Traditional and self performance evaluation scores as predictors of employee tenure

Victoria Jean Curry

Follow this and additional works at: http://scholarworks.lib.csusb.edu/etd-project

Part of the Psychology Commons

Recommended Citation
http://scholarworks.lib.csusb.edu/etd-project/813

This Thesis is brought to you for free and open access by the John M. Pfau Library at CSUSB ScholarWorks. It has been accepted for inclusion in Theses Digitization Project by an authorized administrator of CSUSB ScholarWorks. For more information, please contact scholarworks@csusb.edu.
TRADITIONAL AND SELF PERFORMANCE EVALUATION
SCORES AS PREDICTORS OF EMPLOYEE TENURE

A Thesis
Presented to the
Faculty of
California State University,
San Bernardino

In Partial Fulfillment
of the Requirements for the Degree
Master of Arts
in
Psychology

by
Victoria Jean Curry
December 1994
TRADITIONAL AND SELF PERFORMANCE EVALUATION
SCORES AS PREDICTORS OF EMPLOYEE TENURE

A Thesis
Presented to the
Faculty of
California State University,
San Bernardino

by
Victoria Jean Curry
December 1994

Approved by:

James G. Rogers, Chair, Management
Yu-Chin Chien, Psychology
Donald Drost, Management

Date: 1/7/94
ABSTRACT

The relationship of employee tenure to performance evaluations has been studied within many contexts. This research examined archival data consisting of application forms, traditional performance evaluations, and self evaluations from a small publishing company located in Southern California. The subjects consisted of both males and females between the ages of 20 and 60 with a mean age of 40, and with at least a high school level of education, who had worked at least three months to two years at the company during the years 1987 and 1992. Three hypotheses were advanced:
(a) The employee’s tenure would be positively correlated with the supervisor’s evaluation of the employee’s performance, (b) there would be a positive correlation between the supervisor’s evaluation of the employee and the employee’s self evaluation, and (c) the greater the discrepancy between the employee’s self evaluation and the supervisor’s evaluation of that employee, the lower the chance that the employee would stay in the same organization for a long period of time. Pearson product-moment correlation tests were conducted to evaluate the significance of the proposed hypotheses. The results support the hypothesis that the employee’s tenure was positively correlated with the supervisor’s evaluations. The study also confirmed the hypothesis that there was a positive correlation between the supervisor’s evaluations of the employee and the
employee’s self evaluations. However, no significance was found for the third hypothesis. Future research involving different variables is needed to determine if the discrepancy between the two types of evaluations will interact with other variables and affect the employee’s choice to stay or leave their company.
ACKNOWLEDGMENTS

I would like to acknowledge the chair of my thesis committee, Dr. James Rogers for his patience, commitment and guidance, without which I would not have been able to complete this thesis. I would also like to extend my thanks to both committee members, Dr. Yu-Chin Chien and Dr. Donald Drost, for their support and guidance in this endeavor, and again, without which this thesis would not have been possible. I also wish to extend my gratitude to my Mother, Barbara, my Father, Patrick, my brother, John, my sister, Roey, and my friend, Steven Edwards for their enduring patience and support, and to God for the inner strength to complete this project.
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>ABSTRACT</td>
<td>iii</td>
</tr>
<tr>
<td>ACKNOWLEDGMENTS</td>
<td>v</td>
</tr>
<tr>
<td>LIST OF TABLES</td>
<td>viii</td>
</tr>
<tr>
<td>INTRODUCTION</td>
<td>1</td>
</tr>
<tr>
<td>Employees' Job Performance</td>
<td>3</td>
</tr>
<tr>
<td>Employees' Perceptions of Their Job Performance</td>
<td>6</td>
</tr>
<tr>
<td>Congruency Between Supervisor Performance Evaluations and Employee Self Evaluations</td>
<td>8</td>
</tr>
<tr>
<td>Summary</td>
<td>9</td>
</tr>
<tr>
<td>METHOD</td>
<td>12</td>
</tr>
<tr>
<td>Design</td>
<td>12</td>
</tr>
<tr>
<td>Subjects and Database</td>
<td>12</td>
</tr>
<tr>
<td>Measures and Procedures</td>
<td>13</td>
</tr>
<tr>
<td>Scoring and Analysis</td>
<td>13</td>
</tr>
<tr>
<td>RESULTS</td>
<td>15</td>
</tr>
<tr>
<td>SUMMARY AND DISCUSSION</td>
<td>18</td>
</tr>
<tr>
<td>Conclusion</td>
<td>21</td>
</tr>
</tbody>
</table>

