Behind the Mask: The Politics of Employee Appraisal

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There is really no getting around the fact that whenever I evaluate one of my people, I stop and think about the impact—the ramifications of my decisions on my relationship with the guy and his future here. I'd be stupid not to. Call it being politically minded, or using managerial discretion, or fine tuning the guy's ratings, but in the end I've got to live with him, and I'm not going to rate a guy without thinking about the fallout. There are a lot of games played in the rating process and whether we [managers] admit it or not we are all guilty of playing them at our discretion.

According to management books and manuals, employee appraisal is an objective, rational and, we hope, accurate process. The idea that executives might deliberately distort and manipulate appraisals for political purposes seems unspeakable. Yet we found extensive evidence to indicate that, behind a mask of objectivity and rationality, executives engage in such manipulation in an intentional and systematic manner. In performance appraisal, it appears that some of the Machiavellian spirit still lives.

Our original goal was to conduct a scholarly investigation of the cognitive processes executives typically use in appraising subordinates. We held in-depth interviews with 60 upper-level executives who had extensive experience in formally evaluating their subordinates on a periodic basis. During these interviews, we heard many frank admissions of deliberate manipulation of formal appraisals for political purposes. In this article we'll discuss the "why and the how" of such politically motivated manipulation.

On the Appraisal Process

Almost every executive has dreaded performance appraisals at some time or other. They hate to give them and they hate to receive them. Yet, like them or not, every executive recognizes that appraisals are a fact of organizational life. In terms of time, a formal appraisal of a subordinate takes perhaps three or four hours out of the working year; in terms of impact on the lives of executives and their employees, appraisals have significance that reaches far beyond the few hours it takes to conduct them.

Because of the important role appraisals play in individual careers and corporate performance, a great deal of attention has been given to trying to understand the process. Special attention has been directed toward the issue of accuracy in appraisals. Academicians in particular have expended (some might say wasted) substantial energy trying to design the perfect instrument that would yield an accurate appraisal. That effort now appears to be a hopeless, even impossible, task.

More recently, a flurry of activity has centered on the arcane mental processes of the manager who gives the appraisal. It is an intriguing approach because it involves a kind of vicarious attempt to climb inside an executive's head to see how he or she works. Predictably, however, this approach has confirmed the elusiveness of deciphering managerial thought processes. Moreover, it has not yet resulted in appraisals that are any more accurate than existing appraisals.

Even more recently, some effort has been directed toward demonstrating that appraisal is, in addition to everything else, a highly emotional process as well. When emotional variability gets dragged into the process, any hope of obtaining objectivity and accuracy in appraisal waltzes right out the office door.

Taken together, all these approaches apparently lead to the depressing conclusion that accuracy in appraisals might be an unattainable objective. More realistically, perhaps accuracy is simply a wrong goal to pursue. Even if we have a perfect understanding of instruments and mental and emotional processes, would that result in accurate appraisals? Our research indicates that it would not. All of these avenues to understanding appraisal tend to ignore an important point:
Method

Our research approach involved in-depth, semistructured interviews with 60 executives. The participants in the study came from seven large organizations and represented 11 functional areas. As a group, they averaged more than 20 years of work experience and more than 13 years of managerial experience. Collectively, they had performance appraisal experience in 197 organizations. Conclusions reported here, then, are derived from a diversity of executives.

Each tape-recorded interview was designed to tap the executive’s perception of his or her own performance appraisal processes. The interviews averaged more than one and one-half hours in length. Although the interview used some a priori “probes,” the interviewing strategy mainly encouraged the subject to respond freely and subjectively.

The data collection yielded more than 100 hours of tape-recorded verbal data. All data from each interview were transcribed onto five-by-eight cards that mainly consisted of executives’ directly quoted statements, with each card containing one statement, thought, or observation by an executive on a given topic. The transcription process yielded 1,400 cards, which were then classified according to various political issues that emerged during the interviews.

For a classification group to qualify as a potential “finding,” a minimum of 72% of the respondents had to have brought up that issue. A research assistant then read each group of cards and assigned a label that captured the “essence” of the executives’ views on a particular aspect of the appraisal process. The outcomes from this process were the designated findings of the study. To further enhance the reliability and validity of the research, two research assistants then independently developed frequency counts for each finding. They tallied the number of cards in each classification group that supported the finding that had been identified in the second step of the analysis. The frequencies tabulated by each judge ranged from a low of 43 responses (72%) to a high of 57 (95%). A correlation analysis of the frequencies revealed an $r = .94$ as a measure of inter-rater reliability in identifying the findings.

