THE EFFECT OF PERFORMANCE APPRAISAL ERRORS ON EMPLOYEE PERFORMANCES: AN EXAMINATION IN INDUSTRIAL COOLING MANAGEMENTS IN TURKEY IN TERMS OF EMPLOYEE PERCEPTIONS

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Abstract:

The purpose of this study is to examine the effect of performance appraisal errors faced by industrial cooling managements on personal performances in terms of employee perceptions. Besides, the attitudes towards work performances of the employees and performance appraisal errors are also studied to see if there is any difference in terms of several demographical characteristics. The questionnaires prepared for this purpose are applied to 200 people that work in 14 industrial cooling managements currently operating in Central Anatolian Region in Turkey. There are 39 hypotheses obtained from these questionnaires. According to the findings of the study, the most common error faced by industrial cooling managements is the halo effect, and the least one is that the relations among different works are not considered with full attention. In accordance with the results of the study, 9 of the employee perceptions in terms of performance appraisal error have a negative effect on work performance, though 15 of the employee perceptions in terms of performance appraisal error have no effect on work performance. Moreover, there is a significant difference in the attitudes of employees in terms of performance appraisal errors according to the income level, education status and the frequency of performance appraisal required to apply within the management. Besides these, the perception of employees on performance levels has a significant difference according to the performance management, education status, and the participation towards the efficiency and effectiveness of performance appraisal and the frequency of performance appraisal presumed to be in use within the management. The results obtained from the study indicate significant data for strategic management personnel in industrial cooling managements.

Key Words: Strategic Management, Appraisal Errors, Employee Perceptions, Performance, Industrial Cooling Managements.

Introduction:

Performance management requires assessing the data on work performances of employees. It is known that assessments directed to humans always have a margin of error. Therefore, there are some problems faced during this performance appraisal process. It is required to be aware of these problems and to reduce their effects at a minimum level (Fındıkçı, 2001: 301-302). Besides, knowing the effects of these problems faced during this performance appraisal process on various variables will contribute to diminish the negative effects, which may harm the organization.

An effective performance management must focus on diminishing the errors, which occur during this appraisal process. The main purpose of performance management is to increase the work performance of employees and organizational performance as a whole to the maximum level. Therefore, determining all elements affecting the work performances of employees negatively will allow developing strategies, which will contribute to increase the organizational performance. This study tries to determine the performance appraisal errors affecting the work performances negatively and their relation to several demographical characteristics.

The remainder of this paper is organised as follows: Section 2, presents conceptual framework. In Section 3, we discuss the methodology used in this paper, while Section 4 presents the results and the important findings. Finally, in Section 5, we give some conclusions and policy recommendations.

Conceptual Framework:

There are numerous studies in the literature, which aim to determine the errors faced during the performance appraisal process. These are halo effect, horn effect, affecting from recent events, contrast errors, extra tolerance, rigidity, using a single criterion, personal prejudices, reference mistakes, average tendency, conflicts in open meetings, instrumental errors, status exposure, Matthew effects, determination of different standards, not considering the relations among works, reluctance to make a judgment, not providing a feedback, regarding different than the self, comparison to the self, affecting from the working periods, not being informed in advance, and lack of measurable and objective criteria.

Halo effect is that the evaluator assesses an employee more than his current status in all areas by taking into consideration his achievement on one specific area. For example, if an

employee is very successful in a research study, it is also possible for him to be successful in other areas at the same level. However, the employee may actually not be so successful in all other areas (Can et al, 2001: 173). In the literature, it is also called as aura effect (Erdoğmuş and Beyaz, 2002: 70) or dominant feature effect (Fındıkçı, 2001: 304).

Horn effect is that if an employee is not successful in one area although he is successful in most aspects of the work, he is still regarded as not successful (Palmer, 1993: 20). Horn effect is also called as halo effect in reverse (Ada, 2008: 33).

Affecting from recent events is that the recent manners in the last periods of performance appraisal are located in the memory of evaluator. Performance assessments in companies are generally conducted at such long intervals as one year or so. This situation brings along a disadvantage that the most recent success rates of an employee is regarded as they are all the same throughout the year. Therefore, it is much better to apply such methods as having not long periods during performance appraisal and registering reminder data.

Contrast error is that the evaluator assesses many employees within a short time and gets beyond the objective standards by confusing the employees with one another. In other words, an inferior may affect from the points acquired by the previous employee. For example, if a successful employee appraised right after several unsuccessful employees, it is possible that he may get a lower point than his real performance level. It is recommended that the employees be assessed on a mixed basis without grouping them successfully or unsuccessfully in order to prevent these types of contrast errors (Uyargil, 2008: 108). Barutçugil (2002: 232) defines contrast errors as conflicting situations factor.

Extra tolerance is that the evaluator assesses the performances of employees with more points than they deserve. Some of the evaluators may have extra tolerant behaviors to increase the motivation of employees; and some may avoid from their reactions.

Rigidity is that the evaluator assesses the performances of employees with fewer points than they deserve. This may occur due to such reasons as the self-ego and rigid personality of the evaluator. Uyargil (2008: 104) defines these extra tolerance and rigidity errors as tendency to certain levels/points.