vi
LIST OF TABLES

TABLE 1  The Correlations Among the Supervisor Evaluation of the Employee and Tenure ......................... 15

TABLE 2  The Congruency Between the Supervisor Evaluation of the Employee Performance and the Employee Self Evaluation ................................. 16

TABLE 3  The Correlations Between the Discrepancy Scores and Employee Tenure .................................. 17
INTRODUCTION

In measuring the success of an organization, it is often agreed that not only the output, but the effectiveness of the employee is a key element. With this in mind, the retention of those employees with superb performance should be a priority. This practice helps companies reduce sizable costs related with employee turnover, such as, recruitment, selection, training, orientation, disruption of performance, decline in morale, and severance pay (Cascio, 1982; Phillips, 1990). A recent study found turnover costs to average 1.5 times the annual salary of an employee for each 12.5 to 13.5 month period (Phillips, 1990). For example, the turnover costs for an employee with an annual salary of $20,000 would be $30,000. With annual turnover rates as high as 30 to 40 percent for larger companies, reducing employee turnover is an issue which should seriously be addressed (Glazier, 1989).

Traditionally, the study of employee tenure has focused on the major occurrences that influence the employee during their withdrawal process, such as the individual’s values, and intentions to search, etc. (Mobley, Griffeth, Hand, & Meglino, 1979). For example, Arnold and Feldman (1982) looked at the turnover among 654 accounting professionals. Their study measured a set of variables which included: demographics (e.g., age, gender, marital status, number of dependents), tenure, job security, intention to
job search, perceived existence of alternative jobs, and intention to leave. The study also measured the relationship between these variables and turnover behavior. Their results indicated that age, job satisfaction, and organizational commitment all have significant influence on the intention to job search, which in turn, directly influenced turnover behavior.

Rusbult and Farrell (1983) also found that job satisfaction and organizational commitment are factors contributing to turnover. They found that the employees who had left their jobs had experienced a greater decline in rewards (e.g., low pay, lack of autonomy), and a greater decline in both extrinsic investment (e.g., years of service, nonvested retirement pay) and intrinsic investment (e.g., friends at work, benefits associated with the position). A decline over time in both the employee's perceived investment toward the company and sense of belonging, thus, may lower the employee's job satisfaction and commitment, and ultimately result in turnover.

Traditional research has attempted to identify major occurrences that influence employees’ feelings, such as job satisfaction, commitment, and intention to job search as indicators of turnover (e.g., Mobley, et al., 1979; Arnold & Feldman, 1982; Rusbult & Farrell, 1983). A way to determine the employee’s feelings (e.g., job satisfaction, intention to job search) is to examine their job performance. As suggested by many researchers, employee performance can be an important predictor of employee tenure (e.g., Williams & Livingstone, 1994; Spencer & Steers, 1981).
There are three ways (or systems) generally used for measuring employees' performance: (a) traditional employee performance evaluation administered by the supervisor, (b) employee self evaluation, and (c) peer evaluation. Many studies, analyzing employee performance, involved the use of only one evaluation system. As pointed out by Farh, Werbel and Bedeian (1988; also see Spector & Jex, 1991) in order to better understand the dynamics of who leaves and who stays, it is important to know the interrelationship among these three sets of evaluations, more importantly, the relationship between the first two systems.

In the following sections, we will review the literature concerning the first two sets of evaluations (i.e., the employee's job performance evaluated by their supervisors and the employee's perception of their own job performance); and their relationship to the employee's turnover behaviors. We will also review the literature concerning the potential influence the discrepancy between these two sets of evaluations may have on the employee's turnover behaviors.

