Role of Person Perception in Business Organizations

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Person perception is of particular interest in organization behaviour because of the significance of interpersonal interaction within a work setting. How individuals perceive managers, subordinates and fellow workers is the basis of the effectiveness of any organization. Much of the day-to-day activity in employee relations is concerned with the management of perceptions and subsequent attitudes relative to the work settings. The role of perception in day-to-day business transactions is an extremely important one. As managers create that internal portrait of the world around them, their past experience and expected information comes into play. The flawed perceptions that can occur based on a personal bias can be extremely damaging to an organization. Since perception forms the basis for one’s judgements, perceptual errors can lead to errors in judgments that can be extremely costly for the organization.

People’s behaviour is based on their perception of what reality is, not on reality itself. As humans, one constantly perceive information and draw conclusions in order to explain own behaviour and that of others, and in the process often make errors. Perception is a process by which individuals organize and interpret their sensory
impressions in order to give meaning to their environment. Everyday, one makes lot of interaction with other people and also makes judgments about people throughout out the day. People, in general, often fail to look at other people objectively, but always see through their perceptual glass. In many situations, (for instance a person perception situation), one might make an error in judging whether a person is nice or not, but he/she will never know whether he/she made an error or not.

Given the present complexities of most Indian organizations, a recurring problem that haunts most HR professionals is issues of perception. Perkins (1981) at Harvard University showed that ninety percent of the errors of thinking are errors in interpreting and giving meaning to the stimuli (De Bono, 1969). Errors of logic are rare. If perception is limited or inadequate, the outcome will be useless no matter how excellent the logic.

People tend to be biased in the way they perceive the world. In general, one tends to see situations in ways that favor himself. Of course, this type of distortion can lead to be very ‘myopic’ when it comes to recognizing another person’s position on a matter of disagreement. And this can interfere greatly with what it takes to resolve conflict. The conflict yields strong negative emotions and these reactions mark only the beginning of a chain of reactions that can have harmful effects in organizations.

**Need for Paradigm Shift in Organizations**

In organizations, the negative impact of perceptual error is very subtle and not evident always. It may look simple, but it can create havoc to the organizations. Both employees and employers are human being who succumbs to the errors of perception. Individual’s perception of others can have impact on organizations too. If one perceives people wrongly and misjudge them, it has worst implications in organizations. Making quick judgments and assumptions affect a superior-subordinate relationship such as during a performance appraisal or discussion over a work-related incident. Perception is very important for effective communication. When a person misjudges other person in a team/department for example,
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communication between them is affected. A conflict may be created and then exacerbated by these misperceptions as each side becomes entrenched in its own interpretation of reality. Slowly, it may create hostile feelings in the department and human relationships may get affected. Such kind of work environment may hinder performance of the employees in the organization in many ways. Generally, it would result in decreased productivity, organizational imbalance and poor group morale. The situation would be much worse especially when the leader/manager misjudge his subordinate. For instance, employee may not get promotion or any good opportunities despite his hard work due to manager’s misperception about him. This may result in ill feelings among the employees, which can create disharmony in organizations. The employee may spread the ill feelings among other departments in the form of rumour also, which could ultimately affect organizational effectiveness.

Hence, objectivity in perceiving people can have a key role in selecting the right people to build an effective work team, and working environment as a whole. In case, if an employee has been selected wrongly based on manager’s inaccurate perception, it may result in ineffective team performance in an organization. Like this, manager’s perceptual errors may affect various aspects of organization like hiring an employee, performance appraisal, delegation of tasks, communication, customer relations and so on (Parsons and Liden, 1984).

Misperception and Conflicts

In a broader sense, misperception causes serious interpersonal conflicts in organizations resulting in workplace conflict. Using shortcuts by people in judging others could be erroneous resulting in negative consequences. Whenever conflicts/disputes are analyzed by mediators, it was found that perceptual error was the root cause of all such conflicts (Melissa, 2001). Without understanding the misperception upon which a conflict is based, it is possible for an employment mediator to resolve the dispute but not resolving the conflict, or can fail entirely. When one invests time and effort to explore the underlying reasons for each perspective, a perceptual
error may be discovered that can change the course of the conflict and the dispute.

