

Integration of the Rational, Political and Justice Models of Performance Appraisals: The case of the Sri Lankan Public Sector

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Abstract

In recent times there have been urgent calls for reforms in the public sector, and thereby certain private sector management techniques have been advocated to be implemented in the public sector. Special emphasis has been placed on performance management and thereby performance appraisals in this regard. However, research and observation show that performance appraisals have failed in their duty in both the private sector and the public sector in their design as well as their implementation. Performance appraisals literature speaks of three models, namely, the rational, political and justice models. However, they have been researched in isolation and conclusions drawn thereof. Such isolation has been identified to limit the ability to capture the socio political nature of performance appraisals within the public sector. The conceptualization presented in this research attempts, therefore, to combine the rational, political and justice models of performance appraisals and extend the current knowledge of performance appraisals. Thereby, a qualitative approach was adopted based on the post positivist philosophy when conducting the research. In-depth interviews were used for data collection using two public sector organizations in Sri Lanka, and thematic analysis was conducted with the use of the NVivo 8 software. The findings of this research study indicate the need for clear identification and articulation of the purposes of a performance appraisal for it to be effective, and also that user interpretation and manipulation has an impact on the relationship between the due process of performance appraisal and the purposes of performance appraisals. It further elaborates the need for the appraisal process to be designed with the end in mind or rather a retrogressive or backward-looking approach to be adopted. It has also paved the way to create an extension to the conceptual model originally proposed.

Keywords: Due-process of performance appraisals, User interpretation, User manipulation, Purposes of performance appraisals, Social Rule System Theory.

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Introduction

Traditional bureaucratic organizational models that existed in the public sector have been challenged by New Public Management (NPM) (Boyne 2002 as cited in Vanhala & Stavrou, 2013). Public sector organizations have been urged to be more citizen-centric, and towards this end to be more efficient. With this trend, there has been a great emphasis on performance management (PM) (Azzone & Palermo, 2011). However, NPM's approach to PM has been a one-sided reliance on financial and efficiency-based PM which has failed to improve the provision of public services (Modell, 2004). As per Jones (1999), this has led to calls for broadening the assessment of performance to better account for non-financial aspects (as cited in Modell, 2004), with special reference to performance appraisals and reward systems (Azzone & Palermo, 2011).

When reviewing the performance appraisal literature, it can be seen that it revolves around three models; the rational model, the political model and the justice model. According to Folger, Konovsky and Cropanzano (1992), traditional research has viewed performance appraisals as analogous to the psychometric process of constructing a test. The assumption of the rational model is that an objective view of reality exists, and that under an ideal appraisal situation, the appraiser and the appraisee share the same view. An alternative view to the rational model of performance appraisals comes from a political perspective by Cleveland and Murphy (1992) (as cited in Thurstan & McNall, 2010) who suggest that performance appraisals occur in the context of raters' desires to project a favourable self-image, obtain valuable outcomes for their units, portray themselves as caring individuals, and avoid negative consequences and confrontations. The other model, the justice model of performance appraisals, revolves around four forms of justice, namely, distributive, procedural, interactional, and informational and is believed to provide a robust framework for explaining and improving perceptions about performance appraisals (Thurstan & McNall, 2010).

As researchers on performance appraisal have looked at the area of appraisals in either a rational, political or justice perspective, much of the research has relied on one of the three models. Thereby the holistic picture and the reality that performance appraisals happen in a people centered environment and the fact that they are performed for individual and organizational purposes have been forgotten (Longenecker, Sims & Gioia, 1987). It is for this reason that this paper suggests an examination of the achievements of organizational purposes of performance

appraisals through the integration of the rational, political and justice models of performance appraisals. Further, it is clear that even though PM initiatives have been undertaken by public sector organizations, the success or failure of such initiatives have not been accounted for nor explored (Azzone & Palermo, 2011), especially in a holistic manner.

Based on the above reasons, the two research questions that the authors intend to answer are; (a) what is the relationship between the due process of performance appraisals and the purposes of performance appraisals; and (b) what is the impact of user interpretation and manipulation on the relationship between the due process of performance appraisals and the purposes of performance appraisals? Therefore, the two objectives of this research are to (a) explain the relationship between the due process of performance appraisals and the purposes of performance appraisals; and (b) explore the impact of user interpretation and manipulation on the relationship between the due process of performance appraisals and the purposes of performance appraisals.

The theoretical explanation that is provided herewith will contribute to practice by way of providing the needed insight to personnel within public sector organizations. Thus policy makers will gain insights as to the importance of taking a holistic view of performance appraisals to better understand and implement performance appraisal systems, while handling the issues that may arise in doing so.

The following section will be a literature review on performance appraisals. An explanation of how the propositions and the conceptual framework were developed is also included, followed by the methodology that was adopted. A discussion of the empirical findings is also incorporated in the paper together with the theoretical and managerial implications of the study and possible avenues for future research.

Literature Review

Purposes of performance appraisals

Many authors have stressed the multi-purpose nature of performance appraisals such as improving organizational communication, behaviour and performance, as well as for tying pay to performance and improving overall productivity (Bretz & Milkovich, 1989); employee training needs, merit review and salary administration (Levine, 1986 as cited in Cleveland, Murphy & Williams, 1989); and the provision of

information that is relevant for many personnel decisions, including salary increases, recommendations for promotions, and transfers (Huber, 1983).

