of “length of service”, which is also exclusive to the subordinate group. It was considered that the perception of subordinates with between 1 and 5 years service would differ from those exceeding 5 years service with regard to utility, fairness, ethics, motivation, accuracy, validity, rater error, effectivity, and feedback, as well as administrative and developmental aspects. This could also be seen as a loosely formulated hypothesis.

Before illustrating the test results, an interesting aspect of the statistics was the way in which the *means* of the variables for the first sub-sub-group (1-5 years service) were consistently higher than the second group (> 5 years service), with the only exception being in respect of Ethics. This phenomenon is discussed in Chapter Seven.

A *t*-test was carried out and significant differences are illustrated against the variables; validity, feedback, administrative aspects, and developmental aspects in the table below.

The alternative hypothesis as stated is therefore supported in these cases. The full results are indicated in Table 6.27.

Table 6.27 T-test. Perceptual differences between subordinates with between 1 and 5 years service, and 6 and 10 years service respectively, with regard to utility, fairness, ethics, motivation, accuracy, validity, rater error, effectivity, feedback, and administrative and developmental aspects

Groups	Variables	T-test for Equality of Means		
		<i>t</i>	df	Sig - <i>p</i> (2-tailed)
Subordinates: 1 - 5 years service and 6 - 10 years service	Utility	1.411	110	.161
	Fairness	1.851	110	.067
	Ethics	-.774	110	.440
	Motivation	1.534	110	.128
	Accuracy	1.612	110	.110
	Validity	3.413	110	.001**
	Rater error	1.164	110	.247
	Effectivity	.965	110	.337
	Feedback	2.694	110	.008**
	Administrative Aspects	2.680	110	.008**
	Developmental Aspects	3.392	110	.001**

** $p < 0.01$

The one-way ANOVA's for the four variables indicating significant differences are illustrated in table 6.28. The areas where the differences occur when the second group is increased to include 6 - 10 years service and > 10 years, are illustrated in Table 6.29.

Table 6.28 One-way ANOVA's regarding relationships of the total subordinate group iro the four variables showing significant differences

Variables	Group interaction	Sum of Squares	df	F	Sig - p
Validity	Between Groups	112.579	2	4.848	.009**
	Within Groups	2299.013	198		
	Total	2411.592	200		
Feedback	Between Groups	449.213	2	6.842	.001**
	Within Groups	6500.259	198		
	Total	6949.473	200		
Admin Aspects	Between Groups	2547.104	2	3.798	.024*
	Within Groups	66385.086	198		
	Total	68932.189	200		
Develop Aspects	Between Groups	2008.164	2	6.792	.001**
	Within Groups	29270.473	198		
	Total	31278.637	200		

* $p < 0.05$ ** $p < 0.01$ **Table 6.29** Post Hoc test using the Bonferroni technique to determine relationships among the groups (only significant relationships are shown)

Variable	Response Groupings		Mean Difference (I-J)	Std. Error	Sig - p
	(I)	(J)			
Validity	> 1yr : < 5yrs	> 5yrs : < 10yrs	2.13	.685	.006**
Feedback	> 1yr : < 5yrs	> 5yrs : < 10yrs	3.17	1.151	.019*
		> 10yrs	4.13	1.121	.001**
Administrative Aspects	> 1yr : < 5yrs	> 5yrs : < 10yrs	9.41	3.679	.034*
		> 10yrs	8.97	3.582	.039*
Developmental Aspects	> 1yr : < 5yrs	> 5yrs : < 10yrs	-9.41	8.18	.003**
		> 10yrs	-.45	8.13	.002**

* $p < 0.05$ ** $p < 0.01$

6.13.2 Like-items Comparison

With regard to the like-items test consisting of 17 questions as mentioned earlier, a *t*-test was carried out in respect of factors concerning general aspects of performance appraisal of which the questions were posed in exactly the same way in Section B of the respective supervisor and subordinate questionnaires. The results of the test are illustrated in table 6.30. The aim of this additional test was to determine whether any statistically significant differences exist between the two main groups, supervisors and subordinates, in terms of identical issues.

Table 6.30 T-test : Perceptual differences between supervisors and subordinates in terms of like-items concerning the Performance Appraisal process

Variable	Groups	T-test for Equality of Means		
		<i>t</i>	df	Sig - <i>p</i> (2-tailed)
Like-Items (17)	Supervisors / Subordinates	-.387	385	.699

6.14 SUMMARY

In this chapter the results of the tests and procedures have been recorded and form the basis for Chapter Seven wherein the statistical results are discussed in more detail.

CHAPTER SEVEN

DISCUSSION OF THE RESULTS

7.1 INTRODUCTION

This chapter forms a logical follow-on from the results which were reported in Chapter Six. Instead of using the results of each hypothesis as a framework for the discussion, this chapter will give consideration as to how the results have contributed to the aims of the study. In this regard, the main aim was to investigate how perceptions differed between supervisors and subordinates in terms of the performance appraisal system with specific reference to its utility as a career management tool, fairness, ethics, motivation, accuracy, validity, rater error, effectivity, and feedback. Two additional (traditional) aspects being, administrative and developmental aspects were also investigated. Each main group (supervisor and subordinate) was divided into two further groups, identified as achievers and non-achievers and it is the interaction of these groups with the dependent variables mentioned above, which will be discussed. An encouraging feature of the statistical analysis being valid in terms of the *t*-tests, was that the sample data were normally distributed as posited by Howell (1995).

Whether this study can make a contribution toward the development of a measuring instrument that is both valid and reliable for the measurement of perceptions concerning performance appraisal in the South African context, will also be discussed.

7.2 PERCEPTION OF PA's UTILITY AS A CAREER GUIDANCE TOOL

The rationale of the hypothesis concerning utility is that perceptions regarding the utility

of the performance appraisal system in enhancing career progress, differ. For example, those employees who make little progress, may be expected to be more negatively inclined towards performance appraisal, while employees who make good progress may be expected to be more positively inclined (see also paragraph 4.2.3.6). The expectation therefore was that subordinates find PA less satisfactory than do supervisors, as would non-achievers versus achievers.

As can be gathered from the results illustrated in Tables 6.1 and 6.2, the outcome of the *t*-test and the ANOVA did not produce statistically significant results. **Sub-hypothesis 1 cannot therefore, be supported.** The assumption which can be made in this respect, is therefore, that sentiments towards the utility of the specific PA system are similar throughout the whole sample population. This situation is not entirely surprising, given the general factors of dissatisfaction with the PA system, as noted in Chapter One (see paragraph 1.2) and Chapter Four (see paragraph 4.2.3).

7.3 PERCEPTION OF FAIRNESS IN PERFORMANCE APPRAISAL

The rationale of the hypothesis is that there are perceptual differences between the different groups in the way fairness is applied in the performance appraisal process. This refers to whether the subordinate feels that he or she is being treated fairly through the system on the one hand and whether the supervisor considers that he or she is applying the given system in a manner deemed to be fair, on the other. This particular situation also has a direct bearing on whether mutual trust exists between rater and ratee. It also concerns the effectivity of the system.

The outcome of the *t*-test ($t = -3.842$, $p < 0.001$) indicated a significant difference between the two main groups, supervisors and subordinates (see Table 6.3). The one-way ANOVA ($F = 5.914$, $p < 0.001$) also indicated statistical significance (see Table 6.4). The *Post Hoc* test indicated that the difference lay between the subordinate sub-

group, non-achievers on the one hand and both supervisor sub-groups (achievers and non-achievers { $p < 0.01$ for both}), on the other (see Table 6.5). **Sub-hypothesis 2, is therefore supported.**

In Chapter Three (see paragraph 3.9.2) the aspects of fairness were discussed and questions in the questionnaire were essentially based upon them. In this regard, specific mention must be made of the predictors of the perception of fairness and accuracy of performance appraisal, posited by Landy, Barnes and Murphy as cited by Hedge and Borman (1995). Philp (1990) recommended the setting of standards, while Leventhal et al., as cited by Latham and Wexley (1994), advocated the presence of procedural elements in an organisation's PA system. Although these basic structures for the promotion of fairness appear to be in place in the participating organisation, as observed in Chapter Four, the statistics suggest that the application thereof is lacking. The statistics also support general comment by public servants that elements of the PA process are unfair, as stated in earlier chapters.