For instance, the initially formed negative perception between two departments in an organization may be difficult to reverse if perceptual errors are operating. As a result, both departments would blame each other for their behaviours (internal attribution), and both tend to view each other’s actions as negative (negative halo effect). Because of these misperceptions, future behaviours, even if they are ambiguous, may be perceived negatively by other department. Neither side would appreciate the role of the other, each lives in its own world, with no meeting point on anything, causing immense harm to organizational effectiveness (Sivakumar, 2005). Workplace conflict is a time-consuming and costly problem that can have a severe impact on the bottom line of any organization. Despite this, many top leaders lack the ability to confront softer issues such as employee relationships in their organisations. Inability to promote effective and constructive communication between staff members can defocus a company and result in an unproductive workforce (Groenewald, 2008). At times, there can be devastating consequences; as a result, the whole business has to be closed down because of this sensitive issue whose roots are perceptual errors.

Perceptual error can be more serious, in case of human relationship in an industry where the interaction between individual employees of their own departments and with various departments tends to be low, in addition to more possibilities of rumours and goof ups. In such cases, even if the person sneezes, that would be attributed to the opinion formed about him. This could result in misunderstandings and conflicts, which may become a very big issue as far as cooperative work environment are concerned.

Due to these reasons, any organization has to shift their paradigm towards perceptual problems employees encounter everyday and if this is unattended, the consequences would be conflicts, unhealthy competition and ruptured interpersonal relationships. Hence, objective perceptions are very essential in an organization for better productivity, human relations, work motivation, industrial relations etc. It is
pertinent to make the employers and employees perceive more objectively for achieving the organizational goals.

**Impact of Perception in Multicultural Organizations**

Clear-thinking people everywhere acknowledge that it is easy for two people to see the same situation very differently. With the fast growing Multinational companies in India, perception is an important issue to be confronted. Most of the organizations, increasingly work across time zones and cultures, this would have even greater meaning if perceptions were influenced by one’s culture. This is especially true when people from different cultural backgrounds work in a team. The perceptions one has of others even overflow into the work place and can cause conflicts with other coworkers. Team work is an essential ingredient of Organizational effectiveness and which every organization aims to achieve also. For any organization to achieve peak performance, it needs to operate as a smoothly functioning system. However, due to misperceptions, people do not work together successfully as a team especially when the team has people from different culture.

Cultural differences in preferred spatial zones between/amongst people also would create misperception in a multicultural organization. For instance, in Japan, it is normal to operate on a 25-cm ‘intimate zone’ for conversations, but the American was more comfortable with a 46-cm zone for conversations and so kept backing away, only to be followed by the Japanese colleague seeking to get closer. Clearly, such events can influence people’s perceptions of each other. Invasions of personal space can be interpreted as threatening or indicative of a desire for a more intimate relationship. They are signals that can be easily misinterpreted (Robbins, 1992).

India is a diversified country and there is no surprise to find people from different backgrounds, cultures, religion, caste and likes, dislikes working under same roof for a single organizational objective. A perceptual gap that often blocks communication-the gap between people from different backgrounds. Every culture has its own view, its own way of cultural perspectives, they can be great way of learning more about both oneself and others. But at
times it is easy to forget that people everywhere do not see things
the way one does. This cultural barrier can lead to misunderstanding
and may end up in trouble most of the times. In a multicultural
organization, manager has to determine from what country the
person (subordinate) comes from before judging him. He should be
sensitive about the cultural differences before judging him, to prevent
misperceptions and subsequent conflicts (Robbins, 2001).

It is clear, then, that perception plays a huge role in how
accurate one is in the conclusions and judgments one makes about
others. Of particular interest are judgments that distort or
misrepresent the facts, or that disagree with the perceptions of
others. Distortions and disagreement are at the root of a host of
problems in managing people.

Factors affecting Judgment-Perceptual Biases

Perceptual biases reflect the mistakes that can occur during the
process of making sense of perceptual information. There can be
mistakes of judgment or in understanding. In an organizational
context, the fact that it is possible to experience errors in perception
can be problematic from several perspectives. In our efforts to
understand others and make sense out of the social world, we are
subject to a wide range of tendencies that, together, can lead us into
serious error. Researchers have noted that there are several
systematic biases that interfere with making completely accurate
judgments of others. Collectively, these biases are referred to as
perceptual biases. The various judgment and perceptual errors are
listed below:

PERCEPTUAL BIASES

Attribution theory and the Biases in the attribution process

• Fundamental Attribution Error
• The Actor-Observer Effect
• Self-Serving bias
• False Consensus Bias