These purposes of performance appraisals as per Cleveland, Murphy and Williams (1989) may be classified as organizationally and individually oriented purposes which in turn may lead to incompatibilities in performance appraisals. This research focuses only on the organizationally oriented purposes of performance appraisals. When evaluating the different purposes, they can be broadly categorized under the three broad areas of performance appraisals identified by Murphy and Cleveland (1991); employee development, reward allocation and legal documentation.

The rational, political and justice models of performance appraisals

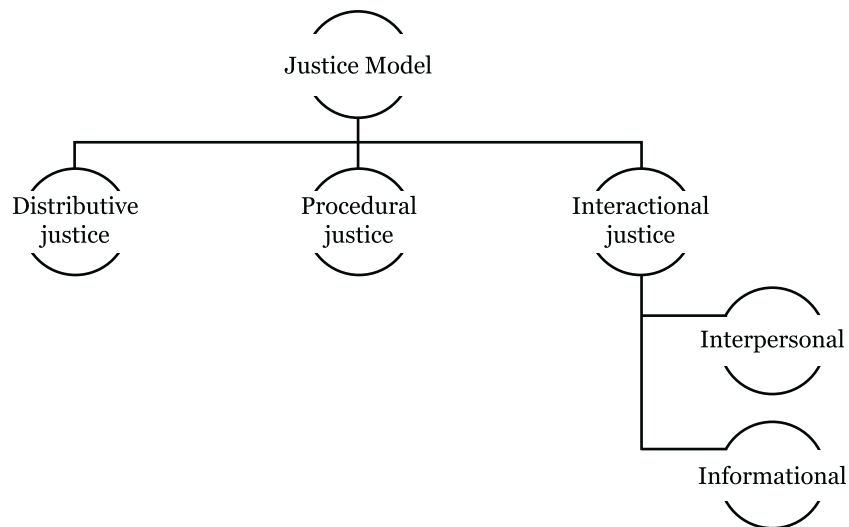
The traditional view named the test metaphor, relies on the assumptions that an objective view of reality exists and, in the ideal appraisal situation, that both the rater and the employee share this view (Thurston & McNall, 2010). The conclusion that can be drawn from this is that in the presence of a perfect appraisal process, the purposes of the appraisal will be achieved. However, there are many instances which have proved otherwise (Ingraham, 1993; Taylor et al., 1995). For example, rater errors, rating accuracy and neglect of other qualitative aspects (Cardy & Dobbins as cited in Crawley, Keeping & Levy, 1998) have been mentioned as reasons. Further, there seems to be an inadequacy in some aspects of these variables when reasoning out the continued failure of performance appraisals in the public sector or the non-achievement of the purposes of performance appraisals.

Literature also implies that organizational politics may have an impact on performance appraisals in terms of interpretation and manipulation (Ingraham, 1993; Jenkins, 2005; Orlikowski, 1992; Sole & Schiuma, 2010). The paper notes the importance of drawing from the political model due to such previous findings made through research. The political model of performance appraisals emphasizes the personalities, self-interests, power and negotiations among the participants of performance appraisals (Thurston & McNall, 2010).

Thurston and McNall (2010) argue that performance appraisal is more than observation, judgment, evaluation, interviews, and formal documentation which are emphasized by the traditional model. They also criticize the political model emphasizing that performance appraisals are more than the personalities, self-

interests, power and negotiations among the participants, and that it ignores the checks and balances placed on the participants by the organization and the people within that organization including the formal processes, social norms, and ethical and legal standards that constrain the instrumental goals of the individuals. They propose the justice model of performance appraisals as an alternative which draws on the work of Leventhal's Model (1980), and demonstrates the existence of two justice factors; a distributive factor associated with the fairness of distribution of outcomes and a procedural factor associated with the fairness of the means used to determine the outcomes. A third form of justice, introduced by Bies and Moag (1986, as cited in Thurston & McNall, 2010) is interactional justice which focuses on the quality of interactions among people in the work environment. As per Greenbergh (1993 as cited in Thurston & McNall, 2010), interactional justice consists of two components; interpersonal justice which refers to the quality of the treatment that the target receives and informational justice which refers to the procedural explanations as to why something occurred.

Figure 1: The components of the justice model of performance appraisal



Together with the explanation of the basis on which the rational, political and justice models have been used to conduct past research on performance appraisals, there is clear evidence that these models have been looked at in isolation. This paper emphasizes the importance of looking at performance appraisals in a holistic manner, where the three models of performance appraisals will be combined and an enhanced model presented, which will enable researchers on performance appraisals

to acquire a better understanding of them. It points out the fact that all three models are equally important and are interrelated in several ways, and have a relevance to the purposes for which performance appraisals are being conducted, and that combining all three models to explore a performance appraisal situation would add more value to it and expand the existing body of knowledge. Further, it will assist in overcoming the weaknesses of each individual model which was elaborated above.