Employees' Job Performance

The literature regarding employee performance identifies the leavers from the stayers within an organization. For example, Spencer and Steers (1981) studied job satisfaction and job performance evaluations as they influence turnover behavior. They examined 295 hospital employees on measures of job satisfaction, employee performance evaluations from company records, and turnover data collected one year after the administration of the questionnaire. They found that the employee’s job satisfaction level
had less influence for high performers than it did for low performers in the decision to stay or leave.

Similarly, McEvoy and Cascio (1987) looked at performance evaluations and intentions to leave in a meta analysis of 24 performance and turnover studies. They found that those employees who were rated as good employees in performance evaluations appeared to be less likely to leave an organization than those with a poor evaluation. Two theoretical explanations for this relationship were offered. First, an employee may become stressed when they receive a low or below-average performance rating which may in turn lead to job search activities. Second, they found research that indicates job performance and satisfaction are positively related as are intentions of leaving and employee turnover.

Cope, Grossnickle, Covington, and Durham (1987) in support of McEvoy and Cascio (1987) concluded that lower performers had a higher tendency to leave compared to high performers. They examined the relationship between supervisory ratings of employee performance and turnover by analyzing data from 144 leavers and 144 stayers across 32 positions in a large mental-health institution, during a two-year period. Their results indicated that performance ratings for leavers were significantly lower than for stayers.

Although the literature appears to support the conclusion that leavers tend to be below average performers (e.g., McEvoy & Cascio, 1987; Spencer & Steers, 1981), Schwab (1991) found contradictory results and suggested that some external factors
might play an important role in determining the employee's decision to stay or leave. In Schwab's study, 259 tenure-track social-science faculty members at a research university were examined. Schwab found that the high performers were more likely to leave among tenured members, as were low performers among untenured members. High performers likeliness to leave was paired with the existence of better opportunities or incentives outside the institution (e.g., more pleasing employment offers).

Williams and Livingstone (1994) performed a meta-analysis involving 55 studies on the relationship between performance and voluntary turnover. Their results gave further support to Schwab (1991), but, not McEvoy and Cascio (1987), in that there were conditions where both poor and good performers might leave their jobs, depending upon circumstances. For example, poor performers left because they were unable to meet the job task goals set by the supervisor, and good performers left, possibly due to better career opportunities or personal reasons.

In general, the research suggests that supervisors' evaluations of their employees' performance can be used to identify turnover behavior in good and poor performers (e.g., Spencer & Steers, 1989). Leavers tend to receive lower performance rating than stayers. However, as suggested by Schwab (1991) among others (e.g., Williams & Livingstone, 1994), the influence of the performance evaluation on employees' turnover behavior is not the same under different circumstances.
Employees’ Perceptions of Their Job Performance

Employees’ perceptions and expectations of their jobs have also been found to affect tenure within the organization. For example, a study by Suszko and Breaugh (1986) examined employee perceptions of job tasks and job expectations using realistic job previews (RJP). In their study 28 applicants for an inventory taker position at a national inventory service firm were randomly assigned into two groups. The first group was the RJP group. Subjects in this group received an RJP prior to being hired. The RJP consisted of five categories of job requirements on which the employee rated themselves: (a) social relations, (b) physical working conditions, (c) hours, (d) job tasks, and (e) career opportunities. The second group was a control group. Subjects in this group were not given an RJP. Results showed that those who received an RJP perceived the company as being more honest. These subjects were also found to cope better with the job tasks. They reported higher levels of job satisfaction and were less likely to leave their organization. This set of results imply that RJPs may significantly reduce turnover.