Other Perceptual Errors

• Selective Perception
• Primacy Effect
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- Recency Effect
- Perceptual Set
- Halo Effect
- Contrast Effect
- Stereotyping
- Projection
- Similar-to-me Effect
- Labeling
- Self-fulfilling prophecy
- First-Impression error
- Perceptual Defense
- Implicit Personality
- Negativity Bias
- Optimistic Bias

Attribution Theory and the Biases in the Attribution Process

One’s perceptions of people differ from the perceptions of inanimate objects like tables, chairs, books, pencil, etc. mainly because one is prone to make inferences regarding the intentions of people and thus form judgment about them. An unexplainable event can leave us in a state of dissonance which motivates us to explain the situation to reduce the dissonance. The perceptions and judgments regarding a person’s actions are often significantly influenced by the assumptions one make about the person’s internal state. One of the well known theory proposed by Kelly is known as “Attribution theory”.

Attribution theory (Heider and Kelly, 1958) refers to the ways in which one judges people differently, depending on what meaning one attributes to a given behaviour. Whenever one observes the behaviour of an individual, he attempts to determine whether it was internally or externally caused. Internally caused behaviours are those that are believed to be under the personal control of the individual or have been done deliberately by him. Externally caused behaviour is seen as resulting from outside causes, that is the person is seen as having been compelled to behave in a particular
way by the force of the situation, and not because of his own choice. Whenever manager shouts at his subordinate suddenly in front of everyone, the subordinate may tend to attribute manager’s behaviour as a deliberate move on his part, and he will feel hurt since it appeared that the manager is quite unconcerned and careless about his feeling. But if someone now points out about manager’s recent fair performance appraisal and considering the same subordinate for a promotion, the subordinate tend to condone his manager as he is now ascribing manager’s anger towards him to external factors. Every one uses this distinction between internal and external causes in everyday judgments. The determination of internally or externally caused behaviour depends chiefly on the following factors (Kelly, 1973):

**Distinctiveness** which refers to whether an individual displays different behaviour at different situations. If the behaviour (say being late to office on a particular day) is unusual, one tends to give the behaviour an external attribution; and if it is usual, the reverse.

**Consensus** refers to the uniformity of the behaviour shown by all the concerned people. If every one reports late on a particular morning, it is easily assumed that there must be a severe traffic disruption in the city and thus the behaviour is externally attributed. But if the consensus is low, it is internally attributed.

**Consistency** is the reverse of distinctiveness. It is the extent to which the person in question reacts to the stimulus or event in the same way on other occasions, over time. If the behaviour is high in consistency, it can be attributed to be externally caused or internally caused. *e.g.* 1. Raman often kicks the dog because the dog provokes everyone to be nasty (Externally caused). *e.g.* 2. Raman often kicks the dog even if it is quiet (Internally caused). On the other hand, if the behaviour is low in consistency, it cannot be attributed to either internal or external cause. However, it can be attributed only to circumstances.

**Privacy of the act:** Actions that are taken in the absence of other people are more likely to be judged as internally motivated. When others are present, one might attribute the action to social pressure. When people are alone, they attribute the action to them.
**Status:** In general, higher-status people are seen to be more personally responsible for their actions. They are thought to have more control over their own actions and decisions and do things because they chose to, not because they have to.

Attributions are found to strongly affect various functions in an organization such as the process of employee performance evaluations, nature of supervision or guidance or the general attitude towards the organization in general.

**Biases in the Attribution Process**

A basic assumption of the attribution theory is that humans are rational and logical information processors. In searching for the cause of behaviour, one acts as “intuitive scientists” (Ross, 1977) observing certain factors and dimensions that allow confident causal interferences. However, more recent research has identified several consistent errors and biases that creep into the attribution process. There is danger in attributing causation to particular actions or behaviour, because one may end up basing attribution on an oversimplification of reality. As a result, there may be bias in a way for judge others. The various attribution biases are discussed:

- **Fundamental Attribution Error (Correspondence Bias):**
  There are often some errors or biases in the judgment about others. When one make is judgment about other people’s behaviour, he tends to underestimate the influence of external factors and overestimate the influence of internal or personal factors. This is called fundamental attribution error. (Heider, 1958). There are two categories of explanations for Fundamental Attribution Error:

  1. **internal (disposition) attributions**, in which the behaviour is deemed to be caused by the individual’s characteristics; and,

  2. **external (situational) attributions**, in which the behaviour is due to something outside of the person’s control.