Due process of performance appraisals

According to Taylor et al. (1995), due process of law is a right guaranteed under the Fifth and Fourteenth amendments of the United States Constitution, and is intended to ensure individuals' fair treatment when charged with legal violations. Folger, Konovsky and Cropanzano (1992) have extended and applied this due process metaphor borrowed from the discipline of law and theories of procedural justice into performance appraisals, and have developed three characteristics of a due-process appraisal system which are set out as adequate notice, fair hearing and judgment based on evidence. The relationship of due-process appraisals to procedural justice theories is that there are two theoretical explanations for the psychological processes underlying procedural justice effects, namely, instrumental control and relational concerns (Taylor et al., 1995). As per Thibaut and Walker (1978), instrumental control is the situation where disputing parties or those affected by institutional or organizational decisions want control over the conflict resolution or decision process, because they view it as instrumental to improving their own outcomes or their relationship with the other party in dispute (as cited in Taylor et al., 1995). Relational concerns, as explained by Lind and Tyler (1988 as cited in Taylor et al., 1995), are the concerns about dispute resolution or decision-making procedures that arise because people care about their long-term relationship with the authorities or institutions that employ the procedures. Folger, Konovsky and Cropanzano (1992) suggest that performance appraisals may be viewed more appropriately as disputes over the allocation of outcomes such as merit pay, promotion or status, and that the due process metaphor may better address the appraisal situation in organizations. Adequate notice as an element of the due process of performance appraisal refers to the publication, distribution and explanation of performance standards to employees; while fair hearing refers to the requirement of a formal review meeting; judgment based on evidence as the application of performance standards consistently across employees.

Thurston and McNall (2010) critique the due process method in that it limits itself to structurally determined aspects of the appraisal system and does not consider many of the social aspects of performance appraisal practices that are also important to perceptions of fairness, and point out that the relative influences of social and structural forces need to be understood with regard to appraisals. However, when studying the justice model closely regarding performance appraisals, many a facet within it falls within the due process of performance appraisals, which have not captured the attention of Thurston and McNall.

Table 1: Similarities and overlapping nature of the due process model and the justice model of performance appraisal

Justice approach	Due Process of performance appraisals
Procedural justice perceptions <ul style="list-style-type: none"> • Setting criteria • Seeking appeals 	Adequate notice Fair hearing
Distributive justice perceptions <ul style="list-style-type: none"> • Decision norms 	Judgment based on evidence
Interpersonal justice perceptions <ul style="list-style-type: none"> • The way the appraiser treats the appraisee 	Fair hearing
Informational justice perceptions <ul style="list-style-type: none"> • Clarification of performance expectations and standards • Feedback received • Explanation and justification of decisions 	Adequate notice Adequate notice Judgment based on evidence

Relationship between the due-process of performance appraisals and the purposes of performance appraisals

According to Elena (2000 as cited in Lee & Bruvold, 2003), employee development means developing the abilities of an individual employee as well as the organization as a whole. Consistent with the relational explanation of procedural justice effects, a due-process appraisal system should enhance employees’ feelings of self-worth and their feelings of positive standing within the organization, and thereby an individual’s job satisfaction should increase, and also his/her overall attitude towards his/her work and job situation should improve (Taylor et al., 1995). Based on the above explanation, it can be concluded that when the due-process of performance appraisals exists it enables the achievement of employee development.

Allocation of rewards refers to the method of distributing rewards (Erez & Earley, 1993 as cited in Fischer & Smith, 2003). When people are aware of the standards of performance expected of them, they can make an impact on how rewards are allocated to them and to others. Similarly, when people are given an opportunity for a fair hearing, with a formal review meeting, they have the opportunity to voice themselves regarding their performance appraisal. Also, when appraisals are conducted in a manner where judgments are made based on evidence rather than on opinion, it can be assumed that it will lead to a fair allocation of rewards. Thereby, it can be safely assumed that the existence of a due-process of performance appraisal enables proper reward allocation.

It is important for organizations and especially for personnel and departments overlooking employee related matters to maintain records of legal documentation for future reference, and also for clarification purposes whenever the need arises. Organizations implementing a due-process appraisal system gain increased legitimacy in the eyes of their employees (Tyler & Lind, 1992 as cited in Taylor et al., 1995). This provides greater satisfaction with dispute resolution procedures that provide disputing parties with a high degree of control over the decision process (Thibaut & Walker, 1978 as cited in Taylor et al., 1995). Based on the above, it can be concluded that when the due-process of performance appraisals exists, the purpose of legal documentation can be achieved.

Proposition 1 is based on the above explanations, and on the rational model of performance appraisals and the due process model which is very closely linked to the justice model of performance appraisals.

Proposition 1 – Due process in performance appraisals leads to the achievement of the purposes of performance appraisals.

User Interpretation and Manipulation

Ahamad and Bujang (2013) state that sometimes raters themselves are confused regarding the meaning of performance appraisal and the standard measurement with which to measure work performance. This connotes the importance of user interpretation in performance appraisals. Managers' reactions to procedural justice interventions are quite important, since they may either safeguard or sabotage fair policies and procedures through their interactions with employees (Taylor et al., 1995).

Pfeffer (1981 as cited in Taylor et al., 1995) mentions that those with more power are unable to move beyond their parochial concerns to make decisions that are fair to those with less power; and those with less power possess fewer analytical resources, bargaining skills, and information to protect their own interests. In an appraisal context, the parties with more power were the appraisers and those with less power are the appraisees. Longnecker, Gioia and Sims (1987) in their research have found that managers frequently distort appraisal results to further their own interests, by way of inflation and deflation (as cited in Taylor et al., 1995). They elaborate that managers would inflate performance appraisals so that: the unit would not look bad to outsiders; the ratings would become a permanent part of the individual's file; because state salaries were low enough without making people lose merit money; to avoid any likely conflict with the employees; and the employee's recent performance was better than his or her earlier performance. Further, they would deflate performance appraisals: to get employees back on track; remind them who is boss; and get them to think about leaving the unit because they were not welcome by the manager.