Using a single criterion is that the evaluator decides using only one or fewer criteria/indicators instead of taking many criteria into consideration. Many performance criteria are used when assessing the performance of employees. Appraisal may be wrong if evaluator takes one or some of the criteria into consideration and ignores others. In such a

case, employees may exhibit some behaviors only to increase the criteria that the evaluator takes into consideration.

Personal prejudices are that the evaluator reflects his prejudices or opinions about the employees into the appraisal process. In such cases, an evaluator may regard a successful employee as being unsuccessful due to his prejudices against him/her. Besides, it may also create a personal prejudice if an employee does not exhibit appropriate behaviors about several issues other than the ones by the evaluator. For example, an evaluator may also be affected negatively if he has such bad habits as alcohol, smoke, etc. at other times of work. Fındıkçı (2001: 302) defines this performance appraisal error as biased measurement error.

Reference mistakes are that the evaluator believes that the reasons why the performance level of an employee is high or low or why he is successful or unsuccessful on a certain action are caused by his personality or environmental factors. If the performance level described here is caused by the personality of an employee, it is called intrinsic reference; or if it is caused by the instructions of the employer, it is called extrinsic reference (De Cenzo and Robbins, 1996: 338; Gözütok, 2006: 57).

Average tendency is that the evaluator gives average points for the performance of most employees. The presence of such an evaluator, who does not trust his ability to make a judgment; avoids reactions or hesitates to give lower points, leads to this error. Such a tendency makes the decision making process harder for performance assessment. Evaluators are required to be trained and instructed in order to avoid this problem (Barutçugil, 2002: 231). This is also called as central tendency error or standard measurement error in the literature (Helvacı, 2002: 161).

Conflicts in open meetings are that if the persons under appraisal are not happy with the appraisal results or definition of targets, he is possible to initiate an unwanted discussion or a conflicting situation (Süngü, 2004: 34).

Instrumental errors are that the instruments of measurement used during the performance appraisal process (forms, expressions, markings, results, etc.) are planned with some errors. In such a situation, the appraisal will not give the accurate results as expected. The forms used for performance appraisal are absolutely required to have a pilot research before their real use in order to avoid instrumental errors; in other words, the results are checked by analysis of validity and reliability by applying the forms to many people. The pilot study conducted right before the real application helps eliminating many errors from marking of expression errors to interpretation of the results (Fındıkçı, 2001: 304).

Status exposure is that the evaluator makes his judgment by affecting from the work position of that person. The evaluator marks higher points for the persons who work at higher positions, fewer points for those who work at lower positions within the same company. In such cases, managers make their judgments basing on the work positions of their employees instead of their qualifications and work performances during the appraisal period (Erbaşı, 2011: 27-29).

Matthew effect is that the evaluator is inclined to make his judgment in the same direction by affecting from the previous performance appraisal results of the person during appraisal process (Gabris and Mitcell, 1989: 369-386).

Determination of different standards is that the evaluator makes an appraisal by using different standards for the persons who work under the same qualifications.

Not considering the relations among works is that the evaluator makes an appraisal without taking the relations among works into consideration, which are subject to an appraisal. Most of the time, the actions within managements are interconnected like a chain ring. Low performance of an employee in the first chain ring may give such an impression that the next employee also has a low performance. Therefore, the appraisals must be made by considering all relations among works within the management.

Reluctance to make a judgment is that the evaluator exhibits a reluctant attitude to appraise especially the negative sides of an employee performance.

Not providing a feedback is that the appraisal results do not reach the employees. In most of the managements, the persons who are authorized to make assessments do not deliver the appraisal results to the employees. However, performance appraisal must be focused on improving the performances of employees especially by providing them feedbacks on their weak points.

Regarding different than the self is that the evaluator makes a lower appraisal by thinking that the employee does not have similar characteristics (political view, age, gender, etc.) and does not have similar attitudes like him (www.misjournal.com).

Comparison to the self is that the evaluator makes a higher appraisal, in contrast to regarding different than the self, by thinking that the employee has similar characteristics (political view, age, gender, etc.) and has similar attitudes like him (www.misjournal.com).

Affecting from the working periods is that the evaluator makes the appraisal by taking the years of service of the employee into consideration and appraising him with the highest

points, thinking that he has been working there for many years or he is the most experienced one, while he appraises the employee with low points thinking that he has just started been working there or he is the least experienced or has no experience.

Not being informed in advance is that the employees are not informed about the performance criteria to be used during the performance appraisal period.

Lack of measurable and objective criteria is that the criteria used during performance appraisal are not measureable and they are more subjective. This situation may lead to different interpretations of several appraisal standards by different managers. Barutçugil (2002: 230) defines this situation as a problem of appraisal standards.

Research Methodology :

This study has a descriptive scanning model, which aims to examine the effects of performance appraisal errors faced by industrial cooling managements on personal performance in terms of employee perceptions; and to determine the variations of performance perceptions of employees and their attitudes towards performance appraisal errors in terms of several demographical characteristics. Therefore, a field study is preferred for this purpose in this study.

Population and Sample :

The questionnaires are applied to an employee population working in industrial cooling areas in Central Anatolian Region in Turkey, currently operating in other industrial and service sectors within the European Qualifications Framework. There are 30 industrial cooling managements we can determine and currently operating in Central Anatolian Region in Turkey. The population of the universe involves approximately 500 people working in these managements. The population of the study is 200 people working in 14 industrial cooling managements selected randomly among 500 people in these 30 managements. The employees in the population fill in the questionnaires by face-to-face interviews. 12 of these questionnaires are checked to be invalid and only 188 of them are taken into consideration.

