

The politics of performance appraisal



**ASSIGN
BUSTER**

Max Steadman, Jim Coburn, Lynne Sims, and Tom Hamilton are managers at Eckel Industries, a manufacturer of arc-welding equipment in Minneapolis. They work in the manufacturing division each supervising a different department within the division. Every Friday the managers meet after work for drinks to relax, gossip, and give and receive advice about problems on the job. This week they discuss performance appraisals which they recently conducted. Each of the managers completed evaluation forms using graphic rating scales on each employee then discussed the appraisal with that employee.

Throughout the discussion they give their opinions on how performance appraisals should be conducted and flaws that are in the system. Tom talks about how emotions play into the process and create biases however he believes that providing true and accurate feedback is a top priority. Jim believes what he learned from a professor in college that when you sit down to evaluate an employee's performance in the past year, you will only recall and use about 15 percent of the performance you actually observed. He also thinks fine-tuning is warranted in certain situations.

For example, if an employee whose performance has been poor a majority of the year but significantly improves at the end of the year, Jim will give the employee a higher rating over the whole year than the work deserves. He believes it will encourage them to keep improving. Lynne thinks political considerations are a part of the appraisal process and takes other factors into consideration besides performance. She has inflated ratings to encourage and show support to someone going through some personnel issues that was negatively reflected in her work.

Finally, Max has a primary objective to motivate and reward his employees so they will perform better and uses the performance appraisals to do what is best for the employee and his department including fine-tuning. They also discuss deflating ratings to either shock employees into performing better, hint at the employee to consider another job, or for protected from being sued when trying to fire an employee. They agree to disagree on some levels but it seems as though they feel the scale rating system is flawed.

1. Based on your view of the objectives of performance evaluation, evaluate the perspectives about performance appraisal presented by the managers. Performance evaluations should focus on the individual's job performance and not the individual. The four managers all have the same goal when it comes to their perspectives on performance appraisals and that is, they want to do what is best for their subordinates to motivate them to perform in their department's best interest. Tom has a top priority to provide true and accurate feedback so employees know exactly where they stand.

While I agree that evaluations definitely need to have a base of accuracy, I like Max's view that most of good management is psychology. To know to act to do what is in the individual's and department's best interest, a manager needs to understand people's strengths and faults, and know how to motivate and reward employees. If that means a little fine-tuning, then so be it. Lynne, on the other hand, contaminated one of her workers evaluations by considering the individual's personal issues and inflated her rating to encourage and support her.

Personally I don't think it should have been a consideration in the evaluation however, supporting and encouraging the employee in other ways may be a more appropriate approach. The managers seem to agree to disagree on some levels of performance evaluations and while Tom focuses on accuracy, the others appear to take on some form of deficiency, contamination, or distortion in how they evaluate their employees. 2. In your opinion, at what point does "fine-tuning" evaluations become unacceptable distortion?

Distortion takes place when improper emphasis is given to various job elements. As mentioned previously, I believe that accuracy definitely needs to have a base in the evaluation. I would not want to deviate too far from the truth in performance. I agree with Max that if you think a slight change will make a big difference in relation to attaining what you believe is best for the individual and the department, it would be deemed appropriate. The point where "fine-tuning" becomes unacceptable distortion, in my opinion, is when the base of accuracy is not accurate anymore. . Assume you are the vice president of human resources at Eckel Industries and that you are aware that fine-tuning evaluations is a prevalent practice among Eckel managers. If you disagree with this perspective, what steps would you take to reduce the practice?

In order to deviate from fine-tuning I would allow manager to increase the level of participation of employees in the evaluations process, have the managers set specific performance goals with employees, and require managers to provide valuable feedback throughout the year to employees. According to research, setting specific goals increases performance and if managers are providing feedback frequently, employees will have a better

understanding of what needs to be accomplished and perform the steps needed to achieve the goals. This can result in higher performance and the need for “ fine-tuning” will decline.