If there were to be a difference, it seems logical that that difference should be between the lowest rated sub-group and the highest rated sub-groups, as was the case. However, it can only be assumed that the other subordinate sub-group, achievers are reasonably satisfied with the status quo. As mentioned previously in this section, the underlying inferences are towards mistrust between rater and ratee.

7.4 PERCEPTION OF ETHICS IN PERFORMANCE APPRAISAL

The rationale of the hypothesis is that there are differences between the different groups in the way they perceive ethics to be applied in the performance appraisal process. The underlying reason for the assumption is based upon general comment as discussed in Chapter One, as well as from the literature mentioned in Chapter Three (see paragraph 3.9.1). The feeling is that manipulation of ratings takes place for the fulfilment of

possible ulterior motives (see paragraph 4.2.3.9). Again the inference of a lack of mutual trust between ratee and rater is apparent.

The *t*-test (see Table 6.6) yielded statistically significant differences between the two main groups, subordinates and supervisors ($t = 10.169$, $p < 0.001$). The one-way ANOVA ($F = 35.301$, $p < 0.001$) also indicated statistical significance (see Table 6.7). The *Post Hoc* test (see Table 6.8) revealed that the differences lay between the subordinate sub-group, achievers and both supervisor sub-groups, as well as between the subordinate sub-group, non-achievers and both supervisor sub-groups ($p < 0.001$ for all). **Sub-hypothesis 3, is therefore supported.**

Literature in respect of ethics in the performance appraisal process is limited, however Longenecker and Ludwig (1995) provide a comprehensive review of this aspect as discussed in Chapter Three (see paragraph 3.9.1). The results recorded above are supported by the literature, as well as supporting the fears that there is at least a perception by subordinates that unethical practices are being carried out. This places the rater/ratee relationship under strain and must lead to mistrust which can only be counter productive and reduce effectiveness in the workplace.

Despite the fact that the overall performance appraisal system is under review in the participating organisation, from the point of view of ethics, this on its own is not enough. More attention needs to be given to team building and getting relationships based on sound foundations. Perhaps the envisaged system will foster and encourage better relationships by increasing participation from all concerned parties, but the bottom line has to be, to engender mutual trust and respect. In this regard, the recommendations by Ivancevich and Matteson (1990) (see paragraph 3.9.1) would go a long way to establishing such an atmosphere.

7.5 PERCEPTION OF MOTIVATION IN PERFORMANCE APPRAISAL

The rationale of the hypothesis is that there are perceptual differences between the different groups in the way that motivation is effected through the performance appraisal process. This is closely related to feedback, but whereas in this case, motivation addresses the effects of feedback (Bannister, 1986), the discussion of feedback as a variable later on, deals more with the timing and mechanisms thereof. Employees allegedly do not feel motivated to try harder or to do better because the information emanating from their appraisals is either non-existent, or of such low quality that they are given no encouragement or direction as to how they can improve their performance and make progress.

The outcome of the *t*-test (see Table 6.9) was not statistically significant, nor was the ANOVA (see Table 6.10). **Sub-hypothesis 4 is therefore, not supported.**

The only explanation for this phenomenon could be that supervisors are equally as frustrated as subordinates and find themselves working with a system whereby they do not have the means to create enough sustainable incentives for which subordinates can strive. On the other hand of course, all parties could be deemed to be reasonably satisfied with the motivational aspects of performance appraisal.

7.6 PERCEPTION OF ACCURACY IN PERFORMANCE APPRAISAL

The rationale of the hypothesis is that there are perceptual differences between the different groups with regard to the accuracy of the mechanics of the performance appraisal process. It has a direct bearing on the reliability of the process. Balzur and Sulsky (1990) urge that reliability and validity should become more prominent when measuring rating effectiveness (see paragraphs 3.6; 3.6.1 and 3.6.2). Factors such as the qualification of supervisors to rate accurately on a continuous basis (not to be

confused with rater error), who would be best qualified to rate accurately, and the use of consistent standards and criteria (see paragraphs 2.3.3 and 4.2.3.5) in the appraisal process, are included in this aspect.

The outcome of the *t*-test (see Table 6.11) indicated statistically significant differences between supervisors and subordinates ($t = -2.508, p < 0.05$). The result of the one-way ANOVA (see Table 6.12) was marginal, but did not produce significant relationships between or within the sub-groups ($F = 2.171, p < 0.091$). **Sub-hypothesis 5 is supported.**

It is obvious from the results of the tests that there is a significant difference between how subordinates and supervisors perceive the accuracy or reliability of rating effectiveness. In this case parallels may be drawn with the variables of fairness and ethics and to assume that these factors may have an influence on how subordinates perceive accuracy. The inference is that in a process where fairness and ethics are perceived to be absent, it can be expected that subordinates will have little faith in the accuracy or reliability of that same process.

7.7 PERCEPTION OF VALIDITY IN PERFORMANCE APPRAISAL

The rationale of the hypothesis is that there are perceptual differences between the different groups with regard to the validity of the performance appraisal process. The central theme of this factor is the relevance of measurements. This alludes to whether the appraisal process is achieving what it is designed to achieve (see paragraph 3.6.2).

The outcome of the *t*-tests (see Table 6.13) were not statistically significant, nor was the one-way ANOVA (see Table 6.14). **Sub-hypothesis 6 is not supported.**

Responses to the questions concerning validity, produced means in the mid-range for all groups and it can only be assumed that the opinions reflect uncertainty or lack of

complete conviction. A stronger response was expected, however future research on this aspect should include a wider range of measuring factors. Another area for future research would be to establish whether one type of measuring instrument is valid for a wide variety of occupations in large organisations as was the case in this instance.

7.8 PERCEPTION OF RATER ERROR IN PERFORMANCE APPRAISAL

The rationale of the hypothesis is that there are perceptual differences between the different groups with regard to rater error in the performance appraisal process. This is very much a traditional area of research and has to do with the type of errors that raters are inclined to make as a result of a number of different reasons which are discussed in detail in Chapter Three (see paragraph 3.5).

The outcome of the *t*-test (see Table 6.15) indicated statistically significant differences between supervisors and subordinates ($t = -4.035$, $p < 0.001$) on the one hand and between the supervisor sub-groups ($t = 2.589$, $p < 0.05$) on the other. The one way ANOVA (see Table 6.16) also indicated statistical significance ($F = 8.118$, $p < 0.001$). The *Post Hoc* test (see Table 6.17) indicated that the difference exists between the subordinate sub-group, non-achievers and the supervisor sub-group, achievers ($p < 0.001$). **Sub-hypothesis 7 is supported.**

Logically the difference exists between the extreme sub-groups. The results support the literature as discussed in detail in paragraph 3.5. The question with regard to rater error is: what can be done to alleviate this situation? Although this research deals essentially with perceptions, actual problems do exist as confirmed through the literature and perhaps more can be done in the realm of effective training and multiple feedback systems more common to performance management systems. Another factor which could influence perceptions on this particular aspect, is a possible correlation with the other statistically significant factors already identified, being fairness, ethics, and accuracy.

7.9 PERCEPTIONS OF EFFECTIVITY IN PERFORMANCE APPRAISAL

The rationale of the hypothesis is that there are perceptual differences between the different groups with regard to the effectivity of the performance appraisal process. This factor basically addresses how the system is approached within the organisation. For example, determining the effectiveness of the instruments in use i.e., should there be a single instrument for all facets of measurement or should facets such as administrative aspects, developmental aspects and salary aspects, each have their own instrument (see paragraph 4.2.3.3). Other considerations are the frequency of appraisals and the efficiency of the system in terms of time spent in relation to the results achieved (see paragraph 4.2.3.1).

The outcome of the *t*-tests (see Table 6.18) were not statistically significant, nor was the one-way ANOVA (see Table 6.19). **Sub-hypothesis 8 is therefore, not supported.**

The overall assumption is, that as a result of the small degree of discrimination, the whole sample group perceives effectivity in much the same way. The Frequency Tables indicated however, that responses were averaged out between questions rather than within questions, i.e., response values were predominantly high on some questions or predominantly low on others rather than an even spread of responses within questions.

7.10 PERCEPTIONS OF FEEDBACK IN PERFORMANCE APPRAISAL

The rationale of the hypothesis is that there are perceptual differences between the different groups with regard to feedback in the performance appraisal process. Feedback may be seen as the last function in a system's cycle but more importantly, it provides much of the input for re-commencing the new cycle (see paragraph 3.8). Crainer (1997) maintains that performance appraisal revolves around feedback. How, when and what is included in feedback is therefore, of paramount importance and it is

with reference to these facts that this aspect is included for evaluation (see paragraph 4.2.3.7).

