SYNTHESIS OF APPRAISER SKILLS IN PERFORMANCE APPRAISAL PROCESS

Safian Bin Bujang

Master of Science
(Human Resources Development)
2010
BORANG PENGESAHAN STATUS TESIS

JUDUL: SINTESIS KEMAHIRAN PENILAI DALAM PROSES PENILAIAN PRESTASI

SESJI PENGAJIAN: JULAI 2006

Saya SAFIAN BIN BUJANG mengaku membenarkan tesis* ini disimpan di Pusat Khidmat Maklumat Akademik, Universiti Malaysia Sarawak dengan syarat-syarat kegunaan seperti berikut:

1. Tesis adalah hakmilik Universiti Malaysia Sarawak
2. Pusat Khidmat Maklumat Akademik, Universiti Malaysia Sarawak dibenarkan membuat salinan untuk tujuan pengajian sahaja
3. Membuat pendigita untuk membangunkan Pangkalan Data Kandungan Tempatan
4. Pusat Khidmat Maklumat Akademik, Universiti Malaysia Sarawak dibenarkan membuat salinan tesis ini sebagai bahan pertukaran antara institusi pengajian tinggi
5. ** sila tandakan ( √ )
   - [ ] SULIT (mengandungi maklumat yang berdaulah keselamatan atau kepentingan seperti termaktub di dalam AKTA RAHSIA RASMI 1972)
   - [ ] TERHAD (Mengandungi maklumat Terhad yang telah ditentukan oleh organisasi/badan di mana penyelidikan dijalankan)
   - [ ] TIDAK TERHAD

Alamat Tetap:
No 58 Taman In Ling
Batu 12 Jalan Penrissen
93250 Kuching
Sarawak

Tarikh: __________

Catatan: 
* Tesis dimaksudkan sebagai tesis bagi ijazah Doktor Falsafah, Sarjana dan Sarjana Muda
* Jika tesis ini SULIT atau TERHAD, sila lampirkan surat daripada pihak berkuasa/organisasi berkenaan dengan menyatakan sekali sebab dan tempoh tesis ini perlu dikelaskan sebagai SULIT atau TERHAD

Disahkan oleh

(TANDATANGAN PENYELIA)

(TANDATANGAN PENULIS)

Alamat Tetap:
No 58 Taman In Ling
Batu 12 Jalan Penrissen
93250 Kuching
Sarawak

Tarikh: __________
SYNTHESIS OF APPRAISER SKILLS IN PERFORMANCE APPRAISAL PROCESS

SAFIAN BIN BUJANG

This thesis submitted in partial fulfilment of the requirements for the degree of Master of Science in Human Resources Development

Faculty of Cognitive Science and Human Development
UNIVERSITI MALAYSIA SARAWAK
2010
Acknowledgement

Bismillahirahmanirrahim
In the name of Allah (SWT), The Beneficent, The Merciful.

Above all, praise to Allah (SWT) who gave me patience and endurance to complete this study. Peace and blessing of Allah (SWT) be upon Prophet Mohamad (SAW) for source of knowledge and guidance.

It is my pleasure to express my sincere and deepest gratitude to Dr. Sopian Bin Bujang for the planning, continuous guidance, encouragement, support, advice and tolerance throughout the supervision of this research. Thank you very much Doctor, and may Allah (SWT) blessed you with health, wealth and wisdom.

All love to my parent, Haji Bujang Junid and Hajjah Kia Abg. Repen, whose my accomplishment in life, is none but the result of their perseverance and they prayers. Only Allah (SWT) be able to compensate all that they have gave me.

To my beloved wife, Marian Bareng who are always in my heart and mind, thank you for your indulgent and inspiration throughout my struggles to complete this study.

Finally thank you to everybody who has directly or indirectly contribute to the completion of this study.

Thank you
Safian Bin Bujang
# TABLE OF CONTENT

Acknowledgement iv  
Table of Content v  
List of Table vii  
List of Figure viii  
Abstract ix  
Abstrak x  

## CHAPTER 1: INTRODUCTION

1.1 Introduction 1  
1.2 Background of Study 1  
1.3 Statement of Problem 3  
1.4 Research Questions 6  
1.5 Expected Contribution 7  
1.6 Limitation of Study 7  
1.7 Definition of Term 8  
1.7.1 Appraiser Skills 9  
1.7.2 Performance Appraisal 9  
1.7.3 Performance Management System 10  
1.8 Summary 10  

## CHAPTER 2: LITERATURE REVIEW

2.1 Introduction 11  
2.2 Evolution of Performance Appraisal Activities 11  
2.3 Appraiser Skills in Performance Appraisal 15  
2.4 Related Theories in Appraiser Skills 20  
2.4.1 Traits (Competency) Theory 20  
2.4.2 Behavioural Theory 21  
2.4.3 Situational (Contingency) Theory 23  
2.5 Summary 24  

## CHAPTER 3: METHODOLOGY

3.1 Introduction 25  
3.2 Source of Data 25  
3.3 Data Collection Method 26  
3.4 Data Analysis Method 26  
3.5 Summary 27
LIST OF TABLES

Table 4.1: Appraiser Skills Required in Performance Appraisal
LIST OF FIGURES

Figure 2.1: Linking Appraisal Skills and the Appraisal Process
Figure 4.1: Correlation of Appraiser Skills
Figure 5.1: Synthesis Model of Appraiser Skills in Performance Appraisal Process
The purpose of this study is to explore the conceptual framework of appraiser skill in the performance appraisal process and further to synthesis all the identified skills in a comprehensive set of requisite skills of appraiser to perform effectively in the performance appraisal process. This study adopted qualitative research strategies by using articles from online journals as the data source. The data were analysed using content analysis method. This study had identified seventeen requisite skills that appraiser should have in performing their duty. From the reviews, this study found that these skills are interrelated with each other. The finding of this study had expanded the current knowledge of this topic and open up new avenue for researcher to conduct future research. From the organisation perspective, the finding of this study will improve the quality of data generated from performance appraisal process. This study recommended further quantitative research to be conducted on this topic.
ABSTRAK

SINTESIS KEMAHIRAN PENILAI DALAM PROSES PENILAIAN PRESTASI

SAFIAN BIN BUJANG

CHAPTER 1
INTRODUCTION

1.1 Introduction

This chapter introduce the focal point of this study, which are appraiser skills in performance appraisal process. Firstly, it will present the background of the study and further discuss the problem statement on why there is a need to conduct a study on this matter. Next, it will present the question that this study wishes to answer. Before the end of this chapter, the limitation and definition of term are presented. This chapter will be concluded with a summary.

1.2 Background of Study

With changing paradigms of the way we do business and manage people, issues of productivity and the evaluation of performance have risen to the top of every decision-making agenda (Wright and Cheung, 2007). In this respect, performance management systems have come to play an even more indispensable role in helping organizations reach their goals of productivity. Performance appraisal can be use for numerous purposes including: reward; discipline; coaching; counselling; negotiating improvements in performance; improving the work environment; raising morale; clarifying expectation and duties; improving upward and downward communications; reinforcing management control; helping
validate selection decisions; providing information to support HR activities; identifying development opportunities; improving perceptions of organizational goals; and selecting people for promotion and redundancy (Wilson and Western, 2000).

Research and organizational experiences has demonstrated that in order to achieve performance appraisal objectives, performance appraisal system must have two key component; sound rating process and appraiser must have both skills and motivation to conduct effective performance appraisal (Fink and Longenecker, 1998). That is to say that the organisation must have clearly developed rating procedures, appropriate and easy to use instruments and a suitable system to manage and monitor the performance appraisal process. The second key component is the manager who is actually assigned to evaluate the employee's performance. They or the appraiser must possess the skills require to perform the task and the motivation to conduct effective performance appraisal.

Performance appraisal may be seen as a viable organizational tool and may even be accepted as an important ingredient of the management process but it has serious limitations as an efficient and effective evaluative tool (Martey, 2002). Prowse & Prowse (2009) stated that performance appraisal is potentially a key tool for organisations to make the most of their human resources and the use of appraisal is widespread. Because the usefulness of performance appraisal as a managerial decision tool depends partly on whether or not the performance appraisal system is able to provide accurate data on employee performance, rating accuracy is a critical aspect of the appraisal process (Poon, 2004). Cook (1995) states that performance ratings that are a vital aspect of the appraisal process
suffer from many biases, meaning factors that should not influence appraiser but do, or factors that influence rating in ways about which appraisers are unaware.