Politics in Appraisal: Findings from the Study

The political perspective emerged as a surprisingly important and pervasive issue affecting the way executives appraise their employees. Conclusions derived from our interviews are summarized in Exhibits 1 through 4. Because a strong attempt was made to allow executives to speak for themselves in describing the politics of performance appraisals, direct quotations from the interviews have been included in our analysis, where appropriate. Our findings are discussed below.

Politics as a Reality of Organizational Life

The most fundamental survey finding was an open recognition and admission that politics were a reality in the appraisal process. In fact, executives admitted that political considerations nearly always were part of their evaluation process. One vice-president summarized the view these executives shared regarding the politics of appraisal:

Appraisals take place in an organizational environment that is anything but completely rational, straightforward, or dispassionate. In this environment, accuracy does not seem to matter to managers quite so much as discretion, effectiveness or, more importantly, survival. Earlier research has either missed or glossed over the fact that executives giving appraisals have ulterior motives and purposes that supercede the mundane concern with rating accuracy.

On Politics in Performance Appraisal

Any realistic discussion of performance appraisal must recognize that organizations are political entities and that few, if any, important decisions are made without key parties acting to protect their own interests. As such, executives are political actors in an organization, and they often attempt to control their destinies and gain influence through internal political actions.

Thus, it is likely that political considerations influence executives when they appraise subordinates. Politics in this sense refers to deliberate attempts by individuals to enhance or protect their self-interests when conflicting courses of action are possible. Political action therefore represents a source of bias or inaccuracy in employee appraisal. To understand the appraisal process thoroughly, thus, we must recognize and account for the political aspects of the process.
As a manager, I will use the review process to do what is best for my people and the division. . . . I've got a lot of leeway—call it discretion—to use this process in that manner. . . . I've used it to get my people better raises in lean years, to kick a guy in the pants if he really needed it, to pick up a guy when he was down or even to tell him that he was no longer welcome here. It is a tool that the manager should use to help him do what it takes to get the job done. I believe most of us here at ———— operate this way regarding appraisals. . . . Accurately describing an employee's performance is really not as important as generating ratings that keep things cooking.

Executives suggested several reasons why politics were so pervasive and why accuracy was not their primary concern. First, executives realized that they must live with subordinates in a day-to-day relationship. Second, they were also very cognizant of the permanence of the written document:

The mere fact that you have to write out your assessment and create a permanent record will cause people not to be as honest or as accurate as they should be. . . . We soften the language because our ratings go in the guy's file downstairs [the Personnel Department] and it will follow him around his whole career.

Perhaps the most widespread reason why executives considered political action in the appraisal process was that the formal appraisal was linked to compensation, career, and advancement in the organization. The issue of money was continually cited as a major cause of intentional distortions in ratings.

I know that it sounds funny, but the fact that the process is ultimately tied to money influences the ratings a person receives. . . . Whenever a decision involves money things can get very emotional and ticklish.

Although the logic of tying pay to the outcome of performance ratings is sound, pay linkages increase the likelihood that ratings will be manipulated. Both managers and the organization as a whole are guilty of using the rating process as an opportunity to reach salary objectives regarding employee compensation that have little, if any, relationship to pay for performance. A director of research and development very candidly described the predicament from the rater's perspective:

Since the pay raise my people get is tied to the ratings I give them, there is a strong incentive to inflate ratings at times to maximize their pay increases to help keep them happy and motivated, especially in lean years when the merit ceiling is low. . . . Conversely, you can also send a very strong message to a nonperformer that low ratings will hit him in the wallet. . . . There is no doubt that a lot of us manipulate ratings at times to deal with the money issue.

At times, an organization uses the appraisal process as an instrument to control merit increase expenditures. The manipulative process can be summarized as follows:

This thing [the appraisal process] can really turn into an interesting game when the HR [Human Resources] people come out with a blanket statement like, “Money for raises is tight this year and since superior performers get 7% to 10% raises there will be no superior performers this year.” Talk about making things rough for us [raters]! . . . They try and force you to make the ratings fit the merit allowances instead of vice versa.

