

**LEVEL OF SATISFACTION ON THE IMPLEMENTATION OF PERFORMANCE
APPRAISAL AMONG NON ACADEMIC STAFF**

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UNIVERSITI UTARA MALAYSIA

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**LEVEL OF SATISFACTION ON THE IMPLEMENTATION OF PERFORMANCE
APPRAISAL AMONG NON ACADEMIC STAFF**

BY:

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**A project paper submitted to the College of Business in partial fulfillment of the
requirements for the degree of Master of Human Resource Management**

Universiti Utara Malaysia

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ABSTRACT

The study was conducted to identify the level of satisfaction among non academic staff of one of the public universities located in Northern Malaysia on the implementation of performance appraisal system.

The aims of the study were to: (i) measure the level of satisfaction on the implementation of the performance appraisal system; (ii) to investigate the relationship between independent variables (rater's competency, evaluation process, compliance to rules & standard practices, employees' participation and dependent variable (level of satisfaction); and (iii) to measure the influence of rater's competency, evaluation process, compliance to rules & standard practices and employees' participation on the level of employees' satisfaction on the implementation of the performance appraisal system.

Data were gathered through questionnaires distributed to 377 respondents comprising of officers in the category of management and professional, support staff I, and support staff II. However, only 178 questionnaires (47 per cent) that were returned found to be useable for further analysis. The data were analyzed using Statistical Package for Social Sciences (SPSS) software, version 17.0.

The level of satisfaction was found to be at medium level, with a mean score of 2.89. All variables showed presence of a positive and significant relationship, with a value of correlation coefficients between 0.291 and 0.386.

The value of Adjusted R Square, however, amounted to only 0.141 which indicates that there was only 14.10 per cent change in the level of satisfaction that can be explained by the four (4) independent variables which are rater's competency , evaluation process, compliance to rules & standard practices and employees' participation. The remaining 85.90 per cent was due to other factors which were not considered in this research.

Generally, the findings indicate that the level of satisfaction, as measured along the given four independent variables, support the hypothesis that there is positive and significant relationship between the variables. The findings also show that the organization should focus more on the factors that are linked with employees' satisfaction.

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TABLE OF CONTENTS

	Page
CERTIFICATION OF PROJECT PAPER	ii
PERMISSION TO USE	iii
ABSTRACT	iv
ACKNOWLEDGEMENTS	vi
TABLE OF CONTENTS	viii
LIST OF TABLES	xii
LIST OF FIGURES	xiii
 CHAPTER ONE : INTRODUCTION	
1.1 Introduction	1
1.2 Research background	2
1.3 Problem Statement	5
1.4 Research Questions	6
1.5 Research Objectives	7
1.6 Significance of the Study	7
1.7 Limitation of Study	8
1.8 Operational Definition	9

CHAPTER TWO : LITERATURE REVIEW

2.1	Introduction	11
2.2	Performance Appraisal Process	11
2.3	Rater's Competency	15
2.4	Evaluation Process	18
2.5	Compliance to Rules & Standard Practices	21
2.6	Employee Participation	23
2.7	Employee Satisfaction Relating to Performance Appraisal System	25
2.8	Theoretical Framework	27
2.9	Hypotheses	29

CHAPTER THREE : METHODOLOGY

3.1	Introduction	30
3.2	Research Design	30
3.3	Population	31
3.4	Sampling Technique and Size	32
3.5	Research Instrument	33
3.6	Pilot Test	34
3.7	Data Collection Procedures	36
3.8	Data Analysis Techniques	36

3.8.1	Descriptive statistics	37
3.8.2	Inferential Statistics	37
	(a) Pearson's Correlation	37
	(b) Multiple Regression	38

CHAPTER FOUR : RESEARCH FINDINGS

4.1	Introduction	39
4.2	Rate of Response	39
4.3	Demographic Profile of the Respondents	40
4.4	Analysis Mean and Std Deviation for Variables	42
4.5	Analysis of Relationship Between Variables	45
	4.5.1 Pearson Correlation Coefficient	46
	4.5.2 Summary of Hypothesis Testing	48
	4.5.3 Multiple Regressions	49
4.6	Conclusion	51

CHAPTER FIVE : DISCUSSION, RECOMMENDATION AND CONCLUSION

5.1	Introduction	52
5.2	Discussions	52

5.3	Conclusion	55
5.4	Recommendation for Future Research	55

REFERENCES

APPENDICES

- I Research Questionnaires
- II Data Analysis Using SPSS
- III Form for Annual Target & Performance Appraisal Report
 - (a) Management & Professional
 - (b) Support Staff I
 - (c) Support Staff II

LIST OF TABLES

Tables	Page
Table 1.1 Employees Feedback	4
Table 3.1 Population (N) and Appropriate Sample Size (S)	32
Table 3.2 Brief Description of the Questionnaire	34
Table 3.3 Alpha Coefficient for Each Variable	35
Table 4.1 Rate of Response	40
Table 4.2 Demographic Profile of the Respondents	40
Table 4.3 Mean Scores and Standard Deviations for Variables	43
Table 4.4(a) Adjusted Level of Agreeableness	44
Table 4.4(b) Category of Level of Agreeableness	44
Table 4.4(c) Category of Level of Agreeableness for All Variables	45
Table 4.5 Correlations between Dependent and Independent Variables	46
Table 4.6 Summary of Hypothesis Testing	49
Table 4.7(a) Results of Regression Analysis for Variables	50
Table 4.7(b) Multiple Regression for Variables (Model Summary)	51

LIST OF FIGURES

Figures		Page
Figure 1.1	Process Flow of the Public Sector Appraisal System	14
Figure 2.1.	Theoretical Framework	28
Figure 3.1	Staff Population	31

CHAPTER 1

INTRODUCTION

1.1 Introduction

Performance appraisal is one of the core activities in human resource management function. It provides great input for other human resources decisions and more importantly as an indicator or determinant for salary raises, career advancement, employee development and other benefits offered by the management. To individual employees, appraisal is always being viewed as an instrument which has far reaching implications in their career path. It is therefore, the level of objectivity, transparency, and integrity of not only the system but also the raters that are crucial to ensure the acceptable level of fairness is preserved. If the employees perceived that they are being appraised appropriately and fairly, then the chances of eliminating the feeling of distrust are great which leads to higher level of satisfaction among employees. In such a case, both employees and organization will get the benefit of a motivated work force.

However, the organization will be negatively affected if irregularities, unfairness and oppression are involved in the process of appraising employees' performance. As a result, employees feel dissatisfied and this could badly impact on the smooth running of an organization and its efficiency would be seriously impaired.

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