Cardy and Dobbins in 1994 highlighted that proper appraiser training can increase the overall quality of the rating experience for the appraisee and appraiser alike while at the same time improving rating accuracy (Fink and Longenecker, 1998). Inaccurate rating may affect the effectiveness of the performance appraisals process (Fink and Longenecker, 1998). If the appraisee feel the rating is inaccurate, it is unlikely that they will believe in performance appraisals (Miller and Thornton, 2006). Rating errors can result from unintentional errors such as unconscious biases and information processing errors associated with how people observe, store, recall information; or from intentional errors, which result from such thing as appraisers wanting to be liked or fear of conflict or confrontation with appraisee when giving negative appraisals (Fink and Longenecker, 1998).

1.3 Statement of Problem

The literature reviews conducted for this study found that there is little research conducted in this subject that focuses on appraiser skills. Most of literatures in performance appraisals focus on appraisee and/or appraiser perception (Suliman, 2002; Analoui and Fell, 2002; Cook and Crossman, 2004; Poon, 2004); appraisal problems such as contrast effect (Becker and Miller, 2002); performance appraisal model, design and method (Boice and Kliener, 1997; Piggot-Irvine, 2003a; Khoury and Analoui, 2004; Miller and Thornton, 2006); social context (Levy and Williams, 2004); computer assisted instruction
and behaviour modelling (Davis and Mount, 1984); costs and benefits (Nickols, 2007); learning and training approaches (Piggot-Irvine, 2003b); and cognitions (Rusli Ahmad and Nur Azman Ali, 2004; Wright and Cheung, 2007). A literature reviews on performance appraisal from 1995 to 2003 conducted by Levy and Williams (2004) highlighted that researchers have shown considerable interest in variables related to the appraisers. They identified appraiser affect, appraisers’ motivation, role of individual differences and rating purpose on rating leniency, role of attributions in performance appraisal process, appraisers’ accountability and appraiser training.

Prowse & Prowse (2009) proposed that further evaluation of key interpersonal skills is required for appraisal systems to develop performance. This is due to the fact that appraisers are challenged with differing roles as both monitors and judge performance and an understanding counsellor. Without a clear understanding of the requisite skills and abilities related to the appraisal process, successful training programs cannot be developed or offered. When organisations fail to develop a clear skill set for any important organisation activity, performance will inevitably suffer and appraisal is no exception (Fink and Longenecker, 1998). A clear skill allows the development process to proceed at both an individual and organisation level.

Appraising performance is both a difficult and an essential supervisory skill (Dessler, 2005). An appraiser who rates his or her appraisee too high or too low is doing a disservice to them, to the company, and to him or herself. Therefore, appraiser must be familiar with the basic appraisal techniques, understand and avoid problems that can cripple appraisals, and know-how to
conduct appraisals fairly (Dessler, 2005). The know-how is the skills that the appraiser must have in order to achieve the objectives of the performance appraisal. In Fink and Longenecker (1998) review of research findings conclude that primary causes of ineffective performance appraisals from both the perspective of appraiser and appraisee is not poor rating procedures, forms or system but instead the poor rating skills of appraisers. For them to effectively evaluate appraise performance, they must have both the skills and motivation to do so (Longenecker, 1997).

Hubbatt (1995) noted that common problem to many performance appraisal processes is lack of consistency in ratings, failure to define performance goals or standard, and inability to effectively deal with poor performers. All of the mention problems are hinge on the ability of appraiser conducting the performance appraisal. When the appraiser conducting the performance appraisal process does not possess the skills required, problems are a foregone conclusion. Result of the study conducted by Dev Kumar (2005) in The Royal Malaysia Police revealed that there was rampant non-compliance with specific guidelines of the performance appraisal. Undoubtedly, the pertinent finding is that more than 90 percent of the respondents surveyed indicated the need for appraiser training and acknowledged the importance of rating skills or competencies necessary to conduct effective performance appraisal (Dev Kumar, 2005). No matter how well designed a performance appraisal system is, its effectiveness is largely determined by the understanding, commitment and skills of the managers who must actually implement the system. Performance appraisals require the appraiser to objectively reach a conclusion about their appraisee performance (Dev Kumar, 2005).
Based from the literature reviews conducted, this study concludes that there are limited researches that fully focus on appraiser skills in performance appraisal process. The reviews also established that appraiser skills have imperative impact on the overall performance appraisal process. Given the inadequacy but yet significant impact of appraiser skills to the effectiveness of performance appraisal, a study on appraiser skills is anticipate to fill the existing gap on this subject.

1.4 Research Question

The objective of this study is to explore the conceptual framework of appraiser skills in performance appraisal process. It was believed that appraiser should possess a requisite set of skills for them to perform their duties effectively. Therefore, to achieve the objective this study raises the following research question:

1.4.1 What requisite skills does an appraiser need to perform effectively in performance appraisal process according to the literatures?

1.4.2 How these requisite skills can be synthesis into a comprehensive set of skills for an appraiser to perform effectively in performance appraisal process?

1.4.3 How appraiser can make use of these requisite skills effectively in the performance appraisal process?
1.5 Expected contribution

It is expected that the finding of this study will contribute to the knowledge of skills required by the appraiser to perform effectively in the performance appraisal. This study hopes to provide a better understanding of the requisite skills for appraiser in performance appraisal process.

The ideas presented in this study may be used as a reference data in conducting a new research and serve as a cross reference to the future research that will give them a background, theory and overview of the appraiser skills in performance management process. This study also hopes that from the skills set require by appraiser gathered from the study, researchers can use this finding to develop a successful training program.

Much of the effectiveness of a performance management system hinges on the accuracy of the data generated by it (Miler and Thornton, 2006). From the organization perspective, it is expected that the result of this study will improve and strengthen organization performance management system through an effective performance appraisal. It is also expected from the finding of this study, the policy maker can make compulsory for the organization to ensure that their managers possess the required skills to be an appraiser.

1.6 Limitation of Study

The main limitation of this study is the methodology adopted for this study. This study confine to qualitative design which using online journals articles as the source of data. The articles used for this study is limited to online journals
that had been published in Emerald Group Publishing website. The data is restricted to what already exist thus causal effect could not be determined and the findings could not be generalised. Beside that, the data analysis method use in this study is also cause limitation to this study. The content analysis method chosen are subjected to researcher rigorous interpretation and inferences.

Another limitation is the focus of this study. This study focus exclusively to appraiser skill in performance appraisal process. Other elements of performance appraisal process such as appraisal instrument was not taken into consideration. This study also faces with time and other resource limitation to complete this study.

1.7 Definition of Term

Definition of term is divided into two categories i.e. conceptual definition and operational definition. Conceptual definition refers to definition extracted from literature. Operational definition refers to definition use by the researcher in the context of this study.

There are several terms interchangeably used to describe appraiser. Several researchers such as Van Scotter et al. (2007), Boice and Kleiner (1997) and Cook (1995) used the term rater in their paper. Cook and Crossman (2004) and Ford (2004) on the other hand used the term appraiser in their writing. Martey (2002) used both of the term interchangeably in his writing. As for this study, researcher will use the term appraiser throughout this paper.
1.7.1 Appraiser Skills

Ford (2004) define appraiser as supervisor, manager, director, or other superior who assess another person (appraisee) performance, completes the performance appraisal written document and guides the appraisal interview. Skill is a combination of abilities and capabilities that are developed as a result of training and experience (Werner and DeSimone, 2006). For this study, appraiser skills refer to manager’s abilities and capabilities in performing their duties and responsibilities in performance appraisal process.

1.7.2 Performance appraisal

The term performance appraisal has generally meant the annual interview that take place between the manager and the employee to discuss the individual’s job performance during the previous 12 months and the compilation of action plans to encourage improved performance (Wilson and Western, 2000). Werner and DeSimone (2006) define performance appraisal as an evaluation system that typically makes use of a standardized rating form that is used to measure various aspect of employee performance. While Dessler (2005) define performance appraisal as an evaluating an employee’s current and/or past performance relative to his or her performance standards. For this study, performance appraisal is an evaluation system that uses standardized rating form used by an organization for assessing their employees’ performance annually.
1.7.3 Performance Management System

Performance management is a management tactic that goes beyond the annual appraisal ratings and interviews, and seeks to incorporate employees' goal setting, feedback, coaching, rewards, and individual performance (Werner and DeSimone, 2006). According to Dessler (2005) performance management is a process that consolidates goal setting, performance appraisal, and development into a single, common system, the aim of which is to ensure that the employee's performance is supporting the company's strategic aims. In this context, performance management is the overall process carried out by an organization to manage employees' performance including all rewards and recognition, both monetary and non-monetary.