Reduced misunderstanding of job tasks and a better understanding of the performance goals expected by the supervisor are added benefits accruing from the use of employee self evaluations. Bell and Kerr (1987) conducted a study using self evaluations along with the traditional supervisor performance evaluations. They found that business students (n = 96), who practiced both business communication skills and supervisor skills (such as management and decision making skills) were better than others in communication and employee-supervisor relationships.
In contrast to the above findings, there were several studies which suggested that the results of self evaluations were not congruent with the results of traditional supervisor evaluations. Moreover, the set of employees' self evaluations did not result in better communication; it also did not affect the employees' turnover behavior. For example, Orpen (1986) examined the relationship between pay level, measures of satisfaction, motivation, and involvement. He administered three measures to 47 managers from different organizations. These measures included: self ratings on performance, absenteeism, and turnover; a measure of job involvement, job satisfaction, and internal motivation; and the Pay Satisfaction Questionnaire (Heneman & Schwab, 1985). No significance was found for the hypothesis that negative work outcomes lead to absenteeism, decreased performance, loss of job satisfaction, lower job involvement, loss of motivation, or turnover using these three measures.

Other research also suggests that self evaluations do not increase the communication between employees and supervisors, nor improves job satisfaction. In fact, Spector and Jex (1991) examined some job characteristics (such as autonomy, identity of the job, and feedback) and their possible influence on job satisfaction and turnover behavior. They looked at data from three independent sources: incumbent self ratings, job descriptions, and the Dictionary of Occupational Titles. Spector and Jex did not find support for the relationship between job characteristics and intentions of turnover.
In sum, some researchers have found evidence that self evaluations increase communication between the supervisor and employee, and may result in a reduced misunderstanding of job tasks and a better perception of the expected performance goals, which may in turn lead to less turnover (Suszko & Breaugh, 1986; Bell & Kerr, 1987). However, other researchers did not find support for the linkage among these variables (Orpen, 1986; Spector & Jex, 1991). They also did not find support for the relationship between job characteristics and tenure.

Congruency Between Supervisor Performance Evaluations and Employee Self Evaluations

The studies between the congruency of supervisor performance evaluations and employee self evaluations have been few and conflicting (e.g., Farh et al., 1988). Harris and Schaubroeck (1988) examined the relationship between self, peer, and supervisor ratings of the employee in a meta-analysis of 70 studies. They found a moderate correlation in 36 studies which specifically involved the employees' self ratings and supervisors' ratings ($r = .35$).

Farh, et al. (1988) studied employee awareness of their performance level and found that self ratings appeared to be in agreement with the supervisor performance appraisals. They investigated the effectiveness of self-assessment based performance evaluations among 88 faculty members and their chairpersons at a state university, and found a high congruence between the self ratings and the traditional chairperson ratings of the employees. Moreover, both ratings were found to be significantly correlated with
the criterion-related measures that were used in the study, and that both groups agreed
that the self-assessment based performance evaluations reduced defensiveness in
performance evaluation interviews and helped to communicate and resolve
disagreements.

In contrast to the above findings, Greller and Parsons (1992) found no relationship
between supervisor evaluations and employee self evaluations in their study of job
performance feedback among 640 police officers. Their results indicated that the
supervisor communication has limited impact on employees' beliefs about their
performance. The results also showed that the employee was less likely to accept a poor
evaluation from the supervisor if it differed from the employee’s perceived performance.
In addition, when the employee received a lower evaluation than perceived, they often
discounted or moderated the supervisor evaluation through self enhancement.

Summary

In realizing the importance of addressing employees' tenure in an organization, the
researchers have identified several variables (e.g., job satisfaction, commitment, and
intentions of leaving) that may contribute to the employees staying or leaving their job.
The major findings are summarized as follows:

1. Employee's performance (evaluated by their supervisor) is closely related to
their tenure. In general, the employees who were leaving their jobs tended to receive
lower performance evaluations from their supervisor than those who were staying.
However, several external factors were also found to interact with the employee's
performance in determining their tenure. Good performers tended to leave their job due to some outside incentives or better opportunities; poor performers tended to leave their job due to their inability to meet the task goals.

2. It was suggested that increasing communication between the employees and their supervisors would help in reducing possible misunderstanding of job tasks and performance goals. This would in turn increase the possibility for the employees to stay longer in their jobs. One way to measure the degree of communication between the employees and their supervisors is to determine the congruency between the evaluation conducted by the employees themselves and the evaluation conducted by their supervisors. The results concerning the congruency between these two sets of evaluations were not consistent. Some researchers have suggested that there exists a positive correlation between these two sets of evaluations; others have detected no such relationship.

