Effects of performance appraisal politics on job satisfaction and turnover intention

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Keywords Performance appraisal, Employees turnover, Organizational politics, Job satisfaction

Abstract There is evidence that performance ratings are often manipulated for political purposes. The present study examined the effects of employees' perceptions of political motives in performance appraisal on their job satisfaction and intention to quit using survey data from an occupationally heterogeneous sample of white-collar employees (N = 127) from various organizations. Regression analysis results indicated that when employees perceived performance ratings to be manipulated because of raters' personal bias and intent to punish subordinates they expressed reduced job satisfaction that, in turn, led to greater intentions to quit their jobs. Manipulations of ratings for motivational purposes, however, had no effect on job satisfaction and turnover intention.

Introduction Performance appraisal represents a central function of human resource management and has remained an important topic of investigation among organizational researchers (Dulebohn and Ferris, 1999). Because the usefulness of performance appraisal as a managerial decision tool depends partly on whether or not the performance appraisal system is able to provide accurate data on employee performance, rating accuracy is a critical aspect of the appraisal process. Although past studies tended to focus on cognitive models for explaining the quality of appraisals, the call for greater emphasis on social and contextual factors in performance appraisal research (Bretz et al., 1992; Ilgen et al., 1993) has led more researchers in recent years to consider affective, motivational, and political factors (Lefkowitz, 2000).

Of particular interest is the notion that, often, it is not the ability but the motivation of the rater that determines the accuracy of a formal appraisal (Cleveland and Murphy, 1992). Raters may be able yet not want to provide accurate appraisals because it is not in their best interests to do so. There is some evidence that managers deliberately distort subordinates’ performance ratings for political reasons (Longenecker et al., 1987). For example, a manager may inflate ratings to gain employee goodwill or avoid confrontations over...
lower performance ratings (Fried and Tiegs, 1995). Given that performance ratings are often used to make important personnel decisions such as pay raises and promotions, how will employees react on perceiving such rating manipulations and the political motives behind them?

The objective of the present study was to investigate the above issue. Specifically, in this study, I examined the effects of perceptions of performance appraisal politics (in appraisal ratings) on employee job satisfaction and turnover intention. Although little is known about how such perceptions are related to job satisfaction and turnover intention, several studies have documented the relationship between perceptions of organizational politics and these two job outcomes (Ferris and Kacmar, 1992; Kacmar et al., 1999; Valle and Perrewé, 2000).

Background and hypotheses
Political motives in performance appraisal
Political behavior is behavior not formally sanctioned by the organization that is strategically designed to maximize self-interest (Ferris et al., 1989). Because politics are inherent in the very contextual fabric of organizations (Ferris et al., 1996), few would deny that political behaviors have an important influence on performance appraisal processes and outcomes (Murphy and Cleveland, 1991). Political behaviors are more likely to occur in work environments characterized by high ambiguity, and the ambiguous nature of many performance appraisal situations provides fertile ground for the emergence of politics.

Performance is typically judged subjectively because performance in many jobs is not amenable to objective assessment (Ferris and Judge, 1991). Such subjectivity enables a rater’s personal agenda to drive the appraisal rating process. Raters, for example, may be motivated to manipulate ratings as a means to satisfy personal goals and to accommodate contextual demands (Fried and Tiegs, 1995). According to Murphy and Cleveland (1991), frequently pursued goals of raters can be categorized into

1. task-performance goals (e.g. to motivate or maintain performance);
2. interpersonal goals (e.g. to maintain a positive work group climate);
3. strategic goals (e.g. to increase one’s standing in the organization); and
4. internalized goals (e.g. to maintain one’s values).

Longenecker et al. (1987) interviewed executives to obtain their views on performance appraisal processes and concluded that executives were more concerned about the consequences of the ratings (for themselves, the ratees, and the work group) than whether or not their ratings accurately reflected employee performance. These researchers found executives to both inflate and deflate ratings depending on the goals to be achieved. For example, executives inflated ratings to maximize subordinates’ merit increases, to avoid confrontations over lower performance ratings, and to avoid creating a permanent record of poor
performance in a subordinate’s personnel file; they deflated ratings to shock a subordinate back to higher performance, to teach a rebellious subordinate a lesson, and to pressure a subordinate to leave the organization.

