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ANALYZING PERFORMANCE APPRAISAL SYSTEM THROUGH PERSONAL BIASES: AN EMPIRICAL ASSESSMENT

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KEYWORDS	ABSTRACT
Employee perception (EP), Personal Biasness (PB), Performance Appraisal Systems, Banking System	The aim of this study is to investigate relationship between personal biases upon performance appraisal system. Researchers used quantitative research method to investigate relationship between observed variables. Researcher collected data from the banking sector employees working in Pakistan. Thus, 300 banking employees were selected to collect the data from respondents. The results revealed that personal biases, employee's perception and culture has significant effect on performance appraisal system. Further, the study findings revealed that employees' biases have significant and negative effect upon performance appraisal system. Managers are required to nurture and appreciate favorable cultures so as to contribute to establishment of public firms. Workers are left with strong feeling that the organization has a culture that is biased. In order for the long-term praise to be successful in generating attitudes, it is needed for workers to feel valued by their management team. When it comes to evaluation, favoritism is deeply embedded in Pakistan's governmental institutions, particularly in service sector. Both managers and middle-level staff think that when bias increases, so does the culture of bias inside public organizations. 2022 Journal of Social Sciences Development

INTRODUCTION

Goal setting, monitoring, and assessment organizations are believed to be integrated into consistent and coherent framework in order to connect the individual employee performance goals with the organization's larger objectives (Haralayya, 2022). Such horizontal alignment indicates existence of internally consistent employee performance management system. The goal-setting, planning, monitoring (feedback), and evaluation-appraising are all components of the effective employee performance management. Some experts in subject have proposed three steps (Rana, Mukhtar & Mukhtar, 2022). In this regard, task completion rates and corporate citizenship are two examples of

how performance is put into practice. A company has to be more aware of its position in order to achieve its objectives. Such awareness improves understanding of the organization's performance and the actions that contribute to compensation (Rubin, Roch & Roch, 2022). Also, a company has to become cognizant of the efficacy of its workforce if it hopes to enhance its human resources (HR) and, by extension, its output and customer service. Thus, long-term, this will result in the improved performance. It pertains to establishing favorable atmosphere, that effects production both inside and outside (Cadden, Millar, Treacy & Humphreys, 2020). Manager gives results of his thorough analysis of employee's performance and his assessment of whether or not the employee's output was up to the mark.

The discussion concludes with a strategy for how employee might boost his output. The employee listens, signs the performance evaluation, and then wonders where the boss got all the performance data he had meticulously gathered (Meng & Zhang, 2022). There are some challenges and factual concerns, ranging from questions of causality to how to assess the efficacy of performance reviews. The literature review reveals that the performance assessment technique is one of the most essential instruments for evaluating how effectively the people do their duties, but it has shortcomings that make it less effective and efficient. Employee behavior and attitude are major contributors to the basic character of change, which leads in perceptions that impact workers' reactions to change (Wang, Wang & Jia, 2022). The issue comes when the assessment's parameters are set. Little is known about how political exploitation and prejudice inside an organization effect the employee happiness, business standards, and the workers' perceptions that they are not being treated fairly (Ayege, 2019; Guo, 2019). In this connection, literature implies that examination of organizational strategy relies less upon performance management techniques. The organizational environment is inherently political, which has a significant influence on performance evaluation procedures and their outcomes.

LITERATURE REVIEW

Many studies have characterized personal biases in a broad range of ways. Prejudice and hostile biases are examples of personal biases (Outila & Fey, 2022). Both of these biases divert the rater's attention away from reality or the rater's intended conduct. According to Pulakos et al. (2015), "even when the input is legitimate, offering harsh criticism might harm relationships with the coworkers. Raters describe enduring severe discomfort when doing so. Personal prejudice may originate from a variety of factors, including information learned from colleagues, philosophical and religious convictions, as well as community and family history (Wang et al., 2022). So, it is vital to develop an assessment technique that is inclusive and centered upon the culture, operational structures, and priorities (Buckingham & Goodall, 2015). The importance of racial discrepancies in performance reviews of employees is growing as the workplace culture changes (Tomlinson & Carnes, 2015). The rater's objectives have a considerable influence on how fair or unfair workers perceive performance reports. According to Wessenlink (2017), the manager is in charge of monitoring each employee's output and effectively addressing any issues. Therefore, the conflict that biased information creates inside an organization, according to Christensen et al. (2018), makes the exploitation of the biased information possible.

According to Pegulescu (2018), vast majority of employees feel that performance is extraordinary and that they deserve praise for it. Biases in evaluation process will lead to antagonism. However, present research in Pakistan mainly addresses characteristics pertinent to the industry, ignoring the impact of performance assessment biases that restrict workers' prospects for personal development, financial gain, and career evolution (Wei, 2019). There are numeral regular biases in organizations that impact the performance appraisal process. For instance, it might be difficult to determine how unconscious bias in performance appraisals impacts company's culture (Murray, 2016). Prejudice against others impacts recruiting, training, promotion, and termination procedures and generating unfairness and imbalance in workplace (Filut, Kaatz & Carnes, 2017). When evaluators focus upon one exceptional aspect of performance rather than whole, or when they base their assessments on potential outcomes rather than actual outcomes, halo bias may develop (Wolf 2015). Examining organizational culture will assist in finding factors impacting company strengths and weaknesses (Mojibi et al, 2015). Cultural gravity compels individuals to act in line with the cultural standards. Organization's culture serves as point of reference for its employees and guides company operations (Gurlek & Tuna, 2018).

