Assessment of Self-Assessment And Rating Scale as Performance Appraisal Methods Adopted by Employers to Evaluate Employees' Performance in Champion Breweries Plc, Uyo, Akwa Ibom State

By
Dr. MBOM, Joseph Effiong
Department of Management
Faculty of Business Administration
University of Nigeria
Enugu Campus

Abstract

The main aim of this project is to assess self-assessment and rating scale as performance appraisal methods adopted by employers to evaluate employees' performance in Champion Breweries Plc, Uyo, Akwa Ibom state. Ex-post facto research design was used for the study. The 258 staff, comprising members of Board of Directors, the Managing Director, functional managers, supervisors, line managers and other workers was used as the population. A structured questionnaire developed by the researcher was used to collect data for the study. The instrument was validated by experts in Test, Measurement and Evaluation and the reliability coefficient of the instrument was .78. Data obtained were analysed using descriptive and inferential statistics. Findings of the study revealed that that self assessment and rating scale performance appraisal method has significant influence on the performance of employees in Champion Breweries Plc. The study recommended that Employers should try to eliminate biases (employ a transparent approach) while rating the performance of employees. Rating scale assessment should be confined to past as well as potential performance in order to achieve a result oriented evaluation of employees' performance. Also, in carrying out a personal or self evaluation, the traits being assessed should be in line with the company's objectives.

Keywords: Performance appraisal, self-assessment, rating scale, behaviour

Introduction

A vast array of workplace behaviour shape how any individual performs in an organization. Individual behavioural differences on the other hand can influence performance in organizations. For this reason, training is important for the success of any organization. The contents of the training programmes have always been structured at higher levels and subject to change emphasizing on the ―basic workplace skills which are necessary and can lay a strong foundation among the employees to adopt any change in the work atmosphere. Improvement on these basic skills is fundamental for increasing the productivity of employees and widening the scope of the organization. Performance appraisal is therefore the tool to achieve these stated objectives. The behaviour of employees can be validated in various ways such as rating by the employer or self assessment by the employee.

Hamumokola (2013) is of the opinion that employee self-appraisal, within performance management or annual performance review system involves asking the employee to self-evaluate his or her job performance. Appraisal is also based on overall ratings scales. If there is a performance-related pay scheme, these ratings determine the size of the salary increase. Rating scales could be two types: **behavioral**, which means good, average or inadequate performance or **graphic**, which are a number of scale points either alphabetical or numerical. There are many different methods for the performance assessment. These methods were developed to eliminate the central tendency problem and to provide

information used for reward allocation decisions. Evaluating employees on the basis of their relative position can be linked to an incentive salary structure where biases by line managers can be easily controlled (Hunter & Leahey 2008). On this note, understanding the impact of performance appraisal quality is particularly important, as Treadway, *et al.* (2007) suggested that performance appraisals are becoming increasingly subjective. Evaluation reports are preferred when there is an evaluation of very self-reliant individuals. The supervisors appraise their creativity, flexibility and originality.

Aim of the study

The main aim of this work is to assess self-assessment and rating scale as performance appraisal methods adopted by employers to evaluate employees' performance. This study specifically seeks to:

1. Find out the influence of self assessment performance appraisal method on employees' performance.
2. Evaluate the impact of rating scales appraisal method on employees' performance.

Research Questions

1. To what extent does self assessment appraisal method influence performance of employees in Champion Breweries Plc, Uyo?

2. To what extent does rating scales appraisal method affect employees' performance in Champion Breweries Plc, Uyo?

Hypotheses

The following null hypotheses were formulated to guide the study at 0.05 level of significance:

1. **HO_1**: Self assessment performance appraisal method does not significantly influence the performance of employees in Champion Breweries Plc, Uyo.

2. **HO_2**: Rating scales performance appraisal does not significantly affect performance of employees in Champion Breweries Plc, Uyo.