Outcomes of perceptions of performance appraisal politics

Given the pervasive nature of politics in performance appraisal processes, it is important to examine its impact on employees’ attitudes and behaviors. Because people’s attitudes and behaviors are determined by their perceptions of reality and not reality per se (Lewin, 1936), this study focused on the effects of perceptions of performance appraisal politics.

Literature from the organizational justice domain can be drawn on to explain why perceptions of performance appraisal politics may influence job attitudes and behavioral intentions. Two primary components of organizational justice are distributive justice and procedural justice (Cropanzano and Folger, 1996). In the performance appraisal context, distributive justice refers to the fairness of the evaluation received, whereas procedural justice refers to the fairness of the process used in determining the evaluation (Greenberg, 1986). Although both types of fairness perceptions are important, fairness in performance appraisal has been conceptualized largely in relation to due process (Folger et al., 1992; Taylor et al., 1995).

According to the due process perspective – which is rooted in theories of procedural justice – an important element affecting fairness perceptions is judgment based on evidence; raters must be seen to apply performance standards consistently across employees without distortion by external pressure, corruption, or personal biases. Thus, performance evaluations made on the basis of political considerations violate employees’ due process. When employees feel unfairly treated, they are likely to react by initially changing their job attitudes, followed in the longer term by responses that are more retaliatory such as quitting (Vigoda, 2000). There is past evidence that procedural justice is related to employee satisfaction and turnover intention (Cobb and Frey, 1996; Konovsky and Cropanzano, 1991; Taylor et al., 1995).

Although there is no direct evidence that perceptions of performance appraisal politics affect job attitudes negatively, a number of studies have found perceptions of organizational politics to predict job satisfaction (Cropanzano et al., 1997; Ferris and Kacmar, 1992; Gandz and Murray, 1980). Job satisfaction reflects partly employees’ reactions toward their opportunity for within-organizational advancement (Schneider et al., 1992). Therefore, when employees perceive their performance ratings, and hence pay increase and promotion, to be determined by political considerations rather than performance factors, they are likely to experience reduced job satisfaction.

Furthermore, because employees tend to view workplace politics as undesirable, they may withdraw from their organization as a means of avoiding political activities. One form of withdrawal is employee turnover.
For those with external job mobility, actual turnover may be an option; for those with limited external job mobility, psychological turnover (e.g. intention to quit) may be the option (Kacmar et al., 1999). Applying the same reasoning, when employees perceive their performance ratings to be based on political factors rather than performance factors, they are likely to engage in withdrawal cognitions such as intention to quit. There is evidence that perceived politics is significantly related to turnover intention (Cropanzano et al., 1997; Kacmar et al., 1999; Valle and Perrewé, 2000).

Therefore, on the basis of the theoretical arguments and empirical evidence given above, I hypothesize the following.

**H1.** Perceptions of performance appraisal politics will be negatively related to job satisfaction.

**H2.** Perceptions of performance appraisal politics will be positively related to turnover intention.

As argued earlier, when employees perceive their performance ratings to be determined by political considerations they will experience job dissatisfaction. Such dissatisfaction is likely to result in thoughts of quitting. According to Mobley’s (1977) psychological process model of employee turnover, job dissatisfaction is translated into thoughts of quitting because quitting is expected to result in a more satisfying job. Numerous studies have established job satisfaction as a significant predictor of employee turnover (for meta-analytical reviews, see Griffeth et al., 2000; Hom et al., 1992). There is also evidence from organizational politics research indicating that job satisfaction can play a mediating role in the relationship between perceptions of organizational politics and turnover intention (Kacmar et al., 1999; Poon, 2003; Vigoda, 2000). For example, Kacmar et al. (1999) used structural equations modeling to examine an expanded version of Ferris et al. (1989) perceptions of organizational politics model. These researchers tested their model on data collected from employees of a state government agency and an electric utility cooperative and found job satisfaction to partially mediate the effects of perceptions of organizational politics on turnover intention. In a more recent path-analytic study, examining situational antecedents and outcomes of perceptions of organizational politics using data from employees from diverse occupations and organizations, similar results were obtained (Poon, 2003). Therefore, on the basis of the preceding arguments and related research evidence, I hypothesize the following.

**H3.** Job satisfaction will be negatively related to turnover intention. In other words, job satisfaction will mediate the relationship between perceptions of performance appraisal politics and turnover intention.

