

Strategic Performance Management
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Lecture – 15
Collecting information in performance management

Very good morning and welcome to the 15th lecture, which is a part of the third week lecture. You remember that before this lecture we talked about how to use different methodologies for collecting data. And there we discussed about two major systems; that is comparative systems and also absolute systems. That is relative and absolute methods of measuring performance. And there we discussed about ranking rating and other kind of methodologies.

Now after discussing these methodologies, now finally we are going to collect data use these methodologies. So, in this lecture we will examine that how we are going to collect data related to performance using different approaches that we have discussed in the past. So, when you are going to collect the information related to measuring the performance of individual how do we go about it.

So, there are different ways through which we can collect data. You can go for observations, you can go for interviews, you can go for rating skills, and these kinds of things. But ultimately what happens that you need to develop a form for data collection, right. So, you need to develop instrument through which you are going to collect data irrespective of the method that you are going to use for data collection, right.

So, when you are going to measure performance using any of these technologies or methodologies? Basically, you need to prepare a form apprise that is known as appraisal form or evaluation form. And this evaluation form is used for data collection.

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Components of an appraisal form

- *Basic employee information*
- *Accountabilities, objectives, and standards*
- *Competencies and indicators*
- *Major achievements and contributions*
- *Developmental achievements*
- *Developmental needs, plans, and goals*
- *Stakeholder input*
- *Employee comments*
- *Signatures*

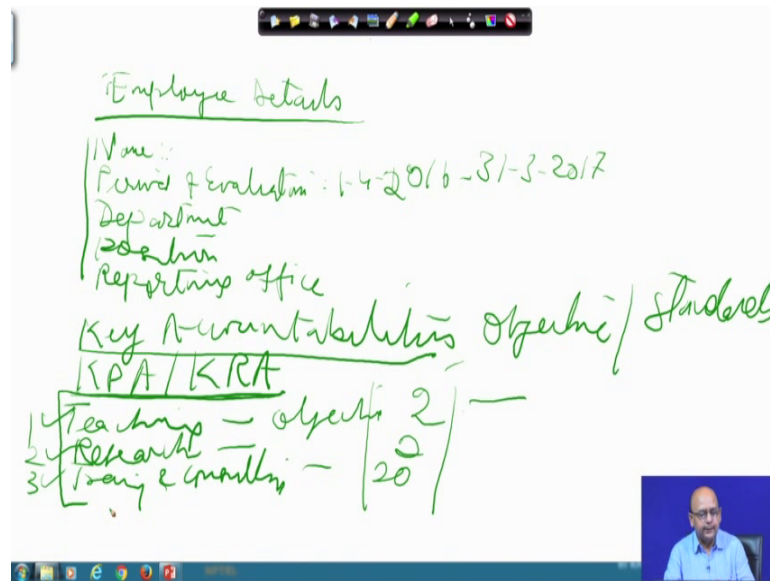
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Now, if you like this is; what are the various components of an appraisal form. To start with what we go; that we provide the basic employee information like his name, date, the evaluation period of the employees. And then we also identify as we have already discussed in the past, what are his key accountabilities, objectives and standards against with the performance is evaluated. And based on that we are going to identify what are the competencies which are supposed to be reflected by the individual, and what are the indicators of those competencies. All these we have discussed in the past.

Then as a part of the appraisal we also list down what are the major achievements that have been made by the individual during a given period and what are his contributions; individual contributions. Not only that, but we also discuss about the developmental achievements; that in the previous year if he has made any plan for the development, the extent to which these development plans have been achieved by the individual, right. And then similarly, at this financial year based on the data or the performance what kind of development needs plans and goals who are interested for the next year, ok.

And then, the input is also taken from the immediate supervisor or at the next level it could be from his the next supervisor also; it means supervisor's supervisor. Then employee is going to write about him, that whether it is correct or not, what extent he has been able to achieve them and then he is going to put in signature. So now, if you look at the form it could be something like this.

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So, first of all you have employ details in any form, right. It could start with name of the employee's, period of evaluation. And the period of evaluation could be 6 month or 1 year, usually it is 1 year.

For example: if you are taking a financial year, so it could be from 1 4 2016 to 31st March 2017. Many companies use this financial year, because based on that they are going to provide the reward or bonus of whatever is there, then you also going to also write the name of the department in which he works, what is his position, who is the reporting officer. So, this is the first kind of data that you get, right.

Then, the next stage what you are going to get is what are his key accountabilities. And here you are going to write basically the KPAs or KRAs, right. So, you are going to write the KPAs and KRAs. Suppose you are taking the case of the faculty when you are going to write teaching, a research, training and consulting. So, these are the key accountability areas that you are writing. Then for each of them you are also writing what are the objective, in each of these areas. Then you are also like writing standards against which the performance will be evaluated.