The outcome of the *t*-tests (Table 6.20) were not statistically significant, nor was the one-way ANOVA (see Table 6.21). **Sub-hypothesis 9 is therefore, not supported.**

After having taken note of the main areas of contention regarding the appraisal system, these results proved to be somewhat surprising, as the lack of effective feedback is often a high priority. It may however, reflect the consolidated opinion of the whole sample group.

7.11 PERCEPTIONS OF ADMINISTRATIVE ASPECTS IN PERFORMANCE APPRAISAL

The rationale of the hypothesis is that there are perceptual differences between the different groups with regard to administrative aspects in the appraisal process. This factor examines the different perceptions regarding aspects such as promotions, transfers, disciplinary measures, dismissals etc. There is a strong relationship between this factor and utility. The main difference is that in this case a wider spectrum is covered and hence, more questions are incorporated for measurement which also increases reliability. Characteristics of this dimension are that the different aspects are orientated towards the past and are aimed at general performance (Kirkpatrick, 1986).

The outcomes of the *t*-tests (see Table 6.22) indicated statistically significant differences between supervisors and subordinates ($t = -3.517, p < 0.001$). The one-way ANOVA (see Table 6.23) also indicated statistical significance ($F = 5.778, p < 0.01$). The *Post Hoc* test (see Table 6.24) indicated that the differences in perceptions ($p < 0.01$) existed between the subordinate sub-group, non-achievers and the supervisor sub-group, achievers. **Sub-hypothesis 10 is supported.**

The logical assumption in this case, is that the subordinate non-achievers can be regarded as being more negatively disposed towards administrative aspects. The probable reason for this is that they would not have received any merit awards and/or, made very little career progress in comparison with the supervisor achievers sub-group. Given the trend of results up to this point, it is probably not beyond the bounds of possibility to make a further assumption, that fairness and ethics have an influence in these perceptions. An interesting comparison with Le Roux's (1989) study is that the same number and nature of questions were used for this variable. In her research, however, no statistical significance was apparent between what she termed "successful" and "unsuccessful" subordinates. The differences in circumstances as well as the fact that only the subordinates were divided into "successful" and "unsuccessful" groups must obviously be borne in mind.

7.12 PERCEPTIONS OF DEVELOPMENTAL ASPECTS IN PERFORMANCE APPRAISAL

The rationale of the hypothesis is that there are perceptual differences between the different groups with regard to developmental aspects in the appraisal process. Developmental aspects are based on specific feedback, support, the giving of advice, and training, in order to equip the employee with the means to improve his or her performance level (Dorfman, Stephen and Loveland, 1986). Kirkpatrick (1986) confirms that developmental aspects are future orientated and aimed at specific areas of performance. Data for this factor were drawn from fifteen questions which as in the case of administrative aspects, would be expected to improve the reliability thereof.

The outcome of the t-tests however, were not statistically significant (see Table 6.25), nor was the one-way ANOVA (see Table 6.26). **Sub-hypothesis 11 is therefore, not supported.**

This is probably another case whereby the lack of clear-cut discrimination between groups can be ascribed to the fact that the large majority of role players, from the whole sample population, have similar views in respect of the situation as it exists in the participating organisation. A similar number of questions of the same nature were used in this research as Le Roux (1989) used in hers, with similar outcomes.

7.13 DISCUSSION OF ADDITIONAL TESTS

As mentioned in Chapter Six, none of the planned tests produced any statistically significant differences between the two subordinate sub-groups, achievers and non-achievers. In order to test whether there were any other perceptually discriminating factors, it was decided to use one of the other discrete variables. The variable which seemed to have the greatest chance of producing significant results was that of "length of service", which is also exclusive to the subordinate group. It was considered that the perception of subordinates with between 1 and 5 years service would differ from those exceeding 5 years service with regard to all the dependent variables. This could also be seen as a loosely formulated hypothesis for each dependent variable.

T-tests were carried out (see Table 6.27) and statistically significant results were achieved for the dependent variables; Validity ($t = 3.413, p < 0.01$); Feedback ($t = 2.694, p < 0.01$); Administrative Aspects ($t = 2.680, p < 0.01$); and Developmental Aspects ($t = 3.392, p < 0.01$). Fairness came close to producing a significant difference as well.

The group was then split into three (1 - 5 years; 6 - 10 years and 10 years plus). One-way ANOVA's (see Table 6.28) for the same variables produced the following results: Validity $F = 4.848, p < 0.01$; Feedback $F = 6.842, p < 0.01$; Administrative aspects $F = 3.798, p < 0.01$; and Developmental aspects $F = 6.792, p < 0.01$. The *Post Hoc* test carried out for these groups indicated (see Table 6.29) that in the case of each variable, the differences lay between the 1-5 year service group on the one hand and both the

other groups on the other. The only exception was validity where a difference was only reflected between the first two groups.

A reasonable degree of success has been achieved with this test in the sense that some differences in the subordinate group are significant. Should this type of grouping system be used for future research however, factors which are to be used for discriminating between groups should be selected and determined more carefully.

Another interesting aspect of the statistics for this test, as mentioned in Chapter Six, was the way in which the means of the variables for the first group (1-5 years service) were consistently higher than for the second group (> 5 years service), with the only exception being in respect of ethics. The assumption can be made therefore, that employees who have been exposed to the appraisal system for a shorter period of time, are more positively disposed towards it, as opposed to the longer serving employees who have experienced the shortcomings of the system. The fact that ethics shows an opposite pole to the rest, underlines the fact that the longer serving members are more aware of perceived manipulations or even irregularities in the system and are therefore, less satisfied in this respect.

The **like-items test** was carried out in order to determine whether there were any significant differences between the two main groups, supervisors and subordinates, in terms of questions which were set exactly the same in Section B of the respective questionnaires.

The outcome of the t-test (see Table 6.30) was not statistically significant and therefore, it must be assumed that there is a reasonable amount of correlation between the two main groups as to how they view aspects common to both groups in terms of a general approach to performance appraisal.

7.14 SUMMARY

This chapter has given the fuller implications of the results as recorded in the previous chapter, with the stated aim of considering how the results have contributed towards the aims of the study. In this regard, it was noted that clear differences in the perceptions of the different main and sub-groups exist in terms of some of the variables which were measured. The fact that some of those which did not produce statistically significant differences are not to be ignored or neglected because in most cases, they represent a consolidated opinion of the whole sample population concerning any given factor.

The rationale of the stated aims is as follows, "it was hoped that the results of this study would enable future users of the particular performance appraisal system in use in the participating organisation to be sensitive towards: firstly, the correct use and value of appraisal; secondly, the potential problems in the system; and thirdly, negative and unacceptable sentiments towards performance appraisal. In such a way the results should enable users of the system to modify it, if and when necessary. Another, possibly more important advantage, would be to enable the organisation to avoid problem areas which have been identified in the present system and which may cover common ground with potential problem areas in a new performance appraisal system. The bottom line of course, is to be able to change the attitude of workers towards appraisal in order to regard it as a system which can not only be administered easily, fairly and efficiently, but is also considered to be useful in terms of the development and progress of employees".

When comparing this "mission statement" with the discussion of the results it can be seen that it has been satisfied to a large degree. Whether or not this study can make a contribution toward the development of a measuring instrument that is both valid and reliable for the measurement of perceptions concerning performance appraisal in the South African context, would probably be subject to the milieu in which it is to be used. In this case it would obviously be more suited to the Public Service as long as the present system is in use. The instrument has demonstrated a reasonable degree of

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internal consistency but the feeling is that a more comprehensive instrument would be needed in order to comply with the requirements for validity i.e., the present one is possibly too limited in scope.

CHAPTER EIGHT

CONCLUSIONS AND RECOMMENDATIONS

8.1 INTRODUCTION

The previous chapter covered the discussion of results, mainly in terms of how they influenced the aims of the study, but before moving onto the main topics of this chapter it may be pertinent to give a brief résumé of what has been dealt with to arrive at this point. A great deal has been covered and it is not possible to discuss each facet individually as each facet demands almost a study of their own.