Exhibit 1

Politics as a Reality of Organizational Life

- Political considerations were nearly always part of executive evaluative processes.
- Politics played a role in the evaluation process because:
  - executives took into consideration the daily interpersonal dynamics between them and their subordinates;
  - the formal appraisal process results in a permanent written document;
  - the formal appraisal can have considerable impact on the subordinate's career and advancement.
Influences on Political Culture

Executives made it clear that if an organization was political, the appraisal process would reflect these politics:

Some organizations are more aggressive and political than others, so it just makes sense that those things carry over into the rating process as well. . . . The organization's climate will determine, to a great extent, how successful any rating system will be, and it follows that if any organization is very political, the rating system will be political. . . .

Several factors were identified by the executives as having a strong influence on the political culture in which the performance appraisal process operates. Perhaps the strongest was the extent to which the formal appraisal process was “taken seriously” by the organization. A plant manager in this study describes what it means for an organization to “take the process seriously”:

At some places the PA [performance appraisal] process is a joke—just a bureaucratic thing that the manager does to keep the IR [industrial relations] people off his back. At the last couple of places I’ve worked, the formal review process is taken really seriously; they train you how to conduct a good interview, how to handle problems, how to coach and counsel. . . . You see the things [appraisals] reviewed by your boss, and he’s serious about reviewing your performance in a thorough manner. . . . I guess the biggest thing is that people are led to believe that it is a management tool that works; it’s got to start at the top!

This quote suggests another important factor that turns the appraisal process into a political process: the extent to which higher level executives in the same company use political factors in rating subordinates. A “modeling” effect seems to take place, with managers telling themselves, “If it’s okay for the guys upstairs to do it, then we can do it, too.”

According to one executive we interviewed,

I’ve learned how not to conduct the review from the bosses . . . but you do learn from your boss how much slack or what you can get away with in rating your people. . . . It seems that if the manager’s boss takes it [the appraisal] seriously, the subordinate [manager] is more likely to follow. If the boss plays games with the review, it seems like the subordinate [manager] is more likely to do so.

The economic health and growth potential of the organization appeared as important factors influencing the organization’s culture and, consequently, the appraisal event. Similarly, the executive’s own personal belief system—his or her perception of the value of the appraisal process—also seemed to have an impact. Generally, executives who honestly believed the process contributed to the motivation of their subordinates were less likely to allow political factors to affect the appraisal. Conversely, executives who saw the appraisal as a useless bureaucratic exercise were more likely to manipulate the appraisal.

Moreover, if executives believed the appraisals would be seriously scrutinized, reviewed, and evaluated by their superiors, then the influence of political factors was likely to be reduced.

If somebody is carefully reviewing the marks you give your people, then the game playing is reduced. . . [but] as you rise in the organization, your boss has less direct knowledge of your people and is less likely to question your judgment, so the door is open for more discretion.

The degree of open communication and trust between executives and subordinates seemed to have some influence on the impact of political factors. The more open the communication, the less likely that politics would play a role:

If the manager and employee have a trusting and open relationship and shoot straight with each other, then the manager is less likely to play games with ratings.
Last, but not least, the appraiser's level in the organization's hierarchy also seemed to have an influence. Executives generally believed the appraisal process became more political and subjective as one moved up the organizational ladder:

"The higher you rise in this organization the more weird things get with regard to how they evaluate you. . . . The process becomes more political and less objective and it seems like the rating process focuses on who you are as opposed to what you've actually accomplished. . . . As the stakes get higher, things get more and more political."

Exhibit 2
Factors Influencing the Political Culture of the Organization

- The economic health and growth potential of the organization
- The extent to which top management supported and, more importantly, did or did not practice political tactics when appraising their own subordinates
- The extent to which executives sincerely believed that appraisal was a necessary and worthwhile management practice or just a bureaucratic exercise
- The extent to which executives believed that their written assessment of their subordinates would be evaluated and scrutinized by their superiors
- The extent to which an organization was willing to train and coach its managers to use and maintain the performance appraisal system
- The degree to which the appraisal process was openly discussed among both executives and subordinates
- The extent to which executives believed the appraisal process became more political at higher levels of the organizational hierarchy

Inflating the Appraisal

Although academicians have been preoccupied with the goal of accuracy in appraisal, executives reported that accuracy was not their primary concern. Rather, they were much more interested in whether their ratings would be effective in maintaining or increasing the subordinate's future level of performance. In fact, many reported they would deliberately misstate the reported performance level if they felt performance could be improved as a result:

"When I rate my people it doesn't take place in a vacuum . . . so you have to ask yourself what the purpose of the process is. . . . I use this thing to my advantage and I know my people and what it takes to keep them going and that is what this is all about."