Other reasons highlighted with regard to manipulation are: that appraisals take place in an environment that is anything but completely rational, and that managers providing appraisals may have other motives and purposes that may supersede a concern for accuracy (Ahamad & Bujang, 2013); that the broad socio-psychological process is embedded in the contingencies of an organizational setting, and in the performance appraisal system user groups, and is not just a cognitive one (Murphy & Cleveland, 1991 as cited in Jenkins, 2005); the impact of inter-personal and inter-group influence processes and political behaviour (Longenecker, Sims & Gioia, 1987 as cited in Taylor et al., 1995).

Though looking at it from a normative orientation, we expect the purposes of performance appraisals to be achieved due to the existence of a due-process in performance appraisals, the reality behind the use of performance appraisals is very different. Rosenfeld, Giacalone, and Riordan (1995 as cited in Jenkins, 2005) suggest that research models of performance appraisals must take on board work on inter-group and inter-personal influence processes. As per Jenkins (2005), realism argues that these structures and processes are the bedrock of performance appraisal activities in an organization, and constitute the social norms, relations on reporting, responsibility and interdependence and patterns of social interaction within performance appraisal activities.

Based on the above allegations, authors have raised questions on how the rational-legal and formal elements of performance appraisal (the due-process of performance appraisals in this case) are appropriated and modified by different groups and individuals through informal social processes; and how political will and skill is developed, mobilized and used by individuals and groups around appraisal processes (Jenkins, 2005).

When the users of performance appraisals, who are the appraisers and the appraisees, interpret the performance appraisal process in their own way and as per their perceptions, it can be expected that it will have an impact on the strength of the relationship between the due process of performance appraisal and the purposes of performance appraisal. User manipulation refers to users putting things to use and appropriating specific things in their own way (Barlow, 1989; Jenkins, 2005). When this happens, it can be assumed that it may have an impact on the achievement of the purposes of performance appraisal even when the due process of performance appraisals exists. Therefore, based on the features of the political model of performance appraisals mentioned above, the researcher incorporates the concepts of user manipulation and user interpretation and proposes that,

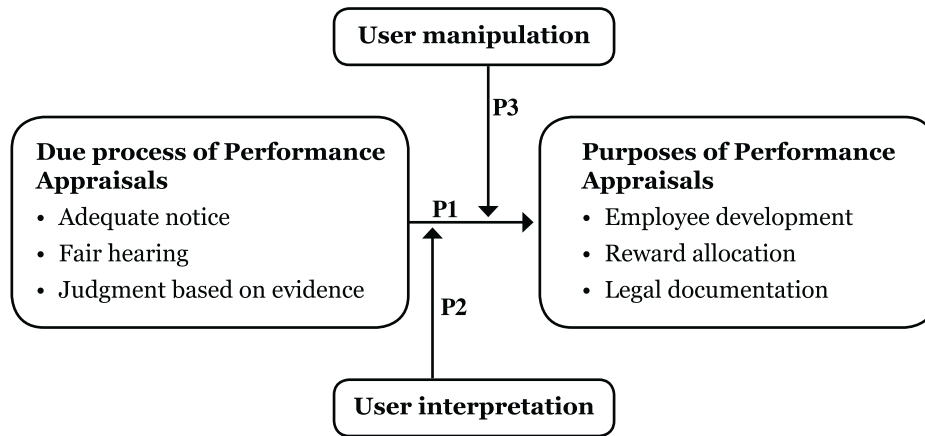
Proposition 2 – User interpretation may have an impact on the relationship between the due process of performance appraisals and on the purposes of performance appraisals.

Proposition 3 - User manipulation may have an impact on the relationship between the due process of performance appraisals and on the purposes of performance appraisals.

Conceptual Framework

Based on the above explanations, the researchers present the conceptual framework shown in Figure 2.

Figure 2: Conceptual framework developed by the authors



Methodology

This research is based on post positivist research philosophy and takes a qualitative approach to address the complexity within public sector organizations and the performance appraisals they conduct.

A case study strategy was adopted for this study as it focused on a contemporary phenomenon within a real life context and because it is commonly used in the social sciences discipline in the area of public administration (Yin, 2009).

Construct validity was achieved by defining the specific concepts within the conceptual framework at the conceptualization phase. At the operationalization stage of the research, the researcher identified operational measures from other quantitative studies conducted in the specific area and adapted them in a qualitative manner. Construct validity was embedded at the data collection stage of the research by using multiple sources of evidence such as documents, individuals and observations. Internal validity was ensured through pattern matching; explanation building; addressing rival explanations; and using logical models at the data analysis phase of the research. External validity was achieved by using replication logic in multiple-case studies during the research design phase and through analytical generalization at the data analysis phase, where the researcher strived to generalize the results of the research to the broader Social Rule System Theory.

At the data collection phase, a case study protocol and a case study database were developed in terms of case study notes, case study documents, tabular materials and narratives through which reliability was established.

With the intention of conducting a more robust research study, a multiple-case design was adopted, where two cases were selected. The study took the form of embedded multiple-case studies (Yin, 2009), where the multiple cases involved more than one unit of analysis: the main unit of analysis was at the organizational level and the secondary unit of analysis was at the organization's individual employee level. The organizational level unit of analysis is at the level addressed by the main research questions.