A brief history of the origin of PA was given in the first chapter and then discussed as a problematic human resources activity. From this was derived, the importance of research. The problem was identified and stated and the aims of this particular research were introduced. Chapter Two dealt with the gathering and processing of information. Beach (1980) put this aspect into perspective by referring to it as contemplation, forming opinions and making judgements and puts it into the proverbial 'nutshell'. The activities described in this chapter referred to the cognitive actions involved in PA processes. The factors affecting evaluation were discussed in terms of judgements, impressions, attributions, personal, and psychological aspects. DeNisi, Cafferty and Meglino (1984) describe this area of evaluation as social observation activities or techniques. Measures were also discussed in terms of standards, criteria and weighting.

The PA process was the subject of the third chapter and was directed at the theory of procedural activities. The purpose of PA was determined and methods of carrying out appraisals were classified, for example, whether the method is aimed at individuals, groups or assessment centre type evaluations. Typically traditional rating errors were

discussed as well as the requirements for reliability and validity in PA processes. Chapter Four made a comparative review of the PA system in use in the participating organisation with the theory. The background to the Public Service system was given and the instruments, processes, aims and sentiments towards the process were discussed, while a PA model using the aims of the Public Service system as the basis, was illustrated (see Figure 4.1). Related studies are briefly mentioned.

Chapter Five considered the research methodology including the hypotheses, a discussion on the instrument used in this study and the statistical analysis. Chapters Six handled an exposé of the results and Chapter Seven a discussion of the results in terms of the aims of the study.

It is important therefore, to consider all these facets of the study, individually and collectively prior to reflecting on the conclusions and recommendations.

8.2 CONCLUSIONS

The results of the research have clearly indicated that perceptual differences exist between different groups in various computations for certain of the variables. From this point of view, the aims of the study have been achieved. This also means that the alleged complaints which public servants have aired, as recorded in Chapters One and Four, are substantiated by the results of this research.

The variables for which differences were observed are those of Fairness, Ethics, Accuracy, Rater error, and Administrative Aspects. At this point, it is interesting to note that there is a sinister relationship between all five variables. The reason for stating this, is that Fairness, Ethics, Accuracy, and Rater error allude to the perceptions subordinates may have of the manner in which their appraisals are handled by supervisors or through the system. In other words they possibly perceive their supervisors as not giving them a fair chance, manipulating their appraisals, giving inaccurate evaluations or simply

making avoidable rating errors. The effects of these perceived deficiencies are possibly seen to manifest themselves under administrative aspects where the system fails to take cognisance of what they consider themselves to be worth, in the sense that promotions and/or merit rewards are not forthcoming. When comparing the responses, it appears that supervisors are not aware of the intensity of the apparent frustrations being experienced by subordinates.

The remaining variables, although not indicating statistically significant differences, may never-the-less, have significant implications. For example, means for the remaining variables for each of the two main groups, were virtually inseparable and despite experiencing the system from different perspectives and roles, the two groups displayed consolidation of opinion. Most of the factors reflected neutral dispositions and this may also suggest that there are areas which still require a fair amount of attention. The positive alternative is that, in the case of these particular factors, subordinates are satisfied with these aspects of the appraisal system.

As has been mentioned earlier, the participating organisation envisages the implementation of a different appraisal system in the future; a system that will be more orientated towards the 'management by objectives' method. The expectation is that this will improve the system and hence, attitudes towards appraisal. However, it does not matter what system is to be implemented, appraisals are about relationships, communication, co-operation, mutual trust and respect. Therefore, taking current perceptions into account, a good deal of effort will have to be put into changing the perceptions and opinions of ratees. This is especially critical when considering that non-achieving subordinates form the largest single group of employees. A further concern is that, if problems are experienced with a system that has been in use for so many years, the chances of a new and more sophisticated system succeeding, must be doubtful.

The *Post Hoc* tests revealed that the main area of significant differences exists between the subordinate sub-group, non-achievers and the supervisor sub-group, achievers which understandably, represents the 'poles' of the total sample group. The next most

common area of differences lies between the subordinate sub-group, non-achievers and the supervisor sub-group, non-achievers. In the case of Ethics, the difference lies between the subordinate sub-group, non-achievers and both supervisor sub-groups, which indicates how strongly this variable is 'contested' and is one of the areas that requires attention.

As mentioned in the discussion of results, when the initial planned tests were carried out, no significant differences between the two subordinate sub-groups were observed. This suggests that the measures used for discriminating between these two groups, namely appraisal classifications and merit awards, are inadequate. Only when an additional discrete variable ("length of service") was introduced into the equation, could discrimination between the two groups be observed. This should be borne in mind for future research, in the case of researchers wanting to use this manner of group split.

As far as the two main groups are concerned, the "like-items" test did not produce significant differences between them. The conclusion which can be drawn from this, is that the approach to PA factors of a generalised or common nature, are perceived in a similar way and therefore there is more correlation than disparity. They could therefore, also be used for establishing internal consistency of instruments.

Internal consistency for the instrument used in this research proved to illustrate acceptable levels of reliability and the results and conclusions therefore, can be viewed with a fair amount of confidence.

8.3 LIMITATIONS OF THE STUDY

The main deficiencies of the study concern the methodology. In this respect, difficulty was experienced in defining the parameters from which the sample population was drawn as described in paragraph 5.5. The fact that the Public Service is so large makes this an extremely difficult task, however, this should be offset to a certain degree when considering that the specific comments and criticisms concerning the appraisal system,

as mentioned in Chapters One and Four, are common throughout the Public Service. Another factor is that migration of personnel throughout the provinces as well as centralised training methods and policy making, could be expected to foster a stereotyped approach or attitudes toward the system. Despite these facts, plus the fact that six hundred questionnaires were distributed with good response, a larger sample could possibly be used in future, bearing the financial implications in mind. This should increase reliability.

The questionnaires could possibly have included more questions per factor or variable, in an effort to increase reliability even further. The questionnaires were however, intentionally reduced in length in this particular case. This was done in an effort to balance the equation between having a sufficient number of questions, while at the same time, maintaining the interest of respondents. The reason for this is that there is an apparent tendency for respondents not to complete questionnaires when they are too long.

A review of the number of factors may be a consideration. This is not suggested purely because of the number used in this research, but some factors such like accuracy and effectivity, as well as motivation and feedback, are possibly too closely related and by combining them, would produce a stronger based variable.

As far as discriminating between the perceptions of groups is concerned, the instrument was successful in respect of all the groups except the subordinate sub-groups where extra discriminating strategies had to be used in the form of discrete variables. Discrimination between the supervisor sub-groups was a little more effective but other strategies for future research, should also be considered in this respect.

8.4 RECOMMENDATIONS

The fact that performance appraisal forms such an important role as a vehicle to career progress and success, and individual development on the one hand, and organisational efficiency and effectivity on the other, it should be an area of an organisation's HR activities that receives a high priority from all concerned. This was not apparent in some of the factors researched in this study and probably calls for more intensive research into those factors which allude to the lack of trust which subordinates have revealed in respect of fairness, ethics, accuracy, rater error and administrative aspects. It was noted from the statutes that workers by implication, have the right to fair appraisals (see paragraph 3.7.2). Therefore, before employees begin to demand their rights more aggressively, organisations need to make in-depth investigations as to how their appraisal systems are being administered. Possibly a matter of greater importance, is that research should be carried out in respect of investigating the underlying reasons for the differences in perception of fairness, ethics, accuracy and administrative aspects between supervisors and subordinates.

This of course is not to say that the other factors should be ignored, because more intensive research in respect of them could also highlight areas which require serious consideration and review. In this respect, future research could also be directed at the further development of a valid and reliable measuring instrument, regarding perceptions of performance appraisal in the wider South African context and not only the Public service.

Results of the tests on the overall concept of administrative aspects provided proof of significant perceptual differences and further research in relation to its component parts, together with developmental aspects as the central theme of PA, could also form the basis for future research.

Another area for future research would be to establish whether one type of measuring instrument is valid for a wide variety of occupations in large organisations as was the case in this instance.

The fact that the Public Service is planning the implementation of a new performance appraisal system, provides the opportunity for a comparative research project to be carried out on the perceptions of employees regarding the two systems. A before and after type opinion/perception measurement.

Finally, according to Spangenberg (1994), organisations that have implemented performance management systems, incorporating performance appraisal, have been very successful. This dispenses with the problem of performance appraisal becoming an isolated, once-a-year event and instead, forms part of a continuous process which cannot be fobbed off as something of mere nuisance value. All role players under these circumstances are forced to become involved on a *continuous* basis. Perceptions under such circumstances could be drastically changed and research in this direction could therefore, contribute significant findings in the interest of HR management in particular, as well as industrial growth and development in general.

