Performance And Reward Management
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Lecture - 15
Implementation of a performance management system, defining performance and choosing a measurement approach and understanding the meaning of results (Contd.)
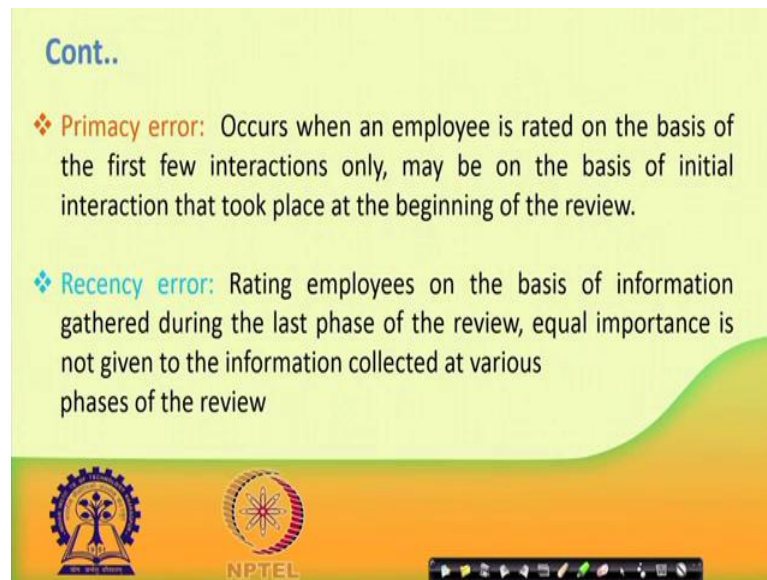
Welcome back to the topic of discussion and Implementation of a performance management system, defining performance and choosing a measurement approach in understanding the meaning of results.

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We will continue with the concept of rating errors and we will discuss more about frame of reference training, behavioral observation training and pilot testing in this discussion today.

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Some of the errors along with whatever we are discussed in the earlier discussion are like the primacy error. So, it occurs when an employee is rated on the basis of the first few interactions only. So, maybe even the basis of initial interaction that took place at the beginning of the interview and that colors the whole discussion. So, that can be a part of the like halo effect or the horn effect that we talk of.

Recency errors rating employees in the basis of information gathering during the last phase of interview, equal importance is not given to the information that collected at the various phase of the review. So, these are also important errors which needs to be like avoided because we understand that the performance management is a continuous process. And this reviews are done like time and again and to understand like how the employee is improving or performing and this primacy error or the recency error needs to be taken care off.

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Negativity error occurs when raters place more information on the negative information than the positive ones, first impression error like the whole judgment is based on the first impression of the employee and subsequent information although more relevant is ignored. So, these kind of errors again needs to be taken care of.

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Contrast error; so, this happens when the raters are trying to compare employees with one another. So, then the which is the rather than based on the actual measures of performance. For example, like when comparing an employee who sold 1000 units with

the one who sold 200 units through the, though the weekly target maybe is 150 units so, that gives rise to a contrast error. So, because again this is based on the first judgement and you know like we are contrasting people and then we are trying to make judgments about it.

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Spill over; when the pass ratings are records unjustly influence the current ratings. So, these type of errors needs to be avoided.

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So, we can tell like certain errors are like intentional and unintentional errors and we may try to classify it. So, under intentional errors, we have leniency, severity and central tendency errors.
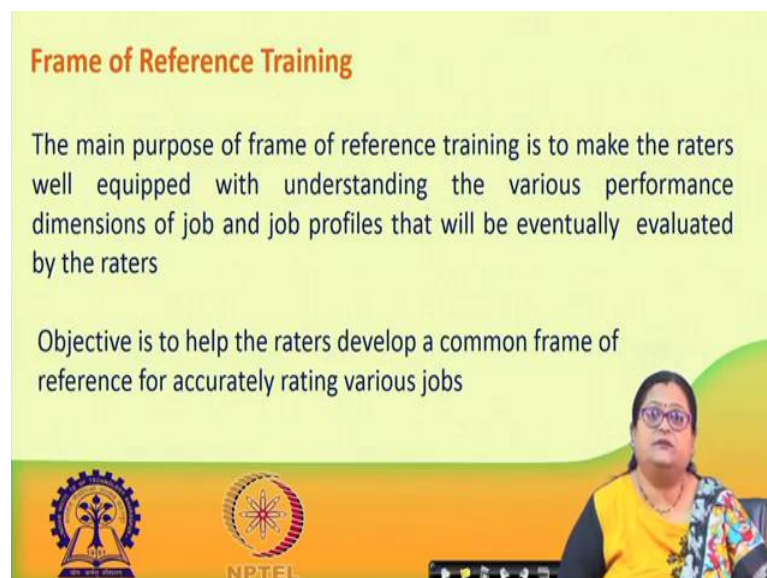
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And in unintentional errors, we have similar to me contrast, halo, primacy and recency effect, stereotype, negativity, first impression and spillover and with a like if the raters are made aware of these kind of errors existing, they can take care of this while by conducting the interviews and taking the reviews and the feedback.