1.8 Summary

This chapter has highlighted that in this ever-changing world, performance management and performance appraisal is definitely the dominant tool for organization to reach their goals. Research and organizational experiences proof that appraiser is the key player to ensure the performance appraisal effectiveness. Thus there is a need for a comprehensive skill set for the appraiser that will increase the overall quality of performance appraisal. Further and thorough discussion on this matter will be presented in the following chapters.
CHAPTER 2
LITERATURE REVIEWS

2.1 Introduction

This chapter explores further on appraiser skills in performance appraisal. It will review past studies that have been done by other researchers on this matter. The discussion will start with the evolution of performance appraisal activities from then until now. Then a discussion on appraiser skills required in performance appraisal practices will be presented. Before the end of this chapter, relevant theories on appraiser skills will be discussed. This chapter will conclude with a summary.

2.2 Evolution of Performance Appraisal Activities

For centuries, organizations survived quite well without performance appraisal systems, which beg the question, “Why do formal performance appraisal exits?” (Weise and Buckley, 1998). The performance appraisal process can be traced back, at least, for many thousands of years. Weise and Buckley (1998) in their paper entitled ‘The Evolution of the Performance Appraisal Process’ cited that merit exams were given for selection and promotion decisions as early as Han Dynasty in 206 BC – 220 AD. In early 3rd Century AD, “Imperial Raters” were
employed by emperors of the Wei Dynasty to rate the performance of the official family members.

Most likely, formal performance appraisal begins in United States in early 1800s (Weise and Buckley, 1998). In 1813, an Army General submitted an evaluation of each of his men to the U.S. War Department. In the late nineteenth and early twentieth century, performance appraisals were used primarily by military and government organizations – due to their large size, hierarchical structure, geographical dispersal and the necessity to promote the top performers to higher organizational levels. During this time, most private organizations used informal measures to evaluate individual performance and make subsequent administrative decisions. These appraisal process appraised individuals on the basis of previously established performance dimensions, using a standard, numerical scoring system that focused on past actions instead of future goals and were always conducted by supervisor with little input from the employee (Weise and Buckley, 1998).

The psychological tradition developed in the 1930s used approaches that identified personality and performance used feedback from graphic rating scales, a mixed standard of performance scales noting behaviour in Likert-scales ratings, providing evidence to recruit and identify management potential in the field of selection (Prowse and Prowse, 2009). Later developments removed the middle scale from a five-point scale to develop into forced-choice scale judgements to avoid central rating. The forced-choice method is designed to reduce appraiser bias, creating more accurate rating (Weise and Buckley, 1998).
In the 1940s behavioural methods are developed using a motivational approach which includes Behavioural Anchor Rating Scales, Behavioural Observation Scales, Behavioural Evaluation Scales, critical incident and job simulation (Prowse and Prowse, 2009). The contribution of these developments has been an emphasis on the behavioural bases of performance rating (Weise and Buckley, 1998). All these judgements were used to determine the specific levels of performance criteria to specific issues and rated in factors such as “excellent”, “average” or “poor”. These feedback ratings were essentially developmental and also led to identification of any potential need for training and more importantly to identify talent for careers in line management supervision and further managerial potential.

Post 1945 developed into the result oriented approaches and led to the development of Management by Objectives (Prowse and Prowse, 2009). As a result of his study of managerial practices in General Motors, Peter Drucker first proposed Management by Objectives in The Practice of Management in 1954 (Weise and Buckley, 1998). It provided a forced distribution of rankings of comparative performance and paired comparison ranking of performance and setting and achieving objectives. The common performance appraisal cycle includes setting of objectives, negotiation, implementation, discussion, changing directions and eventual measuring of achievement.

In the 1960s the development of self appraisal by discussion led to specific time and opportunities for the appraisee to evaluate their performance reflectively in the discussion and the interview developed into a conversation on a range of topics that the appraise needed to discuss in the interview (Prowse and Prowse,
The typical practices of the past such as use of personality traits in appraisal, loose relationships between performance appraisal ratings and human resources outcomes and a dearth of specific job-related behaviour in evaluations were becoming targets of increasing amounts of litigation and regulation (Weise and Buckley, 1998).

The evolution of performance appraisal systems has expanded the number of available performance appraisal methodologies (Weise and Buckley, 1998). In today world of management, performance appraisal has been use for numerous purposes including: reward; discipline; coaching; counselling; negotiating improvements in performance; improving the work environment; raising morale; clarifying expectation and duties; improving upward and downward communications; reinforcing management control; helping validate selection decisions; providing information to support HR activities; identifying development opportunities; improving perceptions of organizational goals; and selecting people for promotion and redundancy (Wilson and Western, 2000).

To date, performance appraisals are used is almost all organizations worldwide. As organizations emerge to larger entities with professional management, a more formal performance appraisal system serves as an important tool in management decision making. The dilemma of appraisal has always been developing performance measures and the use of appraisal communicating individual performance is the key part of this success Prowse and Prowse (2009). These formal performance appraisal systems are not perfect and they continue to rely primarily on human information processing and judgement (Weise and Buckley, 1998).
2.3 Appraiser Skills in Performance Appraisal

In their review Prowse and Prowse (2009) proposed that further evaluation of key interpersonal skills is required for appraisal systems to develop performance. This is due to the fact that appraisers are challenged with differing roles as both monitors and judge performance and an understanding counsellor. In a survey conducted by Longenecker (1997) he noted that:

"While all of us informally evaluate people on an ongoing basis, a special level of skill is needed to do this effectively on a formal basis. Appraisers must possess specific skills such as performance planning, goal setting, coaching, decision making, interviewing and conflict resolution to be effective appraiser."

Research findings conducted by Fink and Longenecker (1998) on 149 managers who work in 22 different US manufacturing and services organization had provide a comprehensive sets of ten appraiser skills necessary to conduct formal performance appraisals. There are four basic integrated phases in the performance appraisal process, each phase requiring the use of appropriate skills. The foundation skill at all phases of the appraisal process is an effective two-way communications skills. It is also significant for appraiser to have knowledge of legal and compliance issues at every step of the appraisal process. Failure by appraisers to properly develop and employ these skills results in drastic reduction in the effectiveness of the appraisal practices (Fink and Longenecker, 1998).
Figure 2.1 illustrated each of these phases in relation to the key management skills utilised to effectively complete each step in the appraisal process.

Figure 2.1

Linking Appraisal Skills and the Appraisal Process

<table>
<thead>
<tr>
<th>Performance Planning</th>
<th>Performance Management and Ongoing Coaching</th>
<th>The Written Appraisal</th>
<th>The Appraisal Review</th>
</tr>
</thead>
<tbody>
<tr>
<td>Key competencies</td>
<td>Key competencies</td>
<td>Key competencies</td>
<td>Key competencies</td>
</tr>
<tr>
<td>1. Knowledge of rating forms and procedures</td>
<td>1. Observation / work sampling skills</td>
<td>1. Knowledge of rating forms and procedures</td>
<td>1. Specific knowledge of review procedures</td>
</tr>
<tr>
<td>2. Ability to clarify and communicate expectations</td>
<td>2. Coaching skills</td>
<td>2. Effective decision making / sound judgement</td>
<td>2. Coaching skills</td>
</tr>
</tbody>
</table>

Effective Two-way Communication Skills


Phase 1: Performance Planning

During the performance planning phase, appraiser and appraisee jointly set and clarify goals, performance expectations and evaluation methods and criteria. The appraiser must ensure that the appraisee have the authority, knowledge, skills and organisational resources to successfully complete work targets. In addition,
appraiser need to communicate potential performance rewards/outcomes associated with different levels of performance. Specific skills required appraisers to successfully complete this phase include:

- Knowledge of organisation’s rating forms and procedures – to clarify performance expectations, evaluation criteria and methods;

- Ability to clarify and communicate performance expectations – to communicate and set goals and standard of performance (specific, measurable, attainable, result oriented, with deadlines attached), to clarify the evaluation criteria of each appraisee their appraise, and to differentiate rewards associated with varying levels of performance;

- Delegation/empowerment skills – to create accountability by clarifying duties, work assignments, goal expectations and providing sufficient authority to achieve assigned responsibilities; and

- Knowledge of legal/compliance issues – to make sure that appraisal content is legally defensible and that rating procedures are uniformly applied.