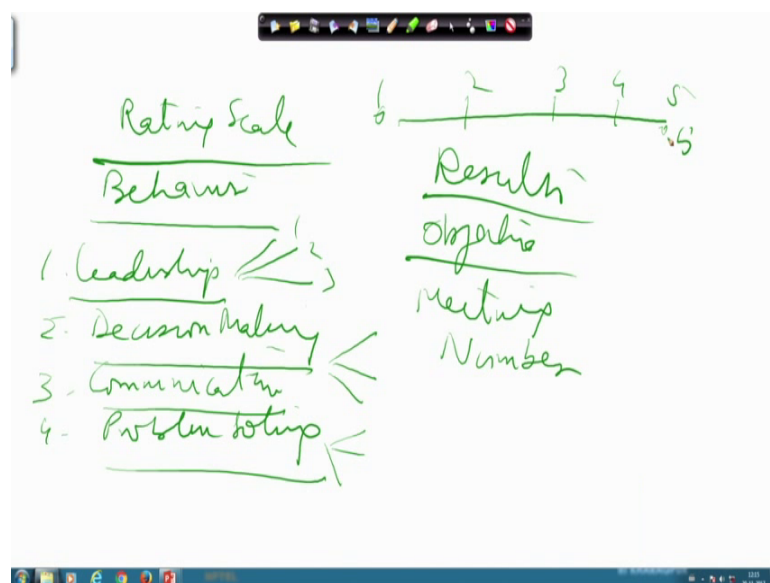
So, we are not only writing KPAs and KRAs, but for each of these three objectives 1 2 3 we are also writing what are the objectives; that is to be achieved for example you say that teaching two courses, publishing two papers, bringing 20 lakhs of pages something like that. So, based on this information you are going to evaluate because they are going

to act as a standard for you. So, what you are going to look at it; that what are the accountability were the objectives what are the standards.

And then, next stage basically what you are going to do is basically you are going to evaluate. So, when you are going to evaluate the performance of the candidate, so you are going to see what are the accountability objectives and standards, and what are his achievements in these areas a teaching, how many courses he has taught, how many papers he has published, how much revenue he has generated. And then what was the plan last year, whether he has able to achieve those plans or not for the last year. Then what is the development needs on plans on the goals which he is likely to set for the next year. Then, this input you also get the stakeholders input from the supervisor and then ultimately the employees gives his comments and put his signature.

So, this is a roughly a appraisal form; for moving such that suppose you are going to use a particular methodology.

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So for example we are going to use a rating scale, right. So, you are going to measure this on two accounts: that is behavior and results. A results are objective measures. So, that is not a problem you can see whether he is meeting the numbers or not in terms of targets. In terms of behavior outcomes what are the competencies that you are going to look at it? Say for example, leadership, decision making, communication, problem solving.

So, for a measure manager who are going to use these behavioral skills; these are the competencies which is going to. So, for these competencies then you are you are going to identify what are the different kind of behaviors 1 2 3 which indicate that these competencies are present or not. Then you are going to use the rating scale that is say a 5 pointer scale: 1 2 3 4 and 5. So, on a 5 pointer scale you are going to measure these behaviors using a rating scale or you can use other methods like critical incident, so whether that particular behavior is shown or not and whether it is contributing to the performance or not.

So, you are using these scales to measure the competencies and the indicators, so far as behavior is concerned and also the results that is obtained by the individual. The idea here is that you are going to see with what are the achievements and the results that he has received using these two things.

Now moving further we are talking about the next thing that is related to what you call say characteristics of a appraisal form.

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The slide is titled "Characteristics of an appraisal form" in red text. It lists eight characteristics in a bulleted format: Simplicity, Relevancy, Descriptiveness, Adaptability, Comprehensiveness, Definitional clarity, Communication, and Time orientation. The slide is part of an NPTEL presentation, as indicated by the logos at the bottom: IIT KHARAGPUR, NPTEL ONLINE CERTIFICATION COURSES, and KBL 5 Humanities at IIT KH. A small video inset of a speaker is visible in the bottom right corner.

So, when you are going to develop an appraisal form what are the things that you are going to look at? We are going to see that this appraisal form is very simple, written in a language that is understood by the person who is going to evaluate the performance. And also make sure that the items that are the dimensions that you are going to use for evaluation is relevant important and critical to the job, because if the items that you are

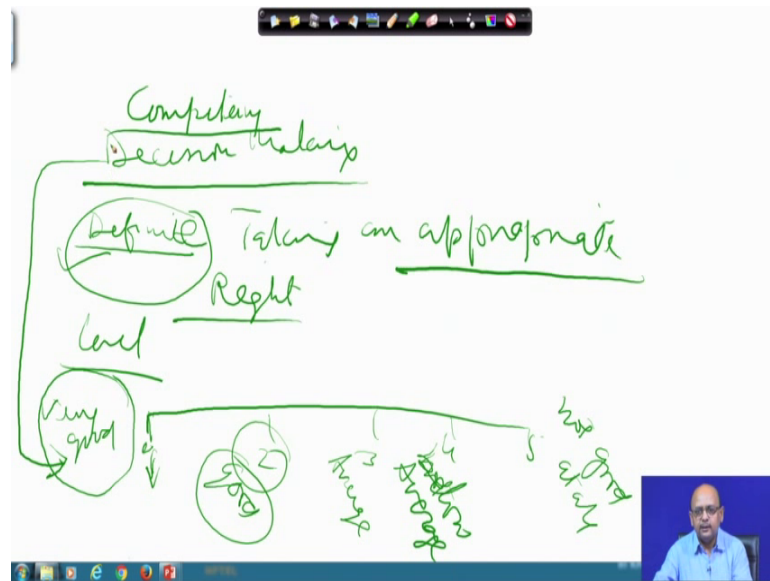
using for measuring these competencies are not relevant to the job it does not have any meaning. It means that they your appraisal a system is at fault. So, make sure that you are going to use all those relevant items in dimensions for measuring the performance.