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Frame of reference training; so, the main purpose of the frame of reference training is to meet the raters well equipped with understanding the various performance dimensions of the job and job profiles that will eventually be evaluated by the raters. So, it has the raters to develop a common frame of reference for rating various jobs. Because sometimes what happens there are inter rater differences in understanding the nature of the job and how it needs to be evaluated. So, to reduce these inter rater error so, differences having a common frame of references very important.

So, this frame of reference training helps the raters to develop a common frame of reference for accurately rating various jobs.

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So, what is done, is raters at this stage actually familiarized with various dimensions of the job, with the different job descriptions and examples of like what are the good bad and average performance in quantitative terms. So, we are meet aware of the appraisal forms and offer directions for filling them. So, for testing so, raters are also asked to offer justifications for ratings given by them and to indicate their accountability.

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Steps involved in Frame of Reference Training Programs

Raters are first made clear about the employees/job profiles for which they will be taking the role of raters and on what dimensions they are expected to rate them

Raters are then given appraisal forms and asked to understand the meaning/exact definitions of performance dimensions and scales to be utilized for measuring them

What are the different steps involved in frame of reference training programs are raters are first made clear about the employee's job profiles for which they will be taking the role of raters and what dimensions they were expected to rate them.

Then they are given the appraisal forms and asked to understand the meaning and the exact definition of the performance definitions and scales to be utilized to measure them. So, what does the like different scales try to measure and like how it is measuring them.

So, these sometimes what happens, we are not the statement of the questionnaire may be given as such we are not able to understand the correct meaning of it because the may be the scales have not been developed properly; there is ambiguity in the statement given. So, if the statement given is ambiguous in nature, different raters based on their own selective perceptions may understand things in a different ways.

So, this frame of reference training is very important to get the feedback of the raters also about how they understand the scale the yardstick with which they are going to do the rating.

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So, also the frame of reference training it helps to serve as a basis for determining good bad or average performance. The sole objective here is to reach common concrete performance measures amongst raters to maintain consistency in evaluation. So, as a practice sections and for trials are done so, the cases are given and to prepare the employees for correcting to and done for to prepare them for conducting effective reviews.

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When we talk of behavior observation training, behavioral observation training is mainly given raters in minimizing unintentional rating errors. So, it makes sure that the raters are effectively and efficiently able to observe store, recall and use the information about the performance. So, it is there to help the raters improve his skills on observing and recording of performance efficiently and effectively.

So, how you can use improve on your power of observation, how to observe the details of a particular person's behavior, how to study the body language of the person? Because these are important trainings required sometimes what happens what a person communicates verbally and what are the non-verbal cues given by the body language may differ. Then efficient and effective rater must be able to differentiate these two kind of cues given like one is the verbal cue and the other is given from the nonverbal cues. So, the training is required to be given to the raters about it.

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So, one of the ways of doing this training is to one of the effective tools is to asking the raters maintain regular diaries or notes. So, they should pay attention and recording both negative and positive type of critical incidents associated with the employee's performance.

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Self leadership training; so, this is one of the leadership training in which the it helps the raters in building confidence in his or her ability to accomplish the performance. So, it is done mainly through positive self-talk then imaging mental imagery and through like thought patterns. Why this is done? See if the rater is not confident in understanding like whether he or she is capable enough to rate the performance of the other employees; if I am not confident about it like I can greet the other employees properly or give a proper feedback. Then what happens?