The researcher used the technique of intensity sampling (Patton, 1990 as cited in Coyne, 1997) when selecting the two cases: the respondents and the documents for the study. The cases were identified as having the greatest intensity, greatest experience and attributes of that which is being investigated in the phenomenon of performance appraisals within public sector organizations in the Sri Lankan context. The research sites chosen were based on the similarity of their structures and operations, since different public organizations have different attributes and the researcher did not want such differences to contaminate the findings across the two organizations that were selected. Moreover, both organizations have undergone citizen-centric reforms and have been recognized by local and global bodies for their reforms, and have also been selected as pilot projects, in both instances, of performance appraisals in the public sector; the first being introduced by the Public Administration circular No 07/98 and the second by the Public Services Commission (J. Jayasundera, February 11, 2015). The cases chosen for the study were the Department of Immigration and Emigration and the Department of Customs.

Ten respondents were selected from each Department comprising of five appraisees and five appraisers. The interviews were conducted in Sinhala and were later translated into English by the first author. The appraisers were middle-level officer-grade employees within the Departments. The appraisees were their immediate superiors or officers at the next level. Both appraisees and appraisers were chosen as respondents to ensure respondent triangulation, and face to face in-depth interviews were conducted with all the respondents.

The technique of thematic analysis (Braun & Clarke, 2006) and document analysis (Bowen, 2009) was undertaken in analysing the data. A mix of a priori and emergent codes (Stemler, 2001) were identified through data analysis which was performed using NVivo 8. Seventy five a priori codes were identified through the literature review and the conceptual framework. Thirty three emergent codes were identified through data driven inductive analysis (Fereday & Muir-Cochrane, 2008). This was done by examining the data repeatedly and identifying key words and phrases relevant to the research that were shared by the interviewees. The data was then linked to the identified a priori and emergent codes which were used for the data analysis.

Since performance appraisal within public sector organizations itself is a contemporary human affair in a real-life context, adherence to research ethics was given priority. Prior approval was sought from both organizations and anonymity of the respondents was ensured in all stages of data collection, storing, recording, and reporting.

Findings and Discussion

Due process and the purposes of performance appraisals

In the case of both Departments used in this study, there was very little or no discussion of goals at the beginning of the appraisal period. Also, the goals that were communicated to the users of appraisals could be subject to change according to the decisions of the government over which both Departments had little or no control.

As a superior, before starting the performance appraisal we need to explain to the subordinates what work is expected from them and give them a work process. However, this does not happen in the current system (Appraiser K).

The appraisers and appraisees had very little formal training, if any, with regard to performance appraisals. Furthermore, very little time was spent on performance appraisals during an appraisal period. There was over reliance on informal feedback and coaching that happened at the two Departments, that the seriousness that should have been placed on the formal reviews was neglected.

Here we have tried to get things done in a very friendly manner. We discuss with the employees what areas they should improve in and how their performance should enhance (Appraiser J).

According to the appraisers and the appraisees, the importance placed on giving an accurate and objective evaluation of their performance was hardly observable. This was attributed to the fact that there was no substantial outcome of the performance appraisal.

At the end of the year we just state that we have acquired a certain amount. It's like both parties were being cheated (Appraisee C).

The other aspect revealed by the study was that neither the appraisees nor the appraisers were concerned about incorporating due process aspects in the performance appraisal because they did not see that there was any point in performance appraisals. Even though opportunities for discussion on performance appraisals existed, very little, if any, use was made of it by the appraisers and the appraisees.

The reason is that there isn't anything to do based on the performance appraisal other than the increment, and the increment is itself a very meager amount (Appraiser G).

Longnecker, Fink and Cadwell (2014) suggest that many-fold benefits can be accrued from effective self-appraisals, and that they can provide an additional source of information for the rater, greater employee involvement and engagement in the process and greater ownership over outcomes. This was an area that was lacking in the performance appraisals conducted by the two Departments. The same researchers also stress the importance of informal feedback and coaching in-between formal reviews.

As seen by the statements above, the current process allows ample opportunities for the appraisees and the appraisers (who are the users of the performance appraisals) to produce their own social grammars of action (Burns & Machado, 2014), something which may constrain the successful implementation of performance appraisal. This may sometimes happen in a way they neither intend nor expect as it was indeed observed while analyzing the findings of the two cases.

This shows that there is due-process, to a certain extent, within the two organizations, especially with regard to fair hearing, but not in a very concrete or substantial manner.

When analyzing the data, it was clear that the members of the Departments had not been explicitly informed of the purposes that could be derived or were expected to be derived from having a performance appraisal in place.

If two A4 papers go to our file, that would be sufficient. Apart from that there is nothing. No one even looks at it. Therefore, I think it is only a waste of paper. We fill the performance appraisal because it is something that should be done formally. My personal view is that we do not need a performance appraisal (Appraisee Q).

In both cases, it becomes clear that the conducting of a performance appraisal system within these organizations, is merely to adhere to the formalities specified by the government with regard to performance appraisals, and done as a formality that should be completed for approving annual increments for employees.

The other point is that even if I give a rating of “excellent” he or she does not get anything special, not even a promotion [smiles]. All those who were rated “excellent”, “above average”, and “satisfactory” will get the same and will be at the same time. They will get the increment and it will stop there (Appraiser I).

Employee development is an area that has been neglected within the performance appraisal process that is in place in the two organizations.

During my tenure, I have not had an instance where the appraiser informed me of the areas to be developed etc. (Appraisee Q).

All the above reasons may be major causes for the failure of performance appraisals in the two Departments under consideration.