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APPENDIX A

Personnel Assessment Questionnaire
used in the Public Service

PERSONNEL ASSESSMENT QUESTIONNAIRE

A. Personal Particulars (To be completed by the Personnel Division).
 I.D. number Date of birth Security clearance:

N/A	R	C	S	TS
-----	---	---	---	----

 Surname: Persalno:
 First name(s) :
 Grading: Rank :
 Entry date to the rank or grading : Dept :
 Division : Stationed at :

N.B. : B.1-7 must be completed by the officer/employee. B.4 must be confirmed by the supervisor

B.1 Condition of Health Do you experience health problems and/or are you physically handicapped ?

Yes	No
-----	----

 If "Yes", briefly describe the nature of your problems :

B.2 Placing
 Are you placed correctly in your present department ?

Yes	No
-----	----

 Are you placed correctly in your present field of work /occupational class ?

Yes	No
-----	----

 If "No" -
 (a) where do you wish to be placed ? Dept. : Field of work job or Occupational class :
 (b) give reasons
 Irrespective of whether you are placed correctly or not , to which department(s) and/ or type of job(s) or occupational class(es) will you accept a transfer ? (Order of preference) Field of work or Occupational class :
 Department :

B.3 Transferability
 Are you transferable to another station ?

Yes	No
-----	----

 Is there a particular station where you do not wish to be placed ?

Yes	No
-----	----

 IF "Yes", specify :

B.4 Feedback on Performance/Evaluation Results (This item must be completed in consultation with your supervisor)
 Are you in your present rank or grading informed of -
 (a) your continued work performance ?

Yes	No
-----	----

 (b) your promotability assessment ?

Yes	No	N/A *
-----	----	-------

 *(in the case of a first assessment in a rank or grading)
 Confirmed by reporting officer or supervisor
 _____ Date _____
 Signature of supervisor or reporting officer

B.5 Educational Qualifications

(a) Highest standard passed at school :		Year :
(b) Post school qualifications	Year	Major subjects
.....
.....
.....
.....

B.6 Previous Experience in the Public Service

From	To	Department	Occupational class
.....
.....
.....
.....

B.7 Declaration
 I declare that the information above is true and correct , that I am aware that it will be noted in the records and I undertake to notify the personnel division of any changes, should they occur.
 _____ Date _____
 Signature

1 Language Proficiency (To be completed by the reporting officer and the assessing authority)

Official and other languages		Good		Fair		Poor	
		*	0	*	0	*	0
First Language (Specify)	Written						
	Oral						
Second Language (Specify)	Written						
	Oral						
Other (Specify)	Written						
	Oral						

C.2 Is the officer's or employee's language proficiency of such a standard that he or she is able to perform his or her duties satisfactorily ?

YES
NO

D. Efficiency Assessment (To be completed by the reporting officer and the assessing authority)

D.1 Job Performance.

The way in which the officer by his or her behavior as well as direct and indirect conduct successfully executes his or her set tasks in order to promote and protect the prestige Responsibility

- 1.1 Sense of duty : The way in which he or she executes his or her tasks and his or her sense of duty towards utilising official time . (Also note voluntary overtime where ap
- 1.2 Accepting responsibility : The extent to which he or she is prepared to accept greater responsibility towards his or her own and related duties.
- 1.3 Loyalty : The extend to which his or her work performance as well as dedication illustrates his or her loyalty and pride in his or her work.
- 1.4 Correctness : The extent to which he or she conducts himself or herself correctly and with discretion in applying measures or prescribed rules and/or utilisation of state
- 1.5 Skills : The extent to which he or she succeeds on his or her own in enhancing his or her skills in his or her own as well as related fields of work .

Organisation

- 1.6 Planning : The way in which he or she systematically embarks upon his or her work and purposefully finalises it.
- 1.7 Adaptability : The extent to which he or she is able to reorganise his or her work to adapt to changed circumstances.
- 1.8 Managing tasks : The extent to which he or she can manage a greater work load with success. (Note, where applicable, also the simultaneous managing of additional

Productivity

- 1.9 Work speed : The ability to finalise a given quantity of work in a specific period of time.
- 1.10 Quality : The extent to which his or her work conforms to standards (quality) that are set for the specific rank.
- 1.11 Drive : The extent to which he or she purposefully perseveres in the execution of his or her duties, even when problems or resistance are encountered.

D.2 Knowledge and insight

An officer's vision and logical thoughts coupled with a balanced , considered approach and his or her ability to utilise this knowledge, qualifications, experience, common

- 2.1 Knowledge : The extent to which he or she is conversant with prescribed rules/techniques/procedures etc., that apply to his or her field of work.
- 2.2 Utilisation of knowledge : The extent to which he or she succeeds in applying his or her knowledge and experience successfully in executing his or her duties indep
- 2.3 Ability to comprehend : The extend to which he or she succeeds in getting to the core of problems and making acceptable suggestions in solving them.
- 2.4 Discernment : The ability to decide on the correct alternative , taking into consideration possible implications, also where the alternative is not known or standard.
- 2.5 Initiative : The extent to which he or she generates new ideas and improvises where circumstances require it.

D.3 Interpersonal Relations

The ability to maintain sound interpersonal relations, thus gaining the best co-operation of fellow officers on all levels as well as the public.

- 3.1 Acceptability : The extent to which he or she as a result of his or her general conduct and the self-confidence he or she displays, is accepted by others (Juniors/peers
- 3.2 Tact : The extent to which he or she conducts him - or herself tactfully and with discretion to others.
- 3.3 Adaptability : The extent to which he or she is able to adapt to others and to circumstances.
- 3.4 Dealing with conflict : The way in which he or she successfully deals with difficult situations between him or her and his or her seniors/juniors/peers and the public.

D.4 Leader Abilities (To be completed for supervisors and ALL persons in promotion ranks)

The leader abilities the officer displays in formal and informal work situations.

- 4.1 Self-confidence : The proven ability to lead with self-confidence when the situation arises.
- 4.2 Communication : The ability to impart and to defend or maintain a point of view in a controlled and convincing manner and also to listen and show understanding for
- 4.3 Disciplining : The ability to identify unacceptable behavior, take corrective steps and deal with personnel authoritatively.
- 4.4 Approach to development: The extent to which he or she identifies his or her own (and his or her subordinates' where applicable) training and development needs a
- 4.5 Exercise of control : The extent to which the activities and conduct of personnel are continuously directed and checked for correctness .

D.5 Final score expressed as a percentage

$$\frac{\text{Total score obtained}}{\text{Largest possible score}} \times 100 = \%$$

*	0
---	---

Score Allocation:
 1. Performance is poor
 2. Performance does not conform to the normal requirements
 3. Performance conforms to the normal requirements
 4. Performance is noticeably better than the normal requirements
 5. Performance is considerably better than the normal requirements
 6. Performance is exceptional

* Reporting Officer						° Assessing Authority
1	2	3	4	5	6	

and interests of his or her Department.

licable).

roperty or state monies.

asks)

sense and aptitudes in his or her work.

ndently.

seniors/public).

ther points of view.

id take applicable steps.

1.1							
1.2							
1.3							
1.4							
1.5							
						* Subtotal	° 0
1.6							
1.7							
1.8							
						* Subtotal	° 0
1.9							
1.10							
1.11							
						* Subtotal	° 0
2.1							
2.2							
2.3							
2.4							
2.5							
						* Subtotal	° 0
3.1							
3.2							
3.3							
3.4							
						* Subtotal	° 0
						Final score: Production units	° 0
4.1							
4.2							
4.3							
4.4							
4.5							
						* Subtotal	° 0
						Final score: Supervisors and ALL persons in promotion ranks	° 0

D.6 Supplementary Remarks

Reporting officer

Divisional head

.....

.....

 Signature Rank Date

 Signature Rank Date

Parts E and F to be completed by the assessing authority

E. Promotability Classification

Note : (a) The proficiency or abilities of candidates as apparent from the assessment at items D.1- D.4 and read in conjunction with the information given at items B.1 - B.6 and C, must be set of against the requirements of the higher post(s) he or she normally qualifies for. The following may be used as a guide to translate the calculated assessment (item D.5) to the promotability classification.

(b) Where a no-mans-land exists, the assessing authority must by means of a general view and taking into consideration, amongst other, the relative position of the candidates concerned, do the promotability classification.

