

RESEARCH PROPOSAL:

PERFORMANCE APPRAISAL SYSTEMS AND THEIR EFFECT ON EMPLOYEES'  
LEVEL OF COMMITMENT

Name

Course

Professor

University

City, State

Date

### **Problem statement**

Faulty, biased performance appraisal systems lead to negativities in the behaviors of the employees that negatively affect the overall levels of performance of the employees (Awan, 2013). When the employees become aware that their performance is not being rewarded in an appropriate manner, their level of satisfaction in the job reduces, which affects their output at workplace (Boachie-Mensah and Awini Seidu, 2012). The research has highlighted that with rewarding performance appraisal systems, the employees seem to become increasingly satisfied with their jobs and are more committed to the organization. The organizations thereby need to make sure that the designed performance appraisal systems are free of any biasness and are appropriate (E.Deepa and Dr.S.Kuppusamy, 2011). This study will find out the link and relationship between rewarding and positive performance appraisal systems and job satisfaction or commitment of the employees with the organization.

### **Theory, Assumptions, Background Literature**

One of the main human resource practices includes formal performance appraisal systems (Goksoy and Alayoglu, 2013). A variety of reasons are based on the designing and execution of performance appraisal systems in the organizations. These include valued feedback, promotions, pay increments, as well as career progression in the employees. There are two main dimensions of the performance appraisal system, evaluative and a developmental dimension. Development performance appraisal systems are more focused on the sets of skills that are to be acquired by the employees. These skills sets are generally identified with the help of performance appraisal systems (Goksoy and Alayoglu, 2013). One of the main advocates of the performance appraisal system is that it can help in the detection of strengths and weaknesses of the employees as well as areas in which more improvement is needed by the employees. The

identified weaknesses and areas of improvement can be improved setting certain objectives and targets for the selected employees (Ndambakuwa and Mufunda, 2008). Performance related pay systems is known to be one of the main applications of performance appraisal systems. These are used for the alignment of the objectives of the employees with the objectives and aims of the organization (Westover, Westover and Westover, 2010). Secondly these are also used for more motivation of the employees by awarding them in an appropriate manner. An important advantage of the performance appraisals system is that the feedback and the communication that takes place between the employees and the authorities during the performance appraisals may send a positive signal to the employees of the organization that they are being assessed watched and valued for the hard work that they are doing for the organization. The advantage of the performance appraisal system has an economic relevance as there is a great link between employee feedbacks, employee participation and communication with the job commitment and job satisfaction of the employees as these are some of the main predictors of performance and productivity of the employees (Goksoy and Alayoglu, 2013).

### **Research questions**

1. What is the link between an effective performance appraisal system and satisfaction and commitment of the employees.
2. Can appropriate and rewarding performance appraisal systems help in increasing commitment of the employees for an organization.

### **Hypothesis**

The main hypothesis that will be followed in the study is ‘if the performance appraisal systems are positive and rewarding, than the employees would be increasingly satisfied that will lead to increased commitment of the employees with the organization. Two main variables

that are to be used in the study include the dependent and independent variable. The performance and the output of the employees is the dependent variable and the level of satisfaction and commitment of the employees is an independent variable.

### **Operational Definitions And Measurement**

The main problem that is to be addressed in the study is that the performance appraisal systems affect the level of commitment and satisfaction of the employees. The issue is very straightforward and there is no need for the simplification of the problem. The second main task is the measurement of variables. The performance of the employees will be measured with the overall level of task completion as assigned to the employees. The better task completion will be dependent on the commitment of the employees with the task and the organization.

### **Research Design And Methodology**

The main research methodology that is to be adopted in this study is both qualitative and quantitative research. The data will be collected from the selected employees and managers of the organization. One organization will be selected. The department of human resource will be selected for collection of surveys. Almost a 100 employees will be selected for the survey. The surveys will be distributed in the organization based on the acceptance and will of the employees and the managers. The questions in the survey will be related to the performance appraisal systems of the organization, its effectiveness for the employees, its level of agreement and acceptance from the employees, and its effect on the performance level of the employees. This is the main methodology with the help of which the answers can be found for the research questions. One of the constraints that can be a limitation includes time constraint. Based on lesser time in hands, lesser surveys would be distributed to make sure that survey can be analyzed in a timely manner.

### **Instrumentation And Sampling**

The main instrument that will be used for the survey includes survey questionnaire. The questions that are to be included in the survey questionnaires will be in relation to the research questions mentioned. The employees will be asked and inquired about the performance appraisal system being followed in the organization, their level of satisfaction with the system and what they think about the system. The survey questionnaires will be gathered and the responses will be analyzed for the level of satisfaction of employees.

### **Data Analysis**

The responses that are gathered from the questionnaire survey will be analyzed and graphs will be drawn for the responses gathered. This will help in the analysis of the responses gathered. The graphical analysis will help in understanding and interpreting the responses of the employees and the managers.

### **Conclusions, Interpretations, Recommendations**

My initial hypothesis is supported as there is a strong link between the performance appraisal systems, their effectiveness and the level of commitment of the employees. The finding can be implemented in the organizations by the human resource managers to develop better performance appraisal systems for improving the commitment of the employees.

### **Recommendations**

1. The performance appraisal systems need to be based on the overall performance of the employees checked and measured quarterly or biannually.
2. The employees need to be kept up to date with the checks and performance measurement parameters.

## References

- Awan, W. (2013). Capturing the Factors of Perverse Perception of Employees for Performance Appraisal System: A Case of Broadband Internet Service Providing Companies In Pakistan. *IJARBS*, 3(12).
- Boachie-Mensah, F. and Awini Seidu, P. (2012). Employees' Perception of Performance Appraisal System: A Case Study. *IJBM*, 7(2).
- E.Deepa, E. and Dr.S.Kuppusamy, D. (2011). Impact of Performance Appraisal System on Job Satisfaction, Employee Engagement, Organizational Citizenship Behavior and Productivity. *IJAR*, 4(2), pp.4-6.
- Goksoy, A. and Alayoglu, N. (2013). The Impact of Perception of Performance Appraisal and Distributive Justice Fairness on Employees' Ethical Decision Making in Paternalist Organizational Culture. *Performance Improvement Quarterly*, 26(1), pp.57-79.
- Grote, R. (2002). *The performance appraisal question and answer book*. New York: American Management Association.
- Ndambakuwa, Y. and Mufunda, J. (2008). Performance Appraisal System Impact on University Academic Staff Job Satisfaction and Productivity. *Performance Improvement Quarterly*, 19(1), pp.117-126.
- Westover, J., Westover, A. and Westover, L. (2010). Enhancing long-term worker productivity and performance. *Int J Productivity & Perf Mgmt*, 59(4), pp.372-387.