However, this seems to be a common issue with regard to performance appraisals. According to Longnecker, Fink and Cadwell (2014), 34% of participating organizations cited in their research did not have a clear purpose that had been articulated for engaging in the process of performance appraisal. This was the same with the Departments that were considered for the present study.

Performance appraisal information had a greater impact on decisions or activities between or within-individual comparisons rather than system maintenance or documentation (Cleveland, Murphy & Williams, 1989). But empirical revelations from the two cases suggest otherwise, where in both the cases, performance appraisals were conducted to justify salary increments that the employees will receive anyway and as documentation for such. It is, however, in line with the findings of Kane and Lawler (1979 as cited in Cleveland, Murphy & Williams, 1989) that performance appraisal systems often involve multiple conflicting goals.

Murlis (1992 as cited in Ingram, 1993) states that there is growing evidence in many countries and in many public organizations that indicates that employees themselves subscribe to a belief that their performance and productivity should be evaluated and that good performers be rewarded. This could also be observed in the above two cases under study where the employees commented on the fact that there was a lack of interest in performance appraisals as there was no outcome from it and that therefore, it was of no use.

When considering employee development as a benefit of performance appraisal, it was clear that the information gained from performance appraisals was not used very much for employee development initiatives such as training and development within the two organizations. This is an area that lacks attention. As per Arthur (1994), performance appraisals that aim to enhance human capital and provide developmental support can forge a committed workforce whose goals are closely aligned to those of the organization.

According to Propper and Wilson (2003), the lack of consolidated measurement systems, standardized outputs and measurable targets makes allocation of rewards based on performance appraisals more difficult. This is also the case in the contexts of the two departments used for the study.

Therefore, based on the above explanations, it is clear that there are characteristics of due process embedded in the current performance appraisal system that is in use and one that was introduced by the Public Service Commission of Sri Lanka, and is being pilot tested in a number of public organizations. However, as the users of performance appraisals are not aware of the outcomes that are expected from the performance appraisals and since they do not see anything material that can be gained individually or as groups through active and informed participation in

the implementation of performance appraisals, the expected true purposes of performance appraisals have not been achieved in the public sector of Sri Lanka.

Based on the above discussion, it can be concluded that the data did not support the first proposition which proposed that due process in performance appraisal may lead to the achievement of the purposes of performance appraisals.

User interpretation, due process and purposes of performance appraisals

The interpretation of the appraisers as well as the appraisees in the two organizations of performance appraisals is that they are mere formalities for the approval of their annual increment which itself is a meager sum.

This is clear in the cases of the two organizations, where the emphasis is placed on the annual increment when even the raters want to rate in such a way as to make sure that the employees are not deprived of their annual increment. This also has a bearing on why users manipulate performance appraisals. Certain comments like the one below shared by the users of performance appraisal within the two organizations indicated the impact of user interpretation on performance appraisals.

Being in office, when an appraiser gives a negative comment, it is difficult to work and face people (Appraisee A).

We are all humans so we can't prevent it if someone is being partial [smiles]. If the superior is a person who takes fair decisions it will be good. But it is difficult to face such situations in the practical world. A person's perspective can be different. You can see something as good and for someone else it can be bad. That is how it is (Appraisee D).

When considering the cases of the Department of Customs and the Department of Immigration and Emigration, even though there are no cases of “extreme” dissatisfaction, employees do not think it is of any use performing an appraisal and think that it is a waste of paper and time, and that it is something irrelevant to their performance. Therefore, the performance appraisal does not act as a source of motivation to the employees or as an impetus for individual or organizational development.

According to Longnecker, Fink and Cadwell (2014), when organizational members are left to their own interpretation or understanding of why an organization does something, the potential for misunderstanding, misdirection, miscommunication, and subsequent misaligned activity is significant. This is in line with the findings of Longnecker, Gioia, and Sims (1987 as cited in Cleveland, Murphy & Williams, 1989), which state that, when there are multiple purposes of a performance appraisal, raters assess the consequences of each purpose and then complete the appraisal form with the single most important purpose in mind, de-emphasizing all others.

Skarlicki and Folger (1997 as cited in Palaiologos, Papazekos & Panayotopoulou, 2011) state that the appraisal process can be a source of extreme dissatisfaction when employees believe the system is biased, political or irrelevant.

Based on the above explanations, it can be concluded that user interpretation does have an impact on the relationship between the due process of performance appraisals and the purposes of performance appraisals, and that the data supported the second proposition.

User manipulation, due process and purposes of performance appraisals

In the context of the two organizations concerned, where the appraisers rate the appraisees in a manner in which the appraisees' annual increment is ensured, this is the motive which supersedes every other purpose of the appraisal. This is the situation that prevails in the two organizations under consideration, where manipulation takes place to benefit the appraisees.

No boss likes to have enemies among his subordinates. After all we live together and work together at the same place like family members. It is difficult to face people if subordinates develop feelings of anger towards their superiors. We are like relatives within the same organization for long periods of time; therefore, biases can occur in a favourable manner (Appraiser L).

The appraisers give lenient ratings because there is nothing the employees have to gain (by poor performance) or lose (by superior performance) through the existing system.

In the case of the findings, accountability for performance appraisals was not observed and the need for accountability was not stressed. This may be one reason for the inaccuracy and leniency in the ratings given by the appraisers.

A reason as to why the appraisers tend to appraise in a manner that is favourable to the appraisees maybe because the appraisals are done merely for the allocation of increments. It could be expected that the appraisers may appraise more accurately if the appraisal was used for more meaningful purposes rather than for simply allocating the annual increment, which is again a very insignificant amount of each employee's salary.