The hypotheses tested in this study are graphically shown in Figure 1. The model in Figure 1 suggests that perceptions of performance appraisal politics
will have direct effects on turnover intention as well as indirect effects on turnover intention mediated by job satisfaction.

**Method**

*Sample and procedure*

Executive MBA students enrolled as part-time students in a large university were surveyed using a structured questionnaire. Participants were briefed on the general purpose of the study, told that the study is solely for academic purposes, and asked to complete the questionnaire anonymously. All the 127 participants (79 men, 48 women) held full-time jobs. More than 90 percent of the sample had an undergraduate degree and 39 percent were married. The mean age was 30.30 (SD = 5.22). Years of work experience ranged from 1 to 28 with a mean of 6.42 (SD = 4.87). The sample represented a wide range of functional backgrounds and occupations including administrative, managerial, professional, and technical jobs.

*Measures*

The major measures for the study were perceptions of appraisal politics, job satisfaction, and intention to quit. Participants were asked to respond to all questionnaire items for these measures using a rating scale ranging from 0 (totally disagree) to 10 (totally agree). Ratings on items for each measure were averaged to form an overall score for the measure. A higher score indicated a higher standing on the measure.

*Perceptions of appraisal politics.* The questionnaire of political considerations in performance appraisal (QPCPA; Tziner *et al.*, 1996) was the source from which items for the predictor variable were selected and adapted. Items were selected based on feedback from a group of managers regarding their appropriateness for the study. Fifteen items were used to assess participants’ perceptions of the political motives behind the inflation or deflation of performance ratings in performance appraisals conducted in their organization. A factor analysis (principal components extraction with varimax rotation) of these items revealed

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**Figure 1.** Proposed model of relationships among perceptions of performance appraisal politics, job satisfaction, and turnover intention.
three factors with eigenvalues greater than one (Appendix). The first two factors accounted for about 50 percent of the variance. The third factor, accounting for 8 percent of the variance and comprising only one item, was excluded from further analyses. The first factor of eight items ($\alpha = 0.87$) was labeled *motivational motive* because the items making up this factor appear to reflect managerial discretion exercised for the purpose of rewarding employees and maintaining a positive workgroup climate. Sample items of this factor are “Managers in my organization inflate performance ratings in order to maximize rewards to their employees” and “Managers in my organization avoid giving low performance ratings that may antagonize employees”. The second factor of six items ($\alpha = 0.80$) was labeled *personal bias and punishment motive* because the items of this factor relate to issues of favoritism, favors, and punishing tactics. Sample items are “The performance ratings of managers in my organization reflect in part their personal liking or disliking of the employees” and “Managers in my organization give low performance ratings to teach rebellious employees a lesson”. These two political motives were treated as separate variables in the analyses.

**Outcome measures.** For the job satisfaction measure, participants indicated the extent to which they were satisfied with their present job, all things considered. Although multi-item measures are generally recommended, overall job satisfaction is a uni-dimensional construct that can be captured easily with a single-item general measure. A global measure of job satisfaction implicitly taps everything relevant to employees in their appraisal of their job (Schneider et al., 1992). There is research evidence suggesting that the validity of a single-item global measure of job satisfaction is comparable to that of facet measures, and the construct validity of such a measure may be higher than that of a multiple-item measure (Scarpello and Campbell, 1983; Wanous et al., 1997). Therefore, the use of a single-item measure of overall satisfaction would be appropriate in this study.

**Employees’ intention to quit.** This was assessed using three items adapted from previous research (Bozeman and Perrewé, 2001; Vigoda, 2000). A sample item is “I am thinking of quitting my job”. The $\alpha$ reliability of this measure was 0.92.

**Data analysis**
The author tested the hypotheses using regression analysis and Baron and Kenny’s (1986) procedures for testing mediation. According to Baron and Kenny, to demonstrate mediation, it was first necessary to show that the independent variable is related to both the proposed mediator and dependent variable. Next, a link between the proposed mediator and dependent variable must be established. Finally, the effect of the independent variable on the dependent variable must be shown to be eliminated or significantly reduced after controlling for the potential mediator.
Results

Table I presents the means, standard deviations, zero-order correlations, and reliability coefficients (Cronbach $\alpha$) of the study variables. Respondents reported a mean level of job satisfaction of 5.90 and a mean intention to quit score of 4.75 (five is the midpoint on the 11-point scale used). As expected, job satisfaction was inversely related to intention to quit ($r = -0.70$, $p < 0.001$). Personal bias and punishment motive were significantly related to job satisfaction and intention to quit ($r = -0.30$, $p < 0.01$ and $r = 0.33$, $p < 0.001$, respectively). Motivational motive, however, was not significantly related to these two outcome variables. Recall that Baron and Kenny’s (1986) procedures for demonstrating mediation require first showing that the independent variable be related to both the proposed mediator and dependent variable. Because the motivational motive variable did not meet this condition, further analyses were conducted using only personal bias and punishment motive as the independent variable.