And then you also provide a description. For example, when you are going to use a 5 pointer scale and you are simply writing not at all to a great extent on a 5 pointer scale, it is not very clear what does it mean so for each item if you are giving a description what does it mean to say not at all or to a great extent probably that would help the rater to better evaluate the performance of the individual. And make sure that you are able to adopt it. What I mean to say here by adaptability is that is you are going to make use of it for the purpose for which you have developed it; otherwise if you are not able to adopt it probably we will not be able to use it.

Then make sure that it is comprehensive. What I mean to say here by comprehensiveness is that it include all aspects of performance and that is why you remember the example that I just gave is that you are going include behavior as well as a result, both. So, you are going to see that what are the behaviors which are relevant which contribute to the success and performance, and you also see that what are the various results that he is obtained. Obtained in terms or achieving the goals and the targets. Because, both of them are going to contribute to the poor performance, because behavior contributes to results and result is that is what is measured against certain set standards.

So, make sure that it is very comprehensive. In the sense that it touches all the aspects all the relevant dimensions and competencies which has contributed to performance; and that is why we go about talking KPAs or KRAs of the key accountability areas which contribute to a performance. Then where when you are going to write these competencies you need to define them very clearly so that the rater is able to understand whether the competency that you are talking about is correct it is valid and reliable or not. Say for example: you are talking about decision making right.

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So, this is the one competency which you want to measure among appraisal. Now in order to measure this competency you need to define, what does it mean? So, if you are not able to define what the competency mean then probably we will not be able to measure it. So, you need to define is that, where the person is able to take appropriate decision related to his or not.

Now this is something that is varying. Taking an appropriate decision might be questions. For example, when you say an appropriate what do you mean by an appropriate, whether it is right decision or not how do you know about it. So, whether decision brings a effective results or not, so that is correct; whether the decision that is taken by the individual bring good results or not are contribute to success or not. So, you need to define the concept and the level at which it is required by the individual that is to identify.

So, any competency that you are talking about in terms of measurement it must be defined clearly. And when it comes to measurement say you are using as a 5 pointer scale and you say decision making skill is very good, not good at all, this is not enough. So, when I am talking about comprehensiveness it has to be descriptive, then you put labels to this. And this label should be related with what you call decision making. What I am why I am saying decision making because we are measuring decision making we are using a rating scale. So, when it comes to measurement of this particular competence you

are defining it and then for identifying the decision making capacity of the individual you are going to see whether it is good very good or very bad that is not enough.

What does it mean to say when you say very good? So, it means that he all the decisions that is taken by the individual has resulted in effective performance, right. So, it means that you are very clear what does it mean to say by very good. Similarly when you are saying good what does it means to say or whether it was in average what does it mean say not good or below average then what does it mean, right. So, you need to see that when you are going to develop an appraisal form make it simple, make it relevant, make it comprehensive, define all the competencies related to behavior a specify the standards in a measurable terms, right. And then whether you are using a scale or not or whatever scale you are using make sure that each and every competencies are defined and the level at which it is there in the individual is measured in a very objective way.

So, then after it is clearly defined, then we move to the next stage that you need to communicate to the individual; that this is what is there. And this has to a time frame. As I told you earlier that is any evaluation has to be then we did not a given time frame, so you need to define the time frame in which the individual is going to be evaluated.

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Determining Overall Rating

- **Two main strategies are used-judgmental and mechanical**
- Judgmental procedure consists of considering every aspect of performance and then arriving at a defensible summary
- Mechanical procedure consists of first considering the scores assigned to each section of the appraisal form and then adding them up to obtain an overall score

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Now how you look at the overall rating? Does it the summation of the all the points that he received in all the ratings, depending upon the number of dimensions that you have.

Suppose you have ten dimensions related to behavior on a 5 pointer scale to the maximum rating that he can get is what, 100 if you get 5 point on all these skills, right.

So, this is the way to determine the rating. It means that you are making a judgment considering all the dimensions of the performance and then you are preparing a summary that overall his performance is very good, very bad or whatever it is here. So, suppose you have 20 dimensions 5 pointer scale right, so the maximum marks that he get is 100. So, this 100 is divided by say- how many dimensions you have 20. So, how much you get? 5, so like 20 because 20; sorry 100 divided by 20 becomes 5.