Lateness is a classic example of the fundamental attribution error. Another person’s lateness will be attributed to internal characteristics, such as being inconsiderate. But when one
himself arrives late for an appointment, he is likely to explain the lateness in terms of some external factor such as traffic. “Due to the fundamental attribution error, there is a tendency to attribute blame to the other’s personality traits while justifying one’s own behaviours as due to situational factors, resulting in an unhealthy win-lose relationship in an organization.”

- **The Actor-Observer Effect**: The tendency to attribute one’s own behaviour mainly to situational causes but the behaviour of others mainly to internal (dispositional) causes. It occurs because he is aware of the external factors affecting his own actions but are less aware of such factors when he turn our attention to the actions of other persons. This can lead to false generalizations about others and the traits they possess.

- **Self-Serving bias**: It refers to the inclination for individuals to attribute their own successes to internal factors while putting the blame for failures on external factors (Ross, 1977). Despite the positive benefits of self-serving bias, there are several situations in which it leads to problems. In an organization, each member of the team will want to take personal credit for the team’s success and when the team fails, everyone in the team externalizes the failure, no one accepts the blame for failure. Inevitably, either of these situations can lead to interpersonal conflict and dissatisfaction. This type of bias is called “self-deception”.

- **False Consensus Bias (Assumed Similarity)**: “False consensus bias refers to the assumption that one’s lifestyle, behaviours, and attitudes are the yardsticks of normality. Conversations tend to begin with ‘she should do this and do that.’” The judgments about another’s behaviour in terms of own standards and assumptions that those standards are universally held interfere with accepting alternative perspectives. When one assumes that his is the right way, the other can only be wrong. It seems a general tendency for people to want to believe that others would feel and act
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the same way as they do, however this is the distortion of reality.

An attribution perspective is important because the way an observer perceives an action or behaviour will influence his/her response and provide a foundation for predicting future events. Therefore, it has significance in a motivational sense. The fundamental attribution error and the false consensus bias are two types of perceptual errors that often lead to misperceptions and ultimately conflict especially in organizations.

**Other Perceptual Errors**

Perceptual errors reflect the mistakes that can occur during the process of making sense of perceptual information. They can be mistakes of judgment or in understanding. In an organizational context, the fact that it is possible to experience errors in perception can be problematic from several perspectives. In an effort to understand others and make sense out of the social world, one is subject to a wide range of tendencies that, together, can lead into serious error. Researchers have noted that there are several systematic biases that interfere with making completely accurate judgments of others. Collectively, these biases are referred to as perceptual biases. Other perceptual errors are:

**Selective Perception:** People have a tendency to selectively interpret what they see on the basis of their interests, background, experiences and attitudes. One hardly has either time or inclination to process all the relevant inputs and he automatically select a few. Naturally chances are there to miss some important cues in the process. In an organization, whenever there is a problem situation, people tend to look at the problem only from their perspective. For instance, human resource manager is more likely to perceive a problem to be based on personnel deficiencies while a production manager is likely to see the problem as having more technical issues that must be solved. The importance of correct problem identification is obvious: Trying to solve the wrong problem will not correct the situation. Likewise, selective perception affects various areas of organizational functioning.
Primacy Effect: It refers to the disproportionately high weight given to the first information obtained about a stimulus.

Recency Effect: It refers to the disproportionately high weight given to the last information obtained about a stimulus.

Perceptual Set: When previously held beliefs about objects influence an individual’s perceptions of similar objects it is referred to as “Perceptual Set”.

Halo Effect: It refers to the tendency of forming a general impression about an individual on the basis of a single characteristic. The smartly dressed guy who is very fluent in English often tends to create a favourable impression on the interviewer even when the job is of an accountant or engineer, requiring little or no verbal fluency. Moreover, choosing incapable person because of the halo effect he/she creates would be detrimental to the organization’s performance.

Contrast Effect: It refers to the process of rating individuals in the light of other people’s performance which are close in time frame. A person might be rated excellent in his/her project presentation if his/her predecessor makes a mess in his/her presentation. The case would have been just the reverse if the same person has to present just after a superb presentation!