Literature Review

Concept of Performance Appraisal

Performance in the context of this study is understood as achievement of the organization in relation with its set goals. It includes outcomes achieved, or accomplished through contribution of individuals or teams to the organization's strategic goals. The term performance encompasses economic as well as behavioural outcomes. Smither (2018) views performance more comprehensively by encompassing both behaviors and results. He is of the view that behaviors are outcomes in their own right', which can be judged apart from results. The behaviours exhibited by employees in an organization can affect the organization positively or negatively especially such firms that deal directly with clients or customers. It is therefore imperative to put behaviours of both the employer and the employee on check and this calls for appraisal, assessment of behavioural outcome of workers (Didier Noyer 2002).

Performance Appraisals according to Grote (2012) is a developmental tool used for all round development of the employee and the organization. The performance is measured against such factors as job knowledge, quality and quantity of output, initiative, leadership abilities,

supervision, dependability, co-operation, judgment, versatility and health. Assessment should be confined to past as well as potential performance also. Similarly, performance appraisal is a management tool which is helpful in motivating and effectively utilizing human resources (Gopinath, 2016). It can be either Informal, when supervisors think about how well the employees are doing or Formal, when there is a system set up by the organization to regularly and systematically evaluate employees' performance.

Generally, the aim of a performance appraisal as observed by Stone (2012) is to:provide employees feedback on their performance; to identify employees' training needs; and to document criteria used to allocate organisational rewards. It is a basis for decisions relating to salary increases, promotions, disciplinary actions, bonuses; it provides the opportunity for organisational diagnosis and development; it facilitates communication between employee and employer; it validates selection techniques and human resource policies to meet regulatory requirements. It helps to improve performance through counseling, coaching and development. Finally it helps to motivate employees through recognition and support (Taylor, 2003). There are numerous methods in use to appraise an employee's performance depending upon the size and nature of the organizations. A common approach to assess performance is to use a numerical or scalar rating system whereby managers are asked to score an individual against a number of objectives/attributes. In some companies, employees receive assessments from their manager, peers, subordinates, and customers, while also performing a self assessment.

Rating scale

The rating scale method offers a high degree of structure for appraisals. Each employee trait or characteristic is rated on a bipolar scale that usually has several points ranging from "poor" to "excellent" (or some similar arrangement). The traits assessed on these scales include employee attributes such as cooperation, communications ability, initiative, punctuality and technical (work skills) competence. The nature and scope of the traits selected for inclusion is limited only by the imagination of the scale's designer, or by the organization's need to know. One major provision in selecting traits is that they should be in some way relevant to the appraisee's job. The traits selected by some organizations as noted by Wesley, (2014) have been unwise (biased) and have resulted in legal action on the grounds of discrimination. Notwithstanding, the greatest advantage of rating scales is that they are structured and standardised. This allows ratings to be easily compared and contrasted - even for an entire workforce. In this method, each employee is subjected to the same basic appraisal process and rating criteria, with the same range of responses. This encourages equality in treatment for all appraisees and imposes standard measures of performance across all parts of the organization.

Verma (2011) submitted that rating scale methods are easy to use and understand. The concept of the rating scale makes obvious sense; both appraisers and appraisees have an intuitive appreciation for the simple and efficient logic of the bipolar scale. Many corporations and telecommunications companies such as Airtel and computer building companies like Dell Corporation are using this method for evaluating the employees and subsequently take decisions on concerned employee. Depending upon the job of employee under this method of appraisal, traits like attitude, performance, regularity, accountability and sincerity etc, are rated with scale from 1 to 10. 1 indicates negative feedback and 10 indicates positive feedback. Under this method of performance appraisal, employee may be assessed by his superiors, colleagues, subordinates or sometimes by his customers which all depends on nature of the company or job. An appraiser is a person who appraises employee and gives rating for every trait given by marking or choosing number based on his observation and

satisfaction. Ultimately all numbers chosen or marked are added to determine highest score gained by an employee. Employee who scored more points are then treated as top performer while descending scored employees are treated as low performer and the least scored employee are treated as non-performers.