E.1

Not Promotable		Promotable		
49.9 % and lower		57% - 67,9%	72% - 80,9 %	85% and higher
Has reached a ceiling in present work situation, yet employed against a post of appropriate grading	Not promotable at present	Promotable when turn comes	Promotable out of turn	Preferentially promotable
Not gainfully employed	Gainfully employed			

E.2 If "Not promotable at present", state reasons :

.....

F. Acceptability

F.1 Acceptability in any next higher post in the same occupational class in the Department

Not at all With reservations Without reservations

F.2 If "Not at all" or "With reservations", state particulars :

.....

F.3 Acceptability in any next higher post in (an) other occupational class(es) inside or outside the Department. State occupational class(es) and acceptability:

.....

G. Signature of the Chairperson of the Assessing Authority

 Signature

 Rank

 Date

H. Comments by the Head of Department (or his or her delegate)

.....

 Signature

 Date

APPENDIX B

Questionnaires for Subordinates

- 178 -

Telephone: (021) 99 1978

DJ Rademan
PO Box 2124
BELLVILLE
7535
26 March 1999

Dear Respondent

RE: COMPLETION OF QUESTIONNAIRE

The attached questionnaire forms part of research undertaken for a Master's degree in Industrial Psychology at the University of Stellenbosch. The overall purpose of the questionnaire is to investigate the perception which Public Servants have of the current performance appraisal system in use in the Public Service and of performance appraisal in general. The study is directed primarily at personnel in the ranks of assistant director (and equivalent) and lower.

Since most research with regard to this subject, has been carried out from the point of view of the organisation, the information gained in this limited study could be invaluable in gaining inputs from the point of view of both the appraisee and appraiser.

In terms of professional ethics, you are assured and guaranteed of absolute confidentiality and anonymity in answering the questionnaire. No individual results will be made public or provided to your Department. In the light of these factors, as well as in an effort to gain optimum results from the study, you are earnestly requested to be totally objective and to present your **true feelings** in answering the questions.

Please follow the instructions provided at the beginning of each of the two sections and read each item carefully. The questionnaire should take approximately 15 minutes to complete.

Your co-operation and support in making this study possible are greatly appreciated. Thank you so much for your time.

Yours faithfully

DJ RADEMAN

NB: ON COMPLETION OF THE QUESTIONNAIRE KINDLY PLACE IT IN THE ENVELOPE PROVIDED, SEAL IT AND HAND IT TO THE PERSON AS INDICATED THEREON FOR COLLECTION BY MYSELF

QUESTIONNAIRE

1	2	3
---	---	---

SECTION A: DEMOGRAPHICS

Please indicate your response to each question by placing a cross in the block provided, except question 5 where your rank or grading should be given in full.

For office use

1. Gender

Male

01

Female

02

(4)

2. Age

20 - 30

01

31 - 40

02

41 - 50

03

51 - 60

04

61 +

05

(5)

3. Marital status

Unmarried

01

Married

02

Divorced

03

Widow/er

04

(6)

4. Language

Afrikaans

01

English

02

Sotho

03

Xhosa

04

Zulu

05

(7)

(4)
(5)
(6)
(7)

For office use

5. Present rank / grading

(8)

6. Highest academic qualification

Junior certificate

01

Senior certificate

02

Diploma

03

Degree

04

Honours/Higher diploma

05

(9)

7. Length of service

More than 1 year but less than 5

01

More than 5 years but less than 10

02

10 years or more

03

(10)

8. Last assessment category

Preferential promotion (Class 1)

01

Out of turn promotion (Class 2)

02

In turn promotion (Class 3)

03

(11)

9. Merit awards

Have received a merit award

01

Never received a merit award

02

(12)

SECTION B: PERFORMANCE APPRAISAL

Answer each question by placing a cross in the block on the seven-point scale which most accurately illustrates your opinion.

Office use

1. To what extent do you think it is important to have a performance appraisal system?

Not at all important	1	2	3	4	5	6	7	Extremely important
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(13)

2. To what extent do you feel free to discuss any aspect/s of your evaluation with your supervisor during appraisal interviews?

Not free at all	1	2	3	4	5	6	7	Absolutely free
-----------------	---	---	---	---	---	---	---	-----------------

(14)

3. To what extent are you encouraged by your supervisor to take a more active role in the performance appraisal process?

Not encouraged	1	2	3	4	5	6	7	Fully encouraged
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(15)

4. To what extent do you feel that your supervisor is qualified enough to make a meaningful assessment of your true abilities?

Not qualified	1	2	3	4	5	6	7	Completely qualified
---------------	---	---	---	---	---	---	---	----------------------

(16)

5. To what extent do you think that your supervisor has sufficient knowledge of your duties to be able to assess your performance accurately and fairly?

No knowledge	1	2	3	4	5	6	7	Full knowledge
--------------	---	---	---	---	---	---	---	----------------

(17)

6. To what extent do you feel that your supervisor is biased when making judgements on your abilities?

Not biased at all	1	2	3	4	5	6	7	Totally biased
-------------------	---	---	---	---	---	---	---	----------------

(18)

7. To what extent do you feel that performance appraisal in your Department is approached with the necessary sense of urgency?

No urgency	1	2	3	4	5	6	7	Great urgency
------------	---	---	---	---	---	---	---	---------------

(19)

Office use

8. To what extent is the alleged long lapse of time from the evaluation to the confirmation of your assessment, de-motivating?

Very de-motivating	1	2	3	4	5	6	7	Not de-motivating
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(20)

9. To what extent do you feel that your supervisor is objective in his/her judgements of your performance?

Extremely objective	1	2	3	4	5	6	7	Not objective at all
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(21)

10. To what extent is the appraisal system confusing to you, in the sense that, in addition to the personnel questionnaire, two other instruments exist for the evaluation of merit awards and salary notch promotions respectively?

Totally confusing	1	2	3	4	5	6	7	Not confusing at all
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(22)

11. To what extent do you think that having a single multi-disciplinary instrument to cover all purposes would be more acceptable to you?

Not acceptable	1	2	3	4	5	6	7	Totally acceptable
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(23)

12. To what extent is the feedback given on your performance appraisal, meaningful enough to make a marked difference in improving your performance?

Not meaningful at all	1	2	3	4	5	6	7	Totally meaningful
-----------------------	---	---	---	---	---	---	---	--------------------

(24)

13. To what extent is feedback regular enough to enable you to improve your performance?

Not regular enough	1	2	3	4	5	6	7	More than regular enough
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(25)

14. To what extent do you feel it would be more beneficial to be evaluated more regularly than just once a year?

Not beneficial at all	1	2	3	4	5	6	7	Far more beneficial
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(26)

15. To what extent are you satisfied that your evaluation is given a fair hearing at the committee stage?

Not satisfied at all	1	2	3	4	5	6	7	Totally satisfied
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(27)

Office use

16. To what extent do you feel that the outcome of your appraisals would be more favourable if they were finalised at your Directorate level and not at Departmental level?

Not favourable at all	1	2	3	4	5	6	7	Far more favourable
-----------------------	---	---	---	---	---	---	---	---------------------

(28)

17. To what extent do you feel threatened when the time comes for your performance appraisal to be carried out?

Intensely threatened	1	2	3	4	5	6	7	Not threatened at all
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(29)

18. To what extent do you feel that performance appraisal sessions can be described as a superficial process, carried out merely because it has been prescribed by higher authority?

Totally superficial	1	2	3	4	5	6	7	Not superficial at all
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(30)

19. To what extent do you think that employees should be given more opportunities to express their opinions of the merits/de-merits of the performance appraisal system?

No opportunities	1	2	3	4	5	6	7	Many opportunities
------------------	---	---	---	---	---	---	---	--------------------

(31)

20. To what extent is the purpose of performance appraisal clear to you?

Totally unclear	1	2	3	4	5	6	7	Totally clear
-----------------	---	---	---	---	---	---	---	---------------

(32)

21. To what extent do you experience the personnel questionnaire, currently in use, to be a logical and user friendly instrument?

Not logical at all	1	2	3	4	5	6	7	Extremely logical
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(33)

22. To what extent do you think that the results of your performance appraisals, give a true reflection of your ability?

Not a true reflection	1	2	3	4	5	6	7	Total true reflection
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(34)

23. To what extent do you think the results of your performance appraisal would be more favourable if you were to be assessed by your peers?