**Phase 2: Performance Management an Ongoing Coaching**

During the performance management phase, appraisers are required to track the appraisee’s performance through effective work observation and sampling procedures and provide appropriate ongoing feedback. The appraiser must monitor appraisee’s behaviours and performance, record their performance and provide feedback and assist through problem solving so as to help appraisee
successfully achieve delegated responsibilities. Specific skills required for appraisers to successfully complete this phase include:

- Observational/work sampling skills – so that proper dimensions of appraisee behaviour are observed using representative/non-biased sampling techniques and that a proper written record is kept for these observations;
- Conflict resolution/problem solving skills – to potentially provide negative feedback in a manner which overcomes resistance and avoids resentment and to help appraisee identify the cause of their problems or generate a strategy for improvement;
- Coaching skills – to keep appraisee on the right track, provide positive reinforcement for good behaviour and quick feedback for unacceptable or decreasing performance; and
- Knowledge of legal/compliance issues – to make sure that written documentation of observed behaviour is legally defensible.

Phase 3: The Written Performance Appraisal

During the written phase of the process, appraiser must make effective and non-biased decisions concerning appraisee performance and skilfully create a written record of their observations and conclusion concerning the nature of appraisee performance. They must employ sound judgement, effective decision-making, unambiguous, and clear writing skills in creating a written document of the appraisee contribution. Specific skills required for appraiser to successfully complete this phase include:
• Specific knowledge of the rating form and procedure – to effectively complete the written appraisal document;

• Effective decision making and sound judgement – to effectively evaluate the appraisee's actual performance on various rating criteria;

• Written communication skills – to provide clear and unambiguous language to describe and document appraisee performance; and

• Knowledge of legal/compliance issues – to make sure that appraiser generate a written writing document that is indeed representative of the appraisee’s actual contribution and is not filled with unsubstantiated prose that makes the document difficult to legally defend.

Phase 4: The Performance Appraisal Review

During the appraisal review, appraiser meet with appraisee to review performance ratings, deal with appraisee reactions (sometime resistant or negative) to appraisal ratings, solve problems with appraisee on how to improve performance (if needing improvement), and potentially deal with career counselling and career development issues. Specific skills required for appraiser to successfully complete this phase include:

• Specific knowledge of effective appraisal review procedures;

• Coaching skills to discuss specific feedback issues;

• Conflict resolution and problem solving skills to identify and remove employee concern and workplace frustrations and performance barriers;

• Employee development/career counselling to help employee identify opportunities for improvement and to discuss long-term career issues; and
• Knowledge of legal/compliance issues – to avoid discussions that violate existing laws or create unnecessary legal exposure.

Therefore, the formal appraisal process requires various skills at each phase of the process that are necessary for the appraisal to be an effective value-added management tool for the employee, the manager and the organization.

2.4 Related Theories in Appraiser Skills

Appraising performance is both a difficult and an essential supervisory skill (Dessler, 2005). There is a correlation between supervisory skill and leaders behaviour. Leadership is the ability to influence, motivate and enable others to contribute to the effectiveness and success of the organizations (McShane and Von Glinow, 2005). Therefore, this section will review three of the leadership theories that related to the supervisory skill of appraiser. There are Traits (Competency) Theory, Behavioural Theory and Situational (Contingency) Theory.

2.4.1 Traits (Competencies) Theory

The traits approach is the oldest leadership perspective that focuses on individual leaders and attempt to determine the personal traits that great leaders share (Bateman and Snell, 2007). This approach assumes the existence of a leadership personality and assumes that leaders are born. Major reviews in the late 1940s conclude that no consistent list of traits could be distilled from hundreds of studies conducted up to that time (McShane and Von Glinow, 2005).
In the early 1990s leadership experts began to re-examine the traits approach but with more emphasis on specific competencies which encompass broader range of personal traits such as knowledge, skills, abilities and values. The recent leadership literature identified seven competencies that are characteristic of effective leader. There are emotional intelligence, integrity, drive, leadership motivation, self-confidence, intelligence and knowledge of the business.

Emotional intelligence is the leader ability to perceive and express emotion, assimilate and understand the reason and regulate emotion in oneself and others. Integrity is the leader’s truthfulness and tendency to translate words into deed. The leader’s inner motivation to pursue goals is drive. Leadership motivation is the leader’s need to socialized power to accomplish team or organization goals. A leader with self confidence belief in his or her own leadership skills and abilities to achieve objectives. A leader also must have above average cognitive ability to process enormous amounts of information. A leader must also posses the knowledge of business by understanding of the organisation environment to make more intuitive decisions.

2.4.2 Behavioural Theory

The behavioural approach to leadership attempt to identify what good leader does. In the 1940s and 1950s scholar from Ohio State University launched an intensive research investigation to answer the question “What behaviours make leaders effective?” (McShane and Von Glinow, 2005). The study distilled two clusters of leadership behaviours.
One cluster represented task-oriented or task performance behaviour. Task performance focus on action taken to ensure that work group or organisation reaches its goal (Bateman and Snell, 2007). A task oriented leaders assigned employees to specific tasks, clarify their work duties and procedures, ensure that they follow company rules and push them to reach their performance standard. They also challenge employees beyond those standard by establish stretch goals.

The second cluster represented people-oriented behaviour or group maintenance behaviour. Group maintenance focus on action taken to ensure the satisfaction of group members, develop maintain harmonious work relationship and preserve the social stability of the group (Bateman and Snell, 2007). Leaders in people-oriented cluster listen to employee suggestion, do personal favours for employees, support their interest and treat the employee equals.

Behavioural leadership experts reported that these two styles are independent of each other (McShane and Von Glinow, 2005). Some people are high or low on both styles. While other are high in one style and low on the other styles, and most are somewhat in between. The most effective leader exhibit high level of both task oriented and people oriented behaviours.

Leader-Member Exchange (LMX) theory historically considered within group maintenance cluster (Bateman and Snell, 2007). LMX highlight the importance of leader behaviour not just toward the group as a whole but also toward individual on a personal basis. Maintenance behaviours such as trust, open communication, mutual respect, mutual obligation and mutual loyalty form the cornerstone of relationships that are satisfying and perhaps more productive (Bateman and Snell, 2007).
2.4.3 Situational (Contingency) Theory

The contingency or situational approach to leadership is based on the idea that the most appropriate leadership styles depend on situation. This leadership perspective proposing that universally important traits and behaviour does not exist, and that effective leadership behaviour varies from situation to situation (Bateman and Snell, 2007). The most comprehensive and generally useful situational model of leadership effectiveness is Path-Goal Theory. This theory is based on expectancy theory of motivation that relates several leadership styles to specific employee and situational contingencies (McShane and Von Glinow, 2005). Path-goal theory concerns how leader influence subordinates’ perceptions of their work goals and the path they follow toward attainment of those goals.

The key situational factors in path-goal theory are personal characteristics of followers and environmental pressures and demands with which followers must cope to attain their work goal (Bateman and Snell, 2007). These factors determine which leadership behaviour is most appropriate. The four pertinent leadership behaviours are directive leadership – a form of task-oriented behaviour; supportive leadership – a form of group maintenance oriented behaviour; participative leadership or decision style; and achievement-oriented leadership or behaviours geared toward motivating people. In general, the theory suggests that the functions of the leader are to make the path to work goal easier to travel by providing coaching and direction; reduce frustrating barriers to goal attainment and increase opportunities for personal satisfaction by increasing payoff to people for achieving performance goals (Bateman and Snell, 2007).
2.5 Summary

This chapter has highlighted that performance appraisal had existed since the Han Dynasty and has been evolved ever since. To date, performance appraisals were used in almost all organizations worldwide. Fink and Longenecker (1998) had provided comprehensive sets of ten appraiser skills necessary to conduct formal performance appraisals. There are four basic integrated phases in the performance appraisal process, each phase requiring the use of appropriate skills. There is correlation between supervisory skill of appraiser and leadership theories. The key leadership theories identified are competencies, behavioural and contingency perspectives. The next chapter will discuss the methodology of this study.
CHAPTER 3

METHODOLOGY

3.1 Introduction

This chapter examine the research methodology use in this study. Firstly, this chapter will present the source of data that will be examined in this study. Then, it will discuss the method use for data collection and data analysis. This chapter will be concluded with a summary.

