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The editorial board would like to express their heartfelt appreciation for the contributions made by the authors, co-authors and all who were involved in the publication of this bulletin.

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RECTOR'S MESSAGE

Congratulations Faculty of Business and Management of Universiti Teknologi MARA Cawangan Kedah, Kampus Sungai Petani on the publication of the 6th Volume of FBM Insights!

I am very pleased to know that there are more than 40 authors and more emerging issues are being presented in this latest volume of FBM Insights. This portrays that UiTM Kedah Branch is actively involved in disseminating business related information and knowledge to the public.

I hope this bulletin can provide an opportunity for the Faculty of Business and Management staff to produce more academic materials and develop their skills in academic and creative writing. Furthermore, more initiatives should be launched to support this life-long process.

Again, well done to the Faculty of Business and Management and those who were involved directly and indirectly with the publishing of FBM Insights Vol.6. I wish FBM Insights all the best and continue to grow and move rapidly forward in the future.

Prof. Dr. Roshima Haji Said
Rector
Universiti Teknologi MARA (UiTM)
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السلام عليكم ورحمة الله وبركاته

Assalamualaikum warahmatullahi wabarakatuh

Welcome to the 6th Edition of FBM Insights 2022. This edition boasts 40 articles by the academics of Faculty of Business and Management UiTM Kedah Campus. The topics involved a broad range of business and management knowledge. Congratulations to all authors for your endless support and valuable contribution to the newsletter.

FBM Insights was mooted in 2020 and it came about with the intention to encourage and improve research writing activities among the lecturers of UiTM Kedah's Business and Management Faculty. As the editions progressed, the support from the academics has not faltered. I hope the support continues in editions to come.

I would like to congratulate the editors and the committee for the hard work and perseverance in managing the newsletter. All the best to everyone and thank you again.

Dr. Yanti Aspha Ameira Mustapha
FBM Insights Advisor

PERFORMANCE EVALUATION BASED ON STRICTNESS AND LENIENCY ERRORS

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INTRODUCTION

Performance management is vital to the human resource functioning of public as well as private organizations. Performance management involves a never-ending process of observing performance, setting goals, and attaining objectives (Aguinis et al., 2011).

If an employee's performance management results are in question, it could have debilitating consequences for the individual as well as for the organization's goals and strategic plan. This requires organizations, namely managers, to ensure that employees' outputs and actions are congruent with the organization's objectives. Consequently, when performance management is aligned with strategic goals, it contributes to the organization's competitive advantage.

Performance management necessitates examining the facts of work performance and being aware that human judgments usually have a margin of error (Erbasi et al.,2012). When an organization implements performance management throughout the year, numerous frequent errors occur. However, only two types of issues, namely strictness and leniency, affect the effective implementation of performance management and the emergence of biased presumptions.

Employer and employee must collaborate to achieve the organization's objectives and maintain a positive relationship. From the perspective of an organization, these errors have a negative impact on organizational performance since disgruntled employees maintain poor relationships with coworkers (Mansor et al.,2020). When employees are dissatisfied with performance management, these errors have an effect from the individual's standpoint. They believe they receive no benefit and will not remain with the organization for an extended period of time.

STRICTNESS ERROR

The strictness error occurs when evaluators tend to assign negative ratings to all individuals, regardless of their merit, and are excessively critical of their performance. This becomes a problem for rating when evaluators with rigid personalities are extremely strict in their assessments (Erbasi et al., 2012). This situation transpires when evaluators do not adhere to the prescribed guidelines. They rate inaccurately when conducting performance appraisals, causing the employees to become satisfied with the marks assigned, resulting in their discontent with the performance appraisal results.

Suppose the organization's performance management procedures are more stringent. In such a case, it indicates that they uphold ethical standards and penalize transgressors. The situation is improved if employees commit fewer integrity violations (Huberts et al., 2007). Nonetheless, employees will learn the best and worst practices for performance management from this.

According to Huberts et al. (2007), employees are more likely to perform tasks that are rewarded than those that are punished. If strictness is implemented with reinforced standards, the perceptions of the organization are that it is only a location where transgressors are held accountable for their actions (Trevino, 1992), and there is no assurance that they will receive rewards from that particular performance cycle.

Consequently, dissatisfaction arises when an error occurs in the system of measuring results for performance management. When disgruntled employees discover strictness errors in their performance management, they will maintain a hostile relationship with their organization (Mansor et al., 2020). Some evaluators are rigorous and hostile to leniency errors, awarding a low rating because no one is perfect and neglecting the actual performance.

LENIENCY ERROR

Why would the evaluators award their subordinates more lenient ratings than they merited? According to Cheng et al. (2017), the evaluators may believe that the subordinates who could have been rated negatively have already been terminated from the organization. Furthermore, evaluators can be lenient because there is a cultural propensity in the workplace that prefers approvals rather than disapprovals (Fleenor et al.,2010).

As a result of leniency or extra tolerance, evaluators prefer to rate everyone as outstanding by awarding them more points rather than making accurate judgments of their performance (Erbasi et al., 2012). Some evaluators may be exceptionally tolerant and award high ratings to the majority of employees. A leniency error occurs when employees are rated based on favoritism, which leads to erroneous ratings and discriminatory results, resulting in discontent among other employees over their performance competence (Mansoor et al., 2020).

Employees are compared not on the basis of individual accomplishment or even individual competencies, but rather on the basis of what evaluators feel and observe. As a consequence, individual performance results that are based on actual scores do not have adequate specificity. There is no information regarding the correlation between employees and their performance.

In performance management, the organization should be approachable and transparent. Nevertheless, the more lenient the organization is, the more employees take it for granted (Huberts et al., 2007). If every employee's performance is appraised in order to receive a high rating, the system for performance management cannot differentiate between employees' performances.

CONCLUSION

In conclusion, an organization with no strictness or leniency errors enhances stakeholder and employee confidence. The absence of these two types of errors in the organization minimizes conflict, improves self-esteem, and fosters cooperation among its employees. Organizations that provide a positive example and make no errors can significantly impact the performance of their personnel.

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