Overall, executives reported that deliberate distortions of the appraisal tended to be biased in the subordinate's favor:

"Let's just say that there are a lot of factors that tug at you and play on your mind that cause you to tend to soften the ratings you give. It may not have a great impact all the time but when you know a "5" will piss a man off and "6" will make him happy. . . . You tell me which one you'd choose. . . . Plus, you don't want to be the bad guy, the bearer of gloom. It seems like ratings are almost always a little inflated at a minimum because of people aspects in the evaluation process."

Typically, executives tended to inflate the overall rating rather than the individual appraisal items. Interestingly, although the overall rating was generally the last item on the appraisal form, this overall rating was determined first; then the executive went back and completed the individual items:

"Most of us try to be fairly accurate in assessing the individual's performance in different categories. . . . If you are going to pump up a person's ratings, for whatever reason, it's done on the subordinate's overall evaluation category. That's all they really care about, anyway. . . . The problem is these things have to match up, so if you know what the guy's overall rating is in the first place it will probably color the rest of the appraisal."

Of course, this backward procedure is usually contrary to the recommended procedure and is also inconsistent with the typical assumptions about how decisions are supposed to be made "objectively." Executives articulated several reasons as justification for consciously inflating subordinate ratings. The most frequently given reason was to maximize the merit increases that a subordinate would be eligible to receive. This reason was more likely to be given by executives in organizations that closely linked the numerical score
on the formal appraisal and the subsequent merit raise. Sometimes executives wanted to protect or encourage a subordinate whose performance was temporarily suffering because of personal problems. In a similar vein, executives would sometimes inflate a rating simply because they felt sorry for a subordinate. They wanted to avoid short-term “punishment” in the hope that the subordinate would recover and perform once again at an acceptable level.

It may sound kind of funny to say this, but sometimes there is a tendency to give subordinates ratings a little higher than they deserve because you feel sorry for them. . . . I just had a guy go through a divorce and I’m not going to kick him when he’s down, even if his performance drops off. . . . If anything, you might use the review to help pick him up and get him back on his feet.

If the appraisal was reviewed by people outside the department, executives sometimes inflated ratings to avoid “hanging dirty laundry out in public.” Clearly, many executives preferred to keep knowledge of problems contained within the department.

There are two reviews at times, the written one and the spoken one. The spoken review is the real one, especially if there are things of a sensitive nature. . . . I generally don’t put those things down on paper in the review for the whole world to read because it is generally none of their damn business. . . . I could make all of us look bad or worse than we really are.

Executives also admitted to inflating a rating to avoid a confrontation with a subordinate with whom the executive had recently had difficulties. They took this action mainly to avert an unpleasant incident or sometimes to avoid a confrontation that they believed would not lead to an effective outcome.

On occasion, an executive might inflate the rating because the subordinate’s performance had improved during the latter part of the performance period, even though the overall performance did not merit such a rating. Again, the motivation for this higher-than-deserved rating was a desire to encourage the subordinate toward better performance in the next period:

Many of us have trouble rating for the entire year. If one of my people has a stellar three months prior to the review. . . . you don’t want to do anything that impedes that person’s momentum and progress.

Executives also recognized effort, even though the effort might not pay off in actual performance:

If a man broke his back trying to do the best job humanly possible, his ratings will generally reflect this if his boss understands people. Take two people with the same performance, but one tried much harder—their ratings will show it in my department. Low ratings might trample that person’s desire to put forth effort in the future.

Last, although not frequently reported, a few executives admitted to giving a higher rating to a problem employee to get the employee promoted “up and out” of the department. Although executives only occasionally admitted to this, the “up and out” rating process was almost universally discussed as something other managers actually do. One plant manager candidly remarked:

I’ve seen it happen, especially when you get a young guy in here who thinks he’s only going to be here a short while before he gets promoted. People like that become a real pain in the ass. . . . If you want to get rid of them quick, a year and a half of good ratings should do it. . . . A lot of people inflate ratings of people they can’t stand, or who think they are God’s gift to the department, just to get rid of them. Amen.