It means that overall rating that you are going to have is going to be in between 1 and 5. So, 5 means that the outstanding very good excellent performance and 1 means that the performance is not satisfactory around, right. But when you are going to do this make sure that you are not going to make an error. It is very very important, that you do not to do it mechanically, because if you are going it mechanically the way I have described that on a 20 item scale 5 pointer scale and you are measuring performance and you say that your overall rating is 3.5 out of 5.

So, this suggests that you are using a very mechanical approach in evaluating the performance, right. So, what you do in mechanical approach that you consider all the scores and then add them up to get the score and then divided by the number of items, so you get the overall score. The other one is what we know is judgmental approach. In judgmental approach what happens, you look at an each and every aspect of performance and then you provide a summary for each aspect. And in mechanical what happens you add up everything and then you provide it, ok.

So, it is always good to go for a judgmental approach and mechanical, because in the mechanical approach there is a possibility of errors.

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Open-Ended (Comments) Sections

Challenges

- Difficult to systematically categorize and analyze
- Quality, length, and content vary

Tools to overcome challenges

- Computer-aided text analysis (CATA) software
- Establish goals of information provided
- Training in systematic and standardized rating skills

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Now in this section which include in appraisal forms a part from the rating scales that is the open ended sections. These open set ended sections are there where supervisors give their comments or the boss of the immediate supervisor gives their comments. For example: if I am going to evaluated my head, then my heads was who may be managers senior manager is going to provide his comment. So, these open ended comments are also considered when you are going to rate the overall performance, right.

Now the performance has already been evaluated by the immediate supervisor. So, when it comes to writing open ended comments by the immediate supervisor's supervisor then what are the challenges, how are going to do it. So, how you are going to make use of it to identify the performance level? See look at some of the challenges that you had, how are going to analyze the data that is provided in the text format. How much it is written? What is the variation in the content? What is the quality of the content? Ok. So, these are some of the issues that you are given.

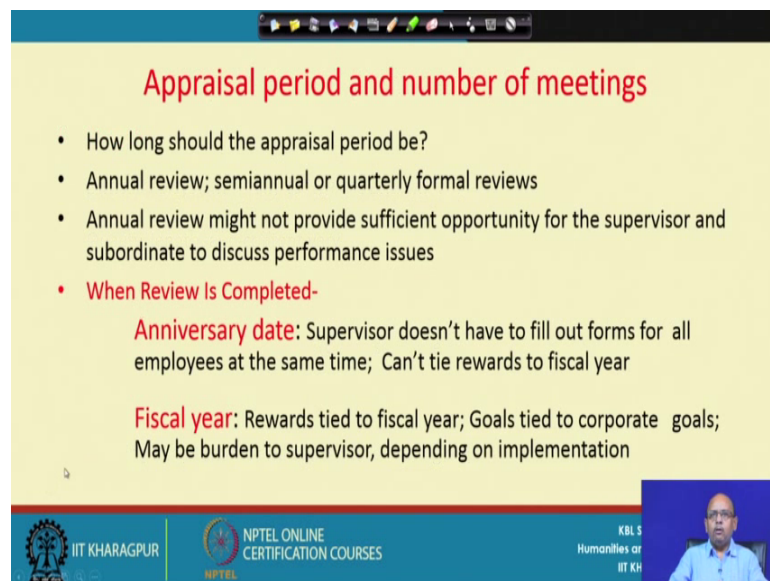
For example, two have rated the performance as 3.5 using a mechanical approach. Beyond that mechanical approach there is a another section in the performance appraisal form where you are going to provide your comment. And inside that is the performance of the staff appears to be satisfactory and he needs to improve on these accounts. And then you mention certain things based upon the feedback that we have got from the

supervisor and the performance data that you have at your hand. You look at the form, look at the supervisors comment and then you are going to write certain things.

Now the question that arises is that, what is the quality of the writing that you have given? How much description you have provided? Whether you have given just 3-4 lines or you have provided a full description, right. And what is the content that is provided to you. So, the best way is that you use the content find out the theme that is coming out of it. And see whether the kind of information that you are looking forward to is coming forward or not.

So, it is very very important is that is coming out of this and discussion is that when raters are going to evaluate the performance of their subordinates they must be trained, and they must develop certain skills so that they are able to do it accurately and these kind of things.

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Appraisal period and number of meetings

- How long should the appraisal period be?
- Annual review; semiannual or quarterly formal reviews
- Annual review might not provide sufficient opportunity for the supervisor and subordinate to discuss performance issues
- **When Review Is Completed-**
 - Anniversary date:** Supervisor doesn't have to fill out forms for all employees at the same time; Can't tie rewards to fiscal year
 - Fiscal year:** Rewards tied to fiscal year; Goals tied to corporate goals; May be burden to supervisor, depending on implementation

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Now and then issue that comes out, when it comes to evaluation of the candidates and getting data related to performance from the employees is that; what is the period of evaluation and how many meetings you are going to have.

See, most of the organizations it is a customary to follow annual review process. So, at the end of the year or at the end of the financial year you are going to evaluate the performance on the employees, right. This happens in the case of regular confirmed

employees, but in some cases will be people on probation this could be done on a quarterly basis or it could be done semi annually to continuously observe and monitor their performance. Now many companies have this kind of practice where an employee joins first, so they are going to put on probation for a three period and where the performance is measured, but once he gets confirmed its going to be annual performance review.