$H1$ predicted a negative relationship between perceptions of appraisal politics and job satisfaction, $H2$ predicted a positive relationship between perceptions of appraisal politics and intention to quit, and $H3$ predicted that the relationship between perceptions of appraisal politics and intention to quit would be mediated by job satisfaction. Any support for these hypotheses must be considered as partial only because the motivational motive variable was not related to the outcome variables, as shown earlier.

Applying the procedures outlined by Baron and Kenny (1986), job satisfaction was regressed on the personal bias and punishment motive variable. The results indicated that this variable significantly and negatively predicted job satisfaction, $\beta = -0.31$, $t(124) = -3.52$, $p < 0.01$. Thus, $H1$ was partially supported. Next, with the use of hierarchical regression, intention to quit was regressed on personal bias and punishment motive followed by job satisfaction. The results indicated a significant and positive relationship between personal bias and punishment motive and intention to quit, $\beta = 0.33$, $t(124) = 3.85$, $p < 0.001$, thus giving partial support to $H2$. Job satisfaction was also found to explain a significant amount of incremental variance in intention to quit over and above that explained by personal bias and punishment motive (Table II). Finally, to test for mediation, intention to quit

<table>
<thead>
<tr>
<th>Variable</th>
<th>Mean</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Motivational motive</td>
<td>4.99</td>
<td>1.71</td>
<td>(0.87)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Personal bias/punishment motive</td>
<td>5.45</td>
<td>1.67</td>
<td>0.22*</td>
<td>(0.80)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Job satisfaction</td>
<td>5.90</td>
<td>2.50</td>
<td>-0.01</td>
<td>-0.30**</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Intention to quit</td>
<td>4.75</td>
<td>3.04</td>
<td>0.06</td>
<td>0.33***</td>
<td>-0.70***</td>
<td>(0.92)</td>
</tr>
</tbody>
</table>

Notes: $N = 126-127$ because of pairwise deletion of missing values; $\alpha$ reliabilities for multiple-item measures are in parentheses; $^*p < 0.05$; $^{**}p < 0.01$; $^{***}p < 0.001$. 

Table I. Descriptive statistics, reliabilities, and intercorrelations for study variables
was regressed on job satisfaction followed by personal bias and punishment motive. As the results in Table II show, with job satisfaction partialled out, the effect of personal bias and punishment motive on intention to quit was no longer significant. Thus, job satisfaction can be said to have mediated the effect of personal bias and punishment motive on intention to quit, giving partial support to $H_3$.

**Discussion**

*Discussion of findings*

This study attempted to examine the effects of perceptions of performance appraisal politics on job satisfaction and turnover intention. The original intent was to look at perceptions of appraisal politics as a single general variable, as suggested by Tziner *et al.* (1996). However, a factor analysis of the items used to assess this variable revealed two independent factors, one relating to political motives that appear to benefit employees (labeled motivational motive) and the other less so (labeled personal bias and punishment motive). Thus, the two factors were analyzed as separate variables.

The study hypotheses received support so far as the personal bias and punishment motive variable was used to indicate performance appraisal politics. When employees perceived performance ratings to be manipulated for affective reasons such as personal liking and for the purpose of punishing employees, they experienced reduced job satisfaction. These perceptions also influenced employees' intention to quit, albeit indirectly, through reduced job satisfaction. Manipulations of ratings due to personal bias or aimed at punishing employees are likely to be viewed as unjustified and unfair, thus resulting in low job satisfaction and high turnover intention. Whether or not this is indeed the case can only be determined in future research that integrates relevant theories such as organizational justice theory into studies of this nature.