According to Schein (2018), building and administration of a healthy workplace culture is where leaders at all levels of a company genuinely create value. Long-term, this will result in improved organizational performance. It pertains to establishing the favorable atmosphere, which influences production both inside and outside (Cadden et al., 2020). According to Omar, different researcher from 2017, perception is the "complicated process by which humans choose, mix, and analyze visual stimuli to form a meaningful and coherent view of world." According to Colquitt and Zipal (2015), employees not believe situation is unfair, but they also believe it to be unjust. Employee behavior and attitude are major contributors to basic character of change, which leads in perceptions that impact workers' reactions to change (Shweta, 2015). Good employee views of the evaluation are far more crucial for success than their nature, and these perceptions are correlated with knowledge of the assessment's aims, its frequency, and the supervisor's understanding of his or her responsibilities (Gurchiek, 2017). According to Johnson et al. (2017), employee attitudes are determined by their perceptions of the workplace. Consequently, PA will affect how dedicated workers are to reaching corporate goals, which will influence how they share information and innovate (Aktharsha and Sengottuvel, 2016).

RESEARCH METHODOLOGY

The approach of this research tests computational strategies that use aspects of quantitative data sets in relation to the data utilized. The two sorts of the research approaches are quantitative and qualitative (André, 2017). The impartiality of data gathering and interpretation is emphasized heavily in quantitative research methodology. Data collecting is essential for statistical methods. There are several ways to collect data for research, and they all fall into one of two categories: primary data or secondary data. Primary data collection is the most authentic and trustworthy way of data acquisition. The data collecting phase is crucial. Both qualitative and quantitative research use almost all data collection methods (Champ, 2017). The researcher selected this method of data collection because primary sources give information based on firsthand experience with a topic,

while secondary sources do it indirectly (Pujiono, 2020). According to this fundamental criterion, Sekaran suggests a sample size of 250 to 450. (2016). Thus, middle-level employee sample (N=300) was selected. Researcher obtained data from Pakistani banking industry personnel. The researchers employed SPSS to test study's hypotheses. The hypothesized hypothesis is tested using a basic linear regression method.

Table 1 Reliability Analysis

Variables	CA	Cronbach's Alpha
Performance appraisals	.831	.843
Employee perception	.842	.846
Organization culture	.816	.815
Personal biasness	.815	.818

Table 2 Regression (Model Summary)

Model	R	R2	ADJ R2	SEE	Change Statistics					DW
					R2-C	FC	DF1	DF2	SFC	
1	.73a	.81	0.88	.54681	.003	.707	1	248	.001	1.467

Table 3 Regression (ANOVA)

Model		SS	DF	MS	F	Sig.
1	Regression	.211	1	.211	.707	.001b
	Residual	74.154	248	.299		
	Total	74.365	249			

Table 4 Regression (Coefficients)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	SE	Beta			LB	UB
1	(Constant)	2.839	.112		25.439	.000	2.619	3.059
	OB	-.31	.054	-.053	-.841	.001	-.102	.041
	EP	.46	.033	.099	.294	.000	.219	.089
	OC	.60	.090	.075	.719	.050	.118	.067
a. Dependent Variable: PAS								

The findings of above table indicated that all the variables are reliable as the values are above the threshold i.e., 0.70. H1 forecasts how variable (Personal Biases) will affect the dependent variable (performance appraisal systems). The value of R explains predictive model of the study. The results indicated that personal bias explain 88% of outcome variables. The results provide important data as the findings from the above table indicated that the personal biases, employee's perception and organizational culture has significant effect on performance appraisal system. Further, the study findings revealed that employees' biases have significant and negative effect on the performance appraisal system.

DISCUSSION & CONCLUSION
Findings of current study demonstrate that personal biases, employee perception and organizational culture have a substantial impact on the performance appraisal method. In addition, the research

found that employee bias has a significant and negative impact on performance appraisal method. The findings of current research are in line with the previous researches (Haralayya, 2022; Meng & Zhang, 2022; Outila & Fey, 2022; Rana et al., 2022; Rubin et al., 2022; Wang et al., 2022). The primary intention behind writing this paper was to study connections that might be made between personal bias and performance rating systems. In the prior research, personal bias was regarded as having the potential to create biased performance assessments in public organizations. Managers and supervisors often base their evaluations of their employees not on how well those employees really perform but rather on how well they get along with their subordinates. The current study in Pakistan solely focuses on industry-oriented elements, ignoring the influence of the biases upon performance appraisals effective system that restrict workers' prospects for personal development and financial gain.

The outcomes of the research indicate that personal bias has an impact on the techniques used to evaluate performance. The frequency of biased performance appraisals likewise grows in tandem with the rising degrees of prejudice inside an organization. The present study offered significant and leading information from results of current study that may help the management in revisiting their policies regarding the performance management system and its effective implementation towards the nurturing behaviors of employees to augment their trust on the concerned organizations. Top management tampering with evaluation procedures in order to advance the careers of persons they favor has an impact on the standards and principles upon which the companies are founded. Thus, the goal-setting, planning, execution, monitoring and evaluation-appraising are all components of the effective employee performance management towards realization of organizational outcomes. As a consequence, it has the significant relationship to the various performance assessment systems. Corruption may be fought by imposing restrictions on it or by altering the cultural behaviors that contribute effectively.

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