3.2 Research Design

This study use qualitative research design that using documents as the only source of data. The term 'documents' covers a fairly heterogeneous set of source of data, such as letter, diaries, autobiographies, newspapers, magazines and photographs. For the purpose of this study, the source document has been restricted to articles from online journals that have been published in the Emerald Group Publishing Limited website. The selection of Emerald Group Publishing Limited website is founded on its reputation as the world’s leading publisher of business and management research. With 200 journals and a wide range of serials, series and books in management and related fields, Emerald is a key publisher on the world stage.
3.3 Data Collection Method

As the term appraiser and rater are interchangeably used by researcher in their writing, this study used both term in the search. In order to gather more data from the online journals, the search was not limited to appraiser and rater skills only. Therefore this study used the term performance appraisal as the keyword for the search. An introductory review was conducted through all those journals based on its relevancy against the research subject matter.

3.4 Data Analysis Method

This study use content analysis as the method of data analysis. Content analysis method views data as representations not of physical events but of texts, images and expressions that are created to be seen, read, interpreted and acted on for their meanings and must therefore be analyzed with such uses in mind (Krippendorff, 2004).

The researcher sifts through all the articles to identify the required appraisers' skill in performance appraisal practices. Then researcher quantifies and analyses the presence, meaning and relationship of the concepts with relation to past studies and theories. The researcher also makes inferences about the messages within the texts, the writer, the audience, time and culture that related to this study.
The data were tabulated and then content analysed. Frequency counts for each skill were then developed for the number of journals that examine the particulars skills.

3.5 Summary

This chapter has presented the methodology adopt for this study. By means of qualitative research strategy, this study used documents as the only source of data. Therefore, content analysis is the appropriate method of data collection and data analysis. The next chapter will present the finding and discussion of this study.
CHAPTER 4
RESEARCH FINDING

4.1 Introduction

This chapter presents the findings of this study. First, the appraiser skills extracted from the online journals will be reviewed and analyzed using the method discussed in chapter 3 earlier. Subsequently, this study will present how these skills interrelate with each other. This chapter will conclude with a summary.

4.2 Appraiser Skills

In reviewing the research findings, it is instructive to begin with examining the results of the content analysis of appraiser skills. From the online search conducted, this study found seventeen articles highlighted and discussed the appraiser requisite skill. The details of the articles and the appraiser skill are presented in Table A.1. From the reviews of the articles, this study had gathered a total of seventeen skills required by appraiser in performing their roles in performance appraisal process. Subsequently, the skills were tabulated as in Table 4.1. The frequency of each skill being highlighted is also cited and the skills were sorted according to its number with the highest frequency rank first. Each of these skills will be briefly discussed.
Table 4.1

Appraiser Skills Required in Performance Appraisal (n=17)

<table>
<thead>
<tr>
<th>Appraiser skills</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Feedback</td>
<td>9</td>
</tr>
<tr>
<td>2. Interviewing</td>
<td>6</td>
</tr>
<tr>
<td>3. Effective performance-planning</td>
<td>5</td>
</tr>
<tr>
<td>4. Coaching</td>
<td>4</td>
</tr>
<tr>
<td>5. Conflict resolution and problem solving</td>
<td>4</td>
</tr>
<tr>
<td>6. Counselling</td>
<td>3</td>
</tr>
<tr>
<td>7. Effective communication skills</td>
<td>3</td>
</tr>
<tr>
<td>8. Effective decision-making</td>
<td>3</td>
</tr>
<tr>
<td>9. Knowledge of legal/compliance issues</td>
<td>3</td>
</tr>
<tr>
<td>10. Active listening</td>
<td>2</td>
</tr>
<tr>
<td>11. Delegation / empowerment</td>
<td>2</td>
</tr>
<tr>
<td>12. Observational</td>
<td>2</td>
</tr>
<tr>
<td>13. Agreeing outcomes</td>
<td>1</td>
</tr>
<tr>
<td>14. Career development</td>
<td>1</td>
</tr>
<tr>
<td>15. Knowledge of forms &amp; procedures</td>
<td>1</td>
</tr>
<tr>
<td>16. Motivating</td>
<td>1</td>
</tr>
<tr>
<td>17. Avoiding psychometric errors</td>
<td>1</td>
</tr>
</tbody>
</table>

4.2.1 Feedback

Feedback is the most highlighted skill for appraiser in performance appraisal process. Schweiger and Sumners (1994), Boice and Kleiner (1997), Longenecker (1997), Fink and Longenecker (1998), Wall et. al. (2002), Rees and
Porter (2003), Coutts and Schneider (2004), Khoury and Analoui (2004) and Lorenzet et. al. (2006) mentioned feedback as a requisite skill for appraiser. The giving of constructive criticism can be one of the hardest parts of the appraisal process. Appraisee have a right to expect accurate, meaningful and timely feedback on how well they are performing and that appraisers are obligated to assess important, job related aspects of the performance of appraisee, inform them of their standing and counsel them on shortcomings and way of improvement. Without appropriate evaluation and feedback mechanisms, appraisees are denied a standardized and objective basis for maintaining or redirecting their work effort.

Appraiser must provide feedback continuously to the appraisee in an informal way to give them a chance to adjust their performance according to the preset agreement or contract. An important consideration for appraiser is to provide feedback that answers both the “what” and the “why” that is using specific behavioural examples to let the appraisee know what specifically was effective or ineffective and also explain why the behaviour was effective or ineffective. Constructive and frank feedback on job performance should be provided informally on a day-to-day basis and formally at the end of each assignment. Feedback provides direction and represents an important reward which will result in increased effort. Negative behaviour may be corrected as quickly as possible. Feedback should also include encouragement for improvement.

4.2.2 Interviewing

The second most mentioned skills for appraiser was interviewing skills. Harrison and Goulding (1997), Longenecker (1997), Analoui and Fell (2002),
Piggot-Irvine (2003a), Ford (2004) and Khoury and Analoui (2004) noted that interview not only a process but also an important skill an appraiser must have. The appraisal interview is widely regarded as an integral part of the appraisal process and central to its success. Appraisers should know how to conduct two-way, interactive performance appraisal interviews. Basic attending skills including minimal encouragement, providing feedback, paraphrasing and reflecting the emotion and feeling are some of the skills involved in interview sessions. These interpersonal skills are crucial in a situation where pride and fear, trust and suspicion, openness and defensiveness can all be to the fore.

4.2.3 Effective performance planning

Schweiger and Sumners (1994), Boice and Kleiner (1997), Longenecker (1997), Fink and Longenecker (1998), and Piggot-Irvine (2003a) highlighted effective performance planning skills in their study. This skill include setting objective and performance goals or standards. One of the quickest ways to increase the frequency of desired behaviours by appraisee is to clarify and communicate performance expectation at the beginning of the appraisal cycle. Appraiser must have effective performance planning skills which include reviewing job descriptions, clarifying responsibilities and setting goals and performance standards. Ineffective performance planning and goal setting are the main cause of the performance appraisal failure. As the performance planning stage is paramount to the effectiveness of performance appraisal process, appraiser skills to conduct effective performance planning session is indispensable.
4.2.4 Coaching

Coaching skills had been highlighted by Boice and Kleiner (1997), Longenecker (1997), Fink and Longenecker (1998), and Khoury and Analoui (2004) in their study. There are four common themes to effective coaching that make more effective appraisals. These include the need for frequent interaction with appraisee, steady tracking and recording of appraisee performance, immediate positive or negative feedback on performance and making praising and reprimanding part of appraiser ongoing supervisory behaviour. Without effective coaching skills appraiser will fail to conduct the ongoing appraisals necessary to make formal reviews meaningful for appraisee. In on-going informal appraisal, appraiser should maintain coaching and support relationship to develop and empower their appraisee. Appraiser should be willing to assist their appraisee at any time throughout the year. By maintaining a close relationship and on-going channel of communication between appraiser and appraisee shall help in early discovery and correction of performance related problems. Without a solid working relationship between the two parties, the performance appraisal process will be suspect.