Stereotyping (Trait Judgment): People are exposed to large amounts of information every day. When one observes the actions of others, he is exposed to a wide variety of behavioral information including what the person says, how the person dresses, how smoothly and confidently and person acts, and so on. Preconceptions and stereotypes that are stored in memory guide the perceptions of others. Stereotypes are schemas about characteristics of group of people, and affect the expectations about members of groups. Stereotype-consistent information receives more attention, whereas people tend to ignore stereotypes-inconsistent information. Based on the stereotypes, one begins to perceive other person and the resulting perception is distorted. They make the complex social environments more manageable, but they are also potentially dangerous because, they are often based on biased information processing. *e.g.*, Stereotype for ‘Women’, ‘Muslims’ etc.
**Projection:** It implies that other possess the same characteristics as ourselves. In other words, one tends to assume that everyone thinks and behaves in the same way. That is a potentially dangerous assumption for managers to make in relations to their employees. Managers invariably express surprise when employees react in a way that was not anticipated or when they refuse to agree with management’s point of view. However, there is no reason why employees should perceive the world the same way that managers do.

**Similar-to-me Effect:** It is a tendency to perceive people in a positive light when one sees them as being similar to oneself and to see who are dissimilar in a negative light. The similarities could be age, race, work values and habits, beliefs etc. This often occurs in manager-subordinate relationship within the organization. For instance, is a boss perceives his subordinate originating from similar race has himself; he is more lenient to him and vice-versa.

**Labeling (Information from Other sources):** If a perceiver receives information about an actor before he/she interacts with the actor, the perceiver’s impression may be affected. This is also called as “Logical Error”. This shows that changes in person perception arise from varying even minor cues or stimuli, leading to a totally altered view of the person perceived. This preliminary expectation or set can change the way a perceiver interprets subsequent behaviour. This effect is called as labeling effect. This often happens in the organization scenario, when a new employee is told negative things by his coworkers, about his manager. The new employee affected by the information, tends to perceive his manager from that perspective only, ignoring/sifting manager’s positive behaviours completely. This can be harmful to the organization due to impaired subordinate relationship with his manager and subsequently affecting the employee performance.

**Self-fulfilling prophecy (Expectancy Effect):** It occurs when people perceive stimuli in ways that will confirm their expectations. Self-fulfilling prophecy operates in four levels: Expectation of people/events is formed, the expectation is communicated with various cues, people tend to respond to these cues by adjusting their
behaviour to match them and the result is that the original expectation becomes true. The positive effect of self-fulfilling prophecy is called as Pygmalion effect and the negative effect of self-fulfilling prophecy is called as Golem effect.

An interesting aspect of people perception is the fact that people’s expectations are often found to determine the actual performance level. If a manager expects an excellent level of performance from his subordinates, chances are quite high that they will actually reach up to his expectation and will make impossible possible (Pygmalion Effect). Surely the contrary is also true. If manager feels that his subordinates are a worthless bunch of people, they will only prove the same (Golem Effect).

This Pygmalion effect describes the idea that raising a superior’s expectations concerning a subordinate’s performance may cause an increase in that subordinate’s performance (Eden, 1990). In management, the Galatea Effect refers to the idea that raising the self-expectations of subordinates regarding their own performance will also raise their level of performance. The consequences of Golem Effect could be devastating when the manager/supervisor is unskilled, he leaves scars on the careers of the young man (and women), cuts deeply into their self-esteem and distorts their image of themselves as human beings. But if he is skilful, and has high expectations of his subordinates, their self-confidence will grow, their capabilities will develop and their productivity will be high (Livingstone, 1988). The Golem effect has to be neutralized in the work setting and Pygmalion/Galatea Effect has to be created to improve performance of the employees.

**First-Impression error: Confirming one’s expectations:** Often the way one judges someone is not based solely on how well that person performs now but rather on the initial judgments of that individual—that is, the *first impressions*. To the extent that one’s initial judgments guide subsequent impressions, some have been victimized by first-impression error. As one might imagine, this error can be especially problematic in organizations in which accurately judging others’ performance is a crucial managerial task. When a subordinate’s performance has improved, that needs to be
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recognized, but to the extent that current evaluations are based on first impressions, recognizing such improvement is unlikely.

Once impression is formed it is highly difficult to change the perception. Based on the impression people have formed they tend to react and behave to that individual, which may not be CORRECT always. One might have lot of instances where he might have formed an impression on certain people and on later close encounter with them would have realized that one was totally wrong. However, such realizations may not take place in office scenario when the communication between manager and subordinate is limited.

**Perceptual Defense:** Here an individual is likely to put up a defense when confronted with conflicting, unacceptable or threatening stimuli. It could be in the form of outright denial, modification of data received, change in perception but refusal to change and change in the perception itself. This happens often in the organizations, when the Union people deny looking into the positive aspects of the management.