In order to clarify some of the previously conflicting research findings, the current study was designed to reexamine the relationship between the employee’s performance and their tenure with the organization by considering the following factors: (a) the employee's self evaluation, (b) the evaluation conducted by the employees' supervisors, and (c) the degree of congruency between these two sets of evaluations. In line with Spencer and Steers' suggestion (1981), we hypothesized that the employee’s tenure would be positively correlated with the supervisor’s evaluation of the employee’s performance. In light of recommendations by Farh, et al. (1988) and Spector and Jex (1991), we
hypothesized that there would be a positive correlation between the supervisor’s evaluation of the employee and the employee’s self evaluation. Moreover, it was hypothesized that the greater the discrepancy between the employee’s self evaluation and the supervisor’s evaluation of that employee, the lower the chance that the employee would stay in the same organization for a long period of time.
METHOD

Design

A correlational design was used to investigate the proposed hypotheses. The variables were: (a) the employee’s tenure in the organization, (b) the employee’s self evaluation, (c) the supervisor’s evaluation of the employee, and (d) the discrepancy scores between (b) and (c). The operational definition of each of the variables is given below in the Measures and Procedures section.

Subjects and Database

The data for the proposed study were obtained from the archival files of a small publishing company in a large metropolitan city in Southern California. The study analyzed 41 subject files. The subjects most recent performance evaluations were used in our study. The subjects consisted of both males and females between the ages 20 and 60 with a mean age of 40, and with at least a high school level of education, who had worked at least three months to two years at the company during the years 1987 and 1992. The archival files were gathered upon permission from the president of the organization. Strict confidentiality was maintained in all aspects of the collection and use of the information.
Measures and Procedures

The subject information was taken from the application forms and performance evaluations. The application forms were used to obtain the following information for each subject:

1. The subjects' education level was obtained from the application form completed by the employee prior to the hiring interview.

2. Subjects’ tenure with the company was determined by the difference of the date they were hired and the date of their exit interview. This information was recorded in months.

The data from the existing employee-performance evaluation appraisal forms were used to determine the following three variables: (a) Supervisor's Evaluation of the Employee's performance (SEE), (b) Employee's Self Evaluation (ESE) (See Appendix A), and (c) the discrepancy between the SEE and ESE. Both the SEE and ESE contained four categories: quality of work, productivity, communication skills, and judgment of the employee. Each category was rated on a scale ranging from (1) unsatisfactory to (5) outstanding. Subjects were evaluated after their first three months, then again after three months, then each six months thereafter; however, only their most recent supervisor performance evaluation and self evaluation were used for analysis.

Scoring and Analysis

Scores for the employee performance evaluation by the supervisor and employee self-rating were determined by the ratings of the four categories mentioned above (i.e.,
quality of work, productivity, communication skills, and judgment). Overall scores were computed for both the SEE and the ESE which consisted of the sum of the four categories. The overall scores ranged from four to 20.

The discrepancy between SEE and ESE was determined by subtracting the score of SEE from the score of ESE.

Tenure, as mentioned earlier, was determined by the difference between the date the employee was hired and the date of their exit interview (recorded in months).

Pearson product-moment correlation tests were conducted to evaluate the significance of the proposed hypotheses. An alpha level of $p < .05$ was adopted to conclude statistical significance for each test.
RESULTS

As illustrated in Table 1, three of the four categories of the SEE were significantly correlated with employee's tenure: (a) quality of the employee's work, $r(40) = .461, p < .05$; (b) productivity of the employee, $r(40) = .412, p < .05$; and (c) employee's judgment during work, $r(40) = .416, p < .05$. The overall rating of the SEE was also significantly correlated with the employee's tenure, $r(40) = .375, p < .05$. The results, to a large degree, supported the first hypothesis that the employee's tenure would be positively correlated with the supervisor's evaluation of the employee's performance.