Data Collection Instruments :

A questionnaire is prepared in three sections and 38 items in total in accordance with the purpose of this study. In the first section, the performance levels of the employees are

assessed in 4 items, which are taken from Sigler and Pearson (2000) and Kirkman and Rosen (1999) and translated into Turkish by Çöl (2008: 41). The factor loads of these four items are between 0.781 and 0.847 according to the factor load calculations made by Çöl (2008: 35-46) in his study. Therefore, it is accepted that the reliability of the variables are over the acceptable level of 0.70 Cronbach α. In the second section of the questionnaire, a scale developed by the researchers is used to determine the perceptions of employees on performance appraisal errors. Two expressions are prepared to represent each performance appraisal error in order to develop this scale and 48 questionnaires are concluded. As a result of a pilot study applied to 35 employees, their factor loads are calculated and expressions with higher factor load are selected to represent each performance appraisal error. As a result of the factor analysis made for each question prepared, the factor analysis repeated by eliminating the questions with a factor load value lower than 0.45. For example, for such questions as "The instrument used in the performance appraisal period is wrong." and "The forms used in the performance appraisal period are subject to a pilot study." the second question is eliminated because its value is lower than the load value defined as 0.45. Therefore, 24 questions are taken as a base, which represent each performance appraisal error. Table 1 shows the factor load values of items left in the scale. When the component matrix table is examined in terms of 24 items in the scale, it is seen that the factor loads are between 0.45 and 0.77. In the third section of the questionnaire, there are 10 questions that investigate the demographical characteristics of the responders. The responses made to the expressions in the first and second sections of the questionnaire are prepared in 5-item Likert type scale. The assessments are scored as 5 for "Absolutely Agree" and 1 for "Absolutely Disagree".

Validity and Reliability :

Professional opinions are administered when composing this questionnaire and in this view, all necessary additions and corrections are made and then put into application. Hence, the face validity of the questionnaire is provided. The last version of the questionnaire form is applied as a pilot study to the 50 people working in industrial cooling sector and the reliability analysis of the scales used are made. In the reliability study, Cronbach Alpha value is calculated to indicate the internal validity on the correlations among questions in one dimension. Cronbach Alpha values are shown in Table 2. No reliability calculations are made for the questions, which investigate the performance levels of the employees in their own point of view in the first section of the questionnaire and the results obtained by Çöl (2008:

42), who used these questions by translating them into Turkish, are taken as a basis. According to this, the alpha value of the first section on performance levels is seen as 0.83, the alpha value of the second section on the attitudes of employees in terms of performance appraisal errors is seen as 0.85 and the alpha value of the whole scale is seen as 0.84.

Model of the Research and the Hypothesis *:*

The model of the research is shown in Figure 1.

In the scope of this research study, the effects of employee perception on their performances in terms of performance appraisal errors and their relations to several demographical characteristics are examined. In this view, there are 39 hypotheses prepared and all shown in Table 3.

Findings :

The data on the demographical characteristics of employees participated in the study are shown in Table 4.

Table 5 shows the attitudes of employees participated in the study in terms of their own performance levels, and Table 6 shows the mean and standard deviations of those attitudes in terms of performance assessment.

Correlation analysis is used to determine the general relation between the perceptions of employees participated in the study in terms of performance levels and their attitudes in terms of performance appraisal errors and the findings obtained are shown in Table 7. According to this, it is seen that there is a medium-level positive and significant relation between the perceptions of employees in terms of performance levels and their attitudes in terms of performance appraisal errors ($r=0.341$, $p<0.01$). In accordance with these values, the higher the performance level of the employees, the more they are tended to see their performance appraisal errors.

Pearson analysis is used to determine the relation between the perceptions of employees participated in the study in terms of performance levels and their attitudes in terms of each performance appraisal error. The findings obtained are shown in Table 8. According to this, it is seen that there is a significant and low-level positive relation between performance levels of employees and such performance appraisal errors as halo effect ($r=0.188$, $p<0.05$), horn effect ($r=0.258$, $p<0.01$), affecting from the recent events ($r=0.269$, $p<0.01$), using a single criterion

(r=0.229, p<0.01), personal prejudices (r=0.270, p<0.01), extrinsic references (r=0.144, p<0.05), average tendency (r=0.182, p<0.05), conflicts in open meetings (r=0.146, p<0.05) and instrumental errors (r=0.159, p<0.05). The perceptions on the presence of these errors in the managements affect the performance of employees significantly. There is no significant relation observed between the performance of employees and other performance appraisal errors than these ones.

Independent Samples t-test is used to determine the relation between the perceptions of employees participated in the study in terms of performance levels and their attitudes in terms of working positions and the findings obtained from the t-tests are shown in Table 9. According to this, there is no significant difference between the perceptions of employees in terms of performance levels and their attitudes in terms of working positions.