4.2.5 Conflict Resolution and Problem Solving

Boice and Kleiner (1997), Longenecker (1997), Fink and Longenecker (1998), and Piggot-Irvine (2003a) pointed out that conflict resolution and problem solving skills are a necessary skills for appraiser in performance appraisal process. Appraisers must be able to identify problems and creatively solve the problem so
that they can take appraisee problems and concerns into account and can help create workable solutions or ideas to take to appraisee for improvement. Conflict can easily emerged especially if appraisee feels they been unfairly appraised and as a result, they will less likely to be open to attempts at problem solving. Appraiser needs the skills to get past this resentment and resistance to constructive criticism if they hope to improve performance in their appraisee. Appraiser should develop interpersonal relationship based on trust, openness when dealing with problems and reduced defensiveness with the appraisee. These open relationships should lead to problem being attended and resolved.

4.2.6 Effective Communication Skills

Effective communication skills have been highlighted by Fink and Longenecker (1998), and Piggot-Irvine (2003a) and Ford (2004). Communication skills are necessary for the coaching activities and to help appraiser prepare for planning and conducting the feedback interviews. It is also imperative that appraiser know how to write clear, coherent, cogent performance appraisal and then create atmosphere of effective two-way, interactive communication to share the results with the appraisee during the formal appraisal interview. Appraiser should also capable to interact in bilateral, open, non-defensive and problem confronting ways.

4.2.7 Knowledge of legal/compliance issues

Fink and Longenecker (1998), Wall et. al (2002) and Ford (2004) mentioned about knowledge of legal and compliance issues as a requisite skills of
appraiser. Skills should include knowledge of legally defensible appraisal procedures, how to develop legally defensible appraisal content and how to produce legally defensible documentation of appraisal result. Appraiser should understand what is required of them in the performance management system and know what to do to fulfil those requirements. Appraiser must understand what is implies when they sign-off an appraisal. Appraiser should also be able to monitor for differences in performance appraisal procedures or results according to race, sex, nationality, religion, disability or age of the appraisee. Knowledge of the legal dimensions of the appraisal is critical to the effectiveness of performance appraisal.

4.2.8 Counselling

Counselling skills has been highlighted by Boice and Kleiner (1997), Rees and Porter (2004) and Wright (1998b). Counselling is simply about using skills to really understand what the other person is saying. Counselling is a related skill that is often undervalued in term of its important in the workplace. Appraiser can apply counselling skills as the basis for bringing about significant changes in appraisee attitudes to their work and performance. Skills such as questioning, listening, paraphrasing and reflecting feeling and meaning are most critical for encouraging an effective outcome especially when dealing with resentment and dissatisfaction. Effective counselling may help appraisee reason through the way to handle their performance problems so that they know how to resolve them and are committed to any solutions. This will enable the appraisee to know how to
handle such problem appropriately in the future and create a positive working relationship between them and their appraiser.

4.2.9 Effective Decision-Making

Effective decision making have been highlighted by Longenecker (1997), Fink and Longenecker (1998), and Rusli Ahmad and Nur Azman Ali (2004) in their study. Effective decision-making and sound judgement are key skills for effective performance appraisal. Effective decision-making and sound judgement are needed to effectively evaluate the appraisee actual performance and various rating criteria. Ineffective decision will result in psychometric errors which can destroy the effectiveness of the appraisal process.

4.2.10 Observational

Boice and Kleiner (1997), Fink and Longenecker (1998), and Piggot-Irvine (2003a) drawn their attention to observational skills of appraiser. Appraiser should objectively observing behaviour and performance of appraisee and most importantly how to keep a written record on these behaviours. Knowledge about critical incident and dairy keeping is an advantage for the appraiser. Other skills should include work sampling techniques to obtain a representative/non-biased sample of performances and behaviours that represent appraisee actual contribution to the organisation. These skills will allow appraiser to objectively recall appraisee behaviour and shall reduce unintentional errors and perceived fairness of the performance appraisal process.
4.2.11 Delegation and Empowerment

This skill also received minimal attention from the researcher. Only Fink and Longenecker (1998), and Khoury and Analoui (2004) highlighted the important of delegation and empowerment as appraiser skill. Delegation and empowerment refers to the ability of appraiser to create a sense of accountability in their appraisee by effectively distributing work, resources and authority. For delegation to work it requires trust and communication. An appraiser delegation skill includes clarifying duties, work assignments, goal and expectation. Appraiser should also know how to ensure that the appraisee has the power, information and resources necessary to fulfil the responsibilities that they have been assigned. Appraiser should be able to develop and perform evaluation procedures designed to determine if a responsibility are satisfactory completed. Without effective delegation and empowerment, performance planning and coaching are very difficult to do effectively.

4.2.12 Active Listening

Schweiger and Sumners (1994) and Wall et. al. (2002) mentioned active listening skills as a requisite skill of appraiser. Active listening is one of the requisite skills in counselling. In counselling, active listening commonly practice together with the use of silence, paraphrasing/summarising and the reflection of meaning an feelings. Active listening requires the appraiser to understand, interpret, and evaluate what they heard. The ability to listen actively can improve personal relationships between appraiser and appraisee through reducing conflicts, strengthening cooperation, and fostering understanding. By practicing active
listening, appraiser will understand appraisee better, able to encourage appraisee to open up and provide them the time to reflect on what has been discussed.

4.2.13 Agreeing Outcomes

Wall et al. (2002) is the only researchers that highlighted agreeing outcomes as a requisite skill for appraiser with specific regard during appraisal conversation. They noted that to be effective, appraisal is a collaborative process of appraiser and appraisee effectively engaged in a "skilled conversation". Appraiser should be able to look at the root problem or challenge that appraisee is faced with. The appraisee can then “do with support what need to be done”. The challenge for appraiser is to cut the problem deeply enough so that the appraisee can set in place an action plan that they can realistically engage with over an agreed timescale. At that moment appraisee will feel motivated and confident.

4.2.14 Career development

Fink and Longenecker (1998) mentioned career development as a skills for appraiser. If the purpose of performance appraisal is for employee development, then this skill is inevitable for the appraiser. These skills help the appraisee look at where they are at present, where they want to go and how they plan to get there. These skills requires appraiser helping appraisee to do a self-assessment of their performance, set realistic short and long term performance and career goals and working together to develop and implement a strategy designed to achieve personal improvement.
4.2.15 Knowledge of Forms and Procedures

Fink and Longenecker (1998) pointed out that in order to effectively perform the performance appraisal function, appraiser must know the purposes of the appraisal, the proper usage of the rating form and the relevant procedures related to the rating system and any problem shortcoming associated with the organizational appraisal system. This knowledge will ensure that appraiser will consistently evaluate performance in the proper frequency and time intervals required for effective appraisal. In addition, it ensures that each appraiser will have a common reference point in term of what the standards of outstanding, adequate or inadequate performance are for each job duty. This knowledge will prevent appraiser from committing technical errors in the appraisal process.

4.2.16 Motivating

Wall et. al. (2002) noted that appraiser must posses the skills to motivate their appraisee. Motivation is the force within the person that affects his or her direction, intensity and persistence of voluntary behaviour. Direction refers to target or goal that people wish to achieve. Intensity is the amount of effort allocated to the goal. Persistence is continuing the effort for a certain amount of time. To be effective motivator, appraiser must know what behaviours they want to motivate appraisee to exhibit. Appraiser need to motivate appraisee to join and remain in the organisation and to exhibit high attendance, job performance and citizenship behaviour. Setting goal that are specific, quantifiable, challenging but attainable will motivate high effort and performance from the appraisee. Appraiser also should not lose sight of the other potential downsides of goals.
4.2.17 Avoiding psychometric errors

Schweiger and Sumners (1994) highlighted that knowledge of psychometric errors should be included in the training for the appraiser in order to optimizing the performance appraisal system. Psychometric errors are measurement errors, which was due to the psychological predisposition of the appraiser. Performance appraisal suffer from many biases, meaning factors that should not influence appraiser but do, or factors that influence ratings in ways about which appraiser are unaware. Common psychometric errors in performance appraisal are leniency or harshness effect, halo effect, restriction of range, recency and contrast effect. Leniency or harshness effect is about higher or lower rating than warranted by actual performance. Halo effect is appraisee receives the same rating on logically unrelated performance criteria due to the appraiser overall impression of the appraisee. Restriction of range is appraiser tendency to assign the same ratings to different appraisee irrespective of their performance levels. When recent performance is taken as the entire year performance is called recency effect. Contrast effect is inappropriately high or low rating after a deserved low or high rating to the previous appraisee. Other psychometric errors or biases also include age, ethnicity and gender; physical appearance; attitudes and values; and politicking. Knowledge on these psychometric errors will improve appraiser ability to produce accurate and reliable performance appraisal rating and the process as a whole.
4.3 Interrelations of Appraiser Skills

From the analysis of the requisite skills for appraiser in performance appraisal process, this study found that these skills are interrelated with each other. Figures 4.1 demonstrate the interaction among the skills.