Table 1

The Correlations Among the Supervisor Evaluation of the Employee and Tenure.

<table>
<thead>
<tr>
<th>Category</th>
<th>Employee Tenure in Months</th>
</tr>
</thead>
<tbody>
<tr>
<td>Judgment</td>
<td>.416*</td>
</tr>
<tr>
<td>Productivity</td>
<td>.412*</td>
</tr>
<tr>
<td>Quality</td>
<td>.461*</td>
</tr>
<tr>
<td>Communication</td>
<td>.189</td>
</tr>
<tr>
<td>Total</td>
<td>.375*</td>
</tr>
</tbody>
</table>

Note: N = 41. * p < .05.

Table 2 shows the results of Pearson product-moment correlations between each of the SEE categories and the corresponding ESE categories. As indicated in this table,
each of the four SEE categories and the overall SEE rating were significantly correlated with their respective ESE counterparts in a positive direction, \( p < .05 \). The results support the second hypothesis that there would be a positive correlation between the supervisor’s evaluation of the employee and the employee’s self evaluation.

Table 2

The Congruency Between the Supervisor Evaluation of the Employee Performance and the Employee Self Evaluation.

<table>
<thead>
<tr>
<th>Employee Self Evaluation (ESE)</th>
<th>Supervisor Evaluation of the Employee Performance (SEE)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Quality</td>
</tr>
<tr>
<td>Quality</td>
<td>.598*</td>
</tr>
<tr>
<td>Productivity</td>
<td></td>
</tr>
<tr>
<td>Judgment</td>
<td></td>
</tr>
<tr>
<td>Communication</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
</tr>
</tbody>
</table>

Note: \( N = 41 \). * \( p < .05 \).

Table 3 summarizes the results concerning the relationship between employees’ tenure and the discrepancy between the SEE scores and the ESE scores. As indicated in this table, three of the discrepancy scores were negatively correlated with the employee’s tenure. The overall discrepancy score was also correlated negatively with the employee’s tenure. However, none of these relationships were significant, \( p < .05 \). The third hypothesis which states that the greater the discrepancy between the employee’s self-
evaluation and the supervisor's evaluation of that employee, the lower the chance that the employee would stay in the same organization for a long period of time was not supported.

Table 3

The Correlations Between the Discrepancy Scores and Employee Tenure.

<table>
<thead>
<tr>
<th>Discrepancy Between SEE and ESE Scores</th>
<th>Employee Tenure in Months</th>
</tr>
</thead>
<tbody>
<tr>
<td>Judgment</td>
<td>-.316</td>
</tr>
<tr>
<td>Productivity</td>
<td>-.140</td>
</tr>
<tr>
<td>Quality</td>
<td>-.175</td>
</tr>
<tr>
<td>Communication</td>
<td>.057</td>
</tr>
<tr>
<td>Total</td>
<td>-.242</td>
</tr>
</tbody>
</table>

Note: N = 41. * p < .05.
SUMMARY AND DISCUSSION

In this thesis, we discuss some important issues related to job turnover. Several variables (e.g., job satisfaction, and job performance) have been determined to influence employee tenure. But the questions still remain: Can we identify who is leaving by simply using supervisor performance evaluations? Do the supervisor and the employee evaluate the employee's performance similarly? If a discrepancy occurs between different sets of evaluation scores, does this motivate the employee to take any action (e.g., look for a new job, or leave the current job)? The existing literature provides inconsistent answers to these questions and points to the need for reinvestigating these questions in a more systematic way. In this thesis, we provide some information which allows us to clear away some of the inconsistencies. The major findings of the current study are summarized as follows:

1. Overall employee tenure was found to be positively correlated with the supervisor's performance evaluation of the employee. This set of results replicated the results given by several researchers. For example, it supports the findings provided by McEvoy and Cascio (1987) and those provided by Cope, et al. (1987) which suggested that employees who were rated as poor performers were more stressful and were more likely to leave an organization than those who were rated as good performers. More specifically, significant relationships were found between tenure and the supervisor's
ratings of the employee's quality of work, their productivity, and their judgment. However, no significant relationship was detected between the communication factor and the tenure of the employee.