Employees' Perception of Rating Scale Appraisal System

Most employees have mixed feelings with rating scale performance appraisal systems. Whilst some believe it carry some biases and largely fails to meet its objectives, others find it a means to justify their performance (Rasch 2004). According to Rasch (2004), managers commit mistakes while evaluating employees and rating their performance. Some of these biases are perceived by employees as ways of unfairly interpreting their performances. Biases and judgment errors of various kinds may spoil the performance appraisal process. Moats points out that, even when a performance evaluation programme is structured appropriately, its effectiveness can be diluted by the improper use of subjective, as opposed to objective, measures. Objective measures are easily incorporated into an appraisal because they are quantifiable and verifiable. In contrast, subjective measures are those that cannot be quantified and are largely dependent on the opinion of an observer. Subjective measures have the potential to dilute the quality of worker evaluations because they may be influenced by bias, or distortion as a result of emotion (Moats 2009). To overcome the effects of prejudice, many organizations must train appraisers to avoid biases. McNamara (2000) identifies eight common forms of biases which include:

First Impression (primacy effect)

This bias occurs when raters form an overall impression about the ratee on the basis of some particular characteristics of the ratee identified by them. The identified qualities and features may not provide adequate base for appraisal.

Halo and Horn Effects

According to Moats the term "halo" stems from the misconception that the appraisee, like an angel with a halo over its head, can do no wrong. This type of bias, however, also applies to foes of the rater, and may not be job-related. The effect is particularly pronounced when the appraisee is an enemy or very good friend of the evaluator. McNamara adds that the individual's performance is completely appraised on the basis of a perceived positive quality, feature or trait. McNamara describes the Horn effect as the situation where the individual's performance is completely appraised on the basis of a negative quality or feature perceived. This results in an overall lower rating than may be warranted.

Excessive Stiffness or Lenience

Depending upon the raters own standards, values, physical and mental makeup at the time of appraisal, ratees may be rated very strictly or leniently (Moats 2009). According to Kurt (2004) some of the managers are likely to take the line of least resistance and rate people high, whereas others, by nature, believe in the tyranny of exact assessment, considering more particularly the drawbacks of the individual and thus making the assessment excessively severe. The leniency error can render a system ineffective. Moats Points out that, leniency and strictness bias results when the appraiser tends to view the performance of all of his employees as either good and favorable or bad and unfavorable. Although these distortions are often the result of vague performance standards, they may also be the consequence of the evaluator's attitudes.

Central Tendency

McNamara opined that this bias occurs where appraisers rate all employees as average performers. That is, it is an attitude to rate people as neither high nor low and follow the middle path. According to Moats, the error of central tendency occurs when appraisers are hesitant to grade employees as effective or ineffective. They pacify their indecisiveness by rating all workers near the center of the performance scale, thus avoiding extremes that could cause conflict or require an explanation.

Personal Biases

Based on the words of Shelley, the way a supervisor feels about each of the individuals working under him - whether he likes or dislikes them - has a tremendous effect on the rating of their performances. Personal Bias can stem from various sources as a result of information obtained from colleagues, considerations of faith and thinking, social and family background and so on. Likewise, Moats judges that personal prejudice results from a rater's dislike for a group or class of people. When that dislike carries over into the appraisal of an individual, an inaccurate review of performance is the outcome.

Spillover and Recency Effect

McNamara in describing this bias says that the present performance is evaluated much on the basis of past performance. "The person who was a good performer in distant past is assured to be okay at present also" (McNamara 2000). In the case of recency effect, rating is influenced by the most recent behaviour ignoring the commonly demonstrated behaviours during the entire appraisal period. The recency effect is a corollary of the natural tendency for raters to judge an employee's performance based largely on his most recent actions rather than taking into account long-term patterns (McNamara 2000).