Figures 4.1

Correlation of Appraiser Skills
The relationships between the skills is illustrate using the arrow with its direction signified the manner of the relationship. There are two mode of interaction for each skill that indicated by the direction of the arrow. If the arrow directed from the skill denote that the skill required other skill. Or else, if the arrow directed to the skill imply that the skill required by other skill.

Based on the interaction depict in Figures 4.1, this study established that performance planning has the most relationship between the appraiser skills in performance appraisal process. Performance planning skill is relates with career development, and delegation and empowerment skill. It also link to knowledge of form and procedures, knowledge of legal and compliances, agreeing outcomes, effective communication, motivating and coaching. Another skill that has high number of relationship is effective communication. Effective communication is relates to performance planning, coaching, motivating, feedback and interviewing. While coaching skills relates to delegation and empowerment, career development and performance planning.

Active listening is also another significant requisite skill for appraiser. Counselling skill, interviewing skill and effective communication are link to active listening skill. Motivating skill is relates to performance planning and coaching. Skill to provide and receiving feedback connected to coaching and interviewing. Observational skill relates to psychometric errors, and conflict resolution and problem solving. Counselling skills relates with interviewing, and conflict resolution and problem solving.
Effective decision-making relates to avoiding psychometric errors, and conflict resolution and problem solving. Agreeing outcomes is relates to performing planning skills. Knowledge of form and procedures, and knowledge of legal and compliance are interrelated and both are connected to performance planning skill. Interviewing skill is link to effective communication, active listening, counselling, and providing and receiving feedback. Avoiding psychometric errors, as well as conflict resolution and problem solving are link with observational and effective decision-making skill. Career development, along with delegation and empowerment are connected to performance planning and coaching.

4.4 Summary

This study had gathered seventeen requisite skills required by appraiser to perform their roles in performance appraisal process. From the reviews of the requisite skills, this study found out that these skills are interrelated with each other. The next chapter will present thorough discussion on the interrelation between the skills and the conclusion of this study.
CHAPTER 5

DISCUSSION AND CONCLUSION

5.1 Introduction

This chapter will present the discussion and conclusion of this study. In order to simplify the discussion and to achieve better understanding of the research findings, the discussion is organised according to the question raised by this study. Subsequently this study will present it limitation, contribution and recommendation. This chapter will conclude with a summary.

5.2 Discussion

5.2.1 Appraiser Skills

The first question raised by this study was “What requisite skills do an appraiser need to perform effectively in performance appraisal process according to the literatures?” This study found that there were seventeen requisite skills appraiser need to perform effectively in the performance appraisal process. Table 4.1 listed those skills according to its frequency being highlighted by researcher in their articles. From those seventeen skills gathered from the articles, feedback is top on the list and followed by interviewing and effective performance planning. Coaching, and conflict resolution and problem solving received similar response from the reviewed articles. While counselling, effective communication skills,
effective decision-making and knowledge of legal and compliance issues had the same response. Other skills that caught researchers’ attention were active listening, delegation and empowerment, and observational skills.

Agreeing outcomes, career development, knowledge of forms and procedures, motivating and avoiding psychometric errors received minimal attention from the researchers in their write-up. A noteworthy point is that even though avoiding psychometric errors has been established having significant impact on the effectiveness of performance appraisal (Cook, 1995; Fink and Longenecker, 1998; Becker and Miller, 2002; Martley 2002; Dev Kumar, 2005; Lorenzet et. al. 2006; Van Scotter, 2007), but it only received minimal attention in term of appraiser skill. Therefore, this study believe that avoid psychometric errors should be recognised as a requisite skill for appraiser in performance appraisal process.

Form the theoretical perspective, in general, all the requisite skills of appraiser should possess are congruence with the skills and abilities of a leader as stated by leadership theories. Traits theory stated that one of the competencies of an effective leader is knowledge of the business (McShane and Von Glinow, 2005) is in agreement with appraiser knowledge of form and procedures, and legal and compliance issues. Traits theory also identified drive and leadership motivation as competencies of effective leader (Bateman and Snell, 2007). Leader drive is congruence with appraiser skill in coaching, career development, and delegation and empowerment. Leadership motivation reflected through appraiser performance planning skill and motivating.
LMX theory (Bateman and Snell, 2007) highlighted leader behaviour toward individual is similar with coaching, counselling, effective communication and agreeing outcomes. Task performance behaviour requires action taken to ensure that the organisation reaches its goals (Bateman and Snell, 2007). That behaviour transpires in appraiser performance planning skill.

Path Goal Theory (Bateman and Snell, 2007) had identified four pertinent leadership behaviours. Directive leadership is similar with performance planning skills. Supportive leadership is relates with coaching, feedback and counselling. Whilst participative leadership relates with delegation and empowerment. The other behaviour, achievement oriented leadership or behaviours geared toward motivating people are congruence with appraiser motivating skill.

5.2.2 Interrelations of Appraiser Skills

The second question was “How these requisite skills can be synthesises into a comprehensive set of skills for an appraiser to perform effectively in performance appraisal process?” The findings of this study found that all the skills are interrelated with each other as illustrated in Figure 4.1. Therefore, all of these skills have formed a comprehensive set of skills that is requisite for appraiser to perform effectively in performance appraisal process. This study believe that as each of these skills depend on each other in order to be more effective, absent of either one of them shall reduce its effectiveness.

Concur with the fact that performance planning phase is a fundamental part of performance appraisal process, performance-planning skill had the most interaction with other skills. To be effective, performance-planning required other
skill which are effective communication, motivating, coaching, knowledge of legal and compliance issues, knowledge of forms and procedures, and agreeing outcomes. Performance-planning skill also required by delegation and empowerment, and career development. Appraiser need to practice all these skill in order to have better result form the performance planning phase. Another skill that had high interaction is effective communication. Effective communication skill is required to increase the effectiveness of coaching skill, motivating, feedback and interviewing skill. Whereas, active listening skill will enhance the quality of communication skill. Appraiser requires effective communication skill in every phase of performance appraisal process.

Another highly interacted skill is coaching. Beside performance-planning, coaching skill are also required in delegation and empowerment, and career development. Coaching skill will enhance the effectiveness of these skills when they are practice together. Whilst, coaching will be more effective if it is couple with motivating and feedback. Interview form an integral phase of performance appraisal process and is not a simple process. Interviewing skill will become more effective if it is pair with active listening, counselling skill, and providing and receiving feedback. As mentioned earlier effective communication, hold an important key to interviewing skill effectiveness.

Active listening is another skill that related with several other skills. In addition to interviewing and communication, counselling skill also required active listening skill for it to be effective. Indeed, active listening is one of essential skills in counselling. Conflict resolution and problem solving skill is another requisite skill for effective appraiser. Appraiser required other skill that is
effective decision making, observational and counselling skill so as to resolved conflict and problem. Another requisite skill for appraiser is avoiding psychometric errors. To effectively avoid psychometric errors, appraiser required observational skills and effective decision-making. From the observation made by appraiser, they will be able to make better decision and as a result, they will able to avoid psychometric errors when giving rating score for the appraisee. Knowledge of form and procedures, and knowledge of legal and compliance issues have both mode of interaction, which mean knowledge of form and procedures are requisite to knowledge of legal and compliance and vice versa.