It appears that the quality of the employee's work, their productivity, and their judgment are among the most important predictors for tenure than the factor of communication. These three factors (work quality, productivity, and judgment) appear to be the qualities deemed most important by the supervisors. This finding is expected because in an organization, the supervisor not only has the right to judge the adequacy of an employee’s performance, but also has the power to dismiss the employee if the performance does not meet the required standards. In this study, employee communication was not found to be as important as other factors in reflecting employees' performance. We do not yet know why this is the case, but, it seems important to point out that communication skills may be viewed as a situation-specific factor, that is, depending on the company, industry, position, and supervisor performance standards, different degrees of communication skills may be necessary. It happens that in the company where the current study was conducted, the communication factor is not viewed as important as the other factors studied.

2. A positive correlation exists between the SEE and the ESE. This set of results support the findings given by Farh, et al. (1988) which suggested that not only a congruence between the ratings on supervisor and employee-self appraisals exists, but the supervisor's ratings were also in agreement with the employee’s self ratings. As
suggested by Farh, et al., this agreement may help reduce defensiveness between employees and supervisors, and thus, may result in lower turnover rates. Our results also agree with the findings given by Harris and Schaubroek (1988), which suggested that self and supervisor ratings were moderately correlated. We did not replicate the results given by Greller and Parsons (1992). In their study, no significant relationship between supervisor evaluations and employee self ratings was detected.

Although, support was found for the relationship between the SEE and the ESE, the results should be interpreted with caution. The correlations between the SEE scores and ESE scores were only moderate. However, there is room for reaching a higher congruency between these two sets of evaluations. For example, one may try to increase supervisor-subordinate communication and create a common frame of reference against which the employee will be judged (rated). By providing feedback and goal setting following the supervisor performance evaluation, the job expectations and standards of the supervisor can be communicated to the employee. And, with employees sharing perceptions of their own performance, supervisors are given yet another tool to further understand the potential differences that might exist between two sets of standards. As a result, misunderstandings between these two parties can be minimized.

However, it should be noted that a halo effect can occur on the performance evaluations, which may influence the raters to avoid possible confrontations when rating.

3. Research supports that self ratings of employee performance may increase communication and reduce turnover (e.g., Suszko & Breaugh, 1986). Research also
indicates the possibility that an employee may deny an evaluation by the supervisor if it differs substantially from his or her own self rating (e.g., Grellar & Parsons, 1992). Therefore, the more the two evaluations are different, the greater the chance that it may influence the tenure of the employee at the organization. For example, if the supervisor evaluated the employee lower than the employee rated himself, it may influence the employee to consider leaving his job. According to the existing research findings, apparently, there are both positive and negative considerations with regard to the congruency or discrepancy between SEE and ESE scores.

In our study, although not significant, the discrepancy between the SEE and the ESE scores were found to be negatively correlated with employee tenure.

Conclusion

There is a plethora of conflicting research that discusses the predictor variables of turnover. Our study attempted to test the relationship of performance evaluations and tenure, the congruency between supervisor and employee self evaluations, and the influence of the difference scores between the supervisor and employee self evaluations on employee tenure. Now that we have looked at the evidence from this study, let’s see if we can answer the following questions raised earlier in the summary and discussion section: Can we identify who is leaving by simply using supervisor performance evaluations? Do the supervisor and the employee evaluate the employee's performance similarly? If a discrepancy occurs between different sets of evaluation scores (e.g., between SEE and ESE), does this motivate the employee to take any action?
Our findings suggest that it is possible to identify the employee's tenure at a company by using supervisor performance evaluations as the index. It appears that the SEE and the employee's tenure are significantly correlated. We conclude that supervisor's perception of the employee's performance, especially the quality of work performed, their productivity, and the judgment, can be used to distinguish those employees who are potentially ineffective and may be candidates for turnover from those who are potentially good performers.