I may lose on the self confidence. So, including it is very important to give raters that feeling of self confidence, but yes I know that I can do and I will be able to be fair and give, do a proper evaluation of the person which is will be beneficial to the person in terms of suggesting like where he needs to grow and develop which in turn will also be contributing towards the organization's growth. So, it is this self leadership training is based on the premise that increased self-confidence and motivation amongst the raters will lead to increased accuracy of the raters also.

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What are the steps involved in self leadership training? Is we observe and record existing believes and assumptions of raters like, what are their beliefs about performance management system and how do they visualize their roles in all this. So, analyze what are the constructiveness of their beliefs or self-talk and then we try to see like what are the good points in it and where it needs to be improved.

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So, train the employees in developing more functional and constructive beliefs and assumptions and mental images. So, and try to replace them with the existing

dysfunctional beliefs if any. So, this happens like when we are talking of selective perceptions; how to deal with selective perceptions or we try to deal with halo effect or we are trying to deal with similar to me effect. So, these kind of things when you are dealing with any kind of errors or we are trying to deal with the any kind of stereotypical belief that the person may have in his or her mind.

Then what happens then these type of self leadership training may help to replace those dysfunctional believes with more constructive beliefs and assumptions because of selective perceptions sometimes the we are not able to see the whole picture. So, if you are in the discussion mode and we give with examples, you can talk with examples; we can make people understand the two sides of the coin or the bigger picture where he or she may be able to give a re-thought on the way that he or she was thinking about certain phenomena and be able to replace the dysfunctional beliefs with a more functional one.

Continue maintaining and monitoring the beliefs and mental images over time. So, this is where we talk of like behavior modification technique where we will suggest the person certain ways and it is out of those suggested ways the trainees, they will take a few of the alternatives as acceptable to them and they are going to practice on it. So, monitoring and maintaining and monitoring the beliefs and mental images over the time, is very important and then we need to take a feedback about it also.

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Pilot testing

It is indeed wise and a good idea to test performance management system before it is implemented wholly in an organization

It provides scope for making required adaptations and revisions to the system as per needs of the organization which might be realized when the system is actually implemented

At this stage, records are not documented, trial evaluations are made just for testing
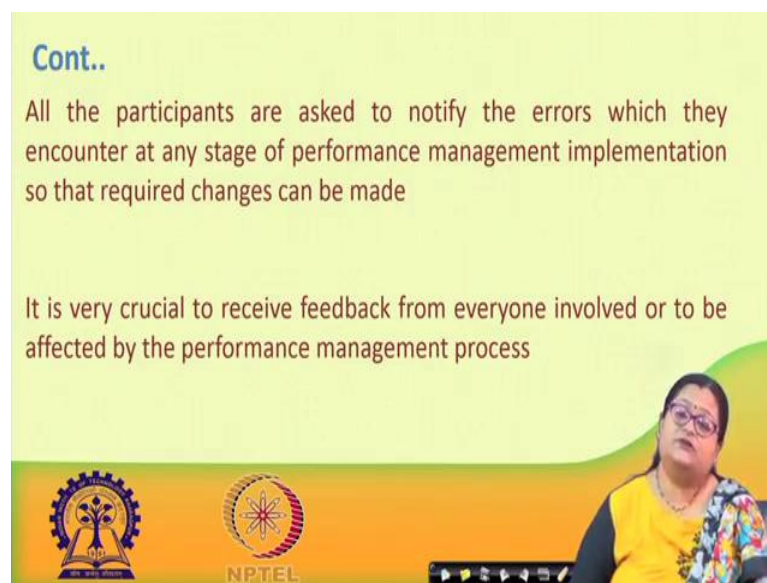
So, next important point in implementing the performance management system as we are telling like about the important pointers. After we have done with the training of the letters are taking care of them how to take care of their errors and before we are going to implement it in totality it is very important to do a pilot testing. So, it is not it too wise and a good idea to test performance management system before it is implemented wholly in an organization.

Because it gives a scope for making required adaptations and revisions to the system as per needs of the organization which may be realized as we are telling like when it is actually implemented well till that time; it is not a blueprint, it is a planning stage we can think of. So, many things, but actually when it gets implemented some very small problems starting from small to very huge thing may crop up and we need to deal with it.