Now many companies have made it a practice to move away from annual reviews. And they are moved from annual reviews and they are going for continuous review and evaluation of the performance; many it companies, many manufacturing companies, many innovative companies now it today you will find that that they have done away with the annual performance reviews. Or they are not even going for semiannual reviews either they are going for quarterly reviews; so every three months where you evaluating the performance or every month they are tracking our performance.

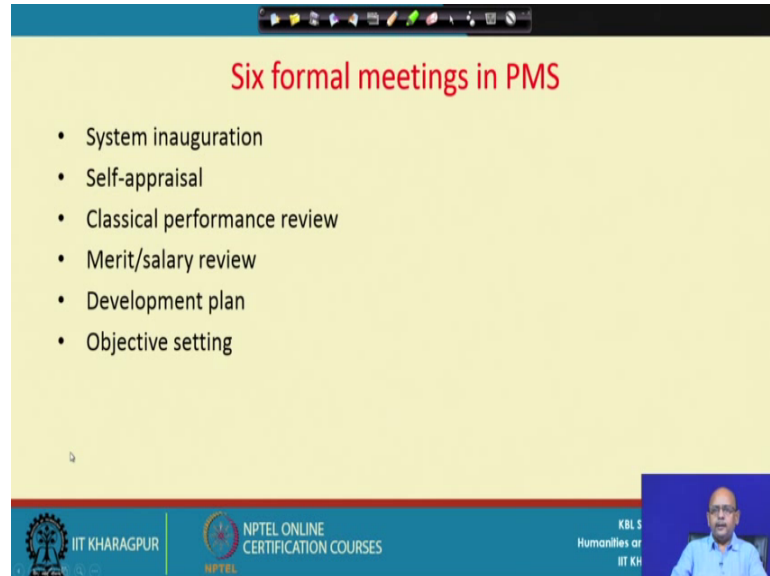
So, this is a new trend that has come out, because if you are going for annual review there is a possibility that you are not able to provide or do justice with the performance of the individual. Because you might miss out certain things, you will supervisor is not able to observe each and everything that is done by the individual. So, many of the things may be left out of the performance, evaluation. So, it is always good you not to go for annual reviews, but go for quarterly reviews or continuous review and evaluation of the performance.

So, if you are going for annual review it means that at the end of the session you are going to do it. But it is not related to what because you are not using financially, but if you are using financially or fiscal year like from say starting with April 1 to 31st March. Then you can link it with the reward because the new financial year you are going to have new goals, then you can also identify the goals for the individual, and then you can also reward him depending upon his performance in the last first fiscal year.

So both of them are used either you are using in fiscal year or the calendar year whatever it is there or it could be from the data of the joining up the individuals. Suppose I have joined on 1st July. So, my evaluation we will take place from 1st July to 31st June. So, this is what we know as anniversary dates. So, if it is always good to go for anniversary

dates because there you have an opportunity to evaluate employees at different periods of time, because not everybody is going to join on the same date.

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Six formal meetings in PMS

- System inauguration
- Self-appraisal
- Classical performance review
- Merit/salary review
- Development plan
- Objective setting

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Now, when it comes to evaluations and meetings of performance to get collect data related to the performance of the individual; you need to develop a system and you can follow either self appraisal where the individual is going to evaluate his performance; we will discuss about self appraisal in detail. Or and their option is that you go for annual performance review. And then based on that you are going to see that what is his performance you try to link it with the salary. So, you review his salary look at. Try to see that it is linked into performance it is fair it is justifiable. And also make the development plan for the next year and set the goals and objectives, ok.

So, when the meeting takes place to collect data you are going to use of any particular system using a ratings scale or whatever methodology you have adopt to collect data to measure the performance. So, you have to see I whether it is done by the individual itself or it written by the supervisor. And what methodology you are going to adopt; whether going for annual performance review or you going for semiannual or continuous performance review. And then you also see that whether it is linked with reward or not. And what would be the development for the next financial year or next fiscal year or anniversary. And then you are going to set the goals and objectives accordingly.

