

8.6: Glossary

Assessment center Consists of a series of standardized evaluations of behavior based on multiple inputs.

Behavioral observation scale Identifies observable behaviors as they relate to performance and is less demanding of the evaluator.

Behaviorally anchored rating scale A system that requires considerable work prior to evaluation but, if the work is carefully done, can lead to highly accurate ratings with high inter-rater reliability.

Central tendency error The failure to recognize either very good or very poor performers.

Critical incident technique A technique where supervisors record incidents, or examples, of each subordinate's behavior that led to either unusual success or unusual failure on some aspect of the job.

Distributive justice Where employees receive (at least a portion of) their rewards as a function of their level of contribution to the organization.

Extrinsic rewards Rewards that are external to the work itself.

Flexible benefits system A rewards program where employees are allowed some discretion in the determination of their own packages and can make trade-offs, within certain limits.

Gain sharing An incentive plan in which employees or customers receive benefits directly as a result of cost-saving measures that they initiate or participate in.

Graphic rating scale A performance appraisal technique where the supervisor or rater is typically presented with a printed or online form that contains both the employee's name and several evaluation dimensions (quantity of work, quality of work, knowledge of job, attendance). The rater is then asked to rate the employee by assigning a number or rating on each of the dimensions.

Halo effect Results in a supervisor assigning the same rating to each factor being evaluated for an individual.

Intrinsic motivation The desire to do a task because you enjoy it.

Intrinsic rewards Rewards that are external to the work itself.

Leniency error Fails to distinguish adequately between good and bad performers and instead relegates almost everyone to the same or related categories.

Lump-sum pay increase A technique that allows employees to decide how (that is, in what amounts) they wish to receive their pay raises for the coming year.

Management by objectives Closely related to the goal-setting theory of motivation.

Participative pay decisions Involving employees in pay raise decisions.

Performance appraisals A system that provides a means of systematically evaluating employees across various performance dimensions to ensure that organizations are getting what they pay for.

Recency error Occurs when, in an evaluation, a supervisor may give undue emphasis to performance during the past months—or even weeks—and ignore performance levels prior to this.

Reliability The extent to which the instrument consistently yields the same results each time it is used.

Skills-based incentives Rewards employees on the basis of the skills they possess and not just the skills they are allowed to use at work.

Strictness error Fails to distinguish adequately between good and bad performers and instead relegates almost everyone to the same or related categories.

Validity The extent to which an instrument actually measures what it intends to measure.

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