Managers providing appraisals may have other motives and purposes that may supersede a concern for accuracy, say Ahmad and Bujang (2013). This behaviour is also supported by the work of Kim (2011) where she says that employees may receive merit increases even if performances do not warrant them, because supervisors want to avoid creating animosity among employees.

Kim also says that sometimes, managers tend to evaluate subordinates too leniently with little differentiation between high and low performers. They attempt to retain a harmonious culture by producing lenient appraisals rather than arousing conflict and tension through critical or negative appraisals. Decotiis and Petit (2001) say that more accurate performance ratings can be expected from raters provided that they are held accountable for the ratings assigned, which was not seen in both organizations. Decotiis and Petit (1978 as cited in DeNisi, Cafferty & Meglino, 1984) have mentioned that the purpose for which an appraisal is conducted will influence rater behaviour.

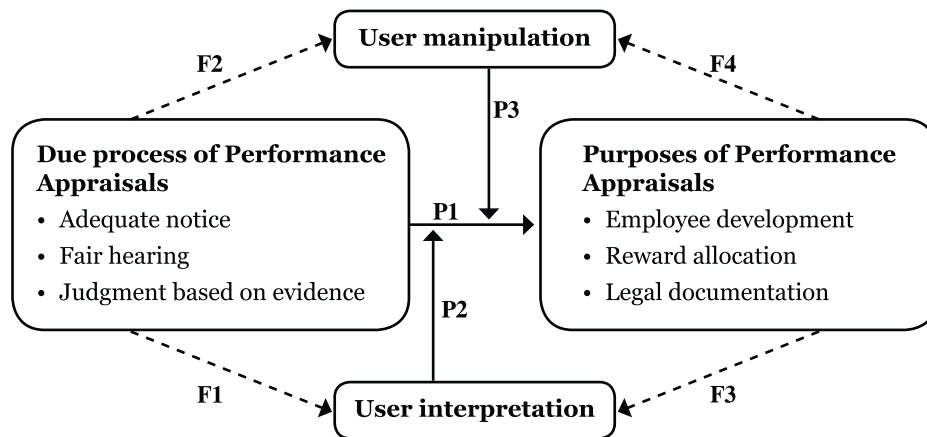
The above explanations allow the researchers to conclude that the research findings support proposition 3, which stated that user manipulation has an impact on the relationship between the due process of performance appraisals and the purposes of performance appraisals.

Extension to the proposed conceptual model

When analyzing the findings, it is clear that user interpretation and manipulation does have an impact on the relationship between the due process of performance appraisals and the purposes of performance appraisals. However, when analyzing

the findings further, we see that they also pave the way for a closer look at a few more two-way relationships as illustrated in Figure 3 through the dotted lines.

Figure 3: Extension to the proposed conceptual framework



As shown in Figure 3, the elements of due process and the degree to which they are practised may have an impact on user interpretation and manipulation as per the findings of the two cases, shown by the dotted lines F1 and F2. For example, when the employees are not properly informed about the goals for the particular appraisal period, they may tend to believe that the goals for the current appraisal period are similar to those for the previous appraisal period (F1). Further, when there is no proper measurement criterion specified for granting specific ratings (a factor affecting judgment based on evidence), it may lead to a point where the appraisers rate in a manner that is favourable to the appraisees, thereby resulting in user manipulation (F2).

Similarly, the purposes for which an appraisal is used and the purposes that are perceived as purposes by the users can have an impact on the manner in which the users of performance appraisal systems interpret and manipulate them as per the findings. This is depicted by the dotted lines of F3 and F4. For example, as per the findings of the two cases, the purpose for which the appraisal is used is the approval of the annual increment of the employees. Therefore, the appraisers interpretation is that it is not an offence to appraise the appraisees in a lenient manner (F3). The appraisers also then tend to appraise the appraisees in a manner that is favourable

to the appraisees since they think that the appraisees should not be deprived of the annual increment, thereby manipulating the process through inaccurate ratings (F4).

It is clear that the performance appraisals within the public sector are governed by social grammars and rules that users of performance appraisals have assigned to it that have given the performance appraisal behaviour of users recognizable and characteristic patterns that were very obvious within the discussions that were held in both organizations. It had made appraisers accept the behaviours considered acceptable and understandable by all the users, though such behaviour was not the most suitable to be demonstrated with regard to performance appraisals. However, this is something normal, according to Burns and Machado (2014), who say that as per the social rule system theory, in guiding and regulating interactions, the rules provide the behaviour with recognizable, characteristic patterns – making the patterns understandable and meaningful to those sharing in the knowledge of the rules. This iterates the importance for research on performance appraisals to take a more integrated approach as recommended by this study.

Theoretical Implications

The research highlighted the need for looking at performance appraisals in a more holistic manner with an integration of the rational, political and justice models of performance appraisals and that such a combination would help in overcoming the deficiencies in each model and help in the design and implementation of more effective performance appraisals. There are some theoretical implications that can be drawn from this study.

The first implication is that the model was examined within the public sector of Sri Lanka. Performance appraisal is usually spoken of and designed for the private sector. The findings show that constructs such as due process, user manipulation and user interpretations can be applied even in performance appraisals in the public sector.