Not more favourable	1	2	3	4	5	6	7	Much more favourable
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(35)

Office use

24. To what extent do you think that self-evaluation would improve the level of accuracy in performance appraisal?

No improvement	1	2	3	4	5	6	7	Very big improvement
----------------	---	---	---	---	---	---	---	----------------------

(36)

25. To what extent do you feel that your performance has been judged in terms of general impressions rather than in accordance with your actual achievements?

Broad impressions	1	2	3	4	5	6	7	Actual achievements
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(37)

26. To what extent have you been informed as to the weighting or valuation of incidents?

Totally uninformed	1	2	3	4	5	6	7	Fully informed
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(38)

27. To what extent do you think that rewards are really linked to performance appraisal?

Not linked at all	1	2	3	4	5	6	7	Very close link
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(39)

28. To what extent do you think that your evaluation depends on how you compare with your peers?

No comparisons	1	2	3	4	5	6	7	Full comparisons
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(40)

29. To what extent do you think that your supervisor's evaluation of your performance is influenced by one of your stronger or weaker traits?

Not influenced at all	1	2	3	4	5	6	7	Strongly influenced
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(41)

30. To what extent do you think that your supervisor makes use of the full range of the points allocation scale (i.e., 1- 6) on the personnel assessment questionnaire when evaluating your performance?

Use of scale limited	1	2	3	4	5	6	7	Full use of scale
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(42)

31. To what extent do you think that your supervisor is inclined to evaluate you, giving special cognisance to those traits or characteristics that he/she apparently perceives in him/herself?

No cognisance	1	2	3	4	5	6	7	Full cognisance
---------------	---	---	---	---	---	---	---	-----------------

(43)

Office use

32. To what extent does your environment have a positive effect on your performance?

No effect at all	1	2	3	4	5	6	7	Total positive effect
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(44)

33. To what extent are you satisfied with the way in which the results of your performance appraisal are utilised by way of receiving rewards?

Not satisfied at all	1	2	3	4	5	6	7	Totally satisfied
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(45)

34. To what extent do you feel that a higher level of participation in the appraisal process would improve your performance?

No improvement	1	2	3	4	5	6	7	Very big improvement
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(46)

35. To what extent do you feel free to reject an unfavourable appraisal without the fear of possible recriminations against you?

Not free at all	1	2	3	4	5	6	7	Totally free
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(47)

36. To what extent do criticisms during the discussion phase of the appraisal, tend to de-motivate you?

No de-motivation	1	2	3	4	5	6	7	Totally de-motivating
------------------	---	---	---	---	---	---	---	-----------------------

(48)

37. To what extent does positive feedback or praise tend to motivate you to better performance levels?

Not motivating at all	1	2	3	4	5	6	7	Totally motivating
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(49)

38. To what extent is your perception of feedback more positive when it is given sooner rather than later, after having been appraised?

No effect at all	1	2	3	4	5	6	7	Far more positive
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(50)

39. To what extent do you find it frustrating and de-motivating when feedback is given on how to improve your performance but fails to take into consideration that you do not have the power to control a given set of circumstances to achieve this?

Not frustrating at all	1	2	3	4	5	6	7	Totally frustrating
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(51)

Office use

40. To what extent do you feel that your appraisals have been manipulated either upward or downward for any reason?

No manipulation	1	2	3	4	5	6	7	Total manipulation
-----------------	---	---	---	---	---	---	---	--------------------

(52)

41. To what extent do you think that some appraisals are manipulated in order to purposely hold back effective workers whose services might otherwise be lost to their supervisor through promotion/ transfer away from their present section?

No manipulations	1	2	3	4	5	6	7	Total manipulation
------------------	---	---	---	---	---	---	---	--------------------

(53)

42. To what extent do you think that some appraisals are manipulated to encourage poorer performers to seek other employment?

No manipulation	1	2	3	4	5	6	7	Total manipulation
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(54)

43. To what extent do you think some appraisals are manipulated to gain favour with the ratee?

None at all	1	2	3	4	5	6	7	To a great extent
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(55)

44. To what extent do you feel that progress in your career aspirations has been boosted through the performance appraisal system?

None at all	1	2	3	4	5	6	7	To a great extent
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(56)

45. To what extent do you feel that the recording and preparation of 'incidents' is excessively time consuming in relation to the results achieved?

Not at all	1	2	3	4	5	6	7	Extremely time consuming
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(57)

Many thanks for your co-operation

APPENDIX C

Questionnaires for Supervisors

- 188 -

Telephone: (021) 99 1978

DJ Rademan
PO Box 2124
BELLVILLE
7535
26 March 1999

Dear Respondent

RE: COMPLETION OF QUESTIONNAIRE

The attached questionnaire forms part of research undertaken for a Master's degree in Industrial Psychology at the University of Stellenbosch. The overall purpose of the questionnaire is to investigate the perception which Public Servants have of the current performance appraisal system in use in the Public Service and of performance appraisal in general. The study is directed primarily at personnel in the ranks of assistant director (and equivalent) and lower.

Since most research with regard to this subject, has been carried out from the point of view of the organisation, the information gained in this limited study could be invaluable in gaining inputs from the point of view of both the appraisee and appraiser.

*In terms of professional ethics, you are assured and guaranteed of absolute confidentiality and anonymity in answering the questionnaire. No individual results will be made public or provided to your Department. In the light of these factors, as well as in an effort to gain optimum results from the study, you are earnestly requested to be totally objective and to present your **true feelings** in answering the questions.*

Please follow the instructions provided at the beginning of each of the two sections and read each item carefully. The questionnaire should take approximately 15 minutes to complete.

Your co-operation and support in making this study possible are greatly appreciated. Thank you so much for your time.

Yours faithfully

DJ RADEMAN

NB: ON COMPLETION OF THE QUESTIONNAIRE KINDLY PLACE IT IN THE ENVELOPE PROVIDED, SEAL IT AND HAND IT TO THE PERSON AS INDICATED THEREON FOR COLLECTION BY MYSELF

QUESTIONNAIRE
(Supervisory level)

1	2	3
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SECTION A: DEMOGRAPHICS

Please indicate your response to each question by placing a cross in the block provided, except question 5 where your rank or grading should be given in full.

For office use

1. Gender

Male

01
02

Female

(4)

2. Age

20 - 30

01
02

31 - 40

41 - 50

03
04

51 - 60

61 +

(5)

3. Marital status

Unmarried

01
02

Married

Divorced

03
04

Widow/er

(6)

4. Language

Afrikaans

01
02

English

Sotho

03
04

Xhosa

Zulu

05

(7)

(4)	
(5)	
(6)	
(7)	

For office use

5. Present rank / grading:

(8)

6. Highest academic qualification

Junior certificate

01

Senior certificate

02

Diploma

03

Degree

04

Honours/Higher diploma

05

(9)

7. Length of service as supervisor

More than 1 year but less than 5

01

More than 5 years but less than 10

02

10 years or more

03

(10)

8. Last assessment category

Preferential promotion (Class 1)

01

Out of turn promotion (Class 2)

02

In turn promotion (Class 3)

03

(11)

9. Merit awards

Have received a merit award

01

Never received a merit award

02

(12)

SECTION B: PERFORMANCE APPRAISAL

Answer each question by placing a cross in the block on the seven-point scale which most accurately illustrates your opinion.

Office use

1. To what extent do you think it is important to have a performance appraisal system?

<i>Not at all important</i>	1	2	3	4	5	6	7	<i>Extremely important</i>
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(13)

2. To what extent do you feel free to discuss any aspect/s of subordinates' evaluations with them, during appraisal interviews?

<i>Not free at all</i>	1	2	3	4	5	6	7	<i>Absolutely free</i>
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(14)

3. To what extent do you encourage your subordinates to take a more active role in the performance appraisal process?

<i>Not encouraged</i>	1	2	3	4	5	6	7	<i>Fully encouraged</i>
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(15)

4. To what extent do you feel that you are sufficiently qualified to make a meaningful assessment of your subordinates' true abilities?

<i>Not qualified</i>	1	2	3	4	5	6	7	<i>Completely qualified</i>
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(16)

5. To what extent do you think that you have sufficient knowledge of your subordinates' duties to be able to assess their performances accurately and fairly?

<i>No knowledge</i>	1	2	3	4	5	6	7	<i>Full knowledge</i>
---------------------	---	---	---	---	---	---	---	-----------------------

(17)

6. To what extent do you experience any bias when making judgements on the abilities of your subordinates?

<i>Not biased at all</i>	1	2	3	4	5	6	7	<i>Totally biased</i>
--------------------------	---	---	---	---	---	---	---	-----------------------

(18)

7. To what extent do you feel that performance appraisal in your Department is approached with the necessary sense of urgency?