Additionally, Gabris & Mitchell (2010) have reported a disruptive bias in performance appraisal known as the Matthew Effect. It is named after the Matthew of biblical fame who wrote, "To him who has, more shall be given, and he shall have an abundance: but from him who has not, even what he has will be taken away" (Matt. 13:12). The Matthew Effect is said to occur where employees tend to keep receiving the same appraisal results, year in and year out. That is, their appraisal results tend to become self-fulfilling: if they have done well, they will continue to do well; if they have done poorly, they will continue to do poorly. The Matthew Effect suggests that no matter how hard an employee strives, their past appraisal records will prejudice their future attempts to improve (Gabris & Mitchell 2010).

Self-Assessment

Another appraisal technique included in the future-oriented category is self-appraisal, which entails employees making evaluations of their own performance. According to Moats although self-assessment techniques may also be coordinated with past-oriented evaluations, they are particularly useful in helping employees to set personal goals and identify areas of behaviors that need improvement. The advantage of such appraisals, which may be relatively informal, is that they provide an excellent forum for input and feedback by superiors. In addition, they allow supervisors to find out what employees expect from themselves and from the organization or department (Bodil 2007). Self assessment gives a chance to the employee to look at his/her strengths and weaknesses, his achievements, and judge his own performance. Self-assessment is having employees evaluate their own performance on parameters like communication and motivating abilities, superior's ability to delegate the work, leadership qualities etc in consistency with values such as self-management and empowerment. Self-evaluations get high marks from employees themselves; and they make excellent vehicles for stimulating job performance discussions between employees and their superiors. However, they suffer from over inflated assessment and self-serving bias. Because of these serious drawbacks, self-evaluations are probably better suited to developmental uses than for performance evaluative purposes.

Self assessments help the management to gather the pulse of people and improve the organizational climate. Hines & House (2011) had identified some of the advantages of self-assessments appraisal method to include:

Empowerment of employees to put forth their perspective: The self assessments encourage employees to self evaluate and self appraise themselves and give voice to their side of the story about their performance instead of just receiving feedback from their managers.

Increased Communication: Self assessment is a good way to increase communication and engage employees through discussions. It is an opportunity for employees to play active role in their appraisal review process and also a better way for managers to understand the perceptions of their subordinates about their work.

Increased Acceptance: Self assessment increases the possibilities of the acceptance of the review due to the transparency in the performance management system. Because employees analyze their performance before the review meeting, they are more likely to agree with their supervisor's perspective about their performance.(Hines & House 2011)

Faith in the Fairness of the Process: Self assessment increases the employees' perception about the fairness of the appraisal process. It improves the understanding of the demands and expectations of the organization for the employees and lowers their stress, tensions, and apprehensions.

Materials and Methods

Research Design

Expost facto was used for the study.

Area of the Study

The study was carried out in Champion Breweries Plc Uyo .

Population of the Study

The population comprised all the 258 staff, comprising members of Board of Directors, the Managing Director, functional managers, supervisors, line managers and other workers.

Sample and Sampling Technique

A sample size of 157 employees was used for the study. Convenience sampling technique was used to select the sample.

Instrumentation

The instrument used for the study was a structured questionnaire.

Validation of the Instrument

The instrumentused for the research was made to pass through face and content validation using experts in test, measurement and evaluation.

Reliability of the Instrument

The reliabilities of the instruments were established using Cronbatch reliability method. The analysis produced 0.78 coefficient value.

Procedure for Data Collection

The researcher with briefed research assistants administered copies of the questionnaires to all the employees in the Champion Breweries Plc, Uyo.

Method of Data Analysis

Percentage analysis was used to answer the research questions, while regression analysis was used to test hypothesis at 0.05 level of significance.

HYPOTHESIS TESTING

Hypothesis One

The null hypothesis states that there is no significant influence of self assessment performance appraisal method on the performance of employee in Champion Breweries Plc. In order to test the hypothesis regression analysis was performed on the data, (see table 1).

Table 1: Regression Analysis of the influence of self assessment performance appraisal method on the performance of employees in Champion Breweries Plc.