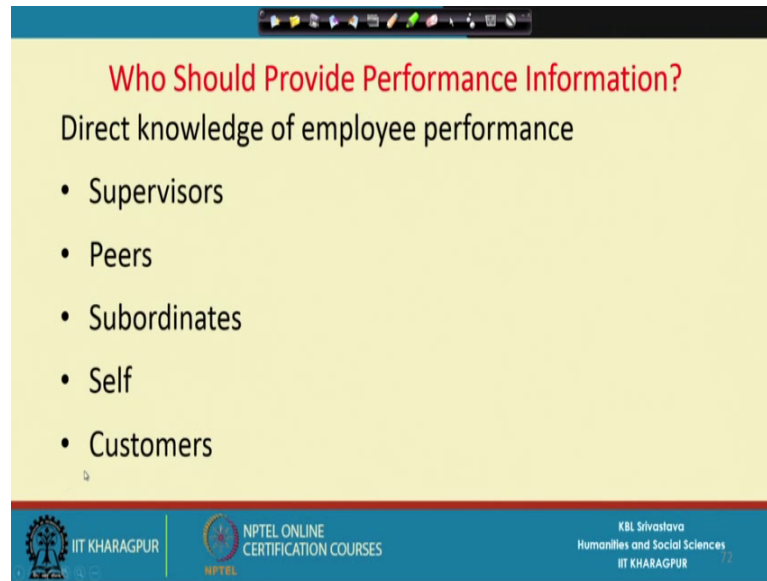
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The slide is titled "Who Should Provide Performance Information?" in red text. Below the title, it states "Employees should be involved in selecting" followed by two bullet points: "• Which sources evaluate" and "• Which performance dimensions". Then, it says "When employees are actively involved" followed by two bullet points: "• Higher acceptance of results" and "• Perception that system is fair". At the bottom, there are logos for IIT Kharagpur, NPTEL Online Certification Courses, and a small video inset of a speaker. The text "KBL'S Humanities or IIT KH" is also visible in the bottom right corner.

Now, the next question is that who is going to provide performance information. Now who is the best just to get sorry, to provide data related to the performance? So, you also need to identify various sources of collecting data related to the performance. And in most cases it is accepted principle that employee should be involved; in the process of data collection, because it is the employees who knows about the data. So, anyway it is evaluated by the supervisor he is going to ask employees or observed him and collect data based on his record, right.

So, another source of information could be the supervisor; it could be peers, it could be subordinate staffs, it could be other stakeholders, right. So you have to, but ultimately in involve employees in collecting data. At the same time we also need to identify who could be the potential sources, who could be participating in the evaluation process, right. But if you are going to in involve employee in the process you get a better acceptance of the results because he knows that this is what I was expected to achieve and this is what I am going to do it. And this also ensures that employees consider that yes the system is very very fair and acceptable to them, ok.

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Who Should Provide Performance Information?

Direct knowledge of employee performance

- Supervisors
- Peers
- Subordinates
- Self
- Customers

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So, when we are discussing about who is going to provide information about the data related to the employee performance it could be starting with the employees, the first source; then you move on to the supervisors because in the direct contact; and observation then it could be the peers with whom which you work; right then it could be subordinates because they are also interacting and observing the performance. And then it could be the customers: external customers who like supplier, vendors, right you could also be allowed to participate it depends upon what kind of approach you are going to adopt for data collection, right.

So, whether you are going for immediate supervisor giving the performance ratings or we are including the individual itself also going for self evaluation or you are going for a multisource feedback to rate or evaluate the performance on the individual. So, you can go for any kind of thing depending upon the requirement.

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The slide is titled "Who Should Provide Performance Information?" and is divided into two columns. The left column is for Supervisors and the right column is for Peers. Each column lists Advantages and Disadvantages. At the bottom of the slide, there are logos for IIT KHARAGPUR, NPTEL ONLINE CERTIFICATION COURSES, and KBL'S Humanities or IT KH. A small video inset of a man is visible in the bottom right corner.

Supervisors-	Peers-
Advantages <ul style="list-style-type: none">• Can evaluate performance vs. strategic goals• Make decisions about rewards• Able to differentiate among performance dimensions• Viewed as exclusive source in some cultural contexts	Advantages <ul style="list-style-type: none">• Assess teamwork
Disadvantages <ul style="list-style-type: none">• Supervisor may not be able to directly observe performance• Evaluations may be biased	Disadvantages <ul style="list-style-type: none">• Possible friendship bias• May be less discriminating• Context effects

Now, if you look at supervisors providing the data related to the performance. Since he is involved in identifying goals aligning it with his strategy goals of the organization; so it is always good to involve supervisors, because he is going to see that based upon your performance you get the reward. And he will be able to differentiate on various dimensions the competencies of performance how will you help them, right.

So, he would be considered as the most important source in collecting data from the employee. Then the disadvantage is that if he is not able to do observe certain things then he will not be able to provide data. And if he does not like the candidate or the subordinate then he evaluation may be worst.

Now coming to the peers; peers means interact, they can see whether he is able to have good interpersonal relationship, is able to work in a team or not. So, on these accounts peers can provide information. But it also has certain disadvantage; because you are a friend then you give good writing otherwise not. But and it is very difficult to discriminate and also the context, because each peer is working in different area and he may not be the basis to do it. So, you are going to use peers only for certain dimensions.

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The slide is titled "Who Should Provide Performance Information?" and is divided into three columns. The first column, "Subordinates-", lists advantages like accuracy for developmental purposes and good position to assess competencies, and disadvantages like inflated data for administrative purposes and fear of retaliation. The second column, "Self-", lists advantages like increased acceptance of decisions and decreased defensiveness, and disadvantages like leniency and bias. The third column, "Customers-", lists advantages like focused employees and disadvantages like time and money. The slide footer includes logos for IIT Kharagpur, NPTEL, and KBL's Humanities or IIT KH, along with a small video inset of a speaker.