Independent Samples t-test is used to determine if there is a significant difference in the perceptions of employees participated in the study on their performance levels and performance appraisal errors in terms of their training on performance management. The data obtained are shown in Table 10. According to this, there is a significant difference in the perceptions of employees on their performance levels in terms of their training on performance management (t (188)=2.741, p<0.05). The perceptions of employees on their performance levels who get training on performance management ($\overline{X}$ =4.27) are more positive than the ones who do not get training on performance management ($\overline{X}$ =3.87). There is no significant difference among the attitudes of employees on the performance appraisal errors in terms of training on performance management.

One dimensional variance analysis is used to determine if there is a significant difference in the perceptions of employees participated in the study on their performance levels and performance appraisal errors in terms of their income level. According to the results shown in Table 11, there is no significant difference among groups in terms of the perceptions of performance levels. The attitudes of the employees in terms of performance appraisal errors make a significant difference among groups (F5-182=3.099; p<0.05). LSD test is applied to determine the difference among groups. According to this, it is seen that the difference is especially between 1001-1500 TL group and other groups; 1001-1500 TL, 1501-2500 TL and 5000 TL or above.

One dimensional variance analysis is used to determine if there is a significant difference in the perceptions of employees participated in the study on their performance levels and their

attitudes towards performance appraisal errors in terms of their education level. According to the results shown in Table 12, there is no significant difference among groups in terms of the perceptions of performance levels. The attitudes of the employees in terms of performance appraisal errors make a significant difference among groups ($F_{4-183}=2.491$; $p<0.05$). LSD test is applied to determine the difference among groups. According to this, it is seen that the difference is between post-graduate group and primary, secondary, undergraduate and graduate groups.

One dimensional variance analysis is used to determine if there is a significant difference in the perceptions of employees participated in the study on their performance levels and their attitudes towards performance appraisal errors in terms of their working periods. According to the results shown in Table 13, there is no significant difference among groups in terms of the perceptions of performance levels and their attitudes towards performance appraisal errors in terms of their working periods within the management.

Independent Samples t-test is used to determine if there is a significant difference in the perceptions of employees participated in the study on their performance levels and their attitudes towards performance appraisal errors in terms of the efficiency and effectiveness of the performance assessment. The findings obtained are shown in Table 14. According to this, there is a significant difference in the performance levels of employees, stating that performance appraisal has an effect on efficiency and effectiveness $t(187)=2.009$, $p<0.05$). The perception of employees on their performance levels, stating that performance appraisal has an effect on efficiency and effectiveness ($\overline{X}=4.16$) is more positive than the ones stating that performance appraisal has no effect on efficiency and effectiveness. There is no significant difference between the attitudes of employees on performance appraisal errors and the effects of efficiency and effectiveness on performance assessment.

One dimensional variance analysis is used to determine if there is a significant difference in the perceptions of employees on their performance levels and their attitudes towards performance appraisal errors in terms of the frequency of performance appraisal required by the management. According to the results shown in Table 15, there is a significant difference in the perceptions of employees on their performance levels and their attitudes towards performance appraisal errors in terms of the frequency of performance appraisal required by the management ($F_{4-183}=2.527$; $p<0.05$). LSD test is applied to determine the difference among groups. According to this, it is seen that the difference is between the ones thinking that the frequency of appraisal must be irregular and the ones thinking the others. The

attitudes of employees on performance appraisal errors make a significant difference among groups in terms of the frequency of performance appraisal required to apply by the management ($F_{4-183}=2.616$; $p<0.05$). LSD test is applied to determine the difference among groups. According to this, it is seen that the difference is between the ones reporting that the frequency must be once a month and the ones reporting that it must be once in six months, once a year and at irregular intervals.

Conclusion :

In accordance with the results obtained within the findings gathered from the study, the average perception of employees on their performance levels is determined to be on a high level. When the attitudes of employees in industrial cooling managements are evaluated in terms of performance appraisal errors, the most common performance appraisal error is seen as halo effect. This is respectively followed by horn effect, affecting from the recent events, contrast error and rigidity. The least common performance appraisal error is not considering the relations among works, and this is respectively followed by comparison to the self, Matthew effect, not being informed in advance and reluctance to make a judgment.

When the main hypothesis of the study is tested, there is seen a significant relation in general between the attitudes of employees in terms of performance appraisal errors and their perceptions on performance levels (H1 Accepted). According to this, the more the performance levels of the employees, it is possible to say that the more inclined they are to see their performance appraisal errors. When the other hypotheses are tested within the study, the performance of employees are negatively affected by halo effect, horn effect, affecting from the recent events, using a single criterion, personal prejudices, extrinsic reference, average tendency, conflicts in open meetings and instrumental error (H2, H3, H4, H8, H9, H11, H12, H13, H14 Accepted). The perceptions on performance appraisal errors other than these do not affect the performance of employees (H5, H6, H7, H10, H15, H16, H17, H18, H19, H20, H21, H22, H23, H24, H25 Rejected).

According to the results of the study, the attitudes of employees towards performance appraisal errors make a significant difference in terms of income level, educational level and the frequency of performance appraisal required to apply in the management (H30, H32, H38 Accepted). The attitudes of employees towards performance appraisal errors make no significant difference in terms of working position, training status on performance

management, working periods and the effect of performance appraisal on efficiency and effectiveness (H26, H28, H34, H36 Rejected).