**Implicit Personality:** Implicit personality theory is part of the ‘cognitive set’—in essence, a set of concepts and assumptions used to describe, compare, and understand people. One carries around in the head the personality characteristics that go together (E.g., Honesty and Hardworking). While judging and making inferences about others, an individual’s perceptions are influenced by his belief that certain human traits are associated with one another. Implicit personality theories vary with the individual, and the differences are greatest between people of different cultures. In organization context, it operates during judgment of interviewees for job.

**Negativity Bias:** It refers to fact that one shows greater sensitivity to negative information than to positive information. For instance, if somebody mentions lot of positive information and one negative piece of information about one’s manager to the subordinate, the subordinate is most likely to remember the negative information.

**Optimistic Bias:** The predisposition to expect things to turn out well overall. It also shows of in the tendency to assume that he is more likely than other persons to experience positive outcomes, but
less likely than others to experience negative ones. The optimistic bias may be reversed and turned to pessimism, however, when one anticipates receiving bad news with important consequences; in such cases, he braces for loss and show enhanced tendency to predict negative outcomes.

Thus, perception influences the attitude and behaviour towards that person and may be one of the main sources of conflict with that person. It is very important to be consciously aware, before making impressions. So far one has looked in to many instances where he tends to make various perceptual errors in the process of giving meaning to the stimuli (person in this case). In the next section, authors ponder upon the reasons behind these misperceptions.

**Reasons for Misperception**

No doubt one frequently makes errors in judgment based on the perceptions. The study of these biases has caused many to question the inherent rationality of man as an information processor and decision maker. This is not due to poor judgment or bad decision-making; perceptions and the resulting misperceptions are formed by an inherently faulty process.

The reasons behind misperception can be better understood when one looks into the model of person perception by Warr (1968). According to him the five components of person perception are: The person and Context information base, Input Selector, The Perceiver’s State, The processing Centre and The Response mode. The perception of person is influenced by the characteristics and behaviour of the stimulus person by the context within which he/she is perceived, and often by the judge’s store of information about him. The organization culture and structure provide the primary context in which workers and managers perceive each other. So, the context in which the employee works influences the perception. Perception is also influenced by judge’s store of information; for instance, when one looks for someone he does not just see others looks or body language but also see a reflection of one’s past and old experiences with him/her. This prior information may lead the perceiver to misjudge the stimulus person.
Input selector refers to the process by which the vast array of current and previously obtained information is to be shifted. The assumption being that it is not possible to process all available information and that a filtering device is needed to weed out unnecessary information. This selectivity in perception itself may result in perceptual error, due to shifting of the important aspects of the stimulus person. Moreover, the perceiver’s temporary set, his mood or affective state also determines the cues that are noticed. The characteristics of the perceiver including his/ her’s permanent transitory characteristics influence the person perception. The stable characteristics of the person such as personality attributes, cognitive styles, age, sex, attitudes, religious affiliations, social class etc affect the selection of certain relevant aspects of the environment. There is a strong element of habit in this selective activity. A person who is for whatever reason interested in categorizing others according to their social class might habitually attend to cues which seem to be predictive of class. All these components operate whenever one makes judgment about other people. One responds by deriving expectancies about the other people and their relationships. So, the person perception process may itself be prone to error, leading to misperceptions.

In addition to the above explanation, one often makes these perceptual errors because he uses “automatic” information processing. This means that when he recognizes some key information, or stimulus, may recall schemas or categories into which that particular information fits and the judgment is then biased towards the general characteristics of that category. Automatic processing obviously occurs in performance evaluation but it is more likely to occur when a rater observes positive performance of the performance being rated. Then they are more likely to attribute other positive characteristics to the person that have not been observed and to make relatively quick judgments (Kulik and Ambrose, 1993).

Researchers in both social and cognitive psychology began to view human not as intuitive scientists but as “cognitive misers” whose goal is to simplify the process of making judgment and
decisions. As humans, one is limited capacity information processors. He tends to rely on simple mental shortcuts or heuristics to make a number of judgments and decisions. Because he has limited cognitive capacity, one often attempts to reduce the effort he expends on social cognition—how he thinks about other persons. This can increase efficiency but reduce the accuracy with respect to the important task.