In contrast, when employees perceived performance ratings to be manipulated for the purpose of rewarding employees (or avoiding negative outcomes for them) and promoting a positive workgroup climate (e.g. by avoiding situations that would create resentments and conflicts), their job satisfaction and turnover intention were not affected. An interesting question for future research is whether or not employees view the manipulations of

<table>
<thead>
<tr>
<th>Variable</th>
<th>$R^2$</th>
<th>$R^2$ change</th>
<th>$F$ Change</th>
<th>$\beta$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effect of personal bias and punishment motive before partialling out job satisfaction</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Step 1: personal bias/punishment motive</td>
<td>0.11</td>
<td></td>
<td>14.85*</td>
<td>0.33*</td>
</tr>
<tr>
<td>Step 2: job satisfaction</td>
<td>0.52</td>
<td>0.41</td>
<td>103.46*</td>
<td>−0.67*</td>
</tr>
<tr>
<td>Effect of personal bias and punishment motive after partialling out job satisfaction</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Step 1: job satisfaction</td>
<td>0.50</td>
<td></td>
<td>123.98*</td>
<td>−0.71*</td>
</tr>
<tr>
<td>Step 2: personal bias/punishment motive</td>
<td>0.52</td>
<td>0.02</td>
<td>3.80</td>
<td>0.13</td>
</tr>
</tbody>
</table>

*Note: *$p < 0.001$. *Table II. Results of regression analyses on intention to quit*
performance ratings for motivational purposes to be legitimate behaviors because such manipulations represent managerial discretion exercised to ensure the attainment of certain goals (e.g. task-performance goals, interpersonal goals, and strategic goals) and have the potential to benefit individual employees and the organization as a whole. Another question that needs to be answered is whether or not rating manipulations that are perceived as legitimate would actually work as a motivational tool; if the answer is yes, another issue that needs to be addressed is the costs and benefits of accurate ratings versus higher levels of employee motivation.

The findings of this study suggest that differing effects of perceptions of performance appraisal politics are associated with the nature of the political motives. Whereas manipulations of performance ratings arising from personal bias and punishment motives have negative effects on job satisfaction and turnover intention, manipulations of performance ratings for motivational purposes have no such effects. Therefore, future studies examining the effects of performance appraisal politics would need to conceptualize this variable as comprising of at least two distinct components with potentially different correlates.

Given that the findings indicate that performance appraisal politics that is perceived to result from personal bias and punishment motives has adverse effects on employees’ job satisfaction and turnover intention, what should organizations do to minimize the occurrence of such inaccuracies among their raters and improve the quality of appraisals? Because appraisal inaccuracies that arise from political motives are intentional in nature and not the result of a rater’s cognitive inability, attempts to improve the quality of appraisals through strategies such as frame-of-reference training, refining appraisal instruments, use of memory aids, etc., are unlikely to work. Organizations must first work toward changing the social and political context in which the appraisal takes place in such a way that raters are motivated to provide accurate appraisals or at least refrain from manipulating ratings to meet their personal agendas. This is no easy task and would require changes in contextual factors such as the reward and punishment system, purpose of performance evaluations, evaluation norms, and trust climate (Cleveland and Murphy, 1992). For example, organizations characterized by a high level of trust among members are less likely to be politically charged. Fostering a high trust climate, if one does not already exist, however, is a long-term process. A more immediate strategy would be to alter the reward and punishment system. If organizations are serious in improving the quality of their performance appraisals, there should be managerial consequences (e.g. rewards for turning inaccurate appraisals and penalties for failure to do so) to the quality of appraisals. This would require organizations to incorporate the quality of appraisals as one of the criteria for evaluating raters’ job performance.
Other strategies for reducing rater bias include, using alternative approaches to evaluation such as forced distribution (Rynes et al., 2002) or using additional sources of evaluation. The latter strategy has the added benefit of increasing perceptions of fairness as well as diffusing the perceived responsibility of a sole rater when unfavorable ratings need to be given. Raters may be more willing to rate accurately when there is no clear target for employee’s anger. Finally, rating manipulations are less likely to occur if raters are made to feel accountable for the ratings they give by having to justify them, such as providing specific documentation of events and actual job behaviors to accompany performance ratings.