According to the results of the study, the perceptions of employees towards performance levels make a significant difference in terms of training status on performance management, the effect of performance appraisal on efficiency and effectiveness and the frequency of performance appraisal required to apply in the management (H29, H37, H39 Accepted). The perceptions of employees towards performance levels make a significant difference in terms of income level, educational level and working periods (H27, H31, H33, H35 Rejected).

This study has several limitations. First of all, the population of the study is limited only one region of Turkey, Central Anatolian Region, though there are 7 regions in Turkey. Applying this study all over Turkey would make significant contributions to generalize the results. Moreover, the samples described in the study involve approximately 40% of the research population. Although it is statistically sufficient, involvement of more employees at larger number of industrial cooling managements would increase the significance of the results. Besides, the performance appraisal errors in this study are not limited only to 24 performance appraisal errors developed by the researchers and used in the scale. This number could be increased. In addition, the assessments could be made dimensionally after making several classifications for performance appraisal errors (For example, such errors resulting from performance appraisal instruments, and the ones resulting from the evaluator, etc.).

The results obtained from the study give significant data for strategical management personnel in industrial cooling managements. Determination of such performance appraisal errors affecting the work performances of the employees in these managements negatively will enable new strategies to improve their work performance. Therefore, as the work performances of employees increase, they will also contribute to increase organizational performance.

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Table 1. Results of factor analysis in terms of the scale developed in the second section of the questionnaire

Expressions	Component Factor Load
The evaluator makes a lower appraisal thinking that the employee does not have similar characteristics (political view, age, gender, etc.) and does not have similar attitudes like him.	0.77
The evaluator makes a higher appraisal in contrast to regarding different than the self by thinking that the employee has similar characteristics (political view, age, gender, etc.) and has similar attitudes like him.	0.76
The evaluator uses different standards and loads for the employees under similar qualifications in the appraisal process.	0.74
The evaluator makes discussions and leads to conflicts while assessing.	0.72
The instrument used in the performance appraisal process is wrong.	0.71
The evaluator does not take the relations among works into consideration, so he reflects the efficiency decrease resulted from another employee into my performance appraisal results.	0.71
The evaluator attributes the increase or decrease in the performance levels or the reasons of successful or unsuccessful actions in a certain event to the instructions of the manager.	0.71
The evaluator is inclined to give higher points to the employees with more service period.	0.71
I feel that the evaluator is quite reluctant in the processes.	0.71
The evaluator scores the performance of the most of the employees at an average value.	0.70
The evaluator gives me no feedback on my weaknesses.	0.66
The evaluator makes his assessments by taking one or fewer criteria.	0.65
I am not informed about what criteria will be taken into consideration in the appraisal process.	0.65
The evaluator reflects his personal prejudices and opinions about the employees into the appraisal period.	0.65
The evaluator makes his appraisal under the exposure of work position held by the persons being assessed.	0.64
The evaluator assesses my performance with higher points than it is.	0.63
The evaluator makes his appraisal by taking my previous appraisal results into consideration.	0.61
As the evaluator tries to assess many people within a short period of time, he is affected from their performance while he is assessing my performance level.	0.57
Measurable and objective criteria are used in the appraisal process.	0.53
My recent performance is assessed as if it were all the same throughout the period.	0.49
I am also assessed with higher points in other areas if I am good at a certain area.	0.47
Although I am quite good at my work, I am accepted as having low performance if I fail in a certain area.	0.45
The evaluator assesses my performance with lower points than it is.	0.45
The evaluator believes that it is the personality of an employee which leads to an increase or decrease in his performance level or the reason why he is successful or unsuccessful in a certain action.	0.45

Table 2. Reliability Coefficients

Sections	Cronbach Alpha Reliability Coefficient
First Section: Performance Level	0.83
Second Section: Employee opinions in terms of performance appraisal errors	0.85
Whole Scale	0.84

Table 3. Hypotheses of the Research

No	Hypotheses
H1	There is a significant relation between the attitudes of employees in terms of performance appraisal errors and their perceptions of performance levels in general.
H2	Halo effect makes a negative effect on the performances of employees.
H3	Horn effect makes a negative effect on the performances of employees.
H4	Affecting from the recent events makes a negative effect on the performances of employees.
H5	Contrast errors make a negative effect on the performances of employees.
H6	Extra tolerance makes a negative effect on the performances of employees.
H7	Rigidity makes a negative effect on the performances of employees.
H8	Single criterion makes a negative effect on the performances of employees.
H9	Personal prejudices make a negative effect on the performances of employees.
H10	Intrinsic reference errors make a negative effect on the performances of employees.
H11	Extrinsic reference errors make a negative effect on the performances of employees.
H12	Average tendency makes a negative effect on the performances of employees.
H13	Conflicts in open meetings make a negative effect on the performances of employees.
H14	Instrumental error makes a negative effect on the performances of employees.
H15	Status exposure makes a negative effect on the performances of employees.
H16	Matthew effect makes a negative effect on the performances of employees.
H17	Determination of different standards makes a negative effect on the performances of employees.
H18	Not considering the relations among works makes a negative effect on the performances of employees.
H19	Reluctance to make a judgment makes a negative effect on the performances of employees.
H20	Not providing a feedback makes a negative effect on the performances of employees.
H21	Regarding different than the self makes a negative effect on the performances of employees.
H22	Comparison to the self makes a negative effect on the performances of employees.
H23	Affecting from the working periods makes a negative effect on the performances of employees.
H24	Not being informed in advance makes a negative effect on the performances of employees.
H25	Lack of measurable and objective criteria makes a negative effect on the performances of employees.
H26	The attitudes of employees in terms of performance appraisal errors differ according to the working position.