<i>No urgency</i>	1	2	3	4	5	6	7	<i>Great urgency</i>
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(19)

Office use

8. *To what extent is the alleged long lapse of time from the evaluation to the confirmation of assessments, de-motivating to your subordinates?*

<i>Very de-motivating</i>	1	2	3	4	5	6	7	<i>Not de-motivating</i>
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(20)

9. *To what extent do you feel that you are objective in your judgements of your subordinates' performances?*

<i>Extremely objective</i>	1	2	3	4	5	6	7	<i>Not objective at all</i>
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(21)

10. *To what extent is the appraisal system confusing to you, in the sense that, in addition to the personnel questionnaire, two other instruments exist for the evaluation of merit awards and salary notch promotions respectively?*

<i>Totally confusing</i>	1	2	3	4	5	6	7	<i>Not confusing at all</i>
--------------------------	---	---	---	---	---	---	---	-----------------------------

(22)

11. *To what extent do you think that having a single multi-disciplinary instrument to cover all purposes would be more acceptable to you?*

<i>Not acceptable</i>	1	2	3	4	5	6	7	<i>Totally acceptable</i>
-----------------------	---	---	---	---	---	---	---	---------------------------

(23)

12. *To what extent has feedback given on your subordinates' performance appraisals, meaningful enough to make a marked difference in improving their performance?*

<i>Not meaningful at all</i>	1	2	3	4	5	6	7	<i>Totally meaningful</i>
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(24)

13. *To what extent is feedback regular enough to enable you to improve the performance levels of your subordinates?*

<i>Not regular enough</i>	1	2	3	4	5	6	7	<i>More than regular enough</i>
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(25)

14. *To what extent do you feel it would be more beneficial to evaluate personnel more regularly than once a year?*

<i>Not beneficial at all</i>	1	2	3	4	5	6	7	<i>Far more beneficial</i>
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(26)

15. *To what extent are you satisfied that evaluations are given a fair hearing at the committee stage?*

<i>Not satisfied at all</i>	1	2	3	4	5	6	7	<i>Totally satisfied</i>
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(27)

Office use

16. To what extent do you feel that the outcome of appraisals would be more favourable if they were finalised at Directorate level rather than at Departmental level?

Not favourable at all	1	2	3	4	5	6	7	Far more favourable
-----------------------	---	---	---	---	---	---	---	---------------------

(28)

17. To what extent do you feel threatened or uncomfortable when the time comes for performance appraisals to be carried out?

Intensely threatened	1	2	3	4	5	6	7	Not threatened at all
----------------------	---	---	---	---	---	---	---	-----------------------

(29)

18. To what extent do you feel that performance appraisal sessions can be described as a superficial process, carried out merely because it has been prescribed by higher authority?

Totally superficial	1	2	3	4	5	6	7	Not superficial at all
---------------------	---	---	---	---	---	---	---	------------------------

(30)

19. To what extent do you think that employees should be given more opportunities to express their opinions of the merits/de-merits of the performance appraisal system?

No opportunities	1	2	3	4	5	6	7	Many opportunities
------------------	---	---	---	---	---	---	---	--------------------

(31)

20. To what extent is the purpose of performance appraisal clear to you?

Totally unclear	1	2	3	4	5	6	7	Totally clear
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(32)

21. To what extent do you experience the personnel questionnaire, currently in use, to be a logical and user friendly instrument?

Not logical at all	1	2	3	4	5	6	7	Extremely logical
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(33)

22. To what extent do you think that the results of your subordinates' performance appraisals, give a true reflection of their abilities?

Not a true reflection	1	2	3	4	5	6	7	Total true reflection
-----------------------	---	---	---	---	---	---	---	-----------------------

(34)

23. To what extent do you think the results of performance appraisal would be more favourable if they were to be done by your subordinates' peers?

Not more favourable	1	2	3	4	5	6	7	Far more favourable
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(35)

Office use

24. To what extent do you think that self-evaluation would improve the level of accuracy in performance appraisal?

No improvement	1	2	3	4	5	6	7	Very big improvement
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(36)

25. To what extent do you feel that performance is judged in terms of general impressions rather than in accordance with actual achievements?

Broad impressions	1	2	3	4	5	6	7	Actual achievements
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(37)

26. To what extent are you aware of, or have been informed as to the weighting or valuation of incidents?

Totally uninformed	1	2	3	4	5	6	7	Fully informed
--------------------	---	---	---	---	---	---	---	----------------

(38)

27. To what extent do you think that rewards are really linked to performance appraisal?

Not linked at all	1	2	3	4	5	6	7	Very close link
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(39)

28. To what extent do you think that evaluations depend on how subordinates compare with their peers?

No comparisons	1	2	3	4	5	6	7	Full comparisons
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(40)

29. To what extent do you think that the evaluation of your subordinates' performances are influenced by one of their stronger or weaker traits?

Not influenced at all	1	2	3	4	5	6	7	Strongly influenced
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(41)

30. To what extent do you make use of the full range of the points allocation scale (i.e., 1- 6) on the personnel assessment questionnaire when evaluating your subordinates' performances?

Use of scale limited	1	2	3	4	5	6	7	Full use of scale
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(42)

31. To what extent do you think that the appraisals of your subordinates are influenced by those traits or characteristics that you perceive in yourself?

No influence	1	2	3	4	5	6	7	Totally influenced
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(43)

Office use

32. *To what extent does the work environment have a positive effect on the performances of your subordinates?*

No effect at all	1	2	3	4	5	6	7	Total positive effect
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(44)

33. *To what extent are you satisfied with the way in which the results of performance appraisals are utilised in terms of rewards for subordinates?*

Not satisfied at all	1	2	3	4	5	6	7	Totally satisfied
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(45)

34. *To what extent do you feel that a higher level of participation in the appraisal process would improve the performances of your subordinates?*

No improvement	1	2	3	4	5	6	7	Very big improvement
----------------	---	---	---	---	---	---	---	----------------------

(46)

35. *To what extent do you think that your subordinates feel free to reject an unfavourable appraisal without the fear of possible recriminations against them?*

Not free at all	1	2	3	4	5	6	7	Totally free
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(47)

36. *To what extent do criticisms during the discussion phase of the appraisal, tend to de-motivate your subordinates?*

No de-motivation	1	2	3	4	5	6	7	Totally de-motivating
------------------	---	---	---	---	---	---	---	-----------------------

(48)

37. *To what extent does positive feedback or praise tend to motivate your subordinates to achieve better performance levels?*

Not motivating at all	1	2	3	4	5	6	7	Totally motivating
-----------------------	---	---	---	---	---	---	---	--------------------

(49)

38. *To what extent is your perception of feedback more positive when it is given sooner rather than later, after appraisal?*

No effect at all	1	2	3	4	5	6	7	Far more positive
------------------	---	---	---	---	---	---	---	-------------------

(50)

39. *To what extent are your subordinates provided with the means to improve their performance levels after feedback has been given and deficiencies in their performances have been pointed out to them?*

No assistance	1	2	3	4	5	6	7	All possible assistance
---------------	---	---	---	---	---	---	---	-------------------------

(51)

Office use

40. To what extent are you ever influenced to adjust the appraisals of your subordinates, either upward or downward for **any** reason?

Never	1	2	3	4	5	6	7	Strongly influenced
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(52)

41. To what extent are you ever influenced to adjust appraisals in order to purposely hold back effective workers whose services might be lost to the department/section?

Never	1	2	3	4	5	6	7	Strongly influenced
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(53)

42. To what extent are you ever influenced to adjust an appraisal in order to encourage poorer performers to seek a transfer or other employment?

Never	1	2	3	4	5	6	7	Strongly influenced
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(54)

43. To what extent are you ever influenced to adjust some appraisals in order to gain favour with the ratee?

Never	1	2	3	4	5	6	7	Strongly influenced
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(55)

44. To what extent do you feel that progress in the career aspirations of your subordinates has been boosted through the performance appraisal system?

No boost at all	1	2	3	4	5	6	7	Major boost
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(56)

45. To what extent do you feel that the recording and preparation of 'incidents' is excessively time consuming in relation to the results achieved?

Not at all	1	2	3	4	5	6	7	Extremely time consuming
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(57)

Many thanks for your co-operation