Of course, this practice helps an executive avoid dealing with performance problems and passes the problem along to someone else. Mainly, this tactic was employed when an executive felt unable or unwilling to deal with a performance problem or, especially, when the source of the problem seemed to be based on “personality” or “style” conflicts.
Inflating the Appraisal

Executives inflated the appraisal to provide ratings that would effectively maintain or increase the subordinate’s level of performance (the primary concern was not the accuracy of the ratings).

Inflated ratings occur primarily on the overall performance rating, as opposed to the individual appraisal items.

Executive justification for inflating the appraisal:

- to maximize the merit increases a subordinate would be eligible to receive, especially when the merit ceiling was considered low;
- to protect or encourage a subordinate whose performance was suffering because of personal problems (feeling sorry for a subordinate also resulted in an inflated appraisal);
- to avoid hanging dirty laundry out in public if the performance appraisal would be reviewed by people outside the organization;
- to avoid creating a written record of poor performance that would become a permanent part of a subordinate’s personnel file;
- to avoid a confrontation with a subordinate with whom the manager had recently had difficulties;
- to give a break to a subordinate who had improved during the latter part of the performance period;
- to promote a subordinate “up and out” when the subordinate was performing poorly or did not fit in the department.

Deflating the Appraisal

For the most part, executives indicated that they were very hesitant to deflate a subordinate’s rating because such a tactic would lead to subsequent problems:

I won’t say I’ve never given a subordinate lower ratings then he or she deserves because there’s time and place for that type of thing, but let’s just say I hesitate to do that sort of thing unless I’m very sure of what the outcome will be and that it won’t backfire.

Nevertheless, negative distortions did occur. Executives gave several reasons for using this tactic. First, an overly negative rating was sometimes used to jolt a subordinate to rise to his or her expected performance level.

I’ve used the appraisal to shock an employee. . . . If you’ve tried to coach a guy to get him back on track and it doesn’t work, a low rating will more often than not slap him in the face and tell him you mean business. . . . I’ve dropped a few ratings way down to accomplish this because the alternative outcome could be termination down the road, which isn’t pretty.

Also, a deliberately deflated rating was sometimes used to teach a rebellious subordinate a lesson:

Occasionally an employee comes along who needs to be reminded who the boss is, and the appraisal is a real tangible and appropriate place for such a reminder . . . .

Deflated ratings were also used as part of a termination procedure. First, a strongly negative rating could be used to send an indirect message to a subordinate that he or she should consider quitting:

If a person has had a questionable period of performance, a strong written appraisal can really send the message that they aren’t welcome any longer and should think about leaving. . . . The written review sends a clear message if the person has any doubt.

Second, once the decision has been made that the situation was unsalvageable, negative ratings could then be used to build a strongly documented case against the marginal or poor performer:

You’ll find that once a manager has made up his or her mind that an employee isn’t going to make it, the review [the written document] will take on an overly negative tone. . . . Managers are attempting to protect themselves. . . . The appraisal process becomes downwardly biased because they [the managers] fear that discussing and documenting any positives of the employee’s performance might be used against them at a later point in time.

Of course, this tactic has recently become more common because of lawsuits challenging the traditional “employment at will” concept. The courts have clearly
stated that terminations must not be frivolous; they must be justified by economic constraints or documentation of poor performance. In these cases managers will use the process to protect themselves from litigation associated with an unlawful termination lawsuit.\(^7\)

**Exhibit 4**

**Deflating the Appraisal**

- Executives indicated that they were very hesitant consciously to deflate a subordinate's ratings because of potential problems associated with such a tactic.
- Nevertheless, they sometimes deflated appraisals:
  - to shock a subordinate back on to a higher performance track;
  - to teach a rebellious subordinate a lesson about who is in charge;
  - to send a message to a subordinate that he or she should consider leaving the organization;
  - to build a strongly documented record of poor performance that could speed up the termination process.

**Summary**

Our research clearly showed that executives believed there was usually a justifiable reason for generating appraisal ratings that were less than accurate. Overall, they felt it was within their managerial discretion to do so. Thus our findings strongly suggest that the formal appraisal process is indeed a political process, and that few ratings are determined without some political consideration. Although research on rater "error" has traditionally suggested that raters can and do inflate ratings (leniency errors) and deflate ratings (stringency errors), researchers have typically not accounted for the realities of the appraisal context to explain why these errors occur.