Attribution bias can be explained by several possibilities which generally fall under two categories: Motivational and Cognitive Explanations (Baron, 2003). The most apparent explanation for self-serving bias is that it allows one to protect and enhance one’s self-esteem. It is true that at the invisible surface of behaviourism, the nature of human being is based upon egocentrism and selfishness (Motivational Explanation). He attributes positive outcomes to internal causes but negative ones to external causes because he expects to succeed and have a tendency to attribute expected outcomes to internal causes more than to external causes (Cognitive Explanation). Schemas (mental frameworks for organizing and using social information) help to process information, but they often persist in the face of disconfirming information, thus distorting the understanding of the social world. It can also exert self-confirming effects, causing to behave in ways that confirm them.

According to Heider (1958), one routinely explains his behaviour and that of others, in order to have a sense of control in the lives. “Once we have determined the cause of some event, we can predict the occurrence of that event. In this way, life becomes controllable”.

In addition, inaccurate social information or inaccurate coding of such information may give rise to perceptual biases. It can also be explained by the tendency of individuals to use their own opinions and behaviour as an anchor for drawing social judgments in the face of uncertainty. This explains the assumed similarity effect.

Now authors will examine the ways and means to nullify or reduce such errors of perception which could affect the relationships among the employees and employer in an organization.
Improving the Accuracy of People Perceptions

One tends to see in others what he wants to see. This is one reason why so many professional and personal relationships get affected. The suggested ways of improving perception are as follows:

1. **Controlled Information Processing:** To avoid perceptual problems, it is necessary to use a “controlled” approach to information processing (Tosi et al., 2000). In this approach, one pauses and reflects on the situation as well as the person and tries to identify both the situational forces and the personal causes of behaviour before making the judgment. He should seek information from various sources to confirm or disconfirm personal impressions of a decision situation. Examining the impression one formed of others and finding whether it is real or whether it is based on only past experience is one way to help oneself form correct impression of people. For instance, one suddenly likes/hates some people he has just seen, because they may resemble the person he already knows. If they resemble person whom he hates one develops hatred towards this new person also without any underlying cause. Before the hatred gets intensified unconsciously, it is better to be aware of the reaction and correct the impression.

   Be it the way the person talks, walks, or the clothes he wears, still each of these elements can affect one’s thoughts and let oneself to judge others incorrectly. So, keeping an open eye for these clues, understanding one’s own past, its connection with present and knowing that looks are deceiving can help improve the objectivity of perceptions. So, until one gets know people better, he has to focus on what they do rather than upon the feelings about them. This approach requires searching for more data. While this can complicate and delay matters, it may lead to a more accurate and less biased judgment.

2. **Empathy:** The more one can empathize with another person the less he will likely fall prey to bias and make unwarranted dispositional attributions about other people. Being sensitive to the feelings, thoughts, and situation of others can definitely reduce the perceptual errors.
3. **Role Reversal:** It is one of the mechanism by which perceptual error can be reduced. Since, the role reversal provides opportunity to understand others role, if they are provided such role. For instance, if a person thinks that his/her manager is unfit, he must assume the role of his/her manager. And that experience would reduce the perceptual error. Often skilled trainer can facilitate the process of role reversal in organizations for improving accuracy of perceptions and overcome perceptual errors.

4. **Self-awareness:** Being aware of one’s values, beliefs, needs, stereotypes and prejudices would definitely help in reducing perceptual errors. This can be achieved by using Johari Window model, proposed by Luft and Ingham (1955). This model is useful for analyzing the causes for inter-personal conflict. The basic platform of this model is that personal and professional relationships of people in organizations can be greatly improved (conflict eliminated) through understanding others.

5. **Sensitivity exercise in terms of Self/Others:** In any organization, there may be conflict of ideas or misunderstandings between manager and his/her subordinate. To resolve this, a simple exercise could be conducted. In this exercise, participants are invited to choose from a list of adjectives and compare them with the ones that other people have chosen for them. A second stage to this exercise is to ask other people, on a 1-5 scale, to rate each individual on the adjectives he or she has chosen as self-descriptors. Thus, if a person has chosen ‘charming’ for himself, the other people in the group will each now rate him (anonymously if they wish) for charm by awarding the person marks out of five. At the end of this exercise both the person are supposed to get same scores on the five point scale about the person who is assessed. However, in real situations most of the times, there may be lot of difference between the perspectives of two people. So the question is whether the person who is assessed has not projected himself properly by sending proper social signals or the perceiver has misinterpreted the person assessed. To resolve this issue both the person may be asked to write 3 examples supporting their ratings about a particular adjective e.g. ‘Loyalty’ (Being ‘Loyal’ and ‘Disloyal’). This exercise
thus allowed both persons to see how they had been misinterpreting each other. At the end of the exercise both would learn that they were not as good at judging other people as they had thought, and the second that they were not always sending out the appropriate social signals (Fontana, 1990). So, the professional misunderstandings can be resolved by this exercise effectively and would open up avenues for better relationship between Subordinate and Manager and subsequently enhance the performance and Job satisfaction.