So, until and unless a small pilot testing is done before it is finally, introduced then we will not be able to understand this implementation issues. So, and this pilots testing stage records are not really documented maybe to that great extent, but a certain records are definitely kept and because and this may become test cases also later on. So, trial evaluations are made for testing and we can prepare we can always learn from our errors or failures and these may become test cases for future implementations also.

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So, all the participants here are asked to notify the errors which they encounter at any stage a performance management implementation so that required changes can be made.

So, it is very crucial to receive feedback from everyone involved or who are going to be involved or who were to be affected by the performance management process. Only a proper feedback can help the system to evolve into a better system.

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Next important thing of implementation of a performance management system, proper performance management system is regular monitoring and evaluation. So, after the performance management system has been implemented in the organization after pilot testing, it is very very important that to evaluate the system and monitoring the performance of the employees on a regular basis.
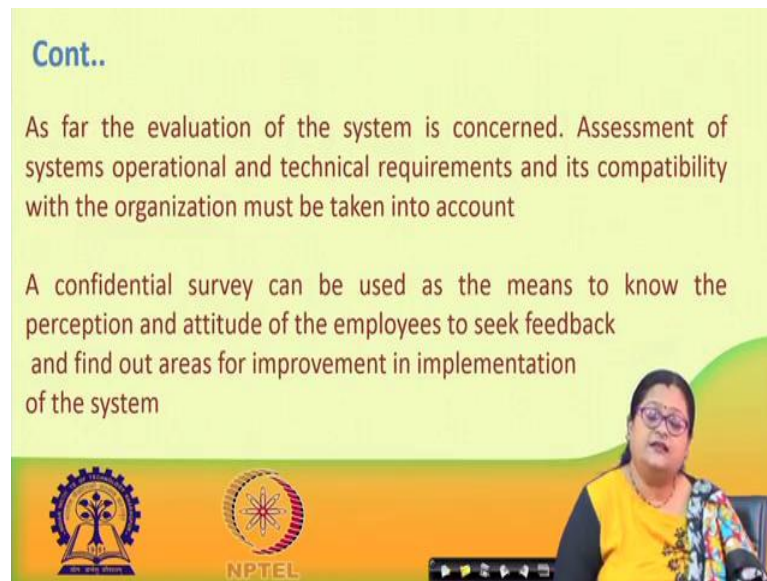
So, it is like the because why we did the pilot testing and why we want to reduce the error of implementation because you have to keep the cost of implementation also. It should be taken into consideration that like the cost of implementing it should not outweigh the benefits emerging out of it.

So, there is always a trade-off and we need to understand that is why again it is very important as we were repeating to understand the critical, non critical and the additional factors of a particular job, how to prioritize the jobs and how to understand which are important and which are not so important. And out of all activities which can wait also because, there is a huge cost of implementation and we can understand maybe you are not able to observe every performance which have been turning the organization or each

and every activities of the person that we are going to observe because ultimately that may not yield any beneficial results.

So, these privatization segregations are very very important. So, that the we are doing able to do a justice to the benefits and also to the cost involved in the implementation.

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So, as far as the evaluation system is concerned and the compatibility of the technical operational and technical requirements with the organization must be taken into account. A confidential survey can be used to know the perception and attitudes of the employees and to find out the areas of improvement in implementing the system.

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So, are very important areas that must be considered in evaluating the performance is a number of individuals who are evaluated? So, it must be ensured that all key job profiles have been evaluated.

So, it must taken, steps must be taken to include the missed out things, distribution performance ratings. So, to find out whether it is like whether it is too skewed or any intentional biases have been made or not, so, these should be monitored. So, that people develop a trust on the system.

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What are the quality of information? So, what are the quality of information sharing the forms should be checked for its reliability specifically for the subjective comments which you received. System satisfaction; so, also a confidential survey should be used to know the satisfaction level of each of the various key stakeholders with respect to the system because then only we will be able to understand what are those points that we need to develop on.

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So, most importantly again a cost benefit analysis must be made to sure that the cost of implementation should not outweigh the benefits because then we need to have a balanced approach towards implementation of the performance management system.

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Again these are the references that we have considered for discussions on this chapter. Please read it again for a detailed understanding any questions we are ready to discuss it in the forum.

Thank you.