Errors in Performance Appraising

Halo/Horn effect: when an employee's positive (halo) or negative (horn) performance in one area results in a high or low rating in all areas

Recency: when an appraiser gives more weight to recent occurrences and discounts or minimizes the employee's earlier performance during the appraisal period. It may occur because of the inability of the appraiser to remember employee performance of 8 or 12 months ago. Additionally, as a performance review draws near, many employees may improve their performance in anticipation of a higher evaluation.

Primacy: when an appraiser gives more weight to employee's earlier performance and discounts or minimizes recent occurrences. This may be due to the primacy effect, where individuals tend to pay more attention at first and then lose attention.

Bias: when an appraiser's values, beliefs, or prejudices distort ratings (either consciously or unconsciously)

Strictness: appraiser's reluctance to give high ratings, regardless the performance

Leniency: appraiser's reluctance to give low scores

Equity theory: based in the idea that individuals are motivated by fairness, and if they identify inequities in the input or output ratios of themselves and their referent group, they will seek to adjust their input to reach their perceived equity. Adams suggested that the higher an individual's perception of equity, the more motivated they will be and vice versa: if someone perceives an unfair environment, they will be de-motivated.

Central tendency: appraiser rates all employees within a narrow range, regardless the performance

Contrast: appraiser rates employee's performance in comparison to another employee's performance