In the minds of the managers we interviewed, these thoughts and behaviors are not errors but, rather, discretionary actions that help them manage people more effectively. Executives considered many factors beyond the subordinate's actual performance in their ratings. Thus, organizational politics was a major factor in the intentional manipulation of subordinate ratings.

Our findings provide support for the following political realities of organizational life: (1) executives in large organizations are political actors who attempt to avoid unnecessary conflict; (2) they attempt to use the organization's bureaucratic processes to their own advantage; and (3) they try to minimize the extent to which administrative responsibilities create barriers between them and their subordinates.

We also conclude that the organizational culture in which the appraisal event occurs significantly influenced the extent to which political activity would both develop and operate. Of course, organizationwide patterns are also strongly influenced by the support and practice of top management. Indeed, we know that lower-level managers tend to emulate high-status executives, and the way they use the appraisal process is no exception. Thus, if top managers prepare ratings poorly or deliberately distort them, this behavior will tend to cascade down the organization.

Given these findings, what informative observations or constructive recommendations might we make to minimize, or at least manage, the detrimental effects of politics in employee appraisal? In fact, we have several for both the individual manager and the organization as a whole.

**The Individual Manager**

1. Quite frankly, our data suggest there are times in organizational life when political necessity supersedes the usually desirable goals of accuracy and honesty in appraisal. The executives interviewed suggested several compelling reasons for exercising managerial discretion contrary to traditional appraisal research recommendations. Clearly, there are times when individual employees and the organization as a whole can benefit as a consequence. The caveat, of course, is that the occasions when politics and discretion necessarily intrude on the appraisal process should be chosen judiciously. The overall effect on the organization should be given due consideration.

2. Performance appraisal is perhaps most usefully viewed as a high-potential vehicle for motivating and rewarding employees, rather than as a mandatory, bureaucratic exercise used only for judgmental or manipulative purposes. Ideally, it should be treated as an opportunity to communicate formally with employees about their performance, their strengths and weaknesses, and their developmental possibilities.

3. Executives should bear in mind that appraisal-related actions, like many other organizational activities, serve as guides for subordinates. Employees who must conduct appraisals often learn appraisal attitudes and behaviors from their bosses. Thus if appraisals are to be effective, high-ranking executives must treat the process as significant so that political manipulation is discouraged.

4. In addition, openness and trust between managers and subordinates seems to be associated with a lower level of detrimental political activity. Cultivating understanding seems to reduce the perceived need for resorting to interpersonal politics.

5. Finally, inflating or deflating appraisal ratings for political ends might serve temporarily to help executives avoid a problem with certain employees or to accomplish some specific purpose. However, such inten-
tional manipulation may eventually come back to haunt the perpetrating executive and, ultimately, the organization as a whole. This is especially likely if the company comes to accept political manipulation of appraisals as part of the norm.

**The Organization as a Whole**

1. The appraisal process should operate in a supportive organizational culture. Effective appraisal systems are characterized by the support of top managers (who conduct appraisals themselves), training, open discussions of the appraisal process on an annual basis (perhaps a quality circle approach to appraisals), and rewarding the efforts of managers who do top-notch appraisals.

2. Systematic, regular, and formal appraisals should start at the top of the organization. We found that top executives want formal appraisals and rarely get them. If appraisals are not done at the top, the message sent to the rest of the organization is, “They aren’t very important and thus shouldn’t be taken seriously.” As a result, the door to more political activity is opened wider.

3. Further, although training on how to do effective appraisals is important, managers also need to be trained on why they need to be done. Understanding the rationale for appraisals is important in building the perception that the appraisal process is an effective managerial tool and not merely a required bureaucratic procedure.

4. Open discussion of the political aspects of the appraisal process (and their legal ramifications) should be included in appraisal training programs. Although managers made it clear that political manipulation of ratings is commonplace, political issues were never openly discussed in either training programs or in management development efforts.

5. When money is tied to the rating process, politically oriented ratings tend to increase. This creates a dilemma: A “pay for performance” management philosophy depends on the “objective” measurement of performance. Yet the realities of politics in the measurement process often mean that measurement will not be objective. Should we therefore divorce appraisal ratings from salary decisions? We think not. Pay for performance is still a good concept in our view, even in light of our findings. Attention to the recommendations we present in this section should minimize the impact of manipulative politics in appraisal ratings.