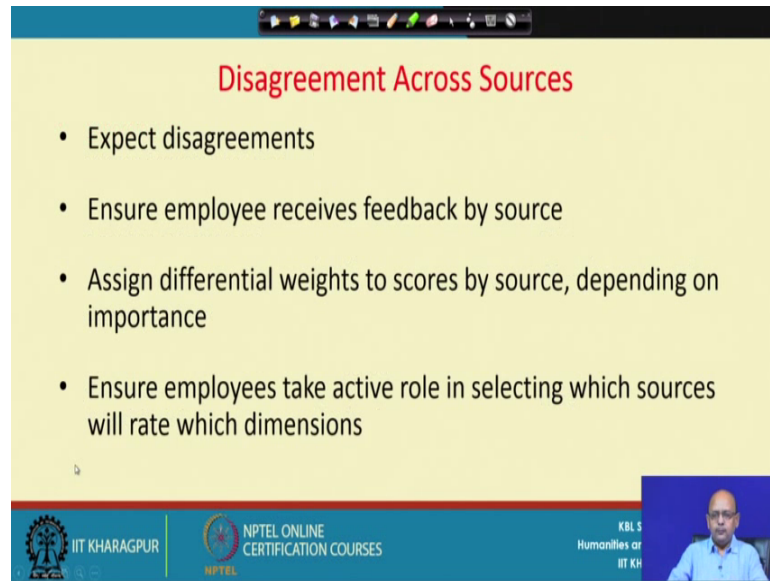
<u>Subordinates-</u>	<u>Self-</u>	<u>Customers-</u>
Advantages: Accurate when used for developmental purposes Good position to assess some competencies	Advantages <ul style="list-style-type: none">• Increased acceptance of decisions• Decreased defensiveness during appraisal interview• Good position to track activities during review period	Advantages Employees become more focused on meeting customer expectations.
Disadvantages: Inflated when used for administrative purposes May fear retaliation (confidentiality is key)	Disadvantages <ul style="list-style-type: none">• May be more lenient and biased	Disadvantages Time Money

Then when you are going to include subordinates in the process subordinates is they are worked with you they know what you are doing whether you are going to guide them, whether able to lead them, whether going to help them in performing or not, right. So, they would be able to assess some of your competence is not all competencies which is related to their performance. But sometimes what happens, supervisors also provide inflated data because they do not want to displease the supervisors, because they know that supervisors going to provide them reward ok.

So, if they are giving bad rating they might retaliation also, because you need to maintain confidentiality. So, if you want data from subordinates you need to maintain confidentiality that is very very important. Then when it comes to a individual providing the data definitely it would be more acceptable, he will be able to defend his performance, right. But the advantage is that sometimes: he could be lenient, his performance rating could be exaggerated, and it could be biased.

Similarly, for going to include customers in the process; again these kinds of things might happen. So, if you are not able to meet the customer expectations he will not give you a good rating, but it also involves more time and money. So, you have to be careful to decide who is going to be involved in the process of evaluation.

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Disagreement Across Sources

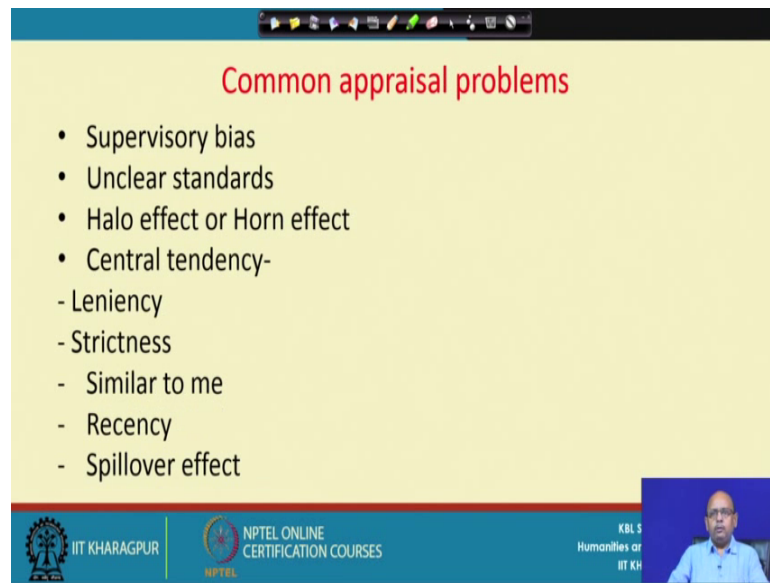
- Expect disagreements
- Ensure employee receives feedback by source
- Assign differential weights to scores by source, depending on importance
- Ensure employees take active role in selecting which sources will rate which dimensions

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Now, when you are going to use the not just one source and many sources there is a problem. The problem is that they could be a disagreement across various resources from which you have collect the data.

For example: the feedback that is provided by the employees is different from the supervisors, it varies from the subordinates customers have given different kind of feedback. So, how are going to assign weights to scores by source depending upon the importance. So, you have to identify which source is more important, which source is less important, how much weightages are giving to each source of information, right. And then accordingly you are going to evaluate the performance of the individual.

