Perceived Fairness and Accuracy of Performance Evaluation: A Follow-Up

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Performance evaluations should be perceived as fair and accurate if feedback is to have a facilitating effect on performance. Previous research suggested that perceived fairness was a function of components of the evaluation process. A more parsimonious explanation might be that those who received high ratings consider the process fair and accurate. This hypothesis was tested on a sample of 284 middle-level managers employed by a large manufacturing organization. Regression analysis indicated that perceptions of fairness and accuracy were not related to the previous performance rating of the respondent. Thus, the suggestion that perceptions of fairness of performance evaluation are related to process components remains tenable.

Recently, Landy, Barnes, and Murphy (1978) suggested that the perceived fairness and accuracy of performance evaluation was related to the frequency of evaluation, identification of goals, and the supervisor's knowledge of the performance and the job duties of the subordinate. Perceived fairness was thought to be an important mediator of the effectiveness of performance feedback as well as a possible source of job satisfaction, in and of itself.

The Landy et al. (1978) data were gathered anonymously from middle-level managerial and professional employees of a large manufacturing organization. The anonymous nature of the data made it impossible to rule out an alternative explanation of the results. It may have been that those who received the best performance ratings prior to the attitude survey were those most positive toward the evaluation process, whereas those receiving the lower scores were more negative toward performance evaluation. If this were the case, it would suggest a different role for performance evaluation. It would imply that to promote favorable attitudes toward the evaluation process, evaluations should be favorable toward the employee rather than accurate.

The present article describes an examination of the hypothesis that perceptions of fairness are affected by the level of previous performance rating; that is, employees who received high ratings would be more likely to describe the evaluation process as fair and accurate than those who received low ratings.

Method

Subjects

Data were gathered in two production divisions of a large, multidivision manufacturing organization (n = 186 and 98, respectively). All subjects were managerial or professional exempt employees of the organization.

Procedure

Supervisors rate the performance of subordinates in the organization each year at approximately the same time. The time is dictated by a corporate administrative schedule. Performance evaluations that had been completed on employees during the period May/June 1978 were made available for analysis. Performance feedback was provided to employees by supervisors shortly after the performance evaluation. The attitude survey dealing with perceptions of fairness and accuracy was distributed in October 1978 to all employees in the two divisions.

The attitude questionnaires were mailed by employees directly to the researchers for analysis. Employees were asked to identify themselves by name. Confidentiality was promised. This enabled the matching of performance ratings with attitudes toward performance evaluation. As can be inferred from the time schedule presented earlier, ratings occurred several months before attitudes were tapped.

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Instruments

The attitude survey was fully described in the earlier report of Landy et al. (1978). Briefly, there are 12 items dealing with substantive and procedural aspects of performance evaluation, as well as an item dealing with the perceived fairness of the process.

Performance ratings were gathered using a 16 item Likert-type rating form. Of the 16 items, 15 were specific descriptions of work behavior in areas such as communications, employee relations, problem solving, and use of time. The last item was an overall effectiveness rating.

Design and Analysis

The dependent variable in the analysis was identical to that used in Landy et al. (1978). It was the employee’s response to the question, “Has your performance been fairly and accurately evaluated?” The independent variables were the 16 performance ratings. The relationship among the set of independent variables and the dependent variable was examined using a stepwise multiple regression analysis. The primary regression equation was developed on data from one division (n = 186). The resulting equation was cross validated on data from the second division (n = 98). This analysis would allow for a determination of the degree to which fairness perceptions were influenced by rating levels.

Results

Of the 16 performance ratings, one was sufficiently related to the fairness perception to justify its entry into the primary regression equation. The criterion for inclusion was a significant F value (p < .05). This relationship was not replicated in the data for the second division. Since only one independent variable was being considered, the design for “cross-validation” reduces in fact to a simple replication. As a result of these analyses, it was concluded that variance in the perceived fairness of evaluation could not be explained by rating level.

Discussion

Landy et al. (1978) suggested that perceptions of the fairness of a performance evaluation might be best understood in the context of the evaluation process. This suggestion was open to question on the basis of a more parsimonious explanation of their results: Employees who receive high ratings are more likely to perceive the process as fair than those who receive low ratings. The present results add strength to the process explanation of perceived fairness. Data were gathered in two different divisions, the independent and dependent variables were gathered from two separate sources, and the independent and dependent variables were gathered at two different times. Thus, the design was sufficiently rigorous for the test of the hypothesis. Whereas it is problematical to accept the null hypothesis as support for a position, the combination of inductive and deductive studies makes this objection less serious. In addition, the sample sizes were sufficiently large for adequate statistical power.

In summary, the conclusion of the Landy et al. (1978) research, that perceptions of the fairness of performance evaluation are influenced by the evaluation process, remains tenable.

Reference


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Computerized Testing

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Twenty elderly participants using both a paper and pencil version of an Iowa Wonderlic Personnel Inventory and a computer version prior to verbal agreement with the computerized test. The computerized test yielded significantly higher scores than did the other participants. The computerized test can be meaningful.

The active investigation of the use of computers for psychological testing continues to be an important area of research. Reliability and validity studies have been carried out for computerized testing procedures. These studies have demonstrated the equivalence of manual and computerized testing methods for most people (Eliason, Hansen, Hedl, & O’Neil, 1980). Investigators provide evidence that computerized testing procedures are perceived as stress-free and nonstressful. There is evidence (Jorgenson & Walsh, 1973), however, that not all people experience beneficial effects from computerized testing.

White and Johnson (Note 2) tested 19 old participants using both a paper and pencil version of an Iowa Wonderlic Personnel Inventory and a computerized version of an Iowa Wonderlic Personnel Inventory and a computerized version of an Iowa Wonderlic Personnel Inventory. They found no significant differences between the two groups. These results were similar to those obtained by these researchers in a previous study.

The present study used a computerized test to compare the performance of participants who were familiarized with the computer testing situation to that of participants who were not familiarized with the computer testing situation. It was hypothesized that the participants who received training and