Our research also indicates a positive correlation between the SEE and the ESE. Both sets of evaluations are important. The supervisor's evaluation of the employee can be used to clarify the expectations, the standards, or the requirements of the job to the employee. The ESE can be used to identify the employee's understanding of the expectations, the standards, and the requirements set by the supervisor.

In reference to the third question, no significant support was found for the degree of difference between SEE and ESE scores and employee tenure. However, it should be noted that the relationship between the discrepancy scores and the employee's tenure is negative as predicted.

Overall, the findings of this study may be useful in assisting organizations in identifying possible poor performers, discovering if their employees' and supervisors' perceptions of employee performance are similar, and if a discrepancy in evaluation scores occurs, what effect it may have on employee tenure. This knowledge can help the supervisor-employee relationship, such that it can signal the supervisor to discuss the
possible issues that may influence a poor performance. For example, the supervisor can discuss reasons for subpar performance caused by such factors as ambiguous job expectations or unrealistic performance standards. To maintain strong communication between the supervisor and employee, it is recommended that the supervisor follow each performance evaluation with feedback, coupled with goal setting and a list of job tasks. This increase in communication between the supervisor and the employee should help increase employee job satisfaction, employee job performance, the organization's productivity, and ultimately increase the employee's tenure within the organization, thus, reducing enormous turnover costs.

Another suggestion is to implement an RJP or other system that would identify the standards and expectations of the job prior to being hired. Therefore, the employee can understand what performance is desired for the job and cope better with the requirements of their jobs, receive higher job satisfaction, and may stay longer in an organization, as suggested by Suszko and Breaugh (1986).

No matter how strong the relationship is between the supervisor and their employees, there will be conditions where both poor and good performers leave the organization (Williams & Livingstone, 1994). For example, poor performers may be released or feel inclined to quit, because they do not meet the standards set forth by their supervisor, while some good performers may find better job opportunities elsewhere.

In assessing the generalizability of the findings of this study, the following limitations should be mentioned:
1. The research involved a small sample from one part of the United States, Southern California, and also one profession, publishing. The results may not be generalized to employees in different industries.

2. Only the last performance evaluations were used in the study; the evaluations were not performed during the same time period for all employees. This may introduce some confounding factors to the study. Moreover, the loss of each employee's performance history could have had an impact on the outcome of the study.

3. The data used in this study was taken from archival files which are subject to the constraints associated with secondary data. Of practical concern, practitioners should determine the construct validity of their performance measures in order to assure relevant information is obtained.

Due to the importance of this topic area, continued research should be conducted involving different variables to determine if the degree of difference of the two types of evaluations (traditional performance evaluation and self evaluation) will interact with these variables and affect the employee's choice to stay or leave their company. Additional research should also examine the likelihood of high performers leaving the organization. The discovery of predictor variables may help management meet the needs of these effective employees and improve the worth of the organization.
## APPENDIX A

### Employee Performance Evaluation

<table>
<thead>
<tr>
<th>Date of evaluation:</th>
<th>Date of previous evaluation:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee name:</td>
<td>Job title:</td>
</tr>
<tr>
<td>Department:</td>
<td>Supervisor:</td>
</tr>
<tr>
<td>Reason for evaluation:</td>
<td>Performance review</td>
</tr>
<tr>
<td>Type of evaluation:</td>
<td>Salary review</td>
</tr>
<tr>
<td></td>
<td>Promotion</td>
</tr>
</tbody>
</table>

### Evaluation definitions:
- **1** Unsatisfactory
- **2** Improvement needed
- **3** Meets performance standard
- **4** Exceeds performance standard
- **5** Outstanding performance

Circle number that most clearly describes employee.

**Quality of work:**

How closely does work meet standards for accuracy, completeness, reliability, consistency and care?

Comments:

**Productivity:**

How closely does the quantity of work produced meet standards for output?

Comments:

**Communication:**

How effective is the employee in expressing and understanding ideas, instructions and opinions, either written or oral? Does the employee raise questions and offer practical ideas?

Comments:

**Judgment:**

What results does the employee achieve from decisions and actions? Is sound reasoning used?

Comments:
REFERENCES


