

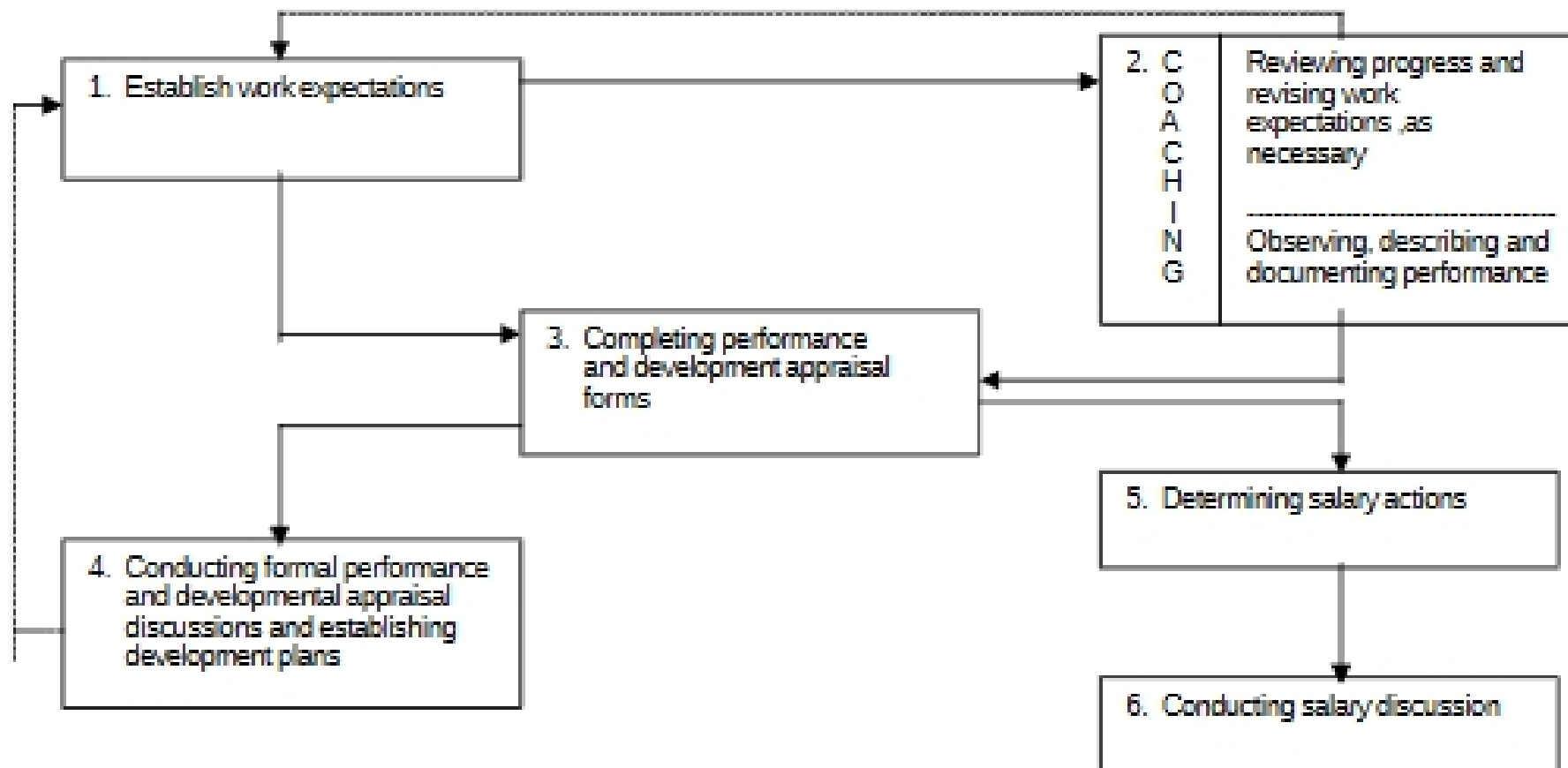
## PERFORMANCE APPRAISAL

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MAN 4301

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### Performance Appraisal Process



Taken from L. R. Gomez-Mejia, R. C. Page, and W. W. Tornow (1986). *Improving the Effectiveness of Performance Appraisal*, in *Perspectives on Personnel/ Human Resource Management*, H. G. Heneman III and D. P. Schwab (eds.), 78-85. Homewood, IL: Irwin.