Model	R	R-Square	Adjusted Square	Std. error of the Estimate	R Square Change
1	0.94a	0.88	0.88	0.64	0.88

*Significant at 0.05 level; df= 155; N= 157 critical R-value = 0.139

The table shows that the calculated R-value 0.94 was greater than the critical R-value of 0.139 at 0.5 alpha level with 155 degree of freedom. The R-Square value of 0.88 predicts 88% of the influence of self assessment performance appraisal method on the performance of employee in Champion Breweries Plc. This rate of percentage is highly positive and therefore means that there is significant influence of self assessment performance appraisal method on the performance of employee in Champion Breweries Plc. It was also deemed necessary to find out the extent of the variance of each case of independent variable (self assessment performance appraisal method) as responded by each respondent (see table 2).

Table 2: Analysis of variance of the influence of self assessment performance appraisal method on the performance of employee in Champion Breweries Plc.

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	448.96	1	448.96	1102.75	.000b
Residual	63.11	155	0.41		
Total	**512.06**	**156**			

The above table presents the calculated F-value as (1102.75) and the P-value as (000). Being that the P-value (000) is below the probability level of 0.05, the result therefore means that there is significant influence of self assessment performance appraisal method on the performance of employee in Champion Breweries Plc.

Hypothesis Two

The null hypothesis states that there is no significant influence of rating scale performance appraisal method on the performance of employee in Champion Breweries Plc. In order to test the hypothesis regression analysis was performed on the data, (see table 3).

Table 3: Regression Analysis of the influence of rating scale performance appraisal method on the performance of employee in Champion Breweries Plc.

Model	R	R-Square	Adjusted Square	Std. error of the Estimate	R Square Change
1	0.96a	0.92	0.92	0.51	0.92

*Significant at 0.05 level; df= 155; N= 157 critical R-value = 0.139

The table shows that the calculated R-value 0.96 was greater than the critical R-value of 0.139 at 0.5 alpha level with 155 degree of freedom. The R-Square value of 0.92 predicts 92% of the influence of rating scale performance appraisal method on the performance of employee in Champion Breweries Plc. This rate of percentage is highly positive and therefore means that there is significant influence of rating scale performance appraisal method on the performance of employee in Champion Breweries Plc. It was also deemed necessary to find out the extent of the variance of each case of independent variable (rating scale performance appraisal method) as responded by each respondent (see table 4).

Table 4: Analysis of variance of the influence of rating scale performance appraisal method on the performance of employee in Champion Breweries Plc.

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	471.82	1	471.82	1817.44	.000b
Residual	40.24	155	0.26		
Total	**512.06**	**156**			

The above table presents the calculated F-value as (1817.44) and the P-value as (000). Being that the P-value (000) is below the probability level of 0.05, the result therefore means that there is significant influence of rating scale performance appraisal method on the performance of employee in Champion Breweries Plc.

Discussion of Findings

The result of the data analysis in table 1 was significant due to the fact that the calculated R-value 0.94 was greater than the critical R-value of 0.139 at 0.5 alpha level with 155 degree of freedom. The R-Square value of 0.88 predicts 88% of the influence of self assessment performance appraisal method on the performance of employee in Champion Breweries Plc. The significance of the result is in agreement with the findings with Moats (2009), who stated that although self-assessment techniques may also be coordinated with past-oriented evaluations, they are particularly useful in helping employees to set personal goals and identify areas of behaviors that need improvement. He also stated that the advantage of such appraisals, which may be relatively informal, is that they provide an excellent forum for input and feedback by superiors. The significance of the result caused the null hypotheses to be rejected while the alternative one was accepted.

The result of the data analysis in table 3 was significant due to the fact that the calculated R-value 0.88 was greater than the critical R-value of 0.139 at 0.5 alpha level with 155 degree of freedom. The R-Square value of 0.78 predicts 78% of the influence of rating scale performance appraisal method on the performance of employee in Champion Breweries Plc. The significance of the result is in agreement with the findings with Verma (2011), who submitted that rating scale methods are easy to use and understand. The concept of the rating scale makes obvious sense; both appraisers and appraises have an intuitive appreciation for the simple and efficient logic of the bipolar scale. The significance of the result caused the null hypotheses to be rejected while the alternative one was accepted.