6. In addition, the number of people who have access to the written appraisal should be minimized. The more people who have access to the appraisal, the greater the temptation for the rater to “impression manage” it. Remember, the fact that the appraisal is written down often means that it is less than completely accurate, simply because it is publicly available.

7. The findings of this study have legal implications as well. Organizations are more susceptible to litigation involving charges of unlawful discharge or discrimination than ever before. Accurate, valid appraisals can help an organization defend itself; inaccurate, invalid appraisals can put the organization at risk. Of course, the relatively recent practice of extensive documentation of poor performance has been in part a response to the modern legal climate. Paradoxically, that climate has arguably increased the role of politics in formal appraisal, as organizations try to maintain legal grounds for termination decisions. Still, the often politically motivated practice of building a case for dismissal via documentation of poor performance has come under closer scrutiny as trends in employee appraisal are given closer examination. The best advice here is to stress honesty in appraisal as a “default option” policy. Credible and consistent appraisal practices are the best defense against litigation. Thus some counseling in the legal ramifications of appraisal should become part of executive training.

**Conclusion**

Perhaps the most interesting finding from our study (because it debunks a popular mythology) is that accuracy is not the primary concern of the practicing executive in appraising subordinates. The main concern is how best to use the appraisal process to motivate and reward subordinates. Hence, managerial discretion and effectiveness, not accuracy, are the real watchwords. Managers made it clear that they would not allow excessively accurate ratings to cause problems for themselves, and that they attempted to use the appraisal process to their own advantage.

The astute manager recognizes that politics in employee appraisal will never be entirely squelched. More candidly, most of us also recognize that there is some place for politics in the appraisal process to facilitate necessary executive discretion. The goal, then, is not to arbitrarily and ruthlessly try to eliminate politics but, instead, to effectively manage the role politics plays in employee appraisal.
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Dr. Gioia's research and writing have focused primarily on the nature and uses of complex cognitive processes by organizational members and the ways in which these processes facilitate sense making, communication, and influence. His most recent interests have to do with the less rational, more intuitive, emotional, and political aspects of organizational life (as represented by this article). Recent works of Dr. Gioia have appeared in the Academy of Management Review, Business Horizons, Journal of Applied Social Psychology, and Organizational Behavior and Human Decision Processes, among others. He is also co-editor, with Dr. Henry P. Sims, Jr., of The Thinking Organization, a book of original contribution concerning the dynamics of cognitive processes in organizations, published in 1986 by Jossey-Bass.

Henry P. Sims, Jr., is currently professor of management at George Mason University, on leave from The Pennsylvania State University. Dr. Sims's special area of research is managerial leadership. He has published over 75 articles on this subject, including articles in the Academy of Management Journal and the Academy of Management Review. His book, The Thinking Organization, edited with Dr. Dennis A. Gioia, was published by Jossey-Bass in 1986. Another book, The Superleader: Discovering How to Lead Others to Lead Themselves, coauthored with Charles Manz, will be published by Prentice-Hall in 1988. Dr. Sims has consulted with many U.S. and multinational firms, including Ford Motor Company and the U.S. Agency for International Development.
ENDNOTES


3. For an exploration of some of the emotional and affective factors that might bear on appraisal processes, see O. S. Park, H. Sims, Jr., and S. J. Motowidlo's "Affect in Organizations: How Feelings and Emotions Influence Managerial Judgment," in H. P. Sims and D. A. Gioia and Associates (Eds.) *The Thinking Organization*.


5. Jeffrey Pfeffer, in his book *Power in Organizations*, Marshfield, MA: Pittman Publishing Co., 1981, makes a strong case that political gamesmanship and the use of power in organizations surround almost every important decision in organizational life. The implications of the appraisal process (e.g., pay raises, promotions, terminations) make the appraisal of performance an important decision-making enterprise.

6. Bernardin and Beatty, in their book *Performance Appraisal: Assessing Human Behavior at Work*, Boston, MA: Kent, 1984, suggest that extraneous variables that are not performance related have an effect on the rater's decision processes and that this influence is in fact a primary source of bias and inaccuracy in performance ratings.

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