5.2.3 Appraiser Skills in Performance Appraisal Process

The third question in this study was “How appraiser can make use of these requisite skills effectively in the performance appraisal process?” Appraiser can make use of these requisite skills in performance appraisal phases based on the model developed by Fink and Longenecker (1998) as illustrated in Figure 2.1. In addition, this study found that there were several skills were not included in the skill set that they have identified. The skills were interviewing, active listening, motivating, agreeing outcomes and avoiding psychometric errors. Feedback was included in the coaching skill as a technique to improve the effectiveness of coaching skill. While, counselling was restricted to employee career and development only. Both skills were not classified as a skill independently.

Based on the analysis, this study believes that these skills should be synthesised into the Fink and Longenecker (1998) model of appraiser skills in the performance appraisal process. These skills are synthesised in all phases
Figures 5.1 illustrated the synthesised model of appraiser skill in performance appraisal process.

Figures 5.1

Synthesis Model of Appraiser Skills in Performance Appraisal Process

<table>
<thead>
<tr>
<th>Performance Planning</th>
<th>Performance Management and Ongoing Coaching</th>
<th>The Written Appraisal</th>
<th>The Appraisal Review</th>
</tr>
</thead>
<tbody>
<tr>
<td>Key competencies</td>
<td>Key competencies</td>
<td>Key competencies</td>
<td>Key competencies</td>
</tr>
<tr>
<td>1. Knowledge of rating forms and procedures</td>
<td>1. Observational skill</td>
<td>1. Knowledge of rating forms and procedures</td>
<td>1. Specific knowledge of review procedures</td>
</tr>
<tr>
<td>2. Performance-planning skills</td>
<td>2. Coaching skill</td>
<td>2. Effective decision making / sound judgement</td>
<td>2. Interviewing</td>
</tr>
</tbody>
</table>

Communication Skills
Knowledge of legal/compliance issues

In ongoing phase, feedback and interviewing skills should be included into requisite appraiser skill. Feedback is not just about “what” the feedback is but also “how” it delivered. Feedback when delivered positively by appraiser will result in positive response by appraisee and likewise, if it delivered negatively, appraisee surely will response negatively. Therefore, this study believes that feedback skill should be adopted as a skill by itself. This skill is also essential in review phase of performance appraisal process. As appraiser were required to
monitor appraisee behaviour and performance during this phase, motivation will be practical for appraisee who seems deficient in behaviour and performance. When motivating pair with coaching, it will produce better performance result.

Appraiser skill to avoid psychometric errors should be included in the written appraisal phase. Knowledge of rating forms and procedures alone will not guarantee that rating biases will not occur. As concurred with this study finding, knowledge of psychometric errors are relates to decision making in view of the fact that the knowledge will improve the decision-making effectiveness.

Interviewing should be included into performance appraisal review phase where appraiser will review appraisee performance. Interviewing skill is imperative during this phase because appraiser has to deal with appraisee reactions either positive or negative to performance ratings, performance improvement and career development. In addition, basic counselling skills such as active listening, questioning, paraphrasing and reflecting will produce better result if carry out appropriately by appraiser.

In addition to effective communication, knowledge of legal and compliances issues should be included into the foundation skills for every phase of performance appraisal process.

5.3 Research Contribution

The finding of this study has expanded the current knowledge of skills required by the appraiser to perform effectively in the performance appraisal.
Furthermore, this study has provided a better understanding on the requisite appraiser skills in performance appraisal process.

The ideas presented in this study may be used as a reference data in conducting a new research and serve as a cross reference to the future research that will give them a background, theory and overview of the appraiser skills in performance management process. With the expansion of skills set required by appraiser, researchers can use this finding to develop a better training program.

Much of the effectiveness of a performance management system hinges on the accuracy of the data generated by it (Miler and Thornton, 2006). From the organization perspective, the findings of this study will improve and strengthen organization performance management system through an effective appraiser that produces accurate and reliable performance rating. From the findings of this study, the policy maker can make compulsory for the organization to ensure that their managers go through a training program that focus on improving the required skills to be an effective appraiser.

5.4 Limitation of Study

The main limitation of this study is the methodology adopted for this study. This study confines to qualitative design which using online journals articles as the source of data. The articles used for this study is limited to online journals that had been published in Emerald Group Publishing website. The data is restricted to what already exist thus causal effect could not be determined and the findings could not be generalised. Beside that, the data analysis method use in
this study is also cause limitation to this study. The content analysis method
chosen are subjected to researcher rigorous interpretation and inferences.

Another limitation is the focus of this study. This study focus exclusively
to appraiser skill in performance appraisal process. Other elements of performance
appraisal process such as appraisal instrument that might affect the process
effectiveness was not taken into consideration. This study also faces with time and
other resource limitation to complete this study.

5.5 Recommendation

This study recommends that further quantitative research should be
conducted to determine the correlation and causal effect between each of the
requisite skills. Perhaps, a quantitative research may condense this list of requisite
skills into a more limited number of underlying dimensions. As the skill set is not
exhausted, further research should be conducted to explore other requisite skills
for appraiser. Additionally, these requisite skills should also undergo rigorous test
to ensure its effectiveness as a skill for appraiser in performance appraisal process.
Based on the significant effect of psychometric errors to performance appraisal
process, this study also recommend that further exploratory research should be
conducted on avoiding psychometric errors as a skill for appraiser. Finally, further
research should also include other elements of performance appraisal process in
the research frameworks.
5.5 Summary

This study has identified seventeen requisite skills for appraiser to perform effectively in the performance appraisal process. These skills do not stand by itself but interrelated with each other. When practising together it will enhance the effective of the skills. The findings have expanded the skill set proposed by Fink and Longenecker (1998). All the requisite skills identified are congruence with the traits and behaviour of leadership theories. The findings of this study have contributed to the expansion of knowledge in appraiser skills and open up new avenue for future research. From the organisation perspective, these findings will improve the effectiveness of the performance appraisal process. The main limitation for this study was its methodology. Finally, this study recommended a comprehensive quantitative research should be conducted on this topic.
REFERENCES


<table>
<thead>
<tr>
<th>Author</th>
<th>Article Title</th>
<th>Appraiser Skills</th>
</tr>
</thead>
<tbody>
<tr>
<td>Analoui, F., &amp; Fell, P. (2002).</td>
<td>Have you been appraised? A survey of the University Administrative Staff</td>
<td>1. Interviewing</td>
</tr>
<tr>
<td>Author</td>
<td>Article Title</td>
<td>Appraiser Skills</td>
</tr>
<tr>
<td>------------------------</td>
<td>-------------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------------</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2. Ability to clarify and communicate job duties and performance expectation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3. Effective decision making skill/sound judgement</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4. Coaching skills</td>
</tr>
<tr>
<td></td>
<td></td>
<td>5. Effective written, verbal communication skills</td>
</tr>
<tr>
<td></td>
<td></td>
<td>6. Delegation/empowerment skills</td>
</tr>
<tr>
<td></td>
<td></td>
<td>7. Effective observational/work sampling skills</td>
</tr>
<tr>
<td></td>
<td></td>
<td>8. Employee development/career counselling</td>
</tr>
<tr>
<td></td>
<td></td>
<td>9. Conflict resolution/problem solving skills</td>
</tr>
<tr>
<td></td>
<td></td>
<td>10. Knowledge of legal/compliance issues</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2. Written communication skills</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3. Conduct two way, interactive interview</td>
</tr>
<tr>
<td>Author</td>
<td>Article Title</td>
<td>Appraiser Skills</td>
</tr>
<tr>
<td>--------</td>
<td>---------------</td>
<td>------------------</td>
</tr>
</tbody>
</table>
2. Feedback  
3. Interviewing  
4. Empowerment |
2. Coaching  
3. Decision making  
4. Interviewing  
5. Conflict Resolution  
6. Feedback |
2. Observation skills  
3. Interviewing  
4. Communication |
<table>
<thead>
<tr>
<th>Author</th>
<th>Article Title</th>
<th>Appraiser Skills</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>2. Providing feedback</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3. Agreeing outcomes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4. Motivating</td>
</tr>
<tr>
<td></td>
<td></td>
<td>5. Understanding implication of appraisal</td>
</tr>
<tr>
<td>Author</td>
<td>Article Title</td>
<td>Appraiser Skills</td>
</tr>
<tr>
<td>--------------</td>
<td>-------------------------------------------------------------------------------</td>
<td>------------------</td>
</tr>
</tbody>
</table>