Conclusion

From the findings of the study, it was revealed that self assessment and rating scale performance appraisal method has significant influence on the performance of employees in Champion Breweries Plc.

Recommendations: Dr. MBOM, Joseph Effiong

Based on the review and findings of the study, the following recommendations were submitted:

1. Employers should try to eliminate biases (employ a transparent approach) while rating the performance of employees. Rating scale assessment should be confined to past as well as potential performance in order to achieve a result oriented evaluation of employees' performance.

2. In carrying out a personal or self evaluation, the traits being assessed should be in line with the company's objectives. That is to say when self-assessing or rating the behavior of an employee, the evaluated traits should be relevant to the appraisee's job such that it would enhance the growth and development of the company as well as the individual.

REFERENCES

Bodil, B., (2007). Women in a male-dominated industry: Factor analysis of a women workplace culture questionnaire based on a grounded theory model. *Sex roles*, *46*(9-10),311-322.

Didier Noyer, (2002) "Manager les performances", Insep Consulting Editions, Paris.

Gabris, G. & Mitchel, S. D. (2010). Overlooking theory and research in performance appraisal at one's peril: Much done, more to do. In C. L. Cooper & E. A. Locke (Eds.), Industrial and Organizational Psychology: Linking theory with practice. Oxford: Blackwell.

Gopinath, R. (2016) A Study on Performance Management In BSNL with Special Reference To Job Satisfaction In Three Different SSAS Using Modeling. International Journal of Management, 7(5), pp.43–51

Grote, R. C. (2012). The performance appraisal question and answer book: A survival guide for managers. New York: American Management Association.

Hamumokola, N. N. (2013), The Contributions of Performance Management Systems To performance in The Namibian Context', Ph.D Thesis, the Faculty of Commerce, Law and Management, University of the Witwatersrand, Johannesburg, September 2013. Ravi Chandra G and Dr. A.B. Saraswathi http://www.iaeme.com/IJMET/index.asp 520 editor@iaeme.com

Hines, J., & House, J. (2011). The source of poor policy: controlling learning drift and premature consensus in human organizations. *System Dynamics Review*, *17*(1), 3- 32.

Hunter, L & Leahey E (2008). "Collaborative Research in Sociology: Trends and contributing factors" *American Sociologist.*

Kurt, L. (2004). Kurt Lewin and the Planned Approach to Change: A Re-appraisal. Journal of Management Studies, 41: 977–1002.

McNamara, C., (2000). Performance measurement and management: Some insights from practice. *Australian Accounting Review*, *15*(35), 14-28.

Moats, J. (2009). Consequences of the performance appraisal experience. *Personnel Review*, *39*(3), 375-396.

Rasch L. (2004). Employee Performance Appraisal and the 95/5 Rule Community College Journal Of Research and Practise,28:5,407-414

Smither, J. W. (1998). Lessons learned: Research implications for performance appraisal and management practice. In J. W. Smither (Ed.), Performance appraisal: State of the art in practice (pp. 537-548). San Francisco, CA: Jossey-Bass.

Stone, R. J. (2012). Human Resource Management (4th ed.). Milton, Queensland: John Wiley & Sons.

Taylor, P. (2003). Performance management and appraisal. In M. O' Driscoll, P. Taylor, & T. Kalliath (Eds.), Organisational psychology in Australia and New Zealand (pp. 78-105). Melbourne, Victoria: Oxford University Press.

Treadway, D.C., Ferris, G.R., Duke, A.B., Adams, G.L. and Thatcher, J.B. (2007), 'The moderating role of subordinate political skill on supervisors' impressions of subordinate ingratiation and ratings of subordinate interpersonal facilitation', *Journal of Applied Psychology*, Vol. 92 No. 3, pp. 848-855.

Verma N. (2011) Human Recourse Management, [1st edition -2011 Pub. Vayu Education of India, 111-120].

Wesley, D. E. (2014). Subordinate influence and the performance evaluation process: Test of a model. *Organizational behavior and human decision processes*, *58*(1), 101-135.