H27	The perception of employees on performance levels differs according to the working position.
H28	The attitudes of employees in terms of performance appraisal errors differ according to the training status on performance management.
H29	The perception of employees on performance levels differs according to the training status on performance management.
H30	The attitudes of employees in terms of performance appraisal errors differ according to the income level.
H31	The perception of employees on performance levels differs according to the income level.
H32	The attitudes of employees in terms of performance appraisal errors differ according to the educational level.
H33	The perception of employees on performance levels differs according to the educational level.
H34	The attitudes of employees in terms of performance appraisal errors differ according to the working periods.
H35	The perception of employees on performance levels differs according to the working periods.
H36	The attitudes of employees in terms of performance appraisal errors differ according to the agreement on the efficiency and the effectiveness of performance assessment.
H37	The perception of employees on performance levels differs according to the agreement on the efficiency and the effectiveness of performance assessment.
H38	The attitudes of employees in terms of performance appraisal errors differ according to the frequency of performance appraisal to be applied within the management.
H39	The perception of employees on performance levels differs according to the frequency of performance appraisal to be applied within the management.

Table 4. Demographical characteristics of employees

Characteristic	n=188	%	Characteristic	n=188	%
Gender			**Age**		
Male	184	97.9	18-25	47	25.0
Female	4	2.1	26-35	99	52.7
Marital Status			36-49	35	18.6
Married	121	64.4	50 or above	7	3.7
Single	67	35.6	**Education Level**		
Position			Primary School	85	45.2
Employee	137	72.9	Secondary School	80	42.6
Employer	51	27.1	Undergraduate	8	4.3
Monthly Income Level			Graduate	13	6.9
750 TL or below	55	29.3	Post-graduate	2	1.1
751-1000 TL	72	38.3	**Working periods in the same management**		
1001-1500 TL	43	22.9	Less than 1 year	33	17.6
1501-2500 TL	10	5.3	1-3 years	65	34.6
2501-5000 TL	3	1.6	4-7 years	44	23.4
5000 TL or above	5	2.7	8-11 years	25	13.3
			12 years or above	21	11.2

Training Status on Performance Management			How often should there be a performance assessment?		
Yes	76	40.4	Once a month	55	56.9
No	112	59.6	Every three months	32	43.1
Performance appraisal contributes to the efficiency and effectiveness.			Every six months	28	14.9
Yes	107	56.9	Every year	31	16.5
No	81	43.1	Irregular intervals	42	22.3

Table 5. Mean and Standard Deviation Values of the Perceptions on Employee Performances

Expressions	S.D.	$\overline{X}$
I accomplish my tasks on time.	1.3821	3.84
I reach my professional goals or go beyond them.	1.0672	4.00
I am convinced that my productive outcomes are over the quality standards or beyond them.	2.3486	4.21
I create solutions to the problems very easily.	1.0074	4.07
General Mean	*1.0133*	*4.03*

Table 6. Mean and standard deviations of the employee attitudes in terms of performance appraisal errors

Performance Appraisal Error	Expressions	S.D.	$\overline{X}$
Halo Effect	I am assessed with better points also in other areas when I am good at a certain area.	0.9905	4.21
Horn Effect	Although I am quite good at my work, I am accepted as having low performance if I fail in a certain area.	1.0232	3.96
Affecting from the recent events	My recent performance is assessed as if it were all the same throughout the period.	1.1461	3.95
Contrast Error	As the evaluator tries to assess many people within a short period of time, he is affected from their performance while he is assessing my performance level.	0.9922	3.93
Extra Tolerance	The evaluator assesses my performance with higher points than it is.	1.0938	3.74
Rigidity	The evaluator assesses my performance with lower points than it is.	1.1175	3.88
Single Criterion	The evaluator makes his assessments by taking one or fewer criteria.	1.0626	3.72
Personal Prejudices	The evaluator reflects his personal prejudices and opinions about the employees into the appraisal period.	1.1226	3.63
Intrinsic Reference	The evaluator believes that it is the personality of an employee which leads to an increase or decrease in his performance level or the reason why he is successful or unsuccessful in a certain action.	1.2450	3.72