If an appraisal cannot differentiate between performance levels, then pay and development cannot be accurately carried out.

### The "Ideal" Appraisal System [Most system fall short of the ideal.]

1. Does your supervisor follow set (standardized) procedures? The system should provide clarity, depth and forewarning.
2. Are the results fair and accurate? Perceptions of fairness and accuracy can be enhanced by allowing employee participation. Further, there should be some balance (strong and weak points). Case examples can be used to document the ratings. One should avoid surprises.
3. Does the appraisal consider special circumstances? (e.g. acts of God, supplier strikes, etc.)
4. Do you get feedback? Feedback is most effective when it is given near the time the event.
5. Does your supervisor suggest ways to improve performance?
6. Does the supervisor provide the resources to improve performance?
7. Does management care about how the appraisals are done? The appraisal should be timely. There should be some depth of detail. The appraisal should also capture the entire year.

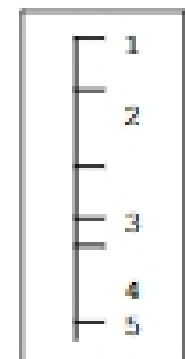


Essay Appraisals = Narrative summaries that can potentially capture strengths, improvements, weaknesses, quantity and quality. Inexpensive to develop, but expensive to use. No real comparisons of employees are possible unless common dimensions are inserted and the raters trained. Manuals of common buzz words exist. Essentially, only the newcomers are deceived.

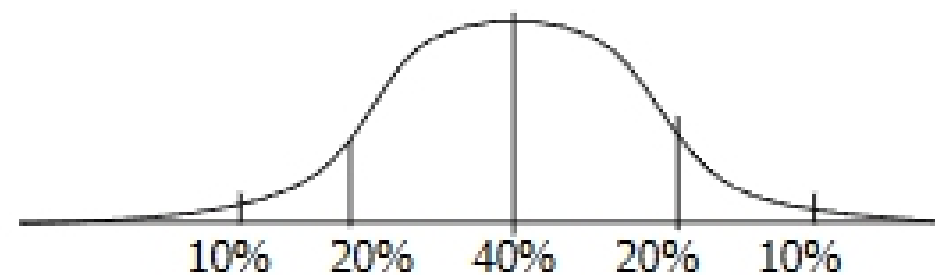
In-depth essays are extremely time consuming to apply with large numbers of employees. For instance, one Bus Line replaced a 100 point merit system with a new essay appraisal system. The supervisors did not welcome this, so 890 copies of a description of the "ideal driver" were turned in with the names of different people typed in on the top of the form, thereby subverting the HR department's effort.

There are a number of comparative methods aimed at making sure everyone is not rated highly.

Ranking = One can require an appraiser to order subordinates from lowest to highest. One problem with this method is there is no distance gauge, as in the diagram. Further, no feedback is given, so it is normally used in conjunction with other methods.



Forced Distribution = The raters are required to assign a specific proportion of their employees to predetermined categories (a quota system). Once again, little information is generated for development purposes. Moreover, this system is rigid. What about differences between the quality of departments? What about differences in a group's quality over time?



Critical Incident Method = The rater records incidents reflecting behavior that represents less than satisfactory or outstanding performance for both evaluation and feedback. These events should be critical elements of job performance. Supervisors prefer recording events daily, because it is easier to recall events. The specificity of the feedback is a big plus, but it is very time consuming.

Concerns = Employees often feel supervisors are more prone to note the negative. Employees may regard it as similar to a "little black book." The employees may also object because they face unequal challenges (for example, a customer complaint from Ms. Congenial vs. the Wicked Witch of the West). One might also be concerned about when the supervisors are watching. The uncertainty is troubling as is the unknown criteria.