Study limitations
The findings of this study need to be interpreted with the following study limitations in mind. First, the sample size used in the present study is not that large and comprised working individuals who were also attending a public university. Therefore, the present results must be considered limited to the population used in the study, and future replication attempts should be conducted using larger samples and different populations. Second, given the cross-sectional nature of the study and correlational data used, the true direction of the causal paths cannot be determined definitively. Future research should consider experimental or longitudinal methodology so that causal inferences could be made. Third, the perceptions of appraisal politics measure used in this study may not have captured fully the various dimensions of the perceptions of appraisal politics construct. Further work toward understanding the dimensionality of this construct as well as validating a measure of this construct is needed. Finally, only two outcome variables were examined. Future research can look at the effects of perceptions of performance appraisal politics on other outcomes such as work motivation (Vroom, 1964), job effort and performance (Kidwell and Bennett, 1993), organizational commitment (Mowday et al., 1982), organizational cynicism (Dean et al., 1998), organizational citizenship behavior (Smith et al., 1983), and deviant workplace behavior (Robinson and Bennett, 1995). Finally, it would also be interesting to identify other variables that might mediate (e.g. fairness perceptions) or moderate (e.g. trust in rater) the relationship between perceptions of performance appraisal politics and organizational outcomes.

References


Appendix. Results of factor analysis of the perceptions of appraisal politics measure

<table>
<thead>
<tr>
<th>Item</th>
<th>Item</th>
<th>Factor</th>
<th>Factor</th>
<th>Factor</th>
<th>$h^2$</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Avoid ratings that have negative consequences for employees</td>
<td>0.78</td>
<td>−0.12</td>
<td>0.62</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Inflate ratings to maximize rewards to employees</td>
<td>0.77</td>
<td>0.18</td>
<td>0.63</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Avoid low ratings to avoid written record of poor performance</td>
<td>0.76</td>
<td>−0.18</td>
<td>0.61</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Give equivalent ratings to avoid resentment and rivalries</td>
<td>0.75</td>
<td>0.29</td>
<td>0.65</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Give inflated ratings to avoid uncomfortable confrontation</td>
<td>0.75</td>
<td>0.16</td>
<td>−0.25</td>
<td>0.64</td>
<td></td>
</tr>
<tr>
<td>6. Avoid low ratings that may antagonize employees</td>
<td>0.69</td>
<td></td>
<td></td>
<td>0.48</td>
<td></td>
</tr>
<tr>
<td>7. Give high ratings to gain employee support/cooperation</td>
<td>0.65</td>
<td>0.27</td>
<td>0.14</td>
<td>0.51</td>
<td></td>
</tr>
<tr>
<td>8. Conform to the norm to avoid disapproval from peers</td>
<td>0.64</td>
<td>0.20</td>
<td></td>
<td>0.45</td>
<td></td>
</tr>
<tr>
<td>9. Ratings in part reflect personal liking or disliking of employees</td>
<td>0.13</td>
<td>0.84</td>
<td></td>
<td>0.73</td>
<td></td>
</tr>
<tr>
<td>10. Inflate ratings to gain special services or favors from employees</td>
<td>0.14</td>
<td>0.80</td>
<td>0.13</td>
<td>0.67</td>
<td></td>
</tr>
<tr>
<td>11. Quality of personal relationship affects rating</td>
<td>0.73</td>
<td>−0.39</td>
<td>0.68</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. Give low ratings to teach rebellious employees a lesson</td>
<td>0.72</td>
<td>0.16</td>
<td></td>
<td>0.54</td>
<td></td>
</tr>
<tr>
<td>13. Give low ratings to encourage an employee to leave</td>
<td>−0.10</td>
<td>0.57</td>
<td>0.33</td>
<td>0.44</td>
<td></td>
</tr>
<tr>
<td>14. Give higher ratings than deserve to repay favors to employees</td>
<td>0.42</td>
<td>0.47</td>
<td>0.30</td>
<td>0.48</td>
<td></td>
</tr>
<tr>
<td>15. Give accurate ratings only to the extent that they perceive they may be rewarded for doing so or penalized for failing to do so</td>
<td>0.23</td>
<td>0.82</td>
<td>0.72</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| Eigenvalue | 4.42 | 3.13 | 1.31 |
| Percent of variance explained | 29.40 | 20.90 | 8.70 |

Notes: Values in bold type indicate items retained for each factor. Only factor loadings exceeding ± 0.10 are presented. Factor labels: Factor I = motivational motive, Factor II = personal bias and punishment motive. Factor III, which comprised only one item, was not used in the study.