Extrinsic Reference	The evaluator attributes the increase or decrease in the performance levels or the reasons of successful or unsuccessful actions in a certain event to the instructions of the manager.	1.1355	3.64
Average Tendency	The evaluator scores the performance of the most of the employees at an average value.	1.1811	3.47
Conflicts in Open Meetings	The evaluator makes discussions and leads to conflicts while assessing.	1.1305	3.49
Instrumental Error	The instrument used in the performance appraisal process is wrong.	1.1413	3.27
Status Exposure	The evaluator makes his appraisal under the exposure of work position held by the persons being assessed.	1.2045	3.29
Using different standards and loads	The evaluator uses different standards and loads for the employees under similar qualifications in the appraisal process.	1.1387	3.28
Affecting from the working periods	The evaluator is inclined to give higher points to the employees with more service period.	1.1833	3.18
Comparison to the self	The evaluator makes a higher appraisal in contrast to regarding different than the self by thinking that the employee has similar characteristics (political view, age, gender, etc.) and has similar attitudes like him.	1.1557	2.92
Regarding different than the self	The evaluator makes a lower appraisal thinking that the employee does not have similar characteristics (political view, age, gender, etc.) and does not have similar attitudes like him.	1.0772	3.00
Not considering the relations among works	The evaluator does not take the relations among works into consideration, so he reflects the efficiency decrease resulted from another employee into my performance appraisal results.	1.1000	2.90
Matthew Effect	The evaluator makes his appraisal by taking my previous appraisal results into consideration.	1.0909	2.95
Not providing a feedback	The evaluator gives me no feedback on my weaknesses.	1.1207	3.02
Reluctance to make a judgment	I feel that the evaluator is quite reluctant in the processes.	1.2015	2.98
Not being informed in advance	I am not informed about what criteria will be taken into consideration in the appraisal process.	1.0544	2.97
Lack of Measurable and Objective Criteria	Measurable and objective criteria are used in the appraisal process.	1.1813	2.99
General Mean		*0.6755*	*3.42*

Table 7. The relation between the perceptions of employees in terms of performance levels and their attitudes in terms of performance appraisal errors

	Perception of Performance Level	Attitudes towards performance appraisal errors
Pearson Correlation	1.000	.341(**)
p		.010
n	188	188

** p<0.01

Table 8. Relation between the perceptions of employees in terms of performance levels and their attitudes in terms of performance appraisal errors

Performance Appraisal Errors	Performance Levels	r	p
Halo Effect	1.000	0.188	**0.010***
Horn Effect	1.000	0.258	**0.000****
Affecting from the recent events	1.000	0.269	**0.000****
Contrast Error	1.000	0.189	0.10
Extra Tolerance	1.000	0.112	0.127
Rigidity	1.000	-0.101	0.169
Using a single criterion	1.000	0.229	**0.002****
Personal Prejudices	1.000	0.270	**0.000****
Intrinsic References	1.000	0.070	0.343
Extrinsic References	1.000	0.144	**0.048***
Average Tendency	1.000	0.182	**0.013***
Conflicts in open meetings	1.000	0.146	**0.046***
Instrumental Error	1.000	0.159	**0.029***
Status Exposure	1.000	0.028	0.706
Using different standards and loads	1.000	0.121	0.098
Affecting from the working periods	1.000	0.061	0.409
Comparison to the self	1.000	0.096	0.190
Regarding different than the self	1.000	0.132	0.071
Not considering the relations among works	1.000	0.039	0.595
Matthew Effect	1.000	0.028	0.702
Not providing a feedback	1.000	0.112	0.125
Reluctance to make a judgment	1.000	-0.034	0.646
Not being informed in advance	1.000	0.052	0.479
Lack of measurable and objective criteria	1.000	0.074	0.314

* p<0.05 ** p<0.01

Table 9. The perceptions of employees in terms of performance levels and their attitudes in terms of working positions

Perception of Performance Level	N	$\overline{X}$	t	p
Employee	137	4.02	-0.200	0.842
Employer	51	4.05		
Attitudes towards performance appraisal errors	**N**	$\overline{X}$	**t**	**p**
Employee	137	3.37	-1.669	0.097
Employer	51	3.55		

* p<0.05

Table 10. The perceptions of employees on their performance levels and performance appraisal errors in terms of their training on performance management

Perception of Performance Level	N	$\overline{X}$	t	p
I have a training on performance management	76	4.27	2.741	0.007*
I don't have a training on performance management	112	3.87		
Attitudes on Performance Appraisal Errors	**N**	$\overline{X}$	**t**	**p**
I have a training on performance management	76	3.35	-1.121	0.264
I don't have a training on performance management	112	3.47		

* p<0.05

Table 11. The perceptions of employees on their performance levels and their attitudes towards performance appraisal errors in terms of their income level

	Sum of Squares	Sd	Mean of Squares	F	p
Perception of Performance Level					
Among groups	8.171	5	1.634	1.618	0.157
In-groups	183.854	182	1.010		
Total	192.025	187			
Attitudes on Performance Appraisal Errors					
Among groups	6.695	5	1.339	3.099	0.010*
In-groups	78.638	182	.432		
Total	85.332	187			

* p<0.05

Table 12. The perceptions of employees on their performance levels and their attitudes towards performance appraisal errors in terms of their education level

	Sum of Squares	Sd	Mean of Squares	F	p
Perception of Performance Level					
Among groups	4.093	4	1.023	0.996	0.411
In-groups	187.932	183	1.027		
Total	192.025	187			
Attitudes on Performance Appraisal Errors					
Among groups	4.407	4	1.102	2.491	0.045*
In-groups	80.926	183	.442		
Total	85.332	187			

* p<0.05

Table 13. The perceptions of employees on their performance levels and their attitudes towards performance appraisal errors in terms of their working periods

	Sum of Squares	Sd	Mean of Squares	F	p
Perception of Performance Level					
Among groups	5.525	4	1.381	1.355	.251
In-groups	186.501	183	1.019		
Total	192.025	187			
Attitudes on Performance Appraisal Errors					
Among groups	3.113	4	.778	1.732	.145
In-groups	82.220	183	.449		
Total	85.332	187			