6. **Bringing Paradigm Perceptual Shift:** This method is used to resolve differences of opinion between two people in an organization. (Adler and Towne, 1978).

1. Choose a disagreement between two persons or groups. The disagreement might be a personal one or official one, like who is to blame for a present state of affairs.
2. In 300 words or so one person (who actually undergoes the whole exercise) is asked to describe his/her side of the issue. He must be asked to state why he believes as he does, just as if he were to present his position to an impartial jury.
3. Now he is asked again to describe in 300 words in the first-person singular how the other person sees the same issue.
4. Now he/she is asked to show the description written in step-3 to his/her “opponent,” the person whose beliefs are different from his beliefs. Opponent person is asked to read first person’s account and correct any statements that do not reflect his position accurately. This is done so that the first person can more clearly understand how the issue looks to the other person.
5. The first person is asked to make any necessary corrections in the account he/she wrote in step-3, and asked to show again it to his/her opponent. When he agrees that the first person understand his position, have him sign the first person’s paper to indicate this.
6. Now record the first person’s conclusions to the experiment. Ask the first person whether this perception shift made any difference in how he/she view the issue or how he/she feel about his/her opponent.

Authors realize that many of these tactics are far easier to say than to do. It is human nature to jump conclusions about people, but when one can, one must take the time to get to know people better before judging them. What one would learn may make a big difference in the opinion. However, to the extent that one conscientiously tries to apply these suggestions to the everyday interactions with others in the workplace, he stands a good chance of perceiving people more accurately. This will definitely pave way for effective interpersonal relations and thus, increase the productivity and effectiveness of any organization. Only when people understand each other, they can function as a team successfully. After all, we are all social animals. Mutual understanding and valuing of differences is important for an effective work team, just as it is for a sports team. Team spirit emerges from shared values and purposes which allow each person to contribute based on his or her strengths.

**Link between Perceptual errors and Business Promotion**

Particularly, certain perceptual errors have to be minimized in an organization in order to enhance interpersonal relationships, improve group morale, employee’s performance and to make them as a performing team. Thereby, one can reduce and prevent interpersonal conflicts and disputes, misunderstanding, negative emotions etc. In contrast, certain perceptual errors could be used to increase the business transactions by way of using the principles of perceptual errors in Advertisement, Marketing etc.

Business involves human interactions and all humans are susceptible to make errors in their perception. Perception is reality, so by effectively influencing the perception of others, one can succeed in his/her business. Others perception of the individual and the organization become the reality from which they form ideas and the basis for intended behaviours. For instance, one can act/behave according to the interest of the business delegates to win his favorable impression.
In advertisements also people use the principle of selective perception to attract different strata of customers and make them see what they want to see. For example in an advertisement, they portray house wives models to enable the housewives to identify with the model and purchase the product. This can make the housewife to justify that everyone uses the same costly product what they use. Actually in reality, many won’t be using that product (Assumed Similarity Effect).

Impression management is used by advertisers to improve the brand image of their product. They try hard to form impressions in the mind of the consumers. After which, it would be difficult for the consumers to switch over to other brands in spite of the brand losing its quality and value. They may do lot of business promotion activities and sustain the impression formed. This would make the consumer themselves support and defend the product due to the halo effect it created.

In both the ways, perceptual error can be used for promoting business in an organization and for improving interpersonal relationships within the organization. It is more clearly understood that perception plays a vital role in terms of various aspects of the organization. Various perceptual errors which can cause people to misjudge others have been dealt in this article. It can not be ensured that most of the times, we do perceive others as they really are. Ways and means are suggested to improve people perceptions in organizations. Once the perceptual biases are understood, it is easier to overcome judgment errors (Cardy and Kehoe, 1984). Just by creating awareness about the errors of perception, people (both employee and employer) can gain insight and would try to correct their perspective. If the organization takes effort to address perceptual issues, lot of interpersonal conflict in organizations could be prevented, right person could be selected for the job, performance appraisal would be more accurate etc. The suggestions to improve accuracy of perception can be followed in organizations for better individual decision making, better human relations, improved performance and organizational effectiveness.
REFERENCE


Role of Person Perception in Business Organizations