Secondly, with regard to the rational model, the findings show that the purposes of performance appraisal are not achieved to expected levels as the employees in the organization are not aware of the objectives of conducting a performance appraisal and as they do not have anything to gain or lose from being rated higher or lower in the

appraisal as per the current performance appraisal system in place. Therefore, this highlights the importance of the need to communicate the purposes of performance appraisal to the appraisers and the appraisees, and take necessary steps to ensure that the users will benefit from actively engaging in the performance appraisals for the rational model to be practically applied.

Thirdly, the implication is with regard to the justice model. Even though the designers of the current appraisal system have taken care to embed certain elements of due process into the current performance appraisal system, there is no motivation for the appraisers or the appraisees to make use of such features to make the performance appraisal process successful. The findings of the study imply that justice alone will not be able to ensure a successful performance appraisal.

The final implication is from the political model. The results show that user interpretation and user manipulation not only influences the relationship between due process and purposes of performance appraisal, but the due process of performance appraisal and the purposes of performance appraisal also influence the user's interpretation of performance appraisal and user manipulation of performance appraisal. These findings highlight the importance of managing user interpretation and manipulation for performance appraisals to be successful.

Managerial Implications

This research shed light on the fact that the best performance appraisal system, process, format, or forms alone are not sufficient to have an effective performance appraisal and thereby better manage performance. The view that existed before the research was that if the due process of performance appraisal existed, then the broader purposes of performance appraisal, employee development, reward allocation and legal documentation would be achieved in due course. Even the public sector of Sri Lanka and the Public Services Commission which have come up with reforms to the existing performance appraisal process within the public sector, have done it with the above belief. Despite this, the findings suggest that the performance outcomes should be emphasized more and that the appraisal process should be created or designed with this end in mind, or rather, that a retrogressive or backward looking approach should be adopted. It will be a waste if there is little productive outcome achieved off a superficial performance appraisal process and if the users do not perceive or expect any outcome. The findings of this research suggests that

the public sector authorities and the Public Services Commission should redefine the outcomes that are expected from performance appraisals, and based on such identified outcomes, develop the most suitable performance appraisal format for assessing the performance of public sector employees. It also recommends that these outcomes be of personal and institutional value to the users of the performance appraisals so they could be implemented successfully.

Almost all appraisees within the two organizations stressed the need for customized performance appraisal systems which they thought would take into account the different characteristics that are unique to the different organizations. They believed that this would make the appraisal more meaningful and that through such appraisals, their performance would be evaluated in a real sense. Therefore, public sector policy makers working on human resource management should emphasize decentralization of individual government organizations so they could choose their own methods of assessing performance within a broader framework specified at the national level.

The need to train both appraisers and appraisees was an important factor that emerged from the research findings. Such training would make both appraisees and appraisers gain further knowledge about the purposes of performance appraisals so they could engage in it in a more meaningful and informed manner. The findings revealed that they do not currently have an understanding of the purposes for which performance appraisals are conducted. They viewed it as just a formality for their salary increment which they will obtain anyway. Palaiologos, Papazekos and Panayotopoulou (2011) too have emphasized the investment in appraisal training. The public sector of Sri Lanka should seek expert knowledge with regard to human resource management from academia, other relevant individuals and the private sector when imparting knowledge on performance appraisals. Private sector best practices too can be adapted where relevant. It is recommended that this be done on an organizational/institutional level rather than at the national level, to capture the unique differences among public sector organizations.

Through the document analysis that was conducted, it was clear that due process features were embedded within the current appraisal system. However, the findings clearly showed that the public sector has not been able to derive the substantial benefits that are expected of the system in place. Kim (2011) states that the programs conducted to improve performance of employees around the world have potential

limitations, which may lessen credibility with employees. This could be attributed to the government's lack of experience. The government should also realize that it may be difficult to change systems in the short run, but that such change should be done in an incremental manner with the buying-in of the different stakeholder parties. Strong long term commitment of top management should also be sought in this process.

Limitations and directions for further research

The research was not able to tap into the Sri Lankan government's strategic level plans for its human resource management, which would have provided relevant and interesting insights into the data and information that were gathered through the interviews. Interviews were restricted to officer grade appraisees within both organizations, whereas there could have been varied opinions among other levels of employees.

Interested individuals can extend the conceptualization towards other socio political aspects of performance appraisals. The coping strategies of different organizations towards user interpretation and manipulation are also another potential area for research. An interesting area of research would be to see how customizations can be done within organizations to have more effective and meaningful performance appraisals. Research on public/private sector comparison on the design, implementation and use of performance appraisal would also be a fruitful area for research.

The manner in which performance appraisals take place within other non-revenue generating public sector organizations can be explored, as both cases used in this study were government and revenue generating organizations.

Conclusion

This study explored the nature of performance appraisals in Sri Lanka's public sector within the conceptual framework developed and the theoretical lens adopted. Through the document analysis and the in-depth interviews that were conducted, it was clear that there was room to exercise a due-process in performance appraisals. However, since the purposes of performance appraisals were not clearly articulated among the users and since there was no substantial outcome for the users by adhering to and

exercising a due process, it deterred them from utilizing any opportunity that existed for benefiting from a due process of performance appraisal. The research findings also supported propositions two and three which stated that user interpretation and user manipulation had an impact on the relationship between the due process of performance appraisals and the purposes of performance appraisals. This research was able to contribute towards the research agenda on the socio political context of performance appraisals. The context chosen for the research itself was the controversial public sector since performance management in the public sector has become a much debated issue the world over. Therefore, this research was able to shed light on the reality of performance appraisals in the public sector within the empirical setting of Sri Lanka.

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