

**AN EMPIRICAL RESEARCH ON PERFORMANCE MANAGEMENT SYSTEM (PMS)
AND JOB PERFORMANCE OF EMPLOYEES: THE CASE STUDY OF
MANAGEMENT WORKERS OF MEEZAN BANK LAHORE (PAKISTAN)**

A thesis submitted to the Othman Yeop Abdullah graduate school of business

in partial fulfillments of requirements for the degree of

Master of Human Resource Management

Universiti Utara Malaysia

By

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DECLARATION

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I certify that all the supports and assistance received in preparing this project paper and all the sources abstracted have been knowledge in this stated project paper.

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ABSTRACT

Performance management system (PMS) are mostly undertaken to let management know the performance of employees since employees' performance is one of the considerable issues for the organizations in this competitive world therefore the need for an efficient and effective performance management system (PMS) has increased over the last decade. Meezan bank is a pioneer bank to introduce Islamic banking in Pakistan and it is growing very fast. This study investigates the correlation of performance management system (PMS) with job performance of management workers of Meezan bank in Lahore. It also attempts to explore the contributing factors of the key dimensions of performance management system (PMS) which are job dimensions, clear goals and objectives, performance appraisal system (PAS) and rewards and recognition that contribute to the job performance of employees. One hundred and fifteen questionnaires were distributed through mail survey using simple random sampling and sixty one responses were returned. As this study attempts to examine the correlation of independent variables with dependent variable so it is quantitative in nature. Instrument was developed by the researcher with the help of experts who are teaching performance management subject since many years. Initially pilot test was done to test the reliability of instrument which showed all alpha values were greater than .80. Pearson correlation, linear regression, mean and standard deviation techniques were used to check the relationship between dependent and independent variables. According to findings all the independent variables 'job dimension, clear goals and objectives, performance appraisal system (PAS) and rewards and recognition" have strong positive linear relationship with job performance of employee as r values of all variables were between .86 to .93. Linear regression was done to check the influence of independent variable on dependent variable as finding showed R square is .922 which shows the 92.2% influence of

performance management system (PMS) on job performance of employees where the highest beta value comes from performance appraisal system (PAS) which is $B = .396$. This study revealed that out of four variables, three of them are significantly contributed to the job performance. Those three independent variables are job dimension, performance appraisal system and rewards and recognition. Lastly, it is proposed that management of Meezan bank should consider the implementation of the performance management system (PMS) and they should focus these elements of PMS “performance appraisal system (PAS), rewards and recognition and job dimensions” to achieve high job performance of their employees.

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