* p<0.05

Table 14. The relation between the agreement on the effects of efficiency and effectiveness on performance appraisal and the perceptions of employees on their performance levels and their attitudes towards performance appraisal errors

Perception of Performance Level	**N**	$\overline{X}$	**t**	**p**
Performance appraisal has an effect on efficiency and effectiveness.	107	4.16	2.009	0.046*
Performance appraisal has no effect on efficiency and effectiveness.	80	3.87		
Attitudes on Performance Appraisal Errors	**N**	$\overline{X}$	**t**	**p**
Performance appraisal has an effect on efficiency and effectiveness.	107	3.45	0.534	0.594
Performance appraisal has no effect on efficiency and effectiveness.	80	3.40		

* p<0.05

Table 15. The frequency of performance appraisal required to apply and the perceptions of employees on their performance levels and their attitudes towards performance appraisal errors

	Sum of Squares	Sd	Mean of Squares	F	p
Perception of Performance Level					
Among groups	10.051	4	2.513	2.527	0.042*
In-groups	181.975	183	.994		
Total	192.025	187			
Attitudes on Performance Appraisal Errors					
Among groups	4.616	4	1.154	2.616	0.037*
In-groups	80.717	183	.441		
Total	85.332	187			

* p<0.05

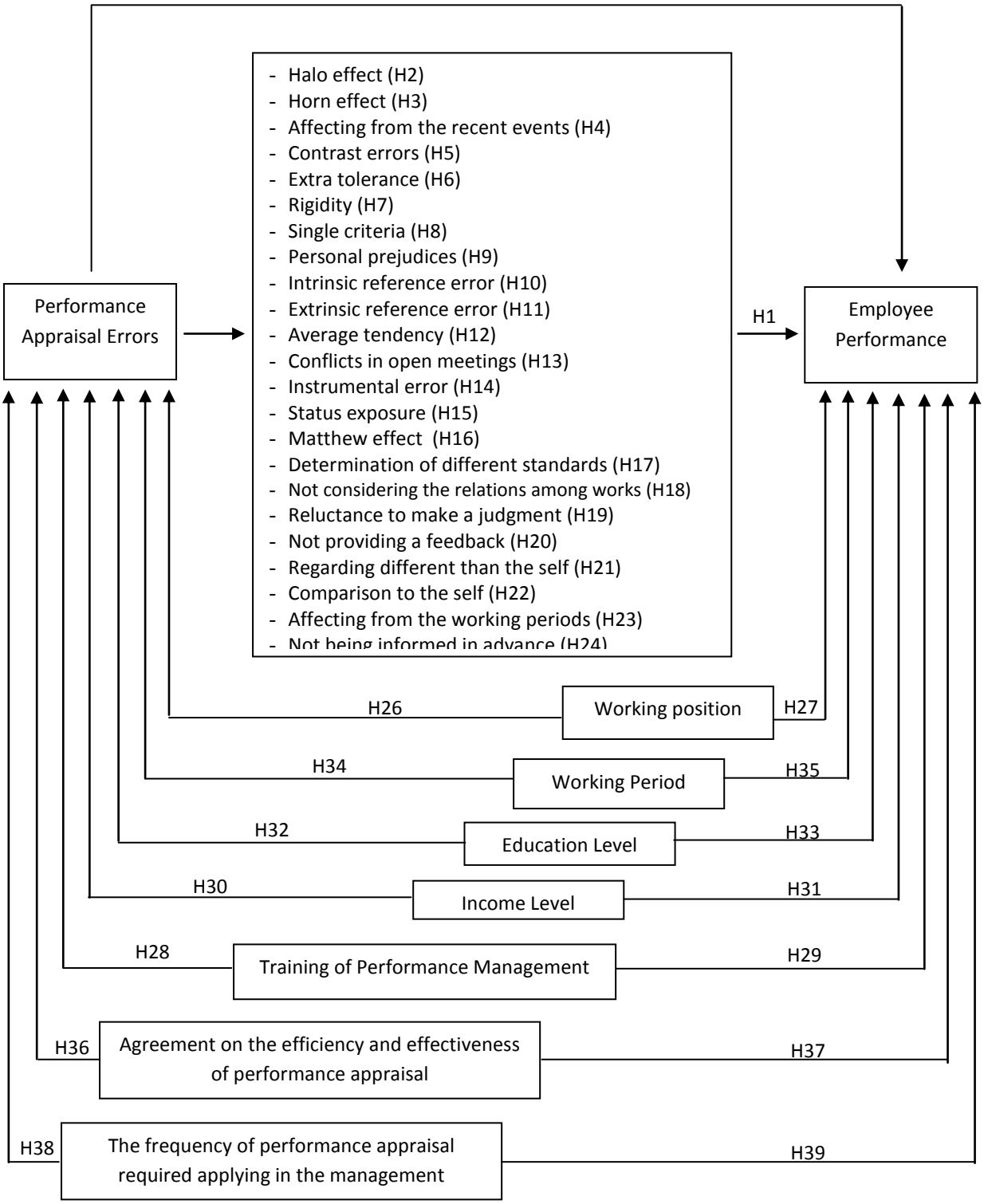

Figure 1. Model of the research