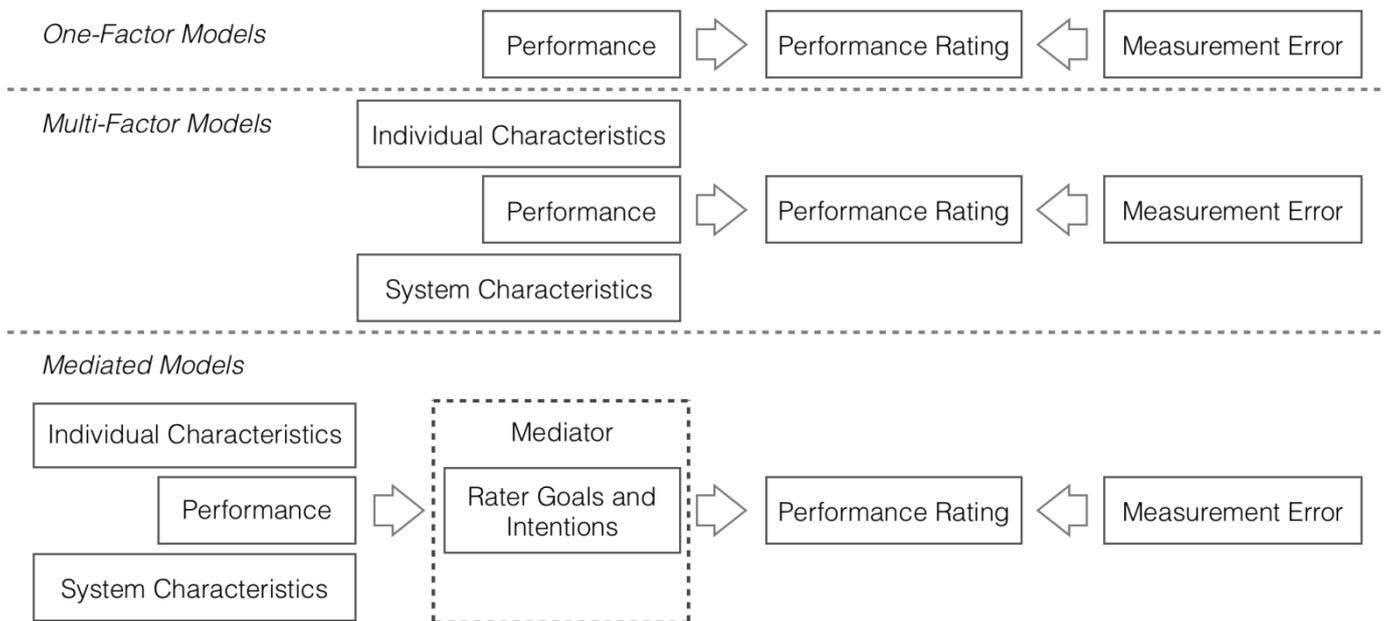


## The Relationship Between Performance Ratings and Job Performance

**Key Finding:** The paper explains why ratings of job performance are perceived as poor measures of actual job performance. The author suggests some solutions for mitigating the harmful effects inherent in such ratings to improve the measurement of job performance.

**Executive Summary:** The most common measure of job performance is the supervisor’s rating of employee job performance. However, such measures are subject to distorting effects and are, therefore, widely regarded as a poor method for measuring job performance. Several models explain the relationship between job performance and ratings of job performance.



Model	Relationship	Solution
<b>One-factor</b>	The relationship is straightforward, but it is obscured by measurement error.	If we correct for the error, we arrive at the “true score.”
<b>Multi-factor</b>	The relationship is influenced by a number of variables that have no relationship with job performance but affect the performance rating.	If we identify the non-performance factors that influence the rating, we can reduce their influence to obtain a more accurate measure.
<b>Mediated</b>	The relationship is influenced by non-performance factors and intentional distortions (by the rater).	If we understand the conditions under which distorting behavior might occur, we can provide incentives, tools, and opportunities for the rater to act neutrally and, thereby, obtain a more accurate measure.

### What are the practical implications for my organization?

- Managers should think twice before blindly using performance ratings as a measure of job performance.
- Managers should evaluate their companies’ rating system. Is there risk of distortion in the current system?
- Rating systems can be improved by adopting one of the models above: correct for measurement error, train raters to avoid influence from non-performance variables, and incentivize raters to avoid intentional distortion.

Summary of: Murphy, K. (2008). Explaining the Weak Relationship Between Job Performance and Ratings of Job Performance. *Industrial and Organizational Psychology*, 1(2), 148-160.