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Common appraisal problems

- Supervisory bias
- Unclear standards
- Halo effect or Horn effect
- Central tendency-
 - Leniency
 - Strictness
 - Similar to me
 - Recency
 - Spillover effect

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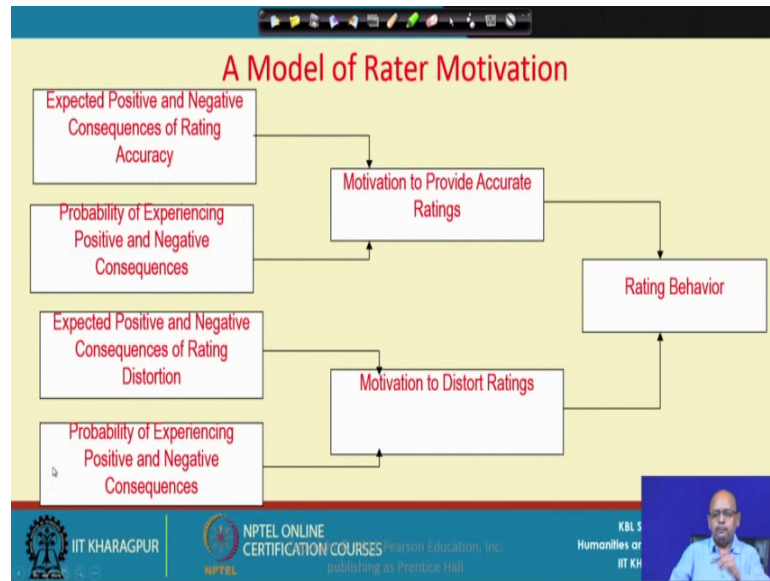
Then these are some of the problems which might be there among the supervisors, right.

For example: he could be biased, his standards are not clear, he is influenced by the positive factors that is halo effect or a negative factor that is horn effect. Sometimes you know try to evaluate average, sometimes as these raters when they evaluate their subordinates neither give very good performance rating nor be reviled performance. So, this is what we know a central tendency; it means they try to rate everybody is the average. So, neither they want to please nor displease everybody, right.

Sometimes they become very very lenient, so they have give very good rating; sometimes they are very very strict, so they give very wide rating. Sometimes what happens that if they find that is the subordinate is meeting each characteristics his expectations is similar to us then you provide good rating to them. If he is not meeting your temperament, your characteristics, your personality, then you give a bad rating. Sometimes what will happens you look only at the recent performance and based on these recent performance evaluating fairly or badly, ok.

So, this is what we know as recency effect then spillover effect. You know that the person has performed very well in the last session last performance. So, is it is still in our mind and that is carries carry over effect is there and this session also you try to evaluate his performance accordingly.

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So, these are some of the problems which might crop in, right. So, now, if you look like this is how the rater should be motivated; so make sure what if their raters understand what the positive and negative consequences of evaluations.

So, they must experience these kinds of things what is the probability of these consequences, and what are the expected consequences. And based on that you see that whether they are really motivated enough to provide good rating or not. Or if it is not then it is the motive the rating is going to be distorted. So, whatever problems we discussed related to the supervisors either it is going to inflate the rating or going to deflate the rating. So, the rating behavior depends upon experiences of the; and expectations and probabilities of these kind of things.

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Motivation for rating inflation and deflation

- Motivations for Rating Inflation-
 - Maximize merit raise/rewards
 - Encourage employees
 - Avoid creating written record
 - Avoid confrontation with employees
 - Promote undesired employees out of unit
 - Make manager look good to his/her supervisor
- Motivations for Rating Deflation
 - Shock employees
 - Teach a lesson
 - Send a message to employee
 - Build a written record of poor performance

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If you are going for inflated rating what happens? The employees get better rewards is motivated enough, but as you also avoid confrontation because you want to please everybody ok.

But sometimes you are going to promote or reward those who are not deserving candidates. And if you are going to have the deflated ratings then probably you have an idea that yes you want to give a shock to the employees teach them a lesson because they are not performing well. And you also want to communicate a message to the employees that were very strict so far as performance is concerned. And then, but in that case you need to prepare a record of poor performance show that you can show that yes your performance is very poor.

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Rater Training Programs

- Information
- Motivation
- Identifying, observing, recording and evaluating performance
- How to interact with employees when they receive performance information
- **Reducing Intentional Rating Distortion through-**
 - Have raters justify their ratings and Have raters justify their ratings in a face-to-face meeting

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So, the raters need to be trained how to evaluate? They must be motivated enough, they must have all the record, observe and evaluate performance properly, and they should know that how they are going to interact while collecting data related with to the performance so that you can reduce these distortions which may come up in the rating, because if you are collecting data and data is inflated or deflated then it has no use, right. So, it is always good to ensure that your ratings are justified; you are going to do an accurate job of a rating without any error. So, there is no intentional or unintentional error that